

**VERNAL DOWNTOWN  
COMMUNITY REINVESTMENT PROJECT AREA**

**PROJECT AREA BUDGET**

**FINAL**

**ADOPTED DECEMBER 15, 2021**



This Budget is prepared in good faith as a current reasonable estimate of the economic impact of projected development within the Project Area. Fundamental economic and other circumstances may influence the actual impact. With these assumptions, the information contained within this Budget represents the reasonable expectations of the Agency. The Agency makes no guarantee that the projections contained in this Budget of the Project Area Plan for the Project Area accurately reflect the future development within the Project Area. Further, the Agency specifically reserves all powers granted to it under the Act, now and as may be amended; this Budget shall not be interpreted to limit or restrict the powers of the Agency as granted by the Act. The actual amount of tax increment received by the Agency will be determined solely by interlocal agreement(s) between the Agency and the various taxing entities; this Budget does not control the flow of tax increment money, nor does it entitle the Agency to receive money from tax increment or any other source.

The following narrative has been prepared in accordance with Utah Code §17C-5-303 for an Agency that receives tax increment.

**1(A). THE BASE TAXABLE VALUE**

The base taxable value is the year 2020 value of \$116,041,538. The base taxable value used to calculate the sharing of tax increment pursuant to interlocal agreements with the taxing entities will be set in each interlocal agreement as required by Utah Code § 17C-5-204(6)(a).

**1(B). PROJECTED AMOUNT OF TAX INCREMENT TO BE GENERATED WITHIN THE PROJECT AREA**

The projected amount of tax increment to be generated within the Project Area over 20 years is \$4,847,584.

Uintah County	\$1,099,385
Multi-County Assessing & Collecting	\$4,573
County Assessing & Collecting	\$242,741
Uintah County School District	\$2,790,571
Vernal City	\$249,600
Uintah Water Conservancy District	\$209,207
Ashley Valley Water and Sewer Improvement District	\$0
Uintah County Mosquito Abatement District	\$99,078
Central Utah Water Conservancy District	\$152,428
<b>TOTAL</b>	<b>\$4,847,584</b>

Detailed financial projections are included as **Exhibit A** to this Budget. Note that these figures are based on current projections; actual generation of tax revenues depends on future value growth, which cannot be predicted with absolute certainty.

### **1(c). PROJECT AREA FUNDS COLLECTION PERIOD**

The anticipated collection period is 20 years. Final details of tax increment collection will be established by interlocal agreements between the Agency and participating taxing entities.

### **1(d). PROJECTED AMOUNT OF TAX INCREMENT TO BE PAID TO OTHER TAXING ENTITIES**

The Agency does not anticipate making payments to other taxing entities, unless such payments are structured as mitigation payments involving only project area funds generated by that particular taxing entity's tax levy within the Project Area. Final details of tax increment collection will be established by interlocal agreements between the Agency and participating taxing entities.

### **1(e). IF THE AREA FROM WHICH TAX INCREMENT IS COLLECTED IS LESS THAN THE ENTIRE PROJECT AREA**

Not applicable. The Agency anticipated collecting tax increment from the entire Project Area. Final details of tax increment collection will be established by interlocal agreements between the Agency and participating taxing entities.

### **1(f). THE PERCENTAGE OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE**

The Agency anticipates requesting 75 percent of the tax increment for a period of 20 years from participating taxing entities. Final details of tax increment collection will be established by interlocal agreements between the Agency and participating taxing entities.

### **1(g). THE MAXIMUM CUMULATIVE DOLLAR AMOUNT OF TAX INCREMENT THE AGENCY IS AUTHORIZED TO RECEIVE FROM THE PROJECT AREA**

Assuming all taxing entities contribute 75 percent of the tax increment for a period of 20 years, based on the Agency's current projections the Agency would receive approximately \$3.6 million in tax increment over 20 years. Note that out of this amount, the Agency will have administrative expenses and the mandatory affordable housing allocation, leaving approximately \$3.18 million for the project area development.

## **2. IF THE AGENCY RECEIVES SALES AND USE TAX REVENUE**

The Agency does not anticipate collecting sales and use tax revenues from the Project Area, but reserves the right to do so. The Agency will only receive sales and use tax revenue pursuant to one or more interlocal agreements with participating taxing entities.

## **3. AMOUNT OF PROJECT AREA FUNDS THE AGENCY WILL USE TO IMPLEMENT THE PROJECT AREA**

The Agency projects that approximately \$3.18 million of the project area funds received by the Agency will be used toward project area development. The remainder of the project area funds will be used to make the Agency's mandatory housing allocation and to cover Agency administrative and overhead expenses. The Agency estimates that its funds will be used as follows but reserves the right to maintain flexibility with the funds and not to adhere strictly to line-item amounts shown in the table below. All Agency funds will be used for infrastructure, administrative or economic development purposes within the Project Area. Administrative funds have been calculated based on three percent of Agency tax increment receipts annually. In addition, ten percent of Agency receipts have been set aside for housing projects. Housing funds will be prioritized for use in the Project Area; however, housing funds do not need to be spent within the Project Area. The remaining funds are allocated primarily for possible improvements listed by priority as follows:

- Facilitation of façade grants
- Demolition grants for insignificant or undesirable structures
- Incentives for desirable significant private development
- Loan and/or grant programs
- Creation of public open space amenities
- Public parking lot improvements, including pedestrian walkways
- Roadway and other infrastructure improvements

## **4. THE AGENCY'S COMBINED INCREMENTAL VALUE**

The total taxable value in the Project Area is estimated approximately \$116 million, with a potential taxable value after 20 years of \$144 million, for an incremental value of approximately \$28 million. The City's only other project area is the Vernal Town Centre Community Development Project Area, with a current taxable value of \$15.8 million, representing an increase over the base value of \$9.7 million.

## **5. THE AMOUNT OF PROJECT AREA FUNDS THAT WILL BE USED TO COVER THE COST OF ADMINISTERING THE PROJECT AREA**

The Agency anticipates that approximately three percent of the total project area funds collected by the Agency will be used for Agency administrative expenses.

**6. FOR PROPERTY THAT THE AGENCY OWNS AND EXPECTS TO SELL, THE EXPECTED TOTAL COST OF THE PROPERTY TO THE AGENCY AND THE EXPECTED SALE PRICE**

The Agency does not own any real property within the Project Area. The Agency reserves the right to acquire property as part of the Agency's project area development activities.

# **EXHIBIT A**

*Project Area Financial Projections*

**DOWNTOWN VERNAL CRA**

Years	Total	NPV	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	20	10, 15, 16, 17, 18, 19, 20																				
Base Year Value - Ashley Valley Water & Sewer			\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546	\$2,941,546
Base Year Value - Both areas			\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538	\$116,041,538
Incremental Value			\$2,747,313	\$2,998,052	\$3,256,314	\$3,960,597	\$4,234,586	\$20,564,859	\$20,855,534	\$21,648,211	\$21,956,589	\$22,274,218	\$22,601,376	\$24,048,732	\$24,395,814	\$25,342,311	\$25,710,530	\$26,089,796	\$26,480,440	\$26,882,803	\$27,297,237	\$27,724,104

**BASE YEAR REVENUES**

Utah County	\$6,695,597	\$4,549,767	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780	\$334,780
Multi-County Assessing & Collecting	\$27,850	\$18,925	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392	\$1,392
County Assessing & Collecting	\$1,478,369	\$1,004,576	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918	\$73,918
Utah County School District	\$16,995,444	\$11,548,681	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772	\$849,772
Vernal City	\$1,520,144	\$1,032,963	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007	\$76,007
Utah Water Conservancy District	\$1,274,136	\$865,796	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707	\$63,707
Ashley Valley Water and Sewer Improvement District	\$10,354	\$7,036	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518	\$518
Utah County Mosquito Abatement District	\$603,416	\$410,031	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171	\$30,171
Central Utah Water Conservancy District	\$928,332	\$630,817	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417	\$46,417
<b>TOTAL</b>	<b>\$29,533,642</b>	<b>\$20,068,592</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>	<b>\$1,476,682</b>

**INCREMENTAL REVENUES - 100%**

Utah County	\$1,099,385	\$672,885	\$7,926	\$8,649	\$9,394	\$11,426	\$12,217	\$59,330	\$60,168	\$62,455	\$63,345	\$64,261	\$65,205	\$69,381	\$70,382	\$73,113	\$74,175	\$75,269	\$76,396	\$77,557	\$78,753	\$79,984
Multi-County Assessing & Collecting	\$4,573	\$2,799	\$33	\$36	\$39	\$48	\$51	\$247	\$250	\$260	\$263	\$267	\$271	\$289	\$293	\$304	\$309	\$313	\$318	\$323	\$328	\$333
County Assessing & Collecting	\$242,741	\$148,571	\$1,750	\$1,910	\$2,074	\$2,523	\$2,697	\$13,100	\$13,285	\$13,790	\$13,986	\$14,189	\$14,397	\$15,319	\$15,540	\$16,143	\$16,378	\$16,619	\$16,868	\$17,124	\$17,388	\$17,660
Utah County School District	\$2,790,571	\$1,707,984	\$20,119	\$21,955	\$23,846	\$29,003	\$31,010	\$150,596	\$152,725	\$158,530	\$160,788	\$163,114	\$165,510	\$176,109	\$178,651	\$185,582	\$188,278	\$191,056	\$193,916	\$196,863	\$199,898	\$203,024
Vernal City	\$249,600	\$152,769	\$1,799	\$1,964	\$2,133	\$2,594	\$2,774	\$13,470	\$13,660	\$14,180	\$14,382	\$14,590	\$14,804	\$15,752	\$15,979	\$16,599	\$16,840	\$17,089	\$17,345	\$17,608	\$17,880	\$18,159
Utah Water Conservancy District	\$209,207	\$128,046	\$1,508	\$1,646	\$1,788	\$2,174	\$2,325	\$11,290	\$11,450	\$11,885	\$12,054	\$12,229	\$12,408	\$13,203	\$13,393	\$13,913	\$14,115	\$14,323	\$14,538	\$14,759	\$14,986	\$15,221
Ashley Valley Water and Sewer Improvement District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utah County Mosquito Abatement District	\$99,078	\$60,641	\$714	\$779	\$847	\$1,030	\$1,101	\$5,347	\$5,422	\$5,629	\$5,709	\$5,791	\$5,876	\$6,253	\$6,343	\$6,589	\$6,685	\$6,783	\$6,885	\$6,990	\$7,097	\$7,208
Central Utah Water Conservancy District	\$152,428	\$93,294	\$1,099	\$1,199	\$1,303	\$1,584	\$1,694	\$8,226	\$8,342	\$8,659	\$8,783	\$8,910	\$9,041	\$9,619	\$9,758	\$10,137	\$10,284	\$10,436	\$10,592	\$10,753	\$10,919	\$11,090
<b>TOTAL</b>	<b>\$4,847,584</b>	<b>\$2,966,990</b>	<b>\$34,949</b>	<b>\$38,138</b>	<b>\$41,424</b>	<b>\$50,383</b>	<b>\$53,868</b>	<b>\$261,606</b>	<b>\$265,303</b>	<b>\$275,387</b>	<b>\$279,310</b>	<b>\$283,350</b>	<b>\$287,512</b>	<b>\$305,924</b>	<b>\$310,339</b>	<b>\$322,380</b>	<b>\$327,064</b>	<b>\$331,888</b>	<b>\$336,858</b>	<b>\$341,976</b>	<b>\$347,248</b>	<b>\$352,678</b>

**% TO AGENCY**

Utah County			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Multi-County Assessing & Collecting			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
County Assessing & Collecting			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Utah County School District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Vernal City			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Utah Water Conservancy District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Ashley Valley Water and Sewer Improvement District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Utah County Mosquito Abatement District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Central Utah Water Conservancy District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%

**INCREMENTAL REVENUES TO TAXING ENTITIES**

Utah County	\$274,846	\$168,221	\$1,981	\$2,162	\$2,349	\$2,857	\$3,054	\$14,832	\$15,042	\$15,614	\$15,836	\$16,065	\$16,301	\$17,345	\$17,595	\$18,278	\$18,544	\$18,817	\$19,099	\$19,389	\$19,688	\$19,996
Multi-County Assessing & Collecting	\$1,143	\$700	\$8	\$9	\$10	\$12	\$13	\$62	\$63	\$65	\$66	\$67	\$68	\$72	\$73	\$76	\$77	\$78	\$79	\$81	\$82	\$83
County Assessing & Collecting	\$60,685	\$37,143	\$438	\$477	\$519	\$631	\$674	\$3,275	\$3,321	\$3,447	\$3,497	\$3,547	\$3,599	\$3,830	\$3,885	\$4,036	\$4,094	\$4,155	\$4,217	\$4,281	\$4,347	\$4,415
Utah County School District	\$697,643	\$426,996	\$5,030	\$5,489	\$5,961	\$7,251	\$7,752	\$37,649	\$38,181	\$39,632	\$40,197	\$40,779	\$41,377	\$44,027	\$44,663	\$46,395	\$47,070	\$47,764	\$48,479	\$49,216	\$49,974	\$50,756
Vernal City	\$62,400	\$38,192	\$450	\$491	\$533	\$649	\$693	\$3,367	\$3,415	\$3,545	\$3,595	\$3,647	\$3,701	\$3,938	\$3,995	\$4,150	\$4,210	\$4,272	\$4,336	\$4,402	\$4,470	\$4,540
Utah Water Conservancy District	\$52,302	\$32,012	\$377	\$411	\$447	\$544	\$581	\$2,823	\$2,862	\$2,971	\$3,014	\$3,057	\$3,102	\$3,301	\$3,348	\$3,478	\$3,529	\$3,581	\$3,634	\$3,690	\$3,747	\$3,805
Ashley Valley Water and Sewer Improvement District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utah County Mosquito Abatement District	\$24,770	\$15,160	\$179	\$195	\$212	\$257	\$275	\$1,337	\$1,366	\$1,407	\$1,427	\$1,448	\$1,469	\$1,563	\$1,586	\$1,647	\$1,671	\$1,696	\$1,721	\$1,747	\$1,774	\$1,802
Central Utah Water Conservancy District	\$38,107	\$23,324	\$275	\$300	\$326	\$396	\$423	\$2,056	\$2,086	\$2,165	\$2,196	\$2,227	\$2,260	\$2,405	\$2,440	\$2,534	\$2,571	\$2,609	\$2,648	\$2,688	\$2,730	\$2,772
<b>TOTAL</b>	<b>\$1,211,896</b>	<b>\$741,747</b>	<b>\$8,737</b>	<b>\$9,535</b>	<b>\$10,356</b>	<b>\$12,596</b>	<b>\$13,467</b>	<b>\$65,401</b>	<b>\$66,326</b>	<b>\$68,847</b>	<b>\$69,827</b>	<b>\$70,838</b>	<b>\$71,878</b>	<b>\$76,481</b>	<b>\$77,585</b>	<b>\$80,595</b>	<b>\$81,766</b>	<b>\$82,972</b>	<b>\$84,214</b>	<b>\$85,494</b>	<b>\$86,812</b>	<b>\$88,170</b>

**INCREMENTAL REVENUES TO AGENCY**

Utah County	\$824,539	\$504,663	\$5,944	\$6,487	\$7,046	\$8,570	\$9,163	\$44,497	\$45,126	\$46,841	\$47,509	\$48,196	\$48,904	\$52,035	\$52,786	\$54,834	\$55,631	\$56,452	\$57,297	\$58,168	\$59,064	\$59,988
Multi-County Assessing & Collecting	\$3,430	\$2,099	\$25	\$27	\$29	\$36	\$38	\$185	\$188	\$195	\$198	\$200	\$203	\$216	\$220	\$228	\$2					