

Minutes of the **Regular Meeting of the Board of Directors** of the **Redevelopment Agency of Riverdale City** held **Tuesday, February 21, 2006**, at 7:38 p.m. at the Riverdale Senior Center, 4433 S. 900 W.

Members Present:           Bruce Burrows, Chairman  
                                  David Gibby  
                                  Gary Griffiths  
                                  Stacey Haws  
                                  Shelly Jenkins  
                                  Doug Peterson

Others Present:             Larry Hansen, Executive Director  
                                  Randy Daily, Community Development Director  
                                  Steve Brooks, City Attorney  
                                  Jan Ukena, City Planner  
                                  Cindi Mansell, City Recorder

Chairman Burrows called the meeting to order and welcomed all those present.

#### **Consideration of Meeting Minutes**

Chairman Burrows indicated the Redevelopment Board has the January 17, 2006 meeting minutes before them at this time.

#### **Redevelopment Agency Income & Operations - January 2006**

Mr. Hansen distributed the report as of January 31, 2006. He referenced the informational RDA Income Statement format, stating it is illustrative of RDA income by type and expenditure by type (all shown by area), as well as including a functional report on housing, tax increment, loan program, and the senior facility. Mr. Hansen stated there is the potential to utilize area balances to repay intra-city loans, and he will be bringing forward some of the agreed payment of increment to developers at the March 21, 2006 meeting. He stated there is funding available in the housing loan program to complete curb, gutter and sidewalk on 700 West and 1000 West.

Mr. Hansen discussed the senior facility fund balance, stating this will be reduced by any punch list or follow-up payments on the facility itself. He referenced the upcoming bond payment, and operational pro-forma which was developed based on Kier operations of the housing facility. He stated the natural gas impact was not contemplated; otherwise, the utility budget is good relative to operating expenses. Mr. Hansen stated some expenses are simply attributed to the startup of the new facility.

Discussion followed regarding the failure in construction of the asphalt on River Park Drive, with Mr. Hansen stating extensive testing is being taken. He stated it has to do with the base and compaction work not being done properly; and could result in \$300,000-\$500,000 to fix.

**Motion:** Mr. Gibby moved to approve the consent items as presented. Mr. Haws seconded the motion. The motion passed unanimously.

**Senior Housing/Facility - Payment of Claim**

Mr. Hansen referenced the Senior Center punch list as revised and dated February 7, 2006. He stated the RDA Board has given tentative consensus as to approval of payment in the amount of \$134,438.03 for contract balance retained pending punch list. He stated the effort this evening is for consideration of ratification for approval of payment.

**Motion** Mr. Gibby moved to ratify payment of claim to Kier Corporation in the amount of \$134,438.03 as proposed. Seconded by Councilor Haws.

Roll Call Vote: Mr. Griffiths, Yes; Mr. Gibby, Yes; Mr. Haws, Yes; Mrs. Jenkins, No; and Mr. Peterson, Yes. The motion passed 4-1.

Mrs. Jenkins explained she had voted "no" as a matter of process. She stated the RDA may have given tentative consensus to proceed in work session, but Kier Corporation has already been paid. Mr. Hansen discussed the concept wherein he presented this item in a non-published meeting rather than expend funds to conduct an RDA meeting simply for this purpose. He stated this is merely payment under contract as approved and authorization is a formality. Discussion followed regarding process clarification, with Mr. Hansen stating staff tried to remit payment prior to making Kier Corporation wait until the regularly scheduled meeting this evening. Councilor Jenkins stated she is not against payment to Kier, but rather, the process.

**Arby's - Request for RDA Assistance**

Chairman Burrows stated a letter has been received from Arby's requesting consideration of RDA funding assistance. He expressed concern they have provided nothing to validate the claim the soil is insufficient for their project. Mr. Daily suggested requesting that Arby's remove blight by knocking down the building and then come forward to make the request once it is officially determined what will be necessary. He stated they can be required to provide some type of documentation or geotech information.

Chairman Burrows inquired if the Board would like to consider whether they would anticipate making any kind of payment; or whether there is substantiation of hardship by this group in either the demolition and in removing that demolition material or in bringing in new material. He stated he feels evidence needs to be presented to the board as to extraordinary procedures.

**Motion** Mr. Haws moved to table consideration of RDA funding assistance until Arby's provides documentation or proof as to expenses associated with removal of the blight. Seconded by Councilor Jenkins.

Mr. Gibby expressed concern as to whether this can kill the deal in terms of blight removal. He stated he personally is tired of looking at this eyesore and feels it is hurting the viability for development of the remainder of the property. He stated he worries that requiring demolition first, and tabling this item will make Arby's walk because the deal will become not economically

feasible. He suggested relaying to Arby's that the RDA may look favorably upon some degree of financial assistance if they could come up with documentation or evidence - even prior to demolition.

Mr. Hansen inquired as to status in the formal process of development, with Mr. Daily stating the final site plan has not been approved. He stated the developer has met with UDOT and is working through those issues. He explained that part of the reason for the funding request is the need to bring the property up to grade for storm drain. He stated the next step for final approval would be with the Planning Commission. Discussion followed regarding the fact the developer has received RDA use approval and has a land lease for the parcel, with the statement being made that the pressure should be on the owner of the property to remove blight.

Mrs. Ukena explained the site plan has been before the Planning Commission for preliminary approval; and this was part of preliminary. She stated it is a process of the Arby's Corporation to bring in their entire team and conduct extensive research. She stated they had other plans to remove storm water, however, the City did not agree. She stated she feels it late in the ballgame to not be amenable to assistance, and does not want to see them walk.

Mrs. Ukena suggested she receive a copy of the geotech report and turn it over to the City Engineer; and if he substantiates what is being claimed, the RDA can then render assistance. It was stated the earliest date for consideration would then be March 21; with it being stated it would need to go before the Planning Commission prior.

Mr. Hansen recited numbers associated with land lease and \$500,000 into constructing the new building. He considered the new building, current and assessed values, and the total assessed value that Riverdale would end up with. He stated with reference to Mr. Gibby's comments, and in taxing entity committee discussions, it has been stated that private/public partnerships are wonderful but will not happen unless incentive is provided. He stated regardless, the project will most likely happen. He suggested one reason to offer incentive if for no other reason, is the outstanding open-ended demo contract with another developer. He suggested assistance in the \$10,000-\$15,000 range would be more realistic and this could be addressed most likely at a special RDA meeting to be conducted March 7, 2006.

**Motion** Mr. Gibby moved to amend the motion to provide staff the latitude, upon satisfying the need for assistance or the project will not occur, to allow an assistance limit up to \$15,000 versus tabling the project outright. Seconded by Mr. Peterson.

Mr. Peterson stated he does not want to table this item and would prefer feedback to the developer that the Board is interested in moving the project forward. He suggested the RDA Board revisit this item in two weeks.

At this time, debate took place regarding parliamentary procedure and which motion should be given initial consideration. Chair Burrows stated he did not recognize the substitute motion or the second and feels a vote should be taken on the initial motion to table the item.

**Call to Question**

Roll Call Vote: Mr. Gibby, No; Mr. Haws, Yes; Mrs. Jenkins, Yes; Mr. Peterson, No; and Mr. Griffiths, No. The motion failed 3-2.

**Motion** Mr. Gibby again moved to amend the motion to provide staff the latitude, upon satisfying the need for assistance or the project will not occur, to allow an assistance limit up to \$15,000 versus tabling the project outright. Seconded by Mr. Peterson.

Roll Call Vote: Mr. Haws, No; Mrs. Jenkins, No; Mr. Peterson, Yes; Mr. Griffiths, Yes; and Mr. Gibby, Yes. The motion passed 3-2.

With no other business to come before the Board at this time Mr. Haws moved to adjourn the meeting. Seconded by Mr. Gibby. The motion passed unanimously. The meeting adjourned at approximately 8:17 p.m.

Attest:

Approved: March 7, 2006

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Larry Hansen  
Executive Director

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Bruce Burrows  
Chairman