

RIVERDALE CITY RDA BOARD
CIVIC CENTER - 4600 S. WEBER RIVER DR.
TUESDAY JANUARY 19, 2016

Board Meeting (Time approximate following City Council meeting which starts 6 p.m.)

A. **Welcome & Roll Call**

B. **Open Communications**

(This is an opportunity to address the Riverdale Redevelopment Agency regarding your concerns or ideas. Please try to limit your comments to three minutes.)

C. **Consent Items**

1. [Review of December 22, 2015 RDA Meeting Minutes](#)

D. **Action Items**

1. [Request approval of contracted professional services provided by Lewis Young Robertson and Burningham, Inc. \(LYRB\) for RDA services.](#)

Presenter: Cody Deeter (LYRB), Rodger Worthen, and Mike Eggett

E. **Reports**

1. Report on 550 West RDA Area activity and progress discussion

Presenter: Dee Hansen (DRH Company), Rodger Worthen, and Mike Eggett

F. **Executive Closed Session**

Consideration of adjourning into Closed Executive Session pursuant to the provisions of Section 52-4-205 of the Open and Public Meetings Law for the purpose of discussing the purchase, exchange, or lease of real property (roll call vote).

G. **Discretionary Items**

H. **Adjournment**

In compliance with the Americans with Disabilities Act, persons in need of special accommodation should contact the City Offices (801) 394-5541 X 1232 at least 48 hours in advance of the meeting. The Public is invited to attend City Council Meetings.

Certificate of Posting

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Riverdale City limits on this 15th day of January at the Riverdale City Hall Noticing Board and on the City website at <http://www.riverdalecity.com/>. A copy was also provided to the Standard-examiner on January 15, 2016.

Jackie Manning
Riverdale City Recorder

**RIVERDALE REDEVELOPMENT AGENCY
BOARD AGENDA
January 19, 2016**

AGENDA ITEM: C1

SUBJECT: Review of RDA Meeting Minutes

PETITIONER: Jackie Manning, City Recorder

ACTION REQUESTED BY PETITIONER: Approve Consent Item

INFORMATION: [December 22, 2015 RDA Meeting Minutes](#)

[BACK TO AGENDA](#)

Minutes of the Regular Meeting of the Riverdale City RDA (Redevelopment Agency) held Tuesday, December 15, 2015, held after the Regular City Council Meeting which began at 7:24 PM, at the Civic Center, 4600 S Weber River Dr., Riverdale City, Weber County, Utah.

Present: Board Members: Norm Searle, Chairman
Don Hunt
Braden Mitchell
Brent Ellis
Gary E. Griffiths
Michael Staten

City Employees: Rodger Worthen, Executive Director
Steve Brooks, City Attorney
Mike Eggett, Community Development
Jackie Manning, City Recorder

Visitors: Lori Fleming Codey Deeter, Lewis Young Roverson & Burningham

A. Welcome & Roll Call

The RDA Board meeting began at 7:24PM. Chairman Searle called the meeting to order and welcomed all in attendance and stated for the record that all board members were present.

B. Open Communications

There were no open communications.

C. Consent Items

1. Meeting Minutes for RDA Meeting November 17, 2015

Chairman Searle invited discussion regarding the November 17, 2015 RDA Meeting Minutes, to which there were no requested changes. [Board member titles were updated. Mayor Searle was changed to Chairman Searle; City Administrator Rodger Worthen, was changed to Executive Director Worthen]

2. Consideration of approval to the 2016 RDA Meeting Schedule.

Chairman Searle invited discussion regarding the proposed 2016 RDA Meeting Schedule. There was not any discussion regarding this item.

MOTION: Mr. Staten made motion to approve the consent items as proposed. Mr. Hunt seconded the motion. There was no discussion regarding this motion and all voted in favor.

D. Reports

1. Report on 550 West RDA Progress.

Mr. Worthen and Mr. Eggett provided an update regarding the progress of the RDA properties located on 550 West. Mr. Worthen stated the property north of Best Burger will be purchased soon and is under contract. He discussed the demolition for the remaining homes along 550 West. Mr. Worthen confirmed they are continuing their work with Dee Hansen regarding potential projects for these properties.

2. Presentation of Annual 2015 RDA Report.

Cody Deeter, from Lewis Young Robertson & Burningham, presented the annual 2015 RDA Report. Mr. Worthen stated the report has been updated since the packet draft and will be available to the public upon request. Mr. Deeter discussed the various statutes and reporting requirements required for Redevelopment Agencies and discussed how Riverdale City was meeting that requirement by having him present this annual report.

Mr. Deeter referred to the last page of the report, which is a map that highlights all of the RDA properties in Riverdale City. He discussed the different increments and expiration dates of each project, as seen in the full report. There was a brief discussion regarding the definition of recreation projects in regards to RDA, which Mr. Deeter provided the example of a stadium or swimming pool for possible meaning. Mr. Deeter offered to review the state code regarding potential acceptable recreation projects for RDA funds.

Mr. Deeter referred to page 7 in the report, which discusses the amount of revenue each project generates, as well as future anticipated revenue.

E. Discretionary Items:

Mr. Worthen stated they received approval for consideration of another RDA, or CDA, at the intersection located near 700 West. He stated more information will be available shortly.

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F. Adjournment.

MOTION: Having no further business to discuss, Mr. Mitchell made a motion to adjourn. The motion was seconded by Mr. Hunt; all voted in favor. The meeting was adjourned at 7:40 PM

Norm Searle, Chairman

Jackie Manning, City Recorder

Date Approved: **January 19, 2015**

DRAFT

**RIVERDALE REDEVELOPMENT AGENCY
BOARD AGENDA
January 19, 2016**

AGENDA ITEM: D1

SUBJECT: Request approval of contracted professional services provided by Lewis Young Robertson and Burningham, Inc. (LYRB) for RDA services.

PRESENTER: Rodger Worthen, City Administrator, Mike Eggett, Community Development, Dee Hansen (DRH Company)

ACTION REQUESTED BY PRESENTER: Consideration to approve Action Item.

INFORMATION: [Executive Summary](#)

[Previous Executive Summary](#)

[Supporting Information](#)

[BACK TO AGENDA](#)



RDA Board Executive Summary

For the RDA meeting on:
Jan. 19, 2016

Presenter:
RDA Exec. Director Rodger Worthen

Summary of Proposed Action

Authorize the use of professional services to the RDA from Lewis, Young, Robertson & Burningham to assist City Staff in the creation of a Community Development Area plan (CDA).

Summary of Supporting Facts & Options

On October 21, 2014, the governing board of the Redevelopment Agency of Riverdale City authorized staff to seek a consultant to assist the City in the possible creation of a new Development Project Area (CDA). The board authorized this work, however, due to changes in land ownership, development plans and difficulty in establishing need at that time the RDA Staff did not move forward with the board approval. However, there have recently been communications from various land owners that now warrant advancing the RDA board approval for utilizing professional services in this endeavor.

Creating a Project Area is done via a resolution, which is the first step specified in Utah law. At this time the RDA Staff is simply requesting professional services to begin the creation of that resolution and ultimately drafting a CDA plan for consideration. The RDA believes it is important to take this step so that as specific redevelopment projects come along in this area in the future, the City can at least consider using tax increment, along with other possible tools, to bring economic development projects to fruition for the benefit of the community, the local economy, and the growth of the tax base upon which local government agencies rely in providing services to their residents.

Tax increment financing (TIF) is a mechanism established in Title 17C of Utah State law to help finance economic development as well as redevelopment of declining areas. It has been used multiple times in Riverdale since the late 1970's. Cities, working through their community development and renewal agencies (sometimes known as redevelopment agencies), can incentivize new development with TIF. It allows the Redevelopment Agency, with the permission of the school district, county and other agencies which levy a property tax on the property in question, to use part of the increased tax revenue caused by the new development to offset extraordinary costs of the new development for a set number of years. The idea is that the new development would not take place without this offset of extraordinary costs. After the agreed-upon number of years are past, all property tax generated by the redeveloped property goes back to being paid to the taxing entities, so they enjoy a boost in their tax revenues from the new development for years to come.

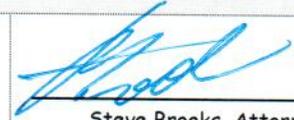
TIF does not impose a property tax hike for anyone. The redeveloped property pays the same increased tax they would have paid by virtue of simply increasing the value of the property. TIF provides a way to help offset some of the cost of the redevelopment in order to persuade the developer to redevelop the property.

As such in October 2014, the Riverdale City RDA requested and received approval from the board to request a bid from a consultant for professional services in the creation of a new CDA area. To this end the RDA staff has received a bid from Lewis Young Robertson & Burningham for \$15,000 to initiate and oversee the work to create a new CDA. (See attached scope of services document with bid)

The RDA desires to create a new CDA to enhance the viability of continued economic prosperity of Riverdale City and its residents thru enhancement of the commercial business environment and the resulting TIF revenue in sales tax that is generated. A CDA Plan is required to establish a CDA. The CDA Plan defines the project; provides specific description of the boundaries of the proposed project area; and describes the public benefit that is broadly available to the City.

A draft CDA plan must be created and made available for public input for 30 days prior to review and possible adoption by the City Council. The work to create such plan is what Lewis Young Robertson & Burningham will perform. The cost of this work would be re-paid to the City via the CDA once executed and generating TIF revenue.

Legal Comments - City Attorney



Steve Brooks, Attorney

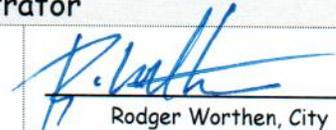
Fiscal Comments - Treasurer/Budget Officer

We have not previously included this in the City's budget and we might need to amend the budget if we exceed the budget for the department.



Cody Cardon, Business Administrator

Administrative Comments - City Administrator



Rodger Worthen, City Administrator

Redevelopment Agency Board
Executive Summary



Agency Board Meeting on October 21, 2014

Summary of Proposed Action

Request consideration of granting Executive Administrator Rodger Worthen authorization to issue RFP for consulting service to investigate creation of RDA.

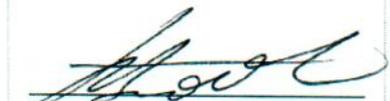
Requested By

Petitioner(s): Rodger Worthen, Executive Director

Summary

Requesting authorization from the RDA board be granted to Executive Director Rodger Worthen to issue an informal Request for Proposal (RFP) to consultants with experience and expertise in the investigation, analysis, and creation of Redevelopment Area Project Studies. The area to be studied for a potential RDA are properties in the vicinity of 700 West and Riverdale Road. Once responses are received from potential consultants, approval and funding requests for the study will be brought forth for review and approval from the RDA board.

Legal Comments - City Attorney



Steve Brooks, Attorney

Fiscal Comments - Treasurer/Budget Officer



Lynn Fortie, Treasurer

Administrative Comments - Executive Director



Rodger Worthen, Executive Director

Consulting Services For:
COMMUNITY DEVELOPMENT PROJECT AREA CREATION

REDEVELOPMENT AGENCY OF RIVERDALE CITY, UTAH



DECEMBER 2015


**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM



SCOPE OF SERVICES

Lewis Young Robertson & Burningham, Inc. (“LYRB”) understand that the Redevelopment Agency of Riverdale City (the “Agency” or “RDA”) is in need of creating a Community Development Area (“CDA”) within Riverdale City (the “City”). LYRB has created over 40 similar project areas in the past 6 years and fully understands what is needed to create a successful CDA. LYRB has outlined the scope of work below.

CREATION OF CDA

PHASE I: PRELIMINARY COORDINATION AND INITIAL RESOLUTION

TASK 1: AGENCY MEETING TO ADOPT AUTHORIZING RESOLUTION

- ☐ Prepare a resolution for the Agency to authorize the drafting of a Project Area Plan and Project Area Budget for a specific designated area.

PHASE 2: FEASIBILITY REVIEW, TAX INCREMENT ANALYSIS AND ECONOMIC PROJECTIONS FOR PROJECT AREA

TASK 2: GATHER LAND-USE DATA FOR PROJECT AREA AND ANALYZE POTENTIAL USES

- ☐ Coordinate with City/RDA staff to collect potential land-uses within the proposed Project Area; review compatible use standards and (with feedback from City/RDA staff and market analysis) create a conceptual land-use model;
- ☐ Gather anticipated construction timing and costs associated with each element of the Project; and
- ☐ Gather current taxable values and tax rates for the Project Area (using market data).

TASK 3: QUANTIFY ASSESSED VALUATION FOR PROJECT AREA

- ☐ Based on information developed in Task 2, develop a preliminary evaluation of current property value, including the proportions of real property and personal property (depreciable assets); and
- ☐ Construct a detailed, interactive forecasting model to project assessed valuation growth, absorption and level of development, given current market demands and access to capital participation.

TASK 4: COMPLETE A TAX INCREMENT ANALYSIS AND ECONOMIC FORECAST

- ☐ Calculate the incremental property taxes generated from the Project Area;
- ☐ Assess and evaluate the leverage capacity of the CDA; and
- ☐ Analyze the incremental local sales tax generation and other incremental tax revenues generated within the Project for the benefit of the taxing entities.

TASK 5: ASSESS FEASIBILITY OF FINANCE PLAN AND DEVELOP PRELIMINARY “GAP” ANALYSIS

- ☐ Prepare preliminary feasibility assessment of the Project financing plan (commercial and equity components);
- ☐ Review the developer’s pro forma and cash flow analysis to determine acceptable %IRR and funding thresholds (if applicable);
- ☐ Prepare preliminary analysis related to the funding “gap” needed in order to secure the necessary commercial debt financing and associated equity needs of the Project; and
- ☐ Identify various funding options, structures and alternatives to effectively construct the Project.

PHASE 3: CREATION AND IMPLEMENTATION OF COMMUNITY DEVELOPMENT AREA

TASK 6: COORDINATE THE DEVELOPMENT OF A PROJECT AREA PLAN

- ☞ Review and coordinate the drafting of a resolution for the Agency to consider a draft Project Area Plan; assist Agency in considering resolution and identifying the process;
- ☞ Prepare a draft CDA Project Area Plan in accordance with Utah Code 17C-4-103, with the consideration of property owners, City staff and development community;
 - Include an analysis or description of the anticipated public benefit to be derived from the CDA, including: (a) the beneficial influences upon the tax base of the community; and (b) the associated business and economic activity likely to be stimulated; and
- ☞ Coordinate the public hearing and public input process;
- ☞ Hold public hearing and receive comments;
- ☞ Review and coordinate the drafting of a resolution to adopt the Project Area Plan and a statement that all comments and revisions have been taken into account in the creation;
- ☞ Review and coordinate the drafting of an ordinance for the City's consideration to create the CDA and adopt the Project Area Plan;
- ☞ Review and coordinate the drafting of an ordinance for the County's consideration to adopt the Project Area Plan; and
- ☞ Review and coordinate the recordation of the creation of the CDA and adoption of the Project Area Plan; submit information to State Tax Commission, State Board of Education, and City elected officials.

TASK 7: PROJECT AREA BUDGET

- ☞ Prepare a detailed multi-year budget for the CDA, including: i) amount of tax increment, sales tax and other incremental tax revenues, ii) level of capital expenditure related to the private investment, iii) amount of public infrastructure costs and timing, and iv) participation needed from other taxing entities related to development incentives;
- ☞ Prepare an analysis that identifies the purpose of tax increment incentive and demonstrate how this will achieve the goals and objectives identified in the Project Area Plan;
- ☞ Prepare a "Gap" analysis to demonstrate what is necessary in public funding in order to achieve the Project Area Plan; this written and quantitative report will be submitted to other taxing entities in order to solicit participation and support in the Project;
- ☞ Upon approval of the interlocal agreements, coordinate with the Agency to officially adopt the Project Area Budget.

TASK 8: COORDINATE AND NEGOTIATE WITH OTHER TAX ENTITIES TO RECEIVE PARTICIPATION IN CDA (INTERLOCAL AGREEMENT PROCESS)

- ☞ Review and coordinate the drafting of interlocal agreements for each participating entity, to include: amount of participation, length of time, type of infrastructure being financed, and economic benefit to each participating local government;
- ☞ Present interlocal agreement framework to County, School District and other special districts to receive participation in the interlocal agreements (one meeting with each taxing entity);
- ☞ Draft resolutions authorizing each taxing entity to sign the interlocal agreements; and
- ☞ Review and coordinate the publishing of a summary of the interlocal agreements (begins the 30-day contest period).

PHASE 4: FINANCIAL IMPLEMENTATION

TASK 9: DETERMINE INCENTIVE NEEDS

- ☞ Identify and calculate costs associated with the proposed development; and
- ☞ Determine what level of tax increment is needed to induce development and meet objectives of the CDA Project Area Plan by meeting with City/Agency, Developer, tenants, banks and other financial institutions engaged in facilitating the proposed project.

TASK 10: COORDINATE AND NEGOTIATE DEVELOPMENT/PARTICIPATION AGREEMENT

- ☞ Determine amount of leverage using tax-exempt bonding tools: i.e. TIF Bonds, sales tax or franchise tax bonds, special improvement district financing;
- ☞ Determine if the tax increment can be better leveraged through the use of a Development / Participation Agreement, where the tax increment is passed thru to the development;
- ☞ Provide recommendations to the Agency Board regarding the appropriate financial implementation tool or tools; and
- ☞ If a Development/Participation Agreement is necessary, assist with the negotiations and drafting of the agreement.

TASK 11: LEVERAGING OF TAX INCREMENT

- ☞ Assist the Agency with the Issuance of Debt, if needed (to be remunerated under separate contract)

PHASE 5: FINALIZE CDA

TASK 12: FINALIZE AND COMPILE PROJECT TRANSCRIPT

- ☞ Complete all noticing requirements and compile the related documents;
- ☞ Coordinate with all taxing entities to sign interlocal agreements and ensure that a summary is published in the newspaper;
- ☞ File all documents with the appropriate parties; and
- ☞ Compile applicable documents into final project transcript.

ADDITIONAL SCOPE OF WORK (OPTIONAL)

Throughout the process of creating a CDA, additional analysis and negotiating with the taxing entities and developers may be needed. The RDA/City will have the option to engage LYRB to assist with the additional scope of work. LYRB will notify the City/RDA before beginning and of the additional tasks outlined below:

- ☞ Additional analysis due to significant changes to the original Project Area Budget;
- ☞ Additional analysis requested by any taxing entity during the interlocal agreement process;
- ☞ Additional meetings above and beyond the meeting with each taxing entity outlined in Task 8;
- ☞ Additional analysis and inordinate amount of meetings



FEE PROPOSAL

LYRB proposes an estimated project budget of \$15,000 based upon the projected time required to complete the scope of service. LYRB will provide periodic billing statements detailing the time spent under each task and a progress report relating to the overall project. The additional scope of work (optional) outline above is estimated to not exceed \$10,000, depending on the amount of additional work required to create the CDA.

If it becomes apparent that the cost required to complete the project will exceed the budgeted amount, LYRB will notify the City/RDA and work to identify the cause of the additional costs. LYRB will then recommend an approach to complete the project within the proposed budget or an extended scope that will minimize any additional expense. If the City/RDA requests work that exceeds the scope presented herein or changes the overall direction of the project, LYRB will prepare a revised scope of work and project budget for consideration. No additional costs will be billed to the City/RDA without additional approval or revision to this scope of work.

The fee by task is illustrated in the following table:

HOURLY RATES		\$180.00	\$100.00	
CONSULTING SERVICES		PRINCIPAL	ANALYST	TOTALS
Task 1	Prepare Resolution Authorizing the Creation of a Project Area Plan & Budget	0	2	\$200
Task 2	Gather Land-Use Data for Project Area and Analyze Potential Uses	1	4	\$580
Task 3	Quantify Assessed Valuation for Project Area	1	6	\$780
Task 4	Complete a Preliminary Tax Increment Analysis and Economic Forecast	2	10	\$1,360
Task 5	Assess Feasibility of Finance Plan and Develop Preliminary "GAP" Analysis for RDA	2	4	\$760
Task 6	Coordinate the Development of a Project Area Plan	4	17	\$2,420
Task 7	Project Area Budget	4	17	\$2,420
Task 8	Coordinate and Negotiate with Other Tax Entities to Receive Participation in CDA	16	12	\$4,080
Task 9	Determine Incentive Needs	2	7	\$1,060
Task 10	Coordinate and Negotiate Development/Participation Agreement	3	3	\$840
Task 11	Leveraging of Tax Increment	UNDER SEPARATE CONTRACT		
Task 12	Finalize and Compile Project Transcript	0	5	\$500
Total		35	87	\$15,000
Additional Scope of Work (Optional)			Not to Exceed	\$10,000



PROPOSED CDA CREATION CALENDAR

ESTIMATED TIME PERIOD	ACTION ITEM(S)	RESPONSIBLE PARTY
Day 1	☞ Review proposed project or development with developers, RDA staff, and consultants – determine advisability and feasibility of project and use of CDA	RDA, LYRB
Day 5	☞ Draft Authorizing Resolution for RDA	RDA, LYRB
Day 10	☞ Board of Redevelopment Agency (“RDA”) adopts a resolution authorizing the drafting of a <u>PROJECT AREA PLAN</u> and <u>PROJECT AREA BUDGET</u> for a specific designated area;	RDA, LYRB
Day 20	☞ Complete <u>DRAFT PROJECT AREA PLAN & DRAFT PROJECT AREA BUDGET</u> – present to RDA staff for review	LYRB
Day 24	☞ Make plan available to public at RDA/City Offices	RDA
Day 25	☞ Provide notice of Public Hearing on the draft <u>PROJECT AREA PLAN AND PROJECT AREA BUDGET</u> ; (at least 30 days before hearing) <i>Send notice to i) each property owner in CDA (pulled from County no more than 30 days prior), ii) State Tax Commission, iii) County assessor and auditor, iv) State Board of Education, and v) all taxing entities</i>	LYRB
Day 30	☞ Draft Interlocal Agreements, Resolutions, etc	LYRB
Day 40	☞ Publish Notice of Hearing in Newspaper (14 days before hearing)	RDA, LYRB
Day 45 - 60	☞ Meet with Staff and/or Elected officials of each taxing entity that levies a tax in the proposed project area to review Request for Participation in the CDA	RDA, LYRB
Day 53	☞ Provide Public Notice of RDA & City Public Meetings by posting Agenda (24 hours before meeting)	RDA, LYRB
Day 55	☞ RDA Holds Public Hearing on Draft Area Plan & Budget ☞ RDA Considers Approval of Draft Area Plan as Project Area Plan by Resolution; and Approval of Project Area Budget by Resolution ☞ City Considers Adoption of the project area plan and designation of the plan as the official development plan of the project area by Ordinance ☞ City and RDA adopt Interlocal Agreement RDA Adopts Interlocal Agreements with Taxing Entities	RDA, City, LYRB
Day 57	☞ Make adopted project area plan & budget available to public at City/RDA offices	RDA, LYRB
Day 58 – 88 ¹	☞ Taxing Entities consider Interlocal Agreements to participation in CDA	
Day 60	☞ Publish Notice (copy of Ordinance) in newspaper - begin 30 day protest period	City, LYRB
Day 60	☞ Record project area document with County Recorder (within 30 days of City Ordinance adoption) ☞ Transmit land description and map to Automated Geographic Reference (within 30 days of City Ordinance adoption)	RDA, LYRB
Day 60	☞ Transmit land description, map, and Ordinances to: (within 30 days of City Ordinance adoption) ☞ County Auditor, Recorder, Attorney, Surveyor and Assessor	RDA, LYRB

¹ Negotiations with taxing entities can be longer or shorter than this. The length of this step is greatly controlled by the other taxing entities and their rules, policies, and tax increment philosophy.



ESTIMATED TIME PERIOD	ACTION ITEM(S)	RESPONSIBLE PARTY
	<ul style="list-style-type: none"> ☞ Legislative body or governing board of taxing entities ☞ State Tax Commission ☞ State Board of Education 	
Day 90	☞ Gather All Executed Interlocal Agreements and make available to public	LYRB
Day 90	☞ Protest period for City's Project Plan Adoption Ordinance ends	
Day 95	☞ Publish summary of Interlocal Agreements in Newspaper (begin 30 day protest period)	RDA, LYRB
Day 95	☞ File Interlocal with State Tax Commission, State Board of Education, State Auditor, and County Auditor (within 30 days)	RDA, LYRB
Day 125	☞ Protest period for Interlocal agreements ends	