

AMERICAN FORK REDEVELOPMENT AGENCY
JUNE 25, 2019
NOTICE OF PUBLIC HEARING & SPECIAL SESSION AGENDA

NOTICE OF ELECTRONIC MEETING

One or more City Council members expect to be physically absent from this meeting but intend to participate electronically.

Notice is hereby given that the American Fork Redevelopment Agency will meet in a public hearing and special session on Tuesday, June 25, 2019, in the American Fork City Hall, 31 North Church Street, commencing at 6:45 p.m. The Agenda shall be as follows:

PUBLIC HEARING

- Receiving of public comment regarding the American Fork Redevelopment Agency Amended Budget for fiscal year ending June 30, 2019.
- Receiving of public comment regarding the American Fork Redevelopment Agency Budget for fiscal year ending June 30, 2020.

SPECIAL SESSION

1. Roll call.
2. Review and action on a resolution adopting the American Fork Redevelopment Agency Amended Budget for fiscal year ending June 30, 2019.
3. Review and action on a resolution adopting the American Fork Redevelopment Agency Budget for fiscal year ending June 30, 2020.
4. Approval of the May 14, 2019 Redevelopment Agency minutes.
5. Approval of the June 11, 2019 Redevelopment Agency public hearing.
6. Adjournment.

Dated this 20 day of June, 2019



Terilyn Lurker
City Recorder



REQUEST FOR BOARD ACTION
AMERICAN FORK REDEVELOPMENT AGENCY
JUNE 25, 2019

Department _____ **Finance** _____

Director Approval _____ *Kyle Maurer* _____

AGENDA ITEM

Review and action on a resolution approving adjustments to the fiscal year ending June 30, 2019 American Fork Redevelopment Agency budget.

SUMMARY RECOMMENDATION

Staff would recommend approval of the adjustments to the FYE June 30, 2019 budget.

BACKGROUND

Utah state law allows for periodic amendments to the adopted budget to ensure that budgets are not over-expended and that anticipated revenues cover allowable expenditures. Adjustments are needed to reflect actual revenues received, along with a reimbursement to American Fork City for betterments in the East Main project area.

BUDGET IMPACT

See supporting documents

SUGGESTED MOTION

I move to approve the resolution approving budget adjustments to the American Fork Redevelopment Agency fiscal year ending June 30, 2019 budget.

SUPPORTING DOCUMENTS

FY2019 Budget Amendments Resolution
FY 2019 Budget Amendments-RDA-Final

RESOLUTION NO. 2019-RA-___R

**A RESOLUTION REVISING THE AMERICAN FORK REDEVELOPMENT AGENCY
FY 2018-2019 BUDGET.**

WHEREAS, American Fork Redevelopment Agency is required by Utah State Law to maintain a balanced budget for fiscal year ending June 30, 2019; and

WHEREAS, American Fork Redevelopment Agency held a public hearing on June 11, 2019, and June 25, 2019, and

WHEREAS, American Fork Redevelopment Agency has complied with all legal requirements,

NOW THEREFORE, be it resolved that the attached revised budget is adopted for fiscal year 2018-2019.

PASSED AND SIGNED THIS 25 DAY OF JUNE, 2019.

APPROVED:

Bradley J. Frost, Chairperson

ATTEST:

Terilyn Lurker, Secretary

AMERICAN FORK CITY
PROPOSED BUDGET AMENDMENT SUMMARY
JUNE 2019

East Side RDA Fund					
	June 2019 Actuals YTD	2019 Budget (January 2019)	Proposed Amendments		Ending Budget
			Increase	Decrease	
Revenue	43,513	35,333	8,520	-	43,853
Expenses		-	-	-	-
Transfers In (Out)	(253)	(35,333)	(8,520)	-	(43,853)
Use of (Contribution to) Fund Balance		-	-	-	-
	\$ 43,260	\$ -	\$ -	\$ -	\$ -

Business Park RDA Fund					
	June 2019 Actuals YTD	2019 Budget (January 2019)	Proposed Amendments		Ending Budget
			Increase	Decrease	
Revenue	787,836	712,099	78,612	-	790,711
Expenses	(27,005)	(322,547)		-	(322,547)
Transfers In (Out)	(387,960)	(389,552)		-	(389,552)
Use of (Contribution to) Fund Balance	-		(78,612)	-	(78,612)
	\$ 372,871	\$ -	\$ -	\$ -	\$ -

Egg Farm EDA Fund					
	June 2019 Actuals YTD	2019 Budget (January 2019)	Proposed Amendments		Ending Budget
			Increase	Decrease	
Revenue	1,020,171	944,689	80,794	-	1,025,483
Expenses	(519,556)	(906,355)	(59,189)	-	(965,544)
Transfers In (Out)	(38,334)	(38,334)	-	-	(38,334)
Use of (Contribution to) Fund Balance	-	-	(21,605)		(21,605)
	\$ 462,281	\$ -	\$ -	\$ -	\$ -

Patriot Station CRA Fund					
	June 2019 Actuals YTD	2019 Budget (January 2019)	Proposed Amendments		Ending Budget
			Increase	Decrease	
Expenses	(60,937)	-	(70,000)	-	(70,000)
Use of (Contribution to) Fund Balance	-	-	70,000	-	70,000
	\$ (60,937)	\$ -	\$ -	\$ -	\$ -

AMERICAN FORK CITY
PROPOSED BUDGET AMENDMENTS
JUNE 2019

GL ACCOUNT GL ACCOUNT DESCRIPTION		2019		2019 BUDGET		EXPLANATION
		JUNE 2019 ACTUAL	AMENDED BUDGET (JANUARY)	PROPOSED AMENDMENT	AFTER AMENDMENT	
EAST SIDE RDA FUND						
Revenues						
81-3900-152	Haircut	43,163	34,973	8,190	43,163	Match Budget to Actual Increment Received
81-3900-600	Interest	631	360	330	690	Additional Interest Earnings Collected on Idle Funds
TOTAL PROPOSED REVENUE BUDGET ADJUSTMENTS				\$	8,520	
Expenses						
81-5610-943	Transfer to Capital Project Fund	8,520	-	8,520	8,520	Transfer to Capital Projects for Payment of 200 E/300 E Improvements
TOTAL PROPOSED EXPENSE BUDGET ADJUSTMENTS				\$	8,520	
BUSINESS PARK RDA FUND						
Revenues						
82-3900-200	Tax Increment	620,623	582,190	38,433	620,623	Match Budget to Actual Increment Received
82-3900-202	Haircut	131,088	121,909	9,179	131,088	Match Budget to Actual Increment Received
82-3900-600	Interest Earnings	36,125	8,000	31,000	39,000	Additional Interest Earnings Collected on Idle Funds
TOTAL PROPOSED REVENUE BUDGET ADJUSTMENTS				\$	78,612	
Expenses						
82-5610-999	Contribution to Fund Balance	-	-	78,612	78,612	Anticipated Contribution to Fund Balance Due to Additional Increment and Interest Received.
TOTAL PROPOSED EXPENSE BUDGET ADJUSTMENTS				\$	78,612	
EGG FARM EDA FUND						
Revenues						
83-3900-250	Tax Increment	773,782	741,351	32,432	773,783	Match Budget to Actual Increment Received
83-3900-251	Tax Increment - Housing	193,446	185,338	8,108	193,446	Match Budget to Actual Increment Received
83-3900-600	Interest Earnings	52,943	18,000	40,254	58,254	Additional Interest Earnings Collected on Idle Funds
TOTAL PROPOSED REVENUE BUDGET ADJUSTMENTS				\$	80,794	
Expenses						
83-5610-450	Developer Reimbursement	483,614	463,345	20,269	483,614	Recognize Additional Developer Reimbursement Liability (Percentage of Increment Received)
83-5610-500	Affordable Housing	-	185,338	8,108	193,446	Match Budgeted Expense to Housing Increment Received
83-5610-751	860 E Reconstruction	30,812	-	30,812	30,812	Pavement Design Contract for 860 East. Reconstruction to Occur in FY2020.
83-5610-999	Contribution to Fund Balance	-	-	21,605	21,605	Anticipated Contribution to Fund Balance Due to Additional Increment and Interest Received.
TOTAL PROPOSED EXPENSE BUDGET ADJUSTMENTS				\$	80,794	
PATRIOT STATION CRA FUND						
Revenues						
84-3900-999	Use of Fund Balance	-	-	70,000	70,000	
TOTAL PROPOSED REVENUE BUDGET ADJUSTMENTS				\$	70,000	
Expenses						
84-5610-780	Other Costs	60,937	-	70,000	70,000	Budget Rewrite of TOD Code and Invoices From LYRB Related to Creation of CRA.
TOTAL PROPOSED EXPENSE BUDGET ADJUSTMENTS				\$	70,000	



REQUEST FOR BOARD ACTION
AMERICAN FORK REDEVELOPMENT AGENCY
JUNE 25, 2019

Department Finance

Director Approval Kyle Maurer

AGENDA ITEM

Review and action on a resolution approving the American Fork Redevelopment Agency Budget for fiscal year ending June 30, 2020.

SUMMARY RECOMMENDATION

Staff would recommend approval of the FYE June 30, 2020 budget

BACKGROUND

The city is required to adopt a budget by June 30, 2019. Attached is the proposed budget.

BUDGET IMPACT

See attached budget for details.

SUGGESTED MOTION

I move to approve the resolution adopting the American Fork Redevelopment Agency Budget for fiscal year ending June 30, 2020.

SUPPORTING DOCUMENTS

FY2020 Budget Resolution

FY2020 Budget RDA

RESOLUTION NO. 2019-RA-___R

**A RESOLUTION SETTING THE AMERICAN FORK REDEVELOPMENT AGENCY
FY 2019-2020 BUDGET.**

WHEREAS, American Fork Redevelopment Agency is required by Utah State Law to adopt a balanced budget prior to June 30, 2019; and,

WHEREAS, American Fork Redevelopment Agency held a public hearing on June 11, 2019, and June 25, 2019, and

WHEREAS, American Fork Redevelopment Agency has complied with all legal requirements,

NOW THEREFORE, be it resolved that the attached budget is adopted for fiscal year 2019-2020.

PASSED AND SIGNED THIS 25 DAY OF JUNE, 2019.

APPROVED:

Bradley J. Frost, Chairperson

ATTEST:

Terilyn Lurker, Secretary

Redevelopment Agency—East Side RDA Fund

FUND DESCRIPTION

The East Side RDA fund (also known as the East Main RDA fund) was created to account for the revenues and expenditures for the East Main RDA project area created December 1992. The goal of the East Main RDA project area is to incentivize the commercial and industrial development of several blocks along Main Street in American Fork where conditions of blight were determined to be present. The fund will continue to receive “haircut” monies until 2025.

BUDGET

RDA-East Side				
	Actual FY2018	Estimated FY2019	Recommended FY2020	Percent Change
Revenues:				
Tax Increment	81,758	-	1,700	100.0%
Haircut-East Side	14,393	43,163	40,003	-7.3%
Interest Earnings	750	690	360	-47.8%
TOTAL REVENUES	96,901	43,853	42,063	-4.1%
Expenditures:				
Administrative Expenses	378	-	-	0.0%
TOTAL EXPENDITURES	378	-	-	0.0%
Transfers Out:				
Transfer to Capital Projects Fund	45,812	8,520	42,063	100.0%
Transfer to General Fund	2,900	-	-	0.0%
Transfer to Debt Service Fund	47,585	35,333	-	-100.0%
TOTAL TRANSFERS OUT	96,297	43,853	42,063	-4.1%
REVENUES OVER/(UNDER) EXPENDITURES AND TRANSFERS	226	-	-	

Redevelopment Agency—Business Park RDA Fund

FUND DESCRIPTION

The Business Park RDA fund (also known as the North Valley RDA fund) was created to account for the revenues and expenditures of the North Valley RDA Project Area created September 1987. The goal of the North Valley RDA project area is to incentivize the commercial and industrial development along I-15 in American Fork. The fund received its last tax increment revenue distribution in fiscal year 2019. “Haircut” monies will continue through fiscal year 2026.

BUDGET

RDA-Business Park

	Actual FY2018	Estimated FY2019	Recommended FY2020	Percent Change
Revenues:				
Tax Increment	534,033	620,623	-	-100.0%
Haircut	96,428	131,088	312,101	138.1%
Interest Earnings	20,634	39,000	20,634	-47.1%
TOTAL REVENUES	651,094	790,711	332,735	-57.9%
Expenditures:				
Administrative Expenses	6,415	9,000	-	-100.0%
Developer Reimbursement	35,000	23,135	-	-100.0%
Development Activities	-	182,936	-	-100.0%
Haircut Expenditures	-	107,476	332,735	209.6%
TOTAL EXPENDITURES	41,415	322,547	332,735	3.2%
Transfers Out:				
Transfer to General Fund	23,200	34,543	-	-100.0%
Transfer to Debt Service Fund	385,007	355,009	-	-100.0%
TOTAL TRANSFERS OUT	408,207	389,552	-	-100.0%
REVENUES OVER/(UNDER) EXPENDITURES AND TRANSFERS OUT	201,472	78,612	-	

Redevelopment Agency—Egg Farm EDA Fund

FUND DESCRIPTION

The Egg Farm EDA was created to account for the revenues and expenditures of the Egg Farm EDA project area created in September 2000. The goal of the Egg Farm EDA project area is to incentivize the commercial and industrial development of a former chicken farm in American Fork City. The fund will receive tax increment revenue through fiscal year 2028, depending on when minimum tax increment levels are reached. It is important to note that 20 percent of tax increment received must go towards affordable housing projects in the state of Utah.

BUDGET

EDA-Egg Farm				
	Actual FY2018	Estimated FY2019	Recommended FY2020	Percent Change
Revenues:				
Tax Increment	721,310	773,783	703,075	-9.1%
Tax Increment-Housing	180,327	193,446	175,769	-9.1%
Interest Earnings	29,828	58,254	18,000	-69.1%
TOTAL REVENUES	931,465	1,025,483	896,844	-12.5%
Expenditures:				
Administrative Expenses	4,457	8,000	10,000	25.0%
Developer Reimbursement	450,819	483,614	439,422	-9.1%
Development Activities	-	249,672	-	-100.0%
Affordable Housing	50,000	193,446	175,769	-9.1%
Administrative Charge-General Fund	-	-	33,942	100.0%
860 E Reconstruction	-	30,812	500,000	100.0%
TOTAL EXPENDITURES	505,275	965,544	1,159,133	20.0%
Transfers Out:				
Transfer to General Fund	31,900	38,334	-	-100.0%
TOTAL EXPENDITURES	\$ 537,175	\$ 1,003,878	\$ 1,159,133	15.5%
REVENUES AND TRANSFERS OVER/(UNDER) EXPENDITURES	394,290	21,605	(262,289)	

UNAPPROVED MINUTES

AMERICAN FORK REDEVELOPMENT AGENCY MAY 14, 2019 MEETING MINUTES

Members Present:	Bradley Frost	Chairman
	Kevin Barnes	Board Member
	Staci Carroll	Board Member
	Barbara Christiansen	Board Member
	Rob Shelton	Board Member
	Clark Taylor	Board Member
Staff Present:	Terilyn Lurker	Secretary
	David Bunker	Executive Director
	Kyle Maurer	Finance Director/Purchasing Agent
	Adam Olsen	City Planner
	Wendelin Knobloch	Associate Planner
	George Schade	IT Director
	Tim Merrill	Legal Counsel
	Scott Sensanbaugher	Public Works Director

Also Present: John Woffinden and two citizens

The American Fork Redevelopment Agency met in a regular session on Tuesday, May 14, 2019, in the American Fork City Hall, 31 North Church Street, commencing at 6:40 p.m.

1. Roll Call

Chairman Frost welcomed everyone to the meeting. Roll call was taken.

2. Presentation and acceptance of the RDA tentative budget for fiscal year ending June 30, 2020.

Mr. Maurer explained they have only one active RDA left, which was the Egg Farm. The East Side RDA was receiving haircut tax money from the capital projects funds for improvements along 200 East. The Business Park RDA was another area receiving haircut tax money; it was projected to receive about \$330,000 that would be allocated at a later date. He explained the revenue projections for the Egg Farm RDA which included 20% that needed to be allocated to affordable housing, \$10,000 in administrative charges, \$34,000 needed to be allocated to the general fund to help with administrative salaries and other expenses, and \$500,000 was allocated for reconstruction of 860 East.

Board Member Shelton asked about an analysis that was planned for \$18,000. Mr. Bunker responded this was a request for Jason Burningham to do programming for all the capital projects. This cost would come out of the RDA. Council Member Shelton asked if they could do this analysis in house.

Board Member Shelton commented that one of the Egg Farm developers approach them about paying them off early and he questioned whether that was an option. Mr. Bunker responded he would hesitate to pay them off early until they finished the capital projects.

UNAPPROVED MINUTES

Mr. Bunker said he was concerned 860 East would cost more than the \$500,000. He noted they did not plan to include a storm drain, curb, and gutter on the west side of the road. Mr. Bunker noted 100% of the road was owned by American Fork according to Lindon; they would need to check into that further. Lindon paved part of the road in order to get their developments done.

Board Member Shelton asked if they could find \$18,000 in the budget. Mr. Maurer responded they would have to pull from other the other budgets. Council Member Shelton asked if they could use the other business park funds and Mr. Maurer responded they could not use that to pay for another area. When asked if they could do an interloan fund, Mr. Maurer stated they could do that.

Chairman Frost asked if they needed to have a consultant. Mr. Maurer responded they were required to provide a list of projects to Lewis Young anyway, so they already had the information available. If staff were to do the work, they would have set time aside to do that.

Board Member Carroll asked if the list of projects had costs already associated with them and if they were completed yet. Mr. Maurer responded he would have to check what was not completed.

Board Member Shelton commented different staff members had different thoughts on the priorities. He said if this was outsourced, they needed to have a deadline.

Board Member Carroll asked if the Council set the priority. Chairman Frost responded this was based on the staff's recommendation. Board Member Shelton said it was like their other budgets and they could amend it if needed, but a plan would direct where the funds should go.

Chairman Frost suggested they adopt the tentative budget and come prepared at the final budget adoption.

Board Member Christiansen moved to accept the RDA Tentative budget for fiscal year ending June 30, 2020. Board Member Shelton seconded the motion. Voting was as follows:

Board Member Barnes	Aye
Board Member Carroll	Aye
Board Member Christiansen	Aye
Board Member Shelton	Aye
Board Member Taylor	Aye

The motion carried.

3. Approval of the January 22, 2019, annual meeting minutes

Board Member Taylor moved to approve the January 22, 2019, minutes. Board Member Shelton seconded the motion. Voting was as follows:

Board Member Barnes	Aye
Board Member Carroll	Aye
Board Member Christiansen	Aye
Board Member Shelton	Aye
Board Member Taylor	Aye

The motion carried.

UNAPPROVED MINUTES

1
2 4. Unfinished Business

3 Board Member Shelton commented had a great conversation with Jason Burningham regarding
4 the Main Street Consulting group. He thought it would be great to have a discussion with Mr.
5 Burningham about their plans and Board Member Carroll agreed.

6
7 5. New business

8 There was no new business.
9

10 6. Adjournment

11 **Board Member Carroll moved to adjourn the meeting. Board Member Shelton seconded the**
12 **motion. All were in favor.**

13
14 The meeting adjourned at 6:55 p.m.
15
16
17

18 Terilyn Lurker, Secretary

UNAPPROVED MINUTES

AMERICAN FORK REDEVELOPMENT AGENCY MAY 14, 2019 PUBLIC HEARING MINUTES

Members Present:	Bradley Frost	Chairman
	Kevin Barnes	Board Member
	Staci Carroll	Board Member
	Barbara Christiansen	Board Member
	Rob Shelton	Board Member
	Clark Taylor	Board Member
Staff Present:	Terilyn Lurker	Secretary
	David Bunker	Executive Director
	Kyle Maurer	Finance Director/Purchasing Agent
	Adam Olsen	City Planner
	Wendelin Knobloch	Associate Planner
	George Schade	IT Director
	Tim Merrill	Legal Counsel
	Scott Sensanbauger	Public Works Director

Also Present: John Woffinden and two citizens

The American Fork Redevelopment Agency held a public hearing on Tuesday, June 11, 2019, in the American Fork City Hall, 31 North Church Street, commencing at 6:55 p.m.

PUBLIC HEARING

Chairman Frost welcomed everyone to the public hearing. He explained the purpose of the public hearing was to receive public comment regarding amendments to the fiscal year ending June 30, 2019, budget and to receive public comment regarding the the fiscal year ending June 30, 2020, budget. He asked if anyone present had any comments.

There were no public comments.

The public hearing ended at 7:00 p.m.