CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY
AGENDA AND SUMMARY REPORT
May 13, 2025 - POLICY SESSION

Meetings of the City Council of Clearfield City may be conducted via electronic means pursuant to Utah Code Ann. § 52-4-207 as amended. In such circumstances, contact will be established and maintained via electronic means and the meetings will be conducted pursuant to the Electronic Meetings Policy established by the City Council for electronic meetings.

55 South State Street
Third Floor
Clearfield, Utah

***** CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA) TO CONVENE IMMEDIATELY FOLLOWING THE POLICY SESSION SCHEDULED AT 7:00 P.M.*****

CALL TO ORDER:
Chairman Tim Roper

PUBLIC HEARING:

1. PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON THE FISCAL YEAR 2026 COMMUNITY DEVELOPMENT AND RENEWAL AGENCY TENTATIVE BUDGET

   BACKGROUND: Before each budget year begins, local governments are to prepare a tentative budget for each major fund. The tentative budget for each fund shall contain estimates of all anticipated revenues and all appropriations for expenditures.

   RECOMMENDATION: Receive public comment.

SCHEDULED ITEMS:

2. CONSIDER ADOPTION OF THE TENTATIVE BUDGET FOR FISCAL YEAR 2026 AND SET A PUBLIC HEARING FOR MAY 27, 2025 TO RECEIVE PUBLIC INPUT ON THE BUDGET

   RECOMMENDATION: Adopt the CDRA tentative budget for fiscal year 2026 and set a public hearing on the final budget for May 27, 2025 at 7:00 p.m.

*****ADJOURN AS THE COMMUNITY DEVELOPMENT & RENEWAL AGENCY*****

Posted May 9, 2025

/s/Chersty Titensor, Deputy City Recorder

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The complete public notice is posted on the Utah Public Notice Website - www.utah.gov/pmn/, the Clearfield City Website - clearfield.city, and at Clearfield City Hall, 55 South State Street, Clearfield, UT 84015. To request a copy of the public notice or for additional inquiries please contact Nancy Dean at Clearfield City, Nancy.dean@clearfieldcity.org & 801-525-2714.

Clearfield City
we've got it made

STAFF REPORT

TO: Mayor Shepherd and City Council Members

FROM: Spencer Wayne Brimley, Assistant City Manager

MEETING DATE: May 13, 2025

SUBJECT: Discussion and Adoption of FY26 CDRA Budget

RECOMMENDED ACTION

Staff recommends the CDRA Board review and adopt the FY 2026 Tentative CDRA Budget and approve the Chairman's signature to any necessary documents.

DESCRIPTION / BACKGROUND

The Clearfield Community Development and Renewal Agency currently has seven (7) active project areas, four (4) Redevelopment Areas (RDAs), one Economic Development Area (the Northrop Grumman / ATK EDA), the Clearfield Station CDA, and the Lifetime Products Community Reinvestment Area (CRA). The anticipated revenues and expenditures for these project areas are shown on the attached summary sheet.

FY24 (Tax Year 2023) was the final year for RDA 7. With the expiration of RDA 7, we no longer make incentive payments to the City Centre mixed-use development (FY24 was the final incentive payment). RDA 7 does have approximately $580K in remaining funds, and State law will require that we spend those funds within the next few years.

In addition, FY26 (Tax Year 2025) will be the final year of tax increment collection for RDA 8. We are estimating that project area will have about $966k at the end of FY26, and the same requirement to spend those funds within the next few years will apply. Two other project areas (RDAs 9 and 10) will expire after FY27.

Since the construction of the Clearfield Aquatic and Fitness Center, the CDRA has serviced the debt associated with the facility. The CDRA is also the conduit for the incentives provided to Northrop Grumman (formerly ATK) and the Lifetime Products expansion. Moreover, pursuant to our recent discussion, the CDRA will also be the funding source for the incentive to Crush Golf & Grill. The transfer to the General Fund for "CDRA Administration" covers the day-to-day redevelopment and economic development efforts of staff, along with the administrative overhead of those functions.

Another noteworthy milestone is that the FY26 budget will include a full year of "interest only" payments for the Clearfield Station infrastructure bond ($398k). This bond was structured with capitalized interest for the first three years (meaning the interest was built into the bond proceeds, so no money out of the CDRA / City budget), and then "interest only" for two years. This will be our first full year of "interest only." We are hopeful the developer will begin construction this year, which will generate more tax increment to help service the debt on the bond in future years. We have heard from the development team that costs are a factor, but they are working diligently to make sure the project comes out of the group soon, and quickly. In the meantime, the CDA for Clearfield Station does have funds accrued from its first tranche, and can service the annual debt obligation in full until FY28. If in FY28 we find ourselves in the position of the CDA not having sufficient tax increment revenue to service the annual debt, there are other CDRA funds that that could be used to help bridge a gap while Tranche 2 is ramping up. This is a good reason not to be too hasty to spend all of the funds from the expiring RDAs, as they might be necessary as a temporary stopgap to any potential costs.

Since 2020 we have discussed using funds from the CDRA to underground the power and telecommunications lines on the west side of State Street, from 350 South to 550 South (RDA 7). This project continues to be difficult as we are at the mercy of a couple of telecommunications companies. Staff did not include the project in the draft FY26 budget, but if there is a promising opportunity to complete underground, we will review it with the Board and propose amending the budget for the board to consider. Currently the providers that exist on those lines have proven uncooperative. Poles have been topped but no substantial progress has been made to underground existing lines.

There is, however, a different under grounding opportunity that staff does recommend pursuing. The properties on the north side of 700 South, between State Street and 1000 East (in RDA 9), have power and telecommunications lines running down the middle of the properties, dividing them and preventing any redevelopment potential. In contrast, the power/telecom lines on State Street are at the frontage, and while they are unsightly, they are not an impediment to redevelopment. On 700 South, the existence of the utility lines dividing each of the properties has been prohibitive to every redevelopment inquiry. For the past two years we have budgeted to pay for the cost to underground utilities to unlock the potential of these properties. Hopefully we see the effort come to fruition in FY26.

There could be other uses for CDRA funds that are not included above, or at a minimum some questions for the board to consider, such as property acquisition for the purpose of consolidation or taking more control of development priorities, not to develop, but rather insure outcomes for project plans and expectations. Staff should consider parcels that could be purchased and at a further meeting discuss with the council these opportunities to obtain the direction needed from the

Board.

Work Session discussion – April 1, 2025
During the meeting, staff presented the potential use of fund balance or other CDRA project resources to support public art initiatives, including murals and installations. The Board discussed the strategic value of allocating funds to enhance the visual identity of the downtown area through art, while also recognizing the need to preserve financial capacity for critical projects.

Board members expressed interest in establishing a designated set-aside for art-related projects, particularly those involving murals and downtown beautification. However, they emphasized the importance of not compromising other essential CDRA priorities. To achieve a balanced approach, the concept of a percentage-based cap on art funding was discussed. This would help ensure that infrastructure needs and other investment priorities are not adversely affected.

Key funding priorities identified for CDRA resources include parking structures, debt service obligations related to the Transit-Oriented Development (TOD) project, and security investments in support of economic development objectives. The Board directed staff to continue exploring options that reflect a balanced funding strategy—one that supports Clearfield's goals for vibrant public art without compromising critical infrastructure and economic development initiatives.

The Board also discussed the cultural and visual impact of installing aircraft-themed art—specifically, static plane and jet displays—in public plazas and downtown areas. Recognizing the potential of these installations to serve as iconic features, Director Shepherd proposed a funding cap of $100,000 from CDRA resources to support the plane project.

Additionally, any opportunities related to strategic property acquisition or public art/placemaking will be evaluated by Staff and presented to the Board for consideration. Since these opportunities are not specifically outlined in the current budget, any action taken would require the Board to consider a budget amendment to allocate these additional costs.

CORRESPONDING POLICY PRIORITIES

- Improving Clearfield's Image, Livability, and Economy
- Providing Quality Municipal Services

The CDRA Board's commitment to utilizing the RDA tools provided by the state helps us "Improve Clearfield's Image, Livability and Economy" by promoting high quality economic development throughout the city. Moreover, the efforts of the CDRA go a long way to help create a place where people want to be.

HEDGEHOG SCORE

The budget is legally required, a high priority, and an essential task.

FISCAL IMPACT

Total CDRA revenues are estimated to be $2,563,653 with expenditures (including the housing set-aside and Crush incentive) at $2,282,182 resulting in a net contribution to the CDRA's fund balance of $281,471.

ALTERNATIVES

Staff is not proposing alternatives to the budget at this time. The CDRA budget is straight-forward. Operations are handled in the General Fund and covered by the "CDRA Administration" transfer from the CDRA to the General Fund. Incentive payments are obligations governed by agreements that are in place. There are some funds available for discretionary use, but they should be used in their respective project areas and in ways that are consistent with the purposes of the CDRA and the project area plans.

SCHEDULE / TIME CONSTRAINTS

Adoption of the tentative budget is required by State law at the first regular meeting in May (the 13th).

LIST OF ATTACHMENTS

- Summary chart of FY26 CDRA budget

FY26 CDRA Budget

	RDA 6	RDA 8	RDA 9	RDA 10	EDA 3 (ATK)	Clfd Stn CDA (1)	Lifetime Products CRA	General CDRA	Fund 20 Total
Revenue									
Tax Increment Revenue	$ 138,080	$ 421,803	$ 354,442	$ 302,621	$ 584,143	$ 255,677	$ 406,887		$2,463,653
Interest Earnings								$100,000	$100,000
Total:	$138,080	$421,803	$354,442	$302,621	$584,143	$255,677	$406,887	$100,000	$2,563,653
Expenditures and Transfers									
TRNF to GF: CAFC Sales Tax Bond Payment	$377,766	$85,000	$133,800	$180,000					$776,566
TRNF to GF: CS Sales Tax Bond Payment						$398,812			
TRNF to GF: CDRA Administration	$2,000	$30,000	$30,000	$10,000	$29,207	$12,784	$20,344		$134,335
Incentive Payments*					$478,977		$345,854	$196,450	$1,021,281
Housing Set-Aside							$40,689		
Other Projects			$ 350,000						$350,000
Total:	$379,766	$115,000	$513,800	$190,000	$508,184	$411,596	$406,887	$196,450	$2,282,182
Contribution to/(use of) Fund Balance:**	-$241,686	$306,803	-$159,358	$112,621	$75,959	-$155,919	$0	-$96,450	$281,471
Expiration Year (fiscal):	2031	2026	2027	2027	2032	2040	2037		

700 S powerline/telecommm undergrounding ($350K)

*Incentive payments in FY26 will be made for Northrop Grumman (EDA 3), and Lifetime Products (CRA), and Crush Golf and Grill.

**Fund balance from RDA project areas will accumulate over the next several years in order store up sufficient funds to service the sales tax bond in the future.

Pending matters: powerline undergrounding; streetscape; pedestrian bridges; structured parking; strategic property acquisition, public art installations/murals?

FY 2026 Revenue Budget

	FY23 Actuals	FY24 Actuals	FY25 Budget	FY26 Budget	Change '25 to '26
CDRA | 20					
Taxes					
311103 ATK EDA	643,186	613,520	613,520	584,143	(29,377)
311106 RDA #6	257,803	242,859	242,859	138,080	(104,779)
311107 RDA #7	346,397	487,795	-	-	-
311108 RDA #8	275,477	406,359	406,359	421,803	15,444
311109 RDA #9	666,254	665,629	665,629	354,442	(311,187)
311110 RDA #10	246,020	283,541	283,541	302,621	19,080
311111 Clfd Station CDA	263,893	258,087	258,087	255,677	(2,410)
311112 Lifetime CRA	333,133	386,849	386,846	406,887	20,041
Taxes Total	**3,032,163**	**3,344,639**	**2,856,841**	**2,463,653**	**(393,188)**
Miscellaneous					
361001 Interest Earnings	274,020	549,301	100,000	100,000	-
369001 Misc Revenues	1,397	17,291	-	-	-
Miscellaneous Total	**275,417**	**566,592**	**100,000**	**100,000**	**-**
Beginning Fund Balance to be Appropriated			**1,255,743**	**1,626,857**	
CDRA | 20 Total	**3,307,580**	**3,911,231**	**4,212,584**	**4,190,510**	**(22,074)**

FY 2026 Expenditure Budget

	FY23 Actuals	FY24 Actuals	FY25 Budget	FY26 Budget	Change '25 to '26
CDRA | 20					
204611 CED Administration					
Materials & Services					
645004 Developer Increments	-	-	-	196,450	196,450
Materials & Services Total	**-**	**-**	**-**	**196,450**	**196,450**
204611 CED Administration Total	**-**	**-**	**-**	**196,450**	**196,450**
204615 CED Administration					
Materials & Services					
662001 Miscellaneous Services	-	-	350,000	350,000	-
Materials & Services Total	**-**	**-**	**350,000**	**350,000**	**-**
Transfers					
691001 Trnf Other Funds	-	-	675,000	-	(675,000)
691004 Trnf GF	263,800	244,836	263,800	163,800	(100,000)
Transfers Total	**263,800**	**244,836**	**938,800**	**163,800**	**(775,000)**
204615 CED Administration Total	**263,800**	**244,836**	**1,288,800**	**513,800**	**(775,000)**
204616 RDA #6					
Transfers					
691004 Trnf GF	132,000	132,580	277,365	379,766	102,401
Transfers Total	**132,000**	**132,580**	**277,365**	**379,766**	**102,401**
204616 RDA #6 Total	**132,000**	**132,580**	**277,365**	**379,766**	**102,401**
204617 RDA #7					
Materials & Services					
645004 Developer Increments	70,341	73,218	-	-	-
Materials & Services Total	**70,341**	**73,218**	**-**	**-**	**-**
Transfers					
691004 Trnf GF	156,183	165,000	20,000	-	(20,000)
Transfers Total	**156,183**	**165,000**	**20,000**	**-**	**(20,000)**
204617 RDA #7 Total	**226,524**	**238,218**	**20,000**	**-**	**(20,000)**
204618 RDA #8					
Materials & Services					
645004 Developer Increments	-	50,052	-	-	-
Materials & Services Total	**-**	**50,052**	**-**	**-**	**-**
Transfers					
691004 Trnf GF	135,000	140,000	120,000	115,000	(5,000)
Transfers Total	**135,000**	**140,000**	**120,000**	**115,000**	**(5,000)**
204618 RDA #8 Total	**135,000**	**190,052**	**120,000**	**115,000**	**(5,000)**
204619 RDA #10					
Transfers					
691004 Trnf GF	215,000	225,000	195,000	190,000	(5,000)
Transfers Total	**215,000**	**225,000**	**195,000**	**190,000**	**(5,000)**
204619 RDA #10 Total	**215,000**	**225,000**	**195,000**	**190,000**	**(5,000)**

FY 2026 Expenditure Budget

	FY23 Actuals	FY24 Actuals	FY25 Budget	FY26 Budget	Change '25 to '26
204623 ATK EDA					
Materials & Services					
645004 Developer Increments	714,097	-	1,720,269	1,988,493	268,224
Materials & Services Total	**714,097**	**-**	**1,720,269**	**1,988,493**	**268,224**
Transfers					
691004 Trnf GF	39,033	32,159	30,676	29,207	(1,469)
Transfers Total	**39,033**	**32,159**	**30,676**	**29,207**	**(1,469)**
204623 ATK EDA Total	**753,130**	**32,159**	**1,750,945**	**2,017,700**	**266,755**
204624 Clearfield Station CDA					
Transfers					
691004 Trnf GF	8,508	13,195	212,310	411,596	199,286
Transfers Total	**8,508**	**13,195**	**212,310**	**411,596**	**199,286**
204624 Clearfield Station CDA Total	**8,508**	**13,195**	**212,310**	**411,596**	**199,286**
204625 Lifetime CRA					
Materials & Services					
645004 Developer Increments	283,163	328,819	328,822	345,854	17,032
Materials & Services Total	**283,163**	**328,819**	**328,822**	**345,854**	**17,032**
Transfers					
691004 Trnf GF	-	16,657	19,342	20,344	1,002
Transfers Total	**-**	**16,657**	**19,342**	**20,344**	**1,002**
204625 Lifetime CRA Total	**283,163**	**345,476**	**348,164**	**366,198**	**18,034**
CDRA | 20 Total	**2,017,125**	**1,421,516**	**4,212,584**	**4,190,510**	**(22,074)**