



ASSESSMENT AREA FINANCING

SUMMIT COUNTY

NOVEMBER 2017

ASSESSMENT AREA OVERVIEW

An Assessment Area is proposed by TCFC as a voluntary increase in property taxes on TCFC owned or related real property to fund a 20 year bond issued by Summit County for specific Canyons infrastructure, acquisition of property for Canyons Employee Housing, and off-site parking sponsored by Summit County for Canyons employees and guests.

TCFC engaged Energy Finance and Government Consulting (“EFG”) of Salt Lake City to prepare an assessment area bonding analysis to assist in financing certain infrastructure projects within the Canyons Village at Park City and for certain off-site parking requirements. As part of the scope of services EFG has prepared detailed Assessment Bond financial models to illustrate the estimated amount of bond proceeds proposed for use in financing improvements and the impact the assessment will have on end users.

Assessment Bond net proceeds for projects are estimated at \$23M. The total Assessment Bond including issuance costs and interest reserve will be approximately \$26M. Annual Assessment payments to end users are estimated at a monthly payment of \$77 per 1,000 sq. ft. of space to be paid over a period of 20 years. The improvements financed from the Assessment Bond will be on property owned by Summit County.

The financing mechanism allows for public financing without the County issuing general obligation bonds or allocating County Capital Project Funds. This type of financing tool allows growth-to-pay for improvements without burdening current residents.

TCFC and Replay continue to develop infrastructure to enhance the Canyons Village at Park City which include:

- Development of new roads to improve traffic flow and enhance visitor experience
- Acquisition of LV6 for the development of employee housing providing on-site housing for the Canyons Village and mountain workforce
- Off-site parking providing employee, day skier, event parking for the resort and other parts of Summit County

TCFC and Replay believe this public-private partnership with Summit County to fund necessary improvements provides a long term, permanent benefit for both the resort and the larger surrounding community.

BENEFITS TO SUMMIT COUNTY

Over the same 20 year Assessment Bond term, Summit County and other taxing agencies stand to benefit tremendously from the incremental tax generated by the build-out of Canyons Village.

It is anticipated that approximately \$561M in incremental Property Tax Revenue will be generated over this period including Transient Room Tax and Sales & Use Tax from Canyons Village real estate development. This estimate does not include additional tax revenue from food, restaurant and other retail tax revenue.

Additional benefits include:

- Facilitates development of a cohesive infrastructure plan via public-private partnership funding critical to supporting the ongoing overall Canyons Village development
- Does not burden Summit County’s Capital Project budget
- Does not impact Schools
- Alleviates employee and visitor traffic flow and provides additional offsite parking
- Facilitates affordable employee housing solutions for Canyons employees without subsidy

Incremental Tax Revenue Over 20-year Period ⁽¹⁾

Canyons Village, Park City

Property Tax Revenue to Agencies ⁽²⁾

Summit County	\$12,302,295
County Municipal Service Area	15,293,128
Weber Basin Water Conservancy District	3,967,839
Park City Fire District	16,768,606
Summit County Mosquito Abatement District	697,861
Snyderville Basin Recreation District	21,992,595
Park City School District	88,947,386
Assessing and Collecting	<u>4,087,472</u>
Total Incremental Property Tax Revenue	<u>\$164,057,182</u>

Transient Room Tax ⁽³⁾

Room Sales Tax	\$104,210,161
Transient Room Tax	<u>47,729,845</u>
Total Incremental Transient Room Tax Revenue	<u>\$151,940,006</u>

Additional Sales & Use Tax ⁽⁴⁾

Additional Sales & Use Tax Revenue	<u>\$245,032,749</u>
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Total Incremental Tax Revenue ⁽⁵⁾

\$561,029,937

Footnotes

(1) For discussion purposes only. Forward looking estimates.

(2) Source: LYRB

(3) Illustrates an estimate derived from the incremental lodging units anticipated to be added to the Canyons Village assuming a 65% occupancy and \$250 ADR associated. Tax rates pursuant to Utah Code Title 59, Ch. 12.

(4) Illustrates an estimate derived from the incremental Canyons Village overnight visitors. Daily expenditures per person derived from the Park City Chamber & Visitors Bureau - Park City 2013 Visitor Profile inflated to today's dollars less lodging expenses. Tax rates pursuant to Utah Code Title 59, Ch. 12. Does not include additional revenue from daily visitors.

(5) Excludes Grocery Food Tax, Restaurant Tax, Short Term Leasing Tax and Impact Fees.

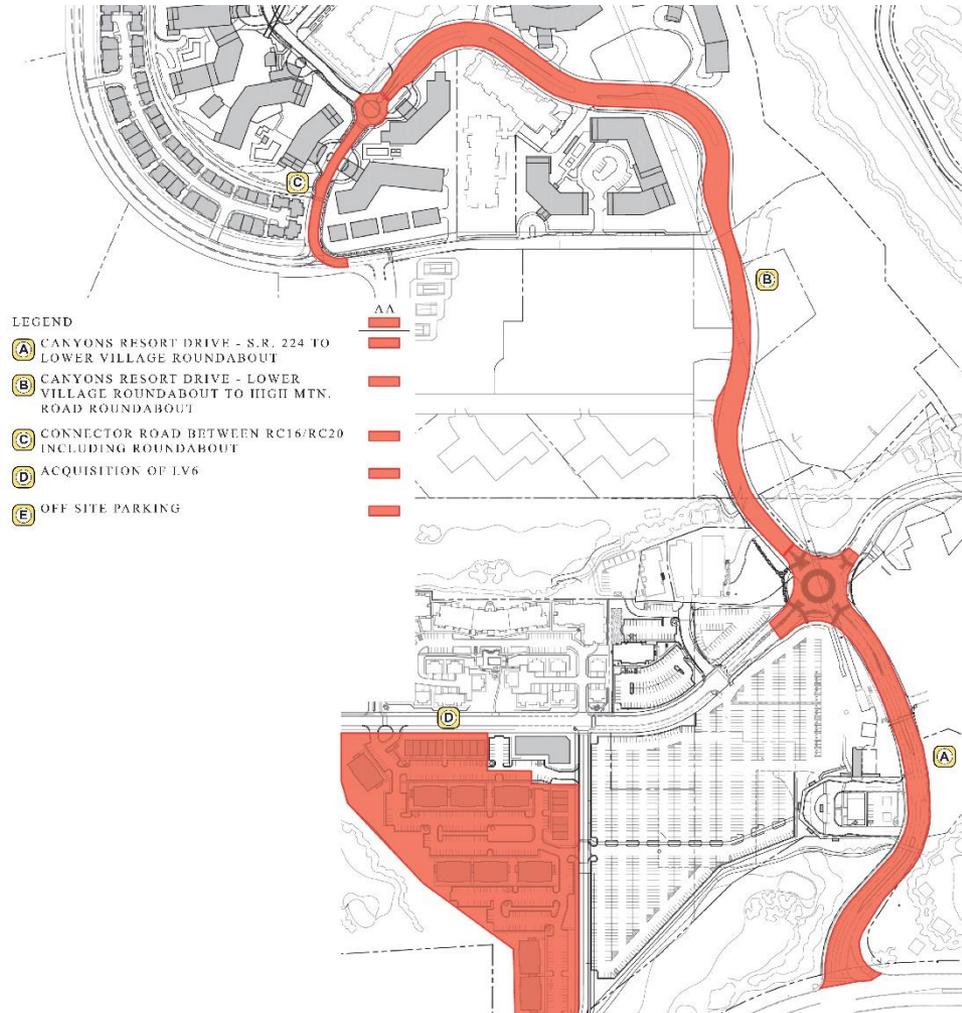
INFRASTRUCTURE LIST

- The Assessment Area Projects list illustrated in the table below are infrastructure improvements proposed to be financed through the Assessment Area. The Canyons Village and mountain vicinity will benefit from the assessment funding to expedite the construction for required improvements
- Total Assessment Area project costs are estimated at \$23M
- Project costs are estimates and are subject to change based on actual costs

Assessment Area Projects

Exhibit	Project	Year	Total
A	Canyons Resort Drive - Lower Village	2018-2020	2,300,149
B	Canyons Resort Drive - Resort Core	2018	400,000
C	Road Between RC16/RC20 - Resort Core	2018	899,851
D	Acquisition of LV 6 - Lower Village	2018	14,400,000
E	Off Site Parking	TBD	5,000,000
Total			23,000,000

PROJECT MAP – RESORT CORE & LOWER VILLAGE



PROJECT MAP – OFF-SITE PARKING



PROJECT LIST: EXHIBIT A

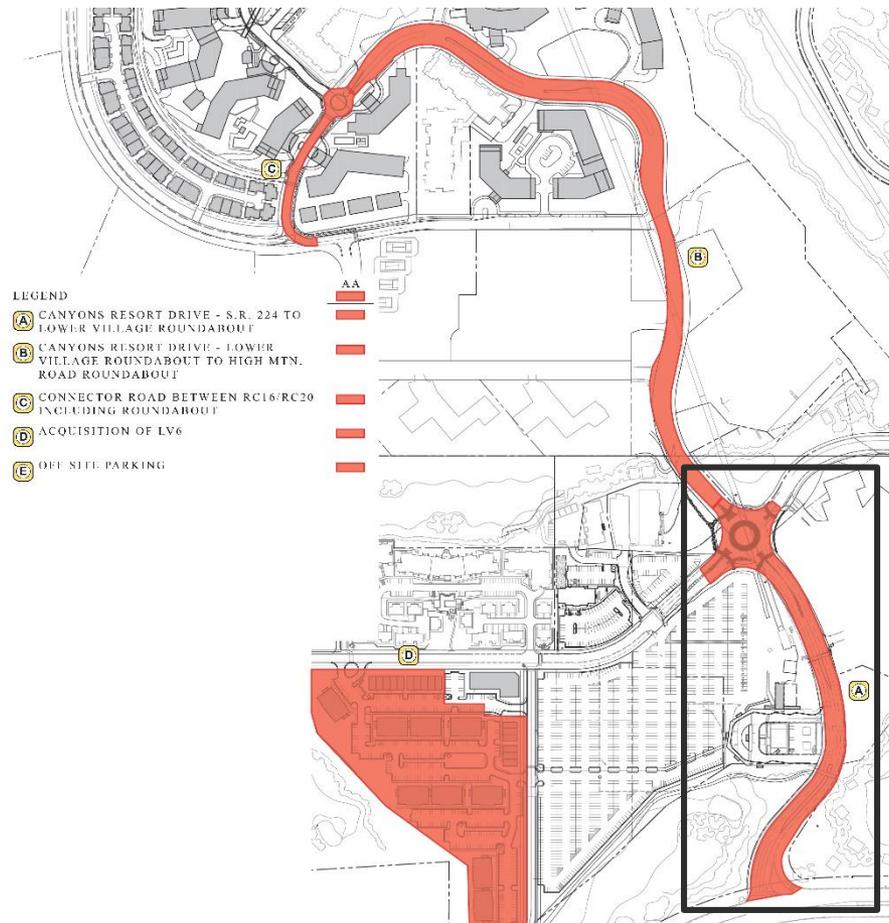
Canyons Resort Drive & Roundabout – Lower Village

Benefit: Widening of Canyons Resort Drive to 2 lanes in each direction with a center turn lane to allow for better traffic flow, widening of the roundabout to 2 lanes and upgrades to pedestrian crossings and safety.

- Cost: \$2,300,149

- Schedule: Summer 2018 - 2020

- Financing Mechanism: Assessment Bond



PROJECT LIST: EXHIBIT B

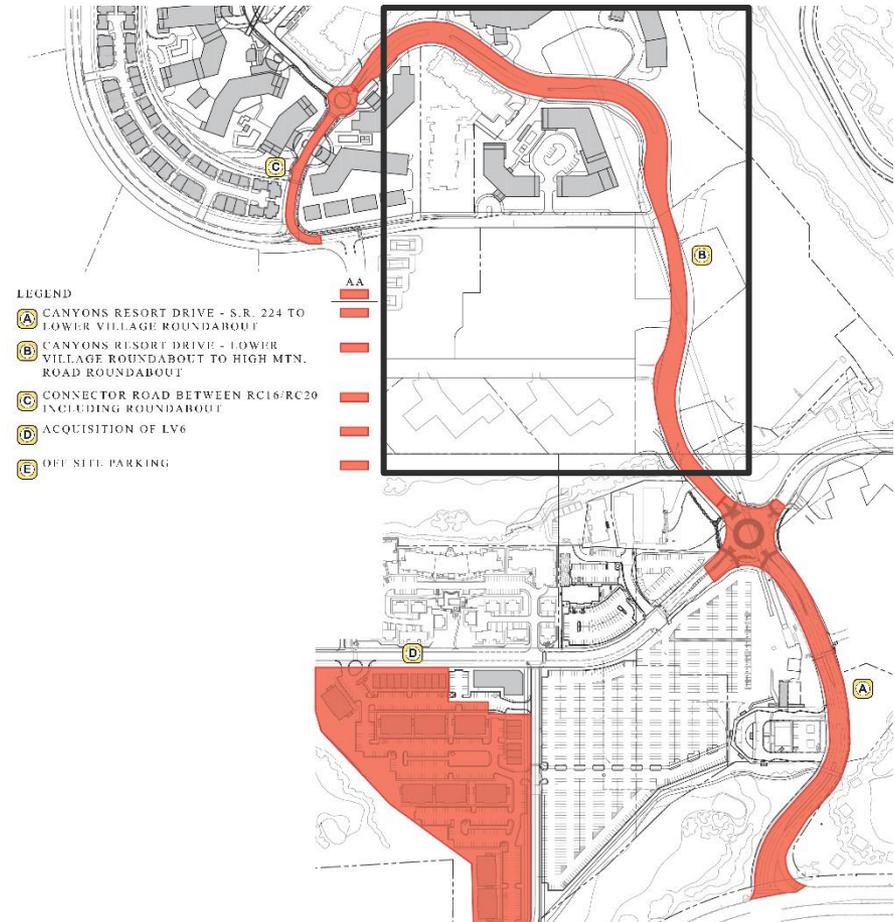
Canyons Resort Drive – Resort Core

- Benefit: Left and Right turn pockets to be installed to access hotel sites. Conform road improvements to meet county standards.

- Cost: \$400,000

- Schedule: Summer 2018

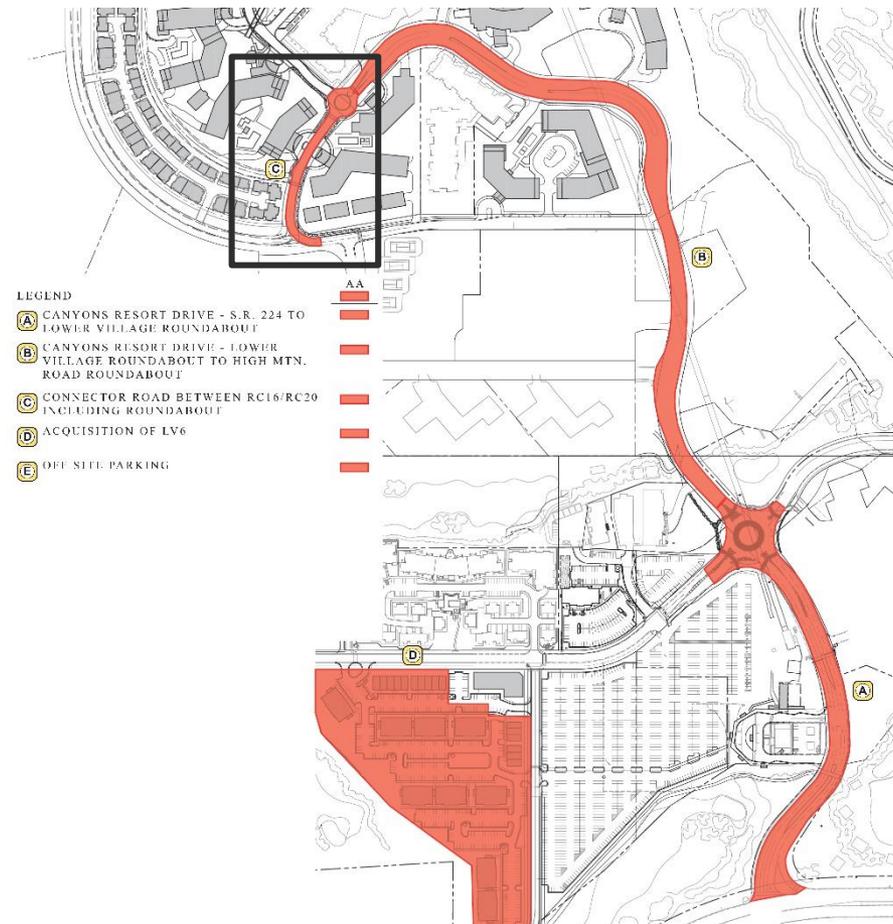
- Financing Mechanism: Assessment Bond



PROJECT LIST: EXHIBIT C

Connector Road Between RC 16/RC 20 Including Roundabout – Resort Core

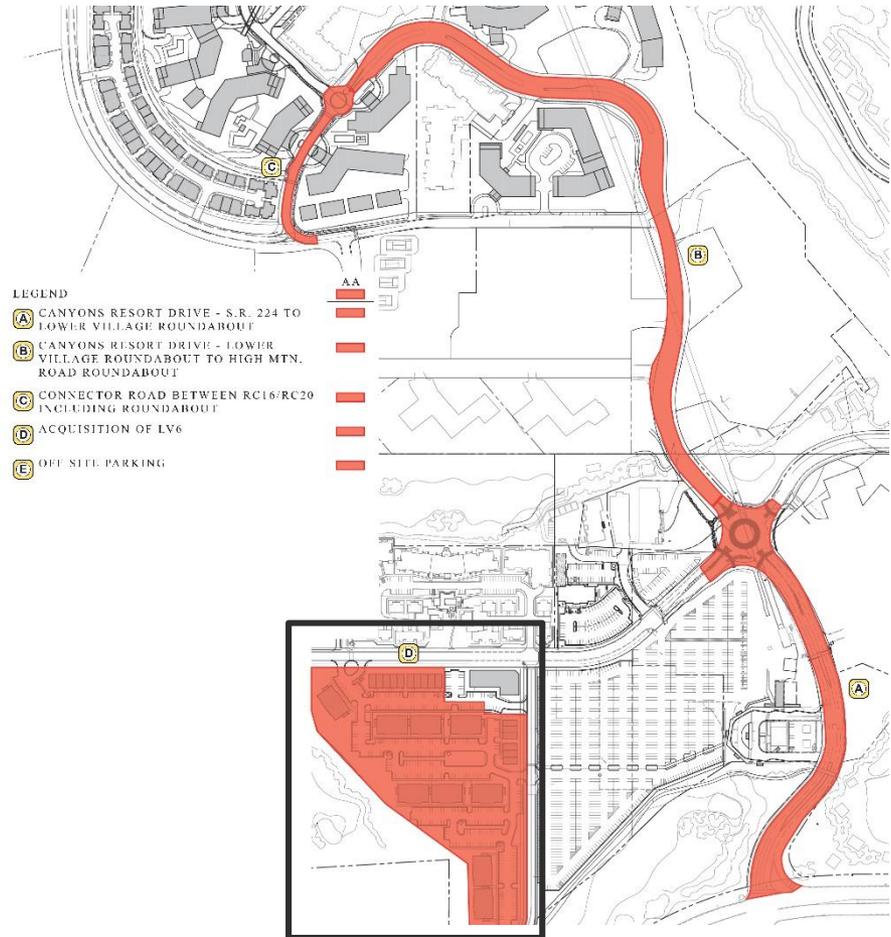
- Benefit: Provides access to RC16 and RC20 and facilitates parcel development as well as Summit Count approved circulation pattern with Canyons Resort Drive and Red Pine Road
- Cost: \$899,851
- Schedule: Summer 2018
- Financing Mechanism: Assessment Bond



PROJECT LIST: EXHIBIT D

Acquisition of LV6 – Lower Village

- Benefit: Facilitates the development of the employee housing project required for the build out of the Canyons Resort
- Cost: \$14,400,000
- Schedule: Spring 2018
- Financing Mechanism: Assessment Bond



PROJECT LIST: EXHIBIT E

Off-Site Parking

- Benefit: As part of the overall Summit County transit system, off-site parking improvements will help reduce vehicular traffic within the resort and replace parking on parcels which are anticipated to be developed. Off-site parking improvements and Potential Additional Parking will be located at the Ecker View Area or another area(s) as designated by Summit County.
- Cost: \$5,000,000
- Schedule: TBD
- Financing Mechanism: Assessment Bond



