

Minutes of the **Regular Meeting of the Board of Directors** of the **Redevelopment Agency of Riverdale City** held **Tuesday, March 22, 2006**, at 10:11 p.m. at the Riverdale City Police Conference Room, 4580 South Weber River Drive, Riverdale

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

Others Present:            Larry Hansen, Executive Director  
                                  Steve Brooks, City Attorney  
                                  Jan Ukena, City Planner  
                                  Michelle Douglas, Deputy 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 March 7, 2006 meeting minutes before them at this time.

**Redevelopment Agency Financial Statement - February 28, 2006**

Mr. Hansen referred to the report as of January 28, 2006, and he referenced Area 1, Riverdale Road Area and Area 3, Weber River Area

Mr. Hansen reported the loan program is healthy and the Senior Facility has a sufficient fund balance to pay its bond payment, which will come out on the March statement. Mr. Hansen indicated on the performers they received their funding and have sufficient funds to pay their debit services, but they are a little over on supplies and miscellaneous. However, they are running below cost on maintenance. He pointed out the facility has been rent out and the facility has taken in just over \$2,000.

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

**Les Schwab Development Status Report**

The item was removed from the agenda on March 21, 2006; no action was taken.

Mrs. Jenkins pointed out that Mr. Hansen said to pay attention to item number 4; however, there is no number 4 in the developer's agreement. Mr. Hansen explained that number 4 is the timeframe, which is referring to their commitment for their timeframe of six months. Mr. Hansen noted Les Schwab would probably be on the April 18, 2006 agenda.

**UP&L Proposed Use - West Bench Project Area**

The item was removed from the agenda on March 21, 2006; no action was taken.

Mr. Hansen informed the Board UP&L purchased the Bingham property and UP&L has removed the conditions without the requirements for the use. He went on to say the Bingham's are now building a home in West Haven and are happy they could sell their property. The Board will be dealing with the West Bench and UP&L. Mr. Hansen stated it changes the politics with the change of ownership. Mayor Burrows pointed out people are always against things like this; "not in my back yard"; however, once it is in, they are okay with it. He went on to say the lines will not be buried but it would help with rerouting the lines and there are two acres for buffering the site. Councilor Griffiths added they could do some nice things; they could provide a brick and mortar wall. Mr. Hansen indicated that was their initial offer. Mr. Hansen noted UP&L could probably be on the April 18, 2006 agenda.

**Annual Tax Increment Payments to Developments**

Mr. Hansen informed the Board the payments of these items are the annual payment to developers; he noted the total payments are a total of \$627,842 and out of that amount, \$375,000 will come back to the general fund and motor pool fund in liquidating the City. The other \$252,842 is approved funds to pay to developers. Mr. Hansen explained \$125,000 would be held in advance because of the River Park Drive issue.

Discussion followed regarding the disbursement of payments. Mr. Hansen explained Unity Enterprises (the successor to Hermes) would receive \$87,914 for the old Wal-Mart area. Shopko would receive \$28,808 and they are in year 14 for a 25-year payment. He noted the RDA's agreement is to pay 75 percent, and we are in that 75 percent range.

Mr. Hansen indicated Riverdale Partners LTD (the owners of the strip mall with Red Wing Shoes and a part of the box store with Hancock Fabric) would receive \$7,372 and they are in year 14 of 15 years. Mr. Hansen said he noticed something a little bit unusual this year; they paid a little bit more in property taxes this year, which could be accounted from the total county mill levy. Mayor Burrows added the school levy went up too.

Mr. Hansen informed the Board they have the funds in Area 1 to repay the City's General Fund and while they have an opportunity to do that; he believes they need to do it. It is in the amount of \$250,000. In addition, they need to repay the Motor Pool Fund out of Area 3, which is also his recommendation. The repayment to the Motor Pool Fund would be in the amount of \$125,000. Mr. Hansen indicated they would need to amend the budget to do that.

It was inquired what the balance of Area 1 would be after payments to developers and repayment to the City. Mr. Hansen indicated the Balance in Area 1 and reserve after demolish costs, which have been committed to, would be approximately \$329,000. Mr. Hansen referred to Area 3 and noted if they need to do something with a street signal, they will still have funds for that.

Discussion followed regarding Sound Warehouse. Mr. Gibby said he is not going to say we have precedence here, but he questioned about River Park Drive and how it goes over to and stops at 700 West. He questioned for now, what the RDA has for the 550 West project and would they put in

enough funds for the improvements for the road. Mrs. Jenkins inquired if they would have to bond for the road. Mr. Hansen explained the developer would front the money and they would pay the money back.

Discussion followed regarding the balance in Area 3. Mr. Hansen indicated they have the \$375,000 because they are holding back funds due to DDRC.

The payment to Home Depot, which is payment 11 of 12, is \$3,748 this year. However, next year it will jump up to about \$20,000.

Mr. Hansen noted the payment of \$125,000 for River Park Drive should be subject to legal review of our position and then Staff will come back and discuss the situation with the Board.

The Balance in Area 3 would be \$102,000 after everything is completed. The total amount paid to all developers is \$252,842 and the total loan repayment to the City is \$375,000 for a grand total of \$627,842.

Mr. Hansen suggested that the one payment in the amount of \$375,000 be conditional subject to legal review of our position with DDRC

Discussion followed regarding the payment to Home Depot. Mr. Hansen explained Home Depot had and interpretation 11 years ago, and the way it was set up, Home Depot thought they were entitled to revenues from Golden Arches, which he did not agree with so he reviewed it with Mr. John Geilmann. As it turned out, Golden Arches was not include with Home Depot's site and they had been over paid; therefore, he sent them a letter explaining the RDA over paid them.

Mr. Hansen explained the Weber River Area is the only outstanding commitment. He went on to say he reserved some funds for the punch list for Kier and their performer showed they had \$11,000 for the year. Mr. Hansen said they are in the ballpark where they should be.

Mr. Hansen reported the good news. He said once they repay the loans, which would be \$75,000 into the net income into the Senior Facility, then they could decide if they want to reserve for Capital Projects. Mr. Hansen went on to say, in the case of the 550 West Area and the road widening project, if they got into a position where they had more money than they knew what to do with, they may want to consider repaying some of their bonds. However, he would like to see them repaying the City first.

**Motion** Mr. Gibby moved to repay the City to its General Fund and Motor Pool Fund out of RDA funds in the amount of \$375,000. Mrs. Jenkins seconded the motion.

Discussion followed regarding the motion. Mr. Haws inquired if the RDA would have to amend its budget first, and he clarified that the RDA would have the money to repay the City at this time. Mr. Hansen acknowledged that the budget would need to be amended first.

#### **Amendment**

Mr. Gibby amended his motion by making it subject to the RDA amending its budget. Mrs. Jenkins seconded the amendment.

**Roll Call Vote:** Mrs. Jenkins, Yes; Mr. Peterson, Yes; Mr. Griffiths, Yes; Mr. Gibby, Yes, and Mr. Haws, Yes. The motion passed unanimously.

Discussion followed regarding the payment to Rocky Mountain in the amount of \$125,000. It was inquired if the motion should be made subject to legal clearance. Mayor Burrows stated he is not comfortable paying it until they know where they are at with River Park Drive. Mr. Hansen added since the last payment, they have discovered we have major issues with the road. Mr. Brooks recommended that the Board hold off on the payment.

**Motion** Mr. Gibby moved to approve the annual tax increment payments in the amount of \$127,842 to Home Depot; Riverdale Partners, LTD; Unity enterprises LLC; and Shopko. Mr. Peterson seconded the motion.

**Roll call vote:** Mr. Peterson, Yes; Mr. Griffiths, Yes, Mr. Gibby, Yes, Mr. Haws, Yes, and Mrs. Jenkins, Yes. The motion passed unanimously.

With no other business to come before the Board at this time Mr. Gibby moved to adjourn the meeting. Seconded by Mr. Peterson. The motion passed unanimously. The meeting adjourned at approximately 10:45 p.m.

Attest:

Approved: April 18, 2006

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Larry Hansen  
Executive Director

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Bruce Burrows  
Chairman