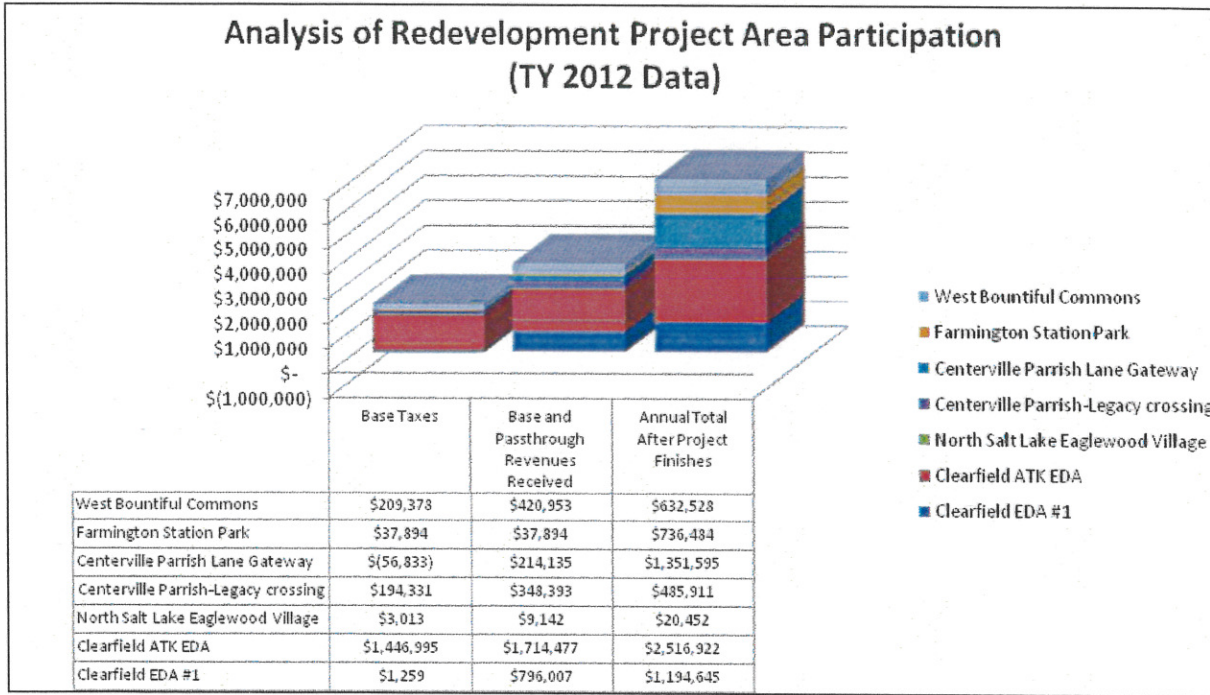




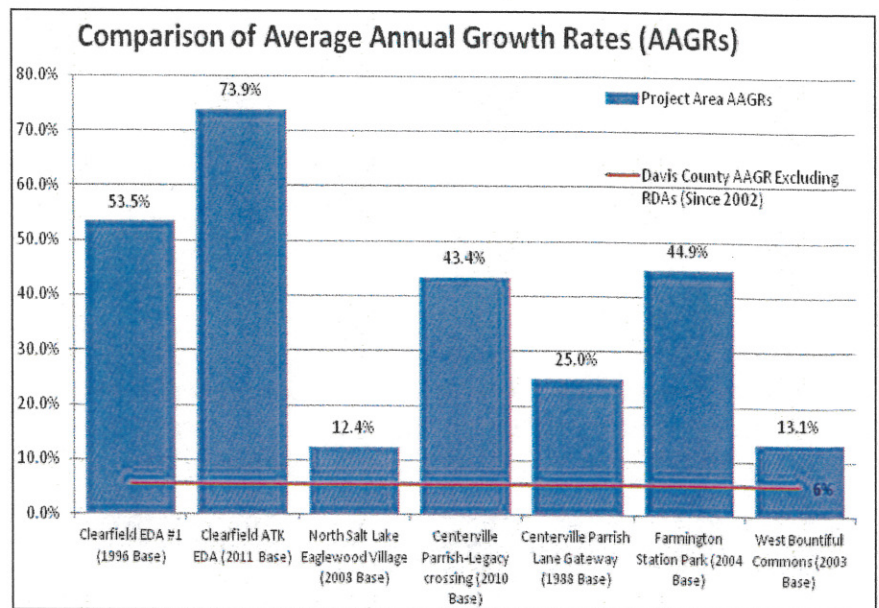
ECONOMIC VALUE CREATION OF REDEVELOPMENT PROJECT AREAS TO DAVIS COUNTY TAXING ENTITIES *(County, School District, Cities, and Special Districts)*

The Taxing Entities in Davis County have historically participated in many economic development project areas. The graph below provides a snapshot of results for a sampling of those project areas. The data is based off actual values from tax year (TY) 2012 representing the base taxes which are passed through to the taxing entities, the additional revenues received and passed through due to economic growth, and a projection of total taxes to be received annually by the taxing entities once the project area finishes (even assuming no additional economic growth in the area).



Findings:

- ☞ Taxing Entities receive almost **double the tax revenue** in project areas as they would have otherwise received from the base value *(even while the projects are active)*.
- ☞ Overall, tax generation is more than **triple the base value** after participation in the project area is completed.
- ☞ Average annual growth rate (AAGR) in assessed value for project areas is **38%**, as opposed to 6% AAGR over 10 years in the rest of Davis County. This is nearly **7 times the growth**, which is substantial, especially considering project area sites have impediments which would have hindered growth and caused lower than average AAGR if not for RDA participation.



SECTION 4: PROPERTY TAX INCREMENT

PROPERTY TAX INCREMENT SHARED FOR BUDGET

It is anticipated that all taxing entities will contribute 50% of their respective tax increment for 15 years. Table 4.1 shows the amount of tax increment shared with the Agency assuming the participation levels discussed above.

TABLE 4.1: SOURCES OF TAX INCREMENT FUNDS

Sources of Funds (Property Tax Increment):	Percentage	Length	Total Amounts	NPV @ 5.00%
Davis County	50%	15 Years	\$ 348,493	\$ 229,466
Davis School District	50%	15 Years	1,303,168	858,074
Kaysville City	50%	15 Years	149,833	98,658
Weber Basin Water Conservancy District	50%	15 Years	31,337	20,634
Davis County Mosquito Abatement District	50%	15 Years	15,304	10,077
Central Davis County Sewer District	50%	15 Years	34,543	22,745
Total Sources of Funds:			\$ 1,882,678	\$ 1,239,654

USES OF TAX INCREMENT

The majority of the tax increment collected by the Agency will be used to pay for necessary infrastructure that is needed to develop the Project Area. Approximately 5% will be used to offset the administration costs of the Agency.

TABLE 4.2: USES OF TAX INCREMENT

Uses of Funds:	
Offsite Public Improvements- Water line replacement 200 N. Flint Street, Road Improvements 200 N. Flint Street	\$ 513,049
Traffic Light Installation	263,000
Geotechnical Costs	470,472
On Site Improvements- Water line extension, Sewer line extension, Storm water retention, and trail improvements	542,023
CDA Administration @ 5%	94,134
Total Uses of Funds:	\$ 1,882,678

PROJECTED TAX INCREMENT REMAINING WITH TAXING ENTITIES

It is anticipated that all taxing entities will receive 50% of the tax increment and all property tax revenue from the base year value during the duration of the Budget and all tax increment thereafter.

TABLE 4.3: TAX INCREMENT REMAINING FOR TAXING ENTITIES

Remaining for Taxing Entities:	Total Amounts	NPV @ 5.00%
Davis County	\$ 348,493	\$ 229,466
Davis School District	1,303,168	900,978
Kaysville City	149,833	103,591
Weber Basin Water Conservancy District	31,337	21,665
Davis County Mosquito Abatement District	15,304	10,581
Central Davis County Sewer District	34,543	23,882
Total Remaining for Taxing Entities:	1,882,678	1,239,654
Revenue From Base Year Value:	43,360	31,328
Total Revenue To Taxing Entities:	\$ 1,926,038	\$ 1,270,983