

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of: Tuesday, June 9, 2015

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman – Randy Lewis; Board Members – Richard Higginson, Kendalyn Harris, John Pitt; Redevelopment Director – Chad Wilkinson; City Manager – Gary Hill

Excused: Board Members – John Marc Knight, Beth Holbrook

Welcome

1. Chairman Randy Lewis opened the meeting at 8:36 p.m. and welcomed those in attendance.

Agenda Items

2. **Consider approval of minutes for May 12, 2015.**

Mr. Higginson made a motion to approve the minutes for May 12, 2015. Ms. Harris seconded the motion.

A Mr. Lewis
A Mr. Higginson
A Ms. Harris
A Mr. Pitt

Motion passed 4-0.

3. **PUBLIC HEARING: Consider approval of Resolution 2015-01; FY 2015 amended RDA Budget and proposed FY 2016 RDA Budget.**

Redevelopment Director, Chad Wilkinson, presented a summary of the budget report (the full staff report follows).

Each year the Redevelopment Agency (RDA) Board of Bountiful City must adopt a budget for the upcoming fiscal year. The Board may also adopt an amended budget if necessary. Staff has prepared an amended budget for Fiscal Year 2015 and a final budget for FY 2016 for the Redevelopment Agency of Bountiful City.

The RDA budget includes two funds:

- Fund 72 – Loan Program
- Fund 73 – Administration and Operations

Fund 72 - The Loan Fund administers the city's revolving loan program. Revenues for the fund include principle and interest payments from loans and transfers from fund balance. Expenditures are almost exclusively in the form of new loans. The budget for 2015 includes approximately \$1,000,000 for new loans. This amount may be amended if necessary.

Fund 73 – The Administration and Operations Fund is used to administer the RDA programs and projects. Revenues are primarily from tax increment. This year's budget anticipates collecting roughly \$1.39 million dollars in new tax increment. The remainder of the revenue is from interest earnings and fund balance.

Expenditures in this fund include personnel, operating costs (materials, supplies, and services), debt repayment for the Renaissance Town Center parking structure, and special projects. Special projects budgeted for next year include funding for downtown improvements such as signage and wayfinding and restrooms if deemed appropriate at this time and approximately \$500,000 dollars for property acquisition and infrastructure improvements. A proposed amendment to the 2015 budget provides for utility payments for the Bountiful Davis Arts Center and Smedley Home while these buildings are prepared for occupancy by the BDAC and History Museum.

The budget has been reviewed by the RDA Director and the City Manager.

The RDA Board should adopt Resolution 2015-01 Amending the 2015 Budget and Approving the 2016 Budget.

Councilman Higginson added that additional public restrooms downtown are being looked into, and a short discussion ensued regarding the future location of those restrooms.

PUBLIC HEARING: Chairman Lewis opened the Public Hearing at 8:40 p.m., and the hearing was closed at 8:40 p.m. with no comment from the public.

Mr. Pitt made a motion to approve Resolution 2015-01 and the amended budget of FY 2016. Mr. Higginson seconded the motion.

A Mr. Lewis
A Mr. Higginson
A Ms. Harris
A Mr. Pitt

Motion passed 4-0.

4. Consider approval of expenditure of an amount not to exceed \$20,000 for reimbursement of expenses related to storm drain improvements on 300 South, Kenneth Knighton, applicant.

Redevelopment Director, Chad Wilkinson, presented a summary of the staff report (the full staff report follows).

Kenneth Knighton has requested RDA participation in the installation of storm drain improvements in 300 South in conjunction with a recently approved mixed use development at 95 West 300 South. The proposed extension would be constructed in 300 South for a distance of approximately 300 feet and connect to existing facilities in 100 West.

The applicant will be required to install the storm drain improvements in order to provide adequate storm drain capacity for the mixed use development. The City Engineer has estimated the cost of the public portion of the storm drain required to be installed to be approximately \$40,000 dollars. Because the improvement is adjacent to properties within the RDA, some benefit to the RDA can be anticipated. Because this is a relatively short extension of the public storm drain, the benefits to other properties in and out of the RDA boundary are limited. In order to justify the expenditure of RDA funds for the project, it is recommended that the reimbursement include a requirement to provide a storm drain easement through the applicant's property at 95 West 300 South that would allow for future connection by properties to the south. In addition, it is recommended that RDA participation in the storm drain improvements be limited to reimbursement of 50 percent of the actual cost of construction of the storm drain to a maximum of \$20,000 dollars. There will be a separate agreement between Mr. Knighton and the RDA (to be signed by the RDA Director) memorializing these stipulations.

The required infrastructure could be installed by the City, however in order to coordinate the public improvement with private storm drain to be installed with the project allowing for private installation with reimbursement for costs is appropriate in this situation.

The item has been reviewed by the RDA Director, City Engineer and the City Manager.

The proposed storm drain improvement will provide additional storm water infrastructure to properties within the RDA boundary and will provide opportunities for connection to additional properties in the future through the required easement.

It is recommended that the RDA Board authorize RDA staff to enter into an agreement with the applicant for the reimbursement of actual costs associated with installation of public storm drain in 300 South up to a maximum of \$20,000 dollars. It is recommended that the reimbursement be contingent on provision of an easement through the applicant's property to serve properties to the south.

Mr. Higginson inquired if the drains could be pushed further north, possibly to Main Street. Mr. Rowland replied that it would not be possible.

Mr. Aric Jensen was in attendance and inquired regarding the easement and requested it be made clear that the property owner has the prerogative to decide where the easement crosses the property. Mr. Rowland clarified that the easement would not run under the building.

Mr. Higginson made a motion for approval of expenditure of an amount not to exceed \$20,000 for reimbursement of expenses related to storm drain improvements on 300 South, Kenneth Knighton, applicant. Ms. Harris seconded the motion.

A Mr. Lewis
A Mr. Higginson
A Ms. Harris
A Mr. Pitt

Motion passed 4-0.

5. Consider approval of a lease agreement with Bountiful Davis Art Center (90 North Main St.)

Redevelopment Director, Chad Wilkinson, presented a summary of the staff report prepared by Russell Mahan (the full staff report follows).

In 2014 the Bountiful RDA acquired what had been known as the Redcon Building at 90 North Main Street, which has been converted and modified into the new home of the Bountiful Davis Arts Center. The City has for many years provided BDAC a home in a City building for \$1.00 per year, and this Lease continues that tradition. The benefit of the bargain goes to the citizens of Bountiful, who have an active and professional arts organization in the community.

The Bountiful Davis Arts Center is an independent 501(c)(3) non-profit organization that is not a part of City government. The proposed Lease gives possession of the building at 90 North Main to BDAC, along with the right to use assigned parking. Ownership is maintained by the Bountiful RDA. BDAC conducts its own programs, has its own staff, pays its own utilities and maintains its own insurance.

This Staff Report was prepared by the City Attorney and reviewed by the City Manager.

It is recommended that the City Council approve this Lease Agreement with the Bountiful Davis Arts Center.

The Bountiful Davis Arts Center has been an excellent partner of the City in helping meet the cultural needs of the citizens of Bountiful. Its premiere event of Summerfest is a long standing tradition, and there are many ongoing programs and events for the public.

Redevelopment Director, Chad Wilkinson asked the committee to consider approval of the Art Center for \$1/year for 5 years, with automatic renewal until further notice. Mr.

Higginson inquired why an initial term of 5 years. Mr. Hill responded that it is the preference of the City Attorney.

Mr. Higginson made a motion to approve the lease agreement with Bountiful Davis Art Center (90 North Main). Mr. Pitt seconded the motion.

A Mr. Lewis
A Mr. Higginson
A Ms. Harris
A Mr. Pitt

Motion passed 4-0.

6. RDA Director's report and misc. business.

Redevelopment Director, Chad Wilkinson informed the committee that Deseret Landco is in default on their RDA loan. The bank is taking actions to pursue the terms of the loan.

Adjourn

Chairman Lewis ascertained there were no other items to discuss. The meeting was adjourned at 8:50 p.m.



Chad Wilkinson, Redevelopment Director