

**COMMUNITY DEVELOPMENT AND RENEWAL AGENCY OF  
SANTAQUIN CITY**

**RESOLUTION 12-02-2022-CDA  
ADOPTION OF WEST FIELDS COMMUNITY REINVESTMENT  
AREA PROJECT AREA BUDGET**

**WHEREAS**, the Community Development and Renewal Agency of Santaquin City (the "Agency") is a public agency pursuant to Title 17C of the Utah Code; and

**WHEREAS**, on July 21, 2022, the Agency Board designated a Survey Area and directed that proposed community reinvestment project area plans and related budgets for areas within the Survey Area be prepared; and

**WHEREAS**, the Agency Board has now adopted the West Fields Community Reinvestment Area Project Area Plan and desires to establish and adopt a Project Area Budget for said Project Area;

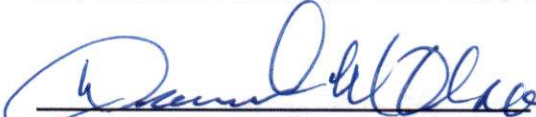
**NOW THEREFORE, BE IT HEREBY RESOLVED** by the Community Development and Renewal Agency of Santaquin City as follows:

**SECTION 1:** The adoption of the West Fields Community Reinvestment Area Project Area Budget is in the best interest of the Community Development and Renewal Agency of Santaquin City and Santaquin City, Utah.


**SECTION 2:** The Board of the Community Development and Renewal Agency of Santaquin City hereby approves and adopts the attached West Fields Community Reinvestment Area Project Area Budget.

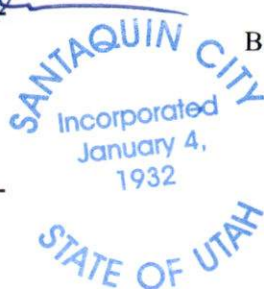
**SECTION 3:** This Resolution shall become effective immediately upon passage.

APPROVED AND ADOPTED THIS 20<sup>th</sup> DAY OF DECEMBER 2022.

  
Daniel M. Olson, Board Chair

Attest:

  
Amalie R. Ottley, Secretary



Board Member Art Adcock	Voted	YES
Board Member Elizabeth Montoya	Voted	YES
Board Member Lynn Mecham	Voted	YES
Board Member Jeff Siddoway	Voted	YES
Board Member David Hathaway	Voted	YES



# Santaquin City

Community Development and Renewal Agency of  
Santaquin City

West Fields Community Reinvestment Area

Project Area Budget

October 2022



ZIONS PUBLIC FINANCE, INC.



## SANTAQUIN CITY WEST FIELDS I CRA PROJECT AREA BUDGET

The following narrative has been prepared in accordance with Utah Code §17C-5-303 for an Agency that receives tax increment.

This Budget is prepared in good faith as a current reasonable estimate of the economic impact of projected development and redevelopment within the Project Area. Fundamental economic and other circumstances may influence the actual impact. With these assumptions, the information contained within this Budget represents the reasonable expectations of the Agency. The Agency makes no guarantee that the projections contained in this Budget of the Project Area Plan for the Project Area accurately reflect the future development and/or redevelopment within the Project Area. Further, the Agency specifically reserves all powers granted to it under the Act, now and as may be amended; this Budget shall not be interpreted to limit or restrict the powers of the Agency as granted by the Act. The actual amount of tax increment received by the Agency will be determined solely by interlocal agreement(s) between the Agency and the various taxing entities; this Budget does not control the flow of tax increment money, nor does it entitle the Agency to receive money from tax increment or any other source.

### 1(A). THE BASE TAXABLE VALUE [17C-5-303(1)(A)]

The base taxable value is the year 2022 value of \$0.

### 1(B). PROJECTED AMOUNT OF TAX INCREMENT TO BE GENERATED WITHIN THE PROJECT AREA [17C-5-303(1)(B)]

The projected amount of property tax increment to be generated within the Project Area over 20 years is nearly \$4 million. While the Agency currently does not intend to collect any property tax increment, there is significant benefit to the taxing entities as shown in Table 1.

TABLE 1: INCREMENTAL PROPERTY TAX REVENUES FOR 20 YEARS

Taxing Entity	Tax Rate	Total	NPV*
Utah County	0.000853	\$302,796	\$175,487
Nebo School District	0.008694	\$3,086,178	\$1,788,606
Santaquin	0.001282	\$455,082	\$263,744
Central Utah Water Conservancy	0.000400	\$141,991	\$82,292
<b>Total</b>		<b>\$3,986,047</b>	<b>\$2,310,129</b>

\*NPV = net present value discounted at 4 percent.

The projected amount of sales tax increment to be generated within the Project Area over 20 years is based on the assumption that between \$1 million and \$2 million (\$2022) in gross sales will be generated annually. It is also anticipated that sales will increase by roughly two percent per year once a new business is established. Multiplied by one-half of one percent (local option point of sale), the anticipated yearly sales tax revenues to the Agency from Santaquin City are between \$5,000 and \$10,000 in early years and between \$7,300 and \$15,000 in 20 years, resulting in total sales tax revenues over 20 years of between roughly \$125,000 and \$250,000.

### 1(C). PROJECT AREA FUNDS COLLECTION PERIOD [17C-5-303(1)(C)]

The Agency has determined not to initially collect any property tax increment. The Agency is willing to accept sales tax increment that is payable to the City for a period of 20 years.

### 1(D). PROJECTED AMOUNT OF TAX INCREMENT TO BE PAID TO OTHER TAXING ENTITIES [17C-5-303(1)(D)]

The projected amount of property tax revenue to be paid to the taxing entities over 20 years is nearly \$4 million from an area that is currently producing no property tax revenues. The Agency currently does not intend to receive any property tax increment from the taxing entities.

TABLE 2: INCREMENTAL PROPERTY TAX REVENUES PAID TO TAXING ENTITIES FOR 20 YEARS

Incremental Tax Revenues to Taxing Entities			
Utah County	0.000853	\$302,796	\$175,487
Nebo School District	0.008694	\$3,086,178	\$1,788,606
Santaquin	0.001282	\$455,082	\$263,744
Central Utah Water Conservancy	0.000400	\$141,991	\$82,292
<b>Total</b>		<b>\$3,986,047</b>	<b>\$2,310,129</b>

The Agency only intends to receive sales tax increment from Santaquin City. Therefore, Utah County will see not only an increase in property tax revenues as shown in Table 2 but will also benefit slightly from increased sales tax revenues generated in the Project Area. The County's local option point of sale is calculated based on one-half of a quarter percent of sales generated (.00125). Therefore, based on the gross sales discussed in section 1(B) above, Utah County will receive approximately \$32,000 to \$64,000 in additional sales tax revenues over 20 years.

### 1(E). IF THE AREA FROM WHICH TAX INCREMENT IS COLLECTED IS LESS THAN THE ENTIRE PROJECT AREA [17C-5-303(1)(E)]

Not applicable.

### 1(F). THE PERCENTAGE OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE [17C-5-303(1)(F)]

The Agency has decided to not receive any property tax increment initially for this project area and is willing to receive up to 100 percent of sales tax increment generated by the City's local option sales tax rate.

### **1(G). THE MAXIMUM CUMULATIVE DOLLAR AMOUNT OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE FROM THE PROJECT AREA [17C-5-303(1)(G)]**

The Agency has decided not to receive any property tax increment initially for this project area. It has decided to accept up to 100 percent of Santaquin City's local option sales tax revenue for a period of 20 years to a maximum amount of \$1 million.

### **2. IF THE AGENCY RECEIVES SALES AND USE TAX REVENUE [17C-5-303(2)(A) AND (B)], THE PERCENTAGE AND TOTAL AMOUNT OF SALES AND USE TAX REVENUE TO BE PAID TO THE AGENCY**

The Agency has decided not to receive any property tax increment initially for this project area. It has decided to accept up to 100 percent of Santaquin City's local option sales tax revenue generated within the Project Area for a period of 20 years to a maximum amount of \$1 million.

### **3. AMOUNT OF PROJECT AREA FUNDS THE AGENCY WILL USE TO IMPLEMENT THE PROJECT AREA [17C-5-303(3)]**

The Agency estimates that its funds of approximately \$250,000 to \$1 million will be used for infrastructure or economic development purposes within the Project Area. No administrative funds have been included in this analysis. It is not anticipated that sales tax revenues will reach over \$100,000 per year and therefore no funds for housing will be set aside.

### **4. THE AGENCY'S COMBINED INCREMENTAL VALUE [17C-5-303(4)]**

The total incremental value in the Project Area is estimated at approximately \$39.2 million (\$2022) at buildout. The Agency has no other project areas and therefore the Agency's current incremental value is \$0.

### **5. THE AMOUNT OF PROJECT AREA FUNDS THAT WILL BE USED TO COVER THE COST OF ADMINISTERING THE PROJECT AREA [17C-5-303(5)]**

The Agency is not requesting any revenues be set aside for administrative purposes.

### **6. FOR PROPERTY THAT THE AGENCY OWNS AND EXPECTS TO SELL, THE EXPECTED TOTAL COST OF THE PROPERTY TO THE AGENCY AND THE EXPECTED SALE PRICE [17C-5-303(6)]**

The Plan contemplates that the City, which currently owns all of the real property within the Project Area, will deed some or all of the developable property to the Agency thereby allowing the Agency to take advantage of the opportunity to develop the property or to sell the property to developers for the development of facilities within the Project Area. There is no anticipated sale or sales price at this time.