

FINANCIAL IMPACT AND FEASIBILITY ANALYSES RELATED TO THE PROPOSED ANNEXATION INTO WILLARD CITY

PRESENTATION TO THE WILLARD CITY COUNCIL RELATED PROPOSED DEVELOPMENTS:

BLUE OX DEVELOPMENT

WILLARD LAND LLC

VALLEY ESTATES INVESTMENTS LLC

WILLARD CITY, UTAH

OCTOBER 15, 2020



OVERVIEW OF DISCUSSION



FINANCIAL IMPACT AND FEASIBILITY ANALYSES RELATED TO THE PROPOSED ANNEXATION INTO WILLARD CITY

- Blue Ox Development
- Willard Land LLC Development
- Valley Estates Investments LLC

BLUE OX SUMMARY



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DEVELOPMENT OVERVIEW

- 144 acres
- Residential Development (Townhome/Single Family)
- 294 Units
- Absorption: 15-17 years
- Assessed Value: \$51.8M

Product	Lot Size	Assessed Value	# of Units
Townhome	0.1 Acre	\$21,879,000	153
Single Family Home	0.09 to 0.14 Acres	1,980,000	10
Single Family Home	0.18 to 0.23 Acres	14,058,000	71
Single Family Home	0.33 to 0.5 Acre	3,696,000	16
Single Family Home	0.5 to 0.75 Acres	10,164,000	44
Total		\$51,777,000	294



PUBLIC INFRASTRUCTURE (100% FUNDED BY DEVELOPER)

Trail Construction and Open Space Improvements	\$316,211
Offsite Sewer Improvements	300,000
Water Tank	450,000
West Side Open Space – Land	1,350,000
East Side Open Space - Land	1,633,500
Total Capital Improvement Costs	\$4,555,961

PUBLIC INFRASTRUCTURE (ESTIMATES PENDING)

East Side Access Road	TBD
Tank Design and Engineering	TBD
Tank Connection/Upsizing	TBD
Total Capital Improvement Costs	TBD



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BLUE OX SUMMARY



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COST-BENEFIT SUMMARY

- \$1.27M Cumulative Net Benefit Over 20 Years
- \$4.55M Public Infrastructure provided by property owner/developer

General Fund Revenue	2025	2030	2035	2040	Totals
Property Tax	\$12,944	\$29,115	\$61,899	\$61,899	\$806,610
Sales & Use	33,921	64,677	154,073	170,215	1,981,329
Electric (Franchise)	5,029	9,662	23,098	25,502	296,352
Natural Gas (Franchise)	1,987	3,818	9,128	10,078	117,112
Class C Road Revenues	10,255	21,468	54,254	63,363	683,938
Total Revenue	64,135	128,741	302,451	331,057	3,885,341
General Fund Expense					
Streets	3,993	9,290	22,585	24,935	284,846
Class C Road Expenditures	5,150	9,896	23,655	26,117	303,457
General Government	8,123	18,900	45,946	50,729	579,489
Parks	1,646	3,830	9,312	10,281	118,552
Fire Protection	-	12,535	13,840	15,280	191,527
Law Enforcement	-	112,796	124,535	137,497	1,723,396
Total Expense	18,912	167,247	239,874	264,840	3,201,266
Net Benefit	45,223	(38,506)	62,577	66,217	684,075
Other Revenue					
Gravel Pit (Extraction Royalty)	36,532	40,334	44,532	-	583,653
Net Benefit (Including Other Revenues)	\$81,755	\$1,828	\$107,110	\$66,217	\$1,267,728



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WILLARD LAND LLC SUMMARY



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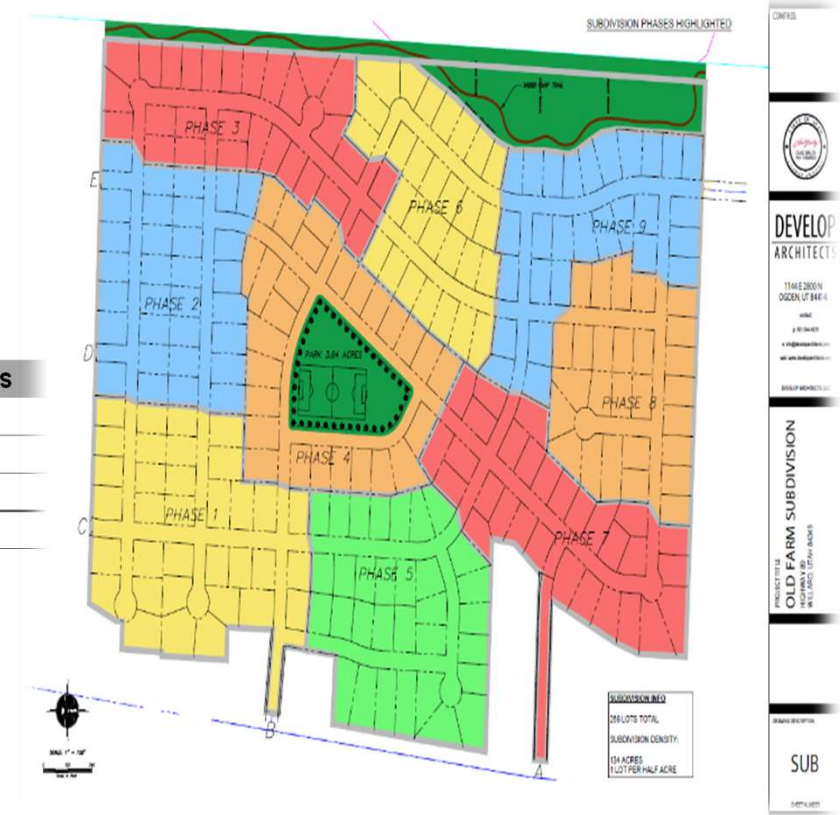
DEVELOPMENT OVERVIEW

- 134 acres
- Residential Development (Single Family)
- 264 Units
- Absorption: 7-10 years
- Assessed Value: \$62.0M

Product	Lot Size	Assessed Value	# of Units
Single Family Home	18,000 SF	\$48,236,716	214
Single Family Home	18,000 SF – 20,000 SF	6,845,419	27
Single Family Home	20,000+ SF	6,899,234	23
Total		\$61,981,370	264

PUBLIC INFRASTRUCTURE (100% FUNDED BY DEVELOPER)

Off-site sewer improvements	\$300,000
Culinary water improvements	210,000
Park	800,000
Total Capital Improvement Costs	\$1,310,000



WILLARD LAND LLC SUMMARY



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COST-BENEFIT SUMMARY

- \$665K Cumulative Net Benefit Over 20 Years
- \$1.3M Public Infrastructure provided by property owner/developer

General Fund Revenue	2025	2030	2035	2040	Totals
Property Tax	\$30,495	\$71,898	\$71,898	\$71,898	\$1,073,923
Sales & Use	52,680	119,607	131,952	146,148	1,948,497
Electric (Franchise)	7,517	18,786	20,741	22,899	354,167
Natural Gas (Franchise)	2,970	7,424	8,196	9,049	118,191
Class C Road Revenues	7,569	36,967	42,915	49,838	579,656
Total Revenue	101,231	254,681	275,702	299,833	4,074,434
General Fund Expense					
Streets	9,407	24,487	27,036	29,850	388,436
Class C Road Expenditures	4,044	10,106	11,158	12,319	160,900
General Government	19,138	49,817	55,002	60,726	790,232
Parks	3,803	9,899	10,929	12,066	158,182
Fire Protection	-	12,535	13,840	15,280	191,527
Law Enforcement	-	112,796	124,535	137,497	1,723,396
Total Expense	36,391	219,640	242,500	267,739	3,412,672
Net Benefit	\$64,840	\$35,042	\$33,202	\$32,094	\$661,762



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VALLEY ESTATE INVESTMENTS LLC SUMMARY



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COST-BENEFIT SUMMARY

- \$1.079M Cumulative Net Benefit Over 20 Years
- \$1.2M Public Infrastructure provided by property owner/developer

General Fund Revenue	2025	2030	2035	2040	Totals
Property Tax	\$81,449	\$84,697	\$84,697	\$84,697	\$1,483,874
Sales & Use	84,173	101,485	111,959	124,005	1,803,172
Electric (Franchise)	11,923	14,445	15,948	17,608	256,386
Natural Gas (Franchise)	4,712	5,708	6,302	6,958	101,318
Class C Road Revenues	22,582	32,166	37,385	43,470	572,300
Total Revenue	204,838	238,500	256,292	276,739	4,217,051
General Fund Expense					
Streets	13,829	17,118	18,899	20,866	305,416
Class C Road Expenditures	8,342	10,106	11,158	12,319	179,378
General Government	28,135	34,824	38,449	42,451	621,336
Parks	5,590	6,920	7,640	8,435	123,459
Fire Protection	-	12,290	13,569	14,981	187,771
Law Enforcement	-	112,796	124,535	137,497	1,723,396
Total Expense	55,896	194,053	214,250	236,549	3,140,756
Net Benefit	\$148,942	\$44,448	\$42,042	\$40,189	\$1,076,295



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NET BENEFIT OVERVIEW

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- The table below shows the net benefit of the proposed annexation for Willard City related to the General Fund and;
- The table below shows the public infrastructure that will be financed and paid for by the developer that also add benefit to Willard City

Development	General Fund	Infrastructure
Blue Ox Development	\$1,267,728	\$4,555,961
Willard Land LLC Development	661,762	1,310,000
Valley Estates LLC Development	1,076,295	1,200,000
Total	\$3,005,785	\$7,065,961