Community Reinvestment Project Area Amended Budget

2025-1 Lakeview Parkway

Utah Code §17C-5-303

Provo City Redevelopment Agency

I. Tax Increment

The base tax year for the project area shall be 2025. The base property taxable value of the area is $7,451,100, established across the three parcels comprising the project area as follows:

Parcel Number	Area	Base Taxable Value
21:051:0062	Area 1	$1,729,100
21:051:0063	Area 2	$1,362,000
21:039:0024	Area 3	$4,360,000
Total Base Taxable Value		**$7,451,100**

* Note that this parcel still needs to be subdivided. As of 7/7/2026, that parcel is 50.5417 acres. Provo City ordered an appraisal for the 5.079 acres within the project area and contemplated for development. The Base Taxable Value listed in the table is what the appraisal came in at.

The incremental taxable value of the project area is projected to reach $184,786,750 in Year 20 of the project area plan, generating an estimated $33,414,652 in incremental property tax revenue across all taxing entities over the 20-year duration. The projected incremental tax revenue by taxing entity, and the maximum amount the Agency may receive, are set forth in Section IV (Exhibit A) of this Budget.

The Agency only plans to collect property tax increment from Area 3 of the project area. In the event the Agency elects to collect tax increment in the future from either of the two Areas, participation shall be limited to Provo City's increment only and shall not exceed the maximum amounts set forth in Exhibit A. No tax increment shall be collected from any other taxing entity.

II. Sales and Use Tax Revenue

The Agency anticipates entering into an interlocal agreement with Provo City for portions of the City's Point of Sale Sales and Use Tax revenue generated by the retail sites within the project area, 50% for Area 1 and 25% for Area 2. For Area 1, the agreement is anticipated to commence upon the issuance of a Certificate of Occupancy for each participating retail site and to continue for a period of 20 years. For Area 3, the agreement is anticipated to commence upon executing the agreement for each participating retail site and to continue for a period of 10 years.

The sales and use tax base value for this community reinvestment area is $0 as there is no retail development within the project area.

Any sales and use tax revenue collected under such agreements will be applied toward the extraordinary costs of developing the land for commercial use, including infrastructure improvements and the cost of fill material necessary to create developable area, as the sites currently lie within the 100-year floodplain.

III. Municipal Transient Room Tax Revenue

The Agency anticipates entering into an interlocal agreement with Provo City for portions of the City's Municipal Transient Room Tax generated by the hotel site within the project area, 25% for Area 3 for a period of up to 10 years. Participation is anticipated to commence upon the execution of the agreement with the developer and end after 10 years or until a cap amount is reached, whichever comes first. This is still subject to approval from Provo City and execution of an interlocal cooperation agreement to participate municipal transient room tax revenues (17C-5-204(3)). The base taxable value for municipal transient room tax within the project area is $0, as there are no hotels or any development within the area.

IV. Use of Project Area Funds

Agency funds collected within the project area shall be allocated as follows:

- No more than 5% shall be expended for administrative costs associated with the project area, in accordance with Utah Code §17C-5-303.
- No less than 10% shall be deposited into the Agency's Housing Fund in accordance with Utah Code §17C-5-307.
- The remaining balance shall be applied to redevelopment activities and project area development costs as further described in Exhibit A.

The Agency does not currently own any property within the project area.

Exhibit A

Project Area Budget — Lakeview Parkway CRA (2025-1)

A.1 Base Taxable Value by Parcel

Parcel Number	Base Taxable Value
21:051:0062	$1,729,100
21:051:0063	$1,362,000
21:039:0024	$4,360,000
Total Base Taxable Value	**$7,451,100**

A.2 Incremental Property Tax Revenue and Agency Participation by Taxing Entity (20-Year Projection)

Taxing Entity	Tax Rate	20-Year Incremental Revenue (All Entities)	Agency Participation (Maximum)
Utah County	0.0893%	$2,978,270	—
Multicounty Assessing & Collecting	0.0014%	$46,692	—
County Assessing & Collecting	0.0112%	$373,534	—
Provo City School District	0.6922%	$23,085,759	$2,473,092
Provo City	0.1678%	$5,596,346	$749,395
Central Utah Water Conservancy	0.0400%	$1,334,051	—
TOTALS	**1.0019%**	**$33,414,652**	**$3,222,487**

** The Agency currently plans to only collect property tax increment from Area 3. The Agency participation column above represents the maximum allowable amount if the Agency elects to collect 100% from Provo City's increment and 80% of Provo City School District's Area 3 revenue in a future action. The Agency must still seek approval and interlocal cooperation agreements with Provo City and Provo City School District.*

A.3 Agency Revenue Sources (20-Year Projection)

Revenue Source	20-Year Projected Maximum
Property Tax Increment (Conditional)	
Provo City Tax Increment (Maximum — Only planned for collection from Area 3)	*$749,395*
Provo City School District Tax Increment (Only Area 3)	*$2,473,092*
Sales and Use Tax Revenue (Anticipated — No Agreement in Place)	
For Area 1: 50% of Provo City Point-of-Sale Tax — Amount to be determined upon execution of interlocal agreement For Area 3: 25% of *Provo City Point-of-Sale Tax — Amount to be determined upon execution of interlocal agreement*	*$9,254,183*
Municipal Transient Room Tax Revenue (Anticipated — No Agreement in Place)	
For Area 3: 25% of *Provo Municipal Transient Room Tax Increment — Amount to be determined upon execution of interlocal agreement*	*$671,542*
Maximum Authorized Tax Increment	**$13,148,212**

A.4 Sales and Use Tax Revenue Projection — 20-Year Summary

Projected gross taxable sales and Agency participation based on full buildout for Area 1 of 637,000 SF across all three use types, phased over 5 years, with 2% annual sales growth. Sales tax participation modeled at 50% of the City of Provo's 0.5% point-of-sale share under a future interlocal agreement (Utah Code §17C-5-204). For Area 2, the build out and model include of 67,498 SF across all three use types, phased over 3 years, with 2.5% annual sales growth. Sales tax participation modeled at 25% of the City of Provo's 0.5% point-of-sale share under a future interlocal agreement and 0.25% of the 1.5% municipal transient room tax revenue. No agreements are currently in place.

A.4.1 Gross Taxable Sales by Use Type

Use Type	Total SF	Est. Annual Sales/SF	20-Year Projected Gross Sales
Area 1 General Retail	497,000	$250	$2,746,415,564
Area 1 Restaurant	40,000	$400	$353,663,171
Area 1 Hotel	100,000	$200	$442,078,964
AREA 1 SUB TOTAL	**637,000**	—	**$3,542,157,699**
Area 3 General Retail	4,000	$422	$41,431,382
Area 3 Restaurant	15,498	$259	$98,521,814
Area 3 Hotel	48,000	$152	$179,077,822
AREA 3 SUB TOTAL	**67,498**	**—**	**$319,031,018**
TOTAL	**704,498**	—	**$3,861,188,717**

A.4.2 Sales Tax Distribution and Agency Participation

Revenue Component	Rate	20-Year Projected Amount
Total Gross Taxable Sales (all use types)	—	$3,861,188,717
Combined Sales Tax Generated (City, County, State, Special Districts)	7.45%	$287,658,559
City of Provo Point-of-Sale Share	1.10%	$19,305,944
Agency Participation — Areas 1 & 3 (Utah Code §17C-5-204)	**0.50%** **0.25%**	**$9,254,183**
Net Sales Tax Retained by City of Provo after Agency Participation	0.55%	$10,051,761

** All projections assume a phased buildout, for Area 1, (15% in Year 1 through 100% by Year 5), a 2% annual sales growth rate, and the annual sales per SF benchmarks shown above. For Area 3, the build out is 100% in Year 2, a 2.5% annual sales growth rate, and the annual sales per SF benchmarks shown above. Actual revenues will vary based on tenant mix, occupancy, and market conditions. Hotel revenue modeled as taxable room revenue. No sales tax participation agreement is currently in place; revenues are contingent upon future execution of an interlocal agreement with Provo City.*

A.5 Expenditure Allocations

Expenditure Category	Statutory %	20-Year Projected Amount
Administration (maximum)	5%	$657,411
Agency Housing Fund (minimum per Utah Code 17C-5-307)	10%	$1,314,821
Redevelopment and Development Activities	85%	$11,175,980
TOTAL	**100%**	**$13,148,212**

A.6 Project Area Development Activities — Authorized Uses of Funds

The remaining 85% of Agency funds collected within the project area shall be applied to redevelopment activities within or directly benefiting the project area, which may include the following priority uses:

- **Extraordinary Site Preparation Costs —** Fill material, grading, and infrastructure improvements necessary to develop parcels currently located within the 100-year floodplain to a developable condition.
- **Public Infrastructure Improvements —** Construction or reimbursement of on- and off-site infrastructure including roads, utilities, drainage, and related improvements required to support commercial development within the project area.
- **Development Incentives and Agreements —** Financial assistance to qualified developers pursuant to participation agreements authorized under Utah Code Title 17C, to offset extraordinary development costs and incentivize investment within the project area.
- **Agency Administration of Redevelopment Activities —** Costs directly associated with implementing the project area plan, including professional services, legal, and project management.

Specific expenditures shall be authorized by the Agency Board through future action consistent with Utah Code Title 17C and the Provo City Redevelopment Agency's adopted policies and procedures.

All dollar amounts represent 20-year nominal projections based on a conservative adjustment for inflation. Net present values are calculated at a 5% discount rate. Actual revenues and expenditures are subject to development timing, market conditions, and future Agency action.