

MINUTES OF THE COTTONWOOD HEIGHTS CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY HELD TUESDAY, JANUARY 13, 2015, AT 6:45 P.M. IN THE COTTONWOOD HEIGHTS CITY COUNCIL CHAMBERS

Members Present: Chairman Kelvyn Cullimore, Jr., Michael L. Shelton, Michael J. Peterson, Tee W. Tyler

Staff Present: Chief Executive Officer John Park, Treasurer Steven Fawcett, Secretary Kory Solorio, City Attorney Shane Topham

Excused: Vice Chairman J. Scott Bracken

1.0 **WELCOME**

1.1 Chairman Kelvyn Cullimore, Jr. called the meeting to order at 6:49 p.m. and welcomed those attending. He explained that by state law communities are allowed to create agencies for the purpose of redevelopment. It gives specific powers and rights to the agency to assist in redevelopment efforts. Cottonwood Heights City formed the Community Development and Renewal Agency (CDRA) several years ago and has one project that was identified as the Canyon Centre where the old Canyon Racquet Club was located. Tonight the CDRA will continue a meeting from the previous week and take action on a resolution.

2.0 **ACTION ITEMS**

2.1 **Consideration of Resolution Number 2015-01 Approving an Interlocal Cooperation Agreement with Redevelopment Agency of Salt Lake County to Transfer the Assets and Liabilities of Two Existing RDAs to the Cottonwood Heights Community Development and Renewal Agency**

2.1.1 Chairman Cullimore stated that the above resolution approves an Interlocal Cooperation Agreement with the Redevelopment Agency of Salt Lake County. Before the City of Cottonwood Heights was incorporated, Salt Lake County had jurisdiction over the area and created two redevelopment projects. One pertained to the area near Union Park Avenue and the other was near the Cottonwood Corporate Center. Both had surplus money that the County was unable to use since these project areas are no longer part of the unincorporated county. As a result, the funds, consisting of \$1.925 million in surplus tax increment from the two old RDA projects, are being transferred to the City's CDRA which has the authority to use them for redevelopment purposes within the community.

2.1.2 City Attorney, Shane Topham, stated that they are receiving not only the assets of the two old RDA project areas established by Salt Lake County, but also the liabilities. The City's due diligence hasn't disclosed any liabilities and only the \$1.925 million in assets. He clarified, however, that both assets and liabilities will be transferred.

Boardmember Peterson asked if changes could yet be made to the interlocal agreement by the County.

Mr. Topham responded that he approved the contract, which has been under negotiation for several weeks. Both he and the District Attorney's Office, who serves as counsel for the Salt Lake County RDA, reached an agreement on the verbiage but it has not been approved in final form by the Salt Lake County RDA Board or its staff. Mr. Topham stated that additional modifications could be

made, which he expected would be minor. The resolution before the Agency approves the current form of the agreement but authorizes changes to be made as needed as long as they are approved by the CDRA Chairman, the Executive Director, and legal counsel.

- 2.1.3 Boardmember Tyler believes the financial benefit to the City is obvious but asked what liabilities might be of concern.

Mr. Topham does not believe there are any liabilities and that they were satisfied long ago. All that is left are the surplus funds. He explained that the project areas were documented and governed by Salt Lake County for approximately 25 years. He believes that Salt Lake County conducted a diligent search of the two project areas and their assets and liabilities and prepared a 40-page written analysis. Based on that, it is believed that all of the liabilities have been satisfied. Mr. Topham clarified that the funds are coming from the Salt Lake County Redevelopment Agency to the Cottonwood Heights Community Development and Renewal Agency, which is a separate entity that is controlled by the City.

- 2.1.4 Chairman Cullimore explained that taxes are paid on every commercial and residential property in the City. A CDRA creates an opportunity to incentivize property owners to build more, which generates more taxable value. A portion of the new taxes generated are used for redevelopment purposes. In this case, the \$1.925 million will be used for redevelopment in the project areas.

- 2.1.5 **MOTION:** Boardmember Peterson moved to approve Resolution Number 2015-01. The motion was seconded by Boardmember Shelton. Vote on motion: Michael L. Shelton-Aye, Michael J. Peterson-Aye, Tee W. Tyler-Aye, Chairman Kelvyn Cullimore, Jr.-Aye. The motion passed unanimously.

2.2 **Approval of the January 13, 2015, Minutes**

- 2.2.1 Chairman Cullimore noted that the minutes of tonight's meeting are pre-approved.

3.0 **ADJOURN CDRA MEETING**

- 3.1 **MOTION:** Boardmember Shelton moved to adjourn. The motion was seconded by Boardmember Tyler. The motion passed unanimously on a voice vote. The Community Development and Renewal Agency meeting adjourned at 6:57 p.m.