City of Washington Terrace
Minutes of a Redevelopment Meeting
Held on September 3, 2024
Following the Regular City Council Meeting
City Hall, 5249 South 400 East, Washington Terrace City, Utah

BOARD MEMBERS AND STAFF MEMBERS PRESENT

Chair Mark C. Allen
Board Member Jill Christiansen
Board Member Zunayid Z. Zishan
Board Member Cheryl Parkinson
Vice Chair West
Board Member Michael Thomas
City Recorder Amy Rodriguez
City Manager Tom Hanson

Others Present

Kirk Johnson, Jeremy Krause

1. ROLL CALL

2. INTRODUCTION OF GUESTS

Hanson introduced Jeremy Krause and Kirk Johnson. He stated that he appreciates their help in getting the project underway. Kirk Johnson stated that he is a financial advisor and is anticipating calling the new project as his business home for the next 25-30 years. He stated that there are several other business partners who will be partnering with him.

3. CONSENT ITEMS

3.1 APPROVAL OF AGENDA

3.2 APPROVAL OF MEETING MINUTES FROM AUGUST 6, 2024

Items 3.1 and 3.2 were approved by general consent.

4. NEW BUSINESS

4.1 PRESENTATION/DISCUSSION: UNDERSTANDING THE USE OF A REDEVELOPMENT AGENCY (RDA)

Hanson stated that the project will be in the Redevelopment Agency in the Southeast area, in which the Council serves as the Board Members.
Hanson stated that we have seen amazing success with Golden West Credit Union. He stated that he is excited for the upcoming project. Hanson stated that the whole point of an RDA is to move projects and developments to the finish line.
Hanson stated that there are revenue reserves to be used as tax incentive, or incentives for projects in the RDA area.

Hanson stated that the project tonight is 5580 South Adams Avenue. He stated that the Board worked in confidential parameters so that we could negotiate in private for land sales. Hanson stated that the sale price negotiated is $650,000. Hanson stated that there is an area on the property that is restricted. It will be owned by the land owner, however, nothing can be built on the property, per agreements with the Library. Hanson stated that the building will have two office suites on the north and south end of the main floors. He stated that there will be an upstairs which reflects the lower floor. Hanson stated that the goal was to get a project that was as least 10,000 square feet. He stated that a larger footprint will yield a larger tax value. He stated that Class A office works for the city. The proposed project will be 14,545 square feet. Hanson stated that the city may receive tax revenues of $8,045 yearly, over $160,892 over 20 years. Hanson stated that the county wide taxing entities will receive $47,733 yearly. Over 20 years they will receive $954,675 in tax revenues. Hanson stated that this is one of the goals of the RDA and why taxing entities buy into an RDA.

Hanson stated that the city will break even within two years if they authorize a $100,000 tax incentive.

5 SPECIAL ORDER

5.1 PUBLIC HEARING: TO HEAR COMMENT IN SUPPORT AND OPPOSITION TO A PROPOSAL TO SURPLUS ALL OF WEBER PARCEL NUMBER: 070370031

Hanson stated that the Board needs to designate the property as surplus so that it can be sold. Hanson stated that surplus is official designation that it is property that we are not going to be using for other things.

Chair Allen opened the public hearing at 7:00 p.m.
There were no citizen comments.
Chair Allen closed the public hearing at 7:01 p.m.

5.2 PUBLIC HEARING: TO HEAR COMMENT IN SUPPORT AND OPPOSITION TO A PROPOSAL TO SELL WEBER PARCEL NUMBER: 070370031

Hanson stated that staff proposes selling the property as indicated in the sale agreement for $650,000, which is fair market value. He stated that the sale of the property will have a sunset agreement to be completed within two years, with an extension of one year if there are circumstances that prevent them from finishing the project. The incentive is referenced in the purchase agreement. The incentive is a separate agreement.

Chair Allen opened the public hearing at 7:02 p.m.
There were no citizen comments.
Chair Allen closed the public hearing at 7:03 p.m.

6 NEW BUSINESS (CONTINUED)

6.1 MOTION/RESOLUTION 24-11: RESOLUTION AUTHORIZING THE

SURPLUS OF CERTAIN REAL PROPERTY OWNED BY THE CITY/AND OR REDEVELOPMENT AGENCY

Motion by Board Member West
Seconded by Board Member Parkinson
To designate the property as surplus and to
To approve Resolution 24-11
Authorizing the surplus of Certain Real Property owned by
The City /and or Redevelopment Agency
Approved unanimously (5-0)
Roll Call Vote

6.2 MOTION/RESOLUTION 24-12: A RESOLUTION AUTHORIZING THE SALE OF CERTAIN REAL PROPERTY OWNED BY THE CITY/AND OR REDEVELOPMENT AGENCY

Board Member Christiansen thanked the developers for bringing a quality product to the City and working with us through the long process.

Motion by Board Member Christiansen
Seconded by Board Member West
To approve Resolution 24-12
Authorizing the sale of Certain Real Property owned by the City/and or Redevelopment Agency
Approved unanimously (5-0)
Roll call vote

6.3 MOTION/RESOLUTION 24-13: APPROVAL OF INCENTIVE FOR 5580 SOUTH ADAMS AVENUE PROJECT

Hanson stated that there will be cumbersome underground storm water detention storage, fire hydrant and curb and gutter work.
Hanson stated that at the completion of the project, an incentive of $100,000 can be requested per the incentive agreement to help with the infrastructure projects.

Motion by Board Member West
Seconded by Board Member Parkinson
To approve Resolution 24-13
Authorizing the incentive payment at the completion of the project
Or certificate of Occupancy
Approved unanimously (5-0)
Roll Call Vote

6. <u>ADJOURNMENT OF MEETING: CHAIR ALLEN</u>

Motion by Board Member Christiansen
Seconded by Board Member Thomas
To adjourn the meeting
Approved unanimously (5-0)
Time: 7:09 p.m.

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Date Approved **City Recorder**