

Thursday, December 9, 2021

PERRY CITY COUNCIL MEETING AGENDA

This meeting will be open to the public with capacity set at eight (8) people maximum.

The Meeting will also be held online.

“Electronic Meeting” Web/Teleconferencing will be used to participate.

The Perry City Council will hold an electronic meeting on the Thursday identified above, starting at approximately 7:30 P.M. Following a Work Session and RDA Meeting. Members of the public attending the meeting online may view the meeting via Zoom using a link and instructions on the web page at: <https://www.perrycity.org/whats-new.htm.htm>. Agenda items may vary depending on length of discussion, cancellation of scheduled items, or agenda alteration. Numbers and/or times are estimates of when agenda items will be discussed. Action on public hearings will always be later in the same meeting or at a subsequent meeting. Every agenda item shall be a discussion and/or action item, unless otherwise indicated.

Approx. 6:00 PM – Work Session

1. Presentation by Senator Sandall & Representative Gwynn

Approx. 7:00 PM– RDA Meeting (See Agenda)

Approx. 7:30 PM – Regular City Council Meeting

1. **Call to Order**
2. **Procedural Issues**
 - A. Conflicts of Interest Declaration(s), If Any
3. **Presentation**
 - A. Recognition of Exiting Council Members Esther Montgomery & Andrew Watkins
4. **Action Items (Roll Call Vote)**
 - A. Approval of the 2022 Perry City Meeting Schedule
 - B. Approval of the Fiscal Year 2021-2022 Impact Fee Plan
 - C. Approval of the 2021 Fraud Risk Assessment
 - D. Ordinance 21-T Zone Change from AL to R1 located at approximately 2250 S. 1200 W., Parcel #03-157-0017, Applicant: Britton Neff
 - E. Resolution 2021-20 Approving a Real Estate Purchase Contract For a Portion of Parcel #03-155-0060
5. **Discussion Item**
 - A. Oath of Office Meeting: Tuesday, January 4th at 6:00PM, at Three Mile Creek Elementary
 - B. Council Retreat Planning
6. **Minutes & Council/Mayor Reports (Including Council Assignments)**

No Council Action May be Taken if an Item is not specifically on the Agenda

 - A. Approval of Consent Items
 - November 16, 2021 Board of Canvassers Meeting Minutes
 - November 16, 2021 City Council Meeting Minutes
 - B. Mayor’s Report
 - C. Council Reports
 - D. Staff Comments
 - E. Planning Commission Report
7. **Executive Session**
 - A. Discussion of the purchase, exchange, lease, or sale of real property, when public discussion would disclose the value of the property or prevent the authority from completing the transaction of the best possible terms.
 - B. Strategy session to discuss the character, professional competence, or physical or mental health of an individual.
 - C. Strategy session to discuss collective bargaining.
 - D. Strategy session regarding pending, or reasonably imminent litigation.
 - E. Strategy session to discuss the deployment of security personnel, devices, or systems.
 - F. Discussion of investigative proceedings regarding allegations of criminal misconduct.
8. **Approx. 9:00 PM - Adjournment**

Certificate of Posting

The undersigned duly appointed official hereby certifies that a copy of the foregoing agenda was sent to each member of the City Council and was posted in three locations: the Perry City Offices, Centennial Park, Perry City Park; and was emailed to the Ogden Standard-Examiner, Box Elder News Journal; and posted on the State Public Meeting Notice Website on this 3rd day of December, 2021. Any individual requiring auxiliary services should contact the City Offices at least 3 days in advance (435-723-6461).

Shanna S. Johnson, City Recorder

THURSDAY, DECEMBER 9, 2021
PERRY CITY REDEVELOPMENT AGENCY ELECTRONIC MEETING AGENDA

This meeting will be open to the public with capacity set at eight people maximum.

The Meeting will also be held online.

“Electronic Meeting” Web/Teleconferencing will be used to participate.

The Perry City Redevelopment Agency Board Council will hold an electronic meeting on the Thursday identified above, starting at approximately 7:00 PM via web/teleconference. Go to <https://www.perrycity.org/whats-new.htm.htm> for meeting access instructions. Agenda items may vary depending on length of discussion, cancellation of scheduled items, or agenda alterations. Numbers and/or times are estimates of when agenda items will be discussed. The agenda shall be as follows, with every item being a discussion and/or action item, unless otherwise indicated:

Approx. 7:00 PM

1. Call to Order
2. Presentation – 2021 Perry City RDA Annual Report
3. Action Item
 - A. Resolution 2021-02 Extending the tax increment collection period at the Point Perry Community Development Area
4. Approx. 7:30 PM - Adjournment
 - A. Motion to Adjourn

Certificate of Posting

The undersigned duly appointed official hereby certifies that a copy of the foregoing agenda was sent to each member of the RDA Board and was posted in three locations: the Perry City Offices, Centennial Park, Perry City Park; and was faxed/emailed to the Ogden Standard-Examiner, Box Elder News Journal; and posted on the State Public Meeting Notice Website on this 3rd day of December, 2021. Any individual requiring auxiliary services should contact the City Offices at least 3 days in advance (435-723-6461).

Shanna S. Johnson, RDA Secretary

2021

ANNUAL REPORT

REDEVELOPMENT AGENCY OF PERRY CITY, UT



NOVEMBER 1ST REPORT

Dated as of November 1, 2021

Prepared by Lewis Young Robertson & Burningham, Inc.

In compliance with Utah Code Section 17C-1-603


**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

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EXECUTIVE SUMMARY

INTRODUCTION

Lewis Young Robertson & Burningham, Inc (“LYRB”) has been retained by the Perry City Redevelopment Agency (the “Agency” or “RDA”) to assist with the management of the Agency’s two project areas: the Pointe Perry CDA Project Area and the 1100 South CDA Project Area. LYRB has compiled the various creation and related documents associated with the project area, created annual and multi-year budgets, and created a proprietary Excel-based software package to manage the Agency’s project areas on an ongoing basis.

The purpose of this report, in part, is to fulfill the requirements of Utah Code section 17C-1-603 – Agency Report. This report facilitates the RDA’s compliance with the code adopted in 2011, as well as other changes to the code which have occurred over the past several years, and provides the data necessary to fulfill these reporting requirements. This section of Utah Code mandates that the Agency provide an annual report to the County Auditor, the State Tax Commission, the State Board of Education, as well as each of the taxing entities that levy a tax on property from which the Agency collects tax increment on or before November 1st of each year. The taxing entities involved in the various project areas of the Perry City Redevelopment Agency, to which this report is being provided, are summarized in the table below.

Table 1.1

RDA TAXING ENTITIES	
Kevin Jeppsen	Perry City
Shanna Johnson	Perry City
Rodney Cook	Box Elder School District
Tom Kotter	Box Elder County
Deborah Jacobson	Utah State Board of Education
Lorraine Austin	Utah State Board of Education
Scott Smith	Utah State Tax Commission

It is important to note that the annual report is currently in a transitioning phase as updated Utah Code section 17C-1-603 states that, beginning in 2022, the annual RDA report will be disseminated only to the Governor’s Office of Economic Development and will be due on or before December 31st of each calendar year. The November 1st deadline will be eliminated and electronic submission of the report to the taxing entities, County Auditor, State Tax Commission, State Board of Education will be replaced with the GOED database. LYRB will continue to provide the annual RDA report in strict compliance with the requirements laid out in 17C-1-603.

The annual report is for informational purposes and is intended to provide an overview of each project area that lies within the boundaries of the RDA, including descriptions of each project area, significant activities, project timelines, actual and estimated tax increment collections, and any other information pertinent to the taxing entities.

Provided in this report is an overview of the Pointe Perry CDA Project Area, including a summary of the current and projected budgets, sources and uses of tax increment, and identification of certain concerns/needs. This report also includes an overview of the 1100 South CDA Project Area.

OVERVIEW OF THE REDEVELOPMENT AGENCY

The Redevelopment Agency of Perry City was created by the Perry City Council on February 24, 2000 with the adoption of Ordinance #00-02 in accordance with the provision of the Utah Neighborhood Development Act, UCA 17A-2-1201, 17A-2-1202, and 17A-2-1203.

In the process of adopting the ordinance creating the Agency, the City Council determined that the Agency be “authorized to enter into contracts generally in connection with redevelopment and/or economic development, to provide for redevelopment and/or economic development and to transact other business and exercise all other powers provided for in the Utah Redevelopment Act, Utah Code Annotated 17A-2-1201 (recodified as 17C-1-101 et seq.), to accept financial or other assistance from any public or private source for the Agency’s activities, powers, and duties, and to expend any funds so received for any of the purposes set forth in the Act, and to borrow money and accept financial or other assistance from the state or federal government for any of the purposes of the Act and comply with any conditions of such loan or grant.”

Originally, under the Act, each project area created by a Redevelopment Agency was classified simply as a Redevelopment Area (RDA). In 1998, the Act was expanded to allow the creation of various types of project areas to be used to achieve different outcomes, including Urban Renewal Area (URA) and Economic Development Area (EDA). In 2006, the Act was further modified to provide for an additional project area type, Community Development Area (CDA).

Changes to the Act, made in 2016, put an end to the three aforementioned classifications. Going forward all project areas envisioned and created by a Redevelopment Agency are categorized by a single designation and are known as Community Reinvestment Areas (CRA). Previously created projects will still be subject to the predecessor rules under which they were created and will still be designated as RDAs, URAs, CDAs, and EDAs but new projects will need to conform to the CRA modifications.

CRAs are created under a redevelopment agency. To create a CRA, an agency must first adopt a survey resolution that designates a survey area and authorizes the agency to prepare a project area plan and budget. The draft budget and plan are then created and then the agency must meet the noticing requirements concerning its intent to adopt the plan and budget. Once the agency adopts the draft plan and budget as the final plan and budget after a public hearing, it can then collaborate with the taxing entities. If the agency plans to use eminent domain in the CRA, a blight study must be performed in the designated area. The Agency then forges an agreement to receive tax increment participation and approval of the blight study from a taxing entity committee (TEC). With the potential use of eminent domain and a TEC, the CRA is required to allocate 20% of its tax increment revenue to affordable housing. If the agency does not intend to pursue eminent domain, interlocal agreements for tax increment participation can be entered into with individual taxing entities. No TEC is required. The affordable housing requirement for this approach is only 10% of the CRA’s tax increment revenue.

Currently, the Agency has two active Project Areas, each of which was adopted prior to the 2016 change. Both of these Project Areas have been classified as Community Development Areas (CDAs).

AUTHORITIES AND POWERS OF THE AGENCY

The authority of the Agency is directed by UCA Title 17C.
17C-1-202

- I. A community development and renewal agency may:
 - ☞ Sue and be sued;
 - ☞ Enter into contracts generally;
 - ☞ Buy, obtain an option upon, or otherwise acquire an interest in real or personal property;
 - ☞ Sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property;
 - ☞ Enter into a lease agreement on real or personal property, either as lessee or lessor;
 - ☞ Provide for urban renewal, economic development, and community development as provided in this title;
 - ☞ Receive tax increment as provided in this title;
 - ☞ If disposing of or leasing land, retain controls or establish restrictions and covenants running with the land consistent with the project area plan;
 - ☞ Accept financial or other assistance from any public or private source for the agency's activities, powers, and duties, and expend any funds so received for any of the purposes of this title;
 - ☞ Borrow money or accept financial or other assistance from the federal government, a public entity, or any other source for any of the purposes of this title and comply with any conditions of the loan or assistance;
 - ☞ Issue bonds to finance the undertaking of any urban renewal, economic development, or community development or for any of the agency's other purposes, including;
 - Reimbursing an advance made by the agency or by a public entity or the federal government to the agency;
 - Refunding bonds to pay or retire bonds previously issued by the agency; and
 - Refunding bonds to pay or retire bonds previously issued by the community that created the agency for expenses associated with an urban renewal, economic development, or community development project; and
 - ☞ Transact other business and exercise all other powers provided for in this title.

GOVERNING BOARD OF TRUSTEES AND STAFF MEMBERS

Table I.2

GOVERNING BOARD OF TRUSTEES		
Kevin Jeppsen	Chairman	Perry City Mayor
Esther Montgomery	Board Member	Perry City Council Member
Andrew Watkins	Board Member	Perry City Council Member
Blake Ostler	Board Member	Perry City Council Member
Nathan Tueller	Board Member	Perry City Council Member
Toby Wright	Board Member	Perry City Council Member

Table I.3

STAFF MEMBERS	
Shanna Johnson	Finance Director/Secretary

SUMMARY OF REQUESTED FUNDS

The Agency ***requests all funds it is legally entitled to receive***, and estimates those funds according to the chart below. Per UC 17C-1-603(3), these projected figures are provided for informational purposes only, and do not alter the amount of tax increment that this Agency is entitled to collect. The Agency requests all tax increment legally available from each of the Agency's project areas described below; however these estimates should in no way be interpreted or applied as a limitation upon the amount the Agency is entitled to receive under applicable statute(s), project area budget(s), and/or interlocal cooperation agreements.

Table I.4

ESTIMATE OF PROPERTY TAX INCREMENT TO BE PAID TO THE AGENCY		
	Tax Year 2021 Estimates (Ending Dec 31, 2021)	Tax Year 2022 Estimates (Beginning Jan 1, 2022)
Property Tax Increment		
Pointe Perry CDA Project Area	35,518	32,805
I 100 South CDA Project Area	-	-
Total Revenue	\$ 35,518	\$ 32,805

SECTION 1: OVERVIEW OF THE POINTE PERRY CDA PROJECT AREA

Table 2.1

OVERVIEW				
<u>Type</u> CDA	<u>Acreage</u> Developed 23 Undeveloped 83 Total 106	<u>Purpose</u> Mixed Use Commercial Development	<u>Taxing District</u> 178	<u>Tax Rate</u> 0.010847
<u>Creation Year</u> FY 2007	<u>Base Year</u> FY 2007	<u>Term</u> 20 Years	<u>Trigger Year</u> FY 2008	<u>Expiration Year</u> FY 2027
<u>Base Value</u> \$1,117,715	<u>TY 2020 Value</u> \$11,998,376	<u>Increase</u> 973%	<u>FY 2021 Increment</u> \$35,928	<u>Jobs Created</u> 185

The Pointe Perry CDA Project Area was created in June 2007 and is governed by the following documents:

- ☞ “Project Area Plan – Pointe Perry Community Development Project Area” dated June 1, 2007;
- ☞ “2nd Amended Interlocal Cooperation Agreement between the Redevelopment Agency of Perry City and Perry City” executed June 13, 2019;
- ☞ “2nd Amended Interlocal Cooperation Agreement between the Redevelopment Agency of Perry City and Box Elder County” executed May 15, 2019;
- ☞ “Amended Interlocal Agreement between Perry City Redevelopment Agency and Box Elder School District” executed June 30, 2007 (collectively, the “Interlocal Agreements”); and
- ☞ “Amended and Restated Development Agreement” (the “Development Agreement”) dated November 30, 2007

The land use and zoning within the Project Area is, in part, regulated and governed by the Project Area Plan and specifically a development agreement between developer/property owner and the Agency.

The original purpose of this Project Area was to incentivize the development of mixed use commercial property in Perry City, which will create jobs and increase property and sales tax revenue to the taxing entities. The Agency is also considering using a portion of the Project Area for high density residential development. The Project Area includes 106 acres, located in Perry City near the entrance ramp to I-15. A map of the Project Area is included as Exhibit A.



Maverik/Dairy Queen



Tractor Supply Co.

The Project Area Plan and Interlocal Agreements define the duration and use of property tax generated within the Project Area as well as conditions and obligations by the Agency and each participating taxing entity. The Development Agreement, which was between the Agency and the original Developer, describes the obligations of each party. However, this Agreement is no longer in place due to the default of the original Developer on its obligations in the CDA, as well as the associated SID described below.

The Pointe Perry CDA was created in conjunction with Perry SID 99-I, a Special Improvement District through which bonds were issued to finance the cost of constructing improvements in the Project Area. The SID is governed by the “Assessment Ordinance” executed August 11, 2005, which outlines these improvements as the extension of water and sewer lines, as well as road improvements. The original par amount of the bonds issued in 2005 was \$1,965,000 and the final debt service payment on the bonds was made October 1, 2020. Originally, Pointe Perry, LC, the original “Developer”, as well as the other property owners in the Project Area, were scheduled to make annual assessment payments to pay down the bonds issued through the SID. The CDA was set up to reimburse the Developer for a portion of these annual SID payments.

The original Developer has now lost the entire Project Area as the result of foreclosures triggered by its default on the associated annual SID payments. A portion of the Project was acquired by Proficio Bank in 2012 and the remaining property was acquired by Perry City in 2015. The property acquired by Proficio Bank has since been sold and is currently owned by Cross Country Equity.

Despite the non-performance of the original Developer, the Agency is entitled to receive tax increment to be used for the reimbursement of certain infrastructure costs incurred within the Project Area by the Agency and the City, as well as costs associated with the default of the Developer, including annual assessment payments remitted for the properties acquired by the City through foreclosure.

SOURCES OF FUNDS

Table 2.2

2021 SOURCES OF FUNDS	
Property Tax Increment	35,928
Sales Tax Increment	109,853
Total Sources of Funds	\$ 145,781

PROPERTY TAX

Table 2.3

PROPERTY TAX INCREMENT LEVELS			
Years	Perry City %	Box Elder County %	Box Elder School District %
TY 2007 - TY 2010	90%	90%	100%
TY 2011	90%	90%	88%
TY 2012	90%	90%	76%
TY 2013	90%	90%	64%
TY 2014	90%	90%	52%
TY 2015	90%	90%	40%
TY 2016	90%	90%	28%
TY 2017 - TY 2021	90%	90%	0%
TY 2022 - TY 2026	90%	75%	0%

Table 2.4

2021 PROPERTY TAX INCREMENT BY TAXING ENTITY	
Perry City	19,527
Box Elder County	16,401
Box Elder School District	-
Total Tax Increment Remitted to Agency	\$ 35,928

SALES TAX

Previously, the Amended Interlocal Agreements outlined that the original Developer may be entitled to receive certain portions of sales tax generated by the Project Area. Both Perry City and Box Elder County had agreed that if the project property tax increment in a given year was less than the accrued payment for Special Improvement District 99-1, the City and County would remit to the Agency a portion of the sales tax revenue generated by the project. However, due to the lack of performance of, and loss of the Project by, the original Developer in the Project Area, no sales tax was collected by the Agency through FY 2018.

In 2019, the Amended Interlocal Agreements between the Agency and the County, and the Agency and the City, were repealed and replaced by the 2nd Amended Interlocal Cooperation Agreements, between the Agency and the County, and the Agency and the City. Per these new Agreements, the Agency is not entitled to any portion of sales tax from the County. The City, however, has agreed to contribute certain portions of sales tax to the Agency based on whether or not the property tax increment generated in a given year exceeds the accrued payment for Special Improvement District 99-1. The difference between the accrued SID payment and the actual project property tax payment is described as the “Agency Payment Shortfall.” When an Agency Payment Shortfall exists, the City has agreed to pay to the Agency the lesser of (a) all sales tax received from the Project Area, or (b) 80% of the Agency Payment Shortfall.

In FY 2021, the Accrued Agency Payment Shortfall totaled \$1,490,826. Per the 2nd Amended Interlocal Cooperation Agreement between the Agency and the City, the Agency is entitled to the lesser of (1) all sales tax received from the Project Area, \$109,853, or (2) 80% of the Agency Payment Shortfall, \$1,192,229. For FY 2021, the City will be required to remit to the Agency the full amount of sales tax received from the Project Area, \$109,853.

Table 2.5

2021 SALES TAX INCREMENT	
Accrued SID 99-1 Payments	2,291,869
Less Property Tax Increment Paid to Agency thru 2020	641,654
Less Sales Tax Increment Paid to Agency thru 2020	125,001
Less 2021 Property Tax Increment	35,928
2021 Accrued Agency Payment Shortfall	\$ 1,490,826
Lesser of:	
Total Sales Tax Generated by Project Area	109,853
80% of Agency Payment Shortfall	1,192,229
2021 Sales Tax Increment Remitted to Agency	\$ 109,853

USES OF FUNDS

Table 2.6

2021 USES OF FUNDS	
CDA Administration	5,102
Reimbursement to City for Infrastructure Improvements and CDA/SID Expenses	140,678
Total Uses of Funds	\$ 145,780

Provided that all terms and conditions had been met by the original Developer, the Agency originally intended to use 3.5% of property tax increment funds for CDA administration and the remainder to reimburse the Developer for the annual and accrued assessment obligations related to Special Improvement District 99-1. As the original Developer is no longer involved in the Project Area, these funds will now be used to reimburse the City and Agency for administration fees, creation costs, annual SID assessments, and other CDA/SID related costs.

DEVELOPMENT OBLIGATIONS AND INCENTIVES

Along with its default on the associated annual SID payments, the original Developer also failed to follow through on its commitment to meet specific construction obligations related to the development within the Project Area as outlined in the Amended and Restated Development Agreement. Thus, the Developer was ineligible to receive tax increment funds in prior years and is now no longer involved in the Project Area.

According to the adopted 2nd Amended Interlocal Cooperation Agreements between the Agency and County, and the Agency and City, the Agency is entitled to use these available tax increment funds to reimburse the Agency and City for various costs incurred in relation to the CDA. As noted above, these costs include ongoing CDA administration fees, CDA creation costs, annual SID assessments, and other CDA/SID related costs.

The Agency continues its efforts to work with the School District to amend the current Amended Interlocal Agreement that exists between these two parties.

PROJECT AREA REPORTING AND ACCOUNTABILITY

COMPARISON OF FORECASTED AND ACTUAL PROPERTY TAX INCREMENT

Table 2.7

REALIZATION OF TAX INCREMENT			
TAX INCREMENT GENERATED IN PROJECT AREA	FORECASTED	ACTUAL	% OF PROJECTION
Annual Property Tax Increment - FY 2021	\$459,764	\$35,928	8%
Lifetime Property Tax Increment - FY 2008 - FY 2021	\$6,196,094	\$677,592	11%

Failure to realize the majority of projected tax increment is explained by the original Developer's lack of compliance with the Development Agreement.

RELATIVE GROWTH IN ASSESSED VALUE

Table 2.8

GROWTH IN ASSESSED VALUES				
ASSESSED VALUES IN PROJECT AREA	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in Project Area (2020 vs. 2019)	\$11,998,376	\$11,389,681	5%	5%
Lifetime Growth in Project Area (2020 vs. 2007)	\$11,998,376	\$1,117,715	973%	18%
ASSESSED VALUES IN PERRY CITY	CURRENT YEAR	PRIOR YEAR/ BASE YEAR	GROWTH RATE	AAGR
Annual Growth in City (2020 vs. 2019)	\$381,594,946	\$330,778,584	15%	15%
Lifetime Growth in City (2020 vs. 2007)	\$381,594,946	\$190,111,784	101%	5%

Several factors have contributed to the relatively slow growth in the assessed values of the Project Area as shown above. The Project Area experienced a significant downturn in the economy during the early years of the Project, along with a slowing of development. Also, in tax year 2016 the Agency saw a sizeable drop in taxable values in the Project Area due to the acquisition by Perry City of the two largest properties originally owned by the Developer. As the City took over ownership of these two properties at the foreclosure sale, the properties are now held by a tax-exempt entity and, thus, are not subject to property taxes. The removal of the values of these two properties, which had previously represented 5% of the total value in the Project Area, has also contributed to the slow growth in the values of the Project Area.

Despite these challenges, the Project Area is currently realizing a lifetime average annual growth rate that is more than 3 times that of non-incentivized areas in the City.

BENEFITS DERIVED BY TAXING ENTITIES

Table 2.9

BENEFITS TO TAXING ENTITIES
Creation of 185 jobs
Increased Property Tax Revenues
Increased Sales Tax Revenues
- \$109,853 in Sales Tax Revenue to Perry City in TY 2020
Significantly higher growth in tax base compared to non-incentivized areas
- Current AAGR for the Project Area is 18% vs 5% for non-incentivized areas

Perry City, Box Elder County, and Box Elder School District are currently benefiting from increased assessed values in the Project Area as a portion of tax increment is being returned to these taxing entities. The School District is currently experiencing the greatest benefit as the full tax increment is now being returned to this entity as it is no longer contributing tax increment to the Project Area per the schedule in Table 2.3 above.

As shown below, the taxing entities are currently receiving annual tax increment that is 581% of what would have been realized if assessed values in the Project Area had remained at base year levels. Since FY 2009, as assessed values have increased and the tax increment level received by the Agency has ratcheted downward throughout the life of the CDA, the total tax increment received by the taxing entities is 207% of what would have been realized based on base year levels.

Table 2.10

GROWTH IN TAX INCREMENT					
TAX INCREMENT FROM PROJECT AREA	ORIGINAL BUDGET REVENUES		ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
Fiscal Year 2021	\$1,223,610		\$118,478	\$12,124	877%
Life Time Revenue (FY 2009 - 2021)	\$10,374,910		\$1,212,480	\$173,978	597%
PASS THROUGH INCREMENT (ABOVE BASE)	ORIGINAL BUDGET REVENUES		ACTUAL REVENUES	BASE YEAR VALUE REVENUES	% ABOVE BASE
Fiscal Year 2021	\$763,846		\$82,550	\$12,124	581%
Life Time Revenue (FY 2009 - 2021)	\$4,176,817		\$534,898	\$173,978	207%

NOTABLE DEVELOPMENT AND FUTURE PROJECTS

The Pointe Perry CDA Project Area was originally created to incentivize the development of mixed use commercial property within Perry City. As outlined in the Amended and Restated Development Agreement, construction in the Project Area was originally scheduled to take place in eight Phases, commencing with Phase I, planned to be completed in 2007, and ending with the completion of Phase VIII in 2014.

At the time the original Developer was involved, Phase I of the project had begun, with the completion of an approximately 8,000 square foot Fuel Center, a 39,000 square foot class C Motel, and one Fast Food Restaurant included within the Fuel Center.

With the loss of the Project by the Developer due to its default on the associated annual assessment payments, the final portion of this Phase, which included two additional Fast Food Restaurants, has not yet been completed. Construction has not yet begun on this last portion of Phase I, or on any of the projects outlined in subsequent Phases. Development will no longer follow the schedule outlined in the Development Agreement due to the default of the original Developer.

As the City has acquired the majority of the property in the Project Area, it has been working to pursue other development options. In 2014, Tractor Supply Company entered the Project Area, constructing a 22,000 square foot “rural lifestyle” retail store that opened for business in fall of 2014. Tractor Supply Company is the largest chain store of its kind in the United States and this location in the Pointe Perry CDA was the first to open in Utah.

This development has served to increase annual property tax revenues in the Project Area by 60% as the associated assessed real property value rose by nearly \$4,000,000 and personal property values rose by \$256,000. These increased values came on the County’s property tax rolls in TY 2015 so the Agency and taxing entities are now experiencing an associated significant rise in property tax revenues.

The Agency is hopeful that this development will encourage additional growth in the Project Area. Current businesses located in the Project Area include:

-  Dairy Queen
-  Days Inn
-  Maverik
-  Tractor Supply Company



Days Inn



Maverik Fuel Station

In addition, the completion of the I-15; SR 91 (1100 South) Interchange Project by UDOT in 2014 has had a positive effect on the Project Area. The Interchange Project included the reconstruction of the full roadway, as well as providing drainage systems and new signage and striping. Part of the construction involved the widening of the roadway including additional lanes, widened shoulders, and auxiliary lanes. This portion of I-15 runs parallel to the Project Area and is the main source of traffic to the businesses located therein.

Over the past few years, the US Army Corp of Engineers issued a wetlands permit for 5.83 acres of property within the Project Area which has been developed into 4 restaurant pads which have been available for sale. These restaurant pads are located within the largest parcel acquired by the City from the Developer in 2015. In 2020, the City was party to a three-way trade with the Department of Natural Resources (“DNR”) and the School and Institutional Trust Lands Administration (“SITLA”), which involved a 2.25 acre portion of this parcel that contains these restaurant pads. Recently, the Agency has seen some interest in these properties and is hopeful that these pads will be sold and occupied in the near future, thus generating additional property tax and sales tax increment in the Project Area.

In exchange for this 2.25 acres and the payment of \$9,055, the City was able to obtain outright ownership of Three Mile Creek Gun Range, located outside of the Project Area.

In recent months, the Agency has seen quite a bit of interest in the Project Area generally. In addition to the commercial development that was currently envisioned in Project Area Plan, the Agency has approved a 240 unit condominium complex which will be located on 1685 West. This development will involve parcel 03-236-0035, owned by Cross County Equity, as well as 5.5 acre portion of the property owned by Perry City, located southwest of Tractor Supply Company. It is expected that the sale of this property will close in the coming weeks, and the Agency is hopeful that this type of development will generate additional interest in the Project Area.

Table 2.10

DEVELOPED AND UNDEVELOPED ACREAGE		
POINTE PERRY CDA	ACREAGE	% OF PROJECTION
Developed	23	22%
Undeveloped	83	78%
Total	106	100%

Originally, all 106 acres in the Pointe Perry CDA Project Area were intended to be used for commercial development. However, as described above, the Agency is currently considering the use of 9.3 of these acres for residential development.

FORECASTED PROJECT AREA BUDGET UPDATE

The multi-year budget attached to this document and summarized below displays revenue in the fiscal year received rather than the calendar year collected.

Table 2.11

PROJECT AREA BUDGET		FY 2008 - 2027	
REVENUES		TOTALS	NPV @ 5%
Property Tax Increment		877,126	586,646
Sales Tax Increment		893,970	425,399
Total Revenue		\$1,771,096	\$1,012,045
EXPENDITURES		TOTALS	NPV @ 5%
CDA Administration @ 3.5%		34,544	22,572
Reimbursement to City for Infrastructure Improvements and CDA/SID Expenses		1,736,552	989,473
Total Expenditures		\$1,771,096	\$1,012,045

OTHER ISSUES

LYRB has identified the following items of interest with regard to the Pointe Perry CDA:

1. In 2019 LYRB worked with the Agency to finalize and adopt the 2nd Amended Interlocal Cooperation Agreement between and the Agency and the County, as well as the 2nd Amended Interlocal Cooperation Agreement between the Agency and the City. These amended agreements officially allow for the use of tax increment funds to reimburse the City for SID/CDA related costs and accomplish the following:
 - a. Clarify and ensure that the Agency is entitled to continued receipt of tax increment funds in order to finance public infrastructure in the Project Area.
 - b. Clarify and ensure that allowed uses of tax increment funds include reimbursements to Perry City for costs incurred in relation to the Pointe Perry CDA and associated Perry SID 99-1. These costs include, but are not limited to, ongoing administration fees, CDA creation costs, annual bond payments, and legal fees.
 - c. Extend the life of the Project Area and remittance of tax increment funds to the Agency by five years to FY 2027.
2. The adoption of the 2nd Amended Interlocal Cooperation Agreements described above address the concern regarding the Agency's ability to use tax increment funds to reimburse the City for costs incurred in relation to the Pointe Perry CDA and Perry SID 99-1. The default of the major property owner on the ongoing annual assessment obligations led to the City acquiring those properties through a Trustee's Sale in 2015, thereby inheriting the delinquency associated with those parcels.

To this point, the City has covered a total of \$1,386,819.43 in assessment payments and fees associated with the default of the two major properties in SID 99-1, including the \$665,701.30 delinquency inherited at the foreclosure sale in 2015, and the 2015 through 2019 annual assessment payments totaling \$721,118.14. As documented by the 2nd Amended Interlocal Cooperation Agreements, the Agency intends to use tax increment funds available from the Pointe Perry CDA to reimburse the City for a portion of these costs.

3. As mentioned above, Perry City and Box Elder County had previously entered into agreements to use sales tax revenue from the Project Area to make up certain portions of an Accrued Agency Payment Shortfall in any given year. Although a shortfall has existed each year, sales tax was not collected by the CDA through FY 2018 due to the lack of performance by the Developer.

Per the adopted 2nd Amended Interlocal Cooperation Agreements, the Agency is not entitled to any portion of sales tax revenue from the County. However, the Agreement between the Agency and the City does require that going forward a portion of sales tax revenue from the City be remitted to the Agency in order to make up a portion of the Accrued Agency Payment Shortfall.



PROJECT AREA ANNUAL AND MULTI-YEAR BUDGETS

The following four sheets represent:

-  FY 2021 Actual Budget
-  FY 2022 Projected Budget
-  FY 2023 Projected Budget
-  FY 2008-2027 Projected Multi-Year Budget

Pointe Perry CDA Project Area

2021 Annual Budget

November 1, 2021

	Tax Year Payment Year	2020 2021
REVENUES		
TAXABLE VALUATION:		
Land Value	\$	3,271,717
Building Value		7,118,067
Personal Property		1,504,604
Centrally Assessed		103,988
Total Assessed Value	\$	11,998,376
Less: Base Year Value ⁵	\$	(1,117,715)
Incremental Assessed Value	\$	10,880,661
Tax Rate:		
Box Elder County		0.1662%
Box Elder County School District		0.7220%
Perry City		0.1965%
Total Tax Rate:		1.0847%
TAX INCREMENT REVENUES		
Box Elder County	\$	18,224
Box Elder County School District		78,558
Perry City		21,696
Total Tax Increment:	\$	118,478
Percent of Tax Increment for Project		
Box Elder County		90%
Box Elder County School District		0%
Perry City		90%
Project Portion		
Box Elder County	\$	16,401
Box Elder County School District		-
Perry City		19,527
Total Tax Increment Available to CDA	\$	35,928
Sales Tax Increment		
Perry City Sales Tax Revenue (from Project)	\$	109,853
Accrued Payment for SID 99-I		-
Annual Agency Payment Shortfall		-
Accrued Agency Payment Shortfall		1,489,286
		-
Total Sales Tax Available to CDA	\$	109,853
Total Tax Increment		
Property Tax Increment		35,928
Sales Tax Increment		109,853
Total Tax Increment Available to CDA	\$	145,781
EXPENDITURES		
CDA Administration @ 3.5%	\$	5,102
Development Activities ¹		140,678
Total Uses	\$	145,781
Retained Portion		
Box Elder County	\$	1,822
Box Elder County School District		78,558
Perry City		2,170
Total Retained Portion	\$	82,550

1. Tax increment funds allocated to Development Activities will be used primarily to reimburse Perry City for debt service payments and other expenses related to Special Improvement District 99-I.

Pointe Perry CDA Project Area

2022 Annual Budget
November 1, 2021

	Tax Year Payment Year	2021 2022
REVENUES		
TAXABLE VALUATION:		
Land Value	\$	3,271,717
Building Value		7,118,067
Personal Property		1,504,604
Centrally Assessed		103,988
Total Assessed Value	\$	11,998,376
Less: Base Year Value ⁵	\$	(1,117,715)
Incremental Assessed Value	\$	10,880,661
Tax Rate:		
Box Elder County		0.1662%
Box Elder County School District		0.6974%
Perry City		0.1965%
Total Tax Rate:		1.0601%
TAX INCREMENT REVENUES		
Box Elder County	\$	18,084
Box Elder County School District		76,252
Perry City		21,380
Total Tax Increment:	\$	115,716
Percent of Tax Increment for Project		
Box Elder County		90%
Box Elder County School District		0%
Perry City		90%
Project Portion		
Box Elder County	\$	16,275
Box Elder County School District		-
Perry City		19,242
Total Tax Increment Available to CDA	\$	35,518
Sales Tax Increment		
Perry City Sales Tax Revenue (from Project)	\$	109,853
Accrued Payment for SID 99-1		-
Annual Agency Payment Shortfall		-
Accrued Agency Payment Shortfall		1,343,916
Total Sales Tax Available to CDA	\$	109,853
Total Tax Increment		
Property Tax Increment		35,518
Sales Tax Increment		109,853
Total Tax Increment Available to CDA	\$	145,370
EXPENDITURES		
CDA Administration @ 3.5%	\$	1,243
Development Activities ¹		144,127
Total Uses	\$	145,370
Retained Portion		
Box Elder County	\$	1,808
Box Elder County School District		76,252
Perry City		2,138
Total Retained Portion	\$	80,198

1. Tax increment funds allocated to Development Activities will be used primarily to reimburse Perry City for debt service payments and other expenses related to Special Improvement District 99-1.

Pointe Perry CDA Project Area

2023 Annual Budget
November 1, 2021

	Tax Year Payment Year	2022 2023
REVENUES		
TAXABLE VALUATION:		
Land Value	\$	3,271,717
Building Value		7,118,067
Personal Property		1,504,604
Centrally Assessed		103,988
Total Assessed Value	\$	11,998,376
Less: Base Year Value ⁵	\$	(1,117,715)
Incremental Assessed Value	\$	10,880,661
Tax Rate:		
Box Elder County		0.1662%
Box Elder County School District		0.6974%
Perry City		0.1965%
Total Tax Rate:		1.0601%
TAX INCREMENT REVENUES		
Box Elder County	\$	18,084
Box Elder County School District		75,882
Perry City		21,380
Total Tax Increment:	\$	115,346
Percent of Tax Increment for Project		
Box Elder County		75%
Box Elder County School District		0%
Perry City		90%
Project Portion		
Box Elder County	\$	13,563
Box Elder County School District		-
Perry City		19,242
Total Tax Increment Available to CDA	\$	32,805
Sales Tax Increment		
Perry City Sales Tax Revenue (from Project)	\$	109,853
Accrued Payment for SID 99-1		-
Annual Agency Payment Shortfall		-
Accrued Agency Payment Shortfall		1,201,258
		-
Total Sales Tax Available to CDA	\$	109,853
Total Tax Increment		
Property Tax Increment		32,805
Sales Tax Increment		109,853
Total Tax Increment Available to CDA	\$	142,658
EXPENDITURES		
CDA Administration @ 3.5%	\$	1,148
Development Activities ¹		141,510
Total Uses	\$	142,658
Retained Portion		
Box Elder County	\$	4,521
Box Elder County School District		75,882
Perry City		2,138
Total Retained Portion	\$	82,541

1. Tax increment funds allocated to Development Activities will be used primarily to reimburse Perry City for debt service payments and other expenses related to Special Improvement District 99-1.



2021 ANNUAL REPORT – PERRY CITY RDA

NOVEMBER 1, 2021



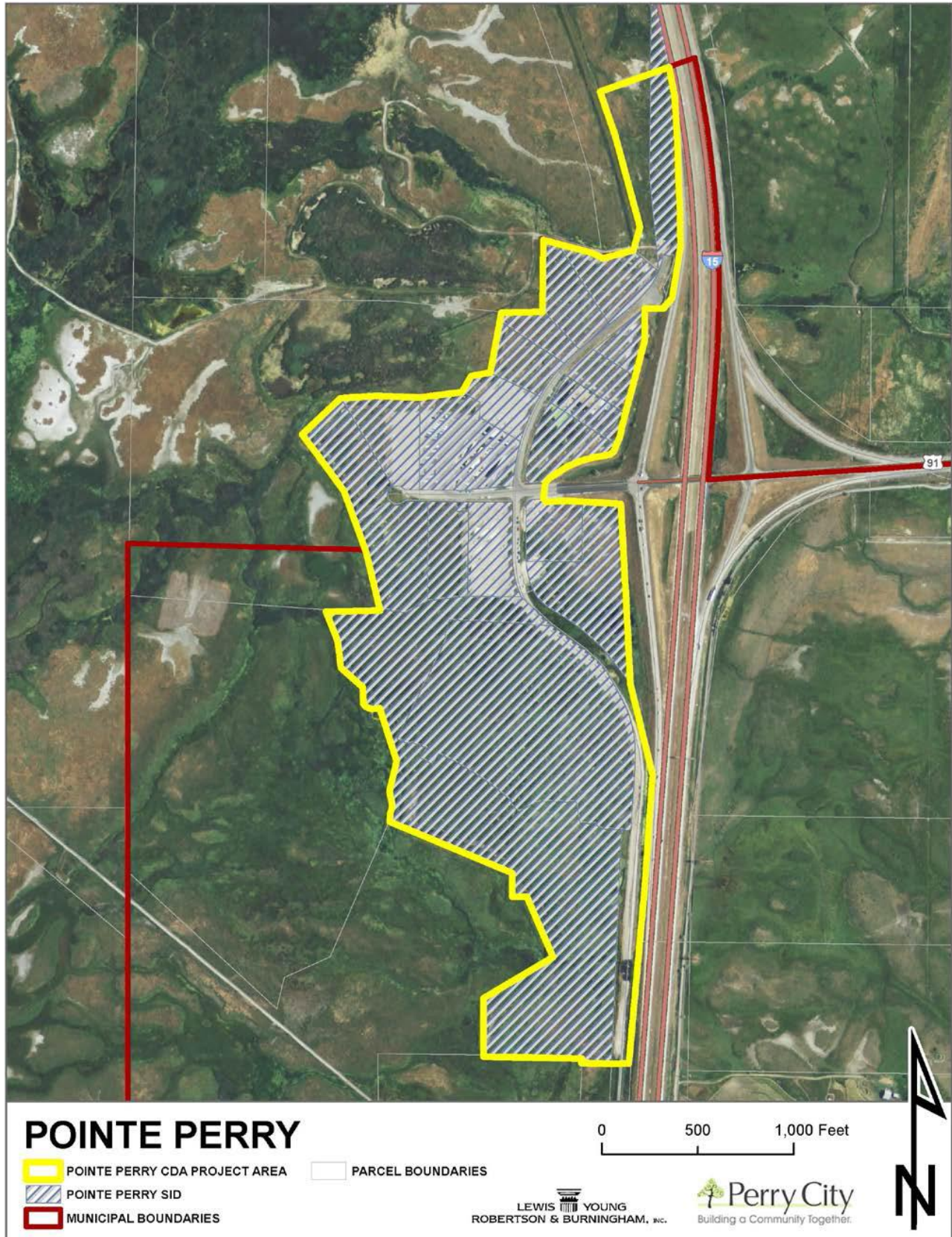
Pointe Perry CDA Project Area

Ongoing Budget
Multi-Year Project Area Budget Projections
November 1, 2021

Tax Year Payment Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	TOTALS
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
REVENUES																				
TAXABLE VALUATION:																				
Land Value	\$ 2,233,700	\$ 2,223,200	\$ 2,222,267	\$ 2,222,267	\$ 5,316,280	\$ 5,316,280	\$ 5,309,280	\$ 3,969,420	\$ 3,270,950	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 3,271,717	\$ 64,700,814
Building Value	3,480,500	3,475,853	3,475,853	3,475,853	933,000	933,000	933,000	7,439,000	7,439,000	7,439,000	7,439,000	7,439,000	7,118,067	7,118,067	7,118,067	7,118,067	7,118,067	7,118,067	7,118,067	103,733,175
Personal Property	-	819,356	704,390	551,567	495,031	479,774	429,092	620,354	603,051	652,792	1,076,607	575,023	1,504,604	1,504,604	1,504,604	1,504,604	1,504,604	1,504,604	1,504,604	17,539,265
Centrally Assessed	-	-	-	63,122	66,739	75,395	75,350	74,294	67,635	67,630	74,496	103,941	103,988	103,988	103,988	103,988	103,988	103,988	103,988	1,398,078
Total Assessed Value	\$ 5,714,200	\$ 6,523,056	\$ 6,402,510	\$ 6,312,809	\$ 6,811,050	\$ 6,895,409	\$ 6,747,922	\$ 12,063,068	\$ 11,386,636	\$ 11,430,529	\$ 11,861,820	\$ 11,385,681	\$ 11,998,376	\$ 11,998,376	\$ 11,998,376	\$ 11,998,376	\$ 11,998,376	\$ 11,998,376	\$ 11,998,376	\$ 187,371,332
Less: Base Year Value ¹	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (1,117,715)	\$ (21,336,585)
Incremental Assessed Value	\$ 4,596,485	\$ 5,405,341	\$ 5,284,795	\$ 5,195,094	\$ 5,693,335	\$ 5,687,694	\$ 5,630,207	\$ 10,885,353	\$ 10,268,921	\$ 10,312,814	\$ 10,744,105	\$ 10,271,966	\$ 10,880,661	\$ 10,880,661	\$ 10,880,661	\$ 10,880,661	\$ 10,880,661	\$ 10,880,661	\$ 10,880,661	\$ 166,034,747
Tax Rate:																				
Box Elder County	0.2182%	0.2162%	0.2119%	0.2227%	0.2279%	0.2136%	0.2133%	0.2072%	0.2007%	0.1944%	0.1873%	0.1755%	0.1662%	0.1662%	0.1662%	0.1662%	0.1662%	0.1662%	0.1662%	0.1662%
Box Elder County School District	0.6317%	0.6758%	0.6485%	0.6851%	0.7074%	0.8514%	0.8386%	0.8369%	0.8291%	0.8082%	0.7775%	0.7220%	0.7220%	0.6974%	0.6974%	0.6974%	0.6974%	0.6974%	0.6974%	0.6974%
Perry City	0.2258%	0.2290%	0.2473%	0.2610%	0.2775%	0.2742%	0.2626%	0.2547%	0.2459%	0.2377%	0.2364%	0.2175%	0.1965%	0.1965%	0.1965%	0.1965%	0.1965%	0.1965%	0.1965%	0.1965%
Total Tax Rate:	1.0757%	1.1220%	1.1077%	1.1688%	1.2128%	1.3492%	1.3145%	1.2979%	1.2757%	1.2402%	1.2012%	1.1150%	1.0647%	1.0601%	1.0601%	1.0601%	1.0601%	1.0601%	1.0601%	1.0601%
TAX INCREMENT REVENUES																				
Box Elder County	\$ 10,030	\$ 11,686	\$ 11,198	\$ 11,559	\$ 12,975	\$ 12,149	\$ 12,809	\$ 22,554	\$ 20,598	\$ 20,089	\$ 20,200	\$ 18,095	\$ 18,224	\$ 18,084	\$ 18,084	\$ 18,084	\$ 18,084	\$ 18,084	\$ 18,084	\$ 309,979
Box Elder County School District	29,036	36,583	34,272	36,550	40,275	48,594	47,215	91,002	85,090	83,485	83,866	74,483	78,558	75,252	75,882	75,882	75,882	75,882	75,882	1,224,110
Perry City	10,379	12,378	13,069	13,559	15,759	15,596	14,785	25,237	24,567	25,413	24,567	22,450	21,890	21,380	21,380	21,380	21,380	21,380	21,380	370,937
Total Tax Increment:	\$ 49,444	\$ 60,648	\$ 58,540	\$ 60,720	\$ 69,049	\$ 76,738	\$ 74,009	\$ 141,281	\$ 130,924	\$ 128,141	\$ 129,479	\$ 115,028	\$ 118,478	\$ 115,716	\$ 115,346	\$ 115,346	\$ 115,346	\$ 115,346	\$ 115,346	\$ 1,904,926
Percent of Tax Increment for Project																				
Box Elder County	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	75%	75%	75%	75%	75%	75%
Box Elder County School District	100%	100%	100%	88%	76%	64%	52%	40%	28%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Perry City	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Project Portion																				
Box Elder County	\$ 9,027	\$ 10,518	\$ 10,079	\$ 10,413	\$ 11,678	\$ 10,934	\$ 10,808	\$ 20,299	\$ 18,538	\$ 18,080	\$ 18,180	\$ 16,286	\$ 16,401	\$ 16,275	\$ 13,563	\$ 13,563	\$ 13,563	\$ 13,563	\$ 13,563	\$ 265,329
Box Elder County School District	29,036	36,583	34,272	31,321	30,609	31,396	24,852	36,401	23,825	-	-	-	-	-	-	-	-	-	-	277,954
Perry City	9,341	11,140	11,762	12,203	14,219	14,036	13,306	24,952	22,713	22,110	22,872	20,205	19,527	19,242	19,242	19,242	19,242	19,242	19,242	333,843
Total Property Tax Increment Available to CDA	\$ 47,404	\$ 58,241	\$ 56,113	\$ 53,936	\$ 56,505	\$ 56,326	\$ 48,666	\$ 81,652	\$ 65,076	\$ 40,191	\$ 41,052	\$ 36,491	\$ 35,928	\$ 35,518	\$ 32,805	\$ 32,805	\$ 32,805	\$ 32,805	\$ 32,805	\$ 877,126
Sales Tax Increment																				
Perry City Sales Tax Revenue (from Project)											\$ 66,102	\$ 58,899	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 893,970
Accrued Payment for SID 99-I	193,959	194,324	193,482	192,381	192,022	191,353	191,374	190,032	189,381	188,367	187,992	187,203	-	-	-	-	-	-	-	2,291,869
Annual Agency Payment Shortfall	145,556	135,083	137,369	138,445	135,517	135,027	142,707	108,380	124,305	143,176	146,940	150,712	-	-	-	-	-	-	-	1,650,215
Accrued Agency Payment Shortfall											1,499,504	1,584,113	1,489,286	1,343,916	1,201,258	1,058,600	915,942	773,284	630,626	
Total Sales Tax Available to CDA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 66,102	\$ 58,899	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 109,853	\$ 893,970
Total Tax Increment																				
Property Tax Increment	47,404	58,241	56,113	53,936	56,505	56,326	48,666	81,652	65,076	40,191	41,052	36,491	35,928	35,518	32,805	32,805	32,805	32,805	32,805	877,126
Sales Tax Increment	-	-	-	-	-	-	-	-	-	-	66,102	58,899	109,853	109,853	109,853	109,853	109,853	109,853	109,853	893,970
Total Tax Increment Available to CDA	\$ 47,404	\$ 58,241	\$ 56,113	\$ 53,936	\$ 56,505	\$ 56,326	\$ 48,666	\$ 81,652	\$ 65,076	\$ 40,191	\$ 107,154	\$ 95,390	\$ 145,781	\$ 145,370	\$ 142,658	\$ 142,658	\$ 142,658	\$ 142,658	\$ 142,658	\$ 1,771,096
EXPENDITURES																				
CDA Administration @ 3.5%	\$ 1,650	\$ 2,038	\$ 1,954	\$ 1,888	\$ 1,978	\$ 1,971	\$ 1,703	\$ 2,958	\$ 2,278	\$ 1,407	\$ 1,437	\$ 1,277	\$ 5,102	\$ 1,243	\$ 1,148	\$ 1,148	\$ 1,148	\$ 1,148	\$ 1,148	\$ 34,544
Development Activities ¹	45,744	56,203	54,149	52,040	54,528	54,355	46,983	78,754	62,758	39,784	105,717	54,113	140,578	144,127	141,510	141,510	141,510	141,510	141,510	1,735,552
Total Uses	\$ 47,404	\$ 58,241	\$ 56,113	\$ 53,936	\$ 56,505	\$ 56,326	\$ 48,666	\$ 81,652	\$ 65,076	\$ 40,191	\$ 107,154	\$ 95,390	\$ 145,781	\$ 145,370	\$ 142,658	\$ 142,658	\$ 142,658	\$ 142,658	\$ 142,658	\$ 1,771,096
Property Tax Retained																				
Box Elder County	\$ 1,003	\$ 1,169	\$ 1,120	\$ 1,157	\$ 1,298	\$ 1,215	\$ 1,201	\$ 2,255	\$ 2,060	\$ 2,009	\$ 2,020	\$ 1,810	\$ 1,822	\$ 1,808	\$ 4,521	\$ 4,521	\$ 4,521	\$ 4,521	\$ 4,521	\$ 44,551
Box Elder County School District	-	-	-	4,271	9,666	17,638	22,863	54,601	61,265	83,485	83,866	74,483	78,558	75,252	75,882	75,882	75,882	75,882	75,882	946,156
Perry City	1,038	1,238	1,307	1,355	1,580	1,660	1,478	2,772	2,524	2,457	2,541	2,245	2,170	2,138	2,138	2,138	2,138	2,138	2,138	37,094
Total Retained Property Tax	\$ 2,041	\$ 2,406	\$ 2,427	\$ 6,784	\$ 12,543	\$ 20,412	\$ 25,343	\$ 59,629	\$ 65,848	\$ 87,550	\$ 88,427	\$ 78,537	\$ 82,550	\$ 80,198	\$ 82,541	\$ 82,541	\$ 82,541	\$ 82,541	\$ 82,541	\$ 1,027,800

¹ Tax increment funds allocated to Development Activities will be used primarily to reimburse Perry City for debt service payments and other expenses related to Special Improvement Districts 99-I.

EXHIBIT A



SECTION 2: OVERVIEW OF 1100 SOUTH CDA PROJECT AREA

Table 3.1

OVERVIEW				
<u>Type</u> CDA	<u>Acreage</u> 127.77	<u>Purpose</u> Retail, Office, Residential Development	<u>Taxing District</u> N/A	<u>Tax Rate</u> N/A
<u>Creation Year</u> FY 2009	<u>Base Year</u> To Be Determined	<u>Term</u> To Be Determined	<u>Trigger Year</u> To Be Determined	<u>Expiration Year</u> To Be Determined
<u>Base Value</u> To Be Determined	<u>TY 2020 Value</u> N/A	<u>Increase</u> N/A	<u>FY 2021 Increment</u> N/A	<u>Jobs Created</u> N/A

The 1100 South CDA Project Area was created in 2009 and is governed the Brigham City Redevelopment Agency. Brigham City was originally the lead agency for this Project Area, however in 2020 an agreement was signed which served to divide the 1100 South CDA into two separate the Project Areas, giving the Perry City RDA sole management of its portion of the Project Area. The Agency will continue to work with the Brigham City RDA to finalize the budget, and it will also be working to establish base year values, set up interlocal agreements with the taxing entities, and trigger tax increment. Due to the current uncertainty surrounding the COVID-19 pandemic, a timeline for this work has not yet been established.

The Project Area includes a total of 339.18 acres running along 1100 South from Highway 89 to the old U.I.C.R.R. Approximately 127.77 acres lie within the boundaries of Perry City and approximately 211.41 acres lie within the boundaries of Brigham City. The majority of the property within the boundaries of the Project Area is undeveloped and is zoned for commercial development. A map of the Project Area is included as Exhibit B.

The purpose of the Project Area is to promote the development of retail, office, residential, and related support facilities and services. This proposed economic development will serve to increase property and sales tax revenues to the taxing entities, as well as create employment opportunities for citizens of both communities.

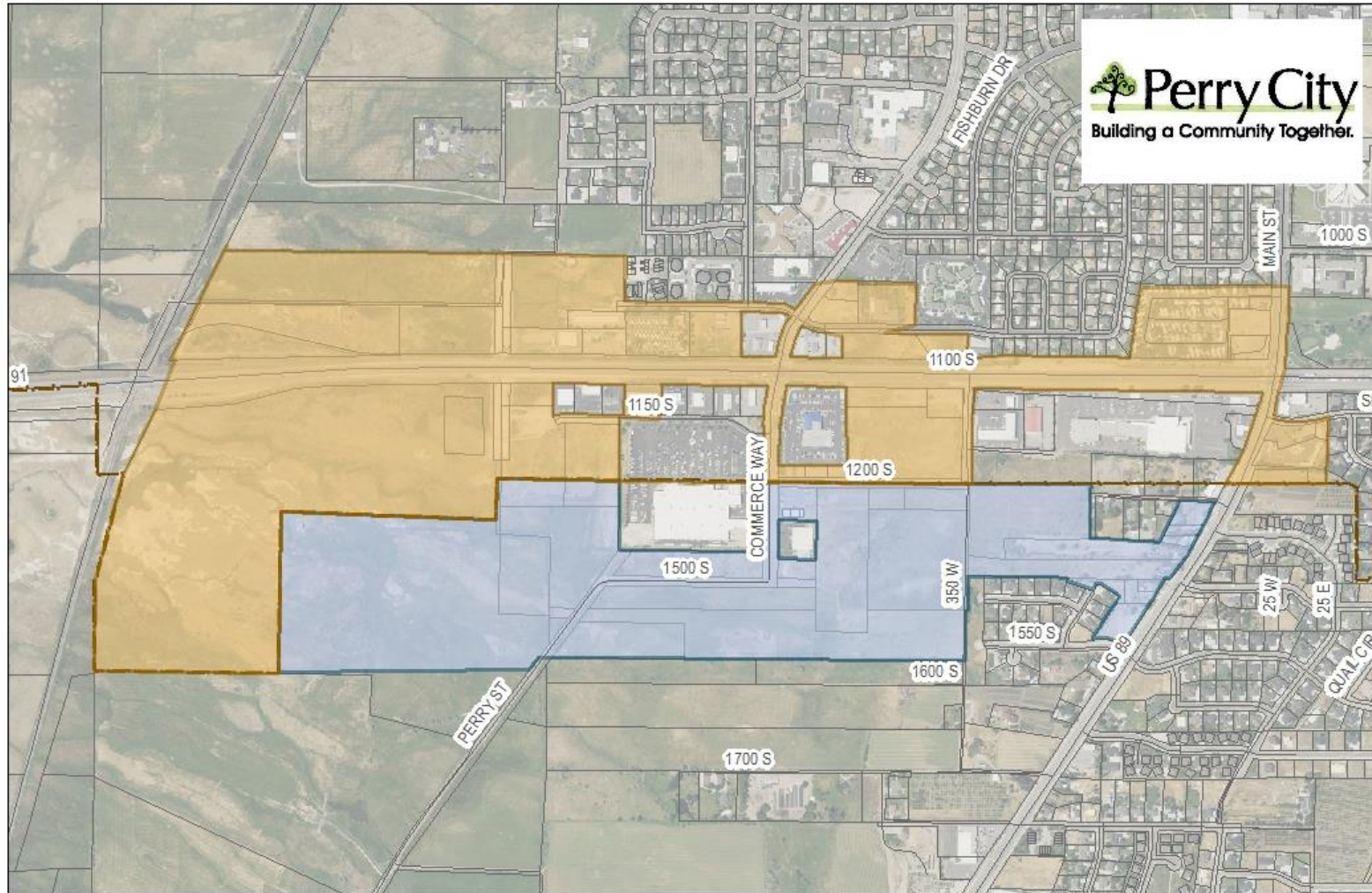
The Agency anticipates substantial commercial development as improvements are made to the main entrance to Brigham City at 1100 South. Although development in the Project Area has been limited to this this point, Brigham City has completed road and infrastructure improvements, including the stubbing in of the 1100 South Intersection in Brigham City. In addition, UDOT has completed an arterial road stub going both north and south off of 1100 South. This is a significant milestone that will provide improved commercial business access to the land parcels on the west end of the Project Area.

Using County grant funding, the Perry RDA has acquired the land for the right-of-way corridor preservation for road and utility improvements on 1200 West going North. A future road will connect the UDOT stub road to 1200 West in Perry City, which will further enhance traffic flow in the Project Area.

The Perry City RDA plans to continue to work with the Brigham City RDA to attract economic development to the Upland Square area. At this point there has been substantial interest in these development opportunities within the west end of the Project Area, but commercial development has not yet begun.

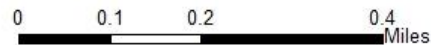
It is intended that the developments within the Project Area be funded solely through property tax increment, although at this point tax increment has not been triggered. As mentioned above, both the Perry City RDA and the Brigham City RDA will continue to work through the process of finalizing a Project Area Budget outlining the proposed revenues and expenses for the Project Area. Once the budget is adopted by the Agency, the Agency will be required to obtain the consent of each Taxing Entity within the Project Area before the Agency is allowed to take any portion of tax increment. This consent, along with the length and time for the use of the tax increment, will be negotiated with each Taxing Entity and will be documented through interlocal agreements. It is the intent of Perry City and the Perry City Redevelopment Agency to effectuate the proposed interlocal agreements for the purposes of this CDA.

EXHIBIT B



1100 SOUTH CDA

- Brigham City CDA
- Perry City Boundary
- Pointe Perry CDA Project Area Boundary



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

REDEVELOPMENT AGENCY OF PERRY CITY

RESOLUTION NO. 2021-02

A RESOLUTION AUTHORIZING THE EXTENSION OF COLLECTION OF TAX INCREMENT FOR TWO YEARS IN THE POINTE PERRY COMMUNITY DEVELOPMENT AREA IMPACTED BY THE COVID-19 EMERGENCY.

WHEREAS, the Utah Legislature, in the Sixth 2020 Special Session, through Senate Bill 6001, amended the Utah Community Reinvestment Agency Act (the “**Act**”), specifically enacting Utah Code Annotated (“UCA”) § 17C-1-416 (“**The COVID-19 Emergency Extension Bill**”); on August 31, 2020 which authorized Community Reinvestment Agencies such as the Redevelopment Agency of Perry City (the “**Agency**”) to extend the collection of “**Tax Increment**” (as defined in UCA § 17C-1-403) under certain circumstances due to the COVID-19 Emergency;

WHEREAS, the Agency intends to extend the Project Area funds collection period of impacted project areas, including the Pointe Perry Community Development Project Area.

WHEREAS, the COVID-19 Emergency Extension Bill was signed by the Governor of Utah and became law, effective August 31, 2020;

WHEREAS, the Agency in June 2007, created the Pointe Perry Community Development Area (“**Pointe Perry Project Area**”), and adopted a Project Area Plan (“**Pointe Perry Plan**”) and Project Area Budget (“**Pointe Perry Budget**”) for the Pointe Perry Project Area;

WHEREAS, the COVID-19 Emergency Extension Bill specifically authorizes the Agency to extend the Tax Increment collection period in the impacted Project Area, by up to two years, if the agency determines the conditions resulting from the COVID-19 emergency will likely delay the Agency's implementation of the Plan described herein; or cause the Agency to receive an amount of Tax Increment from each Project Area that is less than the amount of Tax Increment the Agency expected the Agency would receive from the Project Area, respectively;

WHEREAS, the Agency has carefully considered the facts and information available to the Agency on whether the COVID-19 emergency will likely delay the Agency's implementation of the Impacted Plan, for the Impact Project Area; or cause the Agency to receive an amount of Tax Increment from the Impacted Project Area that is less than the amount of Tax Increment the agency expected the agency would receive from the Impacted Project Area; and

WHEREAS, the Agency Board, after carefully considering all of the facts and information, is prepared to make its determinations, findings and conclusions as set forth below.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF
THE PERRY CITY REDEVELOPMENT AGENCY AS FOLLOWS:**

1. The Agency Board finds and determines that the Impacted Project Area is an “impacted project area” as defined in UCA § 17C-1-416(1)(c), based on the facts that, among other things, (a) the Agency expects to receive Tax Increment from the Impacted Project Area, as provided under the applicable Impacted Plan and/or Impacted Budget for the Impacted Project Area, respectively, (b) each respective Impacted Project Area is subject to a project area funds collection period, (c) each Impacted Plan was adopted before December 31, 2019; and (d) the Agency has determined the conditions resulting from the COVID-19 Emergency will likely either delay the Agency’s implementation of the Impacted Plan or cause the Agency to receive an amount of Tax Increment from the Impacted Project Area that is less than the amount of Tax Increment the Agency expected it would receive from the Impacted Project Area.
2. The following summary of conditions resulting from the COVID-19 Emergency will likely either delay the Agency’s implementation of the Pointe Perry Project Area Plan or cause the Agency to receive an amount of Tax Increment from the respective Pointe Perry Project Area that is less than the amount of Tax Increment the Agency expected it would receive from the Pointe Perry Project Area: Mixed use commercial/retail has been the targeted development for the Community Development Project Area. The anticipated commercial uses have been significantly impacted by the COVID-19 Emergency. Due to the pandemic, developments within the Pointe Perry Project Area have been delayed for several years as property sales and commercial development stalled due to economic and market uncertainty.
3. The date on which the Tax Increment collection period, as extended by this resolution, will end for the Pointe Perry Project Area is now December 31, 2028.
4. Agency staff is hereby authorized and directed to mail or electronically submit a copy of this Resolution after adoption to:
 - a. the Utah State Tax Commission;
 - b. the Utah State Board of Education;
 - c. the Utah State Auditor;
 - d. the Box Elder County Auditor; and
 - e. each taxing entity affected by the Agency’s collection of Tax Increment from the Project Area.
5. Agency staff are hereby authorized to take all other actions necessary to carry out the purposes of this Resolution.
6. This Resolution is effective upon adoption.

PASSED AND ADOPTED by the governing board of the Redevelopment Agency of Perry City
this _____ day of _____, 2021.

_____, Chair

Attest:

_____, Secretary

Staff Report

December 9, 2021

Perry City Council



Year End Items

Summary

Each year we are required to pass a few items to meet compliance with state code:

1. **The Annual Perry City Meeting Schedule** this is passed annually and published on the public meeting notice website, here at the city office, and in the newspaper. It includes a schedule of meetings for Planning Commission and City Council.
2. **Fiscal Year Impact Fee Plan** This plan is required to be passed each year to establish that we have a plan to spend impact fees on hand prior to their expiration. It is only a plan and can be change based on City needs. Robert Barnhill, Brett Jones, Tyler Wagstaff and myself met to develop this plan, utilizing upcoming projects planned and our capital improvements plan.
3. **Annual Fraud Risk Assessment** This risk assessment is required by the state auditor and gives a look at financial risk within the city. We have scored 330, which categorizes us as a low risk. We plan to implement some of the suggested items in the next year i.e. promoting the fraud hotline and possibly having the council sign a statement of ethical behavior.

Note: We are on task to have our audit completed by the end of the year; the financial statement and audit report will be presented to you in January.

Thank you for your consideration on these items. Please feel free to contact me with any questions.

Prepared by: City Recorder, Shanna S. Johnson

PERRY CITY 2022 MEETING SCHEDULE
CITY COUNCIL MEETINGS (7:00 P.M.)

January 13 and 27	July 14 and 28
February 10 and 24	August 11 and 25
March 10 and 24	September 08 and 22
April 14 and 28	October 13 and 27
May 12 and 26	November 10
June 09 and 23	December 08

**Meetings will be held on the 2nd and 4th Thursday of the month.
There will only be one meeting held in November and December.**

PLANNING COMMISSION MEETING SCHEDULE (7:00 P.M.)

January 06	July 07
February 03	August 04
March 03	September 01
April 07	October 06
May 05	November 03
June 02	December 01

Meetings will be held the 1st Thursday of the month.

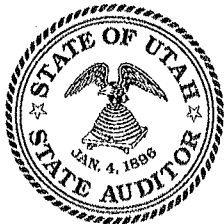
Check the Box Elder News Journal, the Public Meeting Website (utah.gov/pmn),
Perry City Website, or the City Office for specific start times. Meeting dates and
times are subject to change.

Projects From Which Funds Were Collected	Fiscal Year Received	Police	Fire	Park	Water	Storm Drain	Sewer	
Total Impact Fees		\$26,909.44	\$37,249.36	\$401,636.29	\$290,457.86	\$298,425.79	\$0.00	\$1,054,678.74

PROJECTED EXPENDITURES

Perry City Impact Fee Schedule Projected Expenditures of Impact Fees on Hand FY Ended June 30, 2021

	FY2022	FY2023	FY2024	FY2025	FY2026	Impact Fees By Project	Proof S/B zero
Police							
New Public Safety Bldg or addition	\$ 26,909.44					\$ 26,909.44	\$0.00
Fire							
New Public Safety Bldg or addition	\$ 37,249.36					\$ 37,249.36	\$0.00
Park							
Parks Equipment	\$ 246,636.29					\$ 246,636.29	
1200 West Enviro Report	\$ 35,000.00					\$ 35,000.00	
Trailhead Park		\$ 45,000.00				\$ 45,000.00	
1200 West North Trail	\$ 45,000.00					\$ 45,000.00	
Impact Fee Study		\$ 30,000.00				\$ 30,000.00	\$0.00
Water							
Hwy 89 Line Upsize 2700 to 3000 S	\$ 220,457.86					\$ 220,457.86	
2450 at 1220 W Line Upsize	\$ 70,000.00					\$ 70,000.00	
Impact Fee Study						\$ -	
South Bench Well & Reservoir Water Rights						\$ -	\$0.00
Storm Drain							
1000 W to 3000 S Design & Easements	\$ 20,000.00					\$ 20,000.00	
1550 S Basin East Side	\$ 25,000.00					\$ 25,000.00	
1000 W to 3000 S Project		\$ 137,358.00				\$ 137,358.00	
Land acquisition for future detention			\$ 116,067.79			\$ 116,067.79	\$0.00
Totals by Fiscal Year	\$ 726,252.95	\$ 212,358.00	\$ 116,067.79	\$ -	\$ -	\$1,054,678.74	\$0.00



OFFICE OF THE
STATE AUDITOR

Questionnaire

Revised December 2020

Fraud Risk Assessment

INSTRUCTIONS:

- Reference the *Fraud Risk Assessment Implementation Guide* to determine which of the following recommended measures have been implemented.
- Indicate successful implementation by marking "Yes" on each of the questions in the table. Partial points may not be earned on any individual question.
- Total the points of the questions marked "Yes" and enter the total on the "Total Points Earned" line.
- Based on the points earned, circle/highlight the risk level on the "Risk Level" line.
- Enter on the lines indicated the entity name, fiscal year for which the Fraud Risk Assessment was completed, and date the Fraud Risk Assessment was completed.
- Print CAO and CFO names on the lines indicated, then have the CAO and CFO provide required signatures on the lines indicated.

Fraud Risk Assessment

Continued

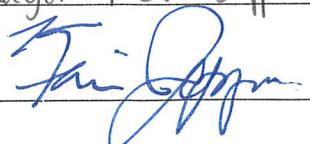
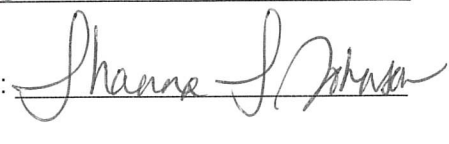
*Total Points Earned: 330 /395 *Risk Level: Very Low Low Moderate High Very High
> 355 316-355 276-315 200-275 < 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	yes	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	yes	5
b. Procurement?	yes	5
c. Ethical behavior?	yes	5
d. Reporting fraud and abuse?	yes	5
e. Travel?	yes	5
f. Credit/Purchasing cards (where applicable)?	no	5
g. Personal use of entity assets?	yes	5
h. IT and computer security?	yes	5
i. Cash receipting and deposits?	yes	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?	yes	20
a. Do any members of the management team have at least a bachelor's degree in accounting?	yes	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?	no	20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?	yes	20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	yes	20
7. Does the entity have or promote a fraud hotline?	no	20
8. Does the entity have a formal internal audit function?	yes	20
9. Does the entity have a formal audit committee?	no	20

*Entity Name: Perry city

*Completed for Fiscal Year Ending: 2021 *Completion Date: 12/1/2021

*CAO Name: Mayor Kevin Jeppsen *CFO Name: Shanna S. Johnson

*CAO Signature:  *CFO Signature: 

*Required

Basic Separation of Duties

Continued

Instructions: Answer questions 1-12 on the Basic Separation of Duties Questionnaire using the definitions provided below.

☐ If all of the questions were answered “Yes” or “No” with mitigating controls (“MC”) in place, or “N/A,” the entity has achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will be answered “Yes.” 200 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

☐ If any of the questions were answered “No,” and mitigating controls are not in place, the entity has not achieved adequate basic separation of duties. Question 1 of the Fraud Risk Assessment Questionnaire will remain blank. 0 points will be awarded for question 1 of the Fraud Risk Assessment Questionnaire.

Definitions:

Board Chair is the elected or appointed chairperson of an entity’s governing body, e.g. Mayor, Commissioner, Councilmember or Trustee. The official title will vary depending on the entity type and form of government.

Clerk is the bookkeeper for the entity, e.g. Controller, Accountant, Auditor or Finance Director. Though the title for this position may vary, they validate payment requests, ensure compliance with policy and budgetary restrictions, prepare checks, and record all financial transactions.

Chief Administrative Officer (CAO) is the person who directs the day-to-day operations of the entity. The CAO of most cities and towns is the mayor, except where the city has a city manager. The CAO of most local and special districts is the board chair, except where the district has an appointed director. In school districts, the CAO is the superintendent. In counties, the CAO is the commission or council chair, except where there is an elected or appointed manager or executive.

General Ledger is a general term for accounting books. A general ledger contains all financial transactions of an organization and may include sub-ledgers that are more detailed. A general ledger may be electronic or paper based. Financial records such as invoices, purchase orders, or depreciation schedules are not part of the general ledger, but rather support the transaction in the general ledger.

Mitigating Controls are systems or procedures that effectively mitigate a risk in lieu of separation of duties.

Original Bank Statement means a document that has been received directly from the bank. Direct receipt of the document could mean having the statement 1) mailed to an address or PO Box separate from the entity’s place of business, 2) remain in an unopened envelope at the entity offices, or 3) electronically downloaded from the bank website by the intended recipient. The key risk is that a treasurer or clerk who is intending to conceal an unauthorized transaction may be able to physically or electronically alter the statement before the independent reviewer sees it.

Treasurer is the custodian of all cash accounts and is responsible for overseeing the receipt of all payments made to the entity. A treasurer is always an authorized signer of all entity checks and is responsible for ensuring cash balances are adequate to cover all payments issued by the entity.

Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	✓			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?	✓			
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".			✓	
4. Are all the people who have access to blank checks different from those who are authorized signers?			✓	
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?	✓			
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	✓			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	✓			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	✓			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	✓			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	✓			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			

* MC = Mitigating Control

**PERRY CITY
ORDINANCE NO. 21-T**

ZONING MAP AMENDMENT

**AN ORDINANCE OF PERRY CITY, UTAH, AMENDING THE ZONING MAP FOR A CERTAIN
PARCEL WHERE A ZONING AMENDMENT APPLICATION WAS FILED;**

WHEREAS, Perry City (hereafter “City”) is a municipal corporation, duly organized and existing under the laws of the State of Utah;

WHEREAS, *Utah Code Annotated* §§ 10-8-84 and 10-8-60 allow municipalities in the State of Utah to exercise certain police powers and nuisance abatement powers, including but not limited to providing for safety and preservation of health, promotion of prosperity, improve community well-being, peace and good order for the inhabitants of the City;

WHEREAS, Title 10, Chapter 9a, of the *Utah Code Annotated*, 1953, as amended, enables municipalities to regulate land use and development;

WHEREAS, the City finds it necessary to update its land use ordinances in order to meet the challenges presented by development and to protect public health, safety, and welfare; and,

WHEREAS, the City received an Application to Amend the Zoning Map from AL to R1;

WHEREAS, after publication of the required notice the Planning Commission held its public hearing on November 4, 2021, to take public comment on the proposed ordinance, after which the Planning Commission gave its recommendation to approve this Ordinance with a 3-0 vote;

WHEREAS, the City Council received the recommendation from the Planning Commission and held its public meeting on December 09, 2021;

NOW, THEREFORE, be it ordained by the City Council of Perry City as follows:

- Section 1:** **Repealer.** Any ordinance or portion of the municipal code inconsistent with this Ordinance is hereby repealed and any reference thereto is hereby vacated.
- Section 2:** **Zoning Map Amendment.** The Official Zoning Map of Perry City, Utah, is hereby amended from AL to R1 for the following parcel located at approximately 1200 W 2250 S: 03-157-0017.
- Section 5:** **Severability.** If a court of competent jurisdiction determines that any part of this Ordinance is unconstitutional or invalid, then such portion of this Ordinance, or specific application of this Ordinance, shall be severed from the remainder, which shall continue in full force and effect.
- Section 6:** **Effective date.** This Ordinance shall take effect immediately upon approval and posting.

PASSED AND ADOPTED by the City Council on this 09 day of December 2021.

Mayor

ATTEST:

City Recorder

CERTIFICATE OF PASSAGE AND PUBLICATION OR POSTING

In accordance with Utah Code Annotated §10-3-713, 1953 as amended, I, the City Recorder of Perry City, hereby certify that foregoing Ordinance was duly passed and published or posted at: 1) _____, 2) _____, and 3) _____, on the above referenced dates.

City Recorder

DATE: _____

PERRY CITY BOARD OF CANVASSERS MEETING
PERRY CITY OFFICES
November 16, 2021

7:02 PM

OFFICIALS PRESENT: Kevin Jeppsen, Nathan Tueller, Blake Ostler, Toby Wright,
Esther Montgomery

OFFICIALS ABSENT: Andrew Watkins

CITY STAFF PRESENT: Robert Barnhill, City Administrator
Shanna Johnson, City Recorder
Scott Hancey, Chief of Police
Tyler Wagstaff, Public Works Director

OTHERS PRESENT: Ashley Young and Julie Jones

**ITEM 1: CANVASS OF THE 2021 GENERAL ELECTION (SHANNA JOHNSON), INCLUDING
MOTION TO CERTIFY ELECTION RESULTS**

Shanna Johnson reviewed the following 2021 Municipal Election Results:

- Total Registered Voters: 3213
- Ballots Cast: 1226 – 38.16%
- Ballots Counted on Election Night: 1103 – 34.33%
- Ballots received after November 2nd, timely post marked, and counted: 0
- Ballots Post Marked after November 2nd and not counted: 0
- There were 6 voted provisional ballots counted
- After counting the valid ballots and provisional ballots, the percentage of ballots counted was 38.16%.

Ms. Johnson stated the following Official 2021 General Election Results:

Perry City Mayor	Votes Cast
*Kevin Jeppsen	1,118
Council Member Candidates	Votes Cast
*Dave Walker	1,002
Esther Montgomery	590
*Ashley Malan Young	661

*Council Candidates declared elected.

Ms. Johnson called for a motion to approve the results of the 2021 Perry City General Election.

MOTION: Board Member Montgomery made a motion to certify the results 2021 Perry City General Election. Board Member Tueller seconded the motion.

ROLL CALL: Board member Ostler, Yes
Board Member Wright, Yes

Board Member Montgomery, Yes
Board Member Tueller, Yes

Motion approved. 4 Yes, 0 No.

MOTION: Board Member Wright made a motion to adjourn the Board of Canvassers Meeting. Board Member Montgomery seconded the motion.

MOTION APPROVED. All Board Members were in favor.

ITEM 2: ADJOURNMENT

The meeting adjourned at 7:10 PM.

1 PERRY CITY COUNCIL
2 MEETING PERRY CITY OFFICES
3 NOVEMBER 16, 2021

7:11 PM

4
5
6 OFFICIALS PRESENT: Mayor Kevin Jeppsen presided and conducted the meeting. Council
7 Member Nathan Tueller, Council Member Toby Wright, Council
8 Member Blake Ostler, and Council Member Esther Montgomery.
9

10 OFFICIALS ABSENT: Council Member Andrew Watkins

11
12 CITY STAFF PRESENT: Robert Barnhill, City Administrator
13 Shanna Johnson, City Recorder
14 Scott Hancey, Chief of Police
15 Tyler Wagstaff, Public Works Director
16

17 OTHERS PRESENT: Ashley Young, Julie Jones, and Melanie Barnhill
18

19 **ITEM 1: CALL TO ORDER**

20 Mayor Jeppsen called the electronic City Council meeting to order.
21

22 **ITEM 2: PROCEDURAL ISSUES**

23 **A. Conflict of Interest Declaration**
24 None.
25

26 **ITEM 3: PUBLIC HEARING**

27 **A. Resolution 2021-19 Declaring Surplus Property and Authorizing the Disposal of a**
28 **portion of Parcel #03-155-0060**

29 Robert Barnhill explained that Bill Morris, City Attorney, put this together and it is required by
30 state statute before disposing of property. This is part of the checklist in our Ordinance to
31 authorize the Mayor to execute a land sale contract.
32

33 **ITEM 4: ACTION ITEMS**

34 **A. Resolution 2021-19 Declaring Surplus Property and Authorizing the Disposal of a**
35 **portion of Parcel #03-155-0060**

36 Mayor Jeppsen opened the public hearing at 7:13 p.m.
37

38 No comments received.
39

40 Mayor Jeppsen closed the public hearing at 7:14 p.m.
41

42 Council Member Ostler wanted clarification if the entire parcel that is listed on the resolution is
43 what is being negotiated (because it appears to be more than what he thought). Mr. Barnhill
44 said that the listed parcel #03-155-0060 is larger than what the offer is for. Before closing, a
45 parcel boundary adjustment will need to be made in order to execute a contract with the
46 interested buyer. Council Member Ostler wanted to ensure that the whole parcel is not for sale.
47 Mr. Barnhill said that the most important thing is for the public to know that potentially some
48 or all of the property can be sold. Council Member Wright pointed out that in the action item it
49 is listed as a portion of parcel #03-155-0060.
50

MOTION: Council Member Wright made a motion to approve Resolution 2021-19 declaring surplus property and authorizing the disposal of a portion of parcel #03-155-0060. Council Member Tueller seconded the motion.

ROLL CALL: Council Member Montgomery, Yes
Council Member Wright, Yes
Council Member Tueller, Yes
Council Member Ostler, Yes

Motion Approved. 4 Yes, 0 No.

ITEM 5: DISCUSSION ITEMS

A. Mountain View park

Mr. Barnhill presented some playground equipment options to the Council. He had two different proposals that they have received from two different playground reps. One is more budget friendly and is approximately \$108,000. He discussed warranties and the ranges those dates covered (approximately 2-8 years depending on the different products). He discussed our insurance company saying we needed to get rid of the equipment that was previously there and the reason for jumpstarting this. The next option was more responsive for what we asked for (connecting the upper and lower levels and more of the materials we requested). These products have a longer warranty of 25 years. The cost is approximately \$604,000 with an owl portion of that being approximately \$250,000 of the total cost. Mr. Barnhill said that they could take their impact fees and money that is set aside and buy this right now, however, they also have other plans for those impact fees as well (trail grant they have to match, other parks, and other needs). He discussed the apartment complex that was approved and said if that follows through, they would have over \$480,000 in impact fees for parks from that alone.

Council Member Ostler wanted to know if either of these companies use American made products. Mr. Barnhill explained that the more expensive company is European. He is not sure on the less expensive one. Council Member Ostler wondered if it would be worth it to check with other cities and see what they have done or if they have suggestions on what they may have done differently (if there would be any value to us in doing that). The Council discussed the material it is made out of and whether it is wood or composite.

Council Member Wright said he thinks the playground equipment is cool but he thinks there should also be some type of bowery put in somewhere near for when it is hot. Mr. Barnhill said there are a couple of small boweries in place but they have planned to put in a larger one with more trees added as well. He said that it is a good point because the playground equipment is not the only thing that needs to be done at Mountain View Park. Step one is the playground equipment due to the liability and step two would be to add some trails and a trailhead.

The Council members discussed the price range they would be comfortable with and looking at other possible options. They don't want to spend all of the impact fees available at one park. The majority of the Council felt spending \$150K-\$200K would be a good amount they would be comfortable with. They also discussed starting with some equipment and adding to it over time. Mr. Barnhill discussed looking at doing a park impact fee study as well. He also said he could reach out to the park equipment people and look at options of replacing the owl with something less expensive. The Council also discussed making parks a priority and wanting to ensure addressing them as well as wanting quality equipment.

Council Member Tueller mentioned a citizen concern about leaves at Mountain View Park. Tyler Wagstaff said those leaves had been cleaned up today and mentioned the garbage cans are taken away during winter due to lack of use.

B. Holiday Dinner

Shanna Johnson said the holiday dinner will be on December 3rd at the Eagle Mountain golf course and reminded them the RSVP needed to be in by November 18th.

ITEM 6: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- October 28, 2021 City Council Minutes

MOTION: Council Member Montgomery made a motion to approve the consent items. Council Member Wright seconded the motion.

ROLL CALL: All in favor.

Motion Approved.

B. Mayor's Reports

None.

C. Council Reports

Council Member Tueller said that the sewer board met tonight and will be starting their budget discussions in January. He said the biggest thing is the chain system price was higher than anticipated by 19K.

D. Staff Comments

Tyler Wagstaff said they have wrapped up all of the street maintenance projects that they are doing this year and have one section in spring to be completed.

E. Planning Commission Report

Vice Chairman Jones said they had one zone change and they are working on amending the density map and creating an overlay zone.

ITEM 7: EXECUTIVE SESSION

MOTION: Council Member Tueller made a motion to close the public meeting and open the executive session to discuss the purchase, exchange, lease, or sale of real property, when public discussion would disclose the value of the property or prevent the authority from completing the transaction of the best possible terms at 7:59 p.m. Council Member Wright seconded the motion.

ROLL CALL: Council Member Montgomery, Yes
Council Member Wright, Yes
Council Member Tueller, Yes
Council Member Ostler, Yes

Motion Approved. 4 Yes, 0 No.

MOTION: Council Member Tueller made a motion to close the executive session and go back into the regular meeting at 9:10 p.m. Council Member Wright seconded the motion.

ROLL CALL: Council Member Montgomery, Yes
Council Member Wright, Yes
Council Member Tueller, Yes
Council Member Ostler, Yes

Motion Approved. 4 Yes, 0 No.

ITEM 7: ADJOURNMENT

MOTION: Council Member Montgomery proposed to adjourn the meeting. Council Member Wright seconded the motion.

Motion Approved. All Council Members were in favor.

The meeting adjourned at 9:11 p.m.

Shanna Johnson, City Recorder

Kevin Jeppsen, Mayor

Tyra Bischoff, Deputy Recorder