



Minutes of the **Meeting of the Board of Directors of the Redevelopment Agency of Riverdale City** held Tuesday, **September 18, 2012** at 6:51 p.m. at the Riverdale Civic Center, 4600 South Weber River Drive.

Members Present: Bruce Burrows, Chairman
Don Hunt
Norm Searle
Alan Arnold
Braden Mitchell
Michael Staten

Others Present: Larry Hansen, Executive Director, Steve Brooks, City Attorney, Ember Herrick, City Recorder and no members of the public.

A. Welcome and Roll Call

Chairman Bruce Burrows called the meeting to order and welcomed all those present. He noted that all Board Members were present.

B. Open Communications

None.

C. Consent Items

1. Consideration of June 5, 2012 Redevelopment Agency Meeting minutes

Chairman Burrows asked the Board if they had any corrections to the meeting minutes, none were noted.

Motion: Mr. Arnold moved to approve the consent items. Mr. Hunt seconded the motion. There was no discussion on the motion.

Call the Question: The motion passed unanimously.

D. Reports and Presentations

1. Report on Condition of the Treasury for the months ending June 30 and July 31 2012

Executive Director Larry Hansen said the treasury report for the end of fiscal year 2012 shows the RDA budget is financially sound. He asked for any questions or comments and there were none.

2. 2012 RDA Annual Report

Mr. Hansen said all project area funds are in good shape with revenue from the 1050 West Project Area going into the Senior Facility Fund to help pay off the city's bond. According to Mr. Hansen, the 550 West Project Area RDA funds used to purchase homes in the area to facilitate development will be reimbursed to the housing fund when the property is sold and

developed. He said there are eight homes still remaining and a balance of funds in the RDA budget to help move those homeowners if a developer is interested in an RDA area. Mr. Hansen asked for any questions on the 2012 RDA Annual Report and there were none.

3. Senior Center Bond Financing Report

Mr. Hansen said the Senior Facility report shows the outstanding bond on the facility is \$930,000. He said Riverdale has set aside \$1.5 million dollars from the 1050 West Project Area incremental payments that could be used to pay off the bond debt but the variable interest rate is under two percent and so there is no justification to expedite payment of the bond at this time. Mr. Hansen said the 1050 West incremental payments will be held in reserve to accumulate interest but he wanted the Board to know that the reserve funds are available to pay off the Senior Center bond if for some reason the federal government were to suddenly raise the variable interest rate necessitating payoff of the bond.

4. Status Report on West Bench Project Area

Mr. Hansen said the RDA Annual Report he distributed to the Board was prepared by a financial advisor with expertise in bonding compliance and addresses all of Riverdale's active project areas, including the west bench. He said tax increments, when assessed values increase through redevelopment, create more revenue and incentivize developers to purchase and build in RDA project areas. According to Mr. Hansen, each of Riverdale's project areas and their performance in the last year is included in the report and serves to satisfy a statutory requirement that the RDA must comply with annually.

Mr. Hansen said on page 15 there is an overview of the West Bench Project Area. He said seven and a half years ago the Taxing Entities Committee (TEC) did not approve a budget for this area in a split vote of four to four. According to Mr. Hansen, the eight member TEC needs a supermajority to approve a budget for an RDA area. He said that he has amended the city's budget request and he and Mayor Burrows have been lobbying the TEC to approve a \$9 million dollar budget for the West Bench Project Area prior to November 1, 2012. Mr. Hansen said Riverdale Resident and former City Council member Jerry Degroot and Mayor Burrows are the two members of the TEC that represent the city. He said the TEC is also made up of two representatives from Weber County, two representatives from the Weber School District and a representative from the State School Board, as well as a representative from the all of the county's miscellaneous taxing entities like the sewer and mosquito abatement districts. Mr. Hansen said in the past it has been hard to garner the support of the school board, but in the wake of the nation's most recent recession, the current TEC school district representatives seem more amenable to approving an RDA budget for the West Bench Project Area.

According to Mr. Hansen, if the budget is approved, it will allow the RDA to relocate the high voltage power lines that traverse the North East quadrant on the Gibby and Knudsen properties to make the land more attractive to a developer. He said there have been multiple inquires over the years from developers interested in the West Bench, but to date the power lines have hampered development. According to Mr. Hansen, the recent Larry H. Miller auto dealership constructed in the West Bench Project Area could also serve to attract new developers.

Mr. Hansen said Riverdale's RDA is requesting a budget of \$9 million dollars from the TEC to make infrastructure changes that will facilitate development of this area. He said the city is proposing absorbing the five percent administrative costs to develop the West Bench and plans to partner with a developer to share in the overall cost of relocating the power lines and

upgrading the city's sewer and storm infrastructure. Mr. Hansen said Riverdale is in the process of applying for a waiver from the state for the 20 percent required moderate income housing in the West Bench Project Area worth \$1.8 million dollars to the City. According to Mr. Hansen, Riverdale already has an adequate supply of low income housing according to U.S. Census data and surveys conducted as part of Riverdale's process to update its Biennial Moderate Income Housing Report. Mr. Hansen said a draft of the housing waiver was submitted to the state this week.

According to Mr. Hansen, increment payments would be recovered over a 15 year period or until the requested \$9 million dollar tax increment revenue is collected by the RDA. He said he is confident that he and the Mayor have secured an affirmative majority from the TEC but would like the vote to be unanimous to create the \$9 million dollar budget for the West Bench Project Area. Mr. Hansen said the TEC committee will meet to discuss Riverdale's proposal on October 4, 2012 at the Riverdale Community Center and the State School Board will discuss the proposal the following day at their meeting on October 5, 2012. According to Mr. Hansen, the October 4, 2012 meeting will allow the TEC to ask questions and discuss the schedule but he doesn't anticipate they will vote on the budget until the next meeting scheduled for October 25, 2012. He said if the TEC approves a budget on October 25, 2012, the timeline will allow the RDA to meet on October 30, 2012 to hold a public hearing and approve a budget using base tax year 2011 before the November 1, 2012 deadline. Mr. Hansen said the expected return on investment in property tax with the West Bench developed will be 500 percent so approving a budget for this project area is in everyone's best interest.

Mr. Hansen asked for any questions and Mr. Mitchell asked about a proposal by the state of Utah to match funds with cities to bury power lines. Mr. Hansen said that proposal had been discussed in the last legislative session but the cost was determined to be too high. He said Public Works Director Shawn Douglas and Community Development Director Randy Daily have been discussing options with Rocky Mountain Power and the feasible solution for the West Bench power lines appears to be relocating them to the North side of Riverdale Road and west side of 1500 West. Mayor Burrows said high voltage lines cannot be buried and even if they could, the cost would be prohibitive. Mr. Hansen said Mr. Douglas has also received figures for upgrading the city's eight inch sewer line and storm drains for the West Bench Project Area and the city is confident \$9 million dollars will help cover these infrastructure costs too. Mr. Hansen said future land use of this project area could be determined by infrastructure costs as a car dealership will put less stress on the sewer system than high density housing or a restaurant that typically requires high water usage. Mr. Hansen said the RDA has retained Attorney Randy Feil to guide the city through the TEC budget process and ensure that Riverdale complies with all statute requirements so that he can certify the process which is a requirement whenever property tax monies are involved. There were no additional questions or comments.

E. Action Items

None.

F. Discretionary items

Chairman Burrows asked the Board for any discretionary items and Mr. Searle asked if representatives from the city had met with UDOT to discuss the possibility of building a roundabout on South side of the city. Mr. Hansen said the meeting has been postponed until Riverdale City has the preliminary design information and price estimates for the proposed project. He said UDOT is currently responsible for the maintenance of South Weber Drive and Riverdale City wants to ensure the state will continue maintaining the road after a roundabout

at this five point intersection is constructed. Mr. Hansen said he will update the RDA Board about the city's proposal before they set up a meeting with UDOT Representatives.

Mr. Searle said Mr. Hansen was recently chosen as "senior of the month" for Riverdale's Senior Center and he said Mr. Hansen is respected in the community and he complimented him for his work on the board and his vision to build the Senior Center Facility, which has become a valuable asset for the city. Mr. Searle said he also supports the purchasing of land on the South end of Riverdale to create a park for residents that was discussed during the last RDA meeting and he said he would encourage Mr. Hansen to pursue the city's options in this area.

G. Adjournment

With no further business to come before the Board at this time, Mr. Arnold moved to adjourn the meeting. Mr. Mitchell seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 7:35 p.m.

Approved: October 16, 2012

Attest:

Bruce Burrows, Chairman

Larry Hansen, Executive Director