

SALES TAX LEAKAGE AND ECONOMIC SUSTAINABILITY ANALYSIS

KAYSVILLE, UT

JULY 2011

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

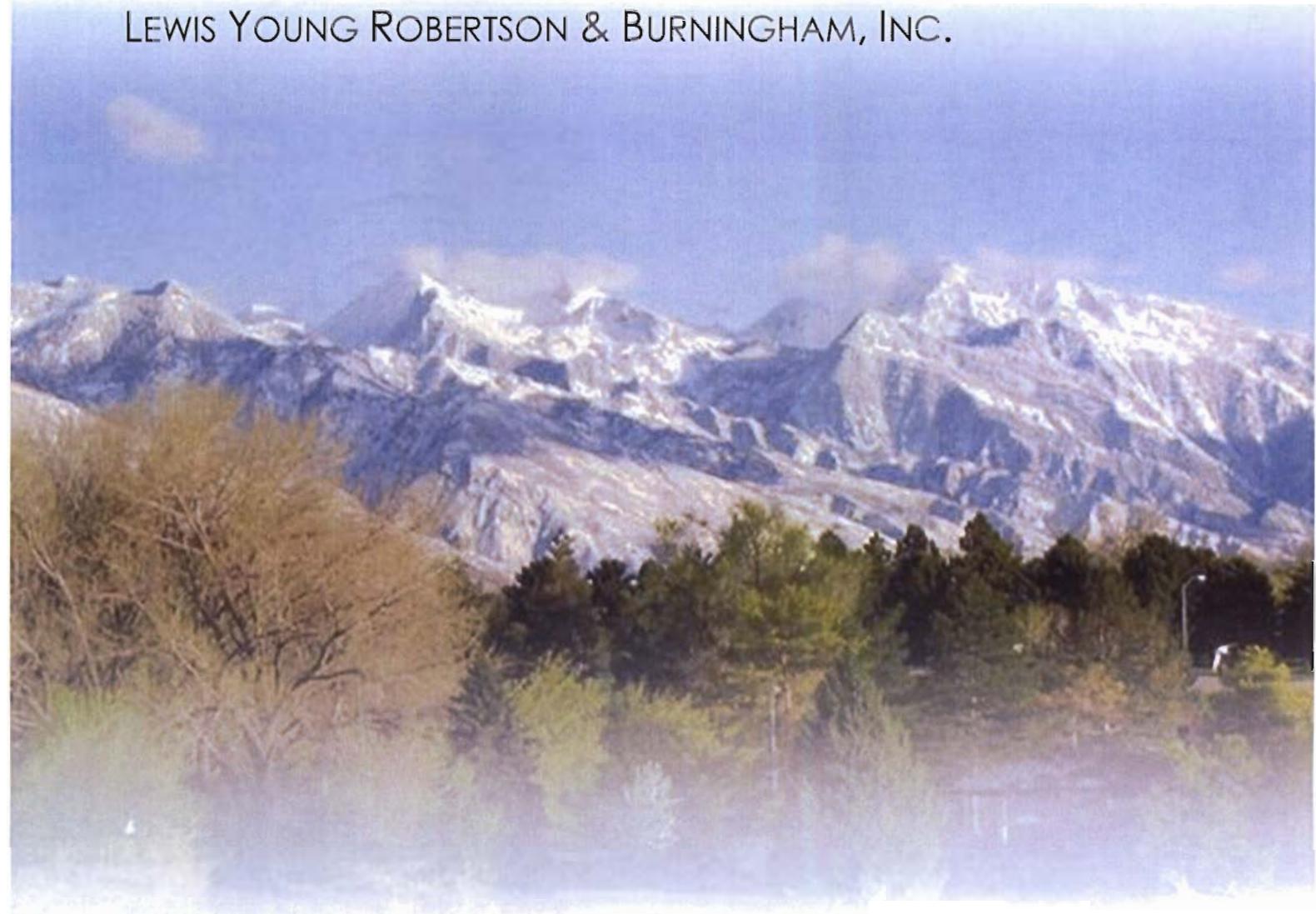


Table of Contents

EXECUTIVE SUMMARY.....	3
REVENUE SUFFICIENCY	3
HISTORIC RETAIL SALES MARKET.....	3
RETAIL SALES ANALYSIS.....	3
BUYING POWER ANALYSIS.....	4
ECONOMIC SUSTAINABILITY	5
HISTORIC RETAIL SALES MARKET ANALYSIS.....	7
RETAIL SALES TAX LEAKAGE ANALYSIS	10
SALES LEAKAGE ANALYSIS	11
COMPARABLES.....	14
BUYING POWER ANALYSIS.....	15
SUMMARY.....	15
APPENDIX A: HISTORIC RETAIL SALES MARKET COMPARABLES	17

EXECUTIVE SUMMARY

This report provides an analysis of the economic sustainability of the City in relation to its sales tax revenue stream. Included in this study is a retail sales market analysis, a sales leakage and capture analysis, a buying power analysis and future forecast for sales tax growth. This information will assist the City in attracting businesses to fill service gaps, prepare economic development strategies to keep current retail sales in the City, and determine overall economic development plans.

A sales gap (aka "leakage") analysis is conducted in order to identify economic development opportunities for a community by evaluating the total purchases made by residents inside and outside the community (hence, the term "leakage" for sales lost outside the community and "capture" for sales gained from outside the community).

REVENUE SUFFICIENCY

- Kaysville receives approximately 34.4 percent of all of its revenues from sales taxes. This level of reliance is similar to Layton and Centerville but much higher than Bountiful, Clearfield and Farmington.
- A comparison of other municipality's revenues within the General Fund illustrate that Kaysville City is less reliant than Layton and Farmington on property tax revenue and more reliant than all comparison cities on charges for services revenue, which include revenues related to recreation services, police and fire services, administrative charges, etc..
- Kaysville City would greatly benefit from additional retail and office development in order to promote economic sustainability.

HISTORIC RETAIL SALES MARKET

- Kaysville City's gross sales have grown at a higher rate than the gross sales of all comparison cities except Layton.
- Although Kaysville leads many of the comparable cities in growth rate, the City has a fairly low amount of taxable sales per capita at approximately \$6,612 for 2010

RETAIL SALES ANALYSIS

- 29 percent of taxable sales occur on **Main Street**, more than any other location in the City.
- Businesses along **200 North, between I-15 and Main Street**, comprise 20 percent of the taxable sales within the City.
- Businesses within the **northwest area** of the City generate a slightly higher percentage of taxable sales than the 200 North Area, at **21 percent**.
- Existing major retailers include:
 - automotive, miscellaneous retail, amusement and recreation, food stores, communications, automotive service, service stations, home furnishings and equipment, business services, eating and drinking places, and transportation equipment.

- The SALE LEAKAGE ANALYSIS suggests the City is capturing **24 percent** of all retail sales that could occur within the City based on the income adjusted State spending per capita of \$14,365 (income adjusted based on Kaysville's median per capita income).
- Lowest capture rates include general merchandise, apparel and accessories, furniture, and hotels and lodging. Each of these categories fall below **15 percent**.
- From the sales leakage analysis it is apparent that the following opportunities for development may exist and be well received by Kaysville residents and existing businesses:
 - Hotels and Lodging
 - General Merchandise
 - Food Stores and Eating Places
 - Personal Services
 - Apparel and Accessories
- Based on 0.5% point of sale tax rate, the City could collect an additional \$1.4 million in tax revenue, assuming the City could capture 100 percent of retail sales.
- While the options above are consistent with sales leakage analysis and community input, the City will balance economic development and population growth to determine which options are feasible and desirable for the City. For example, apparel & accessory stores may not be a feasible development opportunity as they typically require a large cluster of businesses and buying power within a one to eight mile radius and Kaysville may not wish to compete with retail businesses in surrounding communities such as Layton.

BUYING POWER ANALYSIS

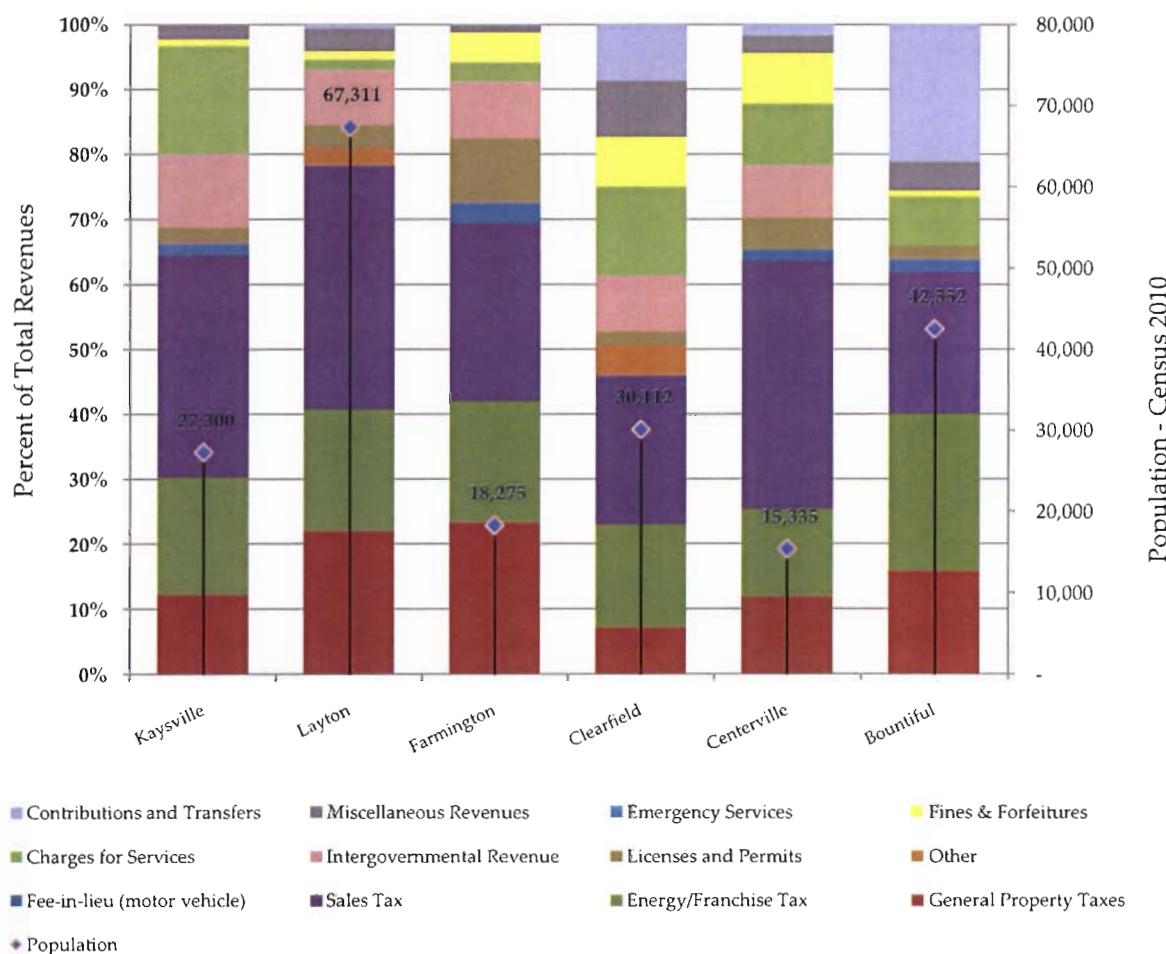
- The buying power of Kaysville residents could increase by \$7.6 million annually through 2020 (\$2010), due to a population increase of approximately 5,297 residents. This is a helpful predictor for future potential in sales tax growth for Kaysville City.

ECONOMIC SUSTAINABILITY

In order to make an evaluation of economic sustainability, revenues have been compared between cities. Based on this analysis, Kaysville City receives a slightly lower percentage of its revenues from sales taxes than do Layton and Centerville, receiving approximately 34.4 percent of all of its revenues from sales taxes, compared to a high of 38 percent in Centerville (highest among the cities chosen in the comparative analysis). However, Kaysville's percent is significantly higher than that of Farmington, Clearfield and Bountiful. The average for all cities in the sample, not including Kaysville City, is 29.6 percent.

A comparison of additional revenues found in the graph and table below illustrate that Kaysville City is less reliant than Layton and Farmington on property tax revenue and more reliant than all comparison cities on charges for services revenue, which include revenues related to recreation services, police and fire services, administrative charges, etc. Kaysville City appears to have a fairly balanced revenue stream and should be sustainable.

GRAPH 1.2: GENERAL FUND REVENUES 2011



The legend above directly correlates to the bars on the graph if the legend is read from left to right, going across the columns. The legend begins with the top of the bar graphs and progresses downward. Because cities combine their revenue sources differently, not all revenue categories are present for each City.

TABLE I.3: GENERAL FUND REVENUES 2010 COMPARISON

	Kaysville	Layton	Farmington	Clearfield	Centerville	Bountiful
Taxes						
General Property Taxes	12.3%	22.1%	23.4%	7.2%	12.0%	15.9%
Energy/Franchise Tax	18.0%	18.6%	18.7%	15.8%	13.4%	24.1%
Sales Tax	34.4%	37.5%	27.4%	23.0%	38.4%	21.9%
Fee-in-lieu	1.6%	0.0%	3.1%	0.0%	1.6%	1.9%
Other	0.3%	2.8%	0.0%	4.7%	0.0%	0.0%
Licenses and Permits	2.2%	3.5%	9.9%	2.1%	4.8%	2.0%
Intergovernmental Revenue	11.2%	8.5%	8.8%	8.5%	8.0%	0.0%
Charges for Services	16.9%	1.7%	3.1%	13.8%	9.6%	7.6%
Fines & Forfeitures	1.0%	1.3%	4.5%	7.6%	7.9%	0.9%
Emergency Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miscellaneous Revenues	2.3%	3.5%	1.1%	8.7%	2.7%	4.5%
Contributions and Transfers	0.0%	0.6%	0.1%	8.7%	1.7%	21.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: *Office of the Utah State Auditor*

HISTORIC RETAIL SALES MARKET ANALYSIS

The tables below show historic gross sales related to businesses within Kaysville City and comparison cities by year and average annual growth rate (AAGR), as well as taxable sales per capita data. It is important to note that the analysis of historic sales and comparison of taxable sales by community is based on the calendar year taxable sales reports compiled by the Utah State Tax Commission. For privacy reasons, the annual taxable sales by category are often inflated to protect the sales information for groups within a category that do not have a large enough sample of business. As a result, the 2010 sales figures utilized in the sales leakage analysis for Kaysville are different than the historic analysis. The figures below are used to provide a trend analysis and allow a comparison to surrounding communities where actual detailed data is not available.

Kaysville City's gross sales have grown at a higher rate than the gross sales of all comparison cities except Layton. Most cities saw an increase in sales through 2008 but then a sharp decrease in 2009. Although Kaysville leads many of the comparable cities in growth rate, the City has a fairly low amount of taxable sales per capita at approximately \$6,612 for 2010, only slightly higher than Farmington and Clearfield.

TABLE 1.6: HISTORIC GROSS SALES

City	2006	2007	2008	2009	2010	AAGR
Kaysville	\$184,655,523	\$205,174,091	\$212,343,727	\$180,652,219	\$180,510,164	0.46%
Layton	\$1,190,273,760	\$1,253,537,271	\$1,228,519,511	\$1,134,099,837	\$1,132,443,252	1.00%
Farmington	\$90,099,009	\$112,479,729	\$128,346,544	\$111,514,820	\$119,733,558	-5.53%
Clearfield	\$191,654,084	\$204,573,886	\$213,849,077	\$187,272,762	\$197,696,302	-0.62%
Centerville	\$284,594,377	\$318,900,746	\$399,858,657	\$404,796,398	\$328,904,705	-2.85%
Bountiful	\$421,308,320	\$450,150,154	\$503,508,360	\$445,058,887	\$423,604,465	-0.11%

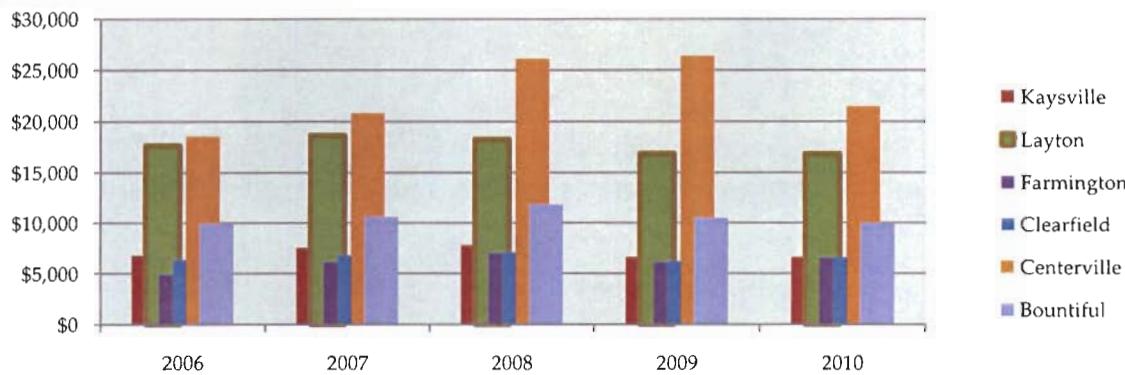
Source: Utah State Tax Commission

TABLE 1.7: TAXABLE SALES PER CAPITA

City	2006	2007	2008	2009	2010	AAGR
Kaysville	\$6,764	\$7,516	\$7,778	\$6,617	\$6,612	0.46%
Layton	\$17,683	\$18,623	\$18,251	\$16,849	\$16,824	1.00%
Farmington	\$4,930	\$6,155	\$7,023	\$6,102	\$6,552	-5.53%
Clearfield	\$6,365	\$6,794	\$7,102	\$6,219	\$6,565	-0.62%
Centerville	\$18,558	\$20,796	\$26,075	\$26,397	\$21,448	-2.85%
Bountiful	\$9,901	\$10,579	\$11,833	\$10,459	\$9,955	-0.11%

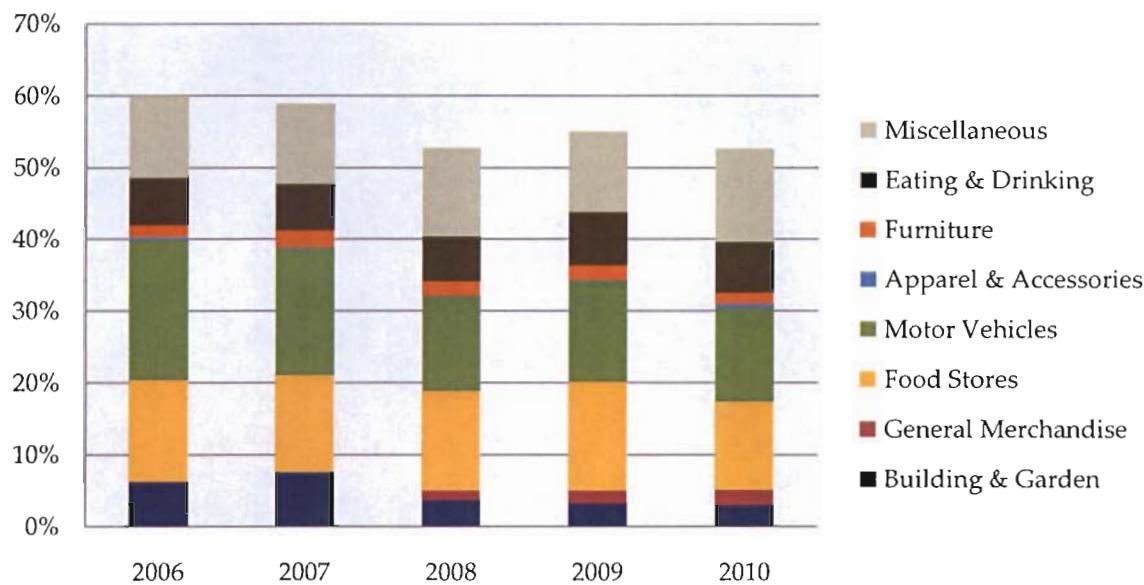
Source: Utah State Tax Commission

GRAPH 1.3: TAXABLE SALES PER CAPITA



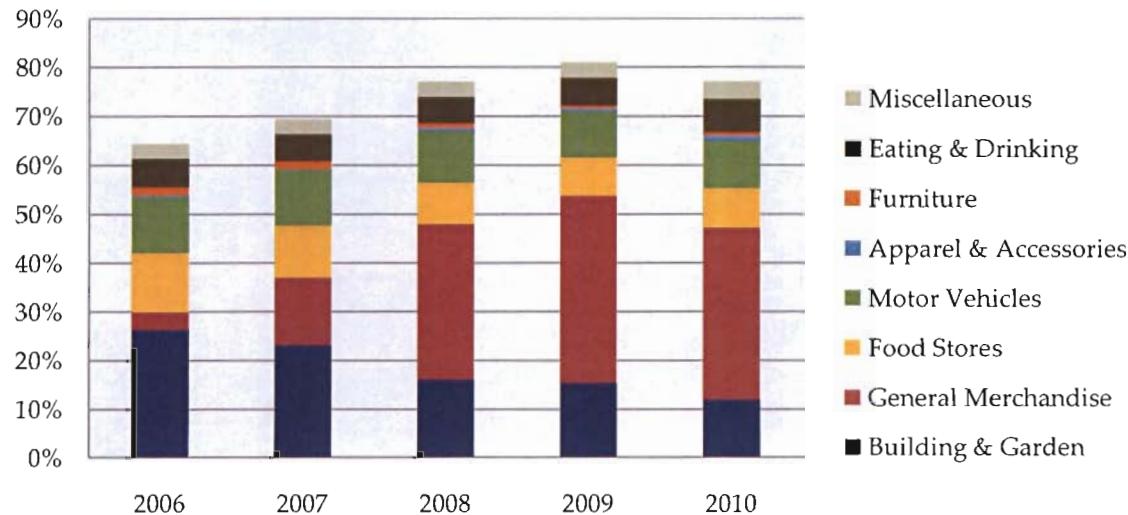
Kaysville City's greatest retail strengths include sales in the following categories: motor vehicles, food stores, and miscellaneous. Sales in the apparel and accessories, general merchandise, and furniture categories, however, are very low. One reason for low sales of general merchandise could be that sales for this category are leaking to Layton and Centerville.

GRAPH 1.4: KAYSVILLE: RETAIL AS A PERCENT OF TOTAL TAXABLE SALES

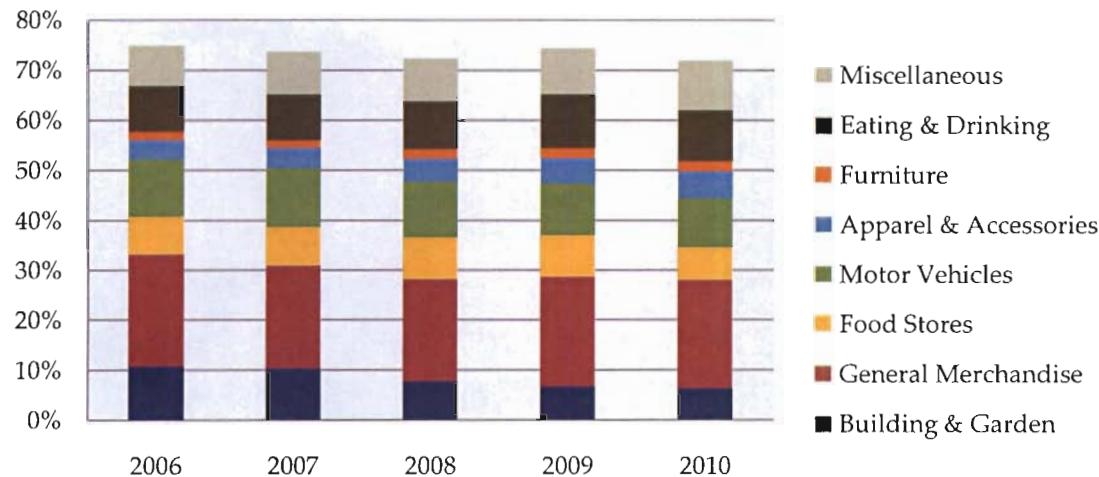


Sales in general merchandise make up a very high percentage of Centerville and Layton's total taxable sales, approximately 35 percent in 2010 for Centerville and 22 percent for Layton. Graphs comparing Kaysville, Centerville, and Layton's retail sales as a percent of total taxable sales are found below. In addition, a detailed comparison of historic sales for Kaysville and comparable cities is included in Appendix A.

GRAPH 1.5: CENTERVILLE: RETAIL AS A PERCENT OF TOTAL TAXABLE SALES

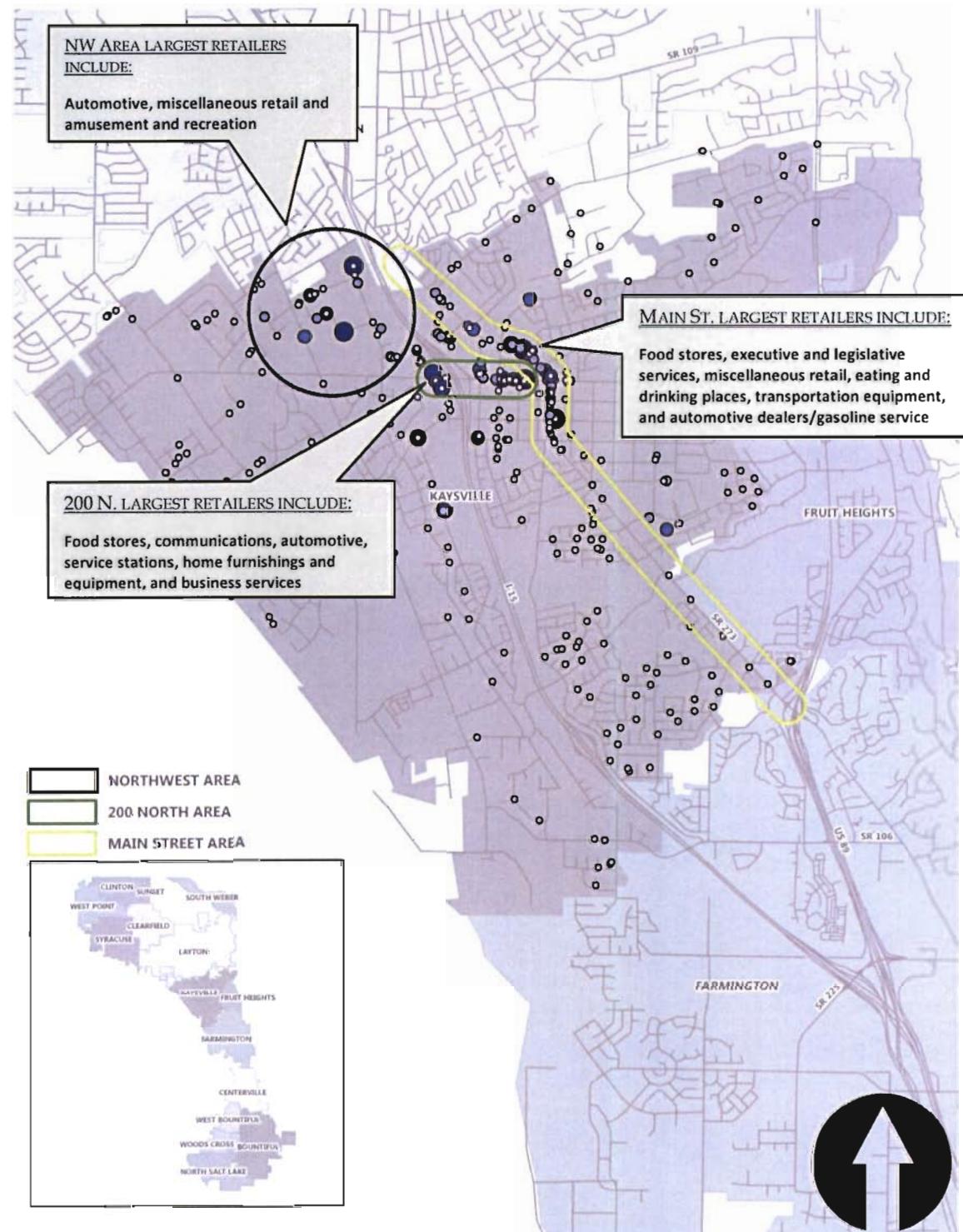


GRAPH 1.6: LAYTON: RETAIL AS A PERCENT OF TOTAL TAXABLE SALES



RETAIL SALES TAX LEAKAGE ANALYSIS

The map below shows taxable sales and business locations in Kaysville. The larger and darker colored circles represent a greater amount of taxable sales.



The map coupled with table 1.5 shows that the majority of taxable sales occur on **Main Street** at 29 percent. Businesses along **200 North**, between **I-15** and **Main Street**, comprise 20 percent of the taxable sales within the City. Businesses within the **northwest area** of the City generate a slightly higher percentage of taxable sales than the **200 North** area, at 21 percent.

TABLE 1.5: SALES DATA BY LOCATION

	COUNT OF BUSINESSES*	TAXABLE SALES	PERCENT OF TAXABLE SALES
Main Street	118	\$40,077,133	29%
200 North	35	\$28,037,120	20%
Northwest Area	39	\$28,948,057	21%
Other	222	\$23,130,070	17%
Not Geocoded	807	\$17,606,691	13%
Grand Total	1,221	\$137,799,071	100%

Source: Office of the Utah State Auditor, LYRB

**This number represents the taxable sales entries for business located within Kaysville or doing business within Kaysville. This may include businesses that are not geographically located in Kaysville (i.e. online sales) and does not represent the licensed businesses in Kaysville.*

The largest retailers within the northwest area are related to automotive, miscellaneous retail, and amusement and recreation. The 200 North area includes food stores, communications, automotive, service stations, home furnishings and equipment, and business services. The Main Street area is focused on food stores, executive and government services, miscellaneous retail, eating and drinking places, transportation equipment, and automotive dealers/gasoline service stations.

SALES LEAKAGE ANALYSIS

The following analysis outlines more specifically the areas in which Kaysville is experiencing sales leakage and which categories could potentially be developed. Detailed sales leakage analysis, by retail category for the year 2010, is outlined below. Negative numbers estimate the approximate amount being spent per person (on average) outside of Kaysville City boundaries by all residents. Positive numbers indicate that Kaysville is attracting more than its fair share of purchases (in other words, shoppers from outside the City are attracted to the area for certain types of purchases).

Overall, Kaysville City is capturing 24 percent of all retail sales based on average buying power fundamentals. In order to retain confidentiality, only the major categories are included below as the number of businesses found in the subcategories was too small to include a breakout of sales. The information below is based on the 2010 taxable sales information for major Standard Industrial Classification (SIC) Codes as collected by the Utah State Tax Commission.

BUILDING AND GARDEN

Kaysville is showing some leakage in the Building and Garden category mostly because of the low amount of sales at lumber and hardware stores. The Home Depot in Layton and Centerville most likely contributes to this leakage. However, Kaysville has an extremely high capture rate for nurseries and garden stores.

TABLE 1.8: BUILDING AND GARDEN

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Building & Garden	-\$682.33	-\$18,627,493	20%

GENERAL MERCHANDISE

A large amount of leakage is occurring in this category as Kaysville does not have any general merchandise or department stores.

TABLE 1.9: GENERAL MERCHANDISE

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total General Merchandise	-\$2,806.28	-\$76,611,564	4%

FOOD STORES

Consumers generally prefer to make grocery store purchases closer to home. One reason for this preference is that short travel distance is required for the purchase of frozen or perishable goods. This, along with a very high capture rate for convenience store sales, is most likely the reason for the 37 percent capture rate. It appears that there may be some ability to capture a grocer tenant most likely on the west side of the City boundaries

TABLE 1.10 FOOD STORES

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Food Stores	-\$1,144.22	-\$31,237,145	37%

MOTOR VEHICLE DEALERS

Motor vehicle sales are relatively strong for Kaysville. The recreational vehicle dealers and used car dealers contribute most to this capture rate.

TABLE 1.11: MOTOR VEHICLE DEALERS

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Motor Vehicle Dealers	-\$1,278.72	-\$34,909,128	36%

APPAREL & ACCESSORY

Kaysville likely loses many sales in this category to Layton with its regional mall. Sales in this category are also likely leaking to Ogden and Salt Lake City. Typically for sales in this category to increase, a large cluster of businesses and buying power is required, including a broad selection of merchandise. With the development of the Farmington Station Park project, which is a significant destination retail location with many large clustering of retail outlets and Layton's continued dominance as a regional retail service provider, it will be difficult for Kaysville to compete on a large scale basis. However, specialty apparel and accessory retail can work in the right project development setting.

TABLE 1.12: APPAREL & ACCESSORY

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Apparel & Accessory	-\$19.51	-\$16,912,692	4%

FURNITURE

The Furniture category includes not only furniture, but also electronics and computers. There is significant leakage in most of these subcategories. However, the "Computer & Software Stores" subcategory has a significantly high capture rate of 84 percent.

TABLE 1.13: FURNITURE

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Furniture	-\$511.35	-\$13,959,736	14%

EATING PLACES

As the population of Kaysville increases, restaurant development will likely follow and should be sought after. Currently the City only captures 27 percent of retail sales within this category.

TABLE 1.14: EATING PLACES

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Eating Places	-\$1,113.01	-\$30,385,270	27%

MISCELLANEOUS RETAIL

Miscellaneous Retail represents a variety of stores including: sporting goods, book stores, stationery stores, hobby, toy and game stores, florists, etc. Also included in this category are "Non-store Retailers" (which includes mail-order or online purchases).

TABLE 1.15: MISCELLANEOUS RETAIL

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Miscellaneous Retail	-\$844.46	-\$23,053,887	44%

HOTELS & LODGING

There are currently no hotels or other lodging opportunities in Kaysville, thus the capture rate is zero. With some of the amusement and recreation components that have recently been added to the west side of I-15 within Kaysville City, hotel and lodging opportunities should grow. The ability to finance hotels and motels is difficult in the current environment but the potential does exist.

TABLE 1.16: HOTELS & LODGING

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Hotels & Lodging	-\$506.91	-\$13,838,557	0%

PERSONAL SERVICES

Personal services include: laundry/cleaning, photographic studios, beauty and barber shops, funeral services and crematories, etc. Beauty and barber shops do not charge sales tax (i.e., for the haircut); therefore, the total below represents only those purchases (i.e., shampoo, conditioner) at these businesses for which sales tax is required. There is a significant amount of leakage for the laundry/cleaning subcategory.

TABLE 1.17: PERSONAL SERVICES

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Personal Services	-\$96.06	-\$2,622,503	27%

BUSINESS SERVICES

Generally, business services are correlated with the amount of office space in a given city. Kaysville is capturing only 20 percent of retail sales in this category.

TABLE 1.18: BUSINESS SERVICES

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Business Services	-\$580.58	-\$15,849,781	20%

AUTO & MISCELLANEOUS REPAIR

This category includes automotive repair, electrical repair, watch, clock and jewelry repair, re-upholstery and furniture repair, etc. The watch, clock and jewelry repair and the re-upholstery and furniture repair categories have a capture rate of over 100 percent, meaning that shoppers from outside the community come to the city for these types of repairs.

TABLE 1.19: AUTO & MISCELLANEOUS REPAIR

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Auto & Misc Repair	-\$534.59	-\$14,594,431	27%

ENTERTAINMENT & AMUSEMENT

Motion picture theaters, video tape rental, dance studios, bowling centers, and commercial sports are all subcategories included in entertainment and amusement. Kaysville has a strong capture rate of 58 percent in this category. This high percentage can mostly be attributed to the commercial sports and miscellaneous amusement opportunities found in the City. Subcategories with very low capture rates include: video tape rental, dance studios, bowling centers, etc.

TABLE 1.20: ENTERTAINMENT & AMUSEMENT

CATEGORY	PER CAPITA	TOTAL	CAPTURE RATE
Total Entertainment & Amusement	-\$178.10	-\$4,862,240	58%

COMPARABLES

A comparison of surrounding communities shows Kaysville is substantially lower in retail capture relative to Layton. Even Farmington has a slightly higher capture rate at 32 percent and is forecasted to grow to approximately 70-75% with the development of Station Park.

TABLE 1.21: TAXABLE SALES LEAKAGE COMPARISONS BY CATEGORY (CY2010, INCOME ADJUSTED)

CATEGORY	KAYSVILLE			LAYTON			FARMINGTON		
	PER CAPITA	TOTAL	CAPTURE RATE	PER CAPITA	TOTAL	CAPTURE RATE	PER CAPITA	TOTAL	CAPTURE RATE
Total Building & Garden	-\$682.33	-\$18,627,493	20%	\$393.87	\$26,512,019	159%	-\$854.47	-\$15,615,474	0%
Total General Merchandise	-\$2,806.28	-\$76,611,564	4%	\$1,366.23	\$91,962,063	160%	-\$2,904.71	-\$53,083,627	1%
Total Food Stores	-\$1,144.22	-\$31,237,145	37%	-\$358.91	-\$24,158,690	75%	-\$335.40	-\$6,129,402	82%
Total Motor Vehicle Dealers	-\$1,278.72	-\$34,909,128	36%	\$109.06	\$7,340,989	107%	-\$1,766.13	-\$32,276,100	11%
Total Apparel & Accessory	-\$619.51	-\$16,912,692	4%	\$394.87	\$26,579,268	178%	-\$595.52	-\$10,883,179	8%
Total Furniture	-\$511.35	-\$13,959,736	14%	-\$118.12	-\$7,950,473	75%	-\$573.76	-\$10,485,537	5%
Total Eating Places	-\$1,113.01	-\$30,385,270	27%	\$500.27	\$33,674,003	142%	-\$1,304.06	-\$23,831,774	15%
Total Miscellaneous Retail	-\$844.46	-\$23,053,887	44%	\$483.16	\$32,521,926	141%	-\$1,374.39	-\$25,117,030	9%
Hotels & Lodging	-\$506.91	-\$13,838,557	0%	NA	NA	NA	-\$509.51	-\$9,311,344	0%
Total Personal Services	-\$96.06	-\$2,622,503	27%	\$41.90	\$2,820,553	141%	-\$85.72	-\$1,566,571	35%
Total Business Services	-\$580.58	-\$15,849,781	20%	-\$321.12	-\$21,615,103	44%	-\$642.10	-\$11,734,430	12%
Total Auto & Misc Repair	-\$534.59	-\$14,594,431	27%	\$76.68	\$5,161,472	113%	-\$619.06	-\$11,313,267	16%
Total Entertainment & Amusement	-\$178.10	-\$4,862,240	58%	-\$66.25	-\$4,459,497	80%	\$1,796.60	\$32,832,927	524%
Total	-\$10,896.13	-\$297,464,427	24%	\$2,720.78	\$183,138,530	125%	-\$9,768.25	-\$178,514,808	32%

Based on the estimated leakage described above, the City should also be able to increase the sales tax revenue stream as additional commercial opportunities are pursued within the City. Based on 0.5% point of sale tax rate, the City could collect an additional \$1.4 million in tax revenue, assuming the City could capture 100 percent of retail sales that currently is being "leaked" to other communities.

TABLE 1.23: ESTIMATE OF POTENTIAL TAX REVENUE FROM LEAKAGE

RETAIL CATEGORY	ESTIMATED LEAKAGE	POTENTIAL TAX REVENUE
Building & Garden	(\$18,627,493)	\$93,137
General Merchandise	(\$76,611,564)	\$383,058
Food Stores	(\$31,237,145)	\$156,186
Motor Vehicle Dealers	(\$34,909,128)	\$174,546
Apparel & Accessory	(\$16,912,692)	\$84,563
Furniture	(\$13,959,736)	\$69,799
Eating Places	(\$30,385,270)	\$151,926
Miscellaneous Retail	(\$23,053,887)	\$115,269
Hotels & Lodging	(\$13,838,557)	\$69,193
Personal Services	(\$2,622,503)	\$13,113
Business Services	(\$15,849,781)	\$79,249
Auto & Misc Repair	(\$14,594,431)	\$72,972
Entertainment & Amusement	(\$4,862,240)	\$24,311
Total	(\$297,464,427)	\$1,487,322

BUYING POWER ANALYSIS

The buying power of Kaysville residents could increase by \$7.6 million annually through 2020 (\$2010), due to a population increase of approximately 5,297 residents.

TABLE 1.22: BUYING POWER ANALYSIS

	PER CAPITA SPENDING*	BUYING POWER GROWTH 2010-2020
Building & Garden	\$852	\$4,515,860
General Merchandise	\$2,908	\$15,406,240
Food Stores	\$1,826	\$9,672,798
Motor Vehicle Dealers	\$1,985	\$10,514,284
Apparel & Accessory	\$644	\$3,413,759
Furniture	\$598	\$3,167,756
Eating Places	\$1,527	\$8,089,903
Miscellaneous Retail	\$1,508	\$7,986,035
Hotels & Lodging	\$507	\$2,685,194
Personal Services	\$131	\$695,311
Business Services	\$723	\$3,829,099
Auto & Misc Repair	\$734	\$3,888,246
Entertainment & Amusement	\$421	\$2,230,614
Total	\$14,365	\$76,095,098
KAYSVILLE:	2010	2020
Population	27,300	32,597
Population Growth from Previous Period	NA	5,297

*Per Capita Spending is based on the statewide spending per capita, adjusted for higher incomes witnessed in Kaysville.

Source: LYRB

SUMMARY

From the sales leakage analysis it is apparent that the following opportunities for development may exist and be well received by Kaysville residents and businesses:

- Hotels and Lodging
- General Merchandise
- Food Stores and Eating Places
- Personal Services
- Apparel and Accessories

While the options above are consistent with sales leakage analysis and community input, the City will balance economic development and population growth to determine which options are feasible and desirable for the City. For example, apparel & accessory stores may not be a feasible development opportunity as they typically require a large cluster of businesses and buying power within a one to eight mile radius and Kaysville may not wish to compete with retail businesses in surrounding communities for that particular category.

APPENDIX A: HISTORIC RETAIL SALES MARKET COMPARABLES

KAYSVILLE

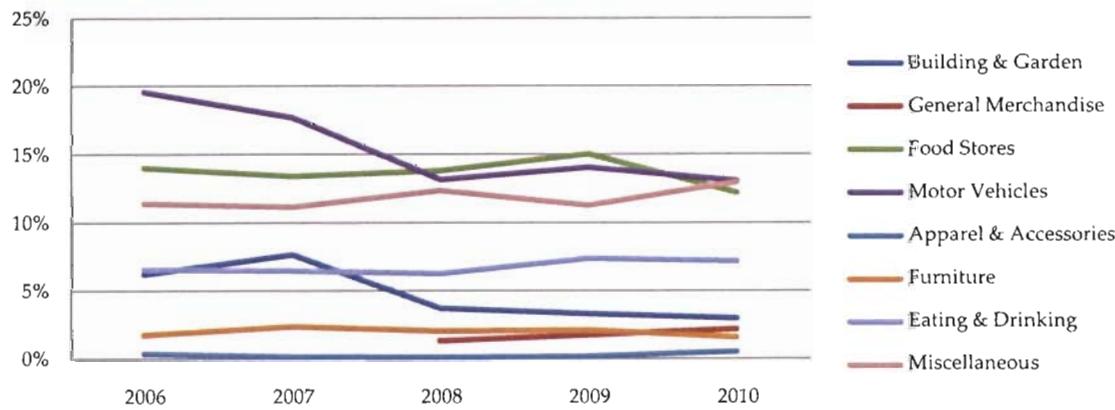
TABLE A.1: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$11,460,996	\$15,692,194	\$7,900,163	\$5,963,890	\$5,350,000
General Merchandise	\$154,198		\$2,818,319	\$3,136,517	\$3,950,000
Food Stores	\$25,876,423	\$27,432,995	\$29,267,987	\$27,111,226	\$21,968,060
Motor Vehicles	\$36,098,361	\$36,298,191	\$27,901,772	\$25,373,928	\$23,565,907
Apparel & Accessories	\$698,277	\$317,400	\$231,760	\$320,108	\$928,862
Furniture	\$3,241,938	\$4,835,421	\$4,308,619	\$3,806,768	\$2,863,601
Eating & Drinking	\$12,146,508	\$13,286,312	\$13,277,693	\$13,308,181	\$12,948,244
Miscellaneous	\$21,028,078	\$22,878,080	\$26,220,910	\$20,343,556	\$23,397,502

TABLE A.2: HISTORIC PERCENT OF GROSS TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	6.21%	7.65%	3.72%	3.30%	2.96%
General Merchandise	0.08%		1.33%	1.74%	2.19%
Food Stores	14.01%	13.37%	13.78%	15.01%	12.17%
Motor Vehicles	19.55%	17.69%	13.14%	14.05%	13.06%
Apparel & Accessories	0.38%	0.15%	0.11%	0.18%	0.51%
Furniture	1.76%	2.36%	2.03%	2.11%	1.59%
Eating & Drinking	6.58%	6.48%	6.25%	7.37%	7.17%
Miscellaneous	11.39%	11.15%	12.35%	11.26%	12.96%

GRAPH A.1: HISTORIC PERCENT OF TAXABLE SALES



LAYTON

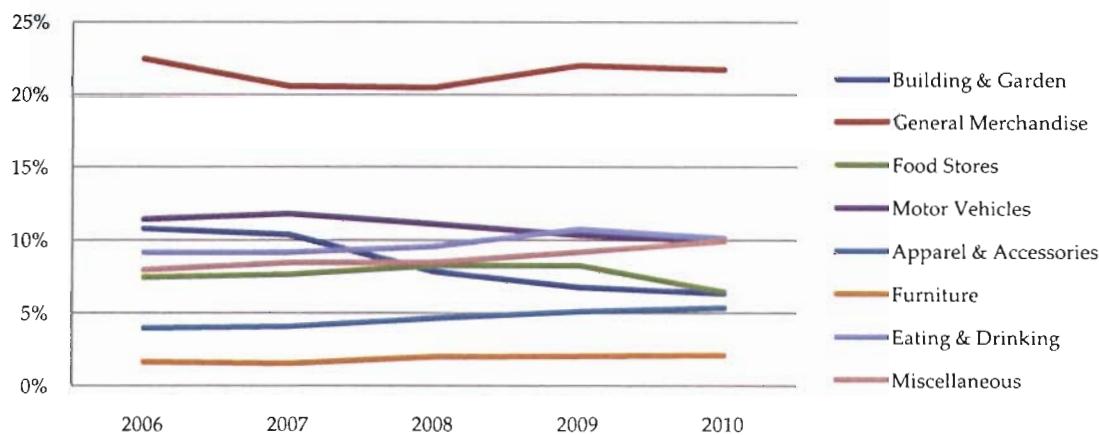
TABLE A.3: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$128,586,935	\$130,003,690	\$96,151,642	\$76,424,778	\$71,683,808
General Merchandise	\$267,468,070	\$258,233,935	\$251,698,676	\$249,414,770	\$246,069,463
Food Stores	\$88,276,617	\$95,727,299	\$101,119,371	\$93,588,646	\$72,597,545
Motor Vehicles	\$136,095,759	\$147,866,940	\$136,413,976	\$117,400,141	\$112,514,534
Apparel & Accessories	\$47,169,031	\$51,117,361	\$56,834,413	\$57,760,484	\$60,726,827
Furniture	\$19,349,955	\$19,012,901	\$24,169,292	\$22,949,870	\$23,736,337
Eating & Drinking	\$109,156,190	\$114,982,492	\$117,300,833	\$121,786,227	\$114,596,656
Miscellaneous	\$94,600,548	\$105,772,061	\$103,926,610	\$104,231,953	\$112,405,597

TABLE A.4: HISTORIC PERCENT OF TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	10.80%	10.37%	7.83%	6.74%	6.33%
General Merchandise	22.47%	20.60%	20.49%	21.99%	21.73%
Food Stores	7.42%	7.64%	8.23%	8.25%	6.41%
Motor Vehicles	11.43%	11.80%	11.10%	10.35%	9.94%
Apparel & Accessories	3.96%	4.08%	4.63%	5.09%	5.36%
Furniture	1.63%	1.52%	1.97%	2.02%	2.10%
Eating & Drinking	9.17%	9.17%	9.55%	10.74%	10.12%
Miscellaneous	7.95%	8.44%	8.46%	9.19%	9.93%

GRAPH A.2: HISTORIC PERCENT OF TAXABLE SALES



FARMINGTON

TABLE A.5: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$105		\$4,819	\$2,507	\$44,000
General Merchandise				\$14,522	\$340,000
Food Stores	\$4,495,777	\$7,174,290	\$24,959,430	\$27,577,486	\$27,412,589
Motor Vehicles	\$604,544		\$4,519,911	\$4,931,756	\$4,183,877
Apparel & Accessories	\$43,131	\$66,364	\$127,243	\$384,671	\$954,581
Furniture	\$3,907,824	\$4,612,015	\$4,285,540	\$1,080,535	\$499,168
Eating & Drinking	\$3,213,111	\$3,521,112	\$4,115,948	\$4,093,562	\$4,221,270
Miscellaneous	\$1,079,623	\$1,221,847	\$1,595,679	\$1,572,712	\$2,575,835

TABLE A.6: HISTORIC PERCENT OF TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	0.00%		0.00%	0.00%	0.04%
General Merchandise	0.00%	0.00%	0.00%	0.01%	0.28%
Food Stores	4.99%	6.38%	19.45%	24.73%	22.89%
Motor Vehicles	0.67%		3.52%	4.42%	3.49%
Apparel & Accessories	0.05%	0.06%	0.10%	0.34%	0.80%
Furniture	4.34%	4.10%	3.34%	0.97%	0.42%
Eating & Drinking	3.57%	3.13%	3.21%	3.67%	3.53%
Miscellaneous	1.20%	1.09%	1.24%	1.41%	2.15%

GRAPH A.3: HISTORIC PERCENT OF TAXABLE SALES

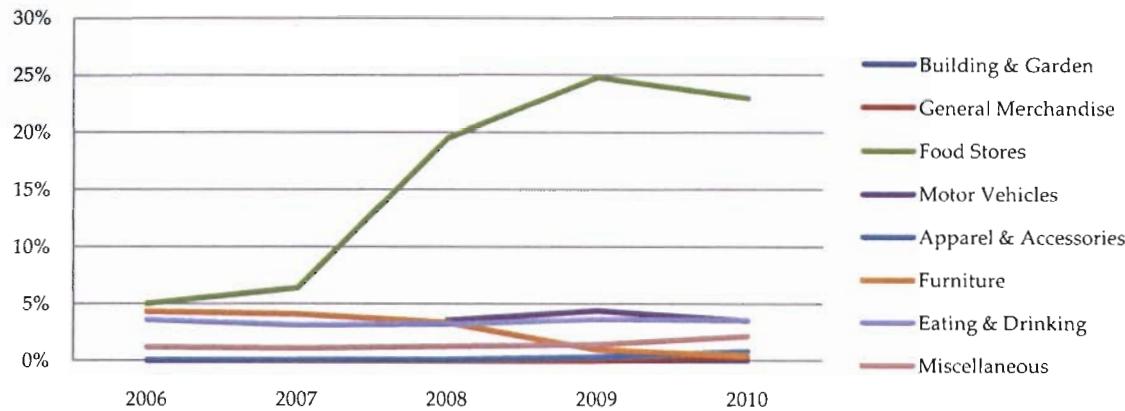
**CLEARFIELD**

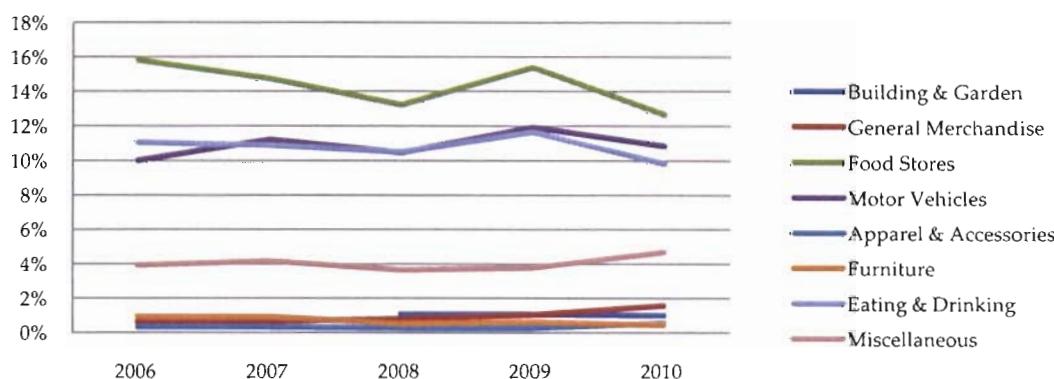
TABLE A.7: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$853,996		\$2,318,410	\$1,965,111	\$2,000,000
General Merchandise	\$1,215,596		\$1,332,856	\$1,729,671	\$1,945,197
Food Stores	\$30,304,118		\$30,114,986	\$28,236,706	\$28,808,910
Motor Vehicles	\$19,201,981		\$22,922,827	\$22,367,091	\$22,334,990
Apparel & Accessories	\$673,469		\$674,565	\$532,532	\$478,713
Furniture	\$1,781,125		\$1,897,702	\$1,120,139	\$1,142,577
Eating & Drinking	\$21,186,785		\$22,269,925	\$22,455,396	\$21,798,606
Miscellaneous	\$7,505,099		\$8,502,185	\$7,808,681	\$7,069,450

TABLE A.8: HISTORIC PERCENT OF TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	0.45%		1.08%	1.05%	1.01%
General Merchandise	0.63%		0.65%	0.81%	1.04%
Food Stores	15.81%		14.72%	13.20%	15.38%
Motor Vehicles	10.02%		11.21%	10.46%	11.93%
Apparel & Accessories	0.35%		0.33%	0.25%	0.26%
Furniture	0.93%		0.93%	0.52%	0.61%
Eating & Drinking	11.05%		10.89%	10.50%	11.64%
Miscellaneous	3.92%		4.16%	3.65%	3.77%

GRAPH A.4: HISTORIC PERCENT OF TAXABLE SALES



CENTERVILLE

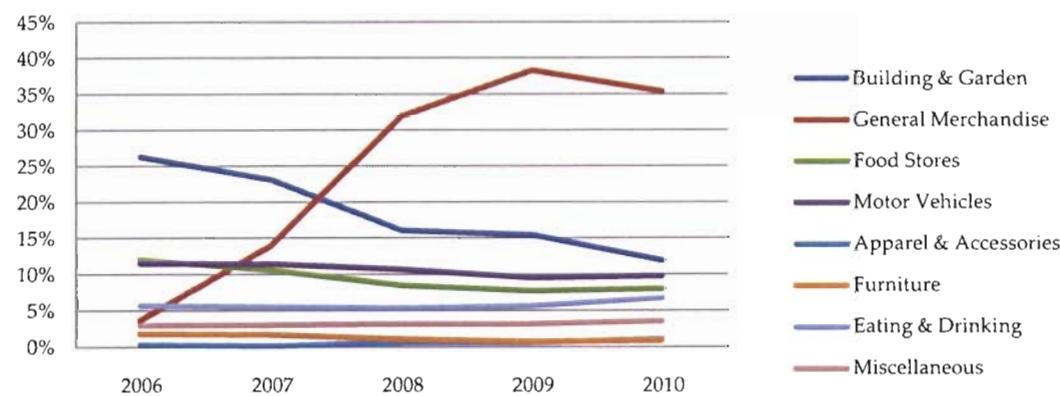
TABLE A.9: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$74,846,266	\$73,730,194	\$64,108,210	\$62,450,308	\$39,066,360
General Merchandise	\$10,433,785	\$44,396,841	\$127,627,401	\$155,014,398	\$116,266,436
Food Stores	\$34,189,285	\$33,590,777	\$33,595,589	\$31,204,393	\$26,221,366
Motor Vehicles	\$32,687,292	\$36,475,477	\$42,606,050	\$38,419,531	\$32,017,965
Apparel & Accessories	\$863,310	\$415,443	\$2,181,455	\$2,388,452	\$3,204,509
Furniture	\$5,108,728	\$5,320,188	\$4,093,966	\$2,709,311	\$2,738,295
Eating & Drinking	\$16,334,808	\$17,509,174	\$21,194,823	\$22,777,555	\$22,254,411
Miscellaneous	\$8,416,954	\$9,499,583	\$12,461,588	\$12,517,573	\$11,704,738

TABLE A.10: HISTORIC PERCENT OF TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	26.30%	23.12%	16.03%	15.43%	11.88%
General Merchandise	3.67%	13.92%	31.92%	38.29%	35.35%
Food Stores	12.01%	10.53%	8.40%	7.71%	7.97%
Motor Vehicles	11.49%	11.44%	10.66%	9.49%	9.73%
Apparel & Accessories	0.30%	0.13%	0.55%	0.59%	0.97%
Furniture	1.80%	1.67%	1.02%	0.67%	0.83%
Eating & Drinking	5.74%	5.49%	5.30%	5.63%	6.77%
Miscellaneous	2.96%	2.98%	3.12%	3.09%	3.56%

GRAPH A.5: HISTORIC PERCENT OF TAXABLE SALES



BOUNTIFUL

TABLE A.11: HISTORIC TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	\$5,106,426	\$5,520,185	\$6,134,199	\$5,437,756	\$4,452,347
General Merchandise	\$76,830		\$4,912,085	\$8,371,072	\$5,081,601
Food Stores	\$91,422,206	\$95,603,892	\$97,408,145	\$99,990,111	\$92,964,693
Motor Vehicles	\$128,000,849	\$130,635,136	\$143,580,435	\$88,931,821	\$85,948,762
Apparel & Accessories	\$6,212,509	\$6,405,827	\$8,726,355	\$8,787,146	\$8,168,203
Furniture	\$11,710,682	\$11,340,935	\$8,768,471	\$8,520,217	\$8,089,185
Eating & Drinking	\$31,520,824	\$32,109,916	\$33,465,697	\$33,303,684	\$31,401,328
Miscellaneous	\$29,252,524	\$26,032,126	\$23,664,560	\$24,516,234	\$23,597,245

TABLE A.12: HISTORIC PERCENT OF TAXABLE SALES

	2006	2007	2008	2009	2010
Building & Garden	1.21%	1.23%	1.22%	1.22%	1.05%
General Merchandise	0.02%		0.98%	1.88%	1.20%
Food Stores	21.70%	21.24%	19.35%	22.47%	21.95%
Motor Vehicles	30.38%	29.02%	28.52%	19.98%	20.29%
Apparel & Accessories	1.47%	1.42%	1.73%	1.97%	1.93%
Furniture	2.78%	2.52%	1.74%	1.91%	1.91%
Eating & Drinking	7.48%	7.13%	6.65%	7.48%	7.41%
Miscellaneous	6.94%	5.78%	4.70%	5.51%	5.57%

GRAPH A.6: HISTORIC PERCENT OF TAXABLE SALES

