



435 North Main Street
La Verkin, Utah 84745
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www.laverkin.org

La Verkin City Council Joint Work Meeting
Amended Agenda
Thursday, December 19, 2024, 5:00 p.m.
Council Chambers, 111 S. Main, La Verkin, Utah

5:00 Work Meeting with Planning Commission.

1. Topside Development.

Adjourn:

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Nancy Cline, City Recorder, (435) 635-2581, at least 48 hours in advance.

Certificate of Posting

The undersigned City Recorder does hereby certify that the agenda was sent to each member of the governing body, sent to the Spectrum newspaper, posted on the State website at, posted on the La Verkin City website at www.laverkin.org, and at the city office buildings 111 S. Main and 435 N. Main on December 18 2024, Nancy Cline, City Recorder

- Encouraging well organized and efficiently planned community development zones that provide regional benefits.

I. APPLICATION PROCESS

A. The applicant shall submit: (1) a petition meeting the requirements outlined in Utah Code Title 17B, Chapter 1, Part 2 as modified by 17D-4-201 and (2) a Letter of Intent containing the following information in summary form. The petition and letter will be used by City's PID Review Committee to make a preliminary determination about the appropriateness of a District and must be submitted prior to submittal of a draft Governing Document. A positive PID Review Committee response to the petition or Letter of Intent does not assure approval of the Governing Document. The petition shall also be submitted concurrently with the Letter of Intent to the City Recorder for certification pursuant to Title 17B, Part 2 and 17D-4-201.

B. Letter of Intent contents:

1. Description of PID area including size, location, area context (significant natural and man-made features, major public improvements, adjacent development), development history, and proposed development;

2. Description of proposed development within the boundaries of the proposed PID, including general distribution of land uses and densities and phasing of development;

3. Summary of needed infrastructure, services and facilities:

a. Currently expected development scenario;

b. Required local and regional infrastructure and facilities for such development;

c. Regional and local infrastructure to be provided by the PID;

d. Estimated construction costs for the proposed PID improvements;

e. General description of phasing of construction based on development projections;

f. Anticipated maximum or fixed maximum mill levy required to meet debt service of the PID;

g. Analysis of proposed mill levies in light of outstanding debt and mill levies of other taxing entities affecting the area; and

h. A sample plan of finance depicting the possible sources and uses of funds for the PID.

4. Proposed timeline for the creation of the PID.

5. Acknowledgement that a consent must be signed prior to the hearing date for the Governing Document by all property owners and registered voters, if any, within the proposed PID boundaries approving of the creation of the proposed PID and

consenting to the issuance of debt in an amount sufficient for the proposed plan of financing.

6. Disclosure of any conflicts of interest between the applicant and the officers and employees of the City.
7. Copies of signed engagement letters between the applicant and applicable consultants and legal counsel retained by the City and/or the proposed PID whereby applicant agrees to pay fees related to the review of the application and governing document.

C. Payment of Fees

No request to create a Public Infrastructure District shall proceed until the fees set forth herein are paid. All checks are to be made payable to the City of LaVerkin and sent to the City.

1. **Letter of Intent:** To cover the cost of review by the PID Review Committee and other staff of the Letter of Intent, the amount of \$ _____ shall be paid as a retainer to City at the time of submission of the Letter of Intent.

2. If the applicant proceeds to the preparation and submittal of a Governing Document, the applicant shall be required to pay actual costs of the City in connection with the review and negotiation of the Governing Document. Depending on the complexity and time required to analyze the PID application, the City may require additional money to be held with the original retainer.

3. **Other Expenses:** The applicant for a PID shall pay all reasonable consultant, legal, financial advisor, and other fees and expenses incurred by the City in the process of reviewing the draft Governing Document prior to adoption and other such fees and expenses as may be necessary to interface with such District. All such fees and expenses shall be paid within 30 days of receipt of an invoice for these additional fees and expenses. The City may request an additional retainer to cover such costs.

D. Review of Petition and Letter of Intent

Any proposed PID will be evaluated in light of the best interests of the residents of the City. Such interests include using the most appropriate financing mechanism for the type and magnitude of the improvements to be financed and appropriate governance mechanism. If through the review process, a PID is determined to be the most appropriate mechanism, the process, the criteria, and requirements provided herein will apply, unless otherwise waived by the City. To assist the City Council in making such determination, an advisory PID Review Committee, comprised of such individuals as may be approved by the City Council, shall be appointed to review the petition and Letter of Intent to insure compliance with Utah state law and the provisions of this Policy Statement. Following such review, the PID Review Committee shall make a recommendation to the City Council whether and under what conditions to proceed with further consideration of the formation of the PID. The City Council will then make a determination whether to

direct the applicant to proceed with preparation of a draft Governing Document for

additional review and consideration by the City. Approval by the City Council to proceed with preparation of a draft Governing Document shall not guarantee approval of the Governing Document or ultimate approval of the formation of the PID.

II. Criteria for Evaluating Formation of Proposed PID

A. Public Benefit

Formation of a District bestows certain public interests on the District's proponents and is expected to provide public interest consistent with the Creating Entities policy goals. Components of public interest to be considered may include some of the following generally ordered from most to least public interest:

1. Resulting development that is in conformance with the City's General Plan and all applicable supplements;
2. Preservation or creation of agricultural areas, open space, parks, trails, or other outdoor public amenities; and
3. Commercial and/or industrial development that will provide employment opportunities, retail, dining, entertainment, and consumer services and diversify the sales tax base.
4. Provision of and/or contribution to needed regional and sub-regional infrastructure;
5. Mixed-use development that includes a variety of housing types and prices, a range of employment opportunities, retail and consumer services, increased affordable housing availability, and civic amenities;
6. High quality site and building design, including street connectivity, multimodal street design, durable construction materials, energy efficient upgrades, and pedestrian-friendly building design;
7. Sustainable design including multimodal transportation, water conserving landscape design, green building design, and formation of and participation in transportation management programs;

B. Evaluation Criteria

The following criteria provide thresholds for consideration. Compliance with some or all of these criteria is desired; however, alternative approaches may be considered.

1. A PID should not include land that is already included within the boundaries of another PID without express provision in an adopted Governing Document. In such cases, the relationship with the existing districts must be addressed in the Governing Document.
2. A PID consisting of commercial and industrial uses planning to levy more than 10 mills of tax in the PID for repayment of limited tax bonds will not be considered without sufficient justification as to why additional mills are necessary and reasonable for the development.

- 3 A PID consisting of residential uses planning to levy more than 6 mills of tax in the PID for repayment of limited tax bonds will not be considered without sufficient justification as to why additional mills are necessary and reasonable for the development.
- 4 There must be a demonstrated public interest directly resulting from the creation of the PID and its undertakings for both the City and the future taxpayers of the PID as described in the Governing Document.
- 5 A PID consisting solely of residential uses and intending to finance solely localized horizontal improvements through limited tax bonds will not be considered.

C. Evaluation of Applicant

The following criteria relating to the applicant and the development will be considered:

1. Historical performance of the applicant (within and outside of the City);
2. The current proposed plan of finance for the PID;
3. The current PID development plan's relationship to the General Plan of the City; and
4. The regional, economic development, or overall benefits to the City from the PID's proposed plan of finance.

III. GOVERNING DOCUMENT REQUIREMENTS

A. If, after review of the Letter of Intent and recommendation of the PID Review Committee, the City Council authorizes moving forward with preparation of the draft of the Governing Document, City staff will work jointly with the applicant and legal and financial advisors to prepare and submit a proposed Governing Document which addresses the issues and meets the requirements contained herein.

B. In addition to statutory requirements, a Governing Document shall memorialize the understandings between the PID and the City, as well as the considerations that compelled the City to authorize the formation of the PID. The Governing Document for the proposed PID shall contain and will be reviewed for compliance with the following policies and requirements.

1. Legal description of the PID.
2. Description of PID area including size, location, area context (significant natural and man-made features, major public improvements, adjacent development), development history within the proposed district boundaries, and proposed development scenario (land uses by type and intensity and general urban design character).
3. Description of the public benefit resulting from the creation of the PID and its undertakings.

4. Itemization and description of all needed infrastructure (both regional and local) and facilities in the PID's area.
5. Explanation of the relationship, if any, between the PID and any other public infrastructure districts with shared annexation area or overlapping boundaries. If more than one PID is proposed to be created within an annexation area, describe how ultimate PID boundaries will be determined.
6. Estimated construction costs of such infrastructure.
7. General description of phasing of construction based on development projections and phasing.
8. Provide the following financial plan information:
 - a. Proforma financial overview of total costs and total revenues from all revenue sources, including internal rate of return anticipated in conjunction with the proforma.
 - b. An example plan of finance showing a proposal of how the proposed financing might take place, recognizing that the actual financing terms and structure will be approved by the board of trustees of the PID within the parameters of this Governing Document.
 - c. Comparison of the mill levies of similar taxing entities in the area.
 - d. Proposed operating budgets for the PID's first 3 years of existence.
9. Any other forms of public financing and assistance being sought, including assessment areas.
10. Description of the ultimate ownership and provision for the ongoing operating and maintenance costs for infrastructure.
11. Description of any proposed divisions and an annexation/exclusion process as appropriate.
12. Proposed governance plan, including Board structure and transitioning from appointed Board to elected Board.

C. Requirements and Expectations

1. The planned ownership of the improvements, including any relationship with an existing statutory district shall be addressed in the Governing Document.
2. All debt issued by the PID for which a tax is pledged to pay the debt service shall meet the requirements of all applicable statutes.
3. All bonds shall have a maximum term and termination date.
4. Land, easements or improvements to be conveyed or dedicated to the City and any other local government entity shall be conveyed in accordance with the related standards at no cost to the City or local governmental entity.
5. All public infrastructure within the City which will be connected to and owned by another public entity shall be subject to all design and inspection requirements and other standards of such public entity.
6. The PID shall not pledge as security any land, assets or funds to be transferred to the City.

7. The PID shall be subject to City zoning, subdivision, building codes, and all other applicable City ordinances and regulations. Approval of the Governing Document shall not bind the City to approve other matters which the PID or developer may request.

8. The PID shall pay all fees and expenses as provided in the Governing Document.

9. The PID may not double tax, whether by mill levy, assessment, impact fees, or any combination thereof, any end user for the costs of Improvements.

10. The PID shall be subject to State of Utah's procurement statutes and regulations. At a minimum, the acquisition of completed or partially completed improvements shall be for fair market value, as reasonably determined by a surveyor or engineer retained by the PID.

11. To ensure that development of a property tax base keeps pace with debt obligations, governing document shall provide for milestones in the construction of residential and commercial properties (in the form of number of dwelling units and amount of square footage, respectively, or some other metric as set forth in the governing document), completion of which shall be conditions on the PID's issuance of any additional bonds.

12. The Governing Document shall provide a sunset clause to address dissolution of the PID upon completion of infrastructure buildout and paying off all bonds used to finance the infrastructure or in the event that the PID does not issue any bonds. Such clauses shall make reference to statutorily prescribed dissolution procedures set forth in the Utah Code Title for Limited Purpose Local Government Entities - Local Districts and any such dissolution procedures that would be carried out accordingly. The clause may address dissolution prior to any levy of taxes and issuance of bonds for occurrences and conditions outside of the control of the Developer, such as recessions, economic and market conditions, and acts of god; once taxes have been levied and bonds issued, there shall be no dissolution of the PID except as prescribed under U.C.A. 17B-1-1301 et seq.

13. Bonds may not be purchased by parties who have a material conflict of interest related to the ownership of the property within the District

D. Disclosure and Reporting Requirements

Disclosure of the existence of the PID to property owners and potential property owners within the PID is important and the following actions to be taken by each PID shall be included in the Governing Document.

1. Within 30 days after the formation of the PID, the Board shall record a notice with the county recorder:

- a. Containing a description of the boundaries of the PID;
- b. Stating that a copy of the Governing Document is on file at the office of the LaVerkin City Recorder;
- c. Stating that the PID may finance and repay infrastructure and other improvements through the levy of a property tax;
- d. Stating the maximum rate that the PID may levy;

e. A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the PID, for every \$100,000 of taxable value, there would be an additional annual property tax of \$ _____ for the duration of the PID’s Bonds.”

f. If applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion.

2. Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, shall be required to disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

a. All of the information required under D.1. above;

b. Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

c. Such other permitted or legally required notices as shall be requested by the City (including after formation of the PID).

3. At least annually following the formation of the PID, the PID shall notify (by mail, e-mail, or posting to the PID’s website) property owners in the district of the existence of the district and of the next scheduled meeting of the Board of the district. Such a meeting shall occur at least 30 days and not more than 60 days following the date of the notice. Such notification shall include names and contact information of the Board of Directors and officers, the address, phone and fax numbers, and email address of the district, and include reference to the existence of a district file maintained by the City as described below.

4. The PID shall provide the following information to the City Administrator’s Office on an annual basis, and the PID shall create and maintain a file for public review of the following information.

a. Annual PID budget

b. Annual financial report or audit of the PID, as applicable under relevant statutory provisions

c. Boundary changes made or proposed to the PID’s boundary as of December 31 of the prior year;

d. List of current interlocal agreements, if changed (to be delivered to the City upon request);

e. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;

f. PID office contact information;

g. Rules and regulations of the PID regarding bidding, conflict of interest, contracting, and other governance matters, if changed;

- h. A summary of any litigation which involves the PID public improvements as of the last day of the prior fiscal year;
- i. Status of the PID's construction of the public improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the PID that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
- j. A table summarizing total debt authorized and total debt issued by the PID as well as any presently planned debt issuances;
- k. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

E. Review of Governing Document and Recommendation

The final draft of the Governing Document, together with the ultimate issue as to whether the application for formation of the PID should be approved, shall, after review and recommendation by the PID Review Committee, be presented to the City Council for review and approval. After approval of the Governing Document, no change or alteration thereto shall be made without the written agreement of the City and the PID Board of Directors.

F. Submittal Instructions

All letters of intent, draft Governing Documents, annual financial information, and additional documents and requested information should be submitted to the City Administrator's Office:

City of LaVerkin, Utah
Attn: City Administrator
4355 North Main
LaVerkin, UT 84745

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF LAVERKIN, UTAH ADOPTING A
PUBLIC INFRASTRUCTURE DISTRICT POLICY STATEMENT.**

WHEREAS the City of LaVerkin (hereafter "City") has an interest in allowing for Public Infrastructure Districts within the City; and

WHEREAS the City desires to adopt the Public Infrastructure District Policy Statement set forth below; and

WHEREAS the City Council has reviewed this Public Infrastructure District Policy Statement and finds that it is in the best interest of the public and promotes the health, safety and welfare of the community,

NOW THEREFORE, BE IT HEREBY ORDAINED by the City Council of LaVerkin, Utah that the Public Infrastructure District Policy Statement attached hereto as Exhibit A and incorporated herein as if fully set forth, shall be, and is hereby, approved.

BE IT FURTHER ORDAINED that this ordinance shall take effect at the earliest possible date allowed by Utah law after publication and posting.

PASSED AND APPROVED on this _____ day of _____, 2024.

City of LaVerkin

Kelly B. Wilson, Mayor

Attest:

(Seal)

Nancy Cline, City Recorder

Exhibit A

PUBLIC INFRASTRUCTURE DISTRICT
POLICY STATEMENT

INTRODUCTION

This document is a policy statement containing the procedure and criteria which will be used by the City Council of LaVerkin, Utah (hereafter "the City") in considering an application for the formation of a Public Infrastructure District (hereafter "PID"). , which shall be separate and distinct from the City of LaVerkin. This policy statement is not intended, nor shall it be construed, to be a complete list of all criteria that may be used by the City in evaluating applications for the formation of a PID. *The approval of the formation of a PID is subject to the discretion of the City, and compliance with the criteria set forth herein shall not constitute a guarantee or obligation for approval by the City of the formation of a PID.* Prior to formation of any PID, a proposed Governing Document shall be approved by the City in both form and substance. The criteria contained herein are also intended to serve as guidelines for the review of the Letter of Intent and the PID Governing Document, as described hereafter.

The purpose of the Public Infrastructure District (PID) tool is to fund construction and installation of public infrastructure. Initial, upfront costs of development can be significant, and the PID tool partially alleviates these costs. In addition, the relative cost savings associated with the funding is intended to help expedite development, create more desirable properties with notable amenities, and permit development where typical market conditions may not permit construction. A PID is an entity separate and distinct from the City, and the City shall not be responsible or liable for debt payments or on-going management associated with a PID. PID financing is not a financial obligation of the creating entity, and ultimate PID costs are paid by the end user.

For the City of LaVerkin, the PID tool may help to accomplish key elements of the City's overall goals and objectives, including:

- Establishing a well-balanced and sustainable economic base through a three-fold approach that expands and strengthens the City's sales tax base, property tax base, and buying power through well-paying jobs.
- Supporting the expansion and attraction of industries that diversify the local economy, bringing a significant capital investment, and providing jobs that offer wages that are higher than the City average.
- Preserving, enhancing and strengthening the identity of the Main Street corridor - the heart of the downtown LaVerkin City community.
- Creating friendly neighborhoods and centers that focus homes, jobs, shopping, and recreation into places where residents and others can gather and interact regularly.

