COMMISSIONERS' MINUTES – DAVIS COUNTY

WORK SESSION MEETING MINUTES
Tuesday, May 28, 2024

The Board of Davis County Commissioners met for a Work Session at 9:00 AM on Tuesday, May 28, 2024, in room 306 of the Davis County Administration Building, 61 South Main Street, Farmington, Utah. Required legal notice of this meeting was given.

All documents from this meeting are on file in the Davis County Clerk's Office. The agenda for this meeting is incorporated into the minutes as item headers.

DISCLAIMER
The meeting was an open dialogue. Critical points in the discussion have only been briefly summarized. The reader may refer to the audio recording and the publicly distributed materials for further clarification of the content. Timestamps have been noted in the minutes to aid in locating points of discussion in the audio record. The audio recording for this meeting is available based upon the County's current retention schedule.

ROLL CALL

Chair Bob J Stevenson
Vice Chair Randy B. Elliott
Commissioner Lorene Miner Kamalu
County Clerk Brian McKenzie
Chief Deputy Auditor Angie Nelson
Chief Deputy Civil Attorney Neal Geddes
Director of Human Resources and Risk Chris Bone
Deputy Director of Economic Development Chanel Flores
Deputy Clerk Becky Wright
Commission Office Confidential Secretary Cynda Melville
Farmington City Assistant Community Development Director Lyle Gibson
Farmington City Manager Brigham Mellor
Farmington City Community Development Director David Peterson
STACK Real Estate Trevor Evans
Tax Administration Manager Sulika Laulu (arrived after roll call)

OPENING
The meeting convened at 9:03 AM. Commissioner Stevenson excused County Auditor Curtis Koch and Kent Anderson, the County's Community and Economic Development Director, who were on vacation.

AGENDA ITEMS

1. #428/2024**. Farmington City Housing and Transit Reinvestment Zone (HTRZ) Discussion** — *presented by Chanel Flores,* Deputy Director of Economic Development, on behalf of *Kent Andersen, Davis County Community and Economic Development Director*

[Minute 01:05] Chanel Flores, Davis County Deputy Director of Economic Development, introduced the discussion by stating that the County has a few different Community Reinvestment Areas (CRAs) in place with Farmington City. Farmington City would like to take certain portions of those CRAs and change them into a Housing and Transit Reinvestment Zone (HTRZ). The Utah State Legislature enacted the Housing and Transit Reinvestment Zone Act to allow additional ways to finance development projects.

Farmington City Manager Brigham Mellor was invited to speak and illustrated his presentation with projected images of maps and pages from the North Station HTRZ Application [Attachments A and B].

Farmington City Manager Mellor said two tax increment financing jurisdictions, CRA 1 and CRA 2 [north of Farmington Station], were created in 2018. At that time there was no road plan, and there was no developer associated with the project. However, Farmington City Community Development Director David Peterson envisioned connecting the area to Farmington Station's rail terminal, and there was an idea that the new interchange [North Station Lane] was coming. Things are much different now in terms of economics and demand for housing and office space. The idea going forward is to densify the area as much as possible to maximize the tax increment that can come from this project area. Trevor Evans and his crew, from Farmington City's development partner STACK Real Estate, have gone to the State Legislature and amended rules to allow this area to qualify for an HTRZ. Based on the legislation, there has to be a direct connection to transit. A remote hub has been created, and right-of-way and easements acquired, for direct access from the proposed HTRZ to the train station. If UTA doesn't build the connection, Farmington will.

The proposal being discussed with the County and the Davis County School District, which will then go to the Governor's Office, is to shrink CRA 1 and CRA 2 and create the HTRZ from the property removed from the CRAs.

[CRAs and HTRZs are similar in that they are both Tax Increment Financing (TIF) jurisdictions. Under a TIF agreement, a portion of property taxes from the jurisdiction continues to go to taxing entities (such as the school district) while the rest goes to the redevelopment agency. Taxing entities agree to donate this tax increment, for a set amount of time, in hopes of recouping the money in the future through taxes on the increased value of the developed property.]

There are several differences between the proposed HTRZ and current CRAs. The biggest difference between the two development financing options is the HTRZ has no cap on the amount of tax increment going to the developer, whereas the CRAs are capped. Another difference is the tranching mechanism. The proposed HTRZ can be broken into three tranches (phases) that can be triggered at any time within 20 years, with tax increment collection carrying on for 25 years; the CRAs have only one 20-year time period to collect the tax increment. Finally, there is a difference in the percentage of taxes going to the taxing entities and redevelopment agency. Under the proposed HTRZ, the pass-through to taxing entities is 20 percent and 80 percent goes to the redevelopment agency, compared to a 30 percent/70 percent split under the CRA.

[Minute 07:45] The Farmington City Manager said the cost of parking structures has risen and can now cost as much as $35,000-$40,000 per stall, which is an expensive undertaking on which the developer can't make money. He further stated that approximately $24 million has been invested in the area's roads, and another $90 million in the interchange now being constructed. The proposed HTRZ offers an opportunity to maximize the investment made by Farmington, Davis County, and the Wasatch Front Regional Council by creating the most dense network of taxable revenue possible.

City Manager Mellor said another objective is to create affordable housing. Under the rules of the 2018 CRAs, 10 percent of all tax revenue has to go toward affordable housing; however, it doesn't have to be in the project area, Farmington, or even Davis County. The HTRZ requires 12 percent going to affordable housing, and it has to be mixed into the project area; this is the most expensive way to do affordable housing, but it provides the best product to residents as no one knows who is in affordable housing. City Manager Mellor said this affordable housing would be accessible to the majority of city, county or school district workers Davis County.

[Minute 10:55] Commissioner Stevenson asked about the Area Median Income (AMI) and was informed that Davis County is short in all categories of affordable housing. Deputy Director Flores said 80 percent of AMI in Davis County, for a family of 4, would be $86,000.00; 60 percent AMI, for a family of 1, would be about $44,700.00. For housing to be considered affordable, it should cost no more than 30 percent of a family's household income.

Commissioners Stevenson expressed concern about the lack of a cap on the proposed HTRZ project. If there hadn't been a cap on the Station Park project, there would have been another $117 million tax increment that would have gone into Station Park. He agreed it is not possible to know what inflation and other factors are going to do over the HTRZ time period, but he also pointed out there has to be money to run school districts, cities, counties, mosquito abatement, etc., and there has to be investment by developers.

County officials asked if a cap could be created, even though there is no cap in the HTRZ legislation. Farmington City Manager Mellor replied that it's possible one of the tranches wouldn't trigger for 20 years, and he didn't know know how to cap the project without knowing the future of inflation and construction costs. He suggested the possibility of negotiating a cap to the developer, adding that it can be amended through a development agreement in the future. He said money left over in a Redevelopment Agency could be distributed back to the taxing entities, although it didn't happen at Station Park where all of the resources went to the developers and it was the maximum contribution for the taxing entities.

[Minute 19:11] Farmington City Manager Mellor clarified that under the proposed HTRZ, once a tranche is triggered it will be paid off in 25 years; in the meanwhile, taxing entities receive 20 percent of taxes paid and 80 percent goes to the redevelopment agencies. Commissioner Stevenson commented that the HTRZ is a wonderful plan, but the potential amounts add up to a lot of tax increment, especially over a 25-year period, and Commissioners need to be very, very protective of that money for the taxing entities.

Trevor Evans said the proposed plan can be built with the HTRZ. Without the HTRZ, it will be scaled back to a smaller build. Commissioner Stevenson said no one was talking about doing away with the HTRZ, just capping the total amount of dollars paid out through it.

[Minute 23:05] Discussion was had about the estimated $253 million gap between building what the market supports, which is townhomes with no parking structures and surface-parked B-class office space without as much glass and steel, and the more dense HTRZ plan. Mellor said Trevor Evans and his team at STACK are going to be taking on that risk.

Discussion also included discussion of taxes in relation to the project. It was pointed out that this project is only associated with property tax, not sales tax, although it would be a feeder for Station Park and other businesses.

[Minute 35:00] Commissioner Kamalu said commissioners have a lot of responsibility to represent all property owners and scrutinize the situation. She referred to housing challenges, and asked whether the location of the affordable housing units had been decided. Trevor Evans said no, but they will be mixed into each phase. HTRZ code requires 9 percent of the housing to be affordable units at 80 percent AMI, and 3 percent of the affordable housing units to be at 60 percent AMI. Commissioner Kamalu asked if all units would be lease or rent. Trevor Evans said there will be townhomes on the west side, and more to the south being built by a different developer. STACK will look at creating some condos, but it has been harder to get financing for vertical condos than side-by-side townhomes. Commissioner Kamalu commented on the need for Class A space for tech businesses, as well as the value of creating dense housing in close proximity to Lagoon, the Western Sports Park, hotels, restaurants and shopping.

Discussion briefly returned to the idea of caps, with the Farmington City Manager stating that even a cap with an escalator element wouldn't be sufficient to achieve the plan. Caps are arbitrary, he said, and have the potential to hamstring what can be done.

[Minute 43:45] Commissioner Stevenson said the HTRZ proposal will need to be presented in a committee meeting at the Governor's Office of Economic Opportunity on June 10, 2024. He asked Deputy Director Flores to set up an earlier meeting with Kent Andersen, Davis County Community and Economic Development Director, and Farmington City and STACK Realty representatives, to find solutions that will work for everyone prior to the June 10 meeting.

It was noted that past projects have had caps, but the HTRZ is a new model. Deputy Director Flores was asked to find out if other HTRZ projects have caps.

MEETING ADJOURNED
The meeting was adjourned at 9:49 AM.

ATTACHMENTS
All publicly distributed materials associated with this meeting are noted as the following attachments:

A. North Station HTRZ Application_Farmington_Final
B. Worksession - North Station HTRZ_May 2024

Minutes Prepared by:

Becky R. Wright
Deputy Clerk

Minutes Approved on:

06/25/2024

Rebecca L Abbott for

Brian McKenzie
Davis County Clerk

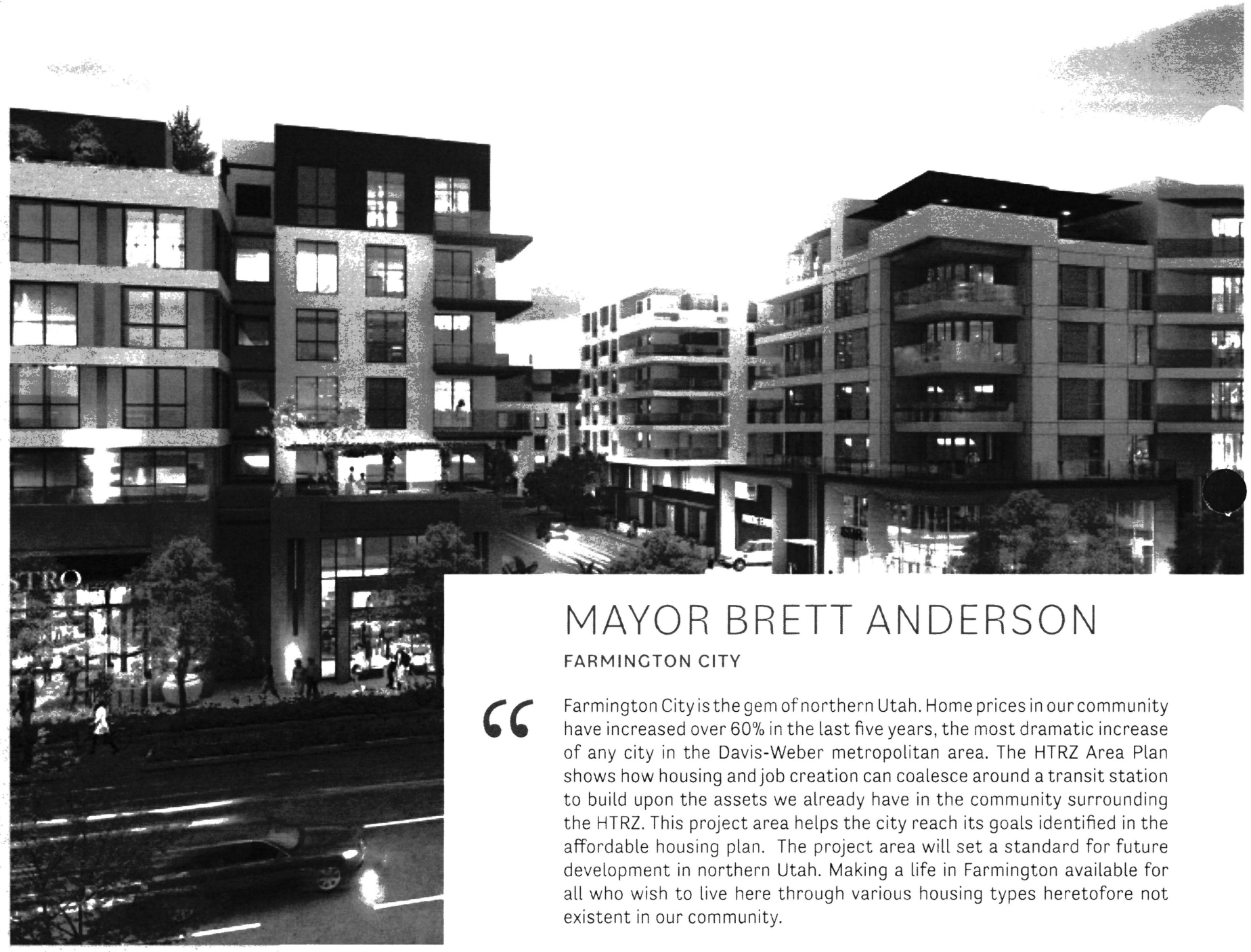
Bob J Stevenson
Commission Chair



North Station HTRZ Application

CREATING A TRUE TRANSIT-ORIENTED COMMUNITY IN THE HEART OF DAVIS COUNTY





MAYOR BRETT ANDERSON

FARMINGTON CITY

"Farmington City is the gem of northern Utah. Home prices in our community have increased over 60% in the last five years, the most dramatic increase of any city in the Davis-Weber metropolitan area. The HTRZ Area Plan shows how housing and job creation can coalesce around a transit station to build upon the assets we already have in the community surrounding the HTRZ. This project area helps the city reach its goals identified in the affordable housing plan. The project area will set a standard for future development in northern Utah. Making a life in Farmington available for all who wish to live here through various housing types heretofore not existent in our community."



PROJECT VISION

With the help of HTRZ funding, the public private partnership between Farmington City, STACK Real Estate, Evergreen Development, and Wasatch Residential will create a transformational, sustainable, mixed-use, transit-oriented community in the heart of Davis County.



EXECUTIVE SUMMARY



INCLUDES OVER 98 ACRES WITHIN THE HEART OF DAVIS COUNTY, ADJACENT TO THE NEW NORTH STATION LANE INTERCHANGE UNDER CONSTRUCTION AND NORTH OF STATION PARK



BRINGS 2,631 RESIDENTIAL UNITS TO COMPLEMENT A NEW MAJOR EMPLOYMENT CENTER



INCREASES TRANSIT RIDERSHIP THROUGH A FIXED GUIDEWAY EXTENSION FROM THE EXISTING FARMINGTON FRONTRUNNER STATION AS WELL AS PLANNED BUS CIRCULATION STOPS ALONG ARTERIAL ROADS



INCREASES ACCESS TO EMPLOYMENT AND REDUCES THE NEED TO DRIVE TO WORK.
Davis County exports over 100,000 jobs per day to neighboring counties. North Station will provide a place to live and work with multiple, accessible modes of transportation



INCREASES ACCESS TO EDUCATION
Directly adjacent to the proposed Weber State Farmington campus



PROVIDES ONGOING SUPPORT FOR STATION PARK
A major retail destination for Davis County and the greater region that will benefit from the additional residents and employment center located within North Station



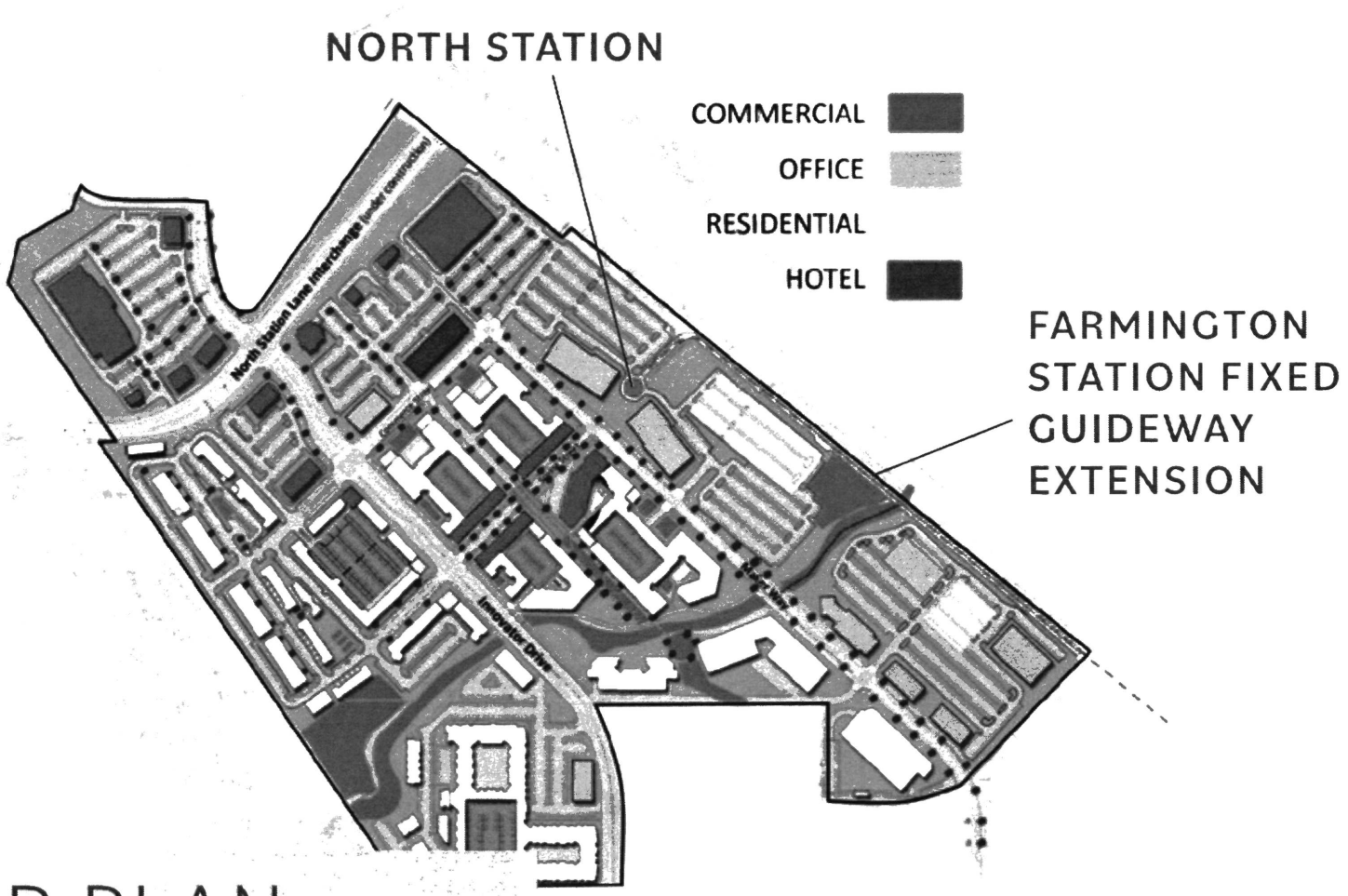
PROVIDES CONNECTIVITY AND OPTIONS FOR ACTIVE TRANSPORTATION THROUGH A ROBUST TRAIL SYSTEM RUNNING THROUGHOUT FARMINGTON CITY



THE PROJECT WILL BE A TRUE S.M.A.R.T COMMUNITY
Sustainable, Mixed-use, Attractive, Realistic, and Transit-oriented



HTRZ FUNDS ALMOST TWO-THIRDS OF THE ESTIMATED $254MM INVESTMENT GAP



MASTER PLAN

THE PROPOSED DEVELOPMENT INCLUDES:

2,631 RESIDENTIAL UNITS (INCLUDING 237 UNITS AT 80% AMI AND 78 UNITS AT 60% AMI)

832,000 SQUARE FEET OF CLASS A OFFICE SPACE

162,500 SQUARE FEET OF COMMERCIAL SPACE

120 KEY HOTEL

THE LINKING AND EXPANSION OF REGIONAL TRAIL SYSTEM PROMOTING ACTIVE TRANSPORTATION

DEVELOPMENT PLAN WITH AND WITHOUT HTRZ FUNDING

- **The HTRZ development plan almost triples the number of residential units and allows for affordable housing.**
- Without HTRZ funds, higher-density development around the North Station is not economically viable. Without HTRZ approval, North Station would be underbuilt and impaired for decades to come. With HTRZ approval, 1,702 additional residential units are possible (315 being affordable), commercial uses increase by over 55%, and there is $882MM in incremental investment.

	Market Driven Development	Proposed HTRZ Development	Increase Over Market Driven Plan	% Increase Over Market Plan
Residential Units	929	2,631	1,702	183%
80% AMI Affordable Units (incl. above)	-	237	237	NA
60% AMI Affordable Units (incl. above)	-	78	78	NA
Total Residential Units	**929**	**2,631**	**1,702**	**183%**
Class A Office (SF)	549,200	832,000	282,800	51%
Commercial (SF)	90,200	162,500	72,300	80%
Hotel (SF)	62,500	62,500	-	0%
Total Project Investment				
Residential	$ 247,591,301	$ 927,622,597	$ 680,031,295	275%
Office	$ 224,356,546	$ 406,650,861	$ 182,294,315	81%
Commercial	$ 24,354,000	$ 43,875,000	$ 19,521,000	80%
Hotel	$ 16,875,000	$ 16,875,000	$ -	$ -
Total	**$ 513,176,847**	**$ 1,395,023,457**	**$ 881,846,610**	**172%**

$253MM GAP FOR THE HTRZ DEVELOPMENT PLAN

The table below demonstrates the increased development costs associated with high-density residential and office development around North Station. It also demonstrates the tax increment needed to offset the additional costs (the Gap) to meet a standard investment criteria.

The development team believes in this project and believes in the thesis of transit-oriented communities. While HTRZ funds will not cover the entire Gap, the development team is willing to make up the difference with the belief that the project will outperform traditional underwriting over the long term.

Projected Total Gap for the HTRZ	
Total Units in HTRZ with Type V Wrap (structured parking)	2,434
x TIF Incentive per Unit	$ 79,093
= Minimum Amount of TIF for Development	**$ 192,512,752**
Residential Units Inside of HTRZ	2,631
Units at 80% of AMI	237
Units at 60% of AMI	79
Total Affordable Units	316
x Value Loss per Unit	$ 121,084
= Minimum Amount of TIF for Reduced Rents	**$ 38,228,724**
Total Office Square Footage in HTRZ w/ Structured Parking	282,800
x HTRZ TIF Incentive PSF	$ 80
= Minimum Amount of TIF for Development	**$22,694,094**
Combined Total	**$253,435,570**

There is a $86MM investment gap that will not be covered by HTRZ proceeds

TAXING ENTITIES WILL RECEIVE MORE TAX REVENUE WITH THE ESTABLISHMENT OF HTRZ THAN WITHOUT

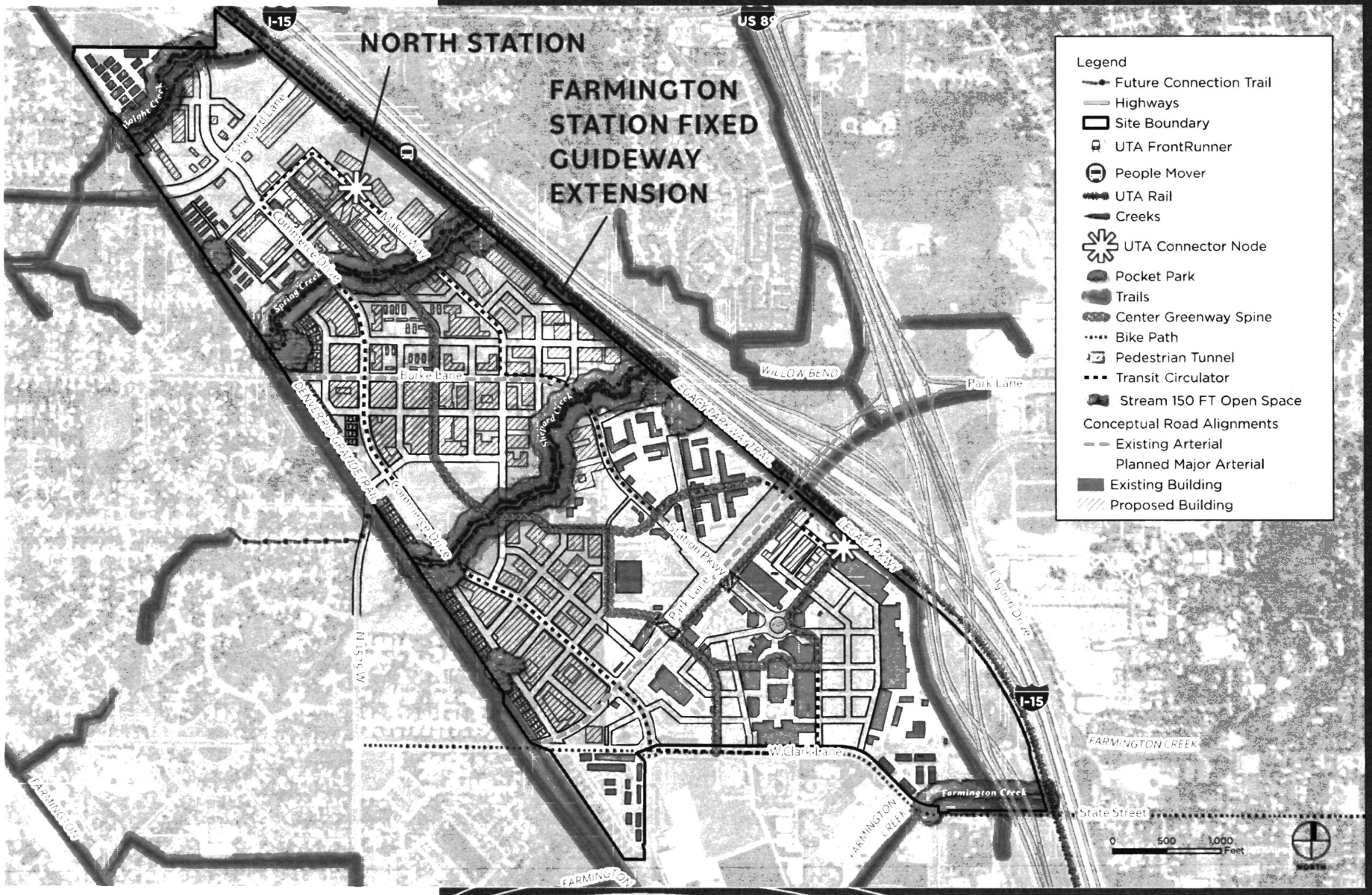
The table below demonstrates how taxing entities will receive more tax revenue with high-density development, enabled by HTRZ funding, than they would with traditional suburban low-density development.

- Over the 45-year period, the **HTRZ development will generate $417.8 million in incremental property taxes** with $167.1 million in funding from the HTRZ and **$250.6 million going to the jurisdictions**.
- Without HTRZ funding, traditional lower-density development would generate $193.2 million in property taxes over the same 45-years.
- The HTRZ development will generate approximately 30% more tax revenue to the jurisdictions.
- At full build out, the HTRZ development will generate 2.15x the amount of property taxes traditional lower-density development would on an annual basis.

Tax Revenues Generated (2023 Tax Rates)

		With HTRZ - High Density			Without HTRZ - Low Density
Taxing Entity:	Tax Rates	45-Year Tax Increment	80% to HTRZ (25 Yr)	Balance to Taxing Entity	Total to Taxing Entity
DAVIS COUNTY ANIMAL SERVICES	0.000068	$ 2,846,778	$ 1,138,819	$ 1,707,960	$ 1,316,618
DAVIS SCHOOL DISTRICT	0.004738	$ 198,353,469	$ 79,348,867	$ 119,004,602	$ 91,737,275
STATE CHARTER SCHOOL LEVY	0.000084	$ 3,516,609	$ 1,406,776	$ 2,109,833	$ 1,626,410
STATE BASIC SCHOOL LEVY	0.001406	$ 58,861,329	$ 23,546,751	$ 35,314,578	$ 27,223,007
DAVIS COUNTY	0.000826	$ 34,579,984	$ 13,833,298	$ 20,746,687	$ 15,993,033
DAVIS COUNTY FLOOD	0.000106	$ 4,437,625	$ 1,775,217	$ 2,662,408	$ 2,052,375
DAVIS COUNTY HEALTH & SERVICES	0.000152	$ 6,363,387	$ 2,545,595	$ 3,817,792	$ 2,943,028
FARMINGTON CITY	0.001502	$ 62,880,310	$ 25,154,495	$ 37,725,815	$ 29,081,762
COUNTY LIBRARY	0.000234	$ 9,796,267	$ 3,918,876	$ 5,877,391	$ 4,530,714
WEBER BASIN WATER	0.000200	$ 8,372,878	$ 3,349,467	$ 5,023,411	$ 3,872,405
MOSQUITO ABATEMENT	0.000098	$ 4,102,710	$ 1,641,239	$ 2,461,471	$ 1,897,478
CENTRAL DAVIS SEWER	0.000117	$ 4,898,133	$ 1,959,438	$ 2,938,695	$ 2,265,357
BENCHLAND WATER DISTRICT	0.000303	$ 12,684,909	$ 5,074,442	$ 7,610,467	$ 5,866,694
COUNTY ASSESSING AND LEVY	0.000131	$ 5,484,235	$ 2,193,901	$ 3,290,334	$ 2,536,425
MULTICOUNTY ASSESSING AND LEVY	0.000015	$ 627,966	$ 251,210	$ 376,756	$ 290,430
Total	**0.009980**	**$ 417,806,589**	**$ 167,138,390**	**$ 250,668,199**	**$ 193,233,010**
Annual Tax Collections at Full Build Out assuming 2023 Tax Rates:				**$ 8,318,232**	**$ 3,856,187**

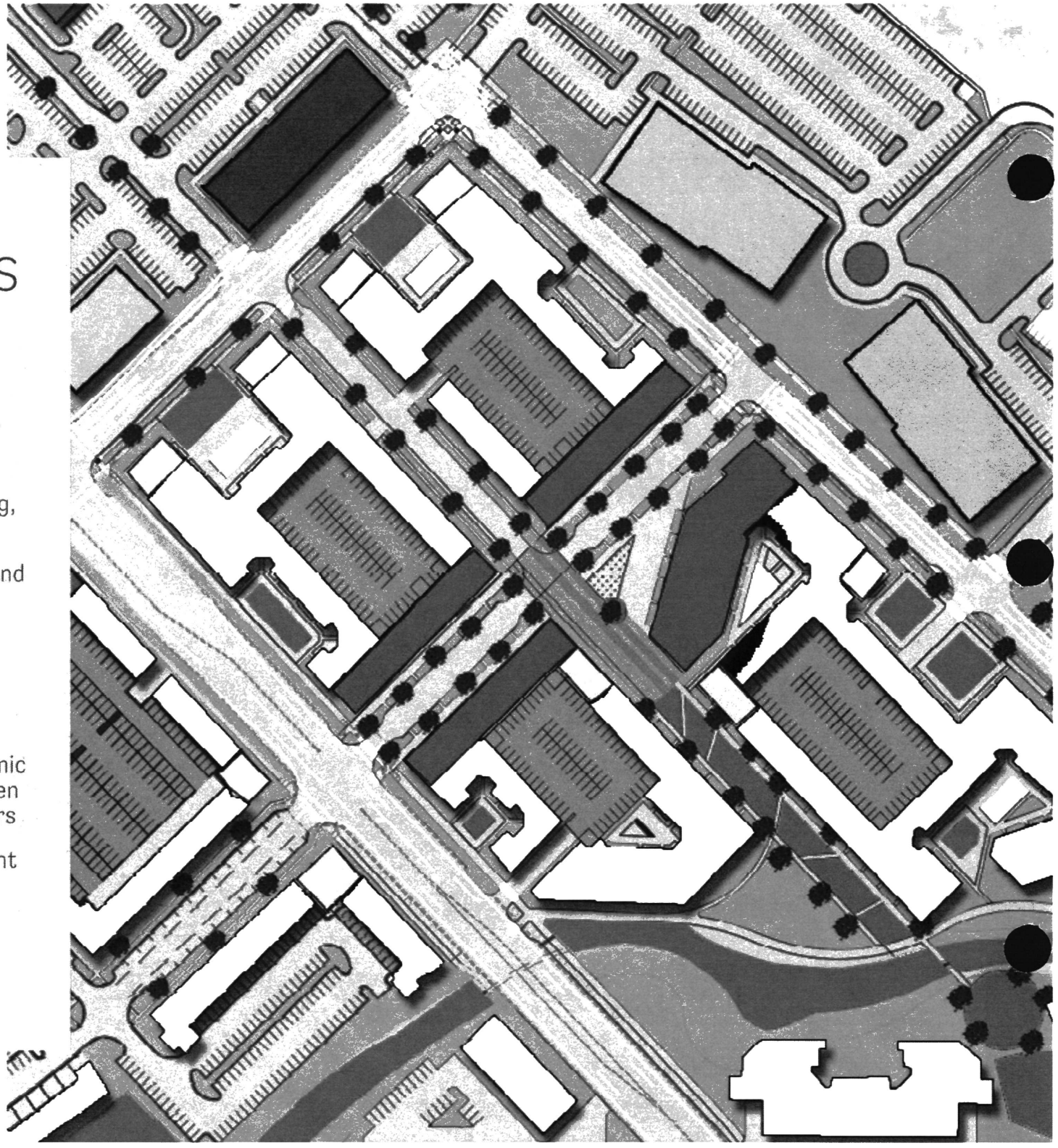
TRAIL CONNECTIVITY MAP



NORTH STATION MEETS THE HTRZ OBJECTIVES

- Promotes greater utilization of public transit
- Increases availability of housing, including affordable housing
- Improves water conservation and air quality
- Encourages Transformative Mixed-Use Development and Collaborative Investment in Transit and Transportation
- Maximizes planning and economic development tools to strengthen and grow major transit corridors
- Increases access to employment and educational opportunities

WITHOUT HTRZ FUNDING A PROJECT LIKE THIS WOULD NOT BE POSSIBLE.





PROMOTES GREATER UTILIZATION OF PUBLIC TRANSIT

The planned development promotes a greater utilization of public transit through proximity, connectivity, last mile solutions, and TOD transit passes.

- Proximity – A majority of the 2,631 units will be within 1/3 mile or less of the North Station parcel, and approximately 72% of units will be within 1/4 mile or less.
- Connectivity – A greenway will provide pedestrian access from developments to the south while an internal urban promenade, lined with retail and amenity space will provide a direct path from the town center area to North Station. The crossing at Maker Way will have stop signs, and traffic calming measures will be implemented to ensure a safe and comfortable walk to North Station.
- Last Mile Solutions – UTA has been forward thinking to find last-mile solutions. They are currently studying transit options for the area to provide easy and reliable access to Station Park, Lagoon, and other key connections in the area such as rerouting or extending a major bus line or the local circulator. The project will also provide an expanded trail system allowing for active transportation options such as walking, biking, and scooters to be utilized as last mile solutions to avoid car trips.
- North Station Transit Hub – Creating a fixed guideway extension from Farmington FrontRunner Station directly to North Station will increase FrontRunner ridership to an important growth area for Farmington and Davis County. The North Station fixed guideway extension is a critical element within UTA's Innovative Mobility Zone for Farmington.



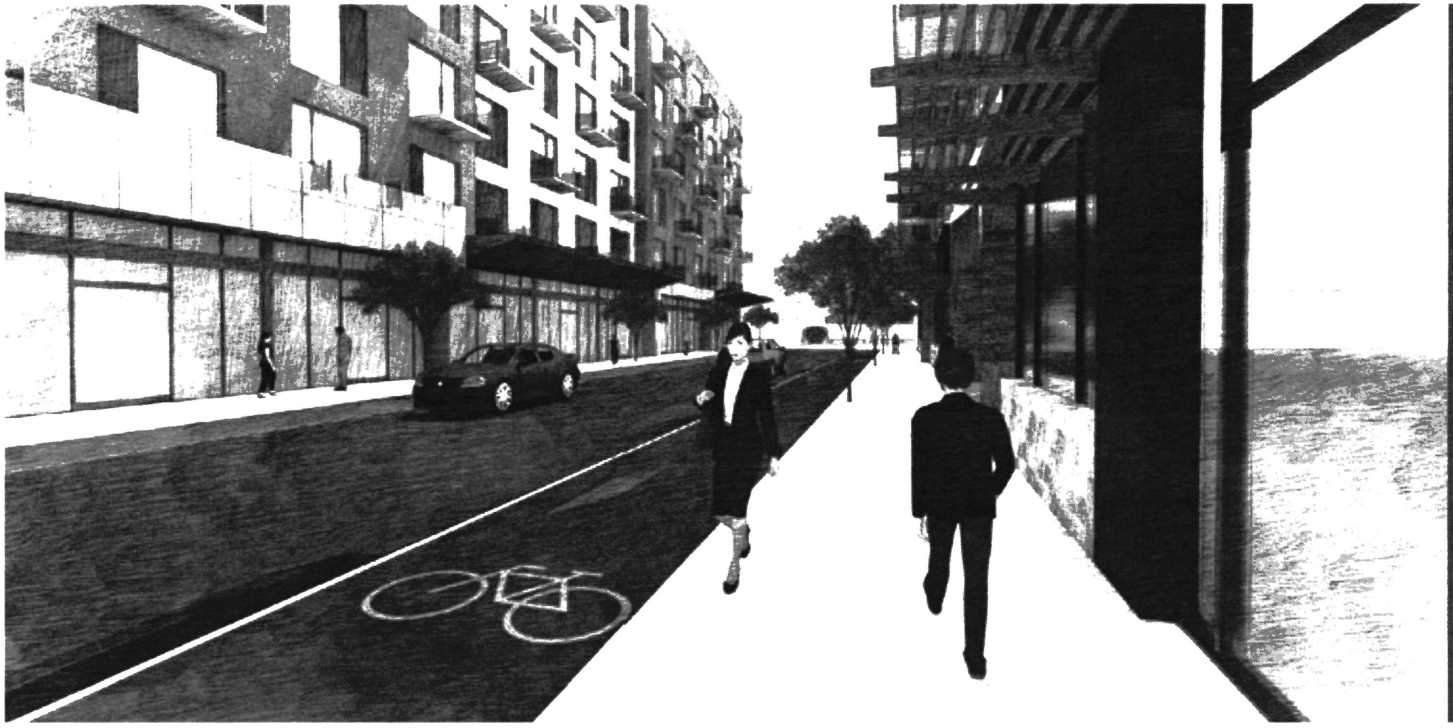
INCREASES AVAILABILITY OF HOUSING, INCLUDING AFFORDABLE HOUSING

- If HTRZ funding is approved, this project will deliver 2,631 residential units, of which 315 will be reserved as affordable. With 237 units reserved at 80% AMI and 78 reserved at 60% of AMI, this project brings a significant amount of affordable housing to the heart of Davis County.
- The HTRZ development delivers 52 units per acre, on average, of high-density housing exceeding the requirement of 50 units per acre.
- **Brings 2,800 residential units within a 1/3 mile walk of North Station.** This can only be accomplished through density provided by structured parking.



IMPROVE WATER CONSERVATION AND AIR QUALITY

- Through its master planned design, the project mixes housing, retail establishments, entertainment venues, public transportation, and a major employment center into one cohesive community where residents don't need to rely on cars. Instead, residents can satisfy many of their daily needs through walking and other modes of transportation. True transit-oriented mixed-use communities like this provide the most efficient strategy for smart growth by reducing emissions, using water resources efficiently, and providing a safe, walkable community where residents can live, work, shop, and play.
- According to the Institute of Transportation Engineers (ITE), mixed-use development leads to 20% internal capture. Meaning approximately 20% of vehicular trips are eliminated due to bringing uses (office, retail, residential) within walking distance of each other. By providing access to transit, and other modes of transportation, trips can further be reduced by an additional 9.5%. In sum, this project is designed to reduce nearly 30% of vehicular trips generated in a typical housing development.
- Per the Environmental Protection Agency, "High-density housing produces less runoff and less impervious cover than low-density development at all scales". Along with contributing to improved water quality, high-density development results in reduced water consumption per capita. This project will promote sustainability even further with planting of natural vegetation, the inclusion of street trees, and local sourcing of low carbon, durable, high-performance building materials that will stand the test of time.



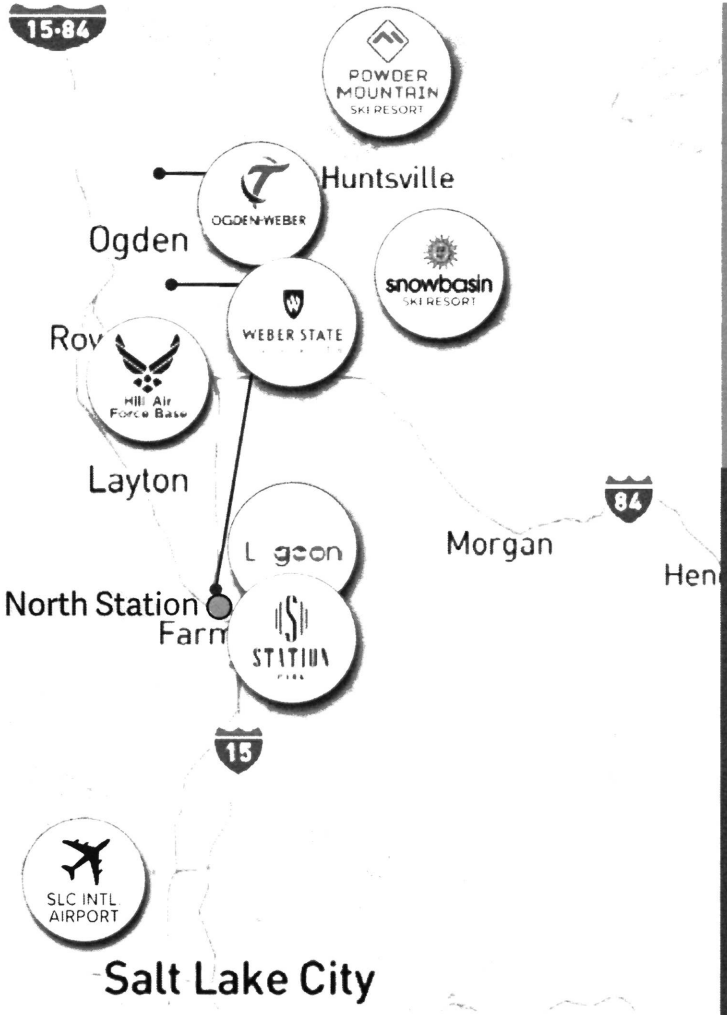
ENCOURAGES TRANSFORMATIVE MIXED-USE DEVELOPMENT AND COLLABORATIVE INVESTMENT IN TRANSIT AND TRANSPORTATION

- The North Station mixed-use master plan is the opposite of traditional suburban development. Through collaboration with a team of renowned transit-oriented planners and urban designers, this project sets the new standard for transit-oriented communities along the Wasatch Front.
- The project team, Farmington City, and contracted urban planners within WFRC and UTA have worked together extensively throughout the station area planning process to provide seamless connectivity within the overall project master plan.
- The entire development is oriented around access to transit, walkability, daily needs, unique restaurants, entertainment venues, and usable open space.
- When you combine the attraction of Station Park as a south anchor, the employment center of North Station as the north anchor, along with the convenience of a fixed guideway extension to the Farmington FrontRunner Station – the result is a world class Transit Oriented Community – North Station.



MAXIMIZES PLANNING AND ECONOMIC DEVELOPMENT TOOLS TO STRENGTHEN AND GROW MAJOR TRANSIT CORRIDORS

With explosive growth in Davis and Weber Counties, traffic through Farmington has suffered due to its geographical location as a pinch point to these cities. Farmington City, UDOT, and the project team have worked diligently to grow and expand the major transportation corridors surrounding the area, including recent projects such as West Davis Corridor, North Station Lane full access interchange, and the conversion of US-89 to a highway. The plan was to take advantage of any tool that creates a better transit experience for residents, employees and visitors of the Farmington area. However, the only real viable long-term solution is to provide an alternative to sprawl into the exurbs. The induced demand conundrum was a catalyst for this project. The aim of North Station is to set the standard of future mixed-use development at other nearby, forthcoming Transit Oriented Communities in Ogden, Clearfield, and Salt Lake City.



	DRIVE TIMES	TRANSIT TIMES
OGDEN	26 MINUTES	42 MINUTES
SALT LAKE CITY	25 MINUTES	42 MINUTES
HILL AIR FORCE BASE	24 MINUTES	35 MINUTES
WEBER STATE UNIVERSITY	24 MINUTES	60 MINUTES
SNOWBASIN SKI RESORT	35 MINUTES	
POWDER MOUNTAIN SKI RESORT	60 MINUTES	

INCREASES ACCESS TO EMPLOYMENT, EDUCATIONAL, AND OUTDOOR RECREATION OPPORTUNITIES

- One of the most unique attributes of North Station is the ability to bring housing, including affordable housing, to the center of a future major employment center at the core of Davis County. Farmington City and Davis County have incredible workforce talent. Future employers can tap into this talented workforce by either a short walk, a brief bike ride, or a quick transit trip.
- Weber State University's Farmington campus is planned directly adjacent to the south edge of the North Station development and central to all west Farmington development. This campus offers in- person classes, continuing education courses, and numerous non-degree seeking options for individuals and families to participate in together.
- With a bus connection and planned pedestrian trails, Lagoon and Station Park employees living within North Station will have alternative transportation access.
- Connecting over 2,800 households to UTA's transit system will provide more convenient transit access to Northern Utah's ski resorts, creating a sustainable way to enjoy one of Utah's key offering.

*Double tracking FrontRunner and other transit improvements will decrease transit times over time.



BRIGHAM MELLOR

FARMINGTON CITY MANAGER

> Incredible opportunities have been created with Farmington's growth. Unfortunately, this growth has priced many people out of our housing market. We at the City firmly believe that some individuals who will contribute most to our community's future can't afford to live here. That is as much our loss as theirs, as it will significantly negatively impact our quality of life without their participation. We can't build to our maximum potential without people from diverse socio-economic backgrounds as part of our community.



LAND USE COMPARISON

MARKET PLAN - 929 RESIDENTIAL UNITS, LOWER DENSITY, SURFACE PARKING

- Type V-B Construction – 3 Stories, Surface Parking
- Maximum density – 25 units/acre
- Higher multifamily parking ratios – 2.0 stalls/unit
- Disconnected development with surface parking lots acting as impediments to walkability
- Not enough residential units to attract grocers or unique retail establishments
- No sense of community due to lack of placemaking features
- Promotes driving

HTRZ PLAN - 2,631 RESIDENTIAL UNITS, HIGH DENSITY, 90%± STRUCTURED PARKING

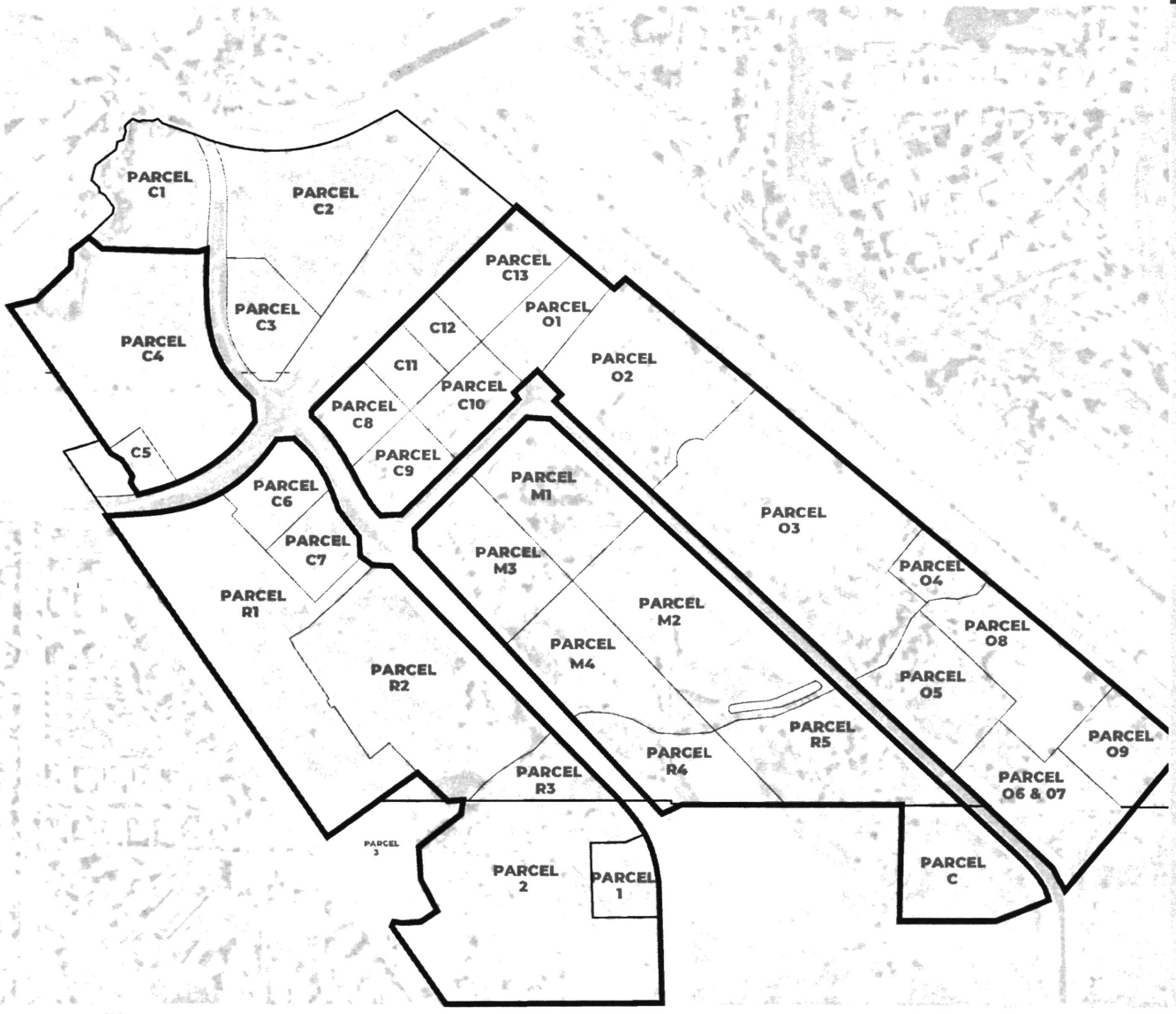
- Type V-A Construction – 5 Stories, Centralized Parking Structure
- Average density of 52 units/acre
- Reduced multifamily parking ratios – 1.75 stalls/unit and tapering down to 1.25 on subsequent phases
- Implementation of internal traffic calming features to put the pedestrian first and promote walkability
- Inclusion of placemaking strategies to create a sense of community and vibrancy
- Mixed-uses to create a true live, work, play environment through walkability and connectivity
- Able to attract more diverse retail establishments and grocers
- Master Planning within the Farmington Station Area from North Station to Station Park to promote transit ridership and alternative transportation for internal capture.



IMPEDIMENTS

- HTRZ was created to promote the right type of vertical development at transit stations along the Wasatch Front. Without HTRZ, transit stations will be underbuilt and impaired for decades to come. By utilizing HTRZ, transit-oriented communities can take full advantage of the billions of dollars invested in FrontRunner and can also minimize the future environmental impacts of growth.
- The development team is prepared to make a substantial investment around the North Station, a fixed guideway extension to Farmington FrontRunner Station. However, there are several impediments that without HTRZ, make this investment unfeasible:
    - Current market rents combined with substantially increased construction costs for buildings 5-stories or higher
    - Costs for structured parking compared to surface parking
    - New horizontal infrastructure, including dry utilities and transit/trail connections.

MAP



Parcel label	Parcel Acres
C4 & C5	8.15
C6	1.47
C7	1.20
C8	1.34
C9	1.48
C10, C11, & C12	3.40
C13	2.05
O1 & O2	7.86
O3	8.79
O5	2.40
O6 & O7	3.23
O8	3.16
O9	2.07
R1	8.97
R2	6.90
R3	0.91
R4	2.21
R5	3.62
M1	3.29
M2	5.63
M3	3.11
M4	3.05
Parcel 1	1.16
Parcel 2	10.32
Parcel C	2.84
Total	**98.60**

*Parcels shown are based on in-process subdivision plats. Acreage shown is net of future dedicated roads and open space within each parcel.





IMPACT OF HTRZ ON DEVELOPMENT

- Without HTRZ, densifying around North Station is not financially feasible.

- All streets, open space, and park space will be open to the public with the majority dedicated to Farmington City. Through keeping some of the streets private, the development will have more optionality to temporarily close streets for weekend farmer's markets, food trucks, and holiday events. Through keeping the central greenway private, the development will be able to attract more unique and upscale restaurants at the town center area near North Station.

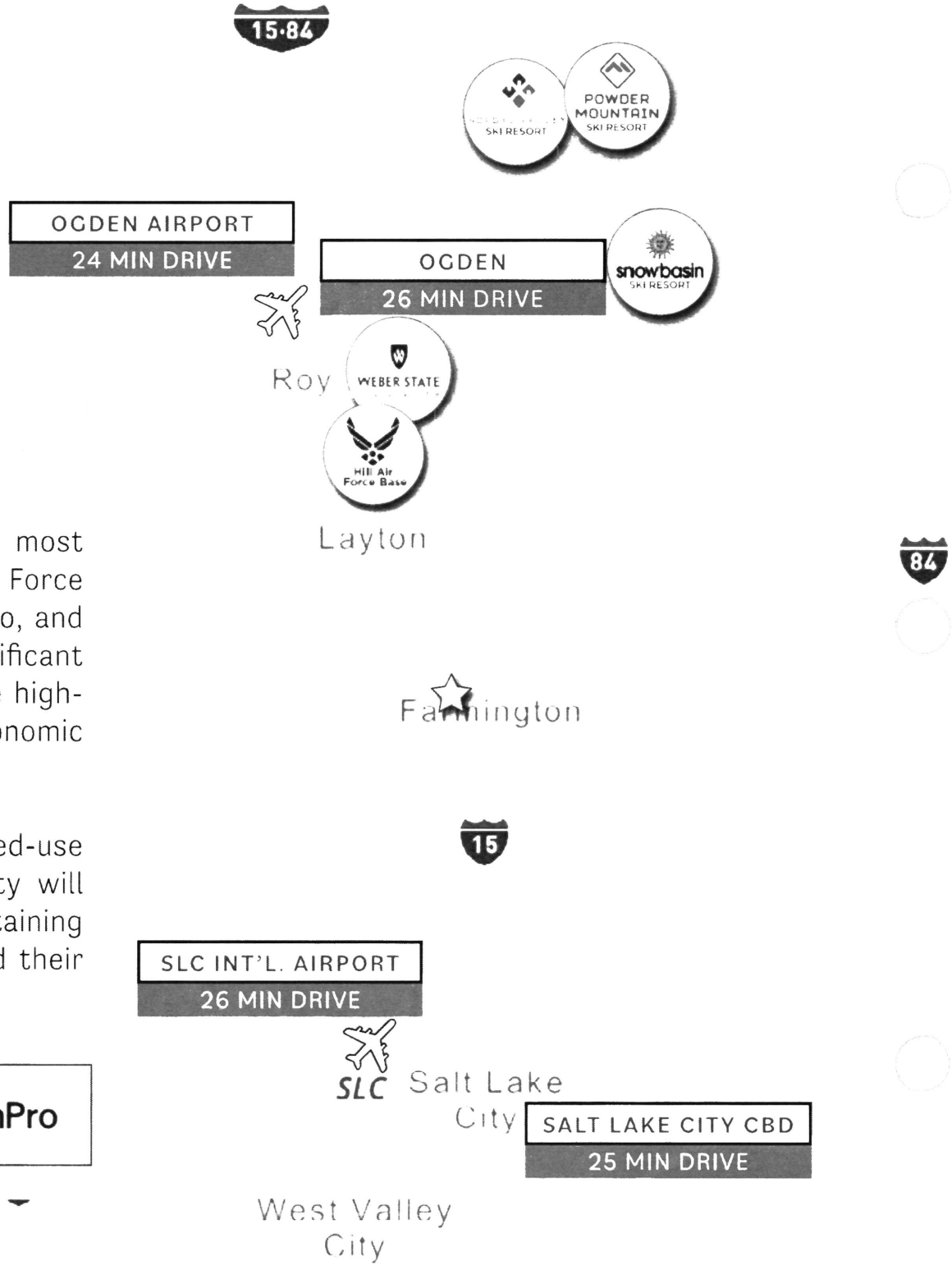
- North Station has been agricultural land for decades. The infrastructure investment including roads, wet utilities, trail extensions and improvements, and dry utilities, including a new regional power substation, will require significant investment. Without HTRZ to offset the additional costs of parking structures, these improvements would not be possible in even the best market conditions.

- With HTRZ funding, the project will be able to meet the objectives described in the HTRZ legislation and promote a higher utilization of public transit, increase the availability of housing and affordable housing, conserve scarce water resources, improve air quality through vehicular trip reduction, and demonstrate transformative mixed-use development.

DAVIS COUNTY

- Davis County is home to some of the most critical economic drivers in Utah. Hill Air Force Base, Lagoon, ThomasArts, PACS, LoanPro, and many other companies have made significant investments in the local area and provide high-quality jobs that help fuel Utah's economic growth.

- Bringing a true, master planned mixed-use community to the heart of Davis County will support companies in recruiting and retaining the talent they need to grow and expand their businesses.





PRO FORMA MULTIFAMILY & OFFICE

The following models summarize the incremental development costs associated with the development of higher density residential and office projects, and the tax increment needed to buy down or offset the costs to meet a standard investment criteria.

MARKET DRIVEN MULTIFAMILY DEVELOPMENT

Multifamily pro forma representing a typical 3-story garden style surface parked project at 25 units per acre.

Type	Units	% Mix	Unit SF	Rentable SF	Monthly Rent	$ PSF/mo.	Annual
Studio	37	10	550	16,509	1,400	2.55	504,000
One-Bed	160	52%	715	114,476	1,750	2.45	3,360,000
Two-Bed	107	35%	1,000	107,065	2,300	1.99	2,568,000
Three-Bed	5	2%	1,250	6,540	2,500	2.00	240,000
Total	**305**	**100%**	**815**	**248,480**	**1,823**	**2.24**	**6,672,000**

Base Year Stabilized Cash Flow	
Gross Potential Rent	6,672,000
Ancillary Income ($300 Unit/mo.)	1,098,000
Vacancy & Credit Loss	(388,500)
Effective Gross Income	**7,381,500**

Operating Expenses	Per Unit/Ann.	
Property Taxes		(427,000)
Insurance		(122,000)
Utilities		(76,800)
Payroll		(427,000)
Repairs & Maintenance		(91,500)
Contract Services		(76,250)
Marketing		(61,000)
General & Administrative		(76,250)
Management		(221,445)
Reserves		(76,250)
Total Expenses & Reserves		**(2,054,495)**
Net Operating Income		5,327,005

Construction Interest	(3,763,729)
Construction Cash Flow	1,563,276
Long Term Debt Service	(4,982,265)
Long Term Cash Flow	344,740
Project Market Value	
Market Value	106,540,100
Financing	
Construction Loan	55,769,568
Interest Rate	
Annual Construction Interest	(3,763,729)
Loan to Value	52.5%
Loan to Cost	68.6%
Permanent Loan	69,250,000
Loan to Value	
Interest Rate	
Annual Debt Service	(4,982,265)
Amortization Period	30
Debt Yield	7.7%
Debt Service Coverage Ratio	1.07

Project & Site	
Site (Acres)	
Du/Ac	25.00
Units	305
Rentable Building SF	248,480
Gross Building SF	285,752

Construction Costs		
Construction Costs		63,425,200
Off-site Utility Upgrades (not paid by)		-
Surface Parking Cost	458	2,058,750
Architecture & Engineering		2,225,500
Impact Fees		900,000
Legal & Misc.		130,000
Taxes & Insurance		305,000
Permits & Fees		1,044,930
Construction Loan Fees & Interest Reserve (4 months)		4,168,714
Development Overhead (5%)		3,812,500
Site Specific Contingency		791,103
Private Roads & Public Amenities		1,805,000
Land Cost		10,629,640
Total Project Costs		**81,286,703**
Per Unit		266,514
Per RSF		327

Investment	
Total Project Costs	81,286,703
HTRZ TIF Incentives	
Adjusted Project Costs	**81,286,703**
Construction Loan	55,769,568
Equity Requirement - Construction	27,539,144
Equity Requirement - Permanent	12,036,703

Yield on Cost	6.55%
Market Cap Rate	5.00%
Yield/Cap Rate Spread	1.55%
Cash-on-Cash Return	3.86%

HTRZ ENHANCED MULTIFAMILY DEVELOPMENT

This pro forma represents a 5-story wrap project with a centralized parking structure. This represents an increase in density from 25 to 80 units per acre. But for HTRZ, this increased density adjacent to the North Station would not be possible.

Type	Units	% Mix	Unit SF	Rentable SF	Monthly Rent	$ PSF/mo.	Annual
Studio	30	10%	550	16,500	1,400	2.55	504,000
One-Bed	160	52%	715	114,475	1,750	2.45	3,360,000
Two-Bed	107	35%	1,006	107,665	2,000	1.99	2,568,000
Three-Bed	8	3%	1,230	9,840	2,500	2.03	240,000
Total	**305**	**100%**	**815**	**248,480**	**1,823**	**2.24**	**6,672,000**
Base Year Stabilized Cash Flow							
Gross Potential Rent							6,672,000
Ancillary Income ($500 Units/mo)							1,098,000
Vacancy & Credit Loss							(388,500)
Effective Gross Income							**7,381,500**
Operating Expenses					Per Unit/Ann.		
Property Taxes							(427,000)
Insurance							(122,000)
Utilities							(479,850)
Payroll							(427,000)
Repairs & Maintenance							(91,500)
Contract Services							(76,250)
Marketing							(61,000)
General & Administrative							(76,250)
Management							(221,445)
Reserves							(76,250)
Total Expenses & Reserves						**28%**	**(2,054,495)**
Net Operating Income							**5,327,005**
Construction Interest							(3,763,729)
Construction Cash Flow							1,563,276
Long Term Debt Service							(4,982,265)
Long Term Cash Flow							344,740
Project Market Value							
Market Value							106,540,100
Financing							
Construction Loan							55,767,558
Interest Rate							
Annual Construction Interest							(3,763,729)
Loan to Value							
Loan to Cost							50.0%
Permanent Loan							69,750,000
Loan to Value							
Interest Rate							
Annual Debt Service							(4,982,265)
Amortization Period							30
Debt Yield							7.69%
Debt Service Coverage Ratio							1.07

Project & Site		
Site (Acres)		
Du/Ac		80.69
Units		625
Rentable Building SF		248,480
Gross Building SF		285,752
Construction Costs		
Construction Costs		70,816,800
Dry Utility Upgrades (estimate)		2,125,000
Parking Structure Costs ($75/unit)	458	13,725,000
Architecture & Engineering		3,209,360
Impact Fees		1,100,000
Legal & Misc		150,000
Taxes & Insurance		450,000
Permits & Fees		1,044,930
Construction Loan Fees & Interest Reserve (24 months)		4,175,949
Development Overhead (5%)		4,880,000
Soft Cost Contingency		784,949
Private Roads, Parks, Amenities		1,800,000
Land Costs		4,295,130
Total Project Costs		**107,535,117**
Per Unit		462,644
Per RSF		433
Investment		
Total Project Costs		107,535,117
HTRZ TIF Incentives		(26,248,414)
Adjusted Project Costs		**81,286,703**
Construction Loan		55,767,558
Equity Requirement - Construction		27,518,144
Equity Requirement - Perm Loan		12,036,703
Yield on Cost		6.55%
Market Cap Rate		5.00%
Yield/Cap Rate Spread		1.55%
Cash-on-Cash Return		2.36%

INCREMENTAL COSTS OF HIGH DENSITY MULTIFAMILY

The valuation analysis below highlights the HTRZ funding needed to offset the additional cost of densifying around the North Station. This is the gap between low-density residential development (25 du/ac) and high-density residential development (80 du/ac).

5-Story Type V Wrap Construction	**Per Unit**	**Per RSF**	**Total**
Construction Costs	238,087.87	292	72,616,800
Structured Parking Costs	45,000	55	13,725,000
Soft Costs	51,722	63	15,775,181
Land Costs	10,797	13	3,293,136
Total Costs	**$ 345,607**	**$ 424**	**$ 105,410,117**
Less: HTRZ TIF Incentive Needed to Match Market	$ 79,093	$ 97	$ 24,123,414
Costs for 3-Story Surface Parked Project	$ 266,514	$ 327	$ 81,286,703
Ratio of Incentive to Total Costs			22.9%

AFFORDABLE HOUSING ANALYSIS

- This affordable housing analysis quantifies the loss in value from reduced rents for the 80% and 60% AMI units.
- This analysis looks at a typical 305-unit phase and factors for 9% of the units at 80% AMI (27) and 3% of the units at 60% AMI (9). Utilities are assumed to be $250/month and are included in the rent.
- In a typical 305-unit phase, the 36 affordable units reduce stabilized NOI by $183,094 annually. When a 5.00% capitalization rate is applied, this NOI loss results in a loss of value of $4,359,033 or $121,084 per affordable unit.
- The total project will provide 237 units at 80% AMI and 79 units at 60% AMI.
- All affordable units will be spread throughout the project and will be located in the same buildings, with the same amenities and floor plans as the market rate units.

Affordable Rent Calculation

Unit Type	Size (SF)	Unit Mix %	Market Rent	80% AMI Rent	Difference vs. Market	60% AMI Rent	Difference vs. Market
Studio	550	10%	1,400	1,389	(11)	1,117	(283)
One-Bed	715	52%	1,750	1,702	(48)	1,278	(472)
Two-Bed	1,006	35%	2,000	1,914	(86)	1,437	(563)
Three-Bed	1,600	3%	2,500	2,127	(373)	1,596	(904)

AMI Rent Source: https://ric.novoco.com/tenant/rentincome/calculator/z1.jsp

Loss per Unit from Reduced Rents

Unit Type by Income Limit	Average Size (SF)	Average Weighted Rent	Utility Cost	Rent Less Utilities	Lost Rent Unit/mo.	Unit Mix in Typical Phase	Unit Count in Typical Phase	Annual Loss Total
Average Market Rate Unit	824	1,823	-	1,823	-	88%	269	-
Average 80% AMI Unit	824	1,757	250	1,507	(316)	9%	27	(102,464)
Average 60% AMI Unit	824	1,326	250	1,076	(447)	3%	9	(80,640)

Loss in Value from Reduced Rents

Cap Rate	NOI at Market Rent	Value	NOI w/ AMI Units	Value	Variance from Market	Loss Per Unit
4.75%	5,327,005	112,147,474	5,109,053	107,559,017	(4,588,456)	(127,457)
5.00%	5,327,005	106,540,100	5,109,053	102,181,067	(4,359,033)	(121,084)
5.25%	5,327,005	101,466,762	5,109,053	97,315,301	(4,151,460)	(115,318)

Summary

Loss Per Unit		Total Affordable Units		Total Value Loss
(121,084)	x	315.72	=	(38,228,724)

MARKET DRIVEN OFFICE DEVELOPMENT

Office pro forma representing a typical surface parked property at 0.50 floor area ratio.

Suite	Tenant	Gross SF	Rentable SF	Rent PSF	Total
100	Tenant A	30,000	25,500	$42	1,071,000
200	Tenant B	30,000	25,500	$42	1,071,000
300	Tenant C	30,000	25,500	$42	1,071,000
400	Tenant A	30,000	25,500	$42	1,071,000
500	Tenant B	30,000	25,500	$42	1,071,000
600	Tenant C	30,000	25,500	$42	1,071,000
Totals		**180,000**	**153,000**	**$42**	**6,426,000**

Base Year Stabilized Cash Flow		
Gross Potential Rent		6,426,000
Vacancy & Credit Loss		(449,820)
Effective Gross Income		**5,976,180**
Operating Expenses		
Operating Expenses	PSF	(1,071,000)
Management Fees	of EGI	(239,047)
Reserves	PSF	(76,500)
Total Expenses & Reserves		**(1,386,547)**
Net Operating Income		**4,589,633**
Construction Interest		(2,617,300)
Construction Cash Flow		1,972,333
Long Term Debt Service		(3,241,618)
Long Term Cash Flow		1,348,015
Project Market Value		
Market Value		69,566,136
Financing		
Construction Loan		37,390,000
Interest Rate		
Annual Construction Interest		2,617,300
Loan to Value		54%
Loan to Cost		60%
Permanent Loan		39,230,000
Loan to Value		
Interest Rate		
Annual Debt Service		(3,241,618)
Amortization Period		25
Debt Yield		11.7%
Debt Service Coverage Ratio		1.41

Project & Site		
Site (Acres)		8.26
Floor to Area Ratio		
Rentable Building SF		153,000
Gross Building SF		180,000
Construction Costs		
Construction Costs		40,500,000
Developer Upgrades (interior)		
Parking Structure Costs ($ 100.0 /sf)	612	2,754,000
Architecture & Engineering		2,160,000
Permits & Impact Fees		1,566,400
Bonds & Misc		120,000
Taxes & Insurance		275,000
Construction Loan Fee & Interest Reserve (6 months)		2,753,000
Development Overhead (5%)		2,754,000
Soft Cost Contingency		578,475
Private Roads, Parks, Amenities		1,800,000
Land Costs		7,200,000
Total Project Costs		**62,502,825**
Per RSF		$409
Investment		
Total Project Costs		62,502,825
HTRZ TIF Incentive		
Adjusted Project Costs		**62,502,825**
Construction Loan		37,390,000
Equity Requirement - Cash Portion		25,112,825
Equity Requirement - Permanent		3,162,825
Yield on Cost		7.64%
Market Cap Rate		7.00%
Yield Cap Rate Spread		0.34%
Cash-on-Cash Return		6.65%

HTRZ ENHANCED OFFICE DEVELOPMENT

This pro forma represents an increase in density from 0.50 to 2.02 floor area ratio by including a parking structure. Mixing uses such as office and residential increases affordability, allows for cross-parking, and promotes walkability while taking vehicles off the road and contributing to improved air quality. But for HTRZ, this type of dense development adjacent to the North Station would not be possible.

Suite	Tenant	Gross SF	Rentable SF	Rent PSF	Total
100	Tenant A	30,000	25,500	$42	1,071,000
200	Tenant B	30,000	25,500	$42	1,071,000
300	Tenant C	30,000	25,500	$42	1,071,000
400	Tenant A	30,000	25,500	$42	1,071,000
500	Tenant B	30,000	30,000	$42	1,071,000
600	Tenant C	30,000	30,000	$42	1,071,000
Totals		**180,000**	**153,000**	**$42**	**6,426,000**

Base Year Stabilized Cash Flow			
Gross Potential Rent			6,426,000
Vacancy & Credit Loss			(449,820)
Effective Gross Income			**5,976,180**
Operating Expenses			
Operating Expenses		PSF	(1,071,000)
Management Fees		of EGI	(239,047)
Reserves		PSF	(76,500)
Total Expenses & Reserves			**(1,386,547)**
Net Operating Income			**4,589,633**
Construction Interest			(2,617,300)
Construction Cash Flow			1,972,333
Long Term Debt Service			(3,041,618)
Long Term Cash Flow			1,548,015
Project Market Value			
Market Value			65,566,183
Financing			
Construction Loan			37,390,000
Interest Rate			
Annual Construction Interest			2,617,300
Loan to Value			57.0%
Loan to Cost			50.0%
Permanent Loan			39,340,000
Loan to Value			
Interest Rate			
Annual Debt Service			(3,041,618)
Amortization Period			25
Debt Yield			11.67%
Debt Service Coverage Ratio			1.51

Project & Site		
Site (Acres)		2.05
Floor to Area Ratio		
Rentable Building SF		153,000
Gross Building SF		180,000
Construction Costs		
Construction Costs		40,549,000
Dry Utilit. Upgrades (prorated)		-
Parking Structure Costs ($1,000/RSF)	612	18,360,000
Architecture & Engineering		2,682,000
Permits & Impact Fees		1,890,000
Legal & Misc		120,000
Taxes & Insurance		350,000
Construction Loan Fees & Interest Reserve (18 months)		2,769,200
Development Overhead (5%)		3,751,250
Soft Cost Contingency		641,119
Private Roads, Parks, Amenities		1,800,000
Land Costs		1,782,178
Total Project Costs		**74,780,747**
Per RSF		$ 489
Investment		
Total Project Costs		74,780,747
HTRZ TIF Incentives		(12,277,922)
Adjusted Project Costs		**62,502,825**
Construction Loan		37,390,000
Equity Requirement - Construction		25,112,825
Equity Requirement - Perm Loan		23,162,825
Yield on Cost		7.34%
Market Cap Rate		7.00%
Yield/Cap Rate Spread		0.34%
Cash-on-Cash Return		6.68%

INCREMENTAL COSTS OF HIGH-DENSITY OFFICE DEVELOPMENT

The valuation analysis below highlights the HTRZ funding needed to offset the additional cost of densifying around the North Station. This is the gap between low-density office development (0.50 FAR) and high-density office development (2.02 FAR).

Higher Density Office Development with Structured Parking	**Per RSF**	**Total**
Construction Costs	277	42,345,000
Structured Parking Costs	120	18,360,000
Soft Costs	80	12,293,569
Land Costs	12	1,782,178
Total Costs	**$ 489**	**$ 74,780,747**
Less: HTRZ TIF Incentive	$80	$12,277,922
Costs for Lower Density Surface Parked Office	$409	$62,502,825
Ratio of Incentive to Total Costs		16.4%

TOTAL GAP FOR THE HTRZ DEVELOPMENT PLAN

Projected Total Gap for the HTRZ	
Total Units in HTRZ with Type V Wrap (structured parking)	2,434
x TIF Incentive per Unit	$ 79,093
= Minimum Amount of TIF for Development	**$ 192,512,752**
Residential Units Inside of HTRZ	2,631
Units at 80% of AMI	237
Units at 60% of AMI	79
Total Affordable Units	316
x Value Loss per Unit	$ 121,084
= Minimum Amount of TIF for Reduced Rents	**$ 38,228,724**
Total Office Square Footage in HTRZ w/ Structured Parking	282,800
x HTRZ TIF Incentive PSF	$ 80
= Minimum Amount of TIF for Development	**$ 22,694,094**
Combined Total	**$ 253,435,570**

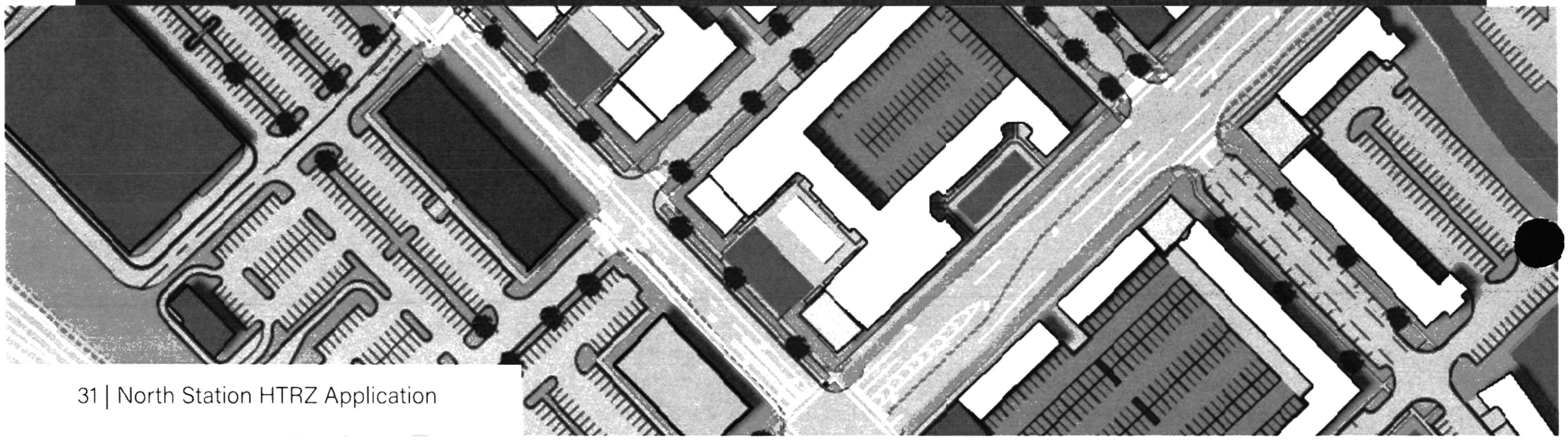


EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR

Tax District 124	Final Tax Rate (2023)
DAVIS COUNTY ANIMAL SERVICES	0.000068
DAVIS SCHOOL DISTRICT	0.004738
STATE CHARTER SCHOOL LEVY	0.000084
STATE BASIC SCHOOL LEVY	0.001406
DAVIS COUNTY	0.000826
DAVIS COUNTY FLOOD	0.000106
DAVIS COUNTY HEALTH & SERVICES	0.000252
FARMINGTON CITY	0.001502
COUNTY LIBRARY	0.000234
WEBER BASIN WATER	0.000200
MOSQUITO ABATEMENT	0.000098
CENTRAL DAVIS SEWER	0.000117
BENCHLAND WATER DISTRICT	0.000304
COUNTY ASSESSING AND LEVY	0.000151
MULTI COUNTY ASSESSING AND LEVY	0.000015
TOTAL	0.00998

Assumptions	
Primary AV	55%
Commercial AV	95%
TIF Years	25

Unit Types	Inflation	Residential Primary	Commercial
Residential	2.00%	Yes	No
Class A Office	2.00%	No	Yes
Commercial	2.00%	No	Yes
Hotel	2.00%	No	Yes

Year		1	2	3	4	5	6	7	8	9	10	11	12
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Absorption	**Total**												
Residential	2,631			573	671	442	264	422	259	0			
Class A Office	832,000			106,000	50,000	288,000	100,000	188,000	0	100,000			
Commercial	162,500			85,500	55,000	4,000	4,000	10,000	4,000				
Hotel	62,500					62,500							
Total Annual Absorption	1,059,631	0	0	192,073	105,671	354,942	104,264	198,421	4,259	100,000	0	0	0
	Market Values	**Assessed Values**											
Residential	$300,000	$165,000	$168,300	$171,666	$175,099	$178,601	$182,173	$185,817	$189,533	$193,324	$197,190	$201,134	$205,157
Class A Office	$250	$238	$242	$247	$252	$257	$262	$267	$273	$278	$284	$290	$295
Commercial	$250	$238	$242	$247	$252	$257	$262	$267	$273	$278	$284	$290	$295
Hotel	$200	$190	$194	$198	$202	$206	$210	$214	$218	$223	$227	$232	$236
Absorbed Assessed Value													
Residential	$478,364,125	$0	$0	$98,364,618	$117,421,057	$78,883,557	$48,167,595	$78,404,272	$49,119,926	$0	$0	$0	$0
Class A Office	$217,164,256	$0	$0	$26,192,070	$12,601,845	$74,038,360	$26,221,919	$50,283,152	$0	$27,826,910	$0	$0	$0
Commercial	$40,831,726	$0	$0	$21,126,623	$13,862,030	$1,028,311	$1,048,877	$2,674,636	$1,091,251	$0	$0	$0	$0
Hotel	$12,853,882	$0	$0	$0	$0	$12,853,882	$0	$0	$0	$0	$0	$0	$0
Total Annual Value	$741,210,840	$0	$0	$145,683,311	$143,884,932	$166,804,109	$75,438,391	$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
Total Cumulative Value		$0	$0	$145,683,311	$289,568,243	$456,372,352	$531,810,743	$663,172,803	$713,383,980	$741,210,890	$741,210,890	$741,210,890	$741,210,890
Discount Rate	7.00%												
Long Term Inflation Rate (post absorption)	1.0												
	Check	0	0	0	0	0	0	0	0	0	0	0	0
	Check	0	0	0	0	0	0	0	0	0	0	0	0
TIF End Date	**TIF Start Date**												
2048	2024	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2049	2025		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2050	2026			$145,683,311	$143,884,932	$166,804,109	$75,438,391	$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
2051	2027				$143,884,932	$166,804,109	$75,438,391	$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
2052	2028					$166,804,109	$75,438,391	$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
2053	2029						$75,438,391	$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
2054	2030							$131,362,060	$50,211,177	$27,826,910	$0	$0	$0
2055	2031								$50,211,177	$27,826,910	$0	$0	$0
2056	2032									$27,826,910	$0	$0	$0
2057	2033										$0	$0	$0
2058	2034											$0	$0
2059	2035												$0
2060	2036												
2061	2037												
2062	2038												
2063	2039												
2064	2040												
2065	2041												
2066	2042												
	Total Cumulative Value	$0	$0	$145,683,311	$289,568,243	$456,372,352	$531,810,743	$663,172,803	$713,383,980	$741,210,890	$741,210,890	$741,210,890	$741,210,890

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

Year		14	15	16	17	18	19	20	21	22	23	24	25	26	27
		2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Absorption	**Total**														
Residential	2,631														
Class A Office	832,000														
Commercial	162,500														
Hotel	62,500														
Total Annual Absorption	[illegible]	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Market Values														
Residential	$900,000	$213,445	$217,714	$222,068	$226,510	$231,040	$235,661	$240,374	$245,181	$250,085	$255,087	$260,188	$265,392	$270,700	$276,114
Class A Office	$250	$307	$313	$320	$326	$333	$339	$346	$353	$360	$367	$375	$382	$390	$397
Commercial	$240	$307	$313	$320	$326	$333	$339	$346	$353	$360	$367	$375	$382	$390	$397
Hotel	$290	$246	$251	$256	$261	$266	$271	$277	$282	$288	$294	$300	$306	$312	$318
	Absorbed Assessed Value														
Residential	$470,361,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Class A Office	$217,164,246	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Commercial	$40,833,776	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Hotel	$18,344,882	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Annual Value	$746,703,904	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Cumulative Value		$808,977,314	$831,097,123	$853,247,774	$875,429,177	$897,640,240	$919,880,876	$942,150,998	$964,450,516	$986,779,348	$1,009,137,413	$1,031,524,627	$1,053,940,909	$1,076,386,179	$1,098,860,358
Discount Rate	[illegible]														
Long Termination Rate (Last absorption)	[illegible]														
	Check	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Check	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TIF End Date	**TIF Start Date**														
2048	2024	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
2049	2025	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
2050	2026	$162,534,276	$164,159,602	$165,801,197	$167,459,209	$169,133,801	$170,825,139	$172,533,391	$174,258,724	$176,001,311	$177,761,324	$179,538,938	$181,334,327	$183,147,670	$184,979,147
2051	2027	$158,938,479	$160,527,864	$162,133,143	$163,754,474	$165,392,019	$167,045,939	$168,716,398	$170,403,562	$172,107,598	$173,828,674	$175,566,961	$177,322,630	$179,095,857	$180,886,815
2052	2028	$162,431,196	$164,055,510	$165,696,065	$167,353,025	$169,026,556	$170,716,822	$172,423,990	$174,148,230	$175,889,712	$177,648,609	$179,425,095	$181,219,346	$183,031,539	$184,861,855
2053	2029	$61,686,967	$62,303,837	$62,926,875	$63,556,143	$64,191,705	$64,833,622	$65,481,958	$66,136,778	$66,798,145	$67,466,127	$68,140,788	$68,822,196	$69,510,418	$70,205,522
2054	2030	$140,837,966	$142,246,346	$143,668,809	$145,105,497	$146,556,552	$148,022,117	$149,502,338	$150,997,361	$152,507,334	$154,032,407	$155,572,731	$157,128,458	$158,699,743	$160,286,740
2055	2031	$63,400,177	$64,034,178	$64,674,519	$65,321,264	$65,974,477	$66,634,221	$67,300,563	$67,973,569	$68,653,304	$69,339,837	$70,033,235	$70,733,568	$71,440,903	$72,155,312
2056	2032	$29,246,362	$29,538,826	$29,834,214	$30,132,556	$30,433,882	$30,738,221	$31,045,603	$31,356,059	$31,669,620	$31,986,316	$32,306,179	$32,629,241	$32,955,533	$33,285,089
2057	2033	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2058	2034	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2059	2035	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2060	2036	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2061	2037	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2062	2038		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2063	2039			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2064	2040				$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2065	2041					$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2066	2042						$0	$0	$0	$0	$0	$0	$0	$0	$0

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

Year		28	29	30	31	32	33	34	35	36	37	38	39	40	41
		2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064
Absorption	Total														
Residential	2,631														
Class A Office	832,000														
Commercial	162,500														
Hotel	62,500														
Total Annual Absorption	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Market Values														
Residential	[illegible]	$281,636	$287,269	$293,014	$298,875	$304,852	$310,949	$317,168	$323,512	$329,982	$336,581	$343,313	$350,179	$357,183	$364,327
Class A Office	22%	$405	$413	$422	$430	$439	$448	$457	$466	$475	$484	$494	$504	$514	$524
Commercial	22%	$405	$413	$422	$430	$439	$448	$457	$466	$475	$484	$494	$504	$514	$524
Hotel	22%	$324	$331	$337	$344	$351	$358	$365	$373	$380	$388	$395	$403	$411	$420
Absorbed Assessed Value															
Residential	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Class A Office	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Commercial	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Hotel	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Annual Value	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Cumulative Value		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	$0	$0	$0	$0	$0	$0	$0	$0
Discount Rate	[illegible]														
Long Term Inflation Rate (not applied)	[illegible]														
Years		0	1	2	3	4	5	6	7	8	9	10	11	12	13
Years		0	1	2	3	4	5	6	7	8	9	10	11	12	13
TIF End Date	TIF Start Date														
2048	2023														
2049	2024														
2050	2025														
2051	2026	$282,999,963													
2052	2026	$289,999,957	$297,749,951												
2053	2026	$297,999,951	$306,249,955	$314,749,947											
2054	2026	$306,249,948	$314,749,944	$323,499,942	$332,499,934										
2055	2026	$314,749,942	$323,499,939	$332,499,939	$341,749,931	$351,249,923									
2056	2026	$323,499,939	$332,499,934	$341,749,931	$351,249,923	$360,999,920	$371,249,912								
2057	2026	$0	$0	$0	$0	$0	$0	$0							
2058	2026	$0	$0	$0	$0	$0	$0	$0	$0						
2059	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0					
2060	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0				
2061	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0			
2062	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
2063	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
2064	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2065	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2066	2026	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

Year		42 2065	43 2066	44 2067	45 2068	46 2069	47 2070	48 2071	49 2072	50 2073
Absorption	**Total**									
Residential	**2,631**									
Class A Office	**832,000**									
Commercial	**162,500**									
Hotel	**62,500**									
Total Annual Absorption	1,059,631	0	0	0	0	0	0	0	0	0
	Market Values									
Residential	$300,000	$371,613	$379,045	$386,626	$394,359	$402,246	$410,291	$418,497	$426,867	$435,404
Class A Office	$250	$535	$546	$557	$568	$579	$591	$602	$614	$627
Commercial	$250	$535	$546	$557	$568	$579	$591	$602	$614	$627
Hotel	$200	$428	$436	$445	$454	$463	$472	$482	$492	$501
Absorbed Assessed Value										
Residential	$470,361,025	$0	$0	$0	$0	$0	$0	$0	$0	$0
Class A Office	$217,164,256	$0	$0	$0	$0	$0	$0	$0	$0	$0
Commercial	$40,831,726	$0	$0	$0	$0	$0	$0	$0	$0	$0
Hotel	$12,853,882	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Annual Value	$741,210,890	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Cumulative Value		$0	$0	$0	$0	$0	$0	$0	$0	$0
Discount Rate	7.0%									
Long Term Inflation Rate (post absorption)	1.0%									
	Check	0	0	0	0	0	0	0	0	0
	Check	0	0	0	0	0	0	0	0	0
TIF End Date	**TIF Start Date**									
2048	2024									
2049	2025									
2050	2026									
2051	2027									
2052	2028									
2053	2029									
2054	2030									
2055	2031									
2056	2032									
2057	2033									
2058	2034									
2059	2035									
2060	2036									
2061	2037									
2062	2038									
2063	2039									
2064	2040									
2065	2041	$0								
2066	2042	$0	$0							
	Total Cumulative Value	$0	$0	$0	$0	$0	$0	$0	$0	$0

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

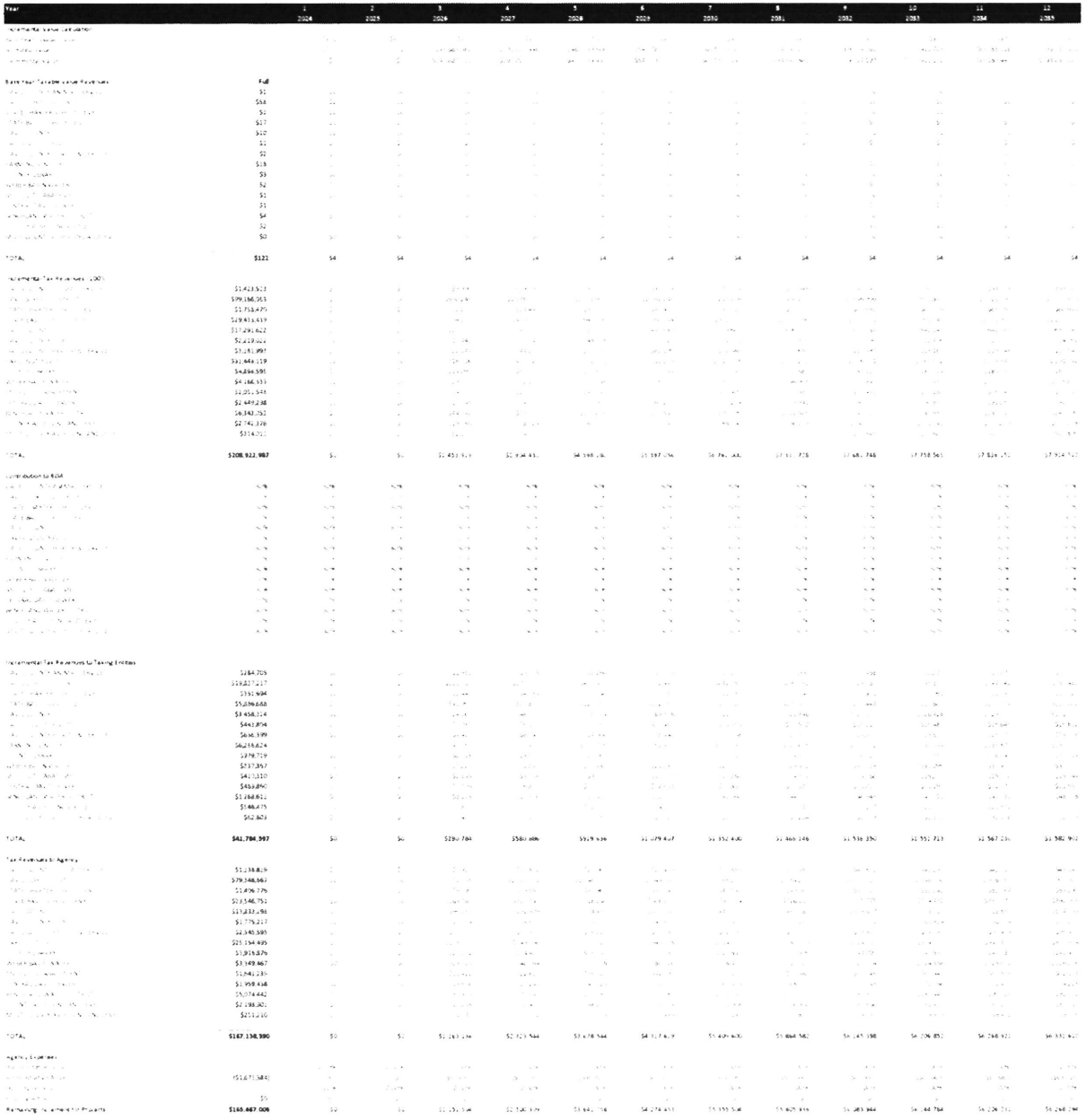
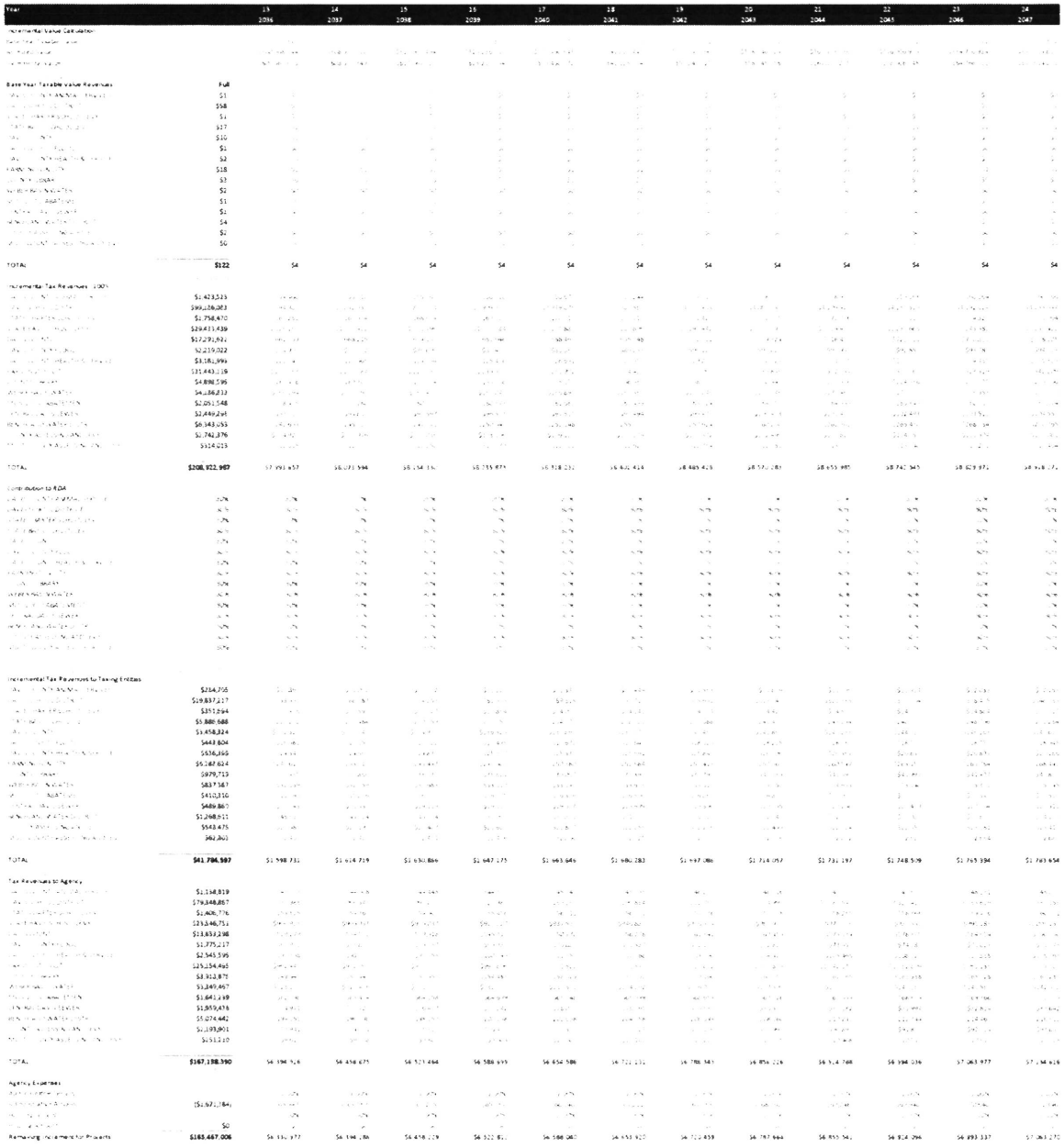


EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.



Year		13 2036	14 2037	15 2038	16 2039	17 2040	18 2041	19 2042	20 2043	21 2044	22 2045	23 2046	24 2047
Incremental Value Calculation													
Base Year Taxable Value Revenues	Full												
	$1												
	$58												
	$1												
	$27												
	$10												
	$1												
	$2												
	$18												
	$3												
	$2												
	$1												
	$1												
	$4												
	$2												
	$0												
TOTAL	**$122**	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4
Incremental Tax Revenues - 100%													
	$1,423,533												
	$99,286,083												
	$1,758,470												
	$29,431,439												
	$172,291,621												
	$2,259,022												
	$3,181,996												
	$11,443,218												
	$4,898,595												
	$4,186,833												
	$2,051,548												
	$2,449,294												
	$6,143,053												
	$1,742,376												
	$114,023												
TOTAL	**$208,922,957**	$7,991,857	$8,071,996	$8,154,316	$8,235,859	$8,318,231	$8,401,414	$8,485,428	$8,570,283	$8,653,985	$8,740,545	$8,829,971	$8,918,271
Contribution to RDA													
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Incremental Tax Revenues to Taxing Entities													
	$234,705												
	$19,837,217												
	$351,294												
	$5,880,688												
	$1,458,324												
	$443,604												
	$636,366												
	$5,287,624												
	$979,719												
	$817,587												
	$410,316												
	$489,860												
	$1,268,611												
	$543,475												
	$92,801												
TOTAL	**$41,784,987**	$1,598,731	$1,614,719	$1,630,866	$1,647,175	$1,663,646	$1,680,283	$1,697,086	$1,714,057	$1,731,197	$1,748,509	$1,765,994	$1,783,654
Tax Revenues to Agency													
	$1,138,819												
	$79,348,867												
	$1,406,776												
	$23,546,751												
	$13,853,298												
	$1,775,217												
	$2,545,595												
	$25,154,465												
	$3,912,875												
	$3,249,467												
	$1,641,169												
	$1,959,478												
	$5,074,442												
	$1,193,901												
	$131,210												
TOTAL	**$167,338,390**	$6,394,926	$6,458,875	$6,523,464	$6,588,699	$6,654,586	$6,721,131	$6,788,343	$6,856,226	$6,924,788	$6,994,036	$7,063,977	$7,134,616
Agency Expenses													
	($2,671,784)												
	$0												
Remaining Increment for Projects	**$163,467,006**	$6,394,926	$6,458,875	$6,523,464	$6,588,699	$6,654,586	$6,721,131	$6,788,343	$6,856,226	$6,924,788	$6,994,036	$7,063,977	$7,134,616

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

Year		25 2048	26 2049	27 2050	28 2051	29 2052	30 2053	31 2054	32 2055	33 2056	34 2057	35 2058	36 2059
Base Year Taxable Value Revenues	Full												
	$1												
	$58												
	$1												
	$27												
	$10												
	$1												
	$2												
	$18												
	$0												
	$1												
	$1												
	$1												
	$4												
	$2												
	$6												
TOTAL	$122	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4	$4
	$1,423,523												
	$94,126,073												
	$1,758,470												
	$24,433,439												
	$17,291,621												
	$2,259,022												
	$4,181,996												
	$11,441,138												
	$4,898,295												
	$4,186,833												
	$2,051,548												
	$2,447,491												
	$8,343,453												
	$1,742,376												
	$324,019												
TOTAL	$208,922,997	$9,827,453	$9,997,516	$10,188,503	$7,415,855	$5,648,458	$5,532,072	$5,644,194	$5,485,434	$375,914	$0	$0	$0
	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%
	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%	41%
	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	$284,703												
	$19,837,217												
	$351,294												
	$5,880,688												
	$3,418,224												
	$443,804												
	$536,865												
	$5,187,624												
	$979,713												
	$837,567												
	$410,310												
	$489,803												
	$1,268,511												
	$542,475												
	$61,201												
TOTAL	$41,784,587	$1,802,491	$1,819,506	$1,837,701	$1,489,197	$1,129,692	$1,106,414	$1,128,839	$1,097,087	$75,183	$0	$0	$0
	$1,134,819												
	$74,348,657												
	$1,405,776												
	$23,346,714												
	$1,833,298												
	$1,775,217												
	$2,543,595												
	$25,154,465												
	$3,912,876												
	$1,349,467												
	$1,641,459												
	$1,909,436												
	$1,074,442												
	$1,293,961												
	$1,311,223												
TOTAL	$167,138,390	$7,207,963	$7,278,023	$7,350,802	$5,956,788	$4,518,766	$4,425,654	$4,515,355	$4,388,347	$300,733	$0	$0	$0
	($1,672,784)												
	$0												
Remaining Incremental Property	$165,467,606	$7,133,283	$7,205,143	$7,277,794	$5,873,341	$4,472,578	$4,377,496	$4,462,881	$4,342,644	$296,276	$0	$0	$0

EXHIBIT A: HTRZ PROPERTY TAX INCREMENT PROJECTIONS BY YEAR CONT.

Year		37 2060	38 2061	39 2062	40 2063	41 2064	42 2065	43 2066	44 2067	45 2068
Incremental Value Calculation										
Base Year Taxable Value Revenues	Full									
	$1									
	$58									
	$1									
	$17									
	$16									
	$1									
	$2									
	$18									
	$7									
	$1									
	$1									
	$1									
	$4									
	$1									
	$6									
TOTAL	$122	$4	$4	$4	$4	$4	$4	$4	$4	$4
Incremental Tax Revenues 100%										
	$1,423,521									
	$99,236,083									
	$1,758,470									
	$29,433,436									
	$17,291,682									
	$2,219,322									
	$8,182,994									
	$11,443,219									
	$4,898,595									
	$4,186,233									
	$2,051,548									
	$2,449,291									
	$6,343,053									
	$2,742,376									
	$314,019									
TOTAL	$208,922,987	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contribution to EDA										
Incremental Tax Revenues to Taxing Entities										
	$234,706									
	$19,837,217									
	$351,694									
	$5,886,688									
	$3,458,324									
	$443,804									
	$638,695									
	$5,287,614									
	$979,719									
	$837,167									
	$410,310									
	$489,867									
	$1,268,611									
	$542,475									
	$62,601									
TOTAL	$41,784,587	$0	$0	$0	$0	$0	$0	$0	$0	$0
Tax Revenues to Agency										
	$1,138,819									
	$79,148,867									
	$1,406,776									
	$23,546,751									
	$13,832,298									
	$1,775,517									
	$2,543,595									
	$25,154,495									
	$3,913,876									
	$3,349,497									
	$1,641,239									
	$1,959,478									
	$5,274,446									
	$1,189,901									
	$251,215									
TOTAL	$167,188,390	$0	$0	$0	$0	$0	$0	$0	$0	$0
Agency Expenses										
	($1,671,784)									
	$0									
Remaining Increment for Projects	$165,467,006	$0	$0	$0	$0	$0	$0	$0	$0	$0