

2020

ANNUAL REPORT

REDEVELOPMENT AGENCY OF LINDON CITY, UT

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



NOVEMBER 1ST REPORT

Dated as of November 1, 2020

Prepared by Lewis Young Robertson & Burningham, Inc.


**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM

Table of Contents

SECTION 1: EXECUTIVE SUMMARY	3
INTRODUCTION	3
AUTHORITIES AND POWERS OF THE AGENCY	4
SUMMARY OF REQUESTED FUNDS	5
GENERAL OVERVIEW OF ALL PROJECT AREAS	6
SECTION 2: STATE STREET #1 RDA.....	7
SOURCES OF FUNDS.....	7
USES OF FUNDS.....	8
PROJECT AREA REPORTING AND ACCOUNTABILITY	8
NOTABLE DEVELOPMENT AND FUTURE PROJECTS	9
FORECASTED PROJECT AREA BUDGET UPDATE	11
OTHER ISSUES.....	11
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS	11
EXHIBIT A	14
SECTION 3:700 NORTH CDA	15
SOURCES OF FUNDS.....	15
USES OF FUNDS.....	16
PROJECT AREA REPORTING AND ACCOUNTABILITY	16
NOTABLE DEVELOPMENT AND FUTURE PROJECTS	17
FORECASTED PROJECT AREA BUDGET UDPATE	18
OTHER ISSUES.....	18
PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS	18
EXHIBIT B	23
HISTORIC PROJECTS	24
WEST SIDE RDA	24
RDA #3	24

SECTION 1: EXECUTIVE SUMMARY

INTRODUCTION

Lewis Young Robertson & Burningham, Inc (“LYRB”) has been retained by the Lindon City Redevelopment Agency (the “Agency” or “RDA”) to assist with the management of the Agency’s two active project areas (**State Street #1 RDA** and **700 North CDA**). LYRB has compiled various creation and related documents associated with the project areas, created 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. As reporting requirements were adopted in legislation and became effective in 2011 and later expanded in 2016, this report facilitates the RDA’s compliance with the code, providing the data necessary to fulfill these reporting requirements. This section of Utah Code mandates that the Agency provide an annual report to the County Auditor, the State Tax Commission, the State Board of Education, as well as each of the taxing entities that levy a tax on property from which the Agency collects tax increment (“Tax Increment” as defined in the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, 17C). The taxing entities involved in the various project areas of the Lindon City RDA, to which this report is being provided, are summarized in the table below.

TABLE 1.1

RDA TAXING ENTITIES	
Adam Cowie	Lindon City
Kristen Colson	Lindon City
Burt Harvey	Utah County
Rob Smith	Alpine School District
John Jacobs	North Utah Valley Water Conservancy District
Gene Shawcroft	Central Utah Water Conservancy District
Lisa Anderson	Central Utah Water Conservancy District
Deborah Jacobson	Utah State Board of Education
Lorraine Austin	Utah State Board of Education
Scott Smith	Utah State Tax Commission

It is important to note that the annual report is currently in a transitioning phase as updated Utah Code section 17C-1-603 states that, beginning in 2021, the annual RDA report will be disseminated only to the Governor’s Office of Economic Development and will be due on or before December 31st of each calendar year. The November 1st deadline will be eliminated and electronic submission of the report to the taxing entities, County Auditor, State Tax Commission, State Board of Education will be replaced with the GOED database. LYRB will continue to provide the annual RDA report in strict compliance with the requirements laid out in 17C-1-603.

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 Lindon Redevelopment Agency, including descriptions of each Project Area, significant activities, project timelines, actual and estimated tax increment collections, and any other information pertinent to the taxing entities.

Provided in this report is an overview of the Lindon **State Street #1 RDA** Project Area and the **Lindon 700 North CDA** Project Area, including summaries of the current and projected budgets, sources and uses of tax increment funds, Project Area growth statistics, and identification of certain concerns/needs.

OVERVIEW OF THE REDEVELOPMENT AGENCY

The Lindon City Redevelopment Agency was created by the Lindon 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.

The **State Street #1 Project Area** was created prior 1998, and as such, has been classified as a Redevelopment Area, or RDA. The **700 North Project Area**, which was created in 2014, has been classified as a CDA.

AUTHORITIES AND POWERS OF THE AGENCY

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

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

- Issue bonds to finance the undertaking of any urban renewal, economic development, or community development or for any of the agency’s other purposes, including;
 - Reimbursing an advance made by the agency or by a public entity or the federal government to the agency;
 - Refunding bonds to pay or retire bonds previously issued by the agency; and
 - Refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with an urban renewal, economic development, or community development project; and
- Transact other business and exercise all other powers provided for in this title.

GOVERNING BOARD OF TRUSTEES AND STAFF MEMBERS

TABLE 1.2

GOVERNING BOARD OF TRUSTEES		
Jeff Acerson	Chairman	Lindon City Mayor
Mike Vanchiere	Board Member	Lindon City Council Member
Randi Powell	Board Member	Lindon City Council Member
Carolyn Lundberg	Board Member	Lindon City Council Member
Van Broderick	Board Member	Lindon City Council Member
Jacon Hoyt	Board Member	Lindon City Council Member

TABLE 1.3

STAFF MEMBERS	
Adam Cowie	City Administrator/RDA Executive Secretary
Kristen Colson	Finance Director
Michael Florence	Planning and Economic Development Director

SUMMARY OF REQUESTED FUNDS

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

TABLE 1.4

ESTIMATE OF TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2020 (Ending Dec 31, 2020)	Tax Year 2021 (Beginning Jan 1, 2021)
Property Tax Increment		
700 North	\$143,423	\$171,116
Total Revenue	\$143,423	\$171,116

GENERAL OVERVIEW OF ALL PROJECT AREAS

TABLE 1.5

COMBINED BUDGET - ALL PROJECT AREAS		
REVENUES	FY 2020 TOTALS	REMAINING LIFE (INCLUDES 2020 TOTALS)
700 North CDA		
Property Tax Increment	\$115,992	\$5,951,289
Current Uncollected	(\$2,875)	(\$2,875)
Prior Year Uncollected	\$4,889	\$2,014
Total Increment	\$118,006	\$5,950,428
Interest	\$3,078	\$55,398
Total Revenue	\$121,084	\$6,005,826
EXPENDITURES	FY 2020 TOTALS	REMAINING LIFE (INCLUDES 2020 TOTALS)
700 North CDA		
RDA Administration	\$14,700	\$264,600
Professional & Tech Services	1,550	27,900
Project Development: Land Assembly & Infrastructure	-	-
Contribution to Fund Balance/Development Activities	104,834	5,713,326
Total Expenditures	\$121,084	\$6,005,826

TABLE 1.6: ACTIVE PROJECT AREA ACREAGE AND RESIDENTIAL HOUSING

ACREAGE			
	Developed	Undeveloped	Residential
State Street #1	43	14	Current Percent of Residential Acreage: 0% City Approved 4 Units
700 North CDA	122	161	Current Percent of Residential Acreage: 0% Application Submitted for 60 Single Family (Ivory Homes) City Authorized 496 Residential Units (Anderson Farms)

SECTION 2: STATE STREET #1 RDA

TABLE 2.1

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> Developed 43 Undeveloped 14 Total 57	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 080-0003	<u>Tax Rate</u> 0.0087890
<u>Creation Year</u> FY 1986	<u>Base Year</u> FY 1986	<u>Term</u> 25 Years	<u>Trigger Year</u> FY 1996	<u>Expiration Year</u> FY 2020
<u>Base Value</u> \$6,408,435	<u>TY 2019 Value</u> \$47,144,418	<u>Increase</u> 636%	<u>FY 2020 Increment</u> \$208,995	<u>Jobs Created</u> 430

The State Street #1 RDA Project Area was created in July 1986 with the purpose of incentivizing commercial development along State Street in Lindon. This includes the prevention of further deterioration of the Project Area, the renovation and beautification of existing businesses, as well as the attraction of the new businesses to the Project Area. Land uses in the Project Area consist of general commercial, public and semi-public, and institutional. As the State Street #1 RDA Project Area was created prior to 1993, a taxing entity committee was not required and therefore was not established for this Project Area.

The Project Area lies entirely within Lindon City and includes approximately 57 acres of property located along State Street from 200 South to 600 North. A map of the Project Area is included as **Exhibit A**.

Since inception in 1986, the Project Area has helped an estimated 30 new businesses, with approximately a dozen new retail and office facilities constructed. These businesses include used auto dealerships, medical offices, a retail strip mall, a service station, and various restaurants and other businesses.

SOURCES OF FUNDS

TABLE 2.2

2020 SOURCES OF FUNDS	
<i>Calculated Property Tax Increment</i>	\$214,817
Current Year Uncollected	(\$38,219)
Property Tax Increment Collected and Paid to Agency ¹	\$176,598
Previous Years Tax Increment Paid	\$32,397
Total Tax Increment	\$208,995
Interest Earnings	\$10,253
Contribution of Fund Balance	-
Total Sources of Funds	\$219,247

¹ Utah County remits tax increment to the Agency only to the point that it has been collected from property owners. Thus, although the Agency may be entitled to \$214,817 in annual tax increment for FY 2020, the County remits to the Agency the portion that has been collected, as well as any tax increment that has been collected from property owners for prior year delinquencies. Delinquent tax increment collected in FY 2020 was \$32,397.

TABLE 2.3

TAX INCREMENT LEVELS	
Years	Percentage (%)
1996 - 2000	100%
2001 - 2005	80%
2006 - 2010	75%
2011 - 2015	70%
2016 - 2020	60%

USES OF FUNDS

TABLE 2.4

2020 USES OF FUNDS	
Professional and Tech Services	\$1,500
Administrative Costs	26,600
Development Activities/Fund Balance	191,147
Total Uses of Funds	\$219,247

TABLE 2.5

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$253,693	\$208,995	82%

PROJECT AREA REPORTING AND ACCOUNTABILITY

RELATIVE GROWTH IN ASSESSED VALUE

TABLE 2.6

GROWTH IN ASSESSED VALUES				
ASSESSED VALUES IN PROJECT AREA	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in Project Area (2019 vs. 2018)	\$47,144,417	\$43,277,428	8.9%	8.9%
Lifetime Growth in Project Area (2019 vs. 2000)	\$47,144,417	\$15,266,534	208.8%	6.1%
Lifetime Growth in Project Area Since Base Year (2019 vs. 1986)	\$47,144,417	\$6,408,435	635.7%	6.2%
ASSESSED VALUES IN LINDON CITY	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in City (2018 vs. 2017)	\$1,664,737,240	\$1,450,559,632	14.8%	14.8%
Lifetime Growth in City (2018 vs. 2000 ²)	\$1,664,737,240	400,177,580	316.0%	7.8%

² LYRB 2000 values for these comparisons because this is the first year for which reliable data is available.

The value of the Project Area increased by \$3,866,990, or an increase of 8.9 percent and has grown at an average annual growth rate (“AAGR”) of 6.2 percent since the base year. The City’s overall growth has been slightly lower at 7.8 percent since 2000.

BENEFITS DERIVED BY TAXING ENTITIES

TABLE 2.7

BENEFITS TO TAXING ENTITIES	
Creation of approximately 430 new jobs	
Increased Sales Tax Revenues	
Increased Property Tax Revenues	
- 40% of tax increment flows back to taxing entities in years 2016 - 2020	
- 100% of tax increment flows to taxing entities after 2020	

Approximately 430 jobs have been created in the Project Area since its inception. This includes an estimated 55 new jobs that were created in the Project Area due to the completion of the public safety building. Several new businesses entered the Project Area over the past year, replacing existing companies and it is estimated that other job numbers have remained relatively steady.

The taxing entities are currently benefiting from increased assessed values in the Project Area as a portion of tax increment is being returned to the taxing entities. As shown below, the annual tax increment (above the base amount) currently being returned to taxing entities is 254 percent above what would have been realized if assessed values in the Project Area had remained at base year levels. This pass-through increment will continue to increase as assessed values rise and the tax increment level received by the Agency ratchets downward throughout the life of the RDA. Since FY 2009, the total tax increment (above the base amount) received by the taxing entities is 166 percent above what would have been realized based on base year levels.

TABLE 2.8

TAX INCREMENT FROM PROJECT AREA	ORIGINAL BUDGET REVENUES ³	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2020	N/A	\$208,995	\$56,324	371.1%
Lifetime Revenue (FY 2009-2020) ⁴	N/A	\$4,028,370	\$829,014	485.9%
<hr/>				
PASS THROUGH INCREMENT (ABOVE BASE)	ORIGINAL BUDGET REVENUES	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2020	N/A	\$143,211	\$56,324	254.3%
Lifetime Revenue (FY 2009-2020)	N/A	\$1,375,976	\$829,014	166.0%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

DEVELOPMENT TO DATE

The 570 North State Street development was purchased by a developer who is proposing a mix of commercial uses along State Street in the Project Area, with a housing component set behind which falls outside the Project Area. The

³ The Original Budget is not available for this Project Area.

⁴ Lifetime revenues have been calculated using figures from FY 2009 - FY 2020 because tax increment revenue numbers are not available for all years preceding FY 2009.

entitlement process for this development is expected to be complete in 2021. Adjacent to the Project Area, Lindon's Edge Business Park is currently under construction with two office buildings nearing completion. Fiscal Year 2020 is the last year of the State Street #1 Project Area. The Agency has not entered into any new participation agreements related to the above developments. Of benefit to the Project Area, a Central Corridor Study for Bus Rapid Transit was completed, and construction may begin in the next 5-10 years along 700 North and State Street.

TABLE 2.9

NOTABLE BUSINESSES	
7-Eleven	MEI Rigging & Crating
A+ Benefits	Performance Motors
Ace Rents	Oteo Restaurant
Asay Auto	Pizza Factory
Auto Source Motors	Pleasant Dental
Four Chairs Furniture	Quest Staffing Services
Galilee Grill & Bakery	Smoking Apple Restaurant
Low Book Sales	Sunbow Distribution
Magleby's Fresh	Utah Valley Auto Brokers
Textile Team Outlet Design	

 Additional improvements include:

- New Aquatics and City Center parking lot access from State Street
- Roadway reconstruction along Center Street, between Main Street and State Street
- Sidewalk installation along Center Street adjacent to the Community Center parking lot
- Installation of a traffic light at the intersection of Center Street and State Street, improving the flow of traffic and access to businesses in the Project Area
- Reconstruction of parking facilities surrounding the Lindon Community Center and Lindon Aquatics Center
- Design and construction of ADA access path from Lindon Heritage Trail to State Street bus stop at City Center Park, in partnership with UTA
- Construction of a new Public Safety Building within the Project Area ⁵
- Reconstruction of 400 North roadway between State Street and approximately 200 West
- Installation of street lighting on State Street along the City Center office property

⁵ RDA funds were not used for the construction costs of the public safety building.

FORECASTED PROJECT AREA BUDGET UPDATE

As of FY2020, the Project Area is expired and will no longer generate tax increment.

OTHER ISSUES

The State Street #1 RDA Project Area continues to experience a relatively low collection rate of annual property taxes from property owners, as well as the payment of delinquent tax collections to the Agency. This situation stems from the default of multiple owners on their annual property taxes. Many of these owners are habitually behind schedule on annual taxes, with some behind on these payments by up to 3 years.

The Project Area may expect to collect prior year delinquent taxes in the coming years, despite being expired.

PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following sheets represent the FY 2020 actuals.



LINDON STATE STREET #1 RDA

2020 Actual

November 1, 2020

Annual Fiscal Budget Year	2020
---------------------------	------

Tax Year	2019
Payment Year	2020

REVENUES

TAXABLE VALUATION:	
Total Real Property	\$41,822,668
Personal Property	\$2,931,795
Centrally Assessed	\$2,389,955
Total Assessed Valuation:	\$47,144,418
Less: Base Year Value	(\$6,408,435)
Incremental Assessed Value	\$40,735,983

Tax Rate:	
Combined Tax Rate	0.008789
Total Tax Rate:	0.008789

TAX INCREMENT REVENUES	
Total Tax Increment	\$358,029
Total Tax Increment:	\$358,029

Percent of Tax Increment for Project	60%
--------------------------------------	-----

Project Area Portion of Tax Increment	
Tax Increment	\$214,817
Current Year Uncollected	(\$38,219)
Previous Years Tax Increment Revenue to RDA	\$32,397
Total Tax Increment Revenue to RDA	\$208,995

Total Revenues to RDA	
Property Tax Increment	\$208,995
Interest Earnings	\$10,253
Contribution of Fund Balance	\$0
Total Revenue	\$219,247

EXPENDITURES

RDA Administration	\$26,600
Professional & Tech Services	\$1,500
Development Activities	\$191,147
Total Uses	\$219,247

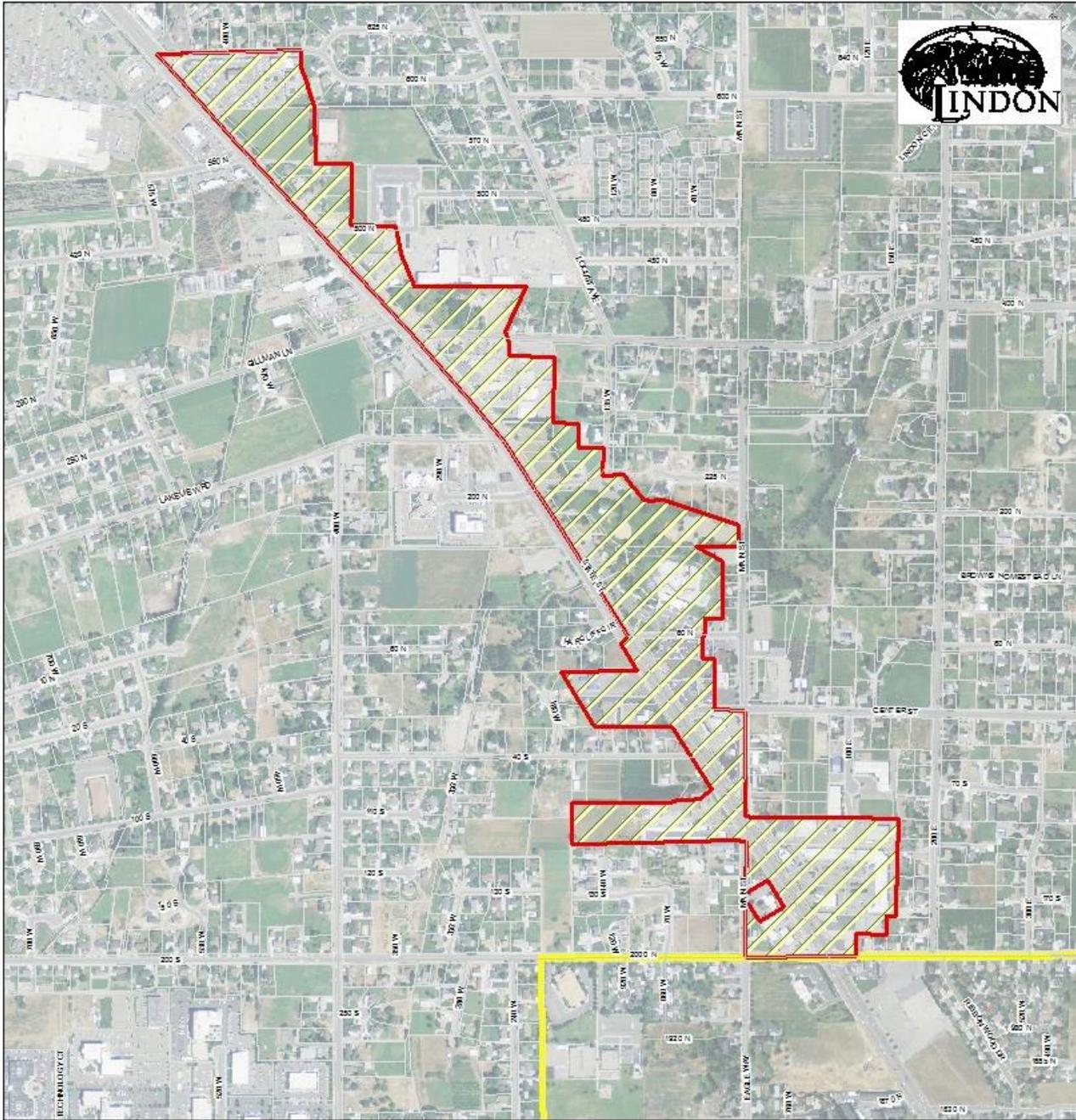


LINDON STATE STREET #1 RDA

Ongoing Budget
 Multi-Year Project Area Budget Projections
 10.14.20

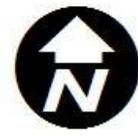
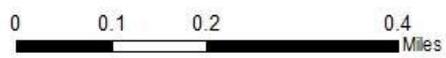
	<===== HISTORIC			
Tax Year	2016	2017	2018	2019
Payment Year	2017	2018	2019	2020
REVENUES	\$ 412,123			
TAXABLE VALUATION:				
Total Real Property	\$ 31,958,758	\$ 38,276,781	\$ 38,350,739	\$ 41,822,668
Personal Property	1,042,856	2,367,960	2,682,239	2,931,795
Centrally Assessed	-	2,220,564	2,244,450	2,389,955
Total Assessed Valuation:	\$ 33,001,614	\$ 42,865,305	\$ 43,277,428	\$ 47,144,418
Less: Base Year Value	\$ (6,408,435)	\$ (6,408,435)	\$ (6,408,435)	\$ (6,408,435)
Incremental Assessed Value	\$ 26,593,179	\$ 36,456,870	\$ 36,868,993	\$ 40,735,983
Tax Rate:				
Utah	0.000834	0.000779	0.000179	0.000672
Alpine School District	0.007718	0.007087	0.006804	0.006434
State Charter School - Alpine	-	0.00008	0.000069	0.000064
Lindon	0.001630	0.001451	0.001392	0.001241
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378
Combined Tax Rate	0.0105680	0.0097750	0.0093710	0.0087890
Total Tax Rate:	0.0105680	0.0097750	0.0093710	0.0087890
TAX INCREMENT REVENUES				
Total Tax Increment	\$ 281,037	\$ 356,366	\$ 345,499	\$ 358,029
Total Tax Increment:	\$ 281,037	\$ 356,366	\$ 345,499	\$ 358,029
Percent of Tax Increment for Project	60%	60%	60%	60%
Project Portion				
Tax Increment	\$ 168,622	\$ 213,820	\$ 207,300	\$ 214,817
Current Year Uncollected	(5,126)	(34,599)	(34,370)	(38,219)
Previous Years Tax Increment Revenue to RDA	43,024	23,708	81,356	32,397
Total Tax Increment Revenue to RDA	\$ 206,520	\$ 202,928	\$ 254,285	\$ 208,995
Total Revenues to RDA				
Property Tax Increment	\$ 206,520	\$ 202,928	\$ 254,285	\$ 208,995
Total Revenue	\$ 206,520	\$ 228,573	\$ 262,801	\$ 219,247
EXPENDITURES				
RDA Administration	\$ 28,913	\$ 26,740	\$ 28,410	\$ 26,600
Professional & Tech Services		\$	\$ 1,500	\$ 1,500
Development Activities	177,607	201,833	232,891	191,147
Total Uses	\$ 206,520	\$ 228,573	\$ 262,801	\$ 219,247

EXHIBIT A



LINDON STATE STREET RDA

-  Lindon State Street #1 RDA
-  Parcel Boundaries
-  Lindon Municipal Boundaries



LEWIS & YOUNG
ROBERTSON & BURNINGHAM, INC.

SECTION 3:700 NORTH CDA

TABLE 3.1

OVERVIEW				
<u>Type</u> CDA	<u>Acreage</u> Developed 122 Undeveloped 161 Total 283	<u>Purpose</u> Commercial & Residential Development	<u>Taxing District</u> 080-0000 085-0000	<u>Tax Rate</u> 0.0089900 0.0090070
<u>Creation Year</u> FY 2014	<u>Base Year</u> FY 2012	<u>Term</u> 20 Years	<u>Trigger Year</u> FY 2018	<u>Expiration Year</u> FY 2037
<u>Base Value</u> \$12,928,122	<u>TY 2019 Value</u> \$113,764,367	<u>Increase</u> 780%	<u>FY 2020 Increment</u> \$118,006	<u>Jobs Created</u> N/A

The 700 North CDA Project Area was created in September 2013 with the purpose of incentivizing commercial and residential development along 700 North in Lindon. This will include a variety of infrastructure improvements to roadways, sidewalks, street lighting, culinary water, sewer, utilities, etc. It is anticipated that proposed infrastructure improvements will spur development in the entire Project Area. The Project Area triggered in FY 2018.

The Project Area lies entirely within Lindon City and includes approximately 283 acres of property located along the northern boundary of the City, west of State Street. A map of the Project Area is included as **Exhibit B**. The Project Area was created in September 2013 and is governed by the following documents:

- ☞ The Project Area Plan dated September 3, 2013
- ☞ The Interlocal Cooperation Agreement between the RDA and Lindon City dated September 3, 2013
- ☞ The Interlocal Cooperation Agreement between the RDA and Utah County dated October 29, 2013
- ☞ The Interlocal Cooperation Agreement between the RDA and North Utah County Water Conservancy District dated November 14, 2013
- ☞ The Interlocal Cooperation Agreement between the RDA and Central Utah Water Conservancy District dated October 23, 2013

The Agency continues to work with the Alpine School District (District) in an effort to enlist the District's support and come to an agreement on the length and level of participation with relation to tax increment. The District's support is dependent on a formal project being established within the Project Area.

SOURCES OF FUNDS

TABLE 3.2

2020 SOURCES OF FUNDS	
<i>Calculated Increment</i>	\$115,992
Current Year Uncollected	(2,875)
Previous Year Uncollected	4,889
Property Tax Increment Collected and Paid to Agency	\$118,006
Interest	3,078
Total Sources of Funds	\$121,084

TABLE 3.3

TAX INCREMENT LEVELS	
Entity	%
Utah County	50%
Alpine School District ⁶	0%
Lindon City	50%
Central Utah Water Conservancy District	50%
North Utah County Water Conservancy District	50%

USES OF FUNDS

TABLE 3.4

2020 USES OF FUNDS	
Professional and Tech Services	\$1,550
Administrative Costs	14,700
Development Activities/Fund Balance	104,834
Total Uses	\$121,084

TABLE 3.5

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$104,761	\$118,006	113%

PROJECT AREA REPORTING AND ACCOUNTABILITY

RELATIVE GROWTH IN ASSESSED VALUE

TABLE 3.6

GROWTH IN ASSESSED VALUES				
ASSESSED VALUES IN PROJECT AREA	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in Project Area (2019 vs. 2018)	\$113,764,367	\$91,999,146	47.0%	47.0%
Lifetime Growth in Project Area Since Base Year (2019 vs. 2012)	\$113,764,367	\$12,928,122	780.0%	36.4%
ASSESSED VALUES IN LINDON CITY	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in City (2019 vs. 2018)	\$1,664,737,240	\$1,450,559,632	14.8%	14.8%
Lifetime Growth in City (2019 vs. 2000 ⁷)	\$1,664,737,240	400,177,580	316.0%	7.8%

The value of the Project Area increased by \$21.8 million, or an increase of 780 percent since the base year in 2012. The City's overall growth has been increased by 316 percent since 2000.

⁶ The Alpine School District has currently opted not to participate in the 700 North CDA Project Area. The Agency is in the process of negotiating with the Alpine School District in an interlocal agreement that would allow for participation on a case-by-case basis.

⁷ LYRB utilized 2000 values for these comparisons because this is the first year for which reliable data is available.

BENEFITS TO TAXING ENTITIES

TABLE 3.7

PROJECTED BENEFITS TO TAXING ENTITIES	
Creation of approximately 689 new jobs over the life of the Project Area	
Increased Sales Tax Revenues from Retail Development	
Increase in other tax revenues, including Franchise Tax, Sales & Use Tax, and Corporate Income Tax	
Increased Property Tax Revenues	
- 50% of tax increment flows back to taxing entities in years 2018 - 2037	
- 100% of tax increment flows to taxing entities after 2037	

The taxing entities are currently benefiting from increased assessed values in the Project Area as a portion of tax increment is being returned to the taxing entities. As shown below, the annual tax increment (above the base amount) currently being returned to taxing entities is 681 percent above what would have been realized if assessed values in the Project Area had remained at base year levels. This pass through increment will continue to increase as assessed values rise and the tax increment level received by the Agency ratchets downward throughout the life of the CDA.

TABLE 3.8

TAX INCREMENT FROM PROJECT AREA	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2020	\$118,006	\$116,293	101.5%
Lifetime Revenue	\$293,192	\$372,152	78.8%
PASS THROUGH INCREMENT (ABOVE BASE)	ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
FY 2020	\$791,492	\$116,293	680.6%
Lifetime Revenue (FY 2009-2020)	\$2,024,958	\$372,152	544.1%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

Lindon City is in the process of completing a 700 North Small Area Plan which was funded through a technical grant from UDOT. The plan contemplates a village center with commercial and residential uses including a transit-oriented housing development and flexible commercial areas. The road connecting the Ivory Homes development was delayed over the summer due to COVID-19; however, it is now under construction. A new Holiday Oil, to be located at 725 N. Geneva Road, is currently going through a site plan entitlement process. Further, an office showroom development is under construction at 775 N. Geneva Road. The Lindon Tech Building was completed and currently houses Schuff Steel. There are currently no participation agreements with developers within this Project Area. Of benefit to the Project Area, a Central Corridor Study for Bus Rapid Transit was completed, and construction may begin in the next 5-10 years along 700 North and State Street. Below is a list of notable businesses in the Project Area.

TABLE 3.9

NOTABLE BUSINESSES	
Go Health	Alcatraz Trampoline Park
Airborne Trampoline	TAMS
Geneva Road Self Storage Units	Fezzari Bicycle Company
Aquatherm Pipe Company	Zyto Corp
PSDI	Schuff Steel

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		FY 2021 - 2037	
REVENUES		TOTALS	NPV @ 5%
Property Tax Increment		\$5,832,422	\$3,554,634
Interest		52,320	34,698
Contribution of Fund Balance		-	-
Total Revenue		\$5,884,742	\$3,589,331
EXPENDITURES		TOTALS	NPV @ 5%
RDA Administration		\$249,900	\$165,729
Professional & Tech Services		26,350	17,475
Project Development: Land Assembly & Infrastructure		-	-
Contribution to Fund Balance/Development Activities		5,608,492	3,406,128
Total Expenditures		\$5,884,742	\$3,589,331

OTHER ISSUES

As mentioned, the Agency hopes to obtain the participation of Alpine School District in the Project Area. The participation of the School District would contribute significantly to the success of the Project Area as it is estimated that tax increment revenues received by the Agency could potentially be more than tripled.

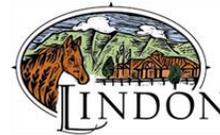
The Agency is in the process of proposing a global interlocal agreement between the Agency and the School District which would provide the potential for the School District to participate on a project by project basis through addendums to the interlocal agreement.

PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following sheets represent the FY 2020 actuals, FY 2021 and FY 2022 annual budgets and FY 2018-2037 multi-year budgets.

REDEVELOPMENT AGENCY OF LINDON CITY, UTAH (700 North CDA)

2020 Actual
November 1, 2020



Annual Fiscal Budget Year		2020
Tax Year		2019
Payment Year		2020
REVENUES		
TAXABLE VALUATION		
Taxable Value - Area 080		\$52,780,347
Base Year Value Area 080		(\$8,865,545)
Incremental Assessed Value 080		\$43,914,802
Taxable Value - Area 085		\$60,984,020
Base Year Value Area 085		(\$4,062,573)
Incremental Assessed Value 085		\$56,921,447
Tax Rate 080		
Total Tax Rate - Area 080:		0.0089900
Tax Rate 085		
Total Tax Rate - Area 085:		0.0090070
TAX INCREMENT REVENUES - Area 080		
Total Tax Increment - Area 080:		\$50,304
TAX INCREMENT REVENUES - Area 085		
Total Tax Increment - Area 085		\$65,687
Percent of Tax Increment for Project		
Utah County		50%
Alpine School District		0%
Lindon City		50%
Central Utah Water Conservancy District		50%
North Utah Valley Water Conservancy District		50%
TAX INCREMENT REVENUES to RDA from Area 080 & 085		
Property Tax Increment		\$115,992
Current Year Uncollected		(\$2,875)
Prior Year Collected		\$4,889
Total Tax Increment Revenue to RDA		\$118,006
Interest		\$3,078
Contribution of Fund Balance		\$0
TOTAL REVENUES		\$121,084
EXPENDITURES		
Professional and Tech Services		\$1,550
Admin Costs		\$14,700
Development Activites		\$104,834
Total Uses		\$121,084
REMAINING REVENUES FOR TAXING ENTITIES		
Utah County		\$33,880
Alpine School District		\$669,049
Lindon City		\$62,568
Central Utah Water Conservancy District		\$19,058
North Utah County Water Conservancy District		\$483
Total		\$791,492

REDEVELOPMENT AGENCY OF LINDON CITY, UTAH (700 North CDA)

2021 Budget

November 1, 2020



Annual Fiscal Budget Year	2021
Tax Year	2020
Payment Year	2021
REVENUES	
TAXABLE VALUATION	
Taxable Value - Area 080	\$64,845,158
Base Year Value Area 080	(\$8,865,544)
Incremental Assessed Value 080	\$55,979,614
Taxable Value - Area 085	\$77,695,896
Base Year Value Area 085	(\$4,062,572)
Incremental Assessed Value 085	\$73,633,324
Tax Rate 080	
Total Tax Rate - Area 080:	0.0087910
Tax Rate 085	
Total Tax Rate - Area 085:	0.0090070
TAX INCREMENT REVENUES - Area 080	
Total Tax Increment - Area 080:	\$61,326
TAX INCREMENT REVENUES - Area 085	
Total Tax Increment - Area 085	\$84,973
Percent of Tax Increment for Project	
Utah County	50%
Alpine School District	0%
Lindon City	50%
Central Utah Water Conservancy District	50%
North Utah Valley Water Conservancy District	50%
TAX INCREMENT REVENUES to RDA from Area 080 & 085	
Property Tax Increment	\$146,299
Current Year Uncollected	\$0
Prior Year Collected	(\$2,875)
Total Tax Increment Revenue to RDA	\$143,423
Interest	\$3,078
Contribution of Fund Balance	\$0
TOTAL REVENUES	\$146,501
EXPENDITURES	
Professional and Tech Services	\$1,550
Admin Costs	\$14,700
Development Activites	\$130,251
Total Uses	\$146,501
REMAINING REVENUES FOR TAXING ENTITIES	
Utah County	\$42,514
Alpine School District	\$854,888
Lindon City	\$78,549
Central Utah Water Conservancy District	\$24,608
North Utah County Water Conservancy District	\$625
Total	\$1,009,032

REDEVELOPMENT AGENCY OF LINDON CITY, UTAH (700 North CDA)

2022 Budget

November 1, 2020



Annual Fiscal Budget Year		2022
Tax Year		2021
Payment Year		2022
REVENUES		
TAXABLE VALUATION		
Taxable Value - Area 080		\$74,210,965
Base Year Value Area 080		(\$8,865,544)
Incremental Assessed Value 080		\$65,345,421
Taxable Value - Area 085		\$90,310,513
Base Year Value Area 085		(\$4,062,572)
Incremental Assessed Value 085		\$86,247,941
Tax Rate 080		
Total Tax Rate - Area 080:		0.0087910
Tax Rate 085		
Total Tax Rate - Area 085:		0.0090070
TAX INCREMENT REVENUES - Area 080		
Total Tax Increment - Area 080:		\$71,586
TAX INCREMENT REVENUES - Area 085		
Total Tax Increment - Area 085		\$99,530
Percent of Tax Increment for Project		
Utah County		50%
Alpine School District		0%
Lindon City		50%
Central Utah Water Conservancy District		50%
North Utah Valley Water Conservancy District		50%
TAX INCREMENT REVENUES to RDA from Area 080 & 085		
Property Tax Increment		\$171,116
Current Year Uncollected		\$0
Prior Year Collected		\$0
Total Tax Increment Revenue to RDA		\$171,116
Interest		\$3,078
Contribution of Fund Balance		\$0
TOTAL REVENUES		\$174,194
EXPENDITURES		
Professional and Tech Services		\$1,550
Admin Costs		\$14,700
Development Activites		\$157,944
Total Uses		\$174,194
REMAINING REVENUES FOR TAXING ENTITIES		
Utah County		\$49,726
Alpine School District		\$999,876
Lindon City		\$91,874
Central Utah Water Conservancy District		\$28,781
North Utah County Water Conservancy District		\$733
Total		\$1,180,169



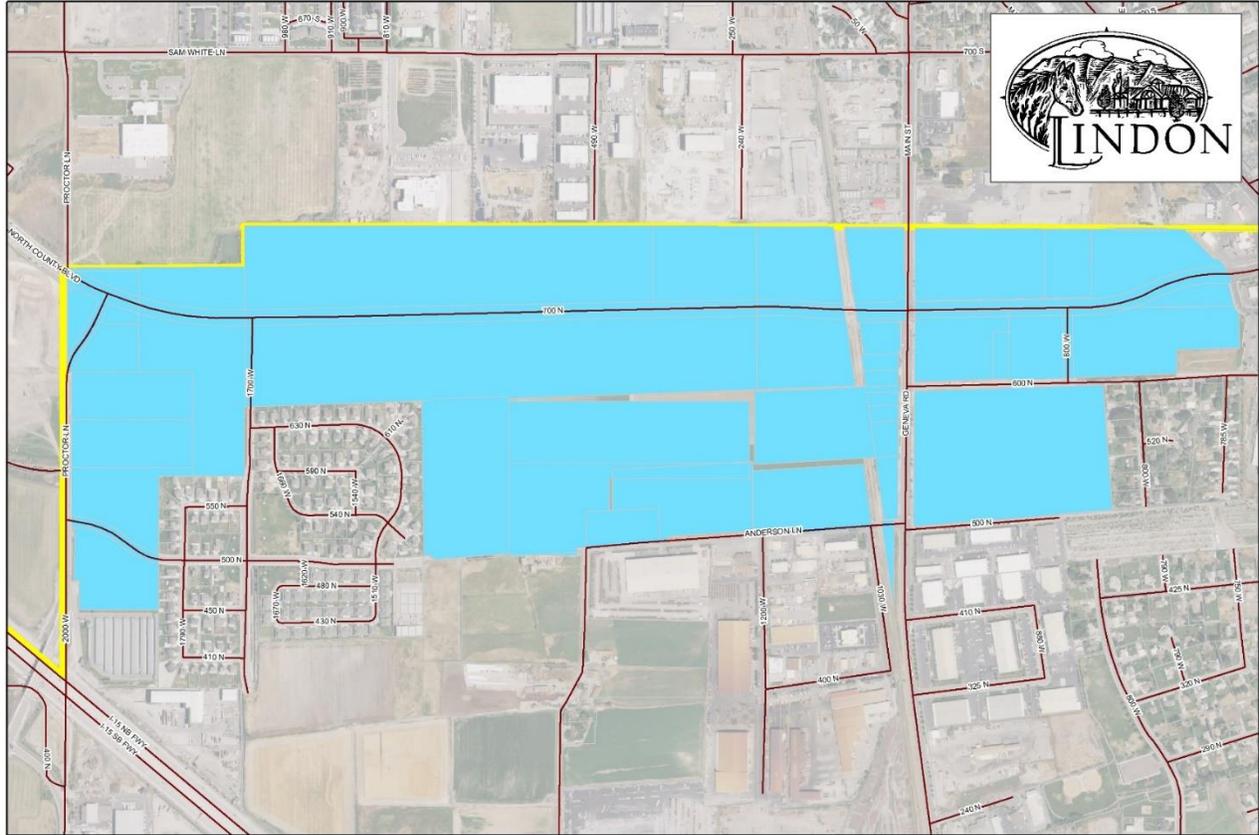
LINDON CITY 700 NORTH CDA

Ongoing Budget
Multi-Year Project Area Budget Projections
10.14.20



Table with columns for Tax Year (2017-2036) and rows for REVENUES, TAX INCREMENT REVENUES, and EXPENDITURES. Includes sub-sections like TAXABLE VALUATION AREA, TAX RATE 080, and TAX RATE 085.

EXHIBIT B



LINDON 700 NORTH CDA

- CDA PARCELS
- LINDON MUNICIPAL BOUNDARIES





HISTORIC PROJECTS

WEST SIDE RDA

The West Side RDA expired in 2010; however, a fund balance remains. As of FY 2019, the unaudited funds were \$18,399. This balance is being used to pay administrative costs as the project comes to full completion, as well as Project Area Plan approved expenditures.

RDA #3

The Lindon RDA #3 expired in 2016; however, a fund balance remains. As of FY 2019, the unaudited funds were \$361,208. These funds are used in part to service a landscaping agreement for an area where no development has taken place. This balance is further being used to pay administrative costs as the project comes to full completion, as well as Project Area Plan approved expenditures.