

Minutes of the **Regular Meeting** of the **Board of Directors of the Redevelopment Agency** of Riverdale City held Tuesday, December 7, 2004, at 8:05 p.m. at the Riverdale Civic Center.

Members Present:                Bruce Burrows, Chairman  
                                         Nancy Brough  
                                         David Gibby  
                                         Stan Hadden  
                                         Stacey Haws  
                                         Shelly Jenkins

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

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

**Tax Increment Issues**

Mr. Hansen introduced Jonalynne Walker, stating the RDA has utilized her RDA services and expertise for years. He stated this issue has required her services in particular to help deal with increment issues and concerns with regards to the agency. He stated there is the need to ensure a better grasp of the issues encountered.

Jonalynne Walker stated she has been looking at various aspects of Riverdale's development and tax increment over the last six months. She stated particularly as it pertains to the Weber County Auditor and the process to disperse and distribute tax increment; and how it is allocated between project areas. She stated in addition, on an annual basis, RDA's are required by statute to submit a report to Taxing Agencies. Mrs. Walker stated the November 1 report is a projection as to what the agency anticipates to receive in tax increment in the coming calendar year.

Mrs. Walker stated this is a particularly important report for the County Auditor because it provides the projected tax increment necessary to calculate certified tax rates. This is done in June and then presented to cities in July for adoption and inclusion in budgets. She stated back in 2003, the Legislature made some changes to the redevelopment law. This opened up a pool of money that had not been available to RDA's in third class cities prior to this time; that pool of money has been earmarked for specific uses such as cultural and recreational facilities as defined under State Statute.

Ms. Walker stated in order to receive this increment; the Agency has to make a request. This request was made back in November 1, 2003 to capitalize upon this new opportunity.

She stated prior to this point, the money had just been available to cities of the 1<sup>st</sup> and 2<sup>nd</sup> class, or County 1<sup>st</sup> class. She explained that additional tax increment comes from project areas that are pre-1993 projects; of which, Riverdale has two that qualify: 1050 West and Riverdale Road. Ms. Walker explained these project areas fall under the haircut provisions relative to major changes made to the RDA law in 1983. She offered explanation as to the tax increment percentage structure, stating the format is such to ensure tax increment would begin to flow back to other taxing entities through the life of the project. The Legislature could then take and utilize these funds for cultural and recreational purposes.

Ms. Walker stated the Riverdale RDA is able to collect a portion of tax increment relative to the haircut provision. She stated they also wish to allow taking additional portion of the tax increment that would have flowed back to some of the taxing entities and allow use for specific purposes. She stated this change came about in 2003, and was a change that many counties did not recognize. Ms. Walker stated there are many projects for which this increment could be utilized; Ogden has applied, North Ogden is in the process, etc.

Ms. Walker stated Weber County did not have a process by which to request or recognize this additional tax increment, but has now set up a process to do so. This includes a resolution to be adopted by the RDA Board and officially recorded. She stated they are currently in the process of going through and lining up the steps to receive and meet the County's process and their requirements to collect this tax increment. Ms. Walker explained the tax increment that is available is that which would have flowed through; excluding that which would have flowed through to school districts - as their portion is held harmless.

Ms. Walker stated projects were originally based on original precedence, on a county by county process. She stated there is nothing under State Statute to mandate any other requirement than requesting and then pledging the increment. She stated most RDA and Bond Attorneys are recommending this be done by resolution; which does not have to be specific and can be broad and vague. She stated the additional revenues must be pledged towards statutorily allowable uses under the definition of cultural and recreational. Ms. Walker stated staff is trying to fit into this process and are negotiating at this time.

Ms. Walker explained there are worksheets on which to base calculations. She stated there are certain technical aspects, should it be done differently than other counties within the Wasatch Front area. She stated Weber County has had to go in and change all of their programs in terms of calculation of tax increment and certified tax rates; and will further have to change their programs in terms of tax increment calculation for reconciliation in the spring.

Ms. Walker summarized that her projection is that the additional tax increment is available, based on existing tax increment and existing assessed values found in both areas 1 and 2. She stated she would estimate an additional \$1.98 million over the remaining life of the project area 1 (19 years); and \$1.4 million in area 2 which extends to 2027 (23 more years). She stated these funds are not restricted to being used within project limits, but must be

used within City limits. She stated this is much broader than tax increment that has to be funneled back into the project area.

Ms. Walker stated the estimated numbers have been reduced by hold harmless; these are net estimates. She discussed the Salt Lake County process, stating they flow through all amounts and then return hold harmless amounts back to the School Districts. She clarified the statewide basic levy is not held harmless under the School District portion. Weber County has made a decision they are not going flow through all additional tax increment to the RDA, and then have to turn around and reimburse school districts. Ms. Walker stated they will make the calculation in terms of hold harmless for the School District and calculate two figures - one to flow through and hold the School District harmless and the remainder will flow through to the RDA's.

Ms. Walker stated during conversations with RDA Attorney Randy Feil, his legal opinion is that the basic levy should not flow through on the hold harmless because it is a statewide purpose. She summarized Riverdale has applied for and requested the 2004 tax increment, and are in ongoing discussions with the County. She stated at this stage, she could anticipate beginning to receive increments in the March 31, 2005 reconciliation.

Chair Burrows thanked Ms. Walker for this informative update.

**RDA Resolution #R13-2004 - Relocation Rules & Relocation Assistance Plan**

Mr. Hansen explained the purpose with regard to relocation rules and assistance is to make sure there is a uniform policy for fair and equitable treatment. He stated these are particularly sensitive legal concerns relative to eminent domain; and Mr. Field has recommended updated language. He stated the original ordinance has been rescinded relative to Council action this evening, and it is now proposed that the RDA Board consider adopting the proposed resolution to approve adopting the updated language to ultimately protect property owners.

**Motion** Mrs. Brough moved to approve RDA Resolution #R13-2004 adopting relocation rules (guidelines) and relocation assistance plan for Redevelopment Project areas adopted by the agency as proposed. Mr. Haws seconded the motion.

Roll call vote. Mr. Gibby, Yes; Mr. Haws, Yes; Mrs. Jenkins, Yes; Mr. Hadden, Yes; and Mrs. Brough, Yes. The motion passed unanimously.

**RDA Resolution #R14-2004 - Adopting Participation Guidelines for RDA Areas**

Chairman Burrows affirmed he had proper proof of publication, per legal requirement.

Mr. Hansen explained the purpose with regard to participation guidelines for participation and preferences of owners and tenants for Redevelopment Project areas is to include updated language as recommended by Mr. Feil. He stated it is proposed that the RDA Board consider adopting the proposed resolution to approve adopting the updated language as proposed.

Discussion followed regarding the wording as proposed, with Mr. Gibby expressed concern as to factors limiting participation opportunities. Mr. Hansen stated he does view this as problematic. Ms. Walker stated this does not limit opportunities, and she feels the Board should trust Mr. Feil's work. She stated he prefers the guidelines to be as definitive as possible. Mr. Gibby stated he would like to take out "shall necessarily" and include "may".

Chairman Burrows stated he would be uncomfortable with changing Mr. Feil's work without having him present. Mr. Brooks stated he does not see this to be an issue.

**Motion** Mrs. Brough moved to approve RDA Resolution #R14-2004 adopting participation guidelines for participation and preferences of owners and tenants for redevelopment project areas adopted by the Redevelopment Agency of the City of Riverdale as proposed. Mr. Haws seconded the motion.

Roll call vote. Mr. Haws, Yes; Mrs. Jenkins, Yes; Mr. Hadden, Yes; Mrs. Brough, Yes; and Mr. Gibby, Yes. The motion passed unanimously.

#### **General Plan discussion relative to RDA Project Areas**

Mr. Hansen discussed ongoing amendments to RDA Areas 1 and 2, including the time consuming process associated with legal description, survey work, and staff hours. He stated there are also two proposed new RDA areas (550 West and West Bench); and a proposed EDA on the West Bench. He stated in order to get all of the preliminary work done, before continuing to engage in this formal process, there is need for Gilson Engineering support in developing legal descriptions, maps, boundaries, etc.

Mr. Hansen stated staff has discussed the legal process involved. Hed informed the Council that he had requested Gilson proceed to engage first the 550 West area, followed immediately by the West Bench. He stated the scheduling involves hearings and actions during January and February, and may require every Tuesday night in January to address and be able to get this done. Discussion followed regarding the process involved to establish and amend these areas, with the Council determining there really is no option but to schedule additional meetings.

**Motion** Mr. Gibby moved to allow Gilson Engineering to begin necessary work to compile the 550 West area, followed immediately by the West Bench area. Mr. Hadden seconded the motion. The motion passed unanimously.

Chair Burrows stated there is a time sensitive issue with keeping the flow of everything going. He stated the Council/RDA has asked for a review of certain areas of the City for General Plan discussion and update. He stated he is very sensitive to this, however, would encourage priority on keeping the RDA Area amendment process moving forward. He stated as the RDA studies and related information are completed, they can then commence review of the General Plan. Mrs. Jenkins stated she would like this item placed on the City Recorder's report to ensure follow-up and timely addressal. There appeared to be RDA Board consensus.

Mr. Daily offered explanation that staff is working on issues relative to the General Plan itself. He stated the City paid a great deal of money for the Herridge study, and inquired if the Board is willing to implement this as part of the General Plan. He stated staff is also working on hot button areas and Planning Commission recommendations which will flow through to the City Council.

Mrs. Jenkins stated she feels there are ordinances on file in conflict, such as the Landmarks area. Mr. Daily stated he feels amendments could be made. Chair Burrows encouraged the Board to allow the City Planner time to work on these types of projects. Mr. Daily stated he feels the land use now as it exists with zoning, could initiate a battle. Mrs. Jenkins stated there is not an ordinance that dovetails with the Herridge Study, and inquired what would be used to guide the development process. Mr. Daily stated setbacks are more of an issue relative to the Herridge Study, more so than zoning. He stated the RDA areas provide so much protection, he would recommend continuing establishment and then moving forward.

Mrs. Ukena requested the RDA to focus on the Herridge Study and RDA/EDA areas, and allow staff and the Planning Commission to work behind the scenes on the background information. She stated the two will mix and the General Plan will be updated.

**Senior Housing/Facility**

Mr. Hansen reported on weekly construction meetings with Kier, stating the Seniors' Board conducted a walk through and are very excited at the progress. He stated legal counsel is currently working on corporate structure issues with regard to the organization of the seniors. Discussion followed relative to 501(c)(3) operations, with Mr. Brooks stating the seniors do have Articles of Incorporation. Mr. Hansen stated the City had encouraged the Seniors to incorporate, however, the City, the RDA, and the Senior's organization are three different entities.

With no further business to come before the Board at this time, Mr. Gibby moved to adjourn the meeting. Mr. Jenkins seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 9:25 p.m.

Attest:

Approved: January 4, 2005

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Larry L. Hansen  
Executive Director

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Bruce Burrows  
Chairman