BEAVER COUNTY, UTAH

(BEAVER COUNTY REDEVELOPMENT AGENCY)

ADOPTED VERSION: JUNE 10, 2025

PROJECT AREA BUDGET

MILFORD II (EXPANSION) CRA

PREPARED BY:

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INTRODUCTION

The Redevelopment Agency of Beaver County (the "Agency"), following thorough consideration of the needs and desires of Beaver County, Utah (the "County") and its residents, as well as understanding the County's capacity for new development, has carefully crafted the Project Area Plan (the "Plan") for the Milford II (Expansion) Community Reinvestment Project Area (the "Project Area"). The Plan is the result of a comprehensive evaluation of the types of appropriate land-uses and economic development opportunities for the land encompassed by the Project Area which lies approximately ten miles north of Milford, Utah.

The Plan is envisioned to define the method and means of development for the Project Area from its current state to a higher and better use. The County has determined it is in the best interest of its citizens to assist in the development of the Project Area. This **Project Area Budget** document (the "Budget") is predicated upon certain elements, objectives and conditions outlined in the Plan and intended to be used as a financing tool to assist the Agency in meeting Plan objectives discussed herein and more specifically referenced and identified in the Plan.

The creation of the Project Area is being undertaken as a community reinvestment project pursuant to certain provisions of Chapters 1 and 5 of the Utah Community Reinvestment Agency Act (the "Act", Utah Code Annotated ("UCA") Title 17C). The requirements of the Act, including notice and hearing obligations, have always been observed throughout the establishment of the Project Area.

DESCRIPTION OF COMMUNITY REINVESMENT PROJECT AREA

The Agency was established for the purpose of promoting economic activity within the boundaries of the County and Agency. Pursuant to that purpose, the Agency has determined that it is in the best interests of the taxing entities who levy property taxes within the Project Area to promote the development of the proposed solar panels. The Project Area is 10 miles north of Milford City. The purpose of the Project Area is to enable the development of new solar panels which are not financially viable without support from the taxing entities in the area.

As the financial circumstances related to the development were evaluated by the Agency, it was determined that without public assistance, in the form of tax increment participation, the financial barriers would be too burdensome and would create a disincentive for the private capital investment to occur.

A map of the Project Area is attached hereto in **EXHIBIT A**.

GENERAL OVERVIEW OF PROJECT AREA BUDGET

The purpose of the Project Area Budget is to provide the financial framework necessary to implement the Project Area Plan vision and objectives. The Project Area Plan has identified that tax increment financing is essential to meet the objectives of the CRA Project Area. The following information will detail the sources and uses of tax increment and other necessary details needed for public officials, interested parties, and the public in general to understand the mechanics of the Project Area Budget.

Base Year Value

The Agency has determined that the **base year property tax value** for the Project Area will be the total taxable value for the 2024 tax year which is estimated to be **$130,210**. Accordingly, this amount will continue to flow through to each taxing entity proportional to the amount of their respective tax rates being levied.

TABLE 1: PARCEL BASE YEAR VALUES

Parcel ID	Acreage	Taxable Value
02-0012-0001	360.00	$54,000
02-0015-0003	307.84	30,784
02-0015-0004	302.84	45,426
Total	**970.68**	**$130,210**

Payment Trigger

The Project Area will have an estimated six-year (6) duration from the date of the first tax increment received by the Agency. The collection of tax increment will be triggered at the discretion of the Agency prior to March 1 of the tax year in which they intend to begin the collection of increment. The following year in which this increment will be remitted to the Agency will be Year 1, e.g., if requested prior to March 1, 2021, Year 1 of increment will be 2022. The Agency anticipates it will trigger tax increment by March 1, 2026, but in no case will the Agency trigger the first year of tax increment collection after March 1, 2028.

Projected Tax Increment Revenue – Total Generation

Development within the Project Area will commence upon favorable market conditions which will include both horizontal and vertical infrastructure and development. The Agency anticipates that new development will begin in the Project Area in 2025. The contemplated development will generate significant additional property tax revenue above what is currently generated within the Project Area.

Property Tax Increment will begin to be generated in the tax year (ending Dec 1st) following construction completion, and to the extent the Agency triggers the Tax Increment. Upon triggering the Tax Increment, these monies will be paid to the Agency in March or April after collection. It is projected that property Tax Increment generation within the Project Area could begin as early as 2027 or as late as 2028. It is currently estimated that during the 6-year life of the Project Area Budget, property Tax Increment could be generated within the Project Area in the approximate amount of **$11.7** million or at a net present value (NPV) of **$8.8** million.

PROPERTY TAX REVENUES GENERATED WITHIN PROJECT AREA

Base Year Property Tax Revenue

The taxing entities are currently receiving - and will continue to receive - property tax revenue from the current assessed value of the property within the Project Area ("Base Taxes"). The current assessed value is estimated to be $130,210. Based upon the tax rates in the area, the collective taxing entities are receiving $1,104 in property tax annually from this Project Area. This equates to approximately $6,624 over the 6-year life of the Project Area.

TABLE 2: TOTAL BASE YEAR TO TAXING ENTITIES

Entity	Total	NPV @ 4.5%	Annual Property Taxes
Beaver County	$1,187	$934	$198
Beaver County School District	4,283	3,371	714
Milford Fire District # 2	290	228	48
Milford Area Hospital SSD # 3	865	681	144
Total	**$6,624**	**$4,990**	**$1,104**

Property Tax Increment Shared with Agency

All taxing entities that receive property tax generated within the Project Area, as detailed above, will share at least a portion of that increment generation with the Agency. All taxing entities will contribute an estimated 70% of their respective tax increment for 6 years. Table 2 shows the amount of Tax Increment shared with the Agency assuming the participation levels discussed above.

TABLE 3: SOURCES OF TAX INCREMENT FUNDS

Entity	Percentage	Length	Total	NPV @ 4.5%
Beaver County	70%	6 Years	$2,087,736	1,647,920
Beaver County School District	70%	6 Years	7,534,543	5,947,265
Milford Fire District # 2	70%	6 Years	509,908	402,487
Milford Area Hospital SSD # 3	70%	6 Years	1,521,477	1,200,953
Total Sources			**$11,653,664**	**$8,802,511**

Uses of Tax Increment

The Agency will use 5% of the tax increment to administer the CRA. Most of the remaining tax increment collected by the Agency will be used as developer incentives in the Project Area (85%). The remaining 10% will go towards affordable housing, as required by the Act.

TABLE 4: USES OF TAX INCREMENT

Uses	Total	NPV @ 4.5%
Redevelopment Activities (Infrastructure, Relocation, Incentives, etc.)	$9,905,614	$7,818,831
CRA Housing Requirement	1,165,366	919,862
RDA Administration	582,683	459,931
Total Uses	**$11,653,664**	**$8,802,511**

Total Annual Property Tax Revenue for Taxing Entities at Conclusion of Project

As described above, the collective taxing entities are currently receiving approximately $1,104 in property taxes annually from this Project Area. At the end of 6 years an additional $1,846,719 in property taxes annually is anticipated, totaling approximately $1,847,823 in property taxes annually for the area.

TABLE 5: TOTAL BASE YEAR AND END OF PROJECT LIFE ANNUAL PROPERTY TAXES

Entity	Annual Base Year Property Taxes	Annual Property Tax Increment at Conclusion of Project	Annual Property Taxes
Beaver County	$198	$330,837	$331,035
Beaver County School District	714	1,193,975	1,194,689
Milford Fire District # 2	48	80,803	80,851
Milford Area Hospital SSD # 3	144	241,104	241,248
Total	**$1,104**	**$1,846,719**	**$1,847,823**

BENEFIT ANALYSIS

Based on the land use assumptions, current economic and market demand factors, tax increment participation levels, public infrastructure, and incentive needs, the following table outlines the benefits (revenues) anticipated in the Project Area. This does not factor in the benefit of other economic multipliers such as job creation, disposable income for retail consumption, etc. For purposes of the RDA, Beaver County will only collect incremental property taxes from the taxing entities. The revenues calculated in this analysis are property taxes. As shown below, the proposed community reinvestment will create a net benefit to Beaver County and the other taxing entities that levy a tax within the Project Area.

TABLE 6: TOTAL INCREMENTAL PROPERTY TAX REVENUES GENERATED BY PROJECT

Entity	Total	NPV @ 4.5%
Beaver County	$2,982,480	$2,354,171
Beaver County School District	10,763,632	8,496,093
Milford Fire District # 2	728,440	574,982
Milford Area Hospital SSD # 3	2,173,539	1,715,647
Total	**$16,648,091**	**$12,575,016**

TABLE 7: PARTICIPATED TAX INCREMENT REVENUES GENERATED BY PROJECT

Entity	Percentage	Length	Total	NPV @ 4.5%
Beaver County	70%	6 Years	$2,087,736	1,647,920
Beaver County School District	70%	6 Years	7,534,543	5,947,265
Milford Fire District # 2	70%	6 Years	509,908	402,487
Milford Area Hospital SSD # 3	70%	6 Years	1,521,477	1,200,953
Total Sources			**$11,653,664**	**$8,802,511**

TABLE 8: REVENUE ANALYSIS FOR TAXING ENTITIES

Entity	Property Tax (Total Increment)	Total Incremental Revenues
Beaver County	$2,982,480	$2,087,736
Beaver County School District	10,763,632	7,534,543
Milford Fire District # 2	728,440	509,908
Milford Area Hospital SSD # 3	2,173,539	1,521,477
Total Revenue	**$16,648,091**	**$11,653,664**

TABLE 8: BENEFIT ANALYSIS FOR THE COUNTY

Entity	Additional Tax Revenues	Minus	Additional Costs	Equals	Total Net Benefit
Beaver County	$2,982,480	-	$2,087,736	=	$894,744

PROJECT AREA BUDGET AND PRIORITIES

The new development will create approximately 200 full-time jobs during construction, with a maximum of 300 full-time jobs during the 18-month construction period.

Table 9 below depicts estimates of the participated tax increment funds through 6 years for a total of **$11.7 million.**

TABLE 9: PARTICIPATED TAX INCREMENT FUNDS

Priorities	Percentage	Length	Total
Beaver County	70%	6 Years	$2,087,736
Beaver County School District	70%	6 Years	7,534,543
Milford Fire District # 2	70%	6 Years	509,908
Milford Area Hospital SSD # 3	70%	6 Years	1,521,477
Total			**$11,653,664**

Table 10 below illustrates how the estimated **$11.7** million of incremental property taxes can be distributed to the priorities of the Milford II (Expansion) CRA Project Area.

TABLE 10: PROPERTY TAX DISTRIBUTION

Priorities	Total	% of Total
Redevelopment Activities (Infrastructure, Relocation, Incentives, etc.)	$9,905,614	85%
CRA Housing Requirement	1,165,366	10%
RDA Administration	582,683	5%
Total	**$11,653,664**	**100%**

EXHIBIT A: PROJECT AREA MAP

MAP OF PROPOSED PROJECT AREA BOUNDARIES

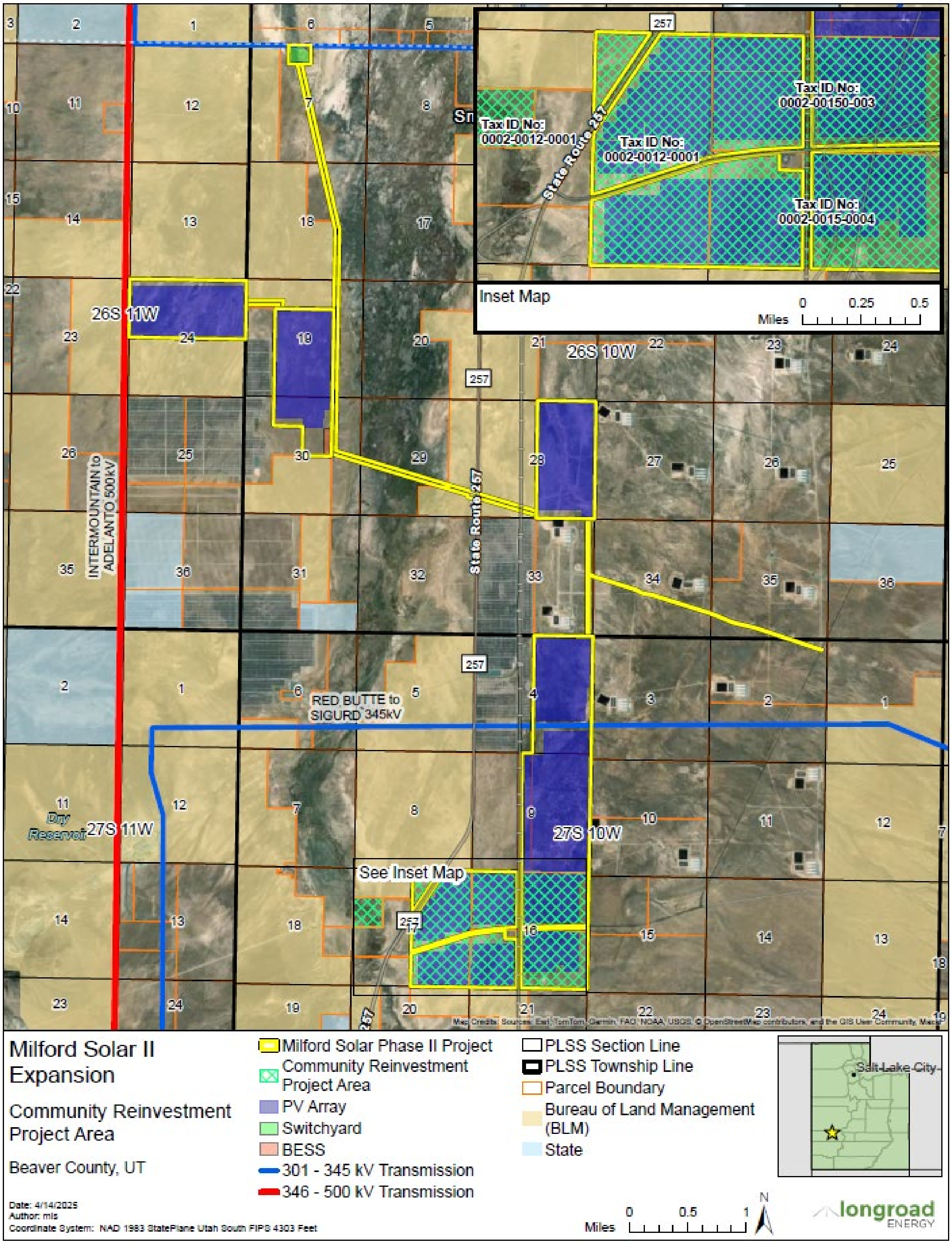

EXHIBIT B: MULTI-YEAR BUDGET

Beaver County Redevelopment Agency

Milford II (Expansion) CRA

Tax Increment and Budget Analysis

ASSUMPTIONS:	
Discount Rate for NPV:	4.5%
Participation Rate	70.0%

INCREMENTAL TAX ANALYSIS:	Payment Year	2028	2029	2030	2031	2032	2033		
	Tax Year	2027	2028	2029	2030	2031	2032	TOTALS	NPV
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6		
Existing Assessed Taxable Value (Project Area)		130,210	130,210	130,210	130,210	130,210	130,210		
Operations & Maintenance Buidling		641,645	641,645	641,645	641,645	641,645	641,645		
Solar Panels		345,000,000	334,650,000	331,200,000	324,300,000	313,950,000	310,500,000		
Total New Assessed Value:		345,641,645	335,291,645	331,841,645	324,941,645	314,591,645	311,141,645		
Total Assessed Taxable Value of Project Areea		345,771,855	335,421,855	331,971,855	325,071,855	314,721,855	311,271,855		
Less Base Year Value		(130,210)	(130,210)	(130,210)	(130,210)	(130,210)	(130,210)		
TOTAL Assessed Value Less Base Year Value (Incremental Value)		**345,641,645**	**335,291,645**	**331,841,645**	**324,941,645**	**314,591,645**	**311,141,645**		
TAX RATE & INCREMENT ANALYSIS:	2024								
Beaver County	0.001519	$ 525,030	$ 509,308	$ 504,067	$ 493,586	$ 477,865	$ 472,624	$ 2,982,480	$ 2,354,171
Beaver County School District	0.005482	1,894,807	1,838,069	1,819,156	1,781,330	1,724,591	1,705,678	10,763,632	$ 8,496,093
Milford Fire District # 2	0.000371	128,233	124,393	123,113	120,553	116,714	115,434	728,440	$ 574,982
Milford Area Hospital SSD # 3	0.001107	382,625	371,168	367,349	359,710	348,253	344,434	2,173,539	$ 1,715,647
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:		**$ 2,930,696**	**$ 2,842,938**	**$ 2,813,685**	**$ 2,755,180**	**$ 2,667,423**	**$ 2,638,170**	**$ 16,648,091**	**$ 12,575,016**
PROJECT AREA BUDGET		**2028**	**2029**	**2030**	**2031**	**2032**	**2033**		
Sources of Funds:		**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**TOTALS**	**NPV**
Property Tax Participation Rate for Budget									
Beaver County		70%	70%	70%	70%	70%	70%		
Beaver County School District		70%	70%	70%	70%	70%	70%		
Milford Fire District # 2		70%	70%	70%	70%	70%	70%		
Milford Area Hospital SSD # 3		70%	70%	70%	70%	70%	70%		
Property Tax Increment for Budget									
Beaver County		$ 367,521	$ 356,516	$ 352,847	$ 345,510	$ 334,505	$ 330,837	$ 2,087,736	$ 1,647,920
Beaver County School District		1,326,365	1,286,648	1,273,409	1,246,931	1,207,214	1,193,975	7,534,543	5,947,265
Milford Fire District # 2		89,763	87,075	86,179	84,387	81,699	80,803	509,908	402,487
Milford Area Hospital SSD # 3		267,838	259,817	257,144	251,797	243,777	241,104	1,521,477	1,200,953
Total Property Tax Increment for Budget:		**$ 2,051,487**	**$ 1,990,057**	**$ 1,969,580**	**$ 1,928,626**	**$ 1,867,196**	**$ 1,846,719**	**$ 11,653,664**	**$ 8,802,511**
Uses of Tax Increment Funds:		2028	2029	2030	2031	2032	2033	**TOTALS**	**NPV**
Redevelopment Activities (Infrastructure, Relocation, Incentives, etc.)	85.0%	$ 1,743,764	$ 1,691,548	$ 1,674,143	$ 1,639,332	$ 1,587,116	$ 1,569,711	$ 9,905,614	$ 7,818,831
CRA Housing Requirement	10.0%	205,149	199,006	196,958	192,863	186,720	184,672	1,165,366	919,862
RDA Administration	5.0%	102,574	99,503	98,479	96,431	93,360	92,336	582,683	459,931
Total Uses		**$ 2,051,487**	**$ 1,990,057**	**$ 1,969,580**	**$ 1,928,626**	**$ 1,867,196**	**$ 1,846,719**	**$ 11,653,664**	**$ 8,802,511**
REMAINING TAX REVENUES FOR TAXING ENTITIES		2028	2029	2030	2031	2032	2033	**TOTALS**	**NPV**
Beaver County		$ 157,509	$ 152,792	$ 151,220	$ 148,076	$ 143,359	$ 141,787	$ 894,744	$ 706,251
Beaver County School District		568,442	551,421	545,747	534,399	517,377	511,704	3,229,090	2,548,828
Milford Fire District # 2		38,470	37,318	36,934	36,166	35,014	34,630	218,532	172,495
Milford Area Hospital SSD # 3		114,788	111,350	110,205	107,913	104,476	103,330	652,062	514,694
Total		**$ 879,209**	**$ 852,881**	**$ 844,106**	**$ 826,554**	**$ 800,227**	**$ 791,451**	**$ 4,994,427**	**$ 3,942,268**