

CLEARFIELD CITY COUNCIL
MID-YEAR RETREAT AGENDA
August 23, 2019 – WORK SESSION

Megaplex Theaters at The Junction
Second Floor
2341 Kiesel Avenue
Ogden, Utah 84401

8:00 A.M. CDRA WORK SESSION

Discussion on Addendum #1 to the City Centre Tax Increment Participation Agreement

*****ADJOURN THE CDRA WORK SESSION AND IMMEDIATELY RECONVENE
AS THE CITY COUNCIL IN WORK SESSION *****

8:00 A.M. CITY COUNCIL MID-YEAR MEETING

Review and Discussion on the 2019 Council Priorities

*****COUNCIL MEETING ADJOURN*****

Dated this 21st day of August, 2019.

/s/Wendy Page, Deputy Recorder

The City of Clearfield, in accordance with the ‘Americans with Disabilities Act’ provides accommodations and auxiliary communicative aids and services for all those citizens needing assistance. Persons requesting these accommodations for City sponsored public meetings, service programs or events should call Nancy Dean at 525-2714, giving her 48-hour notice.



STAFF REPORT

TO: CDRA Chairman Bush and Board members
FROM: Summer Palmer, Assistant City Manager
MEETING DATE: August 23, 2019
SUBJECT: Addendum to the City Centre TIF agreement

RECOMMENDED ACTION

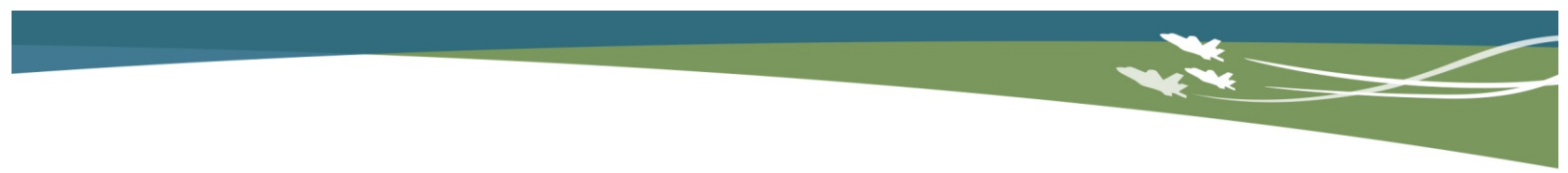
Discussion on Addendum #1 to the Tax Increment Participation Agreement with Clearfield Properties to facilitate relocation of Argentine Corner to City Centre.

DESCRIPTION / BACKGROUND

Representatives from both the City Centre Development and Argentine Corner contacted the City asking if there was any financial assistance available to facilitate the relocation of Argentine Corner to the commercial store front at City Centre. The commercial pad at City Centre needs to be improved in order to have a restaurant use the space. If those improvements are made, Argentine Corner has agreed to move into the space from their current location at 442 North Main Street.

The City Centre Development falls under the RDA 7 project area. The CDRA currently has a TIF Agreement with City Centre that specifies how and when they qualify for the tax increment generated by the development. Staff recommends the CDRA board provide City Centre \$50,000 to close the gap on the required tenant improvements to bring Argentine Corner into the commercial space. In addition, we recommend the following conditions be included in an addendum to the current TIF agreement:

- Improvements will be complete by the end of the year, allowing for Argentine Corner to open by January 2020.
- The incentive payment per the current TIF Agreement for Tax Year 2018 (\$72,042 distributed in spring 2019) will be the baseline.
- Beginning with Tax Year 2019, and each year running through Tax Year 2023 (when the RDA 7 project area and the term of the Agreement expire), if the calculated incentive payment exceeds the baseline \$72,042, then the excess will be retained by the CDRA until the \$50,000 is recouped.
- Once the \$50,000 is reimbursed to the CDRA, City Centre is entitled to the full amount of the calculated incentive payment through the remainder of the term.
- If the calculated incentive payment in any of the years is less than the baseline \$72,042, then the CDRA does not receive any reimbursement for that year.

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- If, after the expiration of the project area and the Agreement, the sum of the annual reimbursements to the CDRA does not total \$50,000, the remainder of the amount owing shall be forgiven.

CORRESPONDING POLICY PRIORITY (IES)

We believe the approval of this resolution will help us to ***Improve Clearfield's Image, Livability and Economy*** by adding business and vibrancy to this dynamic part of Clearfield's main street. This is a great opportunity for us to, not only support the growth of a long time local business, but also fill commercial store front space on our main corridor which has been empty for extended period of time.

FISCAL IMPACT

There is an initial outlay of \$50,000 that will come from RDA 7. Any portion of that initial amount not recuperated over the next five tax years will be subtracted from the balance of the RDA.

ALTERNATIVES

The board could choose not to contribute to the arrangements. However, both parties have indicated they will not be able to move forward with an agreement without assistance from the City.

SCHEDULE / TIME CONSTRAINTS

The parties would like to move forward with construction as quickly as possible so Argentine Corner can open the new location early 2020.

LIST OF ATTACHMENTS

- Addendum to the TIF Agreement (coming soon)