

**MINUTES OF MORGAN CITY
REDEVELOPMENT AGENCY
MEETING**

February 12, 2019; 5:32 P.M.

**CHAIR AND BOARDMEMBERS
PRESENT:**

**Chair Ray W. Little, Eric Turner, Jeff Wardell, Mike
Kendell, and Jeffery Richins**

STAFF PRESENT:

**Ty Bailey, City Manager; Gary Crane, City Attorney,
Denise Woods**

EXCUSED:

Tony London

OTHERS PRESENT:

Ryan Nye, Robert (Doug) and Karen Wickliffe

This meeting was held in the Council Conference Room of the Morgan City Offices, 90 West Young Street, Morgan, Utah.

This meeting was called to order by Chair, Ray W. Little.

MINUTES

MOTION: Boardmember Wardell moved to approve the minutes of the January 8, 2019 Morgan City Redevelopment Agency Meeting.

SECOND: Boardmember Richins

The vote was unanimous to approve the minutes of the January 8, 2019 Morgan City Redevelopment Agency meeting as written; Boardmember London was absent.

ITEMS FOR DISCUSSION/APPROVAL

RESOLUTION R19-06 – INCENTIVE PLAN/CRITERIA FOR NEW APPLICATIONS

Ty Bailey, City Manager, referred to handout. He discussed the New Incentives which were listed in four categories: 1) Capital Improvements or New Build; 2) Purchase of Vacant Building; 3) Infrastructure; and 4) Historic Preservation. He mentioned the incentives could be combined and there was an "up to amount" in each the different categories. Also, there was a cap of \$50,000.00 per project and target 2 projects per year. He explained each of the categories and how the incentive was calculated and the requirements. The conditions listed were post performance. He explained that each incentive could be reimbursed separately. For example: Roof portion could be reimbursed after roof was completed. He said there would be an agreed upon time frame for the completion of the improvements. He complimented North Front Business Center and the services they offered to new businesses coming to Morgan and existing businesses.

Councilmember Kendell asked what the definition of a project was regarding the incentives. A project could include each of the categories and suggested it be defined in the Incentive Plan or the application. For example: A project could include any combination of incentives 1 through 4.

Ty explained funding would be one-time per building.

Discussion regarding the past process of requesting funds from the RDA. The applicants would be the actual building owners. Applicants needed to apply for funding when they had the entire project designed.

Ty mentioned the Historic Preservation category would be for small projects for aesthetic improvements, such as siding, etc.

Councilmember Kendell suggested another tier which allowed 15% for smaller improvement projects.

Mayor stated projects needed to enhance the property and increase the value of the property.

Decision made to table Resolution R19-06 until the next meeting. Councilmembers approved the criteria and incentive program outlined in the handout and requested an application form be attached to the resolution.

Discussion regarding work already completed by the applicant and that it would be considered under the new incentive plan when adopted. The purchase price and improvements currently being made would be recognized.

MOTION: Boardmember Wardell moved to table Resolution R19-06 until the next RDA meeting.

SECOND: Boardmember Kendell

Vote was unanimous to table Resolution R19-06 until the next RDA meeting.

Gary R. Crane, City Attorney, said it was a good starting point of what the Board could loan or grant but the need for the funds should also be demonstrated. It is referred to as a "necessary and appropriate determination."

DOUG WICKLIFFE – GRANT APPLICATION

Mayor explained the buildings the applicants had purchased (Buzzy's and the Gray Building) and had begun work on the buildings. They would be considered two separate projects.

Doug Wickliffe, explained the end corner building would have nine offices upstairs, explained some of the improvement that would be made and the types of materials to be used. He said Mark Schmid, Building Inspector, had walked through the buildings with him and discussed items to be completed. He said he was trying to use local contractors/subcontractors as much as possible for the improvements. He provided a handout that listed the estimated costs for the improvements.

Councilmember Turner asked about the timeframe for completion.

Doug said he estimated Buzzy's would take approximately six months. He stated the offices would be completed sooner and once completed would cover his debt services on the building. He liked the RDA Incentive Plan because it was performance based. He referenced the handout which outlined the estimated taxes, the income of the property, and how the retail value differs from the property tax.

Mayor explained what possible incentives these projects would be eligible for (Capital Improvements and Purchase of Vacant Building).

Ty calculated the estimated amount which could be awarded in the capital improvement and purchase of vacant building categories from the estimated costs provided by the applicant. He explained how there would be a payback within approximately 15 years.

Councilmember Kendell suggested adding a definition of what would be classified as a capital improvement and what would be eligible. He suggested a set of criteria be outlined to assist the Board when making decisions on each application.

Karen asked that the exterior doors be included in the capital improvement category.

Ty said he spoke with Gwen and when they assessed the value of the commercial building it was on the condition of the building.

OTHER ITEMS DISCUSSED

No items discussed.

This meeting was adjourned at 6:32 p.m.



Denise Woods, Agency Secretary

These minutes were approved at the February 26, 2019 meeting.