

CENTERVILLE CITY COUNCIL AGENDA

NOTICE IS HEREBY GIVEN THAT THE CENTERVILLE CITY COUNCIL WILL HOLD ITS REGULAR PUBLIC MEETING AT 7:00 PM ON DECEMBER 5, 2017 AT THE CENTERVILLE CITY COMMUNITY CENTER AND CITY HALL COUNCIL CHAMBERS, 250 NORTH MAIN STREET, CENTERVILLE, UTAH. THE AGENDA IS SHOWN BELOW.

Meetings of the City Council of Centerville City may be conducted via electronic means pursuant to Utah Code Ann. 52-4-207, as amended. In such circumstances, contact will be established and maintained via electronic means and the meeting will be conducted pursuant to the Electronic Meetings Policy established by the City Council for electronic meetings.

Centerville City, in compliance with the Americans With Disabilities Act, provides accommodations and auxiliary communicative aids and services for all those citizens in need of assistance, including hearing devices. Persons requesting these accommodations for City-sponsored public meetings, services, programs, or events should call Jacob Smith, Centerville City Assistant to the City Manager, at 801-295-3477, giving at least 24 hours notice prior to the meeting.

A notebook containing supporting materials for the business agenda items is available for public inspection and review at City Hall and will be available for review at the meeting. Upon request, a citizen may obtain (without charge) the City Manager's memo summarizing the agenda business, **or may read this memo on the City's website: <http://centerville.novusagenda.com/agendapublic>.**

Tentative - The times shown below are tentative and are subject to change during the meeting.
Time:

- | | |
|------|---|
| 5:00 | 1. RDA/ACB Meeting <ul style="list-style-type: none">a. Review CenterPoint Theatre budget for 2018b. Update on HVAC commissioning workc. Staff report re loans between RDA project areasd. RDA Annual Report |
| 6:30 | Council Pictures |
| 7:00 | A. ROLL CALL
(See City Manager's Memo for summary of meeting business)
B. PLEDGE OF ALLEGIANCE
C. PRAYER OR THOUGHT
Councilman Ince |
| 7:05 | D. OPEN SESSION (This item allows for the public to comment on any subject of municipal concern, including agenda items that are not scheduled for a public |

**CENTERVILLE
CITY COUNCIL
Staff Backup Report
12/5/2017**

Item No. 1.

Short Title: RDA/ACB Meeting

Initiated By:

Scheduled Time: 5:00

SUBJECT

- a. Review CenterPoint Theatre budget for 2018
- b. Update on HVAC commissioning work
- c. Staff report re loans between RDA project areas
- d. RDA Annual Report

RECOMMENDATION

The RDA Board and Administrative Control Board (ACB) of the Davis Center for the Performing Arts should address items a and b in the work session. The Bountiful members of the ACB can then be excused while the RDA Board addresses items c and d.

BACKGROUND

a. CPT 2018 Budget -- The Operating Lease between the RDA and CenterPoint Legacy Theatre requires the RDA Board to review CPT's proposed annual operating budget no later than December 10 each year. CPT's budget is attached as three documents. The RDA/ACB may provide comments to CPT on any item in the proposed budget; however, the only portion that requires approval is the facilities maintenance section (the third budget document). As owner of the facility, the RDA should determine whether they believe the maintenance budget is sufficient to keep the building and grounds in good condition.

The RDA/ACB should also review the revenue amounts being allocated into the Maintenance Reserve Fund, Operating Reserve Fund and Capital Projects Reserve Fund, and proposed uses of these reserve Funds, if any. CPT should provide a status report of how revenues in the Capital Projects Reserve Fund have been spent in comparison with the amounts and purposes approved in the prior year(s).

b. HVAC commissioning work -- FEA submitted the attached progress summary regarding the HVAC commissioning work the RDA Board authorized earlier this year for the performing arts center. The attached invoice for a progress payment in the amount of \$10,420 has been paid from the Theater Reserve Fund (i.e. RDA restricted funds), the first payment from the \$30,000 budget approved in an earlier RDA/ACB meeting for HVAC commissioning work. Near the end of the summary report, Kelly Gibbons expresses concern that some of the conditions he discovered should have been detected and reported by Harris Service as part of their HVAC maintenance services contract. In response to a question from the City Manager about this comment, Kelly stated in a subsequent email:

- "I think we should at a minimum sit down with them and review their maintenance contract and our expectations. I will set that up before issuing them any work orders to correct issues we are not resolving "in house"."

c. Loans between RDA project areas -- Staff will report on their efforts to determine the status of what is owed by the Legacy Crossing CDA and Barnard Creek CDA to the Parrish Gateway Project Area. When the Legacy Crossing and Barnard Creek project areas were created, startup costs and some infrastructure costs were paid initially from Parrish Gateway Project Area tax increment revenue, with the intent these loans would eventually be repaid from Legacy Crossing and Barnard Creek tax increment revenue.

d. RDA Annual Report -- This report is due every year by November 1. This year's report was sent earlier to the City Council (RDA Board) via email, but is also attached. This is an opportunity for the RDA Board to ask questions about this report. The email cover letter sent with the report to the Council earlier is also attached. It includes some explanatory notes about the report.

ATTACHMENTS:

Description

- ▢ 2018 CPT Budget Summary
- ▢ 2018 CPT Budget Detail
- ▢ 2018 CPT Facilities Budget
- ▢ FEA Progress Summary
- ▢ FEA Invoice for CPT Commissioning
- ▢ RDA 2017 Annual Report
- ▢ City Manager Email re RDA Annual Report

CenterPoint Legacy Theatre	2018 Summary	2017 Budget	Change	% Chang
Season Ticket Show Revenue	825,000	777,000		
Single Show Ticket Revenue	394,000	404,000		
Encore Club Program	6,000	15,000		
Leishman Hall Revenue	45,000	35,000		
Gala - Fundraising	120,000	118,400		
Event - Concerts	16,000	33,000		
Misc. Revenue (play bill ads...)	9,600	8,500		
Concessions	72,000	63,000		
Season/Show Sponsorships	95,000	78,000		
Academy	334,625	295,310		
Prop and Costume rental	10,200	18,600		
Facility Rental	11,100	10,000		
Total Operating Revenue	\$ 1,938,525	\$ 1,855,810	82,715	4.46%
Direct Production Costs-Barlow	484,185	517,412	(33,227)	-6.42%
Academy Expenses	260,752	228,457	32,295	14.14%
Rental Expenses (Costume, Props, Facility)	7,625	12,575	(4,950)	-39.36%
Concessions	54,378	46,455	7,923	17.06%
Leishman	44,913	31,196	13,717	43.97%
Production Overhead Costs	202,333	187,491	14,843	7.92%
Total Direct Costs	\$ 1,054,186	\$ 1,023,585	30,601	2.99%
Marketing	132,099	129,544	2,555	1.97%
Development	151,594	143,948	7,646	5.31%
Ticket office	110,626	107,328	3,298	3.07%
Administrative	228,758	192,647	36,110	18.74%
Facilities and Maintenance	313,604	314,762	(1,158)	-0.37%
Total Admin Expenses	936,682	888,230	48,452	5.45%
Total Operating Expenses	1,990,868	1,911,815	79,053	4.13%
Depreciation	37,856	20,741		
Total Expenses	\$ 2,028,724	1,932,556	96,168	4.98%
Net Income From Operations	(90,199)	(76,746)	(13,453)	17.53%
Other Non Operational Items:				
Foundations/Corporations/Grants	65,000	54,000	11,000	20.37%
Individuals and small Corporation donations	30,000	40,000	(10,000)	-25.00%
Total Donations	95,000	94,000		
Net Income	\$ 4,801	\$ 17,254	(12,453)	-72.18%
Other Items:				
Maintenance reserve funding	20,335	19,498	Based on 1% of revenue	
Operation reserve funding				
Variable rent				
	(15,534)	(2,244)		

CenterPoint Legacy Theatre

2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Revenues													
Season Ticket Sales	105,230	33,673	96,811	71,556	46,301	67,347	50,510	113,648	12,628	109,439	29,464	88,393	825,000
Individual Ticket Sales	26,350	19,050	81,600	21,500	21,500	23,000	23,000	43,700	5,100	53,200	11,400	64,600	394,000
Encore Club	6,000	-	-	-	-	-	-	-	-	-	-	-	6,000
Season/Show Sponsorship	35,000	10,000	-	10,000	-	10,000	-	10,000	10,000	-	10,000	-	95,000
Leishman Hall Revenue	5,500	1,500	-	-	-	15,500	-	6,500	500	-	1,107	14,393	45,000
Gala Fundraiser	-	-	-	-	60,000	60,000	-	-	-	-	-	-	120,000
Events	-	-	-	-	-	-	-	-	16,000	-	-	-	16,000
Academy Tuition	24,500	24,500	24,500	24,500	24,500	29,000	1,500	825	24,500	24,500	24,500	24,500	251,825
Academy Materials Fee	100	250	150	100	11,000	4,000	1,400	4,500	3,500	-	-	-	25,000
Academy Costume Fee	-	-	7,800	-	-	-	-	-	-	-	4,500	-	12,300
Academy Theater Ticket Sales	-	-	5,600	5,000	8,800	-	-	-	16,000	4,000	6,000	100	45,500
Facility Rental	600	600	600	600	2,000	3,100	600	600	600	600	600	600	11,100
Costume Rental	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Prop Rental	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Concessions	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Miscellaneous Income	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Total Revenues	210,930	97,223	224,711	140,906	181,751	219,597	84,660	187,423	96,478	199,389	95,221	200,236	1,938,525

Expenses

Barlow Theatre Expenses[illegible]

CenterPoint Legacy Theatre 2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Accompanist - Audition	-	400	-	-	400	-	400	-	450	-	400	-	2,450
Workers Comp	683	683	-	-	-	683	683	-	-	683	-	683	4,780
Fly Crew	-	-	-	-	-	-	-	-	-	-	-	-	-
Costume Material/Rental,etc	1,500	10,000	-	-	7,500	-	3,500	4,500	7,500	-	5,500	-	40,000
Wigs	100	800	-	-	400	-	400	400	500	-	500	-	3,100
Paint & Supplies	150	250	-	-	250	-	150	200	300	-	150	-	1,450
Lighting Supplies	150	800	-	-	200	-	150	150	300	-	150	-	1,900
Sound Supplies	100	200	-	-	150	-	50	100	200	-	150	-	950
Music Track Adjustments	-	250	-	-	250	-	250	250	250	-	250	-	1,500
Props	800	1,200	-	-	800	-	700	1,100	1,200	-	1,100	-	6,900
Special Effects	500	1,000	-	-	500	-	400	500	750	-	800	-	4,450
Construction Materials	2,500	3,500	-	-	2,500	-	2,500	3,000	3,000	-	3,000	-	20,000
Royalties	14,380	28,605	-	-	26,170	-	24,540	12,520	23,790	-	27,000	-	157,005
Program Printing	-	4,200	-	4,500	-	4,200	-	4,500	4,200	4,500	-	4,500	30,600
Printing - Copies	500	500	-	-	500	-	500	500	500	-	500	-	3,500
Mailing Charges	-	200	-	200	-	200	-	200	200	200	-	200	1,400
Dry Cleaning	-	400	-	1,300	-	900	-	800	1,000	600	-	1,000	6,000
Wig/Costume Maintenance	150	400	-	-	400	-	150	400	400	-	400	-	2,300
Food	400	650	-	50	600	50	500	50	650	50	550	50	4,200
Recognition Treats	150	560	-	520	200	360	200	520	660	520	250	360	4,500
Total Barlow Theatre Expenses	37,813	77,998	15,020	64,870	9,643	60,323	9,320	53,603	66,150	14,653	59,900	14,893	484,185
Leishman Hall Expenses													
Production Manager	-	-	-	-	-	-	-	-	-	-	-	-	-
Stage Manager	400	-	-	-	-	-	400	400	-	-	400	-	1,600
Director	900	-	-	-	-	-	900	900	-	-	2,250	-	4,950
Music Director	-	-	-	-	-	-	500	-	-	-	-	-	500
Costumer	600	-	-	-	-	-	700	600	-	-	600	-	2,500
Stitchers	-	-	-	-	-	-	-	-	-	-	-	-	-
Set Designer	100	-	-	-	-	-	100	100	-	-	100	-	400
Set Painters	80	-	-	-	-	-	80	80	-	-	80	-	320
Light/Sound Designer	-	-	-	-	-	-	1,000	-	-	-	1,100	-	2,100
Prop Coordinator	150	-	-	-	-	-	150	150	-	-	150	-	600
SDC Fees	-	-	-	-	-	-	-	-	-	-	730	-	730
Show Stage Managers	350	140	-	-	-	-	210	280	140	-	-	490	1,960
Asst Stage Managers	-	-	-	-	-	-	-	-	-	-	-	-	-
Sound Techs	339	136	-	-	-	-	204	271	136	-	-	475	1,900
Lighting Techs	-	-	-	-	-	-	-	-	-	-	-	-	-
Spotlight Techs	-	-	-	-	-	-	-	-	-	-	-	-	-
Stage Crew	-	-	-	-	-	-	-	-	-	-	-	-	-
Set construction	250	-	-	-	-	-	250	-	-	-	250	-	1,000
Builders	-	-	-	-	-	-	-	250	-	-	-	-	-
Wig Mistress	-	-	-	-	-	-	-	-	-	-	-	-	-
Workers Comp	114	-	-	-	-	-	114	-	-	-	-	-	-
Costume Material	450	-	-	-	-	-	450	114	-	-	114	-	458
Wigs	-	-	-	-	-	-	-	450	-	-	450	-	1,800
Lighting & Sound Supplies	100	-	-	-	-	-	100	-	-	-	-	-	-
Props	300	-	-	-	-	-	150	300	-	-	100	-	400
Special Effects	50	-	-	-	-	-	50	50	-	-	300	-	1,050
Construction Materials	300	-	-	-	-	-	150	400	-	-	50	-	200
Royalties	1,400	-	-	-	-	-	2,735	1,400	-	-	200	-	1,050
											1,360	-	6,895

CenterPoint Legacy Theatre

2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Program-Printing	-	1,500	-	-	-	-	2,000	-	1,500	-	-	2,000	7,000
Printing-Copies	25	-	-	-	-	-	25	25	-	-	25	-	100
Marketing	1,600	-	-	-	-	1,600	-	1,600	-	-	1,600	-	6,400
Dry Cleaning	-	100	-	-	-	-	100	100	-	-	-	100	400
Food	90	-	-	-	-	-	-	90	-	-	90	-	360
Recognition	60	-	-	-	-	-	-	60	-	-	60	-	240
Total Leishman Hall Expenses	7,659	1,876	-	-	-	10,018	2,651	7,859	1,776	-	10,009	3,065	44,913
Academy Expenses													
Academy Overhead Wage & Salar	13,500	13,500	13,500	13,500	13,500	13,500	7,333	7,333	13,500	13,500	13,500	13,500	143,500
Production Staff Wages	700	700	1,800	2,350	3,050	3,050	700	1,050	6,350	1,000	2,500	700	21,600
Technical Staff Wages	-	2,000	1,200	1,250	1,250	1,250	-	-	1,500	1,000	1,000	200	9,400
Academy Payroll Taxes	1,445	1,598	1,621	1,667	1,720	1,720	973	1,000	1,992	1,544	1,659	1,460	17,652
Office Supplies-Instructional	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Royalties	-	-	-	3,000	3,000	3,000	-	-	-	-	-	3,500	9,500
Costumes	-	3,000	3,000	3,000	1,500	1,500	100	1,400	2,000	1,200	1,000	200	17,900
Props	-	300	500	500	500	500	100	100	500	500	500	-	3,100
Sets	-	1,000	1,800	500	500	500	-	-	1,500	500	500	-	6,400
Sound-Music, Effects	-	-	400	-	-	-	-	-	200	200	-	-	800
Marketing	142	142	142	142	142	142	142	142	142	142	142	142	1,700
Food	100	100	250	250	250	250	50	50	500	500	500	100	2,700
Miscellaneous Expense	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Printing Programs & Scripts	-	200	1,050	1,050	-	-	100	200	1,200	-	1,200	-	5,000
Online Registration Fees	600	600	600	600	600	600	1,200	350	350	600	600	600	7,300
Friend to Friend	833	833	833	833	833	833	833	833	833	833	833	833	10,000
Total Academy Expenses	17,670	24,323	27,046	28,992	26,695	12,681	11,881	12,808	30,917	21,869	24,284	21,585	260,752
Facility Rental Expenses													
Facility Rental	-	-	-	-	-	300	-	-	-	-	-	-	1,700
Equipment Rental	25	25	25	25	25	100	25	25	25	25	25	25	375
Total Facility Rental Expenses	25	25	25	25	25	400	25	25	25	25	25	25	2,075

CenterPoint Legacy Theatre

2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Costume Rental Expenses													
Costume Rental Wages	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Printing													-
Miscellaneous													-
Total Costume Rental Expenses	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Prop Rental Expenses													
Wages	113	113	113	113	113	113	113	113	113	113	113	113	1,350
Total Prop Rental Expenses	113	113	113	113	113	113	113	113	113	113	113	113	1,350
Concession Expenses													
Concessions Wages	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600
Payroll Taxes	132	132	132	132	132	132	132	132	132	132	132	132	1,578
Employee Uniforms	200	-	-	-	-	-	-	-	-	-	-	-	200
Concessions Supplies	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Concessions equipment	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000
Total Concession Expenses	5,632	4,432	4,432	4,432	4,432	4,432	4,432	4,432	4,432	4,432	4,432	4,432	54,378
Other Production Costs													
Production Overhead Wages	9,021	12,028	18,042	12,028	12,028	12,028	12,028	18,042	12,028	12,028	12,028	15,035	156,366
Production Payroll Taxes	1,011	1,241	1,702	1,241	1,241	1,241	1,241	1,702	1,241	1,241	1,241	1,472	15,818
Production Staff Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Small Tools	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Repair and Maintenance	-	6,000	-	-	-	-	-	-	-	-	-	-	6,000
Equipment Purchases													
Costumes	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Props	-	-	150	-	-	-	-	-	150	-	-	-	300
Sound supplies	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Lights-gel, etc	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Sign language interpretation	750	-	750	750	750	750	750	750	750	750	750	750	5,250
Miscellaneous Expense	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Total Other Production Expenses	12,333	20,820	22,194	15,570	14,820	15,570	14,820	22,044	14,970	15,570	14,820	18,807	202,333
Marketing Expenses													
Marketing Wages	2,258	3,011	4,516	3,011	3,011	3,011	3,011	4,516	3,011	3,011	3,011	3,763	39,140
Marketing Payroll Taxes	253	311	426	311	311	311	311	426	311	311	311	368	3,959
Artistic design/photography	3,050	900	200	650	200	2,100	1,350	800	800	200	550	1,200	12,000
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing	2,000	1,300	1,600	1,000	1,000	900	1,500	4,000	800	1,000	2,000	1,800	18,900
Advertising	3,500	4,300	2,500	4,700	2,600	2,600	3,900	4,400	7,700	3,525	5,500	7,325	54,950
Website	25	250	25	25	25	25	25	25	25	25	25	25	950
Community Outreach/PR	50	50	50	50	50	50	700	50	50	50	50	50	1,900
Miscellaneous Expense	25	25	25	25	25	25	25	25	25	25	25	25	300
Total Marketing	11,161	10,147	9,342	9,772	7,122	12,597	10,822	14,242	12,722	8,147	11,472	14,557	132,099
Business Development													
Development Wages	3,622	4,829	7,243	4,829	4,829	4,829	4,829	7,243	4,829	4,829	4,829	6,036	62,774
Development Payroll Taxes	406	498	683	498	498	498	498	683	498	498	498	591	6,350
Correspondence	20	20	20	20	20	20	20	20	20	40	40	40	300
Decorations	100	100	100	100	100	100	100	100	100	100	100	100	1,800
Encore Club	680	-	400	-	-	400	400	400	-	400	400	400	3,480

CenterPoint Legacy Theatre
2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Community Events	-	-	-	-	-	-	-	3,500	7,000	5,500	-	-	16,000
Gala	-	-	-	-	12,000	21,500	12,000	-	-	-	-	-	48,500
Guild	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Outreach Programs	660	260	210	210	210	210	50	-	850	260	260	210	3,440
Fundraising Expenses	150	1,350	175	175	150	175	175	150	175	150	175	150	3,100
Theatre Relations	825	225	225	225	225	225	225	225	525	225	225	75	3,450
Facilities Allocation													-
Total Business Development Expe	6,663	7,482	9,256	9,282	18,632	27,597	21,922	16,871	12,107	6,652	7,327	7,802	151,594
Box Office Expenses													
Box Office Wages	6,218	6,637	9,956	6,637	6,637	6,637	6,637	9,956	6,637	6,637	6,637	7,056	86,283
Box Office Payroll Taxes	653	685	939	685	685	685	685	939	700	685	685	717	8,743
Equipment/supplies	2,500	-	-	2,500	-	-	-	-	-	-	-	-	5,000
Ticket processing fees	300	250	250	250	250	250	350	3,000	3,200	450	450	800	9,800
Uniforms	300	-	-	-	-	-	-	-	-	-	-	-	300
Miscellaneous	500	-	-	-	-	-	-	-	-	-	-	-	500
Total Box Office Expenses	10,471	7,572	11,145	10,072	7,572	7,572	7,672	13,895	10,537	7,772	7,772	8,573	110,626
Administrative Expense													
Administrative Wages	4,949	6,599	9,898	6,599	6,599	6,599	6,599	9,898	6,599	6,599	6,599	8,249	85,785
Admin Employee Benefits	288	385	577	385	385	385	385	577	385	385	385	481	5,000
Payroll Taxes	587	721	988	721	721	721	721	988	721	721	721	854	9,184
Office Supplies/Postage	430	230	230	430	480	290	230	680	230	230	230	230	3,720
Telephone Expense	745	745	745	745	745	745	745	745	745	745	745	745	8,940
Printing Expense	-	-	500	-	-	-	375	-	-	-	-	-	875
Dues & Subscriptions	200	-	-	200	135	1,200	285	-	-	200	-	760	2,980
Business Meals/Entertainment	50	50	50	50	50	50	50	50	50	50	50	50	600
Insurance	733	733	733	733	1,577	733	2,013	755	755	755	755	755	11,024
Computer Software/Hardware	1,250	200	-	-	-	-	-	1,200	-	2,600	-	-	5,250
Consulting-Professional	25,000	-	-	7,000	-	-	-	-	-	-	3,000	-	35,000
Miscellaneous Expense	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Training - Education	250	1,000	250	2,000	250	250	250	250	250	250	250	250	5,500
Recognition/Appreciation	1,020	4,020	20	20	20	20	20	20	20	20	3,500	300	9,000
Banking/Credit Card Fees	4,400	2,300	1,800	2,800	1,300	1,300	1,900	1,600	14,000	6,500	4,000	2,800	44,700
Total Administrative Expenses	40,002	17,082	15,891	21,582	12,361	12,392	14,122	16,413	23,854	19,154	20,334	15,573	228,758
Facilities Expense													
Safety Program Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer & Software Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract Maintenance	865	865	865	865	865	865	865	865	865	865	865	865	10,380
Repairs & Maintenance	2,900	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	2,100	1,100	1,500	16,400
Insurance Expense													-
Dues & Subscriptions													-
Janitorial Expense	3,000	3,000	3,000	3,000	4,200	3,000	3,000	3,000	5,500	4,000	3,000	3,000	40,700
Janitorial Supplies	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Water/Sewer/Trash	355	25	25	192	192	192	492	192	192	25	25	25	1,932
Gas	3,000	3,000	1,900	1,300	1,200	1,000	800	400	400	1,200	1,800	3,000	19,000
Electricity	5,000	4,700	4,000	4,500	5,600	6,500	7,600	6,800	6,800	5,000	4,700	4,200	65,400
HVAC	3,250	650	500	250	250	250	3,000	650	250	250	650	250	10,200
HVAC Contract	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	19,260

CenterPoint Legacy Theatre

2018 Budget

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Lamps/Ballast/Fixtures	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Equipment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Seat & Paver Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility Lease Expense	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	79,632
Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Grounds/Snow Removal/MTC	3,000	3,000	3,000	3,000	3,000	2,000	9,000	4,000	3,000	3,000	6,000	1,000	40,500
Total Facilities Expenses	30,461	25,431	21,481	21,481	23,298	24,498	30,998	29,948	27,198	25,531	27,231	22,931	313,604
Depreciation	2,490	2,490	2,490	2,490	2,490	2,490	2,490	3,657	3,657	3,982	3,982	3,982	37,856
Total Expenses	182,841	200,138	138,783	190,846	129,126	198,556	131,734	190,908	208,806	128,249	192,050	136,687	2,028,724
Net Operating Income	28,089	(102,915)	85,928	(49,939)	52,625	21,041	(47,074)	(3,485)	(112,329)	71,140	(96,829)	63,549	(90,199)
Other Income (Expense)													
Interest Income													
Total Other Income (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations													
Seat Donations													-
Paver Donations													-
Donations	1,600	1,600	11,500	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	30,000
Grants	10,000	-	5,000	5,000	-	5,000	-	-	-	-	-	40,000	65,000
Total Donations	11,600	1,600	16,500	6,700	1,700	6,700	1,700	1,700	1,700	1,700	1,700	41,700	95,000
Net Income	39,689	(101,315)	102,428	(43,239)	54,325	27,741	(45,374)	(1,785)	(110,629)	72,840	(95,129)	105,249	4,801

CenterPoint Legacy Theatre Facilities Budget 2018

Account Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Safety Expense													-
Computer & Software Equipment													-
Contract Repairs & Maintenance	865	865	865	865	865	865	865	865	865	865	865	865	10,380
Repairs & Maintenance	2,900	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	2,100	1,100	1,500	16,400
Janitorial Expense	3,000	3,000	3,000	3,000	4,200	3,000	3,000	3,000	5,500	4,000	3,000	3,000	40,700
Janitorial Supplies	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Water/Sewer/Trash	355	25	25	192	192	192	492	192	192	25	25	25	1,932
Gas	3,000	3,000	1,900	1,300	1,200	1,000	800	400	400	1,200	1,800	3,000	19,000
Electricity	5,000	4,700	4,000	4,500	5,600	6,500	7,600	6,800	6,800	5,000	4,700	4,200	65,400
HVAC	3,250	650	500	250	250	250	3,000	650	250	250	650	250	10,200
HVAC Contract	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	1,605	19,260
Lamps/Ballas/Fixtures	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Equipment Expense													-
Seat & Paver Expenses													-
Facility Lease Expense	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	6,636	79,632
Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Grounds/Snow Removal/MTC	3,000	3,000	1,000	3,000	2,000	9,000	4,000	2,500	3,000	3,000	6,000	1,000	40,500
Total	30,461	25,431	21,481	23,298	24,498	30,998	29,948	24,598	27,198	25,531	27,231	22,931	313,604

FEA Engineering Associates, LLC

October 28, 2017

CenterPoint Legacy Theatre
525 North 400 West
Centerville, Ut 84014

Attn: Jansen Davis – Executive Director / RDA Member
Steve Thacker – Centerville City Manager / RDA Member

Re: CenterPoint Theatre Commissioning

Steve/Jan,

As you know we are in the process of commissioning portions of the HVAC systems and equipment as agreed upon under the initial contract. Below is a summary of items found, completed, and in process. I have also attached an invoice for activities from August to October, please contact me with any questions or concerns regarding this billing.

Summary:

1- Basement Rooms

A. Issue – In general rooms are always too cold.

- a. All of the VAVR Boxes were reviewed and minimum heating/cooling airflows were revised to reflect actual load conditions rather than them being based on maximum capacity.
- b. Heating water flow in the basement VAVR boxes was too low. Heating water differential pressure setpoint was bumped up from 3.5 psi to 9.0 psi to provide more flow to the basement. A lot of sediment was found in the basement heating water lines. The higher flows should flush this sediment out of the system and into filtration devices.
- c. Many of the VAVRs in the basement rooms were either programmed incorrectly or had missing set screws which did not allow them to function properly. Some of these areas have occupancy sensors installed in them but are not hooked up to the VAVR boxes. In all cases set screws were replaced

2187 E. Eagle Crest Dr., Draper, Utah 84020
10167 Willis Road, Middleton, Idaho 83644

801.889.6054
208.863.1815

kelly@fea-engineering.com
jay@fea-engineering.com

and/or programming was corrected. If occupancy sensors are to be used additional wiring will need to be installed and programming completed so they will function properly.

2- Boilers

- A. Issue – Boilers are not providing hot enough water.
 - a. Boilers were found to be in-hand operation mode and not operating based off the reset schedule FEA provided the last time we addressed boiler issues. With the boilers operating as such, they do not have the ability to switch between each other if conditions require it. One of the boilers needs a new starter. Both boilers need to be automated through Johnson Controls and not be controlled in hand operation mode.

3- AHU Sequences & Scheduling

- A. Issue – Under present operating condition the system is inflexible and does not allow for variation when rooms are in occupied mode or unoccupied mode. Many of the areas are on occupied mode longer than needed.
 - a. A thorough review of typical occupancy is underway and an easy override procedure is being developed by FEA to account for cases when occupancy is not scheduled. Sequences have been reviewed and now need to be compared to what is programmed in the Johnson Controls. Damper and control valve functional testing is in process.

4- Vestibules

- A. Issue – Vestibules are too hot when the cabinet heater is on.
 - a. The cabinet heater set points were adjusted. The internal thermostat on the cabinet heater needs to be relocated to the wall in the vestibule.

5- Building Pressurization

- A. Issue – Fire sprinklers burst due to freezing within the mechanical space.
 - a. Building pressurization sequences are being reviewed. A thermostat must be installed in the mechanical space to monitor temperature in the space. Fire sprinkler lines must be insulated and heat traced in the mechanical space. As they exist today, they are too close to the relief dampers which presents the possibility of freezing.
 - b. Building pressure tubing was in the process of being reconfigured. However, it has been left unfinished and is not in a condition I would consider acceptable. A scope of work needs to be developed to correct this deficiency. It should then be put out for bid and awarded to a contractor that can complete the work required to bring the system into full operating condition.

As our work has progressed, it has become apparent that the items we have addressed have not been commissioned. There is also concern as to what is being performed under the Harris “test and inspect” contract as many of these issues should have been brought to the owner’s attention so corrections could have been initiated.

If you have any questions or concerns about the work performed to date or the direction the commissioning to progressing, please don’t hesitate to contact our office.

Sincerely,

Kelly Gibbons
Jay Gibbons
FEA Engineering Associates, LLC

FEA Engineering Associates, LLC

Invoice

Client: City of Centerville
Invoice: 17-004-002

Bill To: City of Centerville
Centerville, Utah
Attn: Steve Thacker

Date: October 29, 2017
Due Date: November 29, 2017

Remit To: FEA Engineering Assoc., LLC
10167 Willis Rd.
Middleton, Idaho 83644

Date	Rate Description	Subtotal
8/1/2017	FEA Engineering Hours – 50 hrs @ \$125	\$6,250.00
to	Contractor Programming Hours – 18 hrs @ \$105	\$1,890.00
10/31/2017	Contractor Technician Hours – 24 hrs @ \$95	\$2,280.00
Total Billing		\$10,420.00

~ Please Feel Free to Call if You Have Any Questions Regarding This Bill ~

2017 ANNUAL REPORT

REDEVELOPMENT AGENCY OF CENTERVILLE CITY, UTAH

IN COMPLIANCE WITH UTAH CODE SECTION 17C-I-603 AND 17C-I-402(9)(b)



NOVEMBER 1, 2017


LEWIS & YOUNG
ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - www.LewisYoung.com

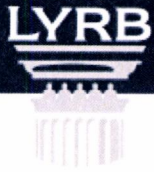


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SECTION 1: EXECUTIVE SUMMARY

INTRODUCTION

Lewis Young Robertson & Burningham, Inc ("LYRB") has been retained by the Centerville City Redevelopment Agency (the "Agency") to assist with the management of the Agency's three project areas:

Parrish Gateway RDA
Legacy Crossing CDA; and
Barnard Creek CDA

The purpose of this report, in part, is to fulfill the requirements of Utah Code section 17C-1-402 and 17C-1-603 – Agency Report. As new reporting requirements were adopted in legislation and became effective in 2011 and further revised and amended in 2016, this report facilitates the RDA's compliance with the new code, providing the data necessary to fulfill these new reporting requirements. This section of Utah Code mandates that the Agency provide an annual report to the county auditor, the State Tax Commission, the State Board of Education, as well as each of the taxing entities that levy a tax on property from which the Agency collects tax increment. The taxing entities involved in the various project areas of the Centerville City RDA, to which this report is being provided, are summarized in the table below.

Table 1.1: RDA Taxing Entities

RDA TAXING ENTITIES	
Steve Thacker	Centerville City
Heidi Voordeckers	Davis County
Curtis Koch	Davis County
Reid Newey	Davis School District
Craig Carter	Davis School District
John Miller	South Davis Recreation District
Gary Hatch	Davis County Mosquito Abatement District
Dal Wayment	South Davis Sewer District
Tage Flint	Weber Basin Water Conservancy District
Natalie Grange	Utah State Board of Education
Lorraine Austin	Utah State Board of Education
Barry Conover	Utah State Tax Commission

This annual report is for informational purposes and is intended to provide an overview of each Project Area that lies within the boundaries of the RDA, including descriptions of each Project Area, significant activities, project timelines, actual and estimated tax increment collections, and any other information pertinent to the taxing entities.

Provided in this report is an overview of the **Parrish Gateway RDA, Legacy Crossing CDA, and Barnard Creek CDA**, including summaries of the current and projected budgets, sources and uses of tax increment funds, Project Area growth statistics, and identification of certain concerns/needs.

OVERVIEW OF THE REDEVELOPMENT AGENCY

The Centerville City Redevelopment Agency was created in accordance with the provision of the Utah Neighborhood Development Act, UCA 17A-2-1201, 17A-2-1202, and 17A-2-1203.

Originally, under the Act, each project area created by a Redevelopment Agency was classified simply as a Redevelopment Area (RDA). In 1998, the Act was expanded to allow the creation of various types of project areas to be used to achieve different outcomes, including Urban Renewal Area (URA) and Economic Development Area (EDA). In 2006, the Act was further modified to provide for an additional project area type, Community Development Area (CDA).

Changes to the Act, made in 2016, put an end to the three aforementioned classifications. Going forward all project areas envisioned and created by a Redevelopment Agency are categorized by a single designation and are known as Community Reinvestment Areas (CRA). Previously created projects will still be subject to the predecessor rules under which they were created and will still be designated as RDAs, URAs, CDAs, and EDAs but new projects will need to conform to the CRA modifications.

CRAs are created under a redevelopment agency. To create a CRA, an agency must first adopt a survey resolution that designates a survey area and authorizes the agency to prepare a project area plan and budget. The draft budget and plan are then created and then the agency must meet the noticing requirements concerning its intent to adopt the plan and budget. Once the agency adopts the draft plan and budget as the final plan and budget after a public hearing, it can then collaborate with the taxing entities. If the agency plans to use eminent domain in the CRA, a blight study must be performed in the designated area. The Agency then forges an agreement to receive tax increment participation and approval of the blight study from a taxing entity committee (TEC). With the potential use of eminent domain and a TEC, the CRA is required to allocate 20% of its tax increment revenue to affordable housing. If the agency does not intend to pursue eminent domain, interlocal agreements for tax increment participation can be entered into with individual taxing entities. No TEC is required. The affordable housing requirement for this approach is only 10% of the CRA's tax increment revenue.

As the Parrish Gateway RDA was created prior to this expansion of UCA 17C, and prior to 1993, this Project Area has been classified simply as a Redevelopment Area, or RDA. The Legacy Crossing CDA Project Area and Barnard Creek, which were created subsequent to this expansion, have been classified as a CDA, and tax increment participation is agreed to by each of the taxing entities through interlocal agreement.

AUTHORITY AND POWERS OF THE AGENCY

The authority of the Agency is directed by UCA Title 17C.
17C-1-202

- I. A community development and renewal agency may:
 - Sue and be sued;
 - Enter into contracts generally;
 - Buy, obtain an option upon, or otherwise acquire an interest in real or personal property;
 - Sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property;
 - Enter into a lease agreement on real or personal property, either as lessee or lessor;
 - Provide for urban renewal, economic development, and community development as provided in this title;
 - Receive tax increment as provided in this title;

- ✧ If disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;
- ✧ Accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds so received for any of the purposes of this title;
- ✧ Borrow money or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this title and comply with any conditions of the loan or assistance;
- ✧ Issue bonds to finance the undertaking of any urban renewal, economic development, or community development or for any of the agency's other purposes, including:
 - Reimbursing an advance made by the agency or by a public entity or the federal government to the agency;
 - Refunding bonds to pay or retire bonds previously issued by the agency; and
 - Refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with an urban renewal, economic development, or community development project; and
- ✧ Transact other business and exercise all other powers provided for in this title.

GOVERNING BOARD OF TRUSTEES AND STAFF

Table 1.2: Board of Trustees

GOVERNING BOARD		
Paul Cutler	Chairman	Centerville City Mayor
Stephanie Ivie	Vice Chair	Centerville City Council
Tamilyn Fillmore	RDA Board Member	Centerville City Council
William Ince	RDA Board Member	Centerville City Council
George McEwan	RDA Board Member	Centerville City Council
Robyn Mecham	RDA Board Member	Centerville City Council

Table 1.3: Staff Members

STAFF MEMBERS		
Steve H. Thacker	Executive Director	City Manager

SUMMARY OF FUNDS REQUESTED

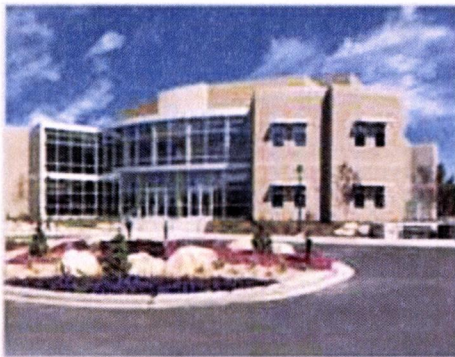
In accordance with Utah Code 17C-1-603(3) this report is for informational purposes only, and does not alter the amount of tax increment that this Agency is entitled to collect. **The Agency requests all tax increment legally available from each of the Agency's project areas described below;** however these estimates should in no way be interpreted or applied as a limitation upon the amount the Agency is entitled to receive under applicable statute(s), project area budget(s), and/or interlocal cooperation agreements.

Table 1.4: Estimate of Tax Increment

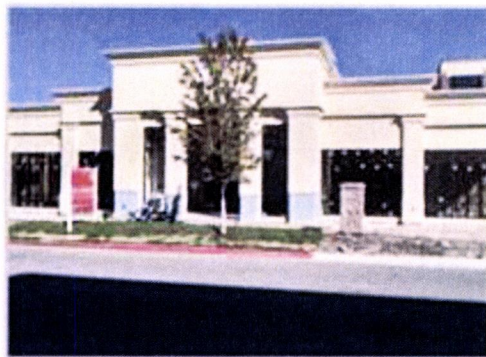
ESTIMATE OF TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2017 (Received in FY 2018)	Tax Year 2018 (Received in FY 20189)
Property Tax Increment		
Parrish Gateway RDA (Including Haircut)	1,174,038	1,174,038
Legacy Crossing CDA	264,073	264,073
Barnard Creek CDA	113,028	139,730
Total Revenue	\$ 1,551,140	\$1,577,842

GENERAL OVERVIEW OF ALL PROJECT AREAS

LYRB has updated the Project Area Budget for each area which includes a multi-year projection of revenues based upon current market conditions. The combined projection for all three Project Areas forecasts that the areas will generate approximately \$14M for the remainder of the life of the projects. Approximately \$12.7M will come from tax increment revenues and the other \$1.3M from haircut revenues which will be used to pay for qualified recreation and or cultural facilities.



PARRISH GATEWAY RDA



LEGACY CROSSING CDA



BARNARD CREEK CDA



Table 1.5: Combined Budget

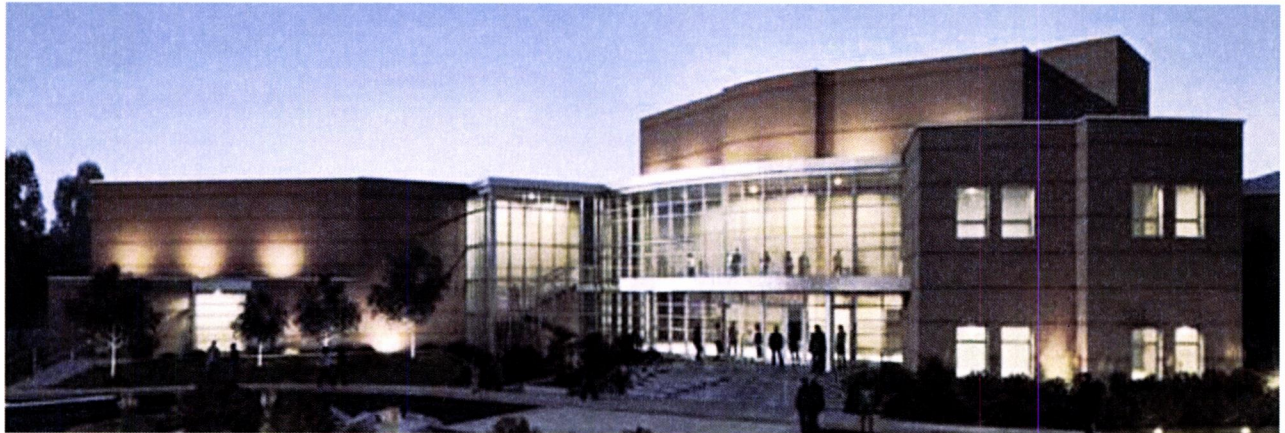
COMBINED PROJECT AREA BUDGET		
REVENUES	FY 2017 TOTALS	REMAINING LIFE (INCLUDES FY 2017 TOTALS)
PROPERTY TAX INCREMENT		
Parrish Gateway RDA	1,099,983	5,802,369
Legacy Crossing CDA	192,947	3,097,753
Barnard Creek CDA	100,897	3,831,378
<i>Property Tax Increment Subtotal</i>	<i>1,393,827</i>	<i>12,731,500</i>
HAIRCUT		
Parrish Gateway RDA	155,520	1,323,326
<i>Haircut Subtotal</i>	<i>155,520</i>	<i>1,323,326</i>
Total Revenue	\$1,549,347	\$14,054,825
EXPENDITURES	FY 2017 TOTALS	REMAINING LIFE (INCLUDES FY 2017 TOTALS)
Agency Administration	69,691	636,575
Developer Incentive Payments	344,371	3,137,906
Contribution to or Use of Fund Balance	979,675	8,957,018
Haircut Projects	155,520	1,323,326
Total Expenditures	\$1,549,347	\$14,054,825

SECTION 2: OVERVIEW OF THE PARRISH GATEWAY RDA PROJECT AREA

Table 2.1: Project Area Overview

OVERVIEW				
<u>Type</u> RDA	<u>Acreage</u> 97 97 Developed	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 8	<u>Tax Rate</u> 0.012125
<u>Creation Year</u> 1989	<u>Base Year</u> 1989	<u>Term</u> 25 Years	<u>Trigger Year</u> 1997	<u>Expiration Year</u> 2021
<u>Base Value</u> (\$4,160,860)	<u>TY 2016 Value</u> 125,436,753	<u>Increase</u> 2915%	<u>FY 2017 Increment</u> \$1,261,759 Calculated \$1,255,503 Collected	<u>Remaining Life</u> 5 Years

The Parrish Lane Gateway Project Area was created in 1989 and has been active with development of the Centerville Marketplace Project in 1995 that includes a Super Target, Home Depot, Kohls, and several thousand square feet of other medium and small box retail. More recent major developments have been a Walmart, small box retail and restaurants. The Marketplace Business park is a two-building development of class A office park consisting of 140,000 square feet of space. The development was augmented with a two-level parking structure. The Redevelopment Agency partnered with other governmental entities to construct a 60,000 square foot regional performing arts center. The Davis Center for Performing Arts (the "Arts Center") opened in 2011. The facility is operated by CenterPoint Legacy Theatre, non-profit organization. The addition of the Art Center has contributed to the overall vitality of the area, restaurants and retail businesses.



The Parrish Gateway RDA Project Area was created in September 1989 with the purpose of incentivizing commercial development in Centerville. As the Parish Gateway RDA Project Area was created prior to 1993, a taxing entity committee was not established for this Project Area.



SOURCES OF FUNDS

Table 2.2: Sources of Funds

FY 2017 SOURCES OF FUNDS	
Total Property Tax Increment Calculated (With Haircut)	1,261,759
Haircut Calculation Issue ¹	(6,256)
Property Tax Increment Collected	1,099,983
Haircut ("Additional Tax Increment")	155,520
Total Sources of Funds	\$1,255,503

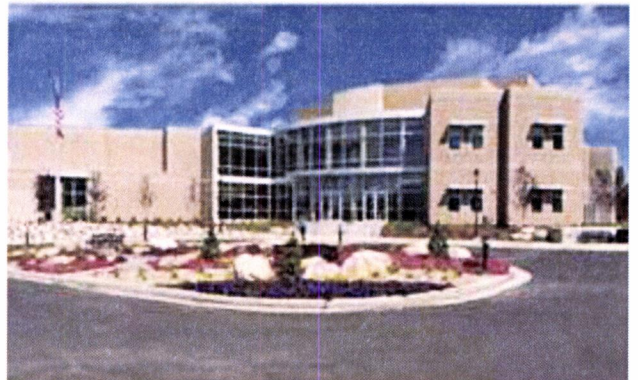
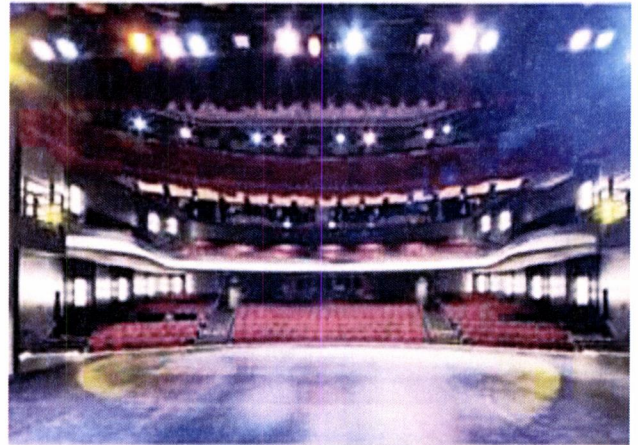
Table 2.3: Tax Increment Levels

TAX INCREMENT LEVELS	
Tax Years	%
1997-2001	100%
2002-2006	80%
2007-2011	75%
2012-2016	70%
2017-2021	60%

USES OF FUNDS

Table 2.4: Uses of Funds

FY 2017 USES OF FUNDS	
Agency Administration (5%)	54,999
Developer Payments	180,194
Redevelopment Activities ²	864,790
Haircut Projects	155,520
Total Uses of Funds	\$1,255,503



The Agency's payments to developers and future developer agreement obligations are as follows:

- ✱ The Agency has paid Land Rover \$94K since the completion date of the dealership expansion. The Participation Agreement annual allocation is approximately \$26K through 2021. The 2017 payment was \$30,035, slightly less than the \$30,686 shown in the attached multi-year budget to correct an overpayment in prior years.
- ✱ Prior to FY2017 Dayton was underpaid by \$51K due to calculation errors between 2014 and 2016. The amount paid in FY2017 is \$150,159, which corrected the errors of prior years.

Repayment of the Series 2009 Centerville City Sales Tax Revenue Bonds will be paid in part through tax increment received from the Parrish Gateway RDA. In FY2016 the total debt service payment

¹ The County calculated the haircut payment using 34.32% as the "Fraction of RDA Total", but distributed the haircut with a "Fraction of RDA Total" as 32.99%. The Agency will discuss this issue with the County.

² Redevelopment Activities include debt service payments on RDA bonds and expenses related to arts center and other improvements in project area.



from TIF was \$593,012. The amount from TIF in FY2017 is \$590,688. The remaining balance from redevelopment activities, \$324,865, was used for other project area expenses.

PROJECT AREA BUDGET UPDATE

The budget summarized below displays revenues in the fiscal year received rather than the calendar year collected.

Table 2.5: Project Area Budget

PROJECT AREA BUDGET FY 2017-2022		
REVENUES	TOTALS	NPV @ 4%
Property Tax Increment	5,802,369	5,083,481
Haircut	1,323,326	1,149,320
Total Revenue	\$7,125,695	\$6,232,801
EXPENDITURES		
Agency Administration	290,118	254,174
Developer Payments	681,710	597,270
Redevelopment Activities	4,830,540	4,232,037
Haircut Projects	1,323,326	1,149,320
Total Expenditures	\$7,125,695	\$6,232,801

PROJECT AREA REPORTING AND ACCOUNTABILITY

RELATIVE GROWTH IN ASSESSED VALUE

Table 2.6: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	PRIOR YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2016 vs. 2015)	125,436,753	118,651,474	6%	6%
Project Area Life Growth in Project Area (2016 vs. Base)	125,436,753	4,160,860	2915%	13%
ASSESSED VALUES IN CENTERVILLE CITY				
Annual Growth in Centerville City (2016 vs. 2015)	1,051,320,103	935,769,275	12%	12%
Lifetime Growth in Centerville City (2016 vs. Base)	1,051,320,103	447,938,522	135%	3%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 2.7: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation
*Increased Property Tax Revenues and to some entities sales tax revenues
*Significantly higher growth in tax base compared to other areas within the City

Currently, the primary benefit experienced by the participating taxing entities is the increased property tax revenues generated from the Project Area as property values have increased. The taxing entities are



also benefiting from the creation of jobs resulting from commercial development within the Project Area.

The most significant benefit to the taxing entities will be realized when the life of the Project Area expires in tax year 2021. At that point the Agency will no longer receive tax increment and the taxing entities will receive property tax income based on the full assessed value in the Project area.

Table 2.8: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL INCREMENTAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Fiscal Year 2017	N/A	1,255,502	50,483	2487%
Lifetime Revenue (2017-2022)	N/A	9,408,713	301,600	3120%
PASS THROUGH INCREMENT (ABOVE BASE)				
Fiscal Year 2017	N/A	315,900	50,483	626%
Lifetime Revenue (2017-2022)	N/A	2,276,762	301,600	755%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Parrish Gateway Project Area was created with the intent of incentivizing commercial development of the Centerville Marketplace. Various improvements have been completed in the Project Area to date. A new children's dentistry office/lab is nearly finished within Project Area, which will increase the incremental property tax value.

Redevelopment is also occurring within the immediate vicinity of the project area. A Quick Quack Car Wash site plan has been approved and is about to begin construction, immediately adjacent to Project Area boundary as depicted in **Exhibit A**.

OTHER ISSUES

The total tax increment the County calculated to be distributed to the Agency for the project area was \$1,261,759, but only \$1,255,503 was collected. The shortfall of \$6,256, is due to an error in how the haircut payment was calculated in the 695a Report compared to how it was calculated for distribution.

The County calculated the haircut in the TY2016 695a Report using 34.32% as the "Fraction of RDA Total", but distributed the haircut with the "Fraction of RDA Total" as 32.99%. This difference was the cause for the Agency receiving \$6,256 less than what the 695a report stated the RDA was due. The Agency will discuss this issue with the County.

The Agency has had difficulty in the past managing its obligations to developers. Between 2014 and 2016, the Agency underpaid Dayton West and slightly overpaid Land Rover in 2016. The Agency has since discovered the cause for the underpayments and overpayment and has rectified the problem for future payments.

PROJECT AREA MULTI-YEAR BUDGET

The following sheet represents the multi-year budget from TY 2014 – TY 2021

Centerville City - Parrish Gateway RDA

Redevelopment Agency Multi-Year Budget

	Base Year		Projected									
	1990	1980	Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023
ASSESS VALUATION												
Centerville Tax District 8												
Real Property				89,911,037	106,368,824	114,211,131	114,518,490	114,518,490	114,518,490	114,518,490	114,518,490	114,518,490
Personal Property				9,370,403	11,543,610	10,730,354	10,645,814	10,645,814	10,645,814	10,645,814	10,645,814	10,645,814
Centerville Assessed Property				668,069	739,040	495,268	514,946	514,946	514,946	514,946	514,946	514,946
Base Year Value				(4,160,860)	(4,163,522)	(4,163,522)	(4,163,522)	(4,163,522)	(4,163,522)	(4,163,522)	(4,163,522)	(4,163,522)
Incremental Value				104,110,399	122,814,996	129,842,772	129,842,772	129,842,772	129,842,772	129,842,772	129,842,772	129,842,772
Dayton West Property Value				2,855,672	11,491,229	11,634,176	11,634,176	11,634,176	11,634,176	11,634,176	11,634,176	11,634,176
Land Rover Property Value				3,490,967	3,640,814	3,615,424	3,615,424	3,615,424	3,615,424	3,615,424	3,615,424	3,615,424
Incremental Property Tax Rates												
Davis County (Net of Assessing & Collecting)				0.001911	0.001905	0.001779	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993
Davis County Library				0.000361	0.000361	0.000342	0.000376	0.000376	0.000376	0.000376	0.000376	0.000376
Davis County District				0.008259	0.008555	0.008125	0.007575	0.007575	0.007575	0.007575	0.007575	0.007575
Centerville City				0.001072	0.001088	0.000983	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354
South Davis Sewer District				0.000301	0.000303	0.000287	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214
South Davis Recreation District				0.000338	0.000334	0.000306	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279
Davis County Mosquito Abatement District				0.000124	0.000122	0.000116	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107
Weber Basin Water Conservancy District				0.000199	0.000196	0.000187	0.000174	0.000174	0.000174	0.000174	0.000174	0.000174
Net Combined Rate				0.012565	0.012864	0.012125	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072
Total Property Tax Increment				\$ 1,308,147	\$ 1,579,892	\$ 1,571,403	\$ 1,567,462	\$ 1,567,462	\$ 1,567,462	\$ 1,567,462	\$ 1,567,462	\$ 1,567,462
Property Tax Participation Rate for Budget				70%	70%	70%	60%	60%	60%	60%	60%	60%
All Taxing Entities				139,268	163,774	161,391	155,266	155,266	155,266	155,266	155,266	155,266
Property Tax Increment for Budget				26,309	31,035	31,026	29,293	29,293	29,293	29,293	29,293	29,293
Davis County (Net of Assessing & Collecting)				601,893	735,478	737,102	590,135	590,135	590,135	590,135	590,135	590,135
Davis County Library				18,124	93,536	89,178	105,484	105,484	105,484	105,484	105,484	105,484
Centerville City				21,936	28,049	28,037	16,672	16,672	16,672	16,672	16,672	16,672
South Davis Sewer District				24,633	28,714	27,760	21,736	21,736	21,736	21,736	21,736	21,736
South Davis Recreation District				9,037	10,488	10,524	8,336	8,336	8,336	8,336	8,336	8,336
Davis County Mosquito Abatement District				14,503	16,950	16,965	13,556	13,556	13,556	13,556	13,556	13,556
Weber Basin Water Conservancy District				915,703	1,105,924	1,099,982	940,477	940,477	940,477	940,477	940,477	940,477
Total Property Tax Increment for Budget				\$ 915,703	\$ 1,105,924	\$ 1,099,982	\$ 940,477	\$ 940,477	\$ 940,477	\$ 940,477	\$ 940,477	\$ 940,477
Harriet Calculation Tax Rate				0.000013	0.000012	0.000010	0.003680	0.003680	0.003680	0.003680	0.003680	0.003680
South Davis Metro Fire Service Area				0.000237	0.000236	0.000224	0.000207	0.000207	0.000207	0.000207	0.000207	0.000207
State Assessing & Collecting				0.012815	0.013112	0.012370	0.015969	0.015969	0.015969	0.015969	0.015969	0.015969
County Assessing & Collecting				0.004556	0.004557	0.004245	0.006394	0.006394	0.006394	0.006394	0.006394	0.006394
Total Tax Rate				35.55%	33.50%	34.32%	37.25%	37.25%	37.25%	37.25%	37.25%	37.25%
Total Tax Rate Less School District's Portion												
Percent of Tax Rate Not From School District												
Tax Increment Generation												
Tax Increment				915,703	1,105,924	1,099,982	940,477	940,477	940,477	940,477	940,477	940,477
Harriet Increment				139,522	158,763	161,777	233,561	233,561	233,561	233,561	233,561	233,561
Current Year Adjustments												
Net Tax Increment				\$ 1,055,225	\$ 1,264,687	\$ 1,261,759	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038
REVENUES												
Property Tax Increment Calculated				1,055,225	1,264,687	1,261,759	940,477	940,477	940,477	940,477	940,477	940,477
Property Tax Increment Collected & Distributed						1,099,983	940,477	940,477	940,477	940,477	940,477	940,477
Harriet Revenues						155,520	233,561	233,561	233,561	233,561	233,561	233,561
Interfund Loan												
Interest Earnings												
Fund Balance												
Total Revenue				\$ 1,055,225	\$ 1,264,687	\$ 1,255,503	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038
EXPENDITURES												
Administration Fee				45,785	55,296	54,999	47,024	47,024	47,024	47,024	47,024	47,024
Dayton West Payment				25,119	103,476	98,745	84,269	84,269	84,269	84,269	84,269	84,269
Land Rover Payment				32,705	32,785	30,686	26,187	26,187	26,187	26,187	26,187	26,187
Redevelopment Activities				814,094	914,367	915,553	782,997	782,997	782,997	782,997	782,997	782,997
Obligated Harriet Projects				139,522	158,763	161,777	233,561	233,561	233,561	233,561	233,561	233,561
Total Expenditures				\$ 1,055,225	\$ 1,264,687	\$ 1,261,760	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038	\$ 1,174,038
TOTALS												
				937,721	1,174,038	1,174,038	940,477	940,477	940,477	940,477	940,477	940,477
				177,469	233,561	233,561	233,561	233,561	233,561	233,561	233,561	233,561
				3,687,779	4,455,503	4,455,503	3,687,779	3,687,779	3,687,779	3,687,779	3,687,779	3,687,779
				616,599	782,997	782,997	616,599	616,599	616,599	616,599	616,599	616,599
				109,396	139,522	139,522	109,396	109,396	109,396	109,396	109,396	109,396
				19,734	24,633	24,633	19,734	19,734	19,734	19,734	19,734	19,734
				52,203	61,836	61,836	52,203	52,203	52,203	52,203	52,203	52,203
				84,743	100,000	100,000	84,743	84,743	84,743	84,743	84,743	84,743
				5,802,368	7,131,951	7,131,951	5,802,368	5,802,368	5,802,368	5,802,368	5,802,368	5,802,368
				1,329,583	1,617,777	1,617,777	1,329,583	1,329,583	1,329,583	1,329,583	1,329,583	1,329,583
				7,131,951	8,749,728	8,749,728	7,131,951	7,131,951	7,131,951	7,131,951	7,131,951	7,131,951
				5,964,145	7,131,951	7,131,951	5,964,145	5,964,145	5,964,145	5,964,145	5,964,145	5,964,145
				5,802,368	7,131,951	7,131,951	5,802,368	5,802,368	5,802,368	5,802,368	5,802,368	5,802,368
				1,329,583	1,617,777	1,617,777	1,329,583	1,329,583	1,329,583	1,329,583	1,329,583	1,329,583
				6,238,817	7,749,728	7,749,728	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817
				5,239,035	6,238,817	6,238,817	5,239,035	5,239,035	5,239,035	5,239,035	5,239,035	5,239,035
				5,083,480	6,238,817	6,238,817	5,083,480	5,083,480	5,083,480	5,083,480	5,083,480	5,083,480
				1,155,336	1,617,777	1,617,777	1,155,336	1,155,336	1,155,336	1,155,336	1,155,336	1,155,336
				6,238,817	7,749,728	7,749,728	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817
				254,174	306,886	306,886	254,174	254,174	254,174	254,174	254,174	254,174
				455,667	552,068	552,068	455,667	455,667	455,667	455,667	455,667	455,667
				161,622	198,782	198,782	161,622	161,622	161,622	161,622	161,622	161,622
				4,232,037	5,083,480	5,083,480	4,232,037	4,232,037	4,232,037	4,232,037	4,232,037	4,232,037
				1,155,336	1,329,583	1,329,583	1,155,336	1,155,336	1,155,336	1,155,336	1,155,336	1,155,336
				6,238,817	7,749,728	7,749,728	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817	6,238,817



SECTION 3: OVERVIEW OF THE LEGACY CROSSING CDA PROJECT AREA

Table 3.1: Project Area Overview

OVERVIEW				
<u>Type</u> CDA	<u>Acreage</u> 130 100 Developed 30 Undeveloped	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 8	<u>Tax Rate</u> 0.012125
<u>Creation Year</u> 2010	<u>Base Year</u> 2010	<u>Term</u> 15	<u>Trigger Year</u> 2014	<u>Expiration Year</u> 2028
<u>Base Value</u> \$17,300,027	<u>TY 2016 Value</u> \$68,068,986	<u>Increase</u> 293%	<u>FY 2017 Increment</u> \$192,947 Calculated \$192,947 Distributed	<u>Remaining Life</u> 11 years

The Legacy Crossing Community Development Area (CDA) was adopted to facilitate development in an area that was lacking in infrastructure including water, drainage, sewer, roads and traffic control. This area has also become a gateway to the City, with the completion of the Legacy Parkway. The initial project was the Larry H. Miller Megaplex, a 14-screen theater complex and an IMAX theater. Recent projects have been a 75,000 square foot class A office, several smaller office and retail buildings and multifamily housing.



The Legacy Crossing CDA Project Area was created in 2010 and is governed by the Project Area Plan dated March 16, 2010, as well as Interlocal Agreements and Resolutions between the Agency and Davis County, Davis County School District, Centerville City, Weber Basin Water Conservancy District, Davis County Mosquito Abatement District, South Davis County Sewer Improvement District, South Davis Recreation District, and Davis County Library. These documents define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity.

The purpose of this Project Area is to incentivize the commercial and residential development, which will create jobs and increase property and sales tax revenue to the taxing entities. The Project Area includes 130 acres, located entirely within the boundaries of Centerville City on the western boundary

of the City adjacent to Parrish Lane and 1250 West in between Legacy Highway and Interstate 15. A map of the Project Area is included as **Exhibit B**.

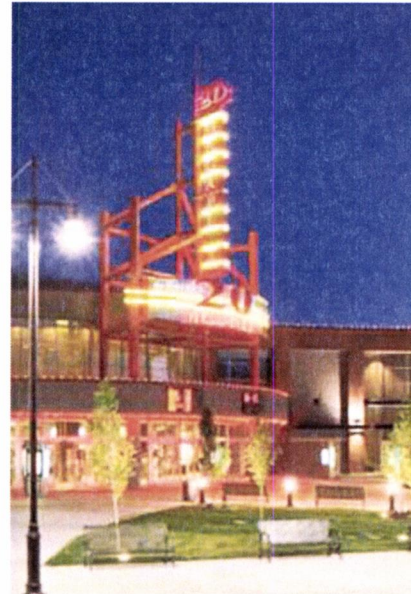
SOURCES OF FUNDS

Table 3.2: Sources of Funds

FY 2017 SOURCES OF FUNDS	
Property Tax Increment Calculated	192,947
Property Tax Increment Distributed	192,947
Total Sources of Funds	\$ 192,947

Table 3.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Taxing Entities	Length	%
Davis County	15 Years	30%
Davis County School District	15 Years	30%
Centerville City	15 Years	50%
Weber Basin Water Conservancy District	15 Years	30%
Davis County Mosquito Abatement District	15 Years	30%
South Davis Sewer Improvement District	15 Years	30%
South Davis Recreation District	15 Years	30%
Davis County Library	15 Years	30%



USES OF FUNDS

Table 3.4: Uses of Funds

FY 2017 USES OF FUNDS	
CDA Administration (5%)	9,647
Developer Payments	146,159
Redevelopment Activity	37,141
Total Uses of Funds	\$ 192,947

The Agency has paid \$395,012 to Legacy Crossing Theater LLC since the FY 2014 trigger year. In FY 2016, the City negotiated an arrangement with Legacy Crossing in order to remit a portion of their tax increment to Wright and Tueller, two property owners within the Legacy CDA. The arrangement is for a 3-year period, where the two property owners will receive the tax increment generated from their properties. The Agency paid \$5,942 to Tueller & Wright during the first year of the arrangement.

The 2017 payments to developers are \$140,687 to Legacy Crossing Theatre, LLC and \$5,472 to Tueller & Wright.

PROJECT AREA BUDGET UPDATE

The budget summarized below displays revenues in the fiscal year received rather than the calendar year collected.

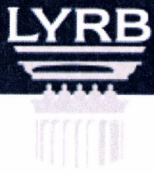


Table 3.5: Project Area Budget

PROJECT AREA BUDGET FY 2017-2028		
REVENUES	TOTALS	NPV @ 4%
Property Tax Increment	3,097,753	2,409,957
Total Revenue	\$ 3,097,753	\$ 2,409,957
EXPENDITURES		
CDA Administration	154,888	120,498
Public Infrastructure	1,947,164	1,520,548
Redevelopment Activities - Development Enhancements	995,701	768,911
Total Expenditures	\$ 3,097,753	\$ 2,409,957

PROJECT AREA REPORTING AND ACCOUNTABILITY

RELATIVE GROWTH IN ASSESSED VALUE

Table 3.6: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	PRIOR YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2016 vs. 2015)	68,068,986	63,137,962	8%	8%
Project Area Life Growth in Project Area (2016 vs. Base)	68,068,986	17,300,027	293%	22%
ASSESSED VALUES IN CENTERVILLE CITY				
Annual Growth in Centerville City (2016 vs. 2015)	1,051,320,103	935,769,275	12%	12%
Lifetime Growth in Centerville City (2016 vs. Base)	1,051,320,103	872,675,696	20%	3%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 3.7: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation
*Increased Property Tax Revenues and to some entities sales tax revenues
*Significantly higher growth in tax base compared to other areas within the City

Currently, the primary benefit experienced by the participating taxing entities is the increased property tax revenues generated from the Project Area as property values have increased. The taxing entities are also benefiting from the creation of jobs resulting from commercial development within the Project Area.

The most significant benefit to the taxing entities will be realized when the life of the Project Area expires in tax year 2027. At that point the Agency will no longer receive tax increment and the taxing entities will receive property tax income based on the full assessed value in the Project area. As illustrated below, development has resulted in the participating taxing entities receiving 199% more tax increment above the base value.



Table 3.8: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL INCREMENTAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Tax Year 2016	1,307,775	610,178	209,763	291%
Lifetime Revenue (2016-2027)	12,810,280	9,619,226	2,507,068	384%
PASS THROUGH INCREMENT (ABOVE BASE)				
Tax Year 2016	726,307	417,231	209,763	199%
Lifetime Revenue (2016-2027)	2,049,717	6,521,473	2,507,068	260%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Parrish Gateway Project Area was created with the intent of incentivizing commercial development within the project area. Most recently, the Legacy Trails Apartment Complex was completed with a total number of 162 residential units. The Maverik gas station/store was also completed on southwest corner of 1250 West/Parrish Lane.

A Storage unit project has been approved and is now under construction on southeast corner of 200 North/1250 West.

Mixed-use planned development (hotel, commercial pads and 111 apartment units) on the northwest corner of 1250 West/Parrish Lane is scheduled for possible City Council approval in November of 2017.

OTHER ISSUES

The Agency has had difficulty in the past managing its obligations to developers. In 2014 there was an underpayment to Legacy Crossing Theatre, LLC, followed by two years of overpayments. The Agency has since discovered the cause for the under payment and overpayments and has rectified the problem for future payments.

PROJECT AREA MULTI-YEAR BUDGET

The following sheet represents the multi-year budget from TY 2013 – TY 2027.



Centerville City - Legacy Crossing CDA
Redevelopment Agency Multi-Year Budget

Base Year	<----- Historic Projected ----->															
	Fiscal Year Tax Year	2011 2010	Year 2 2015	Year 3 2016	Year 4 2017	Year 5 2018	Year 6 2019	Year 7 2020	Year 8 2021	Year 9 2022	Year 10 2023	Year 11 2024	Year 12 2025	Year 13 2026	Year 14 2027	Year 15 2028
ASSESSED VALUATION																
Centerville Tax District 8																
Real Property		41,896,902	47,259,208	56,789,191	62,203,660	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254	79,590,254
Personal Property		-	-	5,800,288	5,322,112	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078	5,355,078
Centerville Assessed Property		120,862	175,409	448,483	543,214	643,000	643,000	643,000	643,000	643,000	643,000	643,000	643,000	643,000	643,000	643,000
Incremental Value		(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)	(17,307,537)
Trueller & Wright Portion (Years 2016-2018)		24,717,537	30,134,550	45,392,935	50,723,959	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305	67,843,305
Total Legacy Crossing Theatre, LLC Value		26,695,852	31,723,809	43,118,570	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530	44,198,530
TAX INCREMENTAL ANALYSIS																
Incremental Property Tax Rates																
Davis County (Net of Assessing & Collecting)		0.002061	0.001911	0.001995	0.001779	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993	0.001993
Centerville City		0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710	0.000710
Davis School District		0.000870	0.000859	0.000855	0.000825	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755	0.000755
Centerville City		0.001141	0.001072	0.000983	0.001088	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354	0.001354
South Davis Sewer District		0.000324	0.000301	0.000303	0.000303	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214	0.000214
South Davis Recreation District		0.000374	0.000338	0.000334	0.000306	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279	0.000279
Webster Basin Water Conservancy District		0.000338	0.000348	0.000348	0.000348	0.000172	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107	0.000107
Net Combined Rate		0.013312	0.012565	0.012864	0.012125	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072	0.012072
Total Property Tax Increment Revenue		\$ 329,040	\$ 378,641	\$ 583,935	\$ 610,178	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004	\$ 819,004
Centerville City		50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Davis County (Net of Assessing & Collecting)		30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
Davis County Library		15,283	17,276	25,942	26,858	40,564	40,564	40,564	40,564	40,564	40,564	40,564	40,564	40,564	40,564	40,564
Davis School District		2,885	3,264	4,916	5,163	7,653	7,653	7,653	7,653	7,653	7,653	7,653	7,653	7,653	7,653	7,653
South Davis Sewer District		64,887	74,664	116,501	122,665	154,174	154,174	154,174	154,174	154,174	154,174	154,174	154,174	154,174	154,174	154,174
South Davis Recreation District		2,403	2,712	4,094	4,324	45,930	45,930	45,930	45,930	45,930	45,930	45,930	45,930	45,930	45,930	45,930
South Davis Macaulay Abatement District		2,773	3,066	4,548	4,820	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678
Webster Basin Water Conservancy District		764	1,121	1,661	1,751	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178
Total Property Tax Increment for Budget		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Tax Increment Generation																
Property Tax Increment		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Current Year Adjustments																
Net Tax Increment		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
PROJECT AREA BUDGET																
REVENUES																
Property Tax Increment Calculated		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Property Tax Increment Collected & Distributed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES																
Incremental Fund																
Administration Fee		5,218	6,003	9,253	9,647	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204	13,204
Legacy Crossing Theatre, LLC		93,295	120,053	175,722	158,220	167,580	163,436	163,436	163,436	163,436	163,436	163,436	163,436	163,436	163,436	163,436
Trueller & Wright		5,840	(6,002)	(5,859)	22,311	87,433	87,433	87,433	87,433	87,433	87,433	87,433	87,433	87,433	87,433	87,433
Redevelopment Activities		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Total Expenditures		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
EXPENDITURES		104,352	120,053	185,068	192,947	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073	264,073
Net Change		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS																
REVENUES		104,352	120,053	185,068	192,947	264,073										

SECTION 4: OVERVIEW OF THE BARNARD CREEK CDA PROJECT AREA

Table 4.1: Project Area Overview

OVERVIEW				
<u>Type</u> CDA	<u>Acreage</u> 155 115 Developed 40 Undeveloped	<u>Purpose</u> Commercial Development	<u>Taxing District</u> 8	<u>Tax Rate</u> 0.012125
<u>Creation Year</u> FY 2013	<u>Base Year</u> FY 2012	<u>Term</u> 20 Years	<u>Trigger Year</u> FY 2017	<u>Expiration Year</u> FY 2036
<u>Base Value</u> \$15,525,163	<u>TY 2016 Value</u> \$26,620,358	<u>Increase</u> 71%	<u>FY 2017 Increment</u> 100,897 Calculated 100,897 Received	<u>Remaining Life</u> 19 Years

When this project area was created in 2013, the area lacked infrastructure including storm water, culinary water, and roads. This area is becoming a job creation area including office and flex space.

The Barnard Creek CDA Project Area was created with the purpose of incentivizing commercial development within Centerville City- business park, office park, and light industrial uses; and creating a quality employment center for the South Davis Area. The tax increment necessary to incentivize these uses was triggered in FY 2017.



The Project Area is governed by the Project Area Plan dated July 16, 2013, as well as Interlocal Agreements and Resolutions between the Agency and Davis County, Davis County School District, Centerville City, Weber Basin Water Conservancy District, Davis County Mosquito Abatement District, South Davis County Sewer Improvement District, South Davis Recreation District, and Davis County Library. These documents define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating tax entity.

The Project Area lies entirely within Centerville City and includes approximately 155 acres of property located west of I-15 and between 725 North and 1275 North. A map of the Project Area is included as **Exhibit C.**

SOURCES OF FUNDS

Table 4.2: Sources of Funds

FY 2017 SOURCES OF FUNDS	
Property Tax Increment Calculated	100,897
Property Tax Increment Collected and Remitted	100,897
Total Sources of Funds	\$ 100,897

Table 4.3: Tax Increment Levels

TAX INCREMENT LEVELS		
Taxing Entities	Length	%
Davis County	20 Years	75%
Davis County School District	20 Years	75%
Centerville City	20 Years	75%
Weber Basin Water Conservancy District	20 Years	75%
Davis County Mosquito Abatement District	20 Years	75%
South Davis Sewer Improvement District	20 Years	75%
South Davis Recreation District	20 Years	75%
Davis County Library	20 Years	75%

USES OF FUNDS

Table 4.4: Uses of Funds

FY 2017 USES OF FUNDS	
CDA Administration @ 5%	5,045
Project Development @ 85%	85,762
Reserved for Housing Revitalization @ 10%	10,090
Total Uses of Funds	\$ 100,897

The Agency entered into a Participation Agreement (the "Salmon Agreement") with Salmon HVAC on March 4, 2014. To date the Agency has paid a total amount of \$39,310. In 2016 the Agency paid \$21,292 prematurely- i.e. before tax increment was triggered- and another \$18,018 in 2017. The premature payment in 2016 was partially corrected with the 2017 payment and will be fully corrected by a reduction in the 2018 payment.

FORECASTED PROJECT AREA BUDGET

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 4.5: Project Area Budget

PROJECT AREA BUDGET		FY 2017-2036	
REVENUES	TOTALS	NPV @ 5%	
Property Tax Increment	3,831,378	2,532,336	
Total Revenue	\$ 3,831,378	\$ 2,532,336	
EXPENDITURES	TOTALS	NPV @ 5%	
CDA Administration @ 5%	191,569	126,617	
Project Development @ 85%	3,831,378	2,152,485	
Housing Revitalization @ 10%	383,138	253,234	
Total Expenditures	\$ 3,831,378	\$ 2,532,336	

PROJECT AREA REPORTING AND ACCOUNTABILITY

RELATIVE GROWTH IN ASSESSED VALUE

Table 4.6: Growth in Assessed Value

GROWTH IN ASSESSED VALUE	CURRENT YEAR	PRIOR YEAR	GROWTH RATE	AAGR
ASSESSED VALUES IN PROJECT AREA				
Annual Growth in Project Area (2016 vs. 2015)	26,620,358	19,259,354	38%	38%
Project Area Life Growth in Project Area (2016 vs. Base)	26,620,358	15,525,163	71%	11%
ASSESSED VALUES IN CENTERVILLE CITY				
Annual Growth in Centerville City (2016 vs. 2015)	1,051,320,103	935,769,275	12%	12%
Life Growth in Centerville City (2016 vs. Base)	1,051,320,103	827,472,254	27%	5%

BENEFITS DERIVED BY PARTICIPATING TAXING ENTITIES

Table 4.7: Benefits to Taxing Entities

BENEFITS TO TAXING ENTITIES
*Job Creation
*Increased Property Tax Revenues and to some entities sales tax revenues
*Significantly higher growth in tax base compared to other areas within the City

Currently, the primary benefit experienced by the participating taxing entities is the increased property tax revenues generated from the Project Area as property values have increased. The taxing entities are also benefiting from the creation of jobs resulting from commercial development within the Project Area.

The most significant benefit to the taxing entities will be realized when the life of the Project Area expires in tax year 2035. At that point the Agency will no longer receive tax increment and the taxing entities will receive property tax income based on the full assessed value in the Project area. As illustrated below, development has resulted in the participating taxing entities receiving 18% more tax increment above the base value.

Table 4.8: Growth in Tax Increment

GROWTH IN TAX INCREMENT	ORIGINAL BUDGET REVENUES	ACTUAL INCREMENTAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
TAX INCREMENT FROM PROJECT AREA				
Tax Year 2016	58,875	134,529	188,243	71%
Lifetime Revenue (2016-2035)	5,611,116	5,108,504	3,749,218	136%
PASS THROUGH INCREMENT (ABOVE BASE)				
Tax Year 2016	44,156	33,632	188,243	18%
Lifetime Revenue (2016-2035)	4,208,337	1,277,126	3,749,218	34%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Barnard Creek Project Area was created with the intent of incentivizing commercial development within the project area. Most recently, the second building in the Pastures LLC office/industrial development was completed. The Parrish Creek Business Park has been approved with a site plan for five office/industrial buildings. The Moto United sales center was approved and will begin construction soon.

In the way of infrastructure, the culvert conveying Barnard Creek flows through a portion of Project Area has been replaced and enlarged. This project was done in partnership with Davis County. A new culinary water transmission main has also been constructed under I-15 (at 1000 North) to serve this Project Area and facilitate the growth in the area.

OTHER ISSUES

The Agency has had difficulty in the past managing its obligations to developers. In 2016 there was a premature payment to Salmon. The Agency has since discovered this premature payment and will correct this mistake by a reduction in the 2018 payment.

There are no other issues at present which need to be addressed.

PROJECT AREA MULTI-YEAR BUDGET

The following sheet represents the multi-year budget from TY 2016 – TY 2035.

Redevelopment Agency Multi-Year Budget

WE PROVIDE SOLUTIONS

EXHIBIT A: MAP OF PARRISH GATEWAY RDA PROJECT AREA

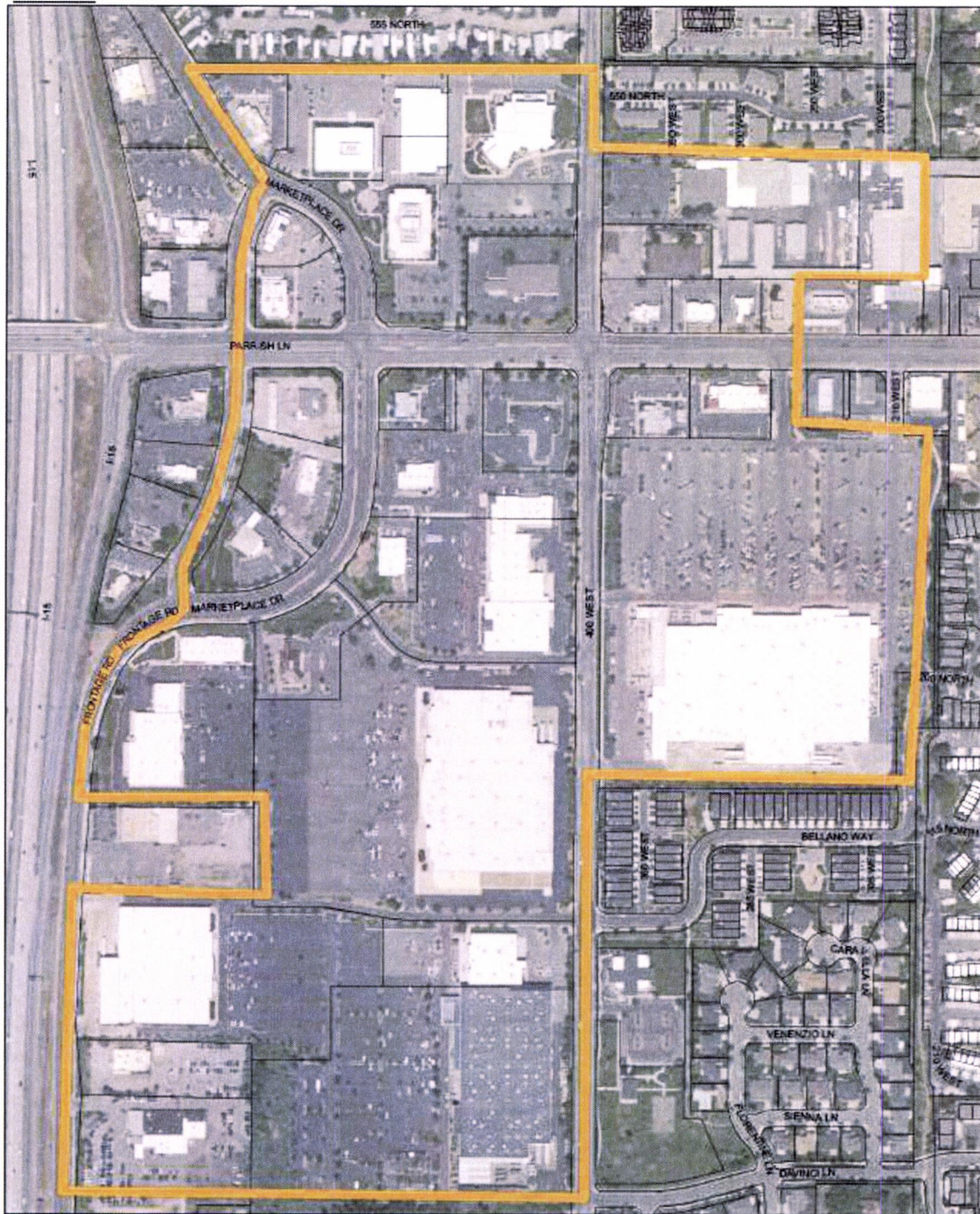
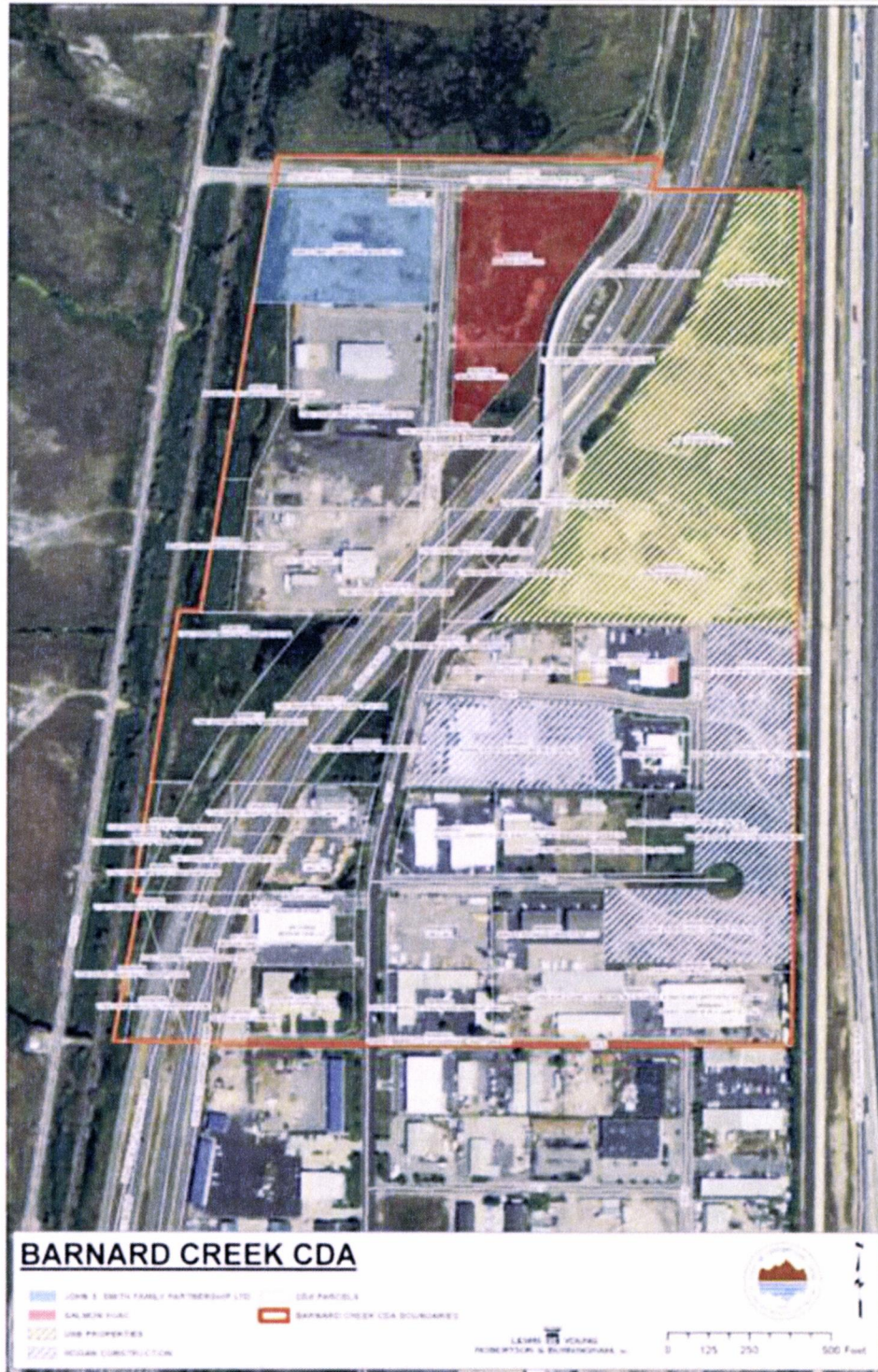


EXHIBIT B: MAP OF LEGACY CROSSING CDA PROJECT AREA



EXHIBIT C: MAP OF BARNARD CREEK CDA PROJECT AREA



Steve Thacker

From: Steve Thacker
Sent: Thursday, November 09, 2017 5:00 PM
To: City Council; wilkandco@aol.com
Cc: Jacob Smith; Lisa Romney; Marcus Arbuckle
Subject: 2017 Annual Report - Centerville City Redevelopment Agency
Attachments: 2017 Centerville City RDA Report (11.1.2017).pdf

Mayor and Council Members:

Attached is the 2017 Annual Report for the Centerville City Redevelopment Agency. State law requires an annual report be submitted by November 1 to the State Tax Commission and to each of the participating entities in the project area tax increment agreements (school district, county, etc.). This report is a good primer on the RDA and its three project areas. I can answer questions about this report when we meet in an RDA/ACB meeting in December, but here are a few points for now:

- Section 1 is an overview of the RDA, followed by Sections 2, 3 and 4 pertaining to the three Project Areas.
- At the end of Sections 2, 3 and 4 there is a paragraph about the correction of tax increment payments either overpaid or underpaid in prior years. You may remember I reported this problem to you earlier this year. With LYRB's help in May and June, all prior errors in payments were corrected this year, with the exception of one more reduction needed in the Barnard Creek CDA tax increment payment to Salmon (Pasture LLC), which will be resolved in 2018.
- You will notice that the summary of how tax increment funds are used in each project area indicates only 5% used for administration. This is less than the amount we are transferring from the RDA to the General Fund each year as an "Administrative Service Charge". The amount of 5% was shown in each of the Project Area Budgets when initially created, so our annual reports have been reporting the use of this amount for "Administration". I am interpreting this to be the amount allocated for just the basic administration of the RDA. I believe we have a defensible argument that the Administrative Service Charge in our annual City and RDA budgets can be greater (and is greater) than the 5% because it is reimbursing the City for staff time and overhead related to all the other activities staff are engaged in relating to the RDA—such as extensive involvement with the operation of the performing arts center; use of RDA funds for other improvements within the Project Areas; etc. I do not have records to show how much of staff's time has been for basic administration versus all the other RDA related activities, so I am using the assumption of 5% for basic administration used when the Project Areas were created. We can discuss this further, if you wish, when we meet in December.
- Despite reviewing and revising this report twice with LYRB staff, I noticed there is one paragraph at the top of Page 10 in which the numbers were not updated to equal a sum corrected and shown in Table 2.4. I guess it is hard to get a report like this perfect. ☺

I hope this report will be useful to you.

Steve

From: Shanon Handley [mailto:shanon@lewisyoung.com]
Sent: Wednesday, November 01, 2017 9:18 PM
To: Steve Thacker
Cc: Cody Hill
Subject: FW: 2017 Annual Report - Centerville City Redevelopment Agency

Hello Steve,