



SYRACUSE CITY

Syracuse City Redevelopment Agency (RDA) Meeting April 9, 2024 – immediately following the City Council Business Meeting, which begins at 6:00 p.m.

In-Person Location: Syracuse City Hall, 1979 W. 1900 S.

Electronic Via [Zoom](#)

Connect via telephone: +1-301-715-8592 US, meeting ID: 858 1259 7555

Streamed on Syracuse City [YouTube Channel](#)

1. Meeting called to order.
Adopt agenda.
2. Approval of minutes: (2 min.)
 - a. March 12, 2024 Redevelopment Agency (RDA) Special Meeting.
3. Proposed amendment to Shadow Point Shopping Center Incentive Agreement between the Syracuse City Redevelopment Agency (RDA) and Shadow Point, LLC. (10 min.)
4. Adjourn.

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In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

#### **CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 4<sup>TH</sup> day of April, 2024 at Syracuse City Hall on the City Hall Notice Board and at <http://www.syracuseut.gov>. A copy was also provided to the Standard-Examiner on April 4, 2024.

CASSIE Z. BROWN, MMC  
SYRACUSE CITY RECORDER



# REDEVELOPMENT AGENCY AGENDA April 9, 2024

Agenda Item #2

Approval of Minutes.

***Factual Summation***

- Please see the draft minutes of the following meeting(s):
  - a. March 12, 2024 Redevelopment Agency (RDA) Special Business Meeting.
- Any question regarding this agenda item may be directed at Cassie Brown, City Recorder.

1 Minutes of the Syracuse City Redevelopment Agency Special Meeting, March 12, 2024.

2  
3 Minutes of the Special Meeting of the Syracuse City Redevelopment Agency March 12, 2024, at 6:19 p.m., held in a  
4 hybrid in-person/electronic format via Zoom, meeting ID 886 8775 4688, in-person in the City Council Chambers at 1979 W.  
5 1900 S., and streamed on the Syracuse City YouTube Channel in accordance with House Bill 5002, Open and Public  
6 Meetings Act Amendments, signed into law on June 25, 2020.

7  
8 Present: Members: Jennifer Carver  
9 Brett Cragun  
10 Julie Robertson  
11 Jordan Savage  
12 Paul Watson

13  
14 Mayor Dave Maughan  
15 City Manager Brody Bovero  
16 City Recorder Cassie Z. Brown

17  
18 City Employees Present:

19 Administrative Services Director Stephen Marshall  
20 City Attorney Colin Winchester  
21 Fire Chief Aaron Byington  
22 Police Chief Garret Atkin  
23 Parks and Recreation Director Kresta Robinson  
24 Public Works Director Robert Whiteley  
25 Communications Specialist Kara Finley  
26

27 1. Meeting Called to Order/Adopt Agenda

28 Mayor Maughan called the meeting to order at 6:19 p.m. as a special meeting, with notice of time, place, and agenda  
29 provided 24 hours in advance to the newspaper and each Boardmember.  
30

31 2. Authorize Administration to execute Reimbursement Agreement with  
32 Syracuse Flex, LLC for A flex/industrial project located near State Road  
33 (SR) 193 and 1000 West.

34 A staff memo from the Community and Economic Development (CED) Department explained the City has been  
35 approached by the developer of the flex industrial project located near SR 193 and 1000 W. They desire to add a driveway  
36 approach directly onto SR 193. Being a state highway, UDOT dictates the required construction specifications for all  
37 modifications to the facility. UDOT has required, per the SR 193 access agreement, that a center median be constructed  
38 between 1550 W and 1000 W that would restrict access to a right in right out and prevent wrong way traffic. The developer is  
39 requesting assistance from the city RDA for the portion of the median that is not adjacent to their property. The requested  
40 amount comes to \$137,480.33. The benefits of adding an entrance to the project area that is currently at the end of a cul-de-  
41 sac include: more convenient access for patrons of existing and future businesses, increased types of businesses that can lease  
42 the building, and improved emergency response. This project is within the SR 193 EDA. The city council acts as the

1 Redevelopment Agency (RDA) board. Any incentive agreement must be approved by the RDA. Summarized terms of the  
2 incentive agreement include:

- 3 • The RDA agrees to reimburse the developer from future property tax payments. After the proposed  
4 buildings are completed and begin paying property taxes, the RDA could then divert those taxes  
5 attributable to the new buildings back to the developer. The project area expires in 2028. Assuming the  
6 buildings are completed in 2024 and pay full taxes in 2025, 2026, 2027, and 2028, that would total  
7 approximately \$125,668.

8 BOARDMEMBER ROBERTSON MADE A MOTION TO AUTHORIZE ADMINISTRATION TO EXECUTE  
9 REIMBURSEMENT AGREEMENT WITH SYRACUSE FLEX, LLC FOR A FLEX/INDUSTRIAL PROJECT LOCATED  
10 NEAR STATE ROAD (SR) 193 AND 1000 WEST. BOARDMEMBER CARVER SECONDED THE MOTION, ALL  
11 VOTED AYE.

12  
13 3. Authorize Administration to execute Reimbursement Agreement with  
14 Trico Holdings, L.C. for a flex/industrial project near Antelope Drive and  
15 Bluff Ridge Road.

16 A staff memo from the Community and Economic Development (CED) Department explained the City has been  
17 approached by the developer of the flex industrial project located near Antelope Drive and Bluff Ridge Dr. They desire to  
18 build a new industrial building and lease it to a new business, reportedly a landscaping contractor. The proposed building site  
19 is nestled across from an overhead power corridor. Buildings are not allowed to be constructed below power lines, thus  
20 forcing the building location. The remote location is inflating the cost of extending utilities to the building, making it  
21 expensive for the developer to build on the site without financial subsidy. The developer is requesting assistance from the city  
22 RDA for the extra length in utilities. The requested amount is \$281,840.32. The benefits of adding a new building in an  
23 otherwise unbuildable location is: increased local jobs, adding a new business service closer to our residents, and increased  
24 property taxes from a new building. This project is within the 750 W RDA. The city council acts as the Redevelopment  
25 Agency (RDA) board. Any incentive agreement must be approved by the RDA. The following terms of an incentive  
26 agreement were discussed on February 27th:

- 27 • Agree to reimburse the developer from future property tax payments. After the proposed buildings are  
28 completed and begin paying property taxes, the RDA could then divert those taxes attributable to the new

Redevelopment Agency Special Meeting  
March 12, 2024

1 buildings back to the developer. The project area expires in 2031. Estimated property tax rebate of around  
2 \$60,000 total or about \$10,000 per year.

3 BOARDMEMBER CARVER MADE A MOTION TO AUTHORIZE ADMINISTRATION TO EXECUTE  
4 REIMBURSEMENT AGREEMENT WITH TRICO HOLDINGS, L.C. FOR A FLEX/INDUSTRIAL PROJECT NEAR  
5 ANTELOPE DRIVE AND BLUFF RIDGE ROAD. BOARDMEMBER ROBERTSON SECONDED THE MOTION, ALL  
6 VOTED AYE.

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9 At 6:21 P.M., MAYOR MAUGHAN DECLARED THE MEETING WAS ADJOURNED.

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13 \_\_\_\_\_  
14 Dave Maughan  
15 Mayor

13 \_\_\_\_\_  
14 Cassie Z. Brown, MMC  
15 City Recorder

15

16 Date approved: \_\_\_\_\_



# RDA AGENDA

April 9, 2024

Agenda item #3

## Shadow Point Shopping Center Incentive Amendment

### *Summary*

The City entered into an RDA incentive agreement with Shadow Point LLC on March 20th, 2020. The purpose of the incentive was to facilitate the construction of a 'large gym facility'. The developer was to build a gym at least 40,000 square feet, with a lap pool 25 yards long, half-court indoor basketball, sauna, hot tub, and child care facilities. The City RDA agreed to return 75% of the property tax that the Agency receives from the project to the developer.

The city agreed to such terms because it is believed that the construction of such a facility will breathe life into the shopping center that has struggled. Vacancy and turnover rates have historically been high at the property. The 'anchor tenant' of the center was never built, and the gym, while not a traditional retail anchor tenant, is believed to increase traffic to the center. It is anticipated that the added traffic will benefit the surrounding businesses and encourage development of the adjacent out parcel pads.

Unfortunately, the project was delayed by covid, which heavily affected gyms and other businesses that rely on in-person participation. After covid, there was an increase in labor costs, material costs, financing interest rates, and other factors that added difficulty in delivering the project. Nevertheless, the developer was successful in getting site plan and building permit approval within two years of the agreement's execution as required in 6.1.2 of the agreement.

After four years, the project still has not begun construction. The developer has requested from the city RDA to amend the agreement in two areas that reportedly will help get the project off the ground:

1. Additional time to complete the building. The requested completion and gym opening date deadline is January 1, 2026. If the project is not completed by this date, the agreement will be terminated.

2. An increased property tax rebate. The developer is requesting 100% of the property taxes attributable to the project. Currently the city has agreed to 75% of the property tax until 2041. With an assumed assessed value of 7.2 million, the building would pay about \$74,000 dollars in property taxes per year. The CDA receives only 60% of the property taxes, so an estimated \$44,000 per year from the building would go to the RDA. The two payment scenarios of 75% and 100% are as follows:

- 100% of the 60% assuming an annual payment of \$44,379.36 from 2026-2041 is approximately \$710,069.76.

- 75% of the 60% assuming an annual payment of \$33,284.52 from 2026-2041 is approximately \$532,552.32.

The difference between the two scenarios is approximately \$11,094.84 per year or \$177,517.44 over 15 years.

On March 26, the City Council discussed the issue and requested a start of construction date in addition to the completion date. The developer feels confident that November 1, 2024 is a feasible start date.

**FIRST AMENDMENT TO  
AGREEMENT FOR TAX INCREMENT REBATE  
RELATED TO DEVELOPMENT OF A LARGE GYM FACILITY**

**FIRST AMENDMENT** to Agreement for Tax Increment Rebate Related to Development of a Large Gym Facility dated this 9th day of April, 2024.

**WHEREAS**, the parties entered into the Agreement for Tax Increment Rebate Related to Development of a Large Gym Facility (“Agreement”) on March 20, 2020; and

**WHEREAS**, Section 6.3 of the Agreement requires that amendments to the Agreement must be in writing and approved by the parties; and

**WHEREAS**, the parties desire to amend the Agreement as stated below;

**NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

**1. Parcel ID Number:**

Throughout the Agreement, Parcel ID “12-768-0002” is amended to Parcel ID “129590010.”

**2. Section 4.2 is repealed and replaced as follows:**

Amount of Rebate. The rebate available under this Agreement shall be 100% of the dollar amount of tax increment distributed to the Agency from taxes collected that are solely attributed to the New Facility.

**3. Section 6.1 is repealed and replaced as follows:**

Term. This Agreement shall remain in effect for the shortest duration of one of the following:

6.1.1 After distribution of the rebate on the last year on which the Agency receives increment from the New Facility;

6.1.2 On November 1, 2024, unless all footings for the New Facility have been poured on or before that date;

6.1.3 On January 1, 2026, unless the New Facility is completed and open to the public and operating as a commercial fitness facility on or before that date; or

6.1.4 Until the termination of this Agreement, as provided in section 6.2 of this Agreement.

**4. Section 7.1.1 is repealed and replaced as follows:**

The parties understand that the Developer intends to transfer the New Facility after completion. Such a transfer is hereby agreed to by the Agency. Despite such a transfer, the rebate of tax increment shall continue to be made to the Developer, and not to the transferee.

**5. Remaining Terms and Conditions:**

All other terms and conditions of the Agreement remain in full force and effect.

SHADOW POINT, LLC:

\_\_\_\_\_  
William O. Perry  
Manager

STATE OF UTAH                    )  
                                          ) ss:  
COUNTY OF SALT LAKE        )

On \_\_\_\_\_, 2024, personally appeared before me William O. Perry, who being by me duly sworn did say that he is the Manager of SHADOW POINT, LLC, and that said instrument was signed on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC



REDEVELOPMENT AGENCY OF SYRACUSE CITY:

\_\_\_\_\_  
Dave Maughn  
Chair

ATTEST:

\_\_\_\_\_  
Cassie Z. Brown, MMC  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
Colin Winchester

STATE OF UTAH                    )  
                                          ) ss:  
COUNTY OF DAVIS            )

On \_\_\_\_\_, 2024, personally appeared before me Dave Maughn, who being by me duly sworn did say that he is the Chair of the REDEVELOPMENT AGENCY OF SYRACUSE CITY and that said instrument was signed on behalf of said agency.

\_\_\_\_\_  
NOTARY PUBLIC