



State of Utah

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Office of the Lieutenant Governor

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Local Entity Specialist

December 16, 2025

NOTICE OF PROPOSED PRELIMINARY MUNICIPALITY AND PUBLIC HEARING

The Office of the Lieutenant Governor oversees the creation of new cities and towns in a process known as incorporation. An individual filed a request with our office to create a preliminary municipality known as Willow. On July 14th, 2025, the Office of the Lieutenant Governor commissioned LRB Public Finance Advisors to conduct a feasibility study to determine if the proposed area is financially viable. On November 11th, 2025, the feasibility consultants released the results of the study which found that the “**five-year average revenue margin is at 12.4 percent, which allows the incorporation process to proceed...**” Pursuant to Utah Code §10-2a-506(1) the incorporation process will now proceed to the public hearing phase.

The public hearing regarding the proposed preliminary municipality known as Willow will be held at the following location and time:

Date: January 7, 2026

Time: 6:00 P.M. - 8:00 P.M.

**Location: BALLROOM A
Kanab Center
20 N. 100 E.
Kanab, UT 84741**

The purpose of the public hearing is to allow the feasibility consultants to present the results of the feasibility study to residents and property owners, allow members of the public to express their views about the proposed incorporation and the established boundaries, and to permit the public to ask the feasibility consultants questions about the study. Attached to this notice is the summary of the feasibility study. A full copy of the study is available at <https://ltgovernor.utah.gov/incorporations/> as well as the Office of the Lieutenant Governor, 350 North State Street, Suite 220, Salt Lake City, Utah 84103. **Additionally, if you would like to submit a question to ask LRB Public Finance Advisors during the public hearing, we invite you to submit those questions in advance at the following link:** <https://ltgovernor.utah.gov/incorporations/>

According to Utah Code §10-2a-507, any time within one year after the completion of the public hearing, owners of the property who filed the feasibility request under Utah Code §10-2a-502 may proceed with the incorporation process by filing a petition for incorporation of the proposed preliminary municipality.

If you would like to contact the Contact Sponsor of the Willow Preliminary Municipality, please call or email Greg Whitehead at 801-203-0231 or email greg@philo.ventures.

If you have any questions regarding this notice, please contact the Office of the Lieutenant Governor.

Phone: 801-538-1041

Mailing address: 350 North State Street, Suite 220, Salt Lake City, Utah 84103

Email: incorporations@utah.gov

Regards,

Jordan Schwanke

Local Entity Specialist

Office of the Lieutenant Governor

SECTION 1: EXECUTIVE SUMMARY

LRB Public Finance Advisors (LRB) was retained by the Office of the Lieutenant Governor (OLG) to complete a preliminary feasibility study related to incorporation of an unincorporated area within Kane County (the County) as outlined in Utah Code §10-2a-504. The purpose of the Executive Summary is to fulfill the requirements established in §10-2a-504(2)(c)(iii) which requires the feasibility consultant to submit a completed feasibility study, including a one-page summary of the results. The purpose of this study is to compare the fiscal impact to the residents of Willow (Town or Study Area) if the County continues to provide services through the General Fund (GF) or if a newly incorporated Town provides services at a similar quality and level of service (LOS) that are provided to the area surrounding it. Assuming the Town incorporates, the results show the **five-year average revenue margin is at 12.4 percent, which allows the incorporation process to proceed** pursuant to §10-2a-504(4).

TABLE 1.1: FISCAL IMPACT TO STUDY AREA SUMMARY

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	AVERAGE
Total Revenue	\$370,563	\$512,903	\$790,671	\$997,032	\$1,245,992	\$783,432
Total Expense	\$343,456	\$429,532	\$618,052	\$854,073	\$1,184,646	\$685,952
NET REVENUE (EXPENSE)	\$27,107	\$83,371	\$172,619	\$142,959	\$61,346	\$97,480
					Revenue Margin	12.4%

Table 1.2 provides a summary of the tax impact to a median home (\$475,000) in the Study Area if incorporation occurs. The amounts shown represent the new tax needed to balance the Town's budget. Based on an estimated tax rate that is proportionate to municipal service levels provided in other Counties, an additional Willow rate above the County's calculated proportionate rate is not necessary to provide sufficient funding for the Study Area.

TABLE 1.2: TAX IMPACT TO STUDY AREA SUMMARY

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PROPORTIONATE MSF COUNTY RATE	0.001083	0.001083	0.001083	0.001083	0.001083
Additional Levy to Balance Budget	0.000000	0.000000	0.000000	0.000000	0.000000
TOTAL TOWN RATE (COUNTY & TOWN LEVY)	0.001083	0.001083	0.001083	0.001083	0.001083
NET IMPACT ON MEDIAN HOME (\$475K)	\$0	\$0	\$0	\$0	\$0

Because Kane County does not charge a separate municipal services tax rate, the County will not experience any impact in revenues from property taxes as new residents will continue to pay taxes to the County's GF if incorporation occurs. In the event of incorporation, the County would likely experience:

- A **revenue loss** for municipal services (modeled as the projected revenue for the Town) and
- A **revenue gain** through both the Sheriff's Department and elections

It is probable that the County's GF will experience other decreases in expenses following the incorporation of the Town. Furthermore, the County would receive additional property tax revenues to the GF from the proposed residential and commercial development in the Study Area. Municipal services provided by Special Service Districts, Improvement Districts, and private companies will continue to be provided regardless of the incorporation.

