

AMERICAN FORK REDEVELOPMENT AGENCY
OCTOBER 22, 2019
SPECIAL SESSION MINUTES

Members Present:

Bradley J. Frost	Chairman
Kevin Barnes	Board Member
Barbara Christiansen	Board Member
Rob Shelton	Board Member
Clark Taylor	Board Member

Members participating electronically:

Staci Carroll	Board Member
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Staff Present:

David Bunker	City Administrator
Camden Bird	Community Services Director
Wendelin Knobloch	Associate Planner
Lauralee Hill	Deputy Recorder
Aaron Brems	Fire Chief
Kyle Maurer	Finance Officer
George Schade	IT Director
Timothy Merrill	Legal Counsel
Adam Olsen	Senior Planner
Darren Falslev	Police Chief
Derric Rykert	Parks and Recreation Director
Scott Sensanbaugher	Public Works Director

Several others were also present.

The American Fork Redevelopment Agency met on Tuesday, October 22, 2019 in the American Fork City Hall, 31 North Church Street, commencing at 6:40 p.m.

The meeting was called to order by Chair Frost at 6:40 p.m.

1. Roll call.

Chair Frost welcomed everyone to the Redevelopment Agency (RDA) meeting. He explained that the agenda had been posted in various places as required by law and roll call was taken. He noted that Board Member Robert Shelton was absent.

2. Presentation and acceptance of the 2019 Redevelopment Agency Annual Report.

Cody Hill was an analyst from Lewis Young Robertson & Birmingham who helped put together the report which was required to be submitted on or before November 1st of each year. It outlined the historic collection and use of revenues and growth in the area, trends, revenue and expense projections looking forward. The second item he discussed was an update on the Patriot Station Community reinvestment area. He explained a little about the November 1st report he had compiled. He stated that the agency collected approximately \$1.5 million in total tax increments. About two years ago, the agency requested an additional tax increment, which meant that if a project area was participating at 60% the additional tax increments would add an additional 40%. Two years ago, the agency requested to receive this additional tax increment and to extend the East Main and North Valley project areas for an additional seven years to collect additional years of tax increments. The total additional tax increment included \$174,000, along with some interest revenue as well, for a grand total of \$1.8 million. Including the remaining life of all project area, \$9.4 million in total revenue was coming into the RDA from these three main areas.

The East Main project area had about six years remaining. This area would have expired except for request of additional tax increment over the next six years. The Council would then have 100% of the tax increment from the county, city, and two water conservancy districts, but not the school districts. Growth for the project area had increased in value by about \$1 million. There were some improvements to the streets (200 East and Main) and a signal light was constructed to improve traffic flow. 100% of project area was completely developed.

The North Valley project area had seven years of additional tax increments. RDA would have sunset this year and cease to accept tax increments, but because the Council triggered the additional tax increment for the next seven years, the Council would then get 100% of the tax increment from the county, city, and two water conservancy districts, but not the school districts. Growth of the project area: It appeared that the County Assessors report had a few issues. After talking with Adam Olsen, he was unaware of any buildings being demolished, or plans for buildings going in, but looking at the assessment, the Council may have noticed some discrepancy regarding these issues. For example, last year's value was \$103 million, and this year's assessed value was \$6 million less, and according to the 695-A report, which projects the assessed value for the next year, the assessors projected this will increase by \$13.2 million, which means it would go up to \$110 million in value. Mr. Hill said he needed to talk to Burt Harvey who works with the County to see what the discrepancy issue exactly was.

The next project area was the Egg Farm. It was up to nine years in process (according to the 2012 project plan and budget). This was a project that the City would collect \$9.2 million before nine years is up, probably in tax year 2025. Growth – the project increased in value from \$116 million to \$128 million.

That was the contents in summary of the 2019 annual Redevelopment Agency annual report.

Chair Frost asked how typical it was for extensions to be requested. Mr. Hill stated that it was atypical for an agency that could request funds but had not at this point in a project stage. This was because any project area created before 1993 had the ability to be extended for seven years and to collect additional tax increment. So typically, any project area that could extend and

qualified for extension, should have already requested for an extension. He gave a few examples. He said it was somewhat uncommon for someone to not request funds.

Board Member Shelton asked about the revenues that were received. He asked if there was a Capital Improvement Plan for how to invest this revenue. Mr. Hill said a draft model was in place that included revenue and expense projections from the Redevelopment Agency, and that his group was trying to incorporate capital and expense improvement projects with the whole model. Board Member Shelton asked when the Council could see the plan and learned that it would likely be available in one month.

Board Member Shelton moved to accept the 2019 Redevelopment Agency Annual Report. Board Member Taylor seconded the motion. Voting was as follows:

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

The motion carried.

3. Review and action on the adoption of a resolution to modify the original Patriot Station survey area.

When this area was adopted, it was a large swath of the anticipated project area. Over the past years, a Transit Oriented Development Zone (TOD zone) was created. The borders of the Patriot Station CRA were coterminous with the TOD zone. When that happened, part of the boundary was outside of the original survey area which was one reason for amending the survey area borders. The other reason was that in 17-C, when a project area was created, it was necessary to create the boundaries of the survey area that were within the boundaries of the agency. About a quarter of the boundaries of the surveyed area were in unincorporated county. The county entered into an interlocal agreement about a month ago to allow the agency to put in the survey area and create a project area that included the parcels that were in the unincorporated county. So, with the Council's permission, the group was able to create this area, and now it is logical to re-designate the survey area after having received permission from the County. An overview of the Patriot Station CRA: again, the project area plan and budget were nearing completion. Once refined, if edits were needed, they would be presented to Council for review. A Public Hearing would then be held to consider adopting the proposed planning budget. Chair Frost stated that this would be held in the next 30 days.

Mr. Olsen said the project area in question was 509 acres and had a base value of \$29.6 million. The Council was looking for twenty years of participation at about 50% for total collection of \$37.5 million or until the agency reached a cap of \$38 million. The majority of the funds would be put towards redevelopment activities, about \$32 million of the budget, with 10% required for the affordable housing allotment of \$3.7 million, and administrative allotment of 5% of \$1.8 million.

Redevelopment activities that were contemplated. The purpose was to support the 200 South improvements to align with the TOD development. The total cost was \$22.4 million with the CR raised portion contemplated at about \$16.7 million. There were public amenities-focused improvements like the train station, public town square, theater, planning design and education campus. The total cost for those would be \$17.2 million with the agency's portion of the support being \$14.6 million.

Mr. Olsen gave an overview of what this location looked like. The Patriot Station CRA had 509 acres and a quarter of that existed within the county, and 75% origin in the city. The agriculture greenbelt was about 68% designated greenbelt land, and 32% was non-greenbelt.

Board Member Shelton asked why the area had been shrunk. Mr. Hill stated that it was possible to shrink an area without having to amend the survey area (it was expanding the areas in some places). The original area extended North of the train tracks. About 130 acres were not included in the original survey area that are in the TOD designated zone. This was not so much extending or shrinking the area as much as it was shifting it over.

Board Member Shelton asked if any monies from this area were still being used for connectivity. He asked if funds could be used for just outside the area to support the project, and learned that yes, this was so.

A motion was made to adopt the amended survey resolution.

Board Member Shelton moved to adopt agenda item two, and Board Member Taylor seconded.

Board Member Taylor moved to approve Resolution No. 2019-RA-04R modifying the original Patriot Station survey area. Board Member Christiansen seconded the motion. Voting was as follows:

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

The motion carried.

4. Review and action on the approval of the June 25, 2019, special session minutes.

Board Member Shelton moved to approve the June 25, 2019, special session minutes. Board Member Barnes seconded the motion. Voting was as follows:

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

The motion carried.

5. Review and action on the approval of the August 27, 2019, special session minutes.

Board Member Taylor moved to approve the August 27, 2019, special session minutes. Board Member Shelton seconded the motion. Voting was as follows:

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

The motion carried.

6. Adjournment

Board Member Shelton moved to adjourn the RDA meeting. Board Member Christiansen seconded the motion. All were in favor.

The meeting adjourned at 7:07 p.m.



Terilyn Lurker
Secretary