

CDRA
15 January 2019
Meeting

Annual Report



**MIDWAY CITY
COMMUNITY DEVELOPMENT
AND RENEWAL AGENCY**

2018 Annual Report

INTRODUCTION

The Midway City Community Development and Renewal Agency (CDRA) was created in 2007 to redevelop or develop areas in the City. This is accomplished by creating “project areas” and adopting plans for their development.

The Midway City Council serves as the governing board for the CDRA. The Midway City Mayor is the board chair and executive director. The Midway City Recorder is the secretary.

42 WEST PROJECT AREA

The 42 West Community Development Project Area is the only project area created by the CDRA. It was established to return various taxes to the owner of a grocery store located at 42 West Main Street.

The Project Area consists of two parcels of property containing 1.67 and 0.15 acres.



42 West Project Area (Outlined in Orange)

Construction was finished and the grocery store opened in December of 2009. It was owned and operated by The Store at Midway, LLC and then sold to Ridley’s Family Markets, Inc. in May of 2013.

The Project Area is totally developed. No further development is anticipated, and no residential development has been authorized.



Ridley's Family Market

PROJECT AREA VALUE

The base taxable value of the Project Area, established in 2007, is \$571,200. The increase in the property tax revenue, over and above the base taxable value, is called the tax increment.

The assessed value for the Project Area in 2017 was \$2,361,614. The estimated assessed value for the current year is the same.

The construction of the store and associated infrastructure caused the initial increase in the assessed value. The value of the property has also appreciated over time.

PROJECT AREA FUNDS/BUDGET

The CDRA is authorized to receive, and return to the store owner, a total of \$1.2 million in funds associated with the Project Area. Funds were received beginning 3 March 2010 and can be collected until 3 March 2025 (15 years) with seven years remaining as of 2018.

Midway City agreed to contribute real and personal property tax increment, sales and use tax revenue, and resort community tax revenue. It agreed to participate for 15 years or the total revenue from all sources reached \$1.2 million

whichever came first. No individual limit was set for the City’s contribution.

Wasatch County agreed to contribute \$15,000 a year through 2023 or all revenue reached \$965,900 whichever came first. Its individual contribution was limited to \$210,000. The County discontinued its participation when the store was sold.

The Wasatch County School District agreed to contribute real and personal property tax increment for five years. This period concluded in 2014. No individual limit was set for the District’s contribution.

No other taxing entities have participated in the Project Area.

FUNDS BY YEAR (RECEIVED)

Year	City	County	District	Total
2010	\$47,398	\$15,000	\$4,600	\$66,998
2011	\$49,661	\$15,000	\$15,924	\$80,585
2012	\$48,746	\$15,000	\$17,776	\$81,522
2013	\$62,604	\$15,000	\$18,369	\$95,973
2014	\$72,789	\$0	\$17,600	\$90,389
2015	\$71,227	\$0	\$0	\$71,227
2016	\$71,744	\$0	\$0	\$71,744
2017	\$76,520	\$0	\$0	\$76,520

FUNDS BY YEAR (FORCASTED VS RECEIVED)

Year	Forecasted	Received
2010	\$58,946	\$66,998
2011	\$64,476	\$80,585
2012	\$55,619	\$81,522
2013	\$64,684	\$95,973
2014	\$67,777	\$90,389
2015	\$71,022	\$71,227
2016	\$74,425	\$71,744
2017	\$77,996	\$76,520

FUNDS RECEIVED FROM TAXING ENTITIES

Entity	Authorized	Received	Remaining
Midway	No Limit	\$500,690	\$565,041
County	\$210,000	\$60,000	N/A
District	No Limit	\$74,269	N/A
Total	\$1,200,000	\$634,959	\$565,041

The CDRA received \$76,520 in calendar year 2017 compared to a forecast of \$77,996, for the same year, when the Project Area was created.

52% of the authorized funds were generated by the end of calendar year 2017.

It is estimated that the CDRA will receive approximately \$76,000 in project area funds in calendar year 2018 and about the same amount in calendar year 2019.

The development and redevelopment of the Project Area added a large business to the local economy. This grocery store and pharmacy is an anchor for other businesses and provides important services to residents and visitors. Several businesses and a bank have opened in the surrounding area since the construction of the store. This area has become a walkable and vibrant core for Midway City.

The following entities levy or impose a tax within the Project Area:

- The State of Utah
- Wasatch County
- Wasatch County School District
- Wasatch County Health Department
- Wasatch County Fire District
- Wasatch County Parks and Recreation Special Service District
- Midway City
- Midway Sanitation District
- Central Utah Water Conservancy District

These entities have or will benefit from the increased tax revenue generated by the Project Area and the directly or indirectly related businesses.

The CDRA does not pay project area funds to any taxing entity. No funds were authorized for administrative costs.

CONCLUSION

The CDRA appreciates each entity that has helped to encourage community and economic development in Midway City. Feel free to contact the CDRA if you have any questions or comments.

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Please note that this report is for informational purposes only. It does not alter the amount of funds that the agency is authorized to receive.

Brad Wilson
CDRA Secretary
26 October 2018