



KAYSVILLE CITY CENTER COMMUNITY REINVESTMENT AREA FREQUENTLY ASKED QUESTIONS

What is a redevelopment agency?

A redevelopment agency is an entity authorized by the State of Utah for the purposes of implementing development goals of a community. The City Council members serve as the board members for the Kaysville Redevelopment Agency (RDA) and the Mayor serves as the Executive Director. In Kaysville, city staff may also do work for or represent the RDA.

What do redevelopment agencies do?

The RDA focuses on development, redevelopment, programs, partnerships, and other actions that encourage, enhance, and leverage private sector investment within a particular area of a community. RDA's generally focus on redevelopment and economic development. Redevelopment encourages private investment in areas that were previously developed and are in need of enhancement. For economic development purposes, the RDA works to increase jobs within the community and to generate additional revenues for the City.

What is a project area?

A project area is an officially adopted area of the city that has been identified as needing RDA assistance. Project areas are based on the needs of a particular area as well as best guesses on where development will occur. A project area may include undeveloped ground or areas of the City that are blighted, aged or in need of an update.

Does a project area increase my taxes?

No. The Redevelopment Agency has no power to set tax rates or levy property or sales taxes and the creation of a project area does not impact the property tax rate. Properties inside the project area will have the same tax rate after the creation of the project area as they do after it is created. Similarly, properties across the city will have the same tax rate after the creation of a project area that they do prior to the project area being approved. The property tax rate is set by the City Council, and any adjustments to the property tax rate requires the City Council to follow a truth in taxation process, outlined in state code.

How are project areas created?

RDAs create a project area by adopting a plan and a budget through a multi-stepped process outlined in [Utah State Code 17C Limited Purpose Local Government Entities - Community Reinvestment Agency Act](#). A project area must first go to public hearing to give the public an opportunity to express views on the proposed plan. State law requires that all properties included in the proposed project area boundary be mailed a public hearing notice at least 30 days prior to the hearing date. After the public hearing concludes, the RDA is free to act on the adoption of the project area. If the project area is adopted, the RDA will become primarily responsible for future projects in the project area.



The RDA will be holding a public hearing for the [Kaysville City Center Community Reinvestment](#) area on January 2, 2025 at 6:30 pm. You may also submit public comments prior to the meeting by sending an email to: PublicComment@kaysville.gov.

What are the quick facts on the proposed [Kaysville City Center Community Reinvestment](#)?

The project area includes property on Main Street and 200 North, which is the existing commercial core of the City and is 261.5 acres in size. The project area would begin collecting increment in 2025 and continue collecting increment for 15 years. The City would defer 80% of the property tax revenues to the RDA, and the RDA is asking participating taxing entities to defer 60%. During the 15 years the taxing entities continue to receive the same amount of property tax revenues as they did prior to the CRA being established. They would also receive 40% of the increase in property tax revenues and the City would receive 20%.

What happens after a redevelopment plan and budget are adopted?

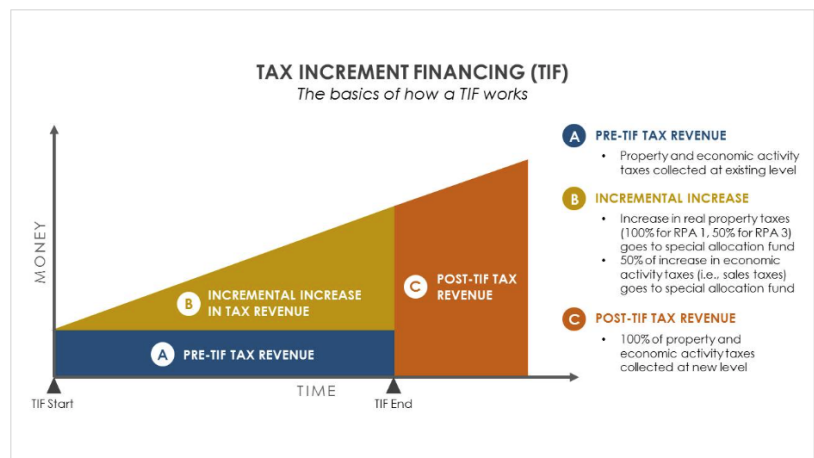
After plan and budget adoption, the RDA implements the plan as funds become available and as interested developers or property owners come forward. The RDA is required to adopt an annual implementation budget for each project area, which is done at the same time as the City adopts their budget. The RDA is also required to submit annual reports to the Governor's Office of Economic Opportunity.

What is the benefit of creating a project area?

The project area creates property tax increment which can help fund improvements within the project area boundary. Typically these improvements are also funded through the use of private investment such as developers.

What is Tax Increment Financing (TIF)?

Property tax increment is the increase in the property taxes generated in a project area above the property taxes generated in the base year defined in the project area plan. For a defined period of time, taxing entities agree to allocate a portion of the new growth of property tax revenues to the RDA. The new growth is called the incremental growth. The chart to the right is a good visual representation on how that works.



In very simple terms, if a property owner currently pays \$1,000 on property assessed at \$100,000 this year and the property is developed, those improvements will increase the property value. If the property has a new valuation of \$500,000, the property owner would then pay \$5,000 in property taxes. The \$4,000 in tax increase is called tax increment.

**Does the CRA effect zoning?**

No, the RDA has no authority over zoning and the CRA does not change zoning. The only way zoning can be changed is through a process which includes mailing public notices and then holding a public hearing with the Planning Commission. The Planning Commission makes a recommendation on the requested zone change and sends that recommendation to the City Council. The City Council then makes a decision on approving or denying the request at a City Council meeting.

My property is in the project area, should I be worried?

The inclusion of property inside an RDA project area shouldn't cause concern. The RDA will not condemn your property. Selling your property is voluntary. If you are approached by a developer, realtor or anyone who wants to purchase your property, you are under no obligation to sell to them.

Will eminent domain be used to acquire property?

The use of eminent domain is regulated by state code and will not be used by the RDA. The Kaysville City Center Community Reinvestment Project Area Plan states: The Agency may acquire property by negotiation, gift, devise, exchange, purchase, or other lawful method, but not by eminent domain (condemnation) unless from an Agency board member or officer with their consent. This means the only way eminent domain could be used is if the property were owned by the Mayor or a City Council Member, and only if they agreed to the RDA using eminent domain.

What happens after a project area plan and budget are adopted?

After plan and budget adoption, the RDA may negotiate participation agreements with a developer, business or property owner on a case by case basis. Participation agreements may assist with removal of development impediments like cleaning up contaminated property, demolition costs, construction of utilities or other items. With redevelopment it is difficult to define what this look likes, because we don't know what properties will be redeveloped or the timing for that redevelopment.

What happens when the project area expires?

When a project area expires, all the additional taxes created by the redevelopment revert to the taxing entities. The community benefits from the creation of revitalized, productive properties and the taxing entities get additional revenues that likely would not be as substantial without the creation of the project area and the investments made from the tax increment.

Do project areas or TIF take away money from other taxing entities?

If a taxing entity (Davis County, Davis School District, Mosquito Abatement District, Weber Basin Water Conservancy District, etc.) chooses to participate, they enter into an interlocal agreement with the RDA. The taxing entity is held harmless and receives the same amount of property tax revenues after the project area is created as they do before it was created. Taxing entities generally choose to participate because when a project area expires, the reinvestment made within a project area brings additional property tax revenue with new construction or buildings that are renovated. This causes the property valuation to increase and in turn, property tax revenues increase.