

Voice Vote:

Beverly	Aye
Kindred	Aye
Mila	Absent
Pender	Aye
Rapp	Absent
Siwik	Aye
Snow	Aye

Public Hearing – 8:00 p.m. (Or as soon thereafter as possible)

To receive public input regarding proposed amendments to the 2015/2016 annual budget of the Redevelopment Agency of South Salt Lake City. Finance Director, Kyle Kershaw, reported that there are no changes from the budget presented two weeks ago. Mr. Kershaw explained to the Board that a few years ago the City Council determined that the RDA would be the economic development arm of the City and the City would conduct economic development activities through the RDA. In order to facilitate some of that activity there was funding needed. Property tax increment is dwindling in the RDA because the project areas are aging out and they are being retired and there are not any new ones coming on at the same rate they are expiring. So, the only way to fund economic activities is to make a transfer from the General Fund over to the RDA Fund. Part of that is the city option sales tax. Several years ago when the City adopted the city option sales tax part of the conditions were those funds have to be used primarily for economic development activities. They transferred those funds from the General Fun to the RDA. The RDA bond is called an excise tax bond. Basically it is our franchise and energy sales and use taxes. Technically, they transfer about \$950,000 from the franchise taxes in the General Fund into the RDA Fund to make the bond payments every year. They cover the shortfall in the General Fund by using the city option sales tax. What happens is the city option funds pay for the debt in the RDA Fund. In addition, staff is proposing approximately \$300,000 to accommodate some other activities in the RDA Fund. One of those is the Chamber of Commerce. A couple of years ago the City Council elected to fund the Chamber of Commerce with a contract. The Chamber of Commerce has agreed to perform certain activities on the City’s behalf and to reach certain benchmarks in its contract. In return, the City pays a contract amount to the Chamber of Commerce. Netted in that discussion is that the Chamber of Commerce rents space at City Hall and they pay rent to the City for the space. It is about \$750 a month. The City Council has elected to fund the Chamber of Commerce the contract amount at about \$52,000 and the Chamber reimburses the City about \$750 a month. This was done with the understanding that what activities the Chamber does is certainly economic development and would fall within the scope of those economic development activities that transpire within the RDA Fund.

Council Member Kindred asked how the Council was funded before this was in place.

Mr. Kershaw said it was funded out of the General Fund. It was more of a contribution without any formal reciprocal activity being done for the City.

City Attorney, Lyn Creswell, advised that it was a straight up grant. When he and the Mayor took a close look at it, and talked to the Council, they decided there needed to be a relationship exchange. So they set down with the Chamber and agreed that there are services supporting the City function that has certain value and so the City is purchasing those services under a contract amount.

Council Member Kindred asked why Mr. Creswell felt that change needed to be made.

Mr. Creswell said he felt they were on a sounder platform if they were under contract.

Council Member Siwik asked for a copy of the contract.

Mr. Creswell said staff would put it in Drop Box for the Council.

Council Chair Snow noted that looking at past years budgets the Chamber was funded at \$22,000 to \$27,000.

Mr. Kershaw advised that in those years it was split between the RDA and the General Fund. He said he would do some research and get the answers on that.

The public hearing was opened at 8:14 p.m.

Jack Carruth, South Salt Lake Police Chief. Since his time as the Police Chief they haven't had as good of a connection with the business community as they do now. That is a tribute to what Gary Birsall of the South Salt Lake Chamber of Commerce is doing. They have programs where business owners come in and collaborate with law enforcement. It has opened the door of exchanging information, problems and concerns. He thinks it is a huge connection.

Vilia Van Tunder, Past Chair of the South Salt Lake Chamber, 118 West 870 South, Sandy. She has been a business owner for the last eighteen years and the South Salt Lake Chamber is the only one she has joined. The reason is that when she discovered what South Salt Lake Chamber offered to their business, the relationship it has with the City, it blew her away. Mr. Birsall has done an incredible job of bringing the businesses together. What the Chamber, Council and Mayor have done invites businesses to South Salt Lake. She admonished the Council to remember that a lot of the City's tax base comes from the businesses in the City. The Chamber has been a great asset to her business.

Ethan Miller, 3100 S. Washington St., Dented Brick Distillery. He has been really impressed with the Chamber and other vendors in South Salt Lake. In the Distillery Guild meetings he is asked all the time for a recommendation for a great city to set up a business in and his suggestion is always South Salt Lake. There is a great line of communication set up by the Chamber.

Gary Birsall, South Salt Lake Chamber of Commerce. He is the front for a whole bunch of people, volunteers, board members, committee members that make the

Chamber. They have a reputation he is proud of and he wants to build a stronger relationship with the City. He thinks what they do is worth more than what they are getting it for. He's not asking for more money, he's just saying the City is getting a great bargain for the involvement of all the Chamber members, board members and everything else they do in the City. He appreciates what the Council does.

Council Chair Snow asked if more businesses would be involved in the 4th of July Parade this year.

Mr. Birdsall advised it would be about the same as last year. He has business owners that don't know the City has a parade. He has made a connection for two trailers for the LDS stakes to build floats. They will work with Salt Lake Valley Auto Group for how many pickups they need in the parade for Council Members and whoever else. It's hard to get businesses to step to the plate. That doesn't mean they don't ask.

Betty Taylor, America First Credit Union, 3500 South State Street. She sits on eight different chambers throughout the area. She asked that the Council doesn't let the City fail by getting rid of the Chamber. Mr. Birdsall is so well known throughout the different chambers it's make a huge difference in the City. If they get rid of the Chamber it will kill the City.

The public hearing was closed at 8:36 p.m.

Council Member Kindred feels the Chamber is a very valuable part of the community. It's a great connection to the businesses and they are an important part of the City.

Director Siwik moved to place this on Unfinished Business at the next RDA meeting.

- MOTION Shane Siwik
- SECOND Debbie Snow
- Voice Vote:
- Beverly Aye
- Kindred Aye
- Mila Absent
- Pender Aye
- Rapp Absent
- Siwik Aye
- Snow Aye

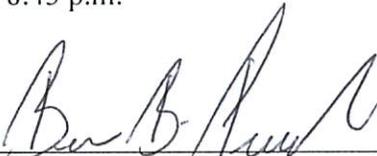
Director Snow moved to adjourn and return to the City Council meeting.

- MOTION: Debbie Snow
- SECOND: Shane Siwik

Voice Vote:

- Beverly Aye
- Kindred Aye
- Mila Absent
- Pender Aye
- Rapp Absent
- Siwik Aye
- Snow Aye

Redevelopment Agency adjourned at 8:43 p.m.



Ben B. Pender, Chair



Craig D. Burton, RDA Secretary

