



REDEVELOPMENT AGENCY Questions and Answers - 2012

Many Lindon residents may have heard of the Lindon City Redevelopment Agency (RDA), but many of you may not have a full understanding of what the Agency is or how it works. Below you will find answers to commonly asked questions regarding the RDA and how it affects the city and you.

What is the Lindon City RDA? RDA stands for “Redevelopment Agency.” Lindon’s city fathers created the Lindon City RDA in the 1980’s and, at different times, established three Project Areas in the city. These areas are State Street (includes most of the area on both sides of State Street), District 3 (includes Home Depot and the Technology Park), and West Side (includes much of the area west of Geneva Road). Each Project Area has a life span of 25 years with the percentage of tax increment decreasing every 5 years. The West Side Project Area has expired and is no longer active. The State Street Project Area expires in 2020; District 3 Project Area expires in 2016. The City Council acts as the RDA Board of Directors.

What is the purpose of the RDA? The Redevelopment Agency was established to help re-develop property within the boundary of each project area, up to 100 acres in each area. The RDA has helped businesses locate in the South Towne Business Mall on State Street, Home Depot and Center 7 Technology Center in District 3, and Schaeffer Industries on the West Side. The RDA normally helps defray expenses of infrastructure installation, such as utility lines, streets, curb, gutter, and sidewalks which thereby assists businesses to locate in a particular area.

How is the RDA Financed? The RDA receives a portion of property taxes generated within a Project Area. The amount received is called “tax increment.” The tax increment is calculated by taking the base year’s property tax when the area is undeveloped or underdeveloped then comparing the property tax after development has occurred. The difference is tax increment, or the property tax increase. This revenue is used to help businesses defray infrastructure expenses normally incurred through the development process. Tax increment can only be used within the boundaries of the Project Area and cannot be used to supplement General Fund expenditures.

Are there RDA Projects Planned? Yes. The Council has wisely accumulated funds for a few infrastructure projects planned for this year. The District 3 Project Area, where Home Depot and the car dealerships as well as the technology park are located, will have curbs, gutters, sidewalks, and landscaping completed throughout the area. The West Side Project Area will have water and sewer lines extended and street improvements constructed.