

NORTH SALT LAKE CITY  
REDEVELOPMENT AGENCY MEETING  
MARCH 17, 2015

**FINAL**

Chairman Len Arave called the meeting to order at 6:34 p.m.

PRESENT: Chairman Len Arave  
Board Member Matt Jensen  
Board Member Brian Horrocks  
Board Member Conrad Jacobson  
Board Member Stan Porter  
Board Member Ryan Mumford

STAFF PRESENT: Barry Edwards, City Manager; Ken Leetham, Assistant City Manager and Community and Economic Development Director; Paul Ottoson, Public Works Director and City Engineer; Jon Rueckert, Assistant Public Works Director; Janice Larsen, Finance Director; Chief Craig Black, Police Chief; David Church, City Attorney; Brent Moyes, Golf Course Director, Linda Horrocks, Deputy Recorder; Andrea Bradford, Minutes Secretary.

OTHERS PRESENT: Emma Mulitalo, Jeff Mulitalo, Pam Gaz, Ruthe Okowa, Akiko Okawa, Jim Bond, Richard Brierley, Curtis Richy, George Zieb, Herb Henderson, Suzanne Henderson, Marianne Henderson, Barry Bryson, Brent Cullimore, Brian Muir, Nate Hillyard, Robert Rosier, Karen Rosier, Dennis Strong, Dave Robinson, Bradon Capener, Craig Harris, Sandy Harris, Gary Glark, Jared Wendel, Brandi Wendel, Kristin Smith, James Hood, Bill Hammond, Jeff Holmano, Emily Coombs, Cindy Pond, Lisa Baskin, Ralph Pond, Max Patterson, Moana Patterson, Elizabeth Busdicker, Lauren Cunningham, Brenley Bailey, Rod Fraizer, Adrian Williams, Thomas Williams, residents; Danny Davis, Pedro Salvado, Lisa Peterson, Wayne Peterson, Randy Mansfield, Susan Mansfield, Allen Harris, Bountiful residents; Cami Hamilton, Lewis Young Robertson Burningham (LYRB).

1. PUBLIC HEARING TO RECEIVE COMMENT ON THE PLAN FOR THE  
PROPOSED HIGHWAY 89 COMMUNITY DEVELOPMENT PROJECT AREA

Cami Hamilton, Lewis Young Robertson and Burningham (LYRB), provided an overview on the Community Development Area (CDA) for Highway 89 project. Under Utah Code 17C, communities have the authority to create a redevelopment area through the Redevelopment Agency (RDA) of North Salt Lake which can also include three separate areas including a community development area (CDA), an economic development area (EDA) or an urban

renewal area (URA). In this case this will be a CDA which will encourage community enhancement and assistance. If a CDA is established this allows the City to have additional revenue sources, through tax increment funds, to be used for existing businesses, new development, infrastructure improvements, affordable housing, crime reduction, expanded employment opportunities or other community concerns. One limitation of a CDA is that the City does not have the power of eminent domain which means they cannot force a property owner to sell their property if they are not willing to do so. The proposed funds are not an additional tax in the area and taxes are not being raised. Tax increment is for the purpose of taxing entities that collect taxes in the area the property value is frozen at a certain year and all of the taxing entities will receive the same tax revenue for the base year for a period of time.

Barry Edwards explained that property taxes would be frozen for a period of time and would then be distributed with 40% to the agency and 60% to all the taxing entities.

Board Member Jensen said that the property would pay taxes as they increase but the City would not get that increase in taxes for 15 years and that is where the extra money comes from. The City will continue to receive money as if it was 2014 even though the properties will increase in value and pay increased taxes. The difference is how the City will be able to fund these proposed projects. The City and taxing entities have agreed to take fewer taxes for a time.

Chairman Arave commented that the City was not targeting residential areas. The CDA is considering vacant and blighted properties along US Highway 89. He explained that the goal is to create incentives for development Highway 89 and that the City would like to be able to offer a developer a small break on increased property taxes.

Cami Hamilton said that during the base year the taxes will continue to go to the taxing entities and the City will receive the same tax revenue they have previously received. As development occurs in the area tax revenue will grow with a portion to go to the taxing entities with the remaining amount to go to the City to be put back into the area. The first steps include the City and the RDA approving the creation of a project area plan and passing a resolution which was approved in July 2014. The County then approves a resolution for unincorporated parcels. LYRB then assisted the City in putting together some development ideas and the cost benefit. Notice was given 30 days ago of the proposed project area plan and budget. This was made public for 30 days for residents to review with a public hearing to be held tonight. The City then has the opportunity to approve the creation of the CDA through a resolution and an ordinance. Secondary steps include researching potential development and project needs, drafting the project area plan and budget and negotiating and adopting the CDA.

Cami Hamilton said that this CDA includes 127 acres along Highway 89 and the City estimates that only about 65 acres are undeveloped or underutilized and could be developed in the future. There is residential in the area but they will not be affected. Barry replied that the only way residential would be affected is if they qualify for the housing program and assistance for house repairs, etc.

Chairman Arave commented that this would not affect tax rates for any individual and that it is an agreement between the City, RDA, County and the school board on how the tax increment would be divided. He also said there were no proposed zoning changes in this area.

Cami Hamilton then said that the current land use division for the 65 acres is 37% retail, 23% residential and that the proposed use is 10 acres of retail, 26 acres of office and 28 acres of residential within the proposed 15 year timeframe with the first tax increment to be received in 2017. The base year would be 2014 and the trigger year is 2016 with the end year to be 2031.

Chairman Arave commented that these types of CDA are occurring all over including in Bountiful and that it is important the City has a CDA to encourage development in vacant and underutilized areas. Cami Hamilton commented that this will be another funding source to encourage development and job creation and that they estimate this CDA will create 400 new jobs. She clarified that the next steps would be the RDA public hearing to adopt the project area plan, then negotiations with the taxing entities, the tax entities consider Interlocal Agreements to participate in the CDA then a summary of the Interlocal Agreements is published in the newspaper.

Barry Edwards reported that the proposed specific development projects include the Orchard Lanes Redevelopment project, a ten unit condo project and a land use study to see how property value would be affected along Center Street and Highway 89, reconstruction on 130 East, sidewalk repair, pedestrian access and landscaping, assistance with redevelopment and underutilized areas. Other projects include assistance with new housing or housing rehabilitation, funding for planning tools moving forward and help with the rapid transit system.

Board Member Porter commented that the most successful EDA in the City is the FedEx Ground facility. The land was underutilized before but now brings in revenue and employs many people. He also mentioned the Orbit Sprinkler RDA which brought a lot of jobs into the area as well and revitalized a vacant property.

**Chairman Arave opened the public hearing to receive comment on the plan for the proposed Highway 89 Community Development Area at 6:58 p.m.**

Brian Muir, 410 East 900 North, asked about economic development and the conceptual plan to develop the economy. He mentioned that transit and freeway exits were possibly planned for the south entrance of the City and asked how that would tie into the economic development in the area. Barry Edwards replied that the vast majority of the vacant property on 1100 North is owned by the Calder Brothers. The City will work with the Calder Brothers to exchange property and move the road. The Calder Brothers would then be able to develop their complete piece of property along the frontage road.

Chairman Arave also commented that there is a master plan planned for a better mass transit system (BRT) down Highway 89. He also said that economic development would come in on the 2600 exit corridor.

Brian Muir asked how this would impact the residential neighborhood there. Chairman Arave replied that the City would have no say in the development of the vacant Kmart building as that is in Woods Cross but that they would work to keep the accesses open once the BRT system was installed.

George Zieb, 830 South 850 East, commented that the area may attract a business park or a large hotel and does not want it to be parceled out as it is near residential and would drive down property values and recommended that the City hold out for a larger development. He also asked if neighbors could be notified. Chairman Arave responded that the City has a great economic development committee which will ensure that the area develops nicely.

Barry Edwards said that notice would be given for the conditional use permit and recommendation was given that homeowners sign up for the City's newsletter and meeting agendas.

Board Member Jensen commented that the focus of the CDA is on the vacant parcels and that if someone prefers to build a large project there they would need to go to each property owner and buy them out individually.

Bill Hammond, 627 Edgewood Drive, commented that he is a resident of the City and also owns a building in the proposed CDA area. He asked if since this is 15 year period if a development occurred in the next 3-5 years if they would be eligible for any participation in the program and if money would also be available for improvements to existing buildings. Barry Edwards responded that that funding may be available for existing buildings and also in the 3-5 year period for new development.

Herb Henderson, 922 West 4000 South, commented that he does not want to develop his property and has concerns as to why the City would take property that did not belong to them. Chairman Arave clarified that the City would not force anyone to do anything. He said there may be funds available to those interested but that the City would not and could not force those who did not want to participate. He also said that the taxpayers would not be affected.

Sandy Cullimore, 4301 South Highway 89, asked how this project would impact the residents. She asked if roads would be widened and if curbs and gutters would be replaced. Board Member Porter replied that the sidewalks are in bad shape and that they may be replaced as CDA money can be used for infrastructure improvements. He also said that Highway 89 is a State road so the City would not widen the road but the State could widen it at some point.

Kristin Smith, 191 Odell, expressed concern with the two vacant lots near her and asked if improvements would be made to that area. Barry Edwards replied that the motivation is to get the highest and best use for the property as this generates more property taxes and higher property values.

Kristin Smith also commented that the City Center and City Hall was so nice and everything else along Highway 89 was not. She asked if money could be put into developing the corridor, bus stops and sidewalks. Chairman Arave responded that the purpose of the CDA is to put money into the Highway 89 and 2600 South areas.

Damon Cross, 150 South Orchard, asked if any sidewalks were planned for Orchard between the round-about and the elementary school. Barry Edwards replied that the City has applied for grants for funding for those improvements and that this was a priority for the City.

**Chairman Arave closed the public hearing at 7:18 p.m.**

2. CONSIDERATION OF RESOLUTION RDA-2015-01R ADOPTING THE PLAN FOR THE PROPOSED HIGHWAY 89 COMMUNITY DEVELOPMENT PROJECT AREA

**Board Member Jacobson moved to adopt RDA-2015-01R for the proposed Highway 89 Community Development Project Area. Board Member Porter seconded the motion. The motion was approved by Board Members Arave, Jensen, Horrocks, Jacobson, Porter and Mumford.**

3. CONSIDERATION OF RESOLUTION RDA-2015-02R APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE AGENCY AND THE CITY OF

## NORTH SALT LAKE FOR THE HIGHWAY 89 COMMUNITY DEVELOPMENT PROJECT AREA

Barry Edwards reported that this is the agreement between the RDA agency and the City and that this is a cross approval agreement.

Board Member Jacobson explained that the Redevelopment Agency (RDA) is a separate entity from the City so they must be in agreement as an RDA and as a City.

**Board Member Jacobson moved to approve RDA 2015-02R approving an Interlocal Agreement between the Agency and the City of North Salt Lake for the Highway 89 Community Development Project Area. Board Member Horrocks seconded the motion. The motion was approved by Board Members Arave, Jensen, Horrocks, Jacobson, Porter and Mumford.**

4. CONSIDERATION OF RESOLUTION RDA-2015-03R, APPROVING THE FIRST AMENDMENT TO THE INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF NORTH SALT LAKE REDEVELOPMENT AGENCY AND THE CITY OF NORTH SALT LAKE FOR THE COLLECTION AND REMITTANCE OF INCREMENTAL PROPERTY TAXES COLLECTED FROM PROPERTY WITHIN THE EAGLEWOOD VILLAGE COMMUNITY DEVELOPMENT PROJECT AREA

Barry Edwards reported that this is regarding the Eaglewood CDA and whether or not to extend the base year but not the extension of the term of the Agency. The Agency would like to keep the base year and extend the trigger year but with a shorter length of time. The trigger year would now be 2012 with a shortened payment period of tax increment. The City would not receive less money.

Cami Hamilton, LYRB, commented that the base year the County is using would be 2011. The request to change from 2006 to 2011 is that the value was high in 2006 and dropped with the downturn in the economy. It will benefit the City and the developer to go with the lower base year value. It will be a shorter term with the base year to be 2011 with the first year of tax increment in 2012 and will end in 2020. This will allow for some level of increment wherein if the base year remained at 2006 there would be no funds.

**Board Member Jensen moved to approve Resolution RDA-2015-03R approving the First Amendment to the Interlocal Cooperation Agreement between the City of North Salt Lake Redevelopment Agency and the City of North Salt Lake for the collection and remittance of incremental property taxes collected from property within the Eaglewood Village**

**Community Development Project Area. Board Member Jacobson seconded the motion. The motion was approved by Board Members Arave, Jensen, Horrocks, Jacobson, Porter and Mumford.**

5. ADJOURN FOR REGULAR SESSION

Board Member Arave adjourned the meeting at 7:27 p.m. to begin the regular session.

  
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Chairman

  
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Secretary