

**TREMONTON CITY CORPORATION
REDEVELOPMENT AGENCY**

June 17, 2014

Board Members Present:

Roger Fridal, Chairman

Diana Doutre, Board Member

Lyle Holmgren, Board Member

Jeff Reese, Board Member

Bret Rohde, Board Member

Byron Wood, Board Member

Shawn Warnke, Executive Director

Darlene Hess, Executive Secretary

Chairman Fridal called the Tremonton Redevelopment Agency Meeting to order at 7:53 p.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Chairman Fridal, Board Members Doutre, Holmgren, Reese, Rohde and Wood, Executive Director Warnke, and Executive Secretary Hess. Also in attendance were Police Chief David Nance and Public Works Director Paul Fulgham.

1. Approval of agenda:

Motion by Board Member Reese to approve the June 17, 2014 agenda. Motion seconded by Board Member Rohde. Vote: Board Member Doutre - aye, Board Member Holmgren - aye, Board Member Reese - aye, Board Member Rohde – aye and Board Member Wood - aye. Motion approved.

2. Approval of minutes – June 3, 2014

Motion by Board Member Doutre to approve the minutes of June 3, 2014. Motion seconded by Board Member Holmgren. Vote: Board Member Doutre - aye, Board Member Holmgren - aye, Board Member Reese - aye, Board Member Rohde – aye and Board Member Wood - aye. Motion approved.

Chairman Fridal opened the public hearing at 7:57 p.m. with two people in attendance.

3. Public Hearing:

- a. To consider adopting the Annual Budget entitled “The Redevelopment Agency of Tremonton City Annual Implementation Budget 2014 – 2015 for Tremonton West Liberty Foods EDA 172, Fund 71 RDA District #2 – Downtown and Tremonton Freeway and Garland Cem (RDA #3), for the period commencing July 1, 2014 and ending June 30, 2015

RDA Director Warnke discussed the RDA Annual Implementation Budget.

He told the Agency that they have been discussing this item for the last couple of RDA Meetings. State law caps the City's General Fund's balance at 25% of its estimated revenues. What Tremonton City has traditionally done is in the City's budget amending resolution; it directs the City staff to move fund balance in excess of the 25% to the City's capital funds. This year, the City's budget amending resolution directed City staff to move between \$15,000 and \$20,000 into Fund 71 RDA District #2 – Downtown. Some of the expenses budgeted in Fund 71 include a feasibility study associated with the creation of a Community Development Project Area Plan. Director Warnke has given Mr. Capener the new draft of a cost sharing agreement associated with the creation of a Community Development Project Area and told him that the ball is in his court to provide any comments back associated with the cost sharing agreement and pay the RDA \$2000 to start the process.

Board Member Rhode discussed the location of the Community Development Project Area. He told the Agency that it kind of limits the area so it will not capture all of the growth. Director Warnke told the Agency that it captures the tax increment that they could get from the new growth. Director Warnke reminded the Agency that Mr. Capener's proposed development project is not a sure thing so tax increment is needed to move the project forward. The RDA is expending funds to set up the Community Development Project Area so we are bearing a risk also. There are other development projects that are moving forward and there has not been any discussion of the need for tax increment and in part that is why other areas on Main Street are not included in the revised boundaries of the study areas for the Community Development Project Area. Some of the expense that is unique to Mr. Capener's proposed development project includes the crossing of the canal and building a bridge. Director Warnke told the Agency that could include other areas of Main Street; however, the creation of the Community Development Project Area Plan and Budget would become more expensive to create. Board Member Rohde told the Agency that he was just a little concerned that the Agency could be favoring one person. Board Member Wood discussed that there is really no need to increase the area unless someone comes forward and requests it. He likes the situation where Mr. Capener is participating in sharing of cost (at 50% of all expenses) for the creation of the study area (Community Development Project Area Plan and Budget).

RDA Director Warnke told the Agency that he had the opportunity to review the real estate purchase contract between Mr. Capener, the developer and the land owner, and Mr. Capener has until November to pay for the property. So there is still time for him to make the acquisition. Chairman Fridal told the Agency that he is very positive about the project. Mr. Warnke told the Agency that the ultimate decision will be made by the Taxing Entities, Tremonton City being one of them, to grant the use of tax increment for the proposed Community Development Project Area. The RDA could go through all this work and the Taxing Entities could decide not to participate by not authorizing the RDA to

receive their portion of increment from the new development. Board Member Rohde commented that in essence, the RDA could do this for other areas in Tremonton.

Chairman Fridal asked if this project will be discussed in the TEC Meeting coming up. Director Warnke told him that it would.

Chairman Fridal closed the public hearing at 8:00 p.m.

4. New Business:

- a. Discussion and consideration of adopting Resolution No. RDA 14-07 adopting the Proposed Budget entitled “The Implementation Budget 2014 – 2015 for RDA District #2 Fund – Downtown; Tremonton West Liberty Foods EDA 172; and Tremonton Freeway and Garland CEM (RDA #3) 197”, for the fiscal year commencing July 1, 2014 and ending June 30, 2015

Chairman Fridal asked if there were any questions on the budget. Being none, there was a **motion by Board Member Reese to adopt Resolution No. 14-07 adopting the Proposed Budget entitled “The Implementation Budget 2014 – 2015 for RDA District #2 Fund – Downtown; Tremonton West Liberty Foods EDA 172; and Tremonton Freeway and Garland CEM (RDA #3) 197”, for the fiscal year commencing July 1, 2014 and ending June 30, 2015.** Second by Board Member Doutre. Roll Call Vote: Board Member Holmgren – aye, Board Member Doutre – aye, Board Member Reese – aye, Board Member Wood – aye, and Board Member Rhode – aye. Motion approved.

- b. Discussion and consideration of approving Resolution No. RDA 14-08 repealing Resolution No. RDA 14-02 (for purposes of amending the study area boundaries previously approved in Resolution No. RDA 14-02) and reauthorizing the Tremonton City Redevelopment Agency to initiate a feasibility study and preparation of a Community Development Project Area Plan

RDA Director Warnke told the Agency that on May 6, 2014, the RDA Board adopted Resolution RDA 14-02 which authorized the RDA to initiate a feasibility study and preparation of a Community Development Project Area Plan. It is proposed that the study area boundaries be adjusted to target where tax increment will be generated and where tax increment will be spent. Having a more precise study area will reduce time and costs associated with Zions Bank Public Finance creating the documentation needed to satisfy State Code requirements to create a Community Development Project Area.

In the previous resolution, the study area boundaries were from the Crossroads to the I-84 overpass along Main Street. The new study area boundaries in this

resolution includes an area near and surrounding Main Street in Tremonton City from approximately 150 East to 600 West.

Chairman Fridal asked if there were any questions from the Agency. Being none, he called for a motion.

Motion by Board Member Holmgren to adopt Resolution No. RDA 14-08 repealing Resolution No. RDA 14-02 (for purposes of amending the study area boundaries previously approved in Resolution No. RDA 14-02) and reauthorizing the Tremonton City Redevelopment Agency to initiate a feasibility study and preparation of a Community Development Project Area Plan. Second by Board Member Doutre. Roll Call Vote: Board Member Rohde – aye, Board Member Wood – aye, Board Member Reese – aye, Board Member Doutre – aye, and Board Member Holmgren – aye. Motion approved.

4. Adjournment

Motion by Board Member Holmgren to adjourn the meeting. Second by Board Member Doutre. Vote: Board Member Doutre – aye, Board Member Holmgren – aye, Board Member Reese – aye, Board Member Rohde – aye and Board Member Wood - aye. Motion approved. The meeting adjourned at 8:12 p.m.

The undersigned duly acting and appointed Executive Secretary for Tremonton City Corporation Redevelopment Agency hereby certifies that the foregoing is a true and correct copy of the minutes for the RDA Meeting held on the above referenced date.

Dated this _____ day of _____, 2014.

Darlene Hess, Executive Secretary