

2020

ANNUAL REPORT

OREM CITY REDEVELOPMENT AGENCY
OREM, UT

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




LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.



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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 Lewis	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.

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.

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
Jeff Lambson	Board Member	Orem City Council Member
Tom Macdonald	Board Member	Orem City Council Member
Terry Peterson	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 Lewis	Economic Development Division Manager
Nate Prescott	Economic Development Analyst

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 2020 (Ending Dec. 31, 2020)	Tax Year 2021 (Beginning Jan. 1, 2021)
Property Tax Increment		
RDA 85-01	\$0	\$0
RDA 85-02	\$0	\$0



Table 1.4: Estimate of Tax Increment

ESTIMATE OF TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2020 (Ending Dec. 31, 2020)	Tax Year 2021 (Beginning Jan. 1, 2021)
RDA 85-03A	\$0	\$0
RDA 85-03B	\$0	\$0
RDA 85-04	\$0	\$0
RDA 87-10	\$0	\$0
RDA 90-08	\$245,629	\$0
University Place CDA	\$1,175,827	\$1,223,395
Total Tax Increment Revenue	\$1,421,456	\$1,223,395

Table 1.5: Estimate of Haircut Increment

ESTIMATE OF HAIRCUT INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2020 (Ending Dec. 31, 2020)	Tax Year 2020 (Beginning Jan. 1, 2021)
Haircut Increment		
RDA 85-01	\$347,589	\$353,109
RDA 85-02	\$205,564	\$0
RDA 85-03A	\$285,435	\$0
RDA 85-03B	\$349,700	\$0
RDA 85-04	\$115,349	\$0
RDA 87-10	\$221,542	\$221,542
RDA 90-08	\$41,050	\$102,624
University Place CDA	\$0	\$0
Total Haircut Revenue	\$1,566,230	\$677,276

GENERAL OVERVIEW OF ALL PROJECT AREAS

Table 1.6: Combined Budget

COMBINED BUDGET – ALL PROJECT AREAS		
REVENUES	FY 2020 TOTALS	REMAINING LIFE*
Property Tax Increment		
RDA 85-01	\$0	\$0
RDA 85-02	\$0	\$0
RDA 85-03A	\$0	\$0
RDA 85-03B	\$0	\$0
RDA 85-04	\$0	\$0
RDA 87-10	\$0	\$0
RDA 90-08	\$223,611	\$469,240
UP CDA	\$969,915	\$22,943,454
	\$1,193,526	\$23,412,694
Haircut Increment		
RDA 85-01	\$451,231	\$1,151,930
RDA 85-02	\$146,760	\$352,324
RDA 85-03A	\$249,111	\$534,546
RDA 85-03B	\$339,822	\$689,522
RDA 85-04	\$124,533	\$239,882
RDA 87-10	\$223,787	\$666,871
RDA 90-08	\$38,533	\$387,456
UP CDA	\$0	\$0
	Subtotal	\$4,022,532
Total Revenues	\$2,767,304	\$27,435,226
EXPENDITURES	FY 2020 TOTALS	REMAINING LIFE*
Project Area Administration		
RDA 85-01	\$0	\$0
RDA 85-02	\$65,000	\$130,000



RDA 85-03A	\$0	\$0
RDA 85-03B	\$150,000	\$370,000
RDA 85-04	\$0	\$0
RDA 87-10	\$60,000	\$60,000
RDA 90-08	\$40,000	\$1,015,000
UP CDA	\$48,496	\$1,147,173
Development Incentive Payments		
RDA 85-01	\$0	\$0
RDA 85-02	\$0	\$0
RDA 85-03A	\$0	\$0
RDA 85-03B	\$0	\$958,863
RDA 85-04	\$0	\$0
RDA 87-10	\$0	\$0
RDA 90-08	\$0	\$0
UP CDA	\$872,923	\$20,649,108
Debt Service Payments		
RDA 85-01	\$254,999	\$804,424
RDA 85-02	\$82,336	\$82,336
RDA 85-03A	\$0	\$0
RDA 85-03B	\$0	\$53,506
RDA 85-04	\$0	\$0
RDA 87-10	\$0	\$30,000
RDA 90-08	\$40,000	\$299,710
UP CDA	\$0	\$0
Miscellaneous Expenditures		
RDA 85-01	\$47,206	\$104,182
RDA 85-02	\$250,000	\$403,698
RDA 85-03A	\$93,012	\$1,897,518
RDA 85-03B	\$12,500	\$140,695
RDA 85-04	\$0	\$241,911
RDA 87-10	\$0	\$484,268
RDA 90-08	\$26,102	\$63,354
UP CDA	\$0	\$0
Contribution to (Use of Fund) Balance		
RDA 85-01	\$152,089	\$246,387
RDA 85-02	(\$249,471)	(\$262,605)
RDA 85-03A	\$171,055	(\$1,348,016)
RDA 85-03B	\$259,906	(\$750,958)
RDA 85-04	\$126,142	(\$420)
RDA 87-10	\$169,808	\$98,624
RDA 90-08	\$174,623	(\$502,787)
UP CDA	\$49,868	\$1,148,545
Interest (Revenue)		
RDA 85-01	(\$3,063)	(\$3,063)
RDA 85-02	(\$1,104)	(\$1,104)
RDA 85-03A	(\$14,956)	(\$14,956)
RDA 85-03B	(\$82,584)	(\$82,584)
RDA 85-04	(\$1,609)	(\$1,609)
RDA 87-10	(\$6,021)	(\$6,021)
RDA 90-08	(\$18,581)	(\$18,581)
UP CDA	(\$1,372)	(\$1,372)
Land Sales (Revenue)		
RDA 85-01	\$0	\$0
RDA 85-02	\$0	\$0
RDA 85-03A	\$0	\$0
RDA 85-03B	\$0	\$0
RDA 85-04	\$0	\$0



RDA 87-10	\$0	\$0
RDA 90-08	\$0	\$0
UP CDA	\$0	\$0
Total Expenditures	\$2,767,304	\$27,435,226

* Remaining Life includes FY 2020 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	Residential Notes
85-01	7.68	98.06	-	-	0%	-
85-02	8.37	98.36	9.64	90	9%	90 single family
85-03A	1.9	156.08	6.92	68	4%	16 single family, 52 apartments
85-03B	-	122.66	18.88	512	15%	96 condos, 416 apartments
85-04	4.95	107.38	10.75	256	10%	2 single family, 254 apartments
87-10	-	108.45	17.86	404	16%	88 townhomes, 316 apartments
90-08	1.48	61.77	13.82	242	22%	6 single family, 236 apartments
University Place CDA	8.04	125.56	9.28	480	7%	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: 0.008763 Haircut: 0.002265
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 2019 Value \$159,991,406	Increase 10,767%	FY 2020 Increment \$451,231	Remaining Years 2 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.

SOURCES OF FUNDS

Table 2.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Property Tax Prior Year Increment	-
Haircut Increment	\$359,046
Current Year Uncollected	(\$42,776)
Prior Years Late Collection	\$134,962
Total Sources of Funds	\$451,231

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 2020 USES OF FUNDS	
Debt Service (Haircut Eligible)	\$254,999



Table 2.4: Uses of Funds

FY 2020 USES OF FUNDS	
Miscellaneous Expense	\$47,206
Redevelopment Activities/Fund Balance	\$152,089
Interest (Revenue)	(\$3,063)
Total Uses of Funds	\$451,231

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 2020, the 85-01 Project Areas portion of the debt service was \$254,999.

Table 2.5: Debt Service Payment

FY 2020 DEBT SERVICE PAYMENTS	
2002 Sales Tax Revenue Bond Payment	\$254,999
Total Debt Service Payments	\$254,999

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

Table 2.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$355,146	\$451,231 ¹	127.1%

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 (2019 vs. 2018)	\$159,991,406	\$148,610,615	7.7%	7.7%
Lifetime Growth in Project Area (2019 vs. Base)	\$159,991,406	\$1,472,221	10,767%	14.8%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ²)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

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.³ Annual property tax increment (above the base amount) currently being returned to the School District is 7,475 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 3,498 percent increase in annual tax increment.

¹ Current year Haircut including current and prior year delinquent increment.

² 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.

³ 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 2020 Tax Increment	N/A	\$451,231	\$12,901	3,498%
FY 2020 Pass Through	N/A	\$964,345	\$12,901	7,475%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- Live View Technologies moved to Orem in 2020 and in is located at 1226 S 1480 W.
- Construction of the RW Flex Warehouse has commenced at 1280 S 1380 W.

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 2021-2022	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$700,699	\$651,318
Total Revenue	\$700,699	\$651,318
EXPENDITURES		
Admin	-	-
Misc. Expenditures	\$56,976	\$54,263
Redevelopment Activities	\$94,298	\$85,332
Debt Service	\$549,425	\$511,723
Total Expenditures	\$700,699	\$651,318

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



Orem RDA 85-01

2020 Actual

	Tax Year Payment Year	Yr. 30
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$84,440,600
Personal Property		\$75,209,519
Centrally Assessed		\$341,287
Total Assessed Value		\$159,991,406
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$158,519,185
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		\$451,231
TOTAL DISTRIBUTION		\$451,231
EXPENDITURES		
RDA Admin		\$0
Developer Reimbursement (Orem Tek)		\$0
Developer Reimbursement (US Synthetics)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Recreation Facilities)		\$254,999
Misc. Expenditures		\$47,206
Interest Revenue		(\$3,063)
Redevelopment Activities		\$152,089
TOTAL EXPENDITURES		\$451,231



Orem RDA 85-01

2021 Budget

	Tax Year Payment Year	Yr. 31
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$86,687,600
Personal Property		\$71,859,950
Centrally Assessed		\$347,444
Total Assessed Value		\$158,894,994
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$157,422,773
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006600
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy		0.000382
Total Tax Rate		0.008808
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		\$347,589
TOTAL DISTRIBUTION		\$347,589
EXPENDITURES		
RDA Admin		\$0
Developer Reimbursement (Orem Tek)		\$0
Developer Reimbursement (US Synthetics)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Recreation Facilities)		\$295,000
Misc. Expenditures		\$56,976
Interest Revenue		\$0
Redevelopment Activities		(\$4,387)
TOTAL EXPENDITURES		\$347,589



Orem RDA 85-01

2022 Budget

	Tax Year	Yr. 32
	Payment Year	2021
		2022
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$89,187,600
Personal Property		\$71,859,950
Centrally Assessed		\$347,444
Total Assessed Value		\$161,394,994
Less: Base Year Value		(\$1,472,221)
Incremental Assessed Value		\$159,922,773
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006600
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy		0.000382
Total Tax Rate		0.008808
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		\$353,109
TOTAL DISTRIBUTION		\$353,109
EXPENDITURES		
RDA Admin		\$0
Developer Reimbursement (Orem Tek)		\$0
Developer Reimbursement (US Synthetics)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Recreation Facilities)		\$254,425
Misc. Expenditures		\$0
Interest Revenue		\$0
Redevelopment Activities		\$98,684
TOTAL EXPENDITURES		\$353,109

Orem RDA 85-01
Ongoing Budget
Multi-Year Project Area Budget Projections



	OPTIONAL EXTENSION OF HAIRCUT INCREMENT						TOTALS	NPV @ 5%
	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	72,452,700	72,682,500	74,909,800	84,440,600	86,687,600	89,187,600		
Personal Property	55,431,115	51,576,556	73,412,573	75,209,519	71,859,950	71,859,950		
Centrally Assessed	224,526	244,501	288,242	341,287	347,444	347,444		
Total Assessed Value	128,108,341	124,503,557	148,610,615	159,991,406	158,894,994	161,394,994		
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	\$ 158,519,185	\$ 157,422,773	\$ 159,922,773		
Real Property/Centrally Assessed Tax Rate:								
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635	0.000635		
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600	0.006600		
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166	0.001166		
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025	0.000025		
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382	0.000382		
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149	0.000149		
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012	0.000012		
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969	0.008969		
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808	0.008808		
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208	0.002208		
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,780,037	\$ 4,133,391
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (174,536)	\$ (55,660)
Plus Prior Years Late Collections	\$ -	\$ 2,428	\$ -	\$ -	\$ -	\$ -	\$ 108,598	\$ 35,300
Total Tax Increment Received by Agency	\$ 2,047	\$ 2,428	\$ -	\$ -	\$ -	\$ -	\$ 9,714,099	\$ 4,113,031
HAIRCUT REVENUES								
Haircut Increment	\$ 354,961	\$ 311,761	\$ 365,633	\$ 369,046	\$ 347,589	\$ 353,109	\$ 3,712,262	\$ 1,056,918
Less Current Year Uncollected	\$ (24,463)	\$ (17,720)	\$ (135,271)	\$ (42,776)	\$ -	\$ -	\$ (333,682)	\$ (87,561)
Plus Prior Years Late Collections	45,148	26,984	12,916	134,962	-	-	321,350	83,291
Total Haircut Received by Agency	\$ 375,645	\$ 321,026	\$ 233,278	\$ 451,231	\$ 347,589	\$ 353,109	\$ 3,699,930	\$ 1,052,647
TOTAL REVENUES RECEIVED	\$ 377,693	\$ 323,454	\$ 233,278	\$ 451,231	\$ 347,589	\$ 353,109	\$ 13,414,028	\$ 5,165,650
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)								
Estimated Total Pass Through Increment	\$ 981,873	\$ 883,607	\$ 1,149,823	\$ 964,345	\$ 1,064,335	\$ 1,081,238	\$ 10,835,997	\$ 3,182,718
EXPENDITURES								
Project Area Budget and Uses of Funds								
RDA Admin	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 175,000	\$ 59,837
Developer Reimbursement (Orem Tek)	1,945	2,307	49,556	-	-	-	9,243,890	3,908,831
Developer Reimbursement (US Synthetics)	-	-	-	-	-	-	100,000	39,605
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	60,623	41,032
Debt Service (Haircut Recreation Facilities)	330,645	321,000	218,140	254,999	295,000	254,425	3,392,738	1,216,253
Optional Reimbursement Road Fund for 2003 Overlay Project	-	-	-	-	-	-	-	-
Misc. Expenditures	-	-	-	47,206	56,976	-	175,952	75,037
Interest Revenue	(992)	(1,002)	(51)	(3,063)	-	-	(8,777)	(2,959)
Redevelopment Activities	46,094	1,149	(109,367)	152,089	(4,387)	98,684	274,601	83,744
Total Uses	\$ 377,693	\$ 323,454	\$ 233,278	\$ 451,231	\$ 347,589	\$ 353,109	\$ 13,414,028	\$ 5,165,650

SECTION 3: 85-02 PROJECT AREA

Table 3.1: Project Area Overview

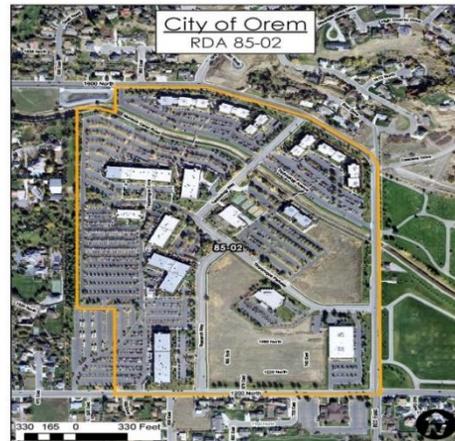
OVERVIEW				
Type RDA	Acreage 107	Purpose Research & Technology Park	Taxing District 090	Tax Rate TIF: 0.008763 Haircut: 0.002265
Creation Year FY 1985	Base Year FY 1985	Term 32 Years	Trigger Year FY 1990	Expiration Year FY 2021
Base Value \$7,333,972	TY 2019 Value \$79,561,369	Increase 985%	FY 2020 Increment \$146,760	Remaining Years 1 Year



FIGURE 3.1: CANYON PARK TECHNOLOGY CENTER

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

The Project Area is currently intended to draw property tax increment beginning with the taxes collected in 1989 and remitted to the Agency in 1990 and continue for 25 years through and including taxes collected in 2013 and paid to the Agency in



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

SOURCES OF FUNDS

Table 3.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Haircut Increment	\$163,595
Current Year Uncollected	(\$442)
Collection Error	(\$16,393)
Total Sources of Funds	\$146,760

Table 3.3: 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%



Table 3.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Years	% of Tax Increment	% of Haircut
2016-2022	0%	100%

USES OF FUNDS

Table 3.4: Uses of Funds

FY 2020 USES OF FUNDS	
Debt Service Payments	\$82,336
RDA Administration	\$65,000
Miscellaneous Expenditures	\$250,000
Redevelopment Activities	(\$249,471)
Interest (Revenue)	(\$1,104)
Total Uses of Funds	\$146,760

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 2020, the portion of debt service paid by the 85-02 Project Area was \$82,336.

Table 3.5: Debt Service Payments

FY 2020 DEBT SERVICE PAYMENTS	
Series 2002 Sales Tax Revenue Bond Payment	\$82,336
Total Debt Service Payments	\$82,336

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 2020	\$163,361	\$146,760 ⁴	89.8%

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 (2019 vs. 2018)	\$79,561,369	\$77,930,623	2.1%	2.1%
Lifetime Growth in Project Area (2019 vs. Base)	\$79,561,369	\$7,333,972	984.6%	7.3%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ⁵)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 3.8: Benefits to Taxing Entities

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

⁴ Current year Haircut including current and prior year delinquent increment.

⁵ 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.



Currently the only taxing entity receiving increment is the School District.⁶ Annual property tax increment (above the base amount) currently being returned to the School District is 775 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 228 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 2020 Tax Increment	NA	\$146,760	\$64,268	228%
FY 2020 Pass Through	NA	\$498,230	\$64,268	775%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- Strawberry Fields: 14 homes, single family residential development under construction.
- Abbey Lane 32 homes, single family residential development under development and construction
- The Muller Group purchased the Canyon Park Technology Center and is investing \$8.6 million in capital improvements including:
 - Main Lobby Refresh
 - 400,344 Sf of Spec office suites completed. Another 45,000 SF will be completed pending approval as leasing occurs.
- The Nest (a state-of-the-art, entrepreneurial co-working space) including 14,000 SF of the Canyon Park version of executive space has been completed and is approximately 33% leased
- The current occupancy rate for the entire Canyon Park Technology Center is 56%

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 2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$205,564	\$195,775
Total Revenue	\$205,564	\$195,775
EXPENDITURES		
RDA Administration	\$65,000	\$61,905
Misc. Expenditures	\$153,698	\$146,379
Interest Revenue	-	-
Redevelopment Activities/Fund Balance	(\$13,134)	(\$12,509)
Total Expenditures	\$205,564	\$195,775

OTHER ISSUES

Utah County (the "County") inadvertently distributed tax increment from the Alpine School District, State Charter Fee, and Assessing & Collecting to Project Area 85-02. This project is currently only collecting additional increment which excludes the Alpine School District and State Charter Fee. Further, Assessing & Collecting is always exempt from distribution. Due to how the funds were distributed, the County requested the City remit a repayment of \$462,185.16 back to the County and the Treasurer would in turn remit a payment of \$16,611.44 to the City to true up the correct increment amount. The City's records indicate the final remittance of \$16,611.44 did not take place. The County is currently reviewing its internal records to determine if the transaction was completed. In the event the final remittance of \$16,611.44 did not occur, the County will reconcile the transaction through the 2020 distribution.

PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following sheets represent the FY 2020 actuals and projections for FY 2021, as well as a multi-year budget from 2017 to 2021.

⁶ Calculation also assumes State and Local Assessing and Collecting rates.



OREM RDA 85-02

2020 Actual

	Tax Year	Yr. 31
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$76,913,375
Personal Property		\$2,189,419
Centrally Assessed		\$458,575
Total Assessed Value		\$79,561,369
Less: Base Year Value		(\$7,333,972)
Incremental Assessed Value		\$72,227,397
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		\$146,760
TOTAL DISTRIBUTION		\$146,760
EXPENDITURES		
RDA Admin		\$65,000
Debt Service (Haircut Eligible)		\$82,336
Misc. Expenditures		\$250,000
Interest Revenue		(\$1,104)
Redevelopment Activities		(\$249,471)
TOTAL EXPENDITURES		\$146,760



OREM RDA 85-02

2021 Budget

	Tax Year	Yr. 32
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$98,019,490
Personal Property		\$2,025,014
Centrally Assessed		\$389,094
Total Assessed Value		\$100,433,598
Less: Base Year Value		(\$7,333,972)
Incremental Assessed Value		\$93,099,626
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006600
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy		0.000382
Total Tax Rate		0.008808
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		\$205,564
TOTAL DISTRIBUTION		\$205,564
EXPENDITURES		
RDA Admin		\$65,000
Debt Service (Haircut Eligible)		\$0
Misc. Expenditures		\$153,698
Interest Revenue		\$0
Redevelopment Activities		(\$13,134)
TOTAL EXPENDITURES		\$205,564



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
	2017	2018	2019	2020	2021
REVENUES					
TAXABLE VALUATION:					
Locally Assessed Real	70,060,905	74,154,150	75,451,995	76,913,375	98,019,490
Personal Property	-	-	2,086,270	2,189,419	2,025,014
Centrally Assessed	287,158	310,214	392,358	458,575	389,094
Total Assessed Value	70,348,063	74,464,364	77,930,623	79,561,369	100,433,598
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	\$ 72,227,397	\$ 93,099,626
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208
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	\$ 163,595	\$ 205,564
Less Current Year Uncollected	(49)	(6)	(789)	(442)	-
Plus Prior Years Late Collections	632	-	272	(16,393)	-
Total Haircut Received by Agency	\$ 177,211	\$ 170,103	\$ 170,116	\$ 146,760	\$ 205,564
TOTAL REVENUES RECEIVED	\$ 177,211	\$ 170,103	\$ 170,116	\$ 146,760	\$ 205,564
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$499,309	\$ 488,514	\$ 493,493	\$ 498,230	\$ 629,447
EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	\$ -	\$ -	\$ 165,000	\$ 65,000	\$ 65,000
Land Sales Revenue	-	-	-	-	-
Loan Repayments to City	-	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-
Debt Service (Haircut Eligible)	142,211	170,000	-	82,336	-
Optional Reimbursement to Road Fund for Infrastructure	-	-	-	-	-
Misc. Expenditures	6,500	-	-	250,000	153,698
Interest Revenue	(2,604)	(2,629)	(7,609)	(1,104)	-
Redevelopment Activities	31,104	2,732	12,725	(249,471)	(13,134)
Total Uses	\$ 177,211	\$ 170,103	\$ 170,116	\$ 146,760	\$ 205,564

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: 0.008763 Haircut: 0.002265
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 2019 Value \$140,565,306	Increase 360%	FY 2020 Increment \$249,111	Remaining Years 1 Year



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

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

SOURCES OF FUNDS

Table 4.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Haircut Increment	\$249,179
Current Year Uncollected	(\$4,022)
Prior Year Late Collections	\$3,954
Total Sources of Funds	\$249,111

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 2020 USES OF FUNDS	
Developer Incentive Payment	-
Debt Service Payments	-
Miscellaneous Expenditures	\$93,012



Land Sales	-
Redevelopment Activities/Fund Balance	\$171,055
Interest (Revenue)	(\$14,956)
Total Uses of Funds	\$249,111

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 2020, the 85-03A Project Area's portion of the debt service was \$0.

Table 4.5: Debt Service Payments

FY 2020 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 2020	\$249,516	\$249,111 ⁷	99.8%

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 (2019 vs. 2018)	\$140,565,306	\$130,582,491	7.6%	7.6%
Lifetime Growth in Project Area (2019 vs. Base)	\$140,565,306	\$30,552,708	360.1%	4.6%

ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ⁸)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

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.⁹ Annual property tax increment (above the base amount) currently being returned to the School District is 274 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 93 percent increase in annual tax increment.

⁷ Current year Haircut including current and prior year delinquent increment.

⁸ 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.

⁹ 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 2020 Tax Increment	NA	\$249,111	\$267,733	93%
FY 2020 Pass Through	NA	\$733,301	\$267,733	274%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

Over the course of the last seven years, the RDA has been working with landowners to orchestrate a land exchange and sale with the owners of Golden Corral and Ken Garff Nissan. The RDA purchased the Sakura building (located in Project Area 85-03A) which was temporarily rented until it was demolished. This land was swapped with the owners of Golden Corral for the construction of a new building, directly east of the existing restaurant. The original Golden Corral land was then sold to Ken Garff Nissan to expand its parking stalls which straddle Project Area 85-03B. Ken Garff will pay the RDA approximately \$500K on closing with annual payments of \$1,100 per month beginning November 2020 with a final lump sum of approximately \$585,000 paid in October 2035. All payments will be attributed to Project Area 85-03A. The new Golden Corral was constructed and is currently providing dine-in and curbside pickup amidst the COVID-19 pandemic.

Additional development includes the following:

- A 9,664 SF addition and 6,825 SF addition for the Macduo/Stewart Retail, located at 45 W University Parkway, is under construction and projected to be completed mid 2021
- The Mazda Dealership, located at 55 E University Parkway, completed a 7,618 SF remodel
- Lumber Liquidators, located at 176 E University Parkway, completed a 12,540 SF building, an addition to the strip mall east of Joann's Fabric
- Tamashi Raman, located at 206 E University Parkway, completed a 1,750 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	2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$285,435	\$271,843
Total Revenue	\$285,435	\$271,843
EXPENDITURES		
Misc. Expenditures	\$1,804,506	\$1,718,577
Redevelopment Activities/Fund Balance	(\$1,519,071)	(\$1,446,734)
Total	\$285,435	\$271,843

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 2020 actuals, FY 2021 projection, as well a multi-year budget from 2017 to 2021.



Orem 85-03A

2020 Actual

	Tax Year	Yr. 31
	Payment Year	
	2019	
	2020	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$128,781,980
Personal Property		\$10,724,042
Centrally Assessed		\$1,059,284
Total Assessed Value		\$140,565,306
Less: Base Year Value		(\$30,552,708)
Incremental Assessed Value		\$110,012,598
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		\$249,111
TOTAL DISTRIBUTION		\$249,111
EXPENDITURES		
Misc. Expenditures		\$93,012
Land Sales Revenues		\$0
Sales Tax Revenues from City		\$0
Interest Revenue		(\$14,956)
Redevelopment Activities		\$171,055
TOTAL EXPENDITURES		\$249,111



Orem 85-03A

2021 Budget

	Tax Year	Payment Year
	Yr. 32	
	2020	
	2021	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$148,797,350	
Personal Property	\$9,918,767	
Centrally Assessed	\$1,109,522	
Total Assessed Value	\$159,825,639	
Less: Base Year Value	(\$30,552,708)	
Incremental Assessed Value	\$129,272,931	
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County	0.000635	
Alpine School District	0.006600	
Orem City	0.001166	
Orem Metropolitan Water District	0.000025	
Central Utah Water Conservancy	0.000382	
Total Tax Rate	0.008808	
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	\$285,435	
TOTAL DISTRIBUTION	\$285,435	
EXPENDITURES		
Misc. Expenditures	\$1,804,506	
Land Sales Revenues	\$0	
Sales Tax Revenues from City	\$0	
Interest Revenue	\$0	
Redevelopment Activities	(\$1,519,071)	
TOTAL EXPENDITURES	\$285,435	

Orem RDA 85-03A

Ongoing Budget
Multi-Year Project Area Budget Projections



	OPTIONAL EXTENSION OF HAIRCUT INCREMENT					TOTALS	NPV @ 5%
	28	29	30	31	32		
	Tax Year Payment Year	2016 2017	2017 2018	2018 2019	2019 2020		
REVENUES							
TAXABLE VALUATION:							
Locally Assessed Real	84,163,775	115,973,887	118,789,885	128,781,980	148,797,350		
Personal Property	2,739,012	1,700,673	10,873,148	10,724,042	9,918,767		
Centrally Assessed	1,739,593	863,715	919,458	1,059,284	1,109,522		
Total Assessed Value	88,642,380	118,538,275	130,582,491	140,565,306	159,825,639		
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	\$ 110,012,598	\$ 129,272,931		
Real Property/Centrally Assessed Tax Rate:							
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635		
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600		
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166		
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025		
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382		
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149		
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012		
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969		
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808		
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208		
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,470,140	\$ 3,445,327
Less Current Year Uncollected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26,129)	\$ (8,365)
Plus Prior Years Late Collections	-	-	-	-	-	\$ 45,071	\$ 14,264
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,489,082	\$ 3,451,227
HAIRCUT REVENUES							
Haircut Increment	\$ 162,825	\$ 222,955	\$ 241,772	\$ 249,179	\$ 285,435	\$ 2,598,405	\$ 780,647
Less Current Year Uncollected	\$ 47,332	\$ (18,000)	\$ (8,783)	\$ (4,022)	\$ -	\$ 10,526	\$ 2,911
Plus Prior Years Late Collections	8,645	3,302	3,147	3,954	-	\$ 47,122	\$ 12,498
Total Haircut Received by Agency	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,111	\$ 285,435	\$ 2,656,053	\$ 796,056
TOTAL REVENUES RECEIVED	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,111	\$ 285,435	\$ 10,145,135	\$ 4,247,283
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)							
Estimated Total Pass Through Increment	\$ 404,848.49	\$ 654,970	\$ 704,144	\$ 733,301	\$ 874,014	\$ 7,751,911	\$ 2,456,674
EXPENDITURES							
Project Area Budget and Uses of Funds							
RDA Admin	-	-	-	-	-	\$ -	\$ -
Loan Repayments to City	-	-	-	-	-	\$ 3,146,550	\$ 1,863,377
Developer Reimbursement (University Square)	-	-	-	-	-	\$ 1,429,200	\$ 894,609
Land Acquisition: Sakura	1,316,103	-	-	-	-	\$ 1,516,903	\$ 392,052
Developer Reimbursement (Mazda Orem, Ken Garff Honda, VW)	1,072,154	61,833	-	-	-	\$ 1,458,433	\$ 367,187
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	\$ 47,744	\$ 24,114
Debt Service (Haircut Eligible)	-	-	-	-	-	\$ 2,262,467	\$ 788,072
Misc. Expenditures	240,675	1,111	83,445	93,012	1,804,506	\$ 4,584,310	\$ 1,739,135
Land Sales Revenues	(94,760)	-	(107,800)	-	-	\$ (1,647,098)	\$ (1,377,483)
Sales Tax Revenues from City	-	-	-	-	-	\$ (1,638,729)	\$ (1,056,900)
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-	\$ -	\$ -
Interest Revenue	(457)	(1,342)	(14,505)	(14,966)	-	\$ (137,545)	\$ (37,109)
Redevelopment Activities	(2,314,912)	146,655	274,996	171,055	(1,519,071)	\$ (877,099)	\$ 407,344
Total Uses	\$ 218,802	\$ 208,257	\$ 236,136	\$ 249,111	\$ 285,435	\$ 10,145,135	\$ 4,045,031

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: 0.008763 Haircut: 0.002265
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 2019 Value \$156,218,830	Increase 2,179%	FY 2020 Increment \$339,822	Remaining Life 1 Year

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

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



SOURCES OF FUNDS

Table 5.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Haircut Increment	\$338,310
Current Year Uncollected	(\$1,119)
Prior Years Late Collections	\$2,631
Total Sources of Funds	\$339,822

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 2020 USES OF FUNDS	
Project Area Administration	\$150,000
Developer Incentive Payments	-
Debt Service	-
Miscellaneous	\$12,500
Redevelopment Activities/Fund Balance	\$259,906
Interest (Revenue)	(\$82,584)
Total Uses of Funds	\$339,822

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 \$0.

Table 5.5: Debt Service Payment

FY 2020 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 5.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$336,337	\$339,822 ¹⁰	101.0%

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 (2019 vs. 2018)	\$156,218,830	\$139,965,682	11.6%	11.6%
Lifetime Growth in Project Area (2019 vs. Base)	\$156,218,830	\$6,854,457	2,179%	9.6%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ¹¹)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

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 District¹². Annual property tax increment (above the base amount) currently being returned to the School District is 1,655 percent above what would have been realized if assessed values in the Project Area had remained

¹⁰ Current year Haircut including current and prior year delinquent increment.

¹¹ 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.

¹² 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 taxing entities receive the benefit of the 566 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 2020 Tax Increment	NA	\$339,822	\$60,066	566%
Fiscal Year 2020 Pass Through	NA	\$994,002	\$60,066	1,655%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Sakura restaurant was demolished
- A new Golden Corral has been completed
- The Garff Nissan Car Dealership expansion was completed fall of 2020
-

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	2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$349,700	\$333,047
Total Revenue	\$349,700	\$333,047
EXPENDITURES	TOTALS	NPV@5%
Administration Expense	\$220,000	\$209,524
Park Reimbursement	\$958,863	\$913,203
Misc. Expenditures	\$128,195	\$122,090
Redevelopment Activities/Fund Balance	(\$1,010,864)	(\$962,728)
Debt Service	\$53,506	\$50,958
Total	\$349,700	\$333,047

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 2020 actual and FY 2021 budget, as well as a projected multi-year budget from 2017 to 2021.



Orem RDA 85-03B

2020 Actual

	Tax Year	Yr. 31
	Payment Year	2019
		2020
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$147,744,470
Personal Property		\$7,446,552
Centrally Assessed		\$1,027,808
Total Assessed Value		\$156,218,830
Less: Base Year Value		(\$6,854,457)
Incremental Assessed Value		\$149,364,373
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		\$339,822
TOTAL DISTRIBUTION		\$339,822
EXPENDITURES		
RDA Admin		\$150,000
Developer Reimbursement (Walmart)		\$0
Developer Reimbursement (Lake Point)		\$0
Eligible City Projects Reimbursement		\$0
Developer Reimbursement (Brent Brown)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Eligible)		\$0
Reimbursement to General Fund for Haircut Eligible Expenses		\$0
Misc. Expenditures		\$12,500
Sales Tax Revenue from City		\$0
Reimbursement to General Fund for Sales Tax Revenue Loan		\$0
Optional Reimbursement to General Fund for Infrastructure		\$0
Interest Revenue		(\$82,584)
Redevelopment Activities		\$259,906
TOTAL EXPENDITURES		\$339,822



Orem RDA 85-03B

2021 Budget

	Tax Year	Yr. 32
	Payment Year	2020
		2021
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$157,243,450
Personal Property		\$6,887,386
Centrally Assessed		\$1,102,083
Total Assessed Value		\$165,232,919
Less: Base Year Value		(\$6,854,457)
Incremental Assessed Value		\$158,378,462
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006600
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy		0.000382
Total Tax Rate		0.008808
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		\$349,700
TOTAL DISTRIBUTION		\$349,700
EXPENDITURES		
RDA Admin		\$220,000
Developer Reimbursement (Walmart)		\$0
Developer Reimbursement (Lake Point)		\$0
Eligible City Projects Reimbursement		\$0
Developer Reimbursement (Brent Brown)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$958,863
Debt Service (Haircut Eligible)		\$53,506
Reimbursement to General Fund for Haircut Eligible Expenses		\$0
Misc. Expenditures		\$128,195
Sales Tax Revenue from City		\$0
Reimbursement to General Fund for Sales Tax Revenue Loan		\$0
Optional Reimbursement to General Fund for Infrastructure		\$0
Interest Revenue		\$0
Redevelopment Activities		(\$1,010,864)
TOTAL EXPENDITURES		\$349,700



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	147,744,470	157,243,450
Personal Property	-	-	5,050,341	7,446,552	6,887,386
Centrally Assessed	826,904	843,487	1,049,656	1,027,808	1,102,083
Total Assessed Value	119,743,869	125,966,217	139,965,682	156,218,830	165,232,919
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	\$ 149,364,373	\$ 158,378,462
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208
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	\$ 338,310	\$ 349,700
Less Current Year Uncollected	\$ 3,611	\$ (17,351)	\$ (5,887)	\$ (1,119)	\$ -
Plus Prior Years Late Collections	4,942	651	17,077	2,631	-
Total Haircut Received by Agency	\$ 324,982	\$ 285,129	\$ 332,920	\$ 339,822	\$ 349,700
TOTAL REVENUES RECEIVED	\$ 324,982	\$ 285,129	\$ 332,920	\$ 339,822	\$ 349,700
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$ 886,999	\$ 883,476	\$ 918,326	\$ 994,002	\$ 1,070,797
EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	165,000	265,000	25,000	150,000	220,000
Developer Reimbursement (Walmart)	-	-	-	-	-
Developer Reimbursement (Lake Point)	-	-	-	-	-
Eligible City Projects Reimbursement	-	-	-	-	-
Developer Reimbursement (Brent Brown)	-	659,500	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	958,863
Debt Service (Haircut Eligible)	369,237	646,242	185,100	-	53,506
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-
Misc. Expenditures	36,400	12,500	12,500	12,500	128,195
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)	(82,584)	-
Redevelopment Activities	(200,968)	(1,265,004)	207,492	259,906	(1,010,864)
Total Uses	\$ 324,982	\$ 285,129	\$ 332,920	\$ 339,822	\$ 349,700

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: 0.008763 Haircut: 0.002265
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 2019 Value \$70,864,980	Increase 277%	FY 2020 Increment \$124,533	Remaining Life 1 Year



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

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

SOURCES OF FUNDS

Table 6.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Haircut Increment	\$117,925
Current Year Uncollected	(\$6,930)
Prior Year Late Collection	\$13,538
Total Sources of Funds	\$124,533

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 2020 USES OF FUNDS	
Interest	(\$1,609)
Redevelopment Activities/Fund Balance	\$126,142



Table 6.4: Uses of Funds

FY 2020 USES OF FUNDS	
Total Uses of Funds	\$124,533

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 2020 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 2020	\$117,715	\$124,533 ¹³	105.8%

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 (2019 vs. 2018)	\$70,864,980	\$64,587,171	9.7%	9.7%
Lifetime Growth in Project Area (2019 vs. Base)	\$70,864,980	\$18,801,179	277%	4.1%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ¹⁴)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 6.8: Benefits to Taxing Entities

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

GROWTH IN PROPERTY TAX INCREMENT

Currently the only taxing entity receiving increment is the School District.¹⁵ Annual property tax increment (above the base amount) currently being returned to the School District is 207 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 76 percent increase in annual tax increment.

¹³ Current year Haircut including current and prior year delinquent increment.

¹⁴ 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.

¹⁵ 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 2020 Tax Increment	NA	\$124,533	\$164,755	76%
FY 2020 Pass Through	NA	\$340,397	\$164,755	207%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Rite Aid located at 774 S State Street is being remodeled and will house a VA Clinic
- A remodel of Bianca's Bakery, located at 334 E 800 S is underway

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 2021	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$115,349	\$109,856
Total Revenue	\$115,349	\$109,856
EXPENDITURES		
Misc.	\$241,911	\$230,391
Redevelopment Activities	(\$126,562)	(\$120,535)
Total Expenditures	\$115,349	\$109,856

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 2020 actuals, FY 2021 budget and a multi-year budget from 2017 to 2021.



OREM RDA 85-04

2020 Actual

	Tax Year	Payment Year
	Yr. 31	
	2019	
	2020	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$66,553,920	
Personal Property	\$3,560,548	
Centrally Assessed	\$750,512	
Total Assessed Value	\$70,864,980	
Less: Base Year Value	(\$18,801,179)	
Incremental Assessed Value	\$52,063,801	
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	\$124,533	
TOTAL DISTRIBUTION	\$124,533	
EXPENDITURES		
RDA Admin	\$0	
Developer Reimbursement (Carter Const.)	\$0	
Developer Reimbursement (Village East Assoc.)	\$0	
Developer Reimbursement (Fund 45 Lakeside Park)	\$0	
Debt Service (Haircut Eligible)	\$0	
Misc. Expenditures	\$0	
Interest Revenue	(\$1,609)	
Redevelopment Activities	\$126,142	
TOTAL EXPENDITURES	\$124,533	



OREM RDA 85-04

2021 Budget

	Yr. 32
Tax Year	2020
Payment Year	2021
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$66,880,720
Personal Property	\$3,293,184
Centrally Assessed	\$868,790
Total Assessed Value	\$71,042,694
Less: Base Year Value	(\$18,801,179)
Incremental Assessed Value	\$52,241,515
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000635
Alpine School District	0.006600
Orem City	0.001166
Orem Metropolitan Water District	0.000025
Central Utah Water Conservancy	0.000382
Total Tax Rate	0.008808
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	\$115,349
TOTAL DISTRIBUTION	\$115,349
EXPENDITURES	
RDA Admin	\$0
Developer Reimbursement (Carter Const.)	\$0
Developer Reimbursement (Village East Assoc.)	\$0
Developer Reimbursement (Fund 45 Lakeside Park)	\$0
Debt Service (Haircut Eligible)	\$0
Misc. Expenditures	\$241,911
Interest Revenue	\$0
Redevelopment Activities	(\$126,562)
TOTAL EXPENDITURES	\$115,349



Orem RDA 85-04

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	54,249,844	55,840,530	60,606,385	66,553,920	66,880,720
Personal Property	-	-	3,467,961	3,560,548	3,293,184
Centrally Assessed	1,563,007	424,583	512,825	750,512	868,790
Total Assessed Value	55,812,851	56,265,113	64,587,171	70,864,980	71,042,694
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	\$ 52,063,801	\$ 52,241,515
Real Property/Centrally Assessed Tax Rate:					
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208
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	8,155	-	-	-	-
Total Tax Increment Received by Agency	\$ 8,155	\$ -	\$ -	\$ -	\$ -
HAIRCUT REVENUES					
Haircut Increment	\$ 103,744	\$ 94,934	\$ 110,665	\$ 117,925	\$ 115,349
Less Current Year Uncollected	\$ (7,444)	\$ (18,231)	\$ (19,873)	\$ (6,930)	\$ -
Plus Prior Years Late Collections	21,910	7,232	28,510	13,538	-
Total Haircut Received by Agency	\$ 118,209	\$ 83,934	\$ 119,301	\$ 124,533	\$ 115,349
TOTAL REVENUES RECEIVED	\$ 126,365	\$ 83,934	\$ 119,301	\$ 124,533	\$ 115,349
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)					
Estimated Total Pass Through Increment	\$ 270,993	\$ 283,625	\$ 311,087	\$ 340,397	\$ 353,205
EXPENDITURES					
Project Area Budget and Uses of Funds					
RDA Admin	\$ 50,000	-	-	-	-
Developer Reimbursement (Carter Const.)	-	-	-	-	-
Developer Reimbursement (Village East Assoc.)	-	-	-	-	-
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-
Debt Service (Haircut Eligible)	127,613	-	-	-	-
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	-	-	241,911
Interest Revenue	-	-	-	(1,609)	-
Redevelopment Activities	(229,189)	(113,647)	119,301	126,142	(126,562)
Total Uses	\$ 126,365	\$ 83,934	\$ 119,301	\$ 124,533	\$ 115,349

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: 0.008763 Haircut: 0.002265
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 2019 Value \$127,444,601	Increase 288%	FY 2020 Increment \$223,787	Remaining Life 2 Years

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

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



SOURCES OF FUNDS

Table 7.2: Sources of Funds

FY 2020 SOURCES OF FUNDS	
Haircut Increment	\$214,336
Current Year Uncollected	(\$13,288)
Prior Year Late Collection	\$22,739
Total Sources of Funds	\$223,787

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 2020 USES OF FUNDS	
RDA Administration	\$60,000
Debt Service	-



Table 7.4: Uses of Funds

FY 2020 USES OF FUNDS	
Miscellaneous	-
Redevelopment Activities	\$169,808
Interest (Revenue)	(\$6,021)
Total Uses of Funds	\$223,787

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 \$0.

Table 7.5: Debt Service Payment

FY 2020 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 7.6: Realization of Tax Increment

REALIZATION OF TAX INCREMENT	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$215,918	\$223,787 ¹⁶	103.6%

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 (2019 vs. 2018)	\$127,444,601	\$104,631,674	21.8%	21.8%
Lifetime Growth in Project Area (2019 vs. Base)	\$127,444,601	\$32,815,215	288.4%	4.5%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ¹⁷)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

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 216 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.

¹⁶ Current year Haircut including current and prior year delinquent increment.

¹⁷ 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 2020 Tax Increment	NA	\$223,787	\$287,560	77.8%
FY 2020 Pass Through	NA	\$621,254	\$287,560	216.0%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- 5,300 SF of retail 3-unit building at Sunrise Square was completed
- Cafe 360, located at 360 S State Street, opened August 2020
- Lu's Boutique opened October 2020
- Cubby's restaurant, located at 180 N State, is a remodel of the old Iceberg restaurant. The restaurant opened December 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 7.10: Project Area Budget

PROJECT AREA BUDGET	FY 2021-2022	
	TOTALS	NPV@5%
REVENUES		
Haircut Increment	\$443,084	\$411,938
Total Revenue	\$443,084	\$411,938
EXPENDITURES		
Admin	-	-
Misc. Expenditures	\$484,268	\$461,208
Redevelopment Activities/Fund Balance	(\$71,184)	(\$77,841)
Debt Service	\$30,000	\$28,571
Total	\$443,084	\$411,938

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 2020 actual, FY 2021 budget, FY 2022 budget, and the full multi-year budget from 2017 to 2022 for the 87-10 Project Area.



OREM RDA 87-10

2020 Actual

	Tax Year	
	Payment Year	
		Yr. 30
		2019
		2020
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$119,474,678
Personal Property		\$7,173,955
Centrally Assessed		\$795,968
Total Assessed Value		\$127,444,601
Less: Base Year Value		(\$32,815,215)
Incremental Assessed Value		\$94,629,386
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		\$223,787
TOTAL DISTRIBUTION		\$223,787
EXPENDITURES		
RDA Admin		\$60,000
Developer Reimbursement (Boyer)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Eligible)		\$0
Misc. Expenditures		\$0
Sales Tax Revenue from City		\$0
Interest Revenue		(\$6,021)
Redevelopment Activities		\$169,808
TOTAL EXPENDITURES		\$223,787



OREM RDA 87-10

2021 Budget

	Yr. 31
Tax Year	2020
Payment Year	2021
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$125,593,485
Personal Property	\$6,635,258
Centrally Assessed	\$922,601
Total Assessed Value	\$133,151,344
Less: Base Year Value	(\$32,815,215)
Incremental Assessed Value	\$100,336,129
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000635
Alpine School District	0.006600
Orem City	0.001166
Orem Metropolitan Water District	0.000025
Central Utah Water Conservancy	0.000382
Total Tax Rate	0.008808
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	\$221,542
TOTAL DISTRIBUTION	\$221,542
EXPENDITURES	
RDA Admin	\$0
Developer Reimbursement (Boyer)	\$0
Developer Reimbursement (Fund 45 Lakeside Park)	\$0
Debt Service (Haircut Eligible)	\$30,000
Misc. Expenditures	\$484,268
Sales Tax Revenue from City	\$0
Interest Revenue	\$0
Redevelopment Activities	(\$292,726)
TOTAL EXPENDITURES	\$221,542



OREM RDA 87-10

2022 Budget

	Yr. 32
Tax Year	2021
Payment Year	2022
ASSESSED VALUATION	
TAXABLE VALUATION	
Real Property	\$125,593,485
Personal Property	\$6,635,258
Centrally Assessed	\$922,601
Total Assessed Value	\$133,151,344
Less: Base Year Value	(\$32,815,215)
Incremental Assessed Value	\$100,336,129
TAX INCREMENT ANALYSIS	
Tax Rate	
Utah County	0.000635
Alpine School District	0.006600
Orem City	0.001166
Orem Metropolitan Water District	0.000025
Central Utah Water Conservancy	0.000382
Total Tax Rate	0.008808
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	\$221,542
TOTAL DISTRIBUTION	\$221,542
EXPENDITURES	
RDA Admin	\$0
Developer Reimbursement (Boyer)	\$0
Developer Reimbursement (Fund 45 Lakeside Park)	\$0
Debt Service (Haircut Eligible)	\$0
Misc. Expenditures	\$0
Sales Tax Revenue from City	\$0
Interest Revenue	\$0
Redevelopment Activities	\$221,542
TOTAL EXPENDITURES	\$221,542

Orem RDA 87-10
Ongoing Budget
Multi-Year Project Area Budget Projections



	OPTIONAL EXTENSION OF HAIRCUT INCREMENT							TOTALS	
	Tax Year	27	28	29	30	31	32		
	Payment Year	2016	2017	2018	2019	2020	2021		
REVENUES									
TAXABLE VALUATION									
Locally Assessed Real	84,539,295	93,277,355	97,805,510	119,474,678	125,593,485	125,593,485			
Personal Property	2,641,834	2,514,574	6,269,055	7,173,955	6,635,258	6,635,258			
Centrally Assessed	1,053,296	521,099	557,109	795,968	922,601	922,601			
Total Assessed Value	88,234,425	96,313,028	104,631,674	127,444,601	133,151,344	133,151,344			
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	\$ 94,629,386	\$ 100,336,129	\$ 100,336,129			
Real Property/Centrally Assessed Tax Rate:									
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635	0.000635			
Alpine School District	0.007718	0.007087	0.006804	0.006498	0.006600	0.006600			
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166	0.001166			
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025	0.000025			
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382	0.000382			
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149	0.000149			
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012	0.000012			
Total Tax Rate	0.010736	0.009811	0.009400	0.008930	0.008969	0.008969			
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009621	0.009221	0.008763	0.008808	0.008808			
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208	0.002208			
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,157,097	\$ 2,633,856	
Less Current Year Uncollected	-	-	-	-	-	-	\$ (203,732)	\$ (67,265)	
Plus Prior Years Late Collections	-	-	-	-	-	-	\$ 359,911	\$ 114,875	
Total Tax Increment Received by Agency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,313,276	\$ 2,681,466	
HAIRCUT REVENUES									
Haircut Increment	\$ 155,340	\$ 160,903	\$ 173,580	\$ 214,336	\$ 221,542	\$ 221,542	\$ 1,750,123	\$ 489,401	
Less Current Year Uncollected	(1,224)	(12,996)	(18,751)	(13,288)	-	-	\$ (92,472)	\$ (26,157)	
Plus Prior Years Late Collections	7,515	6,878	6,677	22,739	-	-	\$ 107,646	\$ 30,977	
Total Haircut Received by Agency	\$ 161,631	\$ 154,785	\$ 161,507	\$ 223,787	\$ 221,542	\$ 221,542	\$ 1,765,297	\$ 494,121	
TOTAL REVENUES RECEIVED	\$ 161,631	\$ 154,785	\$ 161,507	\$ 223,787	\$ 221,542	\$ 221,542	\$ 7,078,572	\$ 3,175,587	
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)									
Estimated Total Pass Through Increment	\$ 433,349	\$ 468,192	\$ 513,568	\$ 621,254	\$ 678,373	\$ 678,373	\$ 5,301,935	\$ 1,573,832	
EXPENDITURES									
Project Area Budget and Uses of Funds									
RDA Admin	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ 13,883	
Developer Reimbursement (Boyer)	-	-	-	-	-	-	\$ 5,280,678	\$ 2,891,628	
Eligible City Projects Reimbursement	-	200,000	-	-	-	-	-	-	
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	\$ 36,024	\$ 20,060	
Debt Service (Haircut Eligible)	211,631	160,000	50,000	-	30,000	-	\$ 1,269,987	\$ 420,876	
Reimbursement to General Fund for Haircut Eligible Expenses	-	-	-	-	-	-	\$ -	\$ -	
Misc. Expenditures	52,423	92,742	-	-	484,268	-	\$ 610,543	\$ 132,823	
Sales Tax Revenue from City	-	-	-	-	-	-	\$ (573,534)	\$ (435,805)	
Reimbursement to General Fund for Sales Tax Revenue Loan	-	-	-	-	-	-	\$ -	\$ -	
Interest Revenue	(2,877)	(151)	(3,321)	(6,021)	-	-	\$ (23,715)	\$ (6,471)	
Redevelopment Activities	(99,546)	(297,806)	114,828	169,808	(292,726)	221,542	\$ 218,589	\$ 92,911	
Total Uses	\$ 161,631	\$ 154,785	\$ 161,507	\$ 223,787	\$ 221,542	\$ 221,542	\$ 7,078,572	\$ 3,175,587	

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: 0.008763 Haircut: 0.002265
Creation Year FY 1990	Base Year FY 1990	Term 32 Years ¹⁸	Trigger Year FY 1993	Expiration Year FY 2024
Base Value \$11,172,447	TY 2019 Value \$54,882,178	Increase 391%	FY 2020 Increment \$262,144	Remaining Life 4 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.



SOURCES OF FUNDS

Table 8.2: Sources of Funds

2020 SOURCES OF FUNDS	
Property Tax Increment	\$229,817
Current Year Uncollected Increment	(\$7,601)
Prior Year Late Collections	\$1,395
Haircut Increment	\$39,601
Current Year Uncollected Haircut	(\$1,512)
Prior Year Late Collections	\$444
Total Sources of Funds	\$262,144

¹⁸ 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 ¹⁹	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

2020 USES OF FUNDS	
RDA Administration	\$40,000
Debt Service	\$40,000
Misc.	\$26,102
Interest (Revenue)	(\$18,581)
Redevelopment Activity	\$174,623
Total Uses of Funds	\$262,144

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 2020, the 90-08 Project Area's portion of the debt service was \$40,000.

Table 8.5: Debt Service Payment

FY 2020 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	FORECASTED	ACTUAL	% OF PROJECTION
TAX INCREMENT GENERATED IN PROJECT AREA			
Property Tax Increment – FY 2020	\$268,769	\$262,144 ²⁰	97.5%

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 (2019 vs. 2018)	\$54,882,178	\$48,776,200	12.5%	12.5%
Lifetime Growth in Project Area (2019 vs. Base)	\$54,882,178	\$11,172,447	391.2%	5.6%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ²¹)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

¹⁹ 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.

²⁰ Current year increment and haircut excluding current and prior year delinquent increment.

²¹ 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 131 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 268 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 2020 Tax Increment	NA	\$262,144	\$97,904	267.8%
FY2020 Pass Through	NA	\$128,184	\$97,904	130.9%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- No notable developments were reported

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		2021-2024	
REVENUES	TOTALS	NPV @5%	
Property Tax Increment	\$245,629	\$233,933	
Haircut Increment	\$348,923	\$305,259	
Total Revenue	\$594,552	\$539,191	
EXPENDITURES	TOTALS	NPV @5%	
Admin	\$975,000	\$845,546	
Misc., Expenditures	\$37,252	\$35,478	
Redevelopment Activities/Fund Balance	(\$677,410)	(\$566,180)	
Debt Service	\$259,710	\$235,565	
Total	\$594,552	\$539,191	

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 2020 actuals, FY 2021 budget, FY 2022 budget, and the full multi-year budget from 2017 to 2024 for the 90-08 Project Area.



Orem RDA 90-08

2020 Actual

	Tax Year	Payment Year
	Yr. 24	
	2019	
	2020	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$47,840,980	
Personal Property	\$5,858,569	
Centrally Assessed	\$1,182,629	
Total Assessed Value	\$54,882,178	
Less: Base Year Value	(\$11,172,447)	
Incremental Assessed Value	\$43,709,731	
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	\$223,611	
Percent of Tax Increment for Haircut	40%	
Total Haircut Received	\$38,533	
TOTAL DISTRIBUTION	\$262,144	
EXPENDITURES		
RDA Admin	\$40,000	
Developer Reimbursement (Woodbury Amsource)	\$0	
Developer Reimbursement (Fund 45 Lakeside Park)	\$0	
Debt Service (Haircut Eligible)	\$40,000	
Misc. Expenditures	\$26,102	
Interest Revenue	(\$18,581)	
Redevelopment Activitites	\$174,623	
TOTAL EXPENDITURES	\$262,144	



Orem RDA 90-08

2021 Budget

	Tax Year	Payment Year
	Yr. 25	
	2020	
	2021	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property	\$51,416,515	
Personal Property	\$5,418,645	
Centrally Assessed	\$815,745	
Total Assessed Value	\$57,650,905	
Less: Base Year Value	(\$11,172,447)	
Incremental Assessed Value	\$46,478,458	
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County	0.000635	
Alpine School District	0.006544	
Orem City	0.001166	
Orem Metropolitan Water District	0.000025	
Central Utah Water Conservancy	0.000382	
Total Tax Rate	0.008808	
PROJECT AREA BUDGET		
TAX INCREMENT REVENUES		
Percent of Tax Increment for Project	60%	
Total Tax Increment Received	\$245,629	
Percent of Tax Increment for Haircut	40%	
Total Haircut Received	\$41,050	
TOTAL DISTRIBUTION	\$286,679	
EXPENDITURES		
RDA Admin	\$30,000	
Developer Reimbursement (Woodbury Amsource)	\$0	
Developer Reimbursement (Fund 45 Lakeside Park)	\$0	
Debt Service (Haircut Eligible)	\$0	
Misc. Expenditures	\$37,252	
Interest Revenue	\$0	
Redevelopment Activitites	\$219,427	
TOTAL EXPENDITURES	\$286,679	



Orem RDA 90-08

2022 Budget

	Tax Year	Yr. 26
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$51,416,515
Personal Property		\$5,418,645
Centrally Assessed		\$815,745
Total Assessed Value		\$57,650,905
Less: Base Year Value		(\$11,172,447)
Incremental Assessed Value		\$46,478,458
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006544
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy		0.000382
Total Tax Rate		0.008808
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		\$102,624
TOTAL DISTRIBUTION		\$102,624
EXPENDITURES		
RDA Admin		\$315,000
Developer Reimbursement (Woodbury Amsource)		\$0
Developer Reimbursement (Fund 45 Lakeside Park)		\$0
Debt Service (Haircut Eligible)		\$0
Misc. Expenditures		\$0
Interest Revenue		\$0
Redevelopment Activitites		(\$212,376)
TOTAL EXPENDITURES		\$102,624

Orem RDA 90-08

Ongoing Budget
Multi-Year Project Area Budget Projections



Tax Year Payment Year	21	22	23	24	25	OPTIONAL EXTENSION OF HAIRCUT			TOTALS	NPV @ 5%
	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	26 2021 2022	27 2022 2023	28 2023 2024		
REVENUES										
TAXABLE VALUATION:										
Locally Assessed Real	38,936,955	40,924,765	41,896,895	47,840,980	51,416,515	51,416,515	51,416,515	51,416,515		
Personal Property	-	-	5,753,205	5,858,569	5,418,645	5,418,645	5,418,645	5,418,645		
Centrally Assessed	937,161	1,093,518	1,126,100	1,182,629	815,745	815,745	815,745	815,745		
Total Assessed Value	39,874,116	42,018,283	48,776,200	54,882,178	57,650,905	57,650,905	57,650,905	57,650,905		
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)		
Total Incremental Assessed Value	\$ 28,701,669	\$ 30,845,836	\$ 37,603,753	\$ 43,709,731	\$ 46,478,458	\$ 46,478,458	\$ 46,478,458	\$ 46,478,458		
Real Property/Centrally Assessed Tax Rate:										
Utah County	0.000834	0.000779	0.000732	0.000672	0.000635	0.000635	0.000635	0.000635		
Alpine School District	0.007718	0.007087	0.006804	0.006434	0.006544	0.006544	0.006544	0.006544		
State Charter School - Alpine	-	0.000080	0.000069	0.000064	0.000056	0.000056	0.000056	0.000056		
Orem City	0.001550	0.001346	0.001281	0.001188	0.001166	0.001166	0.001166	0.001166		
Orem Metropolitan Water District	0.000033	0.000031	0.000030	0.000027	0.000025	0.000025	0.000025	0.000025		
Central Utah Water Conservancy	0.000386	0.000378	0.000374	0.000378	0.000382	0.000382	0.000382	0.000382		
Less State Assessing & Collecting	0.000204	0.000180	0.000170	0.000158	0.000149	0.000149	0.000149	0.000149		
Less Local Assessing & Collecting	0.000011	0.000010	0.000009	0.000009	0.000012	0.000012	0.000012	0.000012		
Total Tax Rate	0.010736	0.009891	0.009469	0.008930	0.008969	0.008969	0.008969	0.008969		
Actual Tax Rate Used by County in TIF Calculation	0.010521	0.009701	0.009290	0.008763	0.008808	0.008808	0.008808	0.008808		
Actual Tax Rate Used by County in HAIRCUT Calculation	0.002803	0.002534	0.002417	0.002265	0.002208	0.002208	0.002208	0.002208		
Percent of Tax Increment for Project										
	60%	60%	60%	60%	60%	0%	0%	0%		
Percent of Tax Increment for Haircut										
	40%	40%	40%	40%	40%	100%	100%	100%		
TAX INCREMENT REVENUES										
Property Tax Increment	\$ 181,182	\$ 179,541	\$ 209,603	\$ 229,817	\$ 245,629	\$ -	\$ -	\$ -	\$ 3,505,984	\$ 1,362,482
Less Current Year Uncollected	\$ (1,174)	\$ (1,149)	\$ (4,988)	\$ (7,601)					\$ (88,914)	\$ (74,800)
Plus Prior Years Late Collections	3,641	6,506	9,919	1,395					\$ 74,088	\$ 59,955
Total Tax Increment Received by Agency	\$ 183,650	\$ 184,898	\$ 214,534	\$ 223,611	\$ 245,629	\$ -	\$ -	\$ -	\$ 3,491,158	\$ 1,355,777
HAIRCUT REVENUES										
Haircut Increment	\$ 32,180	\$ 31,265	\$ 36,355	\$ 39,601	\$ 41,050	\$ 102,624	\$ 102,624	\$ 102,624	\$ 850,359	\$ 280,192
Less Current Year Uncollected	\$ (208)	\$ (200)	\$ (865)	\$ (1,512)					\$ (11,956)	\$ (9,887)
Plus Prior Years Late Collections	415	929	1,661	444					\$ (1,218)	\$ (1,223)
Total Haircut Received by Agency	\$ 32,387	\$ 31,994	\$ 37,151	\$ 38,533	\$ 41,050	\$ 102,624	\$ 102,624	\$ 102,624	\$ 837,185	\$ 275,855
TOTAL REVENUES RECEIVED	\$ 216,037	\$ 216,892	\$ 251,685	\$ 262,144	\$ 286,679	\$ 102,624	\$ 102,624	\$ 102,624	\$ 4,328,343	\$ 1,631,632
PASSTHROUGH TO TAXING ENTITIES (ABOVE BASE)										
Estimated Total Pass Through Increment	\$ 92,104	\$ 88,204	\$ 104,385	\$ 128,184	\$ 130,186	\$ 314,241	\$ 314,241	\$ 314,241	\$ 3,502,217	\$ 1,567,043
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	\$ 1,645,232	\$ 438,649
Developer Reimbursement (Woodbury Amsource)	-	-	-	-	-	-	-	-	\$ 50,000	\$ 47,619
Developer Reimbursement (Fund 45 Lakeside Park)	-	-	-	-	-	-	-	-	\$ 130,232	\$ 76,144
Debt Service (Haircut Eligible)	52,387	-	40,000	40,000	-	-	259,710	-	\$ 1,678,303	\$ 607,105
Optional Reimbursement to Road Fund 2001 800 N State St. Traffic Signal	-	-	-	-	-	-	-	-	\$ 5,000	\$ 1,550
Misc. Expenditures	-	23,900	26,102	26,102	37,252	-	-	-	\$ 618,830	\$ 264,220
Interest Revenue	(4,096)	(5,455)	(18,966)	(18,581)	-	-	-	-	\$ (61,030)	\$ (16,585)
Redevelopment Activities	67,746	148,447	154,549	174,623	219,427	(212,376)	(472,086)	(212,376)	\$ 261,776	\$ 137,958
Total Uses	\$ 216,037	\$ 216,892	\$ 251,685	\$ 262,144	\$ 286,679	\$ 102,624	\$ 102,624	\$ 102,624	\$ 4,328,343	\$ 1,553,935



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 2019 Value \$291,411,287	Increase 126%	FY 2020 Increment \$969,915	Remaining Life 18 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 2020 SOURCES OF FUNDS	
Increment	\$960,759
Current Year Uncollected	(\$5,226)
Prior Year Late Collection	14,382
Total Sources of Funds	\$969,915

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 2020 USES OF FUNDS	
Developer Incentive Payments	\$872,923
RDA Admin	\$48,496
Redevelopment Activities/Fund Balance	\$49,868
Interest (Revenue)	(\$1,372)
Total Uses of Funds	\$969,915

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 2020	\$866,520	\$969,915 ²²	111.9%

²² 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 (2019 vs. 2018)	\$291,411,287	\$275,499,081	5.8%	5.8%
Lifetime Growth in Project Area (2019 vs. Base)	\$291,411,287	\$129,187,998	125.6%	14.5%
ASSESSED VALUES IN OREM CITY				
Annual Growth in Orem City (2019 vs. 2018)	\$6,112,605,022	\$5,557,370,305	10.0%	10.0%
Lifetime Growth in Orem City (2019 vs. 1997 ²³)	\$6,112,605,022	\$2,173,320,362	181.3%	4.8%

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 40.7 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
FY2020 Tax Increment	\$969,915	\$1,132,074	85.7%
FY 2020 Pass Through	\$460,367	\$1,132,074	40.7%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

- The Devon Apartments including 129 units were completed
- The Exton Apartments including 70 units were completed
- A Bath & Body Works interior remodel is underway
- A new women's cosmetic store will be opening in January near Coldstone Creamery
- Cotapaxi Athletic is scheduled to open late October 2020
- Bronson Clothing is scheduled to open late 2020
- LuluLemon opened September 2020
- The DM Fashion 809 SF remodel was completed and the store opened September 2020
- The Carrabba's Grill 1,625 SF remodel was completed, located at 683 E University Parkway
- The Dillard's 159,800 SF two-story building is scheduled to begin construction weather permitting January 2021
- 8 story commercial building (5 stories of parking, 3 stories of office) under construction as of September 2020
- 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.

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 2021-2038	
REVENUES		TOTALS	NPV@5%
Tax Increment		\$21,973,539	\$14,255,677
Total Revenue		\$21,973,539	\$14,255,677
EXPENDITURES		TOTALS	NPV@5%

²³ 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 9.9: Project Area Budget

PROJECT AREA BUDGET	FY 2021-2038	
RDA Admin	\$1,098,677	\$712,784
Developer Reimbursement	\$19,776,185	\$12,830,109
Interest Revenue	-	-
Redevelopment Activities	\$1,098,677	\$712,784
total	\$21,973,539	\$14,255,677

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 2020 actuals, FY 2021 budget, FY 2021 budget, and the full multi-year budget from 2018 to 2037 for the 87-10 Project Area.



Orem University Place CDA

2020 Actual

	Tax Year	Yr. Year 2
	Payment Year	
		2019
		2020
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$275,173,635
Personal Property		\$15,342,211
Centrally Assessed		\$895,441
Total Assessed Value		\$291,411,287
Less: Base Year Value		(\$129,187,997)
Incremental Assessed Value		\$162,223,290
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		\$969,915
EXPENDITURES		
RDA Admin		\$48,496
Developer Reimbursement		\$872,923
Debt Service		\$0
Misc. Expenditures		\$0
Interest Revenue		(\$1,372)
Redevelopment Activities		\$49,868
TOTAL EXPENDITURES		\$969,915



Orem University Place CDA

2021 Budget

	Tax Year	Yr. Year 3
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$311,731,860
Personal Property		\$14,190,155
Centrally Assessed		\$1,016,867
Total Assessed Value		\$326,938,882
Less: Base Year Value		(\$129,187,996)
Incremental Assessed Value		\$197,750,886
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006544
State Charter School - Alpine		0.000056
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy District		0.000382
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		\$1,175,827
EXPENDITURES		
RDA Admin		\$58,791
Developer Reimbursement		\$1,058,244
Interest Revenue		\$0
Redevelopment Activities		\$58,791
TOTAL EXPENDITURES		\$1,175,827



Orem University Place CDA

2022 Budget

	Tax Year	Yr. Year 4
	Payment Year	
ASSESSED VALUATION		
TAXABLE VALUATION		
Real Property		\$319,731,860
Personal Property		\$14,190,155
Centrally Assessed		\$1,016,867
Total Assessed Value		\$334,938,882
Less: Base Year Value		(\$129,187,995)
Incremental Assessed Value		\$205,750,887
TAX INCREMENT ANALYSIS		
Tax Rate		
Utah County		0.000635
Alpine School District		0.006544
State Charter School - Alpine		0.000056
Orem City		0.001166
Orem Metropolitan Water District		0.000025
Central Utah Water Conservancy District		0.000382
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		\$1,223,395
EXPENDITURES		
RDA Admin		\$61,170
Developer Reimbursement		\$1,101,055
Interest Revenue		\$0
Redevelopment Activities		\$61,170
TOTAL EXPENDITURES		\$1,223,395



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	2038	Total	NPV
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																							
Total Assessed Value	275,499,081	291,411,287	326,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882	334,938,882		
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	162,223,290	197,750,886	205,750,887	205,750,888	205,750,889	205,750,890	205,750,891	205,750,892	205,750,893	205,750,894	205,750,895	205,750,896	205,750,897	205,750,898	205,750,899	205,750,900	205,750,901	205,750,902	205,750,903			
Tax Rate																							
Utah County	0.000732	0.000672	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635	0.000635		
Alpine School District	0.006804	0.006434	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544	0.006544		
State Charter School - Alpine	0.000069	0.000064	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056	0.000056		
Orem City	0.001281	0.001188	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166	0.001166		
Orem Metropolitan Water District	0.000030	0.000027	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025	0.000025		
Central Utah Water Conservancy District	0.000374	0.000378	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382	0.000382		
Total	0.009290	0.008763	0.008808	0.008808																			
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%	75%		
Alpine School District	65%	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%	65%		
Orem City	75%	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%	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%	75%		
Property Tax Increment for Budget																							
Utah County	80,325	81,761	94,179	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	97,989	1,922,075	1,186,324
Alpine School District	647,075	678,434	841,153	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	875,182	17,044,757	10,481,606
State Charter School - Alpine	6,562	7,448	7,198	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	7,489	147,827	91,527
Orem City	140,568	144,541	172,933	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	179,929	3,516,838	2,166,687
Orem Metropolitan Water District	3,292	3,285	3,708	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	3,858	75,868	46,889
Central Utah Water Conservancy District	41,040	45,990	56,656	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	58,948	1,145,796	703,831
Total Increment	918,863	960,759	1,175,827	1,223,395	1,223,395	23,853,161	14,676,864																
Less Current Year Uncollected	(24,086)	(5,226)																				(29,312)	(27,679)
Plus Prior Year Late Collections		14,382																				14,382	13,697
Total Revenues Received	894,777	969,915	1,175,827	1,223,395	1,223,395	23,838,230	14,662,229																
Estimated Pass Through Increment	440,367	460,803	565,963	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	588,859	11,477,738	7,061,136
EXPENDITURES																							
Project Area Budget and Uses of Funds																							
RDA Admin	5%	44,739	48,496	58,791	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	1,191,912	733,111
Developer Reimbursement	90%	805,299	872,923	\$ 1,058,244	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	\$ 1,101,055	21,454,407	13,196,006
Interest Revenue		(4,136)	(1,372)																			(5,508)	(5,184)
Redevelopment Activities	5%	48,875	49,868	58,791	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	61,170	1,197,420	738,295
Total Uses		894,777	969,915	1,175,827	1,223,395	1,223,395	23,838,230	14,662,229															