



City of South Salt Lake Redevelopment Agency
AMENDED AGENDA

Public notice is hereby given that the **City of South Salt Lake Redevelopment Agency** will hold a meeting on **Wednesday, February 12, 2014**, in the City Council Chambers, 220 East Morris Avenue, Suite 200, commencing at **6:00 p.m.**, or as soon thereafter as possible.

Conducting: Michael Rutter

Opening Ceremonies

1. Roll Call

No Action Comments

1. Bills, Claims, and Communications
2. Report of the Executive Director

Approval of Minutes

January 8, 2014

Unfinished Business

1. RDA 101 Presentation
2. RDA Project Update
3. Exclusive Negotiating Agreement for Central Pointe Project Area

In accordance with State Statute and RDA Board policy, one or more Board Members may be participating via speakerphone.

Those needing auxiliary communicative aids or other services for this meeting should contact Craig Burton at 801 483-6027, giving at least 24 hours' notice.

Each of the Deseret News and Salt Lake Tribune was advised of the agenda of the City of South Salt Lake Redevelopment Agency to be held Wednesday, February 12, 2014, by fax transmittal of the foregoing agenda on Monday, February 10, 2014.



Craig D. Burton, City Recorder

CITY COUNCIL

SHARLA BEVERLY
RYAN GOLD
IRVIN JONES
KEVIN D. RAPP
MIKE RUTTER
DEBBIE SNOW
ROY TURNER

220 E MORRIS AVE
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Each of the Deseret News and Salt Lake Tribune was advised of the agenda of the City of South Salt Lake Redevelopment Agency to be held Wednesday, February 12, 2014, by fax transmittal of the foregoing agenda on Friday, February 7, 2014.



Craig D. Burton, City Recorder

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**CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY
MINUTES OF MEETING HELD
February 12, 2014**

Date/Time/Place Wed. February 12, 2014
6:00 p.m.
220 East Morris Avenue
South Salt Lake, Utah 84115

Presiding/Conducting Michael Rutter, Chair

Directors Present:
Sharla Beverly, Ryan Gold, Kevin D. Rapp, Michael Rutter,
Debbie Snow, and LeRoy Turner

Directors Excused:
Irvin Jones, Jr.

South Salt Lake City Staff Present:
Mayor Cherie Wood
Charee Peck, Chief of Staff
Lyn Creswell, City Attorney
Paul Roberts, Deputy City Attorney
Randy Sant, Economic Development Consultant
Kyle Kershaw, Finance Director
Jack Carruth, Police Chief
Mike Florence, Community Development Director
Frank Lilly, Deputy Community Development Director
Craig Burton, City Recorder

Others Attending:
See attached list

Opening Ceremonies

1. **Roll Call.**

No Action Comments

1. **Bills, Claims and Communications.** None.
2. **Report of the Executive Director.** None.

Approval of Minutes

January 8, 2014. Director Rapp moved to approve these minutes.

MOTION: Kevin Rapp
SECOND: Sharla Beverly

Voice Vote:

Beverly	Aye
Gold	Abstain
Jones	Absent
Rapp	Aye
Rutter	Aye
Snow	Aye
Turner	Aye

Director Gold abstained because he was not at the meeting.

Unfinished Business

- 1. RDA 101 Presentation.** Economic Development Consultant, Randy Sant, reviewed a power point presentation regarding how the redevelopment agency works. A copy of his presentation is attached to these minutes and incorporated by this reference.
- 2. RDA Project Update.** Mr. Sant, advised the Board that they have a total of ten current redevelopment projects. Eight are urban renewal projects, one economic development area and one community development area. By 2019 six of those ten projects will sunset. By 2022 all of the project areas, with the exception of Market Station, Central Pointe, and Granite High will be gone. That means the revenue sources for the RDA are going to drop off significantly in the next few years.

They are also looking at three project areas they have been approached to create. Two they have started the process and one they haven't.

They are looking at creating a community development project area for the streetcar line between State Street and 500 East.

They have also been approached by the developer who is creating a project on 3900 South and 700 East which is the Housing Flex Warehouse. They haven't done anything with that.

They have also had discussion about creating a project area off of 3300 South down by I-15.

In 2014 the RDA received about \$666,000 in tax increment. Of that \$350,000 is obligated to pay for incentives. That leaves about \$330,000 for the operating budget which is used to pay salaries and operating costs.

In 2015 the tax increment will drop from \$666,000 to \$500,000 which means the operating budget will drop to \$189,000 because they still have to meet their obligations. By the year 2019 the increment will be \$83,000 and that is committed already for one use so they will have no operating money in 2019.

South Salt Lake gets a .02 % increase in sales tax with the local option sales tax. That was going to sunset in 2016 but they have gone to the legislature and convinced them to extend it for 30 years. They have obligations for about 65% of that already. The rest they can use for economic development. When staff comes back with the budget they will talk about the plan of how they use that money for economic development to help offset the losses they'll have from the increment.

Mr. Sant also said that the redevelopment law was amended that allows them to go to taxing agencies and ask if they can extend some of the project areas that are getting ready to sunset. They want to see if there's potential to extend two or three of these projects for a few more years which would also help cash flow.

The plan is to use the increment as much as possible for operating expenses and use the economic development funds, coming from the .02 % sales tax, to help the projects they want to develop. That's the biggest bang for the buck because if they bring something in that gives an increase in sales tax you see a gain on that money. That's the philosophy staff will use moving forward.

Mr. Sant would like to an economic development strategic plan funded. That gives them a footprint and a map of how to go forward. It would be very helpful to the City to set some definite goals and objectives to accomplish economic development.

3. **Exclusive negotiating agreement for Central Pointe Project Area.** Mr. Sant, advised that they had another developer and they made a decision that the time had come to look for another opportunity. The Boyer Company approached Mr. Sant asking if there was any opportunity. They talked and Mr. Sant told them about the Market Station Project. They have had about five meetings and Mr. Sant feels comfortable that the Boyer Company is extremely interested in moving forward with the development of that property. To do that Boyer would like to have an exclusive negotiating agreement with us so we don't entertain any other offers from other developers and they would like to do this for six months. So this agreement would give Boyer six months to see if they can put a development together that makes sense for everyone. The agreement would require that within the first 120 days they would come back with a site plan, timeline, and tenants and the project they would like to pursue. If the RDA likes it they would spend the next 60 days formalizing that into a development agreement which they would bring back to the Agency Board for approval.

They have closed on the D'Ambrosio property and Boyer has an interest in putting that under contract during the same period of time.

Mr. Sant believes this is a good opportunity for the RDA and encouraged them to enter into this agreement.

Council Member Snow asked if there are any other developers that staff is currently negotiating with that they would be forgoing by this agreement.

Mr. Sant said there were not. He recommended that the Board approve this agreement subject to final approval by RDA legal counsel.

Director Gold moved to approve this agreement.

MOTION: Ryan Gold
SECOND: Debbie Snow

Roll Call Vote:

Beverly Aye
Gold Aye
Jones Absent
Rapp Aye
Rutter Aye
Snow Aye
Turner Aye

Director Rapp Moved to Adjourn.

MOTION: Kevin Rapp
SECOND: Ryan Gold

Voice Vote:

Beverly Aye
Gold Aye
Jones Absent
Rapp Aye
Rutter Aye
Snow Aye
Turner Aye

Redevelopment Agency adjourned at 6:55 p.m.



Michael Rutter, RDA Chair



Craig D. Burton, RDA Secretary

