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October 26, 2015

Sent via U.S. Mail

Bryan E. Thompson
Utah County Auditor
100 East Center Street, Rm 3600
Provo, Utah 84606

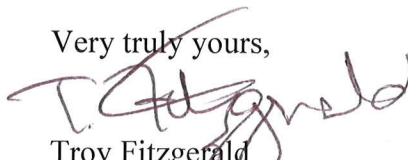
**Re: Agency Annual Report for Frontage Road Neighborhood
Development Plan
Springville Redevelopment Agency – November 1, 2015**

Dear Mr. Thompson:

On behalf of the Springville Redevelopment Agency, enclosed please find the 2015 Annual Agency Report for the Frontage Road Neighborhood Development Plan. This report is submitted pursuant to Sections 17-1-402(9) and 17C-1-603 of the Utah Code and is to take place of the requirement to hold an annual meeting.

Please let us know of any questions related to the Agency Report.

Very truly yours,



Troy Fitzgerald
Springville City Administrator

Enclosure

Agency Annual Report for Frontage Road Neighborhood Development Plan Springville Redevelopment Agency – November 1, 2015

Project Area Summary

Springville's Redevelopment Agency's "Frontage Road Neighborhood Development Plan" was adopted in late 1999. This is the only active project area within the Agency's boundaries and consists of approximately 96.65 acres. To date, all blighted structures within the project area have been demolished, approximately 1.6 miles of fully improved streets and sidewalks have been installed, utilities have been installed, and a drainage ditch has been enhanced. In 2012, an approximate 32,500 square foot commercial building was built on the north end of the project area, and in 2015, an approximate 5,376 square foot commercial building was built on the south end of the project area.

The streets, sidewalks and utilities were installed as part of a special improvement district or subdivision process. All public improvements have been paid for in full.

The project area was originally owned by Spring Pointe Development LLC. Spring Pointe Development LLC had a number of approved development projects but backed out before pulling permits for the projects. The ownership of the property has since changed hands.

In 2010, Sam Dexy Properties LLC became owner of the northern approximate 20.5 acres of the project area. The owners of Sam Dexy Properties LLC subdivided the 20.5 acres and built a 32,500 square foot building for Infomercial, Inc. on a 9.12 acre lot. The owner has talked about asking the Agency to enter into a participation agreement for future development but has not yet done so.

In 2013, The Olds 2002 Family Trust became the owner of the remaining approximate 76.15 acres of the project area. The Olds 2002 Family Trust is working towards putting together a proposal for the Agency to consider in the near future that would possibly include a large industrial manufacturing building.

In 2015, The Olds 2002 Family Trust sold 1.47 acres to HWP Properties, LLC. HWP Properties, LLC has constructed a 5,376 square foot Tracker Boat dealership on the property. The Agency and HWP Properties, LLC entered into a participation agreement whereby the Agency agreed to pay to HWP Properties, LLC 100% of the tax increment generated by HWP Properties, LLC's increased property values and actually collected by the Agency for five years. After the first five years, HWP Properties, LLC will receive tax increment over five more years at a ten percent (10%) reduction over the previous year. Tax increment will first be paid to HWP Properties, LLC for tax year 2016.

HWP Properties, LLC is in the process of purchasing 2.45 more acres of property from The Olds 2002 Family Trust to develop an automobile dealership.

The project area has two separate tax rates. The tax rate within project area within Utah County tax area 130 is 0.012725 and within Utah County tax area 131 is 0.013125. The Agency received \$108,326.14 in tax increment from the project area for tax year 2014. Tax increment received by the Agency is being used and/or held in reserve for project area improvements and low income housing as required by the project area plan.

Economic Update

The total project encompasses 96.65 acres of which approximately 10.59 acres (10.96%) have been developed. The businesses in the project area include Infomercial, Inc. and Tracker Boats. An automobile dealership is planned to locate within the project area in the near future.

Agency Annual Report for Frontage Road Neighborhood Development Plan Springville Redevelopment Agency – November 1, 2015

Taxable values within the project area have increased from \$389,535 in its base year to approximately \$8,864,903 after the 2014 valuation; a 2275% increase. The estimated assessed value for 2015 is approximately \$9,998,400.

The Agency has not passed any tax increment associated with the project area through to other taxing entities.

- (a) Estimate of Tax Increment for Current Calendar Year Ending December 31, 2015: The Agency estimates that the tax increment to be paid to the Agency for this calendar year ending December 31 is approximately \$124,601.
- (b) Estimate of Tax Increment for Year Beginning January 1, 2016: The Agency estimates that the tax increment to be paid to the agency for the calendar year beginning this next January 1 will be approximately \$133,737.

Project Timeline

Base Year 1999	Trigger Year 2013	Term 15 years	Remaining Term 13 years
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