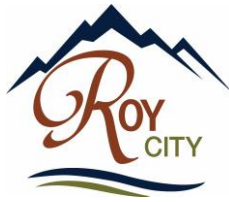


Mayor
• Robert Dandoy

City Manager
• Matt Andrews



Council Members
• Ann Jackson
• Diane Wilson
• Joe Paul
• Randy Scadden
• Sophie Paul

ROY CITY RDA BOARD MEETING AGENDA

JANUARY 17, 2023 - 5:30 PM

ROY CITY COUNCIL CHAMBERS – 5051 SOUTH 1900 WEST

This meeting will be streamed live on the Roy City YouTube channel.

A. Welcome & Roll Call

B. Consent Items

These items are routine and will be enacted by a single motion. If discussion is desired on any consent item, that item may be removed from the consent agenda and considered separately.

1. Approval of June 21, 2022, Roy City RDA Meeting Minutes

C. Action Items

1. Update the Economic Development Strategic Plan
2. Letter to Roy Downtown Property Owners

D. Discussion Items

1. CSRA Contract to Continue the Development of the Roy Downtown Plan
2. RDA Relocation Grant and Revolving Loan Fund Programs
3. Draft Development of a Tax Increment Funding (TIF) Policy

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Administration Department at (801) 774-1020 or by email: admin@royutah.org at least 48 hours in advance of the meeting.

Pursuant to Section 52-4-7.8 (1)(e) and (3)(B)(ii) “Electronic Meetings” of the Open and Public Meetings Law, Any Councilmember may participate in the meeting via teleconference, and such electronic means will provide the public body the ability to communicate via the teleconference. The anchor location shall be the Roy City Council Chambers located at 5051 South 1900 West, Roy Utah.

Certificate of Posting

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in a public place within the Roy City limits on this 13th day of January 2023. A copy was also posted on the Roy City Website and Utah Public Notice Website on the 13th day of January 2023.

Visit the Roy City Website @ www.royutah.org
Roy City Council Agenda information – (801) 774-1020

Brittany Fowers
City Recorder





ROY CITY
Roy City Council Meeting Agenda
June 28, 2022 – 5:30 p.m.
Roy City Council Chambers
5051 South 1900 West

Minutes of the Roy City Redevelopment Agency Board Meeting held in the City Council Chambers of the Roy City Municipal Building on June 28, 2022, at 5:30 p.m.

Notice of the meeting was provided to the Utah Public Notice Website at least 24 hours in advance. A copy of the agenda was posted.

The following members were in attendance:

Chairman Pro-tem Joe Paul
Board Member Sophie Paul
Board Member Wilson
Board Member Scadden

City Attorney, Andy Blackburn

Excused: Chairman Dandoy and Board Member Jackson

Also present were: City Manager, Matt Andrews; City Recorder, Brittany Fowers, Randy Sant, and Shauna Havey

A. Welcome & Roll Call

Chairman Pro-tem Joe Paul welcomed those in attendance and noted Board Member Sophie Paul, Wilson, and Scadden were present; Chairman Dandoy and Board Member Jackson were excused.

Board Member Scadden made a motion to nominate Board Member Joe Paul as Chairman Pro-tem in Chairman Dandoy's absence. Board Member Sophie Paul seconded the motion, all members voted "Aye" and motion carried.

B. Action Items

Public Hearing – Consideration on the adoption of the amended Project Area Plan and Budget for the 1900 Southeast Community Reinvestment Project Area.

Randy Sant presented before the public hearing began, and presented a map of the project area to orient those in attendance to the location. He recalled the 1900 Southeast project area had been originally created in 2019, and initially had not included the Harmon's property. He stated that earlier that year, the State legislature had put House Bill 151 into place, which stated no City had the right to provide any kind of incentive to ritual-related developments. Mr. Sant noted they did not know what would happen with UDOT in terms of the road widening of 5600, but said they had identified the area on the corner of that road could be vital to them in the future, and he anticipated a development might come along who would need some kind of incentive. He commented the City would want to be able to work with such developers when they came along. He recalled that in May of that year, they had approached the Board to request a public hearing be held to address the possibility of expanding the 1900 project area to include the property which ran along 1900 on the east side. He clarified they did not need the entire area; just from 5619 up to the Aaron Jewelers, which was about 5.25 acres in total. He believed that would give them enough property space to handle the proposals the City had received so far, which included a hotel, some retailers, and office spaces.



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Mr. Sant further stated the public hearing would be to address the addition to the project area. He specified this would not change the budget, and said this would only change the legal description. He added they had noted the property owners who lived in the affected area. He said he had also had a chance to talk with the owners, and reported the owners had expressed support of the changes. He clarified this would not give the City the power of eminent domain, and said they would not have the ability to condemn anybody's property. He also clarified they did not have a project designated for the space, and explained this was a protective measure for the future. He said the property owners could choose to be involved with the project as well, and they would just have to reach out to the City if they were interested. He reiterated all they were doing that evening was adding 5.25 acres to the already existing project area.

Chairman Pro-tem Joe Paul asked for a motion to enter a public hearing. Board Member Scadden motioned to enter a public hearing. Board Member Sophie Paul seconded the motion. All Board Members voted "Aye". The motion carried.

There were no public comments, and Mayor Pro-tem Joe Paul closed the hearing.

Randy Sant spoke on the amended Project Area Plan. No public comment was made.

Mr. Sant said they needed to adopt the plan by resolution of the RDA. He explained the second resolution was to accept the budget, which he explained was the same as the budget which had been accepted in 2019.

Chairman Pro-tem Joe Paul asked for a motion to close the public hearing. Board Member Sophie Paul motioned to close the public hearing. Board Member Scadden seconded the motion. All Board Members voted "Aye". The motion carried.

1. Consideration of Resolution 22-6, A resolution adopting the amended plan for the 1900 Southeast Community Reinvestment Project Area.

Board Member Wilson motioned to approve Resolution 22-6 adopting the amended plan for the 1900 Southeast Community Reinvestment Project Area. Board Member Scadden seconded the motion. A roll call vote was taken, all Board Members voted "Aye". The motion carried.

2. Consideration of Resolution 22-7, A resolution adopting the amended budget for the 1900 Southeast Community Reinvestment Project Area.

Board Member Scadden motioned to approve Resolution 22-7 adopting the amended budget for the 1900 Southeast Community Reinvestment Project Area. Board Member Wilson seconded the motion. A roll call vote was taken, all Board Members voted "Aye". The motion carried.

Board Member Wilson asked Mr. Sant if he could review how funding worked for the proposed Economic Development Director position, and how that worked in with the RDA budget, as well as what



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the limitations were. Mr. Sant replied there were two existing project areas, both of which expired in 2027. He said the RDA budget which had been approved the week prior included the increment and expenditures for that, and said most of the increment they got would expire in three years. He said he did not know what the funding mechanisms for the Economic Development Director position were, but said they would expire in 2027 if they were RDA-related. He also went over the different project areas, and said each of them had a 3% administrative fee built into their budgets, which flowed to the RDA. He explained as long as the tax amenities concurred with their budget, they would be able to have that 3% administration fee, which would be about \$35,000 a year. He added if the increment increased, the administration fee would also increase. Board Member Wilson said there was about \$120,000 that would come out of the RDA budget for the Economic Development Director position, and she clarified they would have that for at least three years. Mr. Sant said that was correct. He elaborated the \$265,000 per year they received would expire in three years, but said they could apply for an extension of the projects. He discussed the details of the application process briefly, and commented applications for extensions were often unsuccessful.

Board Member Wilson asked if the funding that would go towards the Economic Development Director could be applied to anything else, and Mr. Sant explained the RDA had a fund balance, but those funds could not be used for ongoing projects. He said the RDA could choose to appropriate that money for things like the purchase of land, and he elaborated if they later chose to sell that land, they could use the money from the sale however they wanted to at that point, including using it for future administration. He said they could also use the money in the fund balance however they wanted to after 2026. He summarized the fund balance was appropriated by the RDA board, and said they had already identified they wanted to use those funds to help purchase property which might become available from UDOT. Mr. Sant said their current fund balance was about \$1.2 to 1.5 Million dollars. He also explained that per RDA law, they could use their tax increment in almost any way they saw fit, so it could be used to buy land or administrative costs. However, he said it could not be used to build or repair a fire station, police station, or City Hall. Mr. Sant explained that currently, the administrative fee in the budget was paid by the increment, and they only used the fund balance in the event the increment did not come in as expected. He also noted the City Council did not control the RDA budget, and it was only controlled by the RDA board. Board Member Wilson clarified once the money was in the administrative area, it did not automatically transfer over into the General Fund. Mr. Sant repeated the money stayed in the RDA fund balance until it was used for a specific purpose by the RDA. He then explained that previously, the City Council had passed a resolution which stated the RDA managed the economic development of Roy City, so they could justify using some of the tax increment for things outside of an RDA project area. He summarized they had about three years to utilize the \$265,000 however they wanted.

City Manager Matt Andrews also discussed budgets were very fluid, and they could change the budget throughout the year. City Manager Andrews said they could adjust the budget of the Economic Development Director position, and re-determine how much of the position came out of the RDA budget rather than the City budget as needed. He lastly noted it was at-will employment, so it could be terminated at any point as well. Mr. Sant added at any time, they could transfer the position fully to the City, so it did not come out of the RDA budget at all.

Board Member Wilson summarized they had \$265,000 per year for the next three years, and they could decide if they wanted to use that money for the Economic Development Director position or for the purchase of land. Mr. Sant said that was correct, and if they wanted to amend their budget, they would need to hold a public hearing. He also noted they could reallocate funds, but they could not exceed their budget. Board Member Wilson asked what they could do if they wanted to purchase land, but did not



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have enough money in their fund balance. Mr. Sant discussed the RDA had the right to accept donations, make bonds, and loan money as they needed. He imagined in the case they needed money for land, they would first go to the City and ask for a loan, and the next step would be to go out for bond. However, he said going out for bond could be very expensive because of the insurance that was needed. He said for big projects, the City could take out the bond on the RDA's behalf, and then the RDA paid the City back.

C. Adjournment

Board Member Scadden motioned to adjourn. Board Member Sophie Paul seconded the motion. All Board members voted "aye". The board adjourned at 6:03 p.m.

Roy City RDA Board Agenda Worksheet

Roy City RDA Board Meeting Date: 17 January 2023

Agenda Item Number: Action Item #1

Subject: Update the Economic Development Strategic Plan

Prepared By: Bob Dandoy Brody Flint

Background:

With the unavailability of our Economic Development consultant, the existing Economic Development Strategic Plan is outdated and un-usable. The Community Development Director has reviewed the Plan and made required updates and changes to the text and timeline (see attached draft).

In discussion with the Mayor and City Manager we would like to know from the RDA Board if we want to simply update the existing Economic Development Strategic Plan or if the Board wants to approve staff to create a new updated Economic Development Strategic Plan which is more focused on the current issues and opportunities facing Roy City.

Recommendation (Information Only or Decision): Decision to Approve Updates

Contact Person / Phone Number: Brody Flint



ROY CITY

ECONOMIC DEVELOPMENT STRATEGIC PLAN

Prepared by the Roy City Redevelopment Agency

INTRODUCTION

In 2020, Roy City initiated a planning process to identify and prioritize economic strategies that are supportable by market forces. The city is in a strong position for success due to: excellent freeway access; a skilled and diverse workforce; and its proximity to Hill Air Force Base. There have also been fundamental shifts and changes that have occurred (and are occurring), which support the need to develop an economic strategy plan. These include:

Policy Changes

Several key policy changes have occurred on local, regional, and state levels, that are impacting the way economic development happens.

Quality of Life - Business Perspective

Since technology is rapidly changing, corporate location decision making factors have also changed. Most businesses are no longer dependent on access to materials, markets, transportation, etc. The key factor for most new business decisions now tends to be the quality of life of an area. Companies can locate anywhere today, so they choose to do so where they can get the best employees (workforce development) and the best quality of life for their employees.

Quality of Life - Resident Perspective

The residents of Roy are focused on quality-of-life issues, both in terms of the desire to increase factors seen as improving their quality of life, as well as trying to mitigate - or eliminate - negative factors. Impacts that result from significant commercial development, such as increased traffic and congestion, are under greater scrutiny from the residents. This has resulted in the desire to better balance economic sustainability with other key factors.

Changes in Revenue Streams

Roy City is highly dependent upon sales and property tax revenues. It is therefore important to consider the implications of changing economic forces which will impact those revenues. Two of these main factors include increased competition from other parts of the region, and the need to provide goods and services that citizens want and desire.

The city is aware that their return on investment has different measures than the private sector. A financial return is expected in the form of increased property values from development / redevelopment. However, the intangibles, such as the elimination of blight, increase in jobs, and increase in residents, are equally, if not more important. A key aspect of this plan is to ensure that the mechanisms are in place to recognize both big and small successes in development / redevelopment, and to continuously realign resources and policies to meet the goal of increasing the city's economic sustainability.

This Economic Development Strategic Plan sets forth an achievable strategic economic development and redevelopment agenda for the city over the next three years. The plan identifies specific goals, strategies, and actions which build upon the city's strengths, and acts upon the city's opportunities. Each of the goals focuses on one or more priorities, which factor into the economic health and enhances the vitality of the city. The plan's purpose is to articulate a set of measurable strategic actions to facilitate development and redevelopment within the city and to provide guidance to staff on where to spend time and resources. The plan is not meant to be an exhaustive outline of the city's economic strategic agenda but is intended to provide guidance and direction. The plan is meant to be fluid, in that it should be reviewed annually at a minimum, to determine whether there are updated priorities; the addition of new items; and / or if resources need to be shifted.

VISION STATEMENT

FOSTER ECONOMIC DEVELOPMENT WITHIN THE CITY THAT WILL
ENHANCE THE AMENITIES AND SERVICES AVAILABLE TO OUR
RESIDENTS AND WILL PROVIDE FUNDING FOR KEY COMMUNITY
GOALS AND PRIORITIES.

SECTION ONE || DEMOGRAPHIC HIGHLIGHTS

POPULATION

The 2020 population for Roy City was 39,300. Roy is currently growing at 1.28% annually and its population has increased by 7.85% since the 2010 census. Roy City has a population density Of 4,890 people per square mile and ranks as the 22nd largest city in Utah.

AGE/HOUSEHOLD

The median age in Roy City is 30.5 years. There are 26,237 adults of which 14% are seniors. The average household size is 3.12. Ninety-two percent of the adults in Roy City have a high school diploma, and 26% have a bachelor's degree.

INCOME

The average household income in Roy is \$74,852. The median household income is \$68,424. More demographic information regarding Roy, can be found in appendix A, attached to this plan.

SECTION TWO | | S.W.O.T. ANALYSIS

One of the first steps in formulating Roy City's economic development goals and strategies is to better understand the current strengths, weaknesses, opportunities, and threats (SWOT) within the city. Two S.W.O.T. analysis sessions were conducted for the plan. The first session was conducted with the Roy City Business Advisory Board, and the second with the administration and city council. The following are the results of those sessions.

STRENGTHS

- Good freeway access off 5600 South
- Close to HAFB and developments being proposed on the base
- Traffic flow from Riverdale Road onto 1900 West
- Better communication between elected officials
- Utilities are adequate to support new growth and development
- Close to the Ogden Airport, which is a regional airport
- A skilled workforce and educated community
- Committed staff to improve the community and opportunities
- Good public safety department
- Low crime rates

WEAKNESSES

- Dilapidated and older downtown area
- Older housing community
- Lack of affordable and diversity of housing
- Retail sales leakage to other communities
- Built out community, little opportunity to expand boundaries.
- Lack of revenue to support the needs and wants of the community
- No defined strategy for economic development, business recruitment, and business retention
- Need someone accountable to manage the economic development efforts for the city
- No marketing strategy to recruit business
- Outdated ordinances and policies that affect development within the city
- Heavy traffic on 5600 South, 4800 South, 1900 West, 3500 West

SECTION TWO || S.W.O.T. ANALYSIS (cont.)

OPPORTUNITIES

- Establish a mixed-used development in the downtown area
- Ability to implement redevelopment within the downtown area
- Adoption of a new General Plan for the city
- Capitalize on the development planned for HAFB
- Development of property near the Ogden airport
- Acquire U.D.O.T. surplus property on 1900 W. and 5600 S. for new development
- Development of the front runner station into a mixed-use product
- Establish/update policies and procedures to support development
- Undertake studies needed to improve new business development
- Readiness to develop plans to assist in the business recruitment such as marketing plan, and a development ready community
- Take advantage of the heavy traffic

THREATS

- Other surrounding cities capturing our retail opportunities
- Changing housing patterns, and not having development to capture the new patterns
- Traffic issues need to be addressed and improved
- Competition of revenue within the city
- No established funding source for economic development
- Sunset of existing project areas
- Policymakers' ability to change their thinking of Roy City economic development

SECTION THREE | | GOALS AND STRATEGIES

The following are the goals, strategies, and action items established by the Roy City Redevelopment Agency and staff for the economic strategic plan.

GOAL ONE

CREATE AN ECONOMICALLY SUSTAINABLE TAX BASE FOR THE CITY INCLUDING: EMPLOYMENT OPPORTUNITIES; INCREASED AND GROWING PROPERTY VALUES; AND INCREASED LOCAL SALES TAX REVENUE

STRATEGY: DEFINE AREAS WHICH HAVE OPPORTUNITIES FOR DEVELOPMENT THAT CAN ASSIST IN DEVELOPING THE TAX BASE OF THE CITY

ACTION ITEM 1

Review the commercial districts within the city as established by planning and zoning and the General Plan and identify areas within the city that have the potential to grow property value and increase tax revenue.

ACTION ITEM 2

Prepare a retail strategy analysis to assist in establishing the opportunity of the defined commercial districts in capturing the new growth and general fund revenues.

ACTION ITEM 3

Update the retail leakage study to determine new retail opportunities for the city and the best location to establish these opportunities within the defined districts.

ACTION ITEM 4

Prepare a property inventory of available parcels within the defined commercial districts, which are “site ready” for development or are listed for sale.

ACTION ITEM 5

Organize ongoing meetings and site visits with key retail brokerage firms to present commercial opportunities identified through the retail leakage study, retail strategy analysis and, property inventory; utilize the meeting to also gain information on new retail leads that may be coming into the market.

ACTION ITEM 6

Attend the I.C.S.C. convention to market, network, and meet with regional retail brokers and potential retail users that could be opportunities for the city.

ACTION ITEM 7

Conduct annual commercial outreach events hosted by the mayor to highlight the benefits of establishing a business in Roy City.

ACTION ITEM 8

Promote and market the development of the UTA property in accordance with the adopted ordinance of the city.

STRATEGY: IMPROVE THE DOWNTOWN COMMERCIAL CORE

ACTION ITEM 1

Continue to work with U.D.O.T. to identify surplus property that will be available for development once the 1900 West / 5600 South transportation project is designed; determine the value of that property for development.

ACTION ITEM 2

Prepare a purchase and sales strategy for the available surplus property, and execute the strategy.

ACTION ITEM 3

Once the design has been completed by U.D.O.T., work with the U.D.O.T. right of way, property acquisition, and property information teams to assist property owners and affected businesses in their relocation efforts.

ACTION ITEM 4

In conjunction with the General Plan, prepare a master plan for the downtown corridor.

ACTION ITEM 5

Meet with property owners to identify opportunities for redevelopment or new development on their property.

STRATEGY: AS NEEDED, DEVELOP POLICIES AND PROCEDURES THAT SUPPORT THE ECONOMIC DEVELOPMENT EFFORT TO GROW THE TAX BASE OF THE CITY

ACTION ITEM 1

Prepare marketing / community profile materials that contain the information needed to market defined commercial districts and commercial opportunities to site selectors, regional commercial brokers, and other relevant organizations, to find suitable sites for potential new and relocating corporations.

ACTION ITEM 2

Review fees and costs for new development to determine if they are competitive with other communities that compete with Roy for similar projects, and update if required.

ACTION ITEM 3

Adopt the tax increment participation policy and the land purchase policy prepared for the R.D.A. use.

ACTION ITEM 4

Assist in the preparation and development of an economic web page, and establish a method to inform the public of new projects.

ACTION ITEM 5

Review, as needed, current policies and procedures that will impact economic efforts, and make recommendations to improve the policy or process.

ACTION ITEM 6

As needed, develop Community Reinvestment Areas to provide incentives that enhance developments, provide a return on investment to the city, and meet the tax increment incentive policy.

ACTION ITEM 7

Appoint an individual, department, or consultant to implement and measure the action items of this strategic plan and report the performance to the RDA board of directors on a quarterly basis.

ACTION ITEM 8

Provide annual funding to accomplish the action items defined in this plan and support other economic efforts necessary to accomplish the goals and strategies.

ACTION ITEM 9

Conduct an annual review of business ordinances in the city based on feedback from residents and businesses to determine if any changes are necessary.

ACTION ITEM 10

Task the Beautification Committee to assess enhancing defined commercial zoning areas with clean-up programs, new streetlights, and other aesthetic improvements.

ACTION ITEM 11

Task the Arts Council to coordinate events with the city to leverage the “Buy Local” campaigns.

ACTION ITEM 12

As needed and available, establish a fiber optic cable network throughout each of the defined commercial districts.

GOAL TWO

BUSINESS RETENTION

STRATEGY: DEVELOP A BUSINESS RETENTION PROGRAM (B.R.E.)

ACTION ITEM 1

Prepare and implement a business survey to identify issues and concerns regarding the business environment, feedback on the city performance, and other related issues.

ACTION ITEM 2

Investigate the possibility of developing an online business license application, and if feasible, implement the program.

ACTION ITEM 3

Review grant programs to assist in the funding of a B.R.E. program.

ACTION ITEM 4

Appoint an individual within the city to serve as an ombudsman to the business community regarding city development issues.

ACTION ITEM 5

Review the current city business loan program to determine its value and whether or not it should be continued.

ACTION ITEM 6

Meet with the Weber County Chamber of Commerce to identify programs and opportunities to assist or collaborate with business retention.

ACTION ITEM 7

Prepare a startup business packet / web page that provides key information regarding requirements for a new business to begin operations in the city.

ACTION ITEM 8

Establish a “Buy Local” campaign and educational program discussing the benefits of purchasing goods and services locally.

ACTION ITEM 9

Develop a business “exit survey”; attempt to have businesses that leave or relocate from the city complete the survey. This will build an understanding of the reasons for the relocation, and aid in building a better business environment.

GOAL THREE

ESTABLISH PUBLIC / PRIVATE PARTNERSHIPS

STRATEGY: DEVELOP PUBLIC / PRIVATE PARTNERSHIPS WHICH SUPPORT AND ENHANCE THE ECONOMIC VITALITY OF THE CITY

ACTION ITEM 1

Participate in the Northern Utah Alliance to provide input for regional coordination of economic development strategies, marketing, and image building.

ACTION ITEM 2

Hold meetings with cities within the county involved in economic development in an effort to understand their economic development strategies and, develop relationships that support regional economic interests.

ACTION ITEM 3

Coordinate with local public agencies such as the Weber County School District, U.T.A., U.D.O.T., legislature, and U.L.C.T. to ensure understanding, and coordinate on issues that will impact economic development.

ACTION ITEM 4

Meet with the Weber Chamber of Commerce to identify areas of collaboration regarding the promotion of Roy City as a business relocation landing place.

ACTION ITEM 5

Participate in the review and lobbying of legislation that may impact the economic development efforts of the city.

ACTION ITEM 6

Establish a forum that includes both the city and local companies to discuss business-related issues.

GENERAL PLAN

ECONOMIC DEVELOPMENT GOALS

The proposed General Plan has outlined five strategies that should be incorporated into the economic development action plan established for the city. These draft strategies are as follows:

1. Adopt codes to encourage the right kind of development in the right place
2. Enhance Street and trail connectivity
3. Establish downtown Roy as a regional destination and attraction
4. Provide development incentives and streamline regulatory processes
5. Earmark specific community reinvestment areas

This plan has included strategies 2, 3, 4, and 5. Strategy 1 has already been implemented by the city with the adoption of chapter 13 and the ordinance for the U.T.A. property. This will be an ongoing goal as other development opportunities come into the city.

Strategy two has been incorporated into the goal related to developing relationships with other public and private entities which support and enhance the economic vitality of the city. Strategy three is part of the plan to improve and enhance the downtown core. Strategy four is incorporated into the plan to review policy and procedure to support economic development efforts. Strategy five is part of the plan to develop policies and procedures that support economic development efforts of the city.

In addition, it has been recommended that the General Plan will refer to this economic strategic plan for the goals, strategies, and action items as they relate to economic development within Roy City.

SECTION FOUR || IMPLEMENTATION AND PERFORMANCE

GOAL ONE: EXPECTATIONS

CREATE AN ECONOMICALLY SUSTAINABLE TAX BASE FOR THE CITY INCLUDING: EMPLOYMENT OPPORTUNITIES; INCREASED AND GROWING PROPERTY VALUES; AND INCREASED LOCAL SALES TAX REVENUE

STRATEGY: DEFINE AREAS WHICH HAVE OPPORTUNITIES FOR DEVELOPMENT THAT CAN ASSIST IN DEVELOPING THE TAX BASE OF THE CITY

ACTION ITEM 1

Review the commercial districts within the city as established by planning and zoning and the General Plan and identify areas within the city that have the potential to grow property value and increase tax revenue.

- ☐ COMPLETION DATE: 1st Quarter 2023
- ☐ RESPONSIBLE PARTY: Economic Development Committee

ACTION ITEM 2

Prepare a retail strategy analysis to assist in establishing the opportunity of the defined commercial districts in capturing the new growth and general fund revenues.

- ☐ COMPLETION DATE: 4th Quarter 2023
- ☐ RESPONSIBLE PARTY: Economic Development Coordinator / Outside Consultant

ACTION ITEM 3

Update the retail leakage study to determine new retail opportunities for the city and the best location to establish these opportunities within the defined districts.

- ☐ *COMPLETION DATE: 4th Quarter 2023*
- ☐ *RESPONSIBLE PARTY: Economic Development Coordinator/ Outside Consultant*

ACTION ITEM 4

Prepare a property inventory of available parcels within the defined commercial districts, which are “site ready” for development or are listed for sale.

- ☐ *COMPLETION DATE 2nd Quarter 2023 / Updated Quarterly*
- ☐ *RESPONSIBLE PARTY: Economic Development Coordinator*

ACTION ITEM 5

Organize ongoing meetings and site visits with key retail brokerage firms to present commercial opportunities identified through the retail leakage study, retail strategy analysis and property inventory; utilize the meeting to also gain information on new retail leads that may be coming into the market.

- ☐ *COMPLETION DATE: Ongoing*
- ☐ *Economic Development Coordinator*

ACTION ITEM 6

Attend the I.C.S.C. convention to market, network, and meet with regional retail brokers and potential retail users that could be opportunities for the city.

- ☐ *COMPLETION DATE: Ongoing / May of Each Year*
- ☐ *RESPONSIBLE PARTY: Economic Development Committee*

ACTION ITEM 7

Conduct annual commercial outreach events hosted by the mayor to highlight the benefits of establishing a business in Roy City.

- ☐ *COMPLETION DATE: Annual*
- ☐ *RESPONSIBLE PARTY: Mayor / Economic Development Committee*

ACTION ITEM 8

Promote and market the development of the UTA property in accordance with the adopted ordinance of the city.

- ☐ *COMPLETION DATE: Ongoing*
- ☐ *RESPONSIBLE PARTY: Economic Development Coordinator*

STRATEGY: IMPROVE THE DOWNTOWN COMMERCIAL CORRIDOR**ACTION ITEM 1**

Continue to work with U.D.O.T. to identify surplus property that will be available for development once the 1900 West / 5600 South transportation project is designed; determine the value of that property for development.

- ☐ *COMPLETION DATE: Ongoing*
- ☐ *RESPONSIBLE PARTY: Administration/ City Attorney, Economic Development, RDA board*

ACTION ITEM 2

Prepare a purchase and sales strategy for the available surplus property and execute the strategy.

- ☐ *COMPLETION DATE: During 5600 UDOT Project*
- ☐ *RESPONSIBLE PARTY: Administration/ City Attorney, Economic Development, RDA board*

ACTION ITEM 3

Once the design has been completed by U.D.O.T., work with the U.D.O.T. right of way, property acquisition, and property information teams to assist property owners and affected businesses in their relocation efforts.

- ☐ *COMPLETION DATE: As needed based on construction schedules*
- ☐ *RESPONSIBLE PARTY: City manager / Economic Development*

ACTION ITEM 4

In conjunction with the General Plan, prepare a master plan for the downtown corridor.

- ☐ *COMPLETION DATE: 3rd Quarter 2023*
- ☐ *RESPONSIBLE PARTY: Economic Development Committee / Outside Consultant*

ACTION ITEM 5

Meet with property owners to identify opportunities for redevelopment or new development on their property.

- ☐ *COMPLETION DATE: Ongoing*
- ☐ *RESPONSIBLE PARTY: Economic Development Consultant*

STRATEGY: AS NEEDED, DEVELOP POLICIES AND PROCEDURES THAT SUPPORT THE ECONOMIC DEVELOPMENT EFFORT TO GROW THE TAX BASE OF THE CITY

ACTION ITEM 1

Prepare marketing / community profile materials that contain the information needed to market defined commercial districts and commercial opportunities to site selectors, regional commercial brokers, and other relevant organizations, to find suitable sites for potential new and relocating corporations.

- ☐ *COMPLETION DATE: 4th Quarter 2023*
- ☐ *RESPONSIBLE PARTY: Economic Development / Outside Consultant*

ACTION ITEM 2

Review fees and costs for new development to determine if they are competitive with other communities that compete with Roy for similar projects, and update if required.

- ☐ *COMPLETION DATE: Ongoing*
- ☐ *RESPONSIBLE PARTY: Development Review Committee, Planning Director, Administration*

ACTION ITEM 3

Adopt the tax increment participation policy and the land purchase policy prepared for the R.D.A. use.

- *COMPLETION DATE: 3rd Quarter 2023*
- *RESPONSIBLE PARTY: Development Review Consultant, RDA Board*

ACTION ITEM 4

Assist in the preparation of an economic development web page for the city and establish a method to inform the public of new projects.

- *COMPLETION DATE: 3rd Quarter 2023 / Update Annually*
- *RESPONSIBLE PARTY: City Manager, Economic Development Consultant, City Recorder, Outside Consultant*

ACTION ITEM 5

Review, as needed, current policies and procedures that will impact economic efforts, and make recommendations to improve the policy or process.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Business Advisory Board, Planning Director, Economic Development Consultant*

ACTION ITEM 6

As needed, develop Community Reinvestment Areas to provide incentives that enhance developments, provide a return on investment to the city, and meet the tax increment incentive policy.

- *COMPLETION DATE: Ongoing / As-Needed*
- *RESPONSIBLE PARTY: Economic Development Consultant, RDA Board*

ACTION ITEM 7

Appoint an individual, department, or consultant to implement and measure the action items of this strategic plan and report the performance to the RDA board of directors on a semi-annual basis.

- *COMPLETION DATE: 1st Quarter 2023*
- *RESPONSIBLE PARTY: Economic Development*

ACTION ITEM 8

Provide annual funding to accomplish the action items defined in this plan and support other economic efforts necessary to accomplish the goals and strategies.

- *COMPLETION DATE: Annual*
- *RESPONSIBLE PARTY: City Manager, RDA Board*

SECTION FOUR || IMPLEMENTATION AND PERFORMANCE (cont.)

GOAL TWO: EXPECTATIONS

BUSINESS RETENTION

STRATEGY: DEVELOP A BUSINESS RETENTION PROGRAM (B.R.E.)

ACTION ITEM 1

Prepare and implement a business survey to identify issues and concerns regarding the business environment, feedback on the city performance, and other related issues.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Economic Development, Outside Consultant*

ACTION ITEM 2

Investigate the possibility of developing an online business license application, and if feasible, implement the program.

- *COMPLETION DATE: 4th Quarter 2023*
- *RESPONSIBLE PARTY: Economic Development, City Manager, RDA Board, Community Development Team*

ACTION ITEM 3

Review grant programs to assist in the funding of a BRE program.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Economic Development Consultant*

ACTION ITEM 4

Appoint an individual within the city to serve as an ombudsman to the business community regarding city development issues.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Asst. City Manager*

ACTION ITEM 5

Review the current city business loan program and determine its value and if it should be continued.

- *COMPLETION DATE: In progress*
- *RESPONSIBLE PARTY: RDA Board*

ACTION ITEM 6

Meet with the Weber County Chamber of Commerce to identify programs and opportunities to assist or collaborate with business retention.

- *COMPLETION DATE: 3rd / 4th Quarter 2023*
- *RESPONSIBLE PARTY: Economic Development Coordinator*

ACTION ITEM 7

Prepare or update a startup business packet / web page that provides key information on the city requirements for a new business to begin operations within the city. [Coincide with Action Item 7]

- *COMPLETION DATE: 4th Quarter 2023*
- *RESPONSIBLE PARTY: Planning Department, Economic Development Coordinator, City Recorder*

ACTION ITEM 8

Establish a “Buy Local” campaign and educational program discussing the benefits of purchasing goods and services locally.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Administration*

ACTION ITEM 9

Develop a “business exit survey”; attempt to have businesses that leave or relocate from the city complete the survey. This will build an understanding of the reasons for the relocation, and aid in building a better business environment.

- *COMPLETION DATE: 3rd Quarter 2023*
- *RESPONSIBLE PARTY: Economic Development Coordinator*

GOAL THREE: EXPECTATIONS

ESTABLISH PUBLIC / PRIVATE PARTNERSHIPS

STRATEGY: DEVELOP PUBLIC / PRIVATE PARTNERSHIPS WHICH SUPPORT AND ENHANCE THE ECONOMIC VITALITY OF THE CITY

ACTION ITEM 1

Participate in the Northern Utah Alliance to provide input for regional coordination of economic development strategies, marketing, and image building.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Mayor, City Manager, Economic Development Coordinator*

ACTION ITEM 2

Hold meetings with cities within the county involved in economic development in an effort to understand their economic development strategies and develop relationships that support regional economic interests.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Economic Development Coordinator, City Manager*

ACTION ITEM 3

Coordinate with local public agencies such as the Weber County School District, U.T.A., U.D.O.T., legislature, and U.L.C.T. to ensure understanding, and coordinate on issues that will impact economic development.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Mayor, City Council, Administration*

ACTION ITEM 4

Meet with the Weber Chamber of Commerce to identify areas of collaboration regarding the promotion of Roy City as a business relocation landing place.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Mayor, City Manager, City Council, Economic Development Coordinator*

ACTION ITEM 5

Participate in the review and lobbying of legislation that may impact the economic development efforts of the city.

- *COMPLETION DATE: Ongoing*
- *RESPONSIBLE PARTY: Mayor, City Manager, Economic Development Coordinator*

Roy City RDA Board Agenda Worksheet

Roy City RDA Board Meeting Date: 17 January 2023

Agenda Item Number: Action Item #2

Subject: Letter to Roy Downtown Property Owners

Prepared By: Bob Dandoy

Background:

After reviewing the commercial real estate websites for properties for sell in Roy City, an interesting conclusion was noticed. It was apparent that the websites were not indicating anything about the recent zoning changes in the downtown and in fact, a couple still referenced the old zoning codes. This leaves one to the conclusion that there is a good chance that many property owners in downtown Roy are not aware of the significant improvements that were made to the municipal code thereby not notifying their real estate agent.

To bring awareness to the changes in the zoning codes, it was determined the best way was to provide a letter to each property owner as outlined in the attachment.

Recommendation (Information Only or Decision): Information Only

Contact Person / Phone Number: Bob Dandoy

ATTACHMENT

- Draft Letter

January 20, 2023

XXXXX
Roy, Utah 84067

Dear Property Owner

On March 2, 2021, the Roy City Council approved major zoning changes to the Roy downtown business district (see attached Zoning Map). These changes include authorizing mixed-use developments and building height increases to name a few (see attached Title 10, Chapter 13 document). Although there is no obligation to change your current building to meet these new ordinance requirements unless you intend to make major improvements, this information is offered to make you aware of additional options. Here are some major changes you might find important to know.

If you are a property owner in the:

- Downtown East (DT-E on the Zoning Map) building height is set at 60 feet. However, building heights on Riverdale Road, 1900 West and 5600 South shall not exceed 60 feet high in the area beginning at the back of the curb and extending 100 feet therefrom. In areas beyond 100 feet building height may be increased up to 80 feet.
- Downtown West (DT-W on the Zoning Map) building height is set at 60 feet.
- Downtown Gateway (DT-G on the Zoning Map) building height is set at 40 feet.

In addition, the changes include mixed-use development that states the building ground floor must consist of retail, service, and office spaces. However, any upper floors can have any permitted use to include residential. This is a major change for our downtown commercial district. The attached Chapter 13 document outlines all the changes, so you might consider reading through it.

If you are considering making major improvements or redevelopment of your property, please reach out to our Community Development Director, Brody Flint at 801-774-1006 for assistance and clarification on these zoning changes. In addition, we would like to discuss the Tax Increment Financing (TIF) option that could work for you if you meet specific requirements.

Respectfully!

Robert E. Dandoy, Mayor Roy City

Attachments

- Roy City Downtown Zoning Map
- Roy City Title 10, Chapter 13

Roy City RDA Board Agenda Worksheet

Roy City RDA Board Meeting Date: 17 January 2023

Agenda Item Number: Discussion Item #1

Subject: CSRA Contract to Continue the Development of the Roy Downtown Plan

Prepared By: Bob Dandoy

Background:

Prior to the COVID 19 pandemic, efforts were underway with CSRA, Woodbury and Roy City leadership to develop a Roy City Downtown Plan. Funding was provided to CSRA from both Roy City and Woodbury to move forward with the development of the Plan. Woodbury was involved, in part, because they are the single largest property owner in the downtown area. When the pandemic hit, face-to-face meetings basically stopped as all parties involved shifted to other priorities. The critical next step in the plan was to conduct the Charrette schedule and the associated meetings to start framing the future. But that also stopped. They have spent \$29K of the \$44K contract.

The attached emails and document outline the information we have today on where we are. We will ask for answers on other questions that have been provided, but we need to understand the RDA Board members interests in wanting to move forward. Does the RDA Board want to continue working with CRSA to develop a future Downtown Plan.

Recommendation (Information Only or Decision): Decision to Proceed

Contact Person / Phone Number: Bob Dandoy

The Charrette Process

Definition: A **charrette** is an intensive planning session where citizens, designers and others collaborate on a vision for development. It provides a forum for ideas and offers the unique advantage of giving immediate feedback to the designers. More importantly, it allows everyone who participates to be a mutual author of the plan.

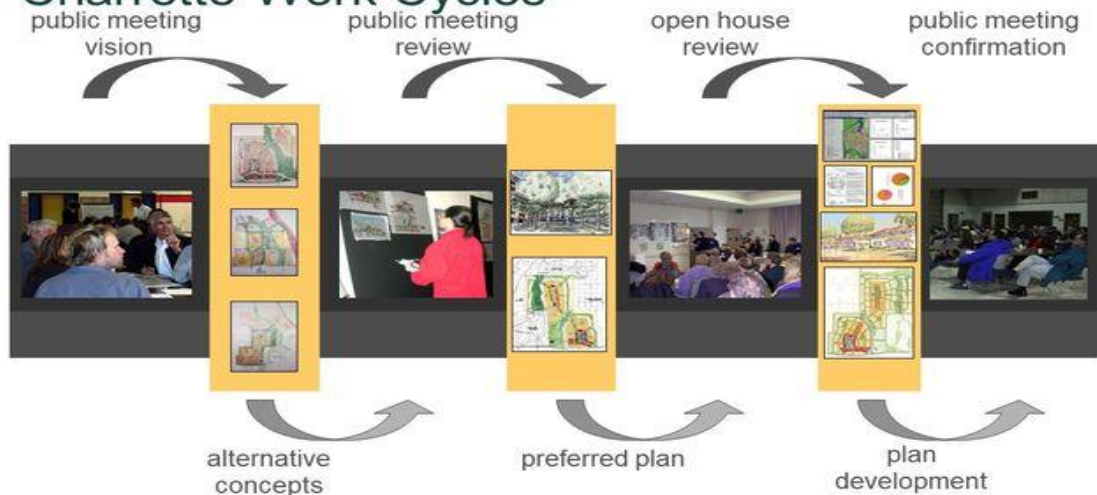
An Overview of the Charrette Process

A way forward to a collaborative development plan



1

Charrette Work Cycles





If you are facing an upcoming brainstorming session which you think needs structure to succeed, the Charette Procedure could be the perfect way to wind up with productive, innovative ideas.

Putting It to Work

To understand exactly how to put this procedure to work in your next brainstorming session, it will be helpful to walk through an example. For this example, we are going to imagine that there are 20 people whom you wish to include in a brainstorming session. These 20 people are going to be charged with attempting to solve three specific problems during this session. Obviously, if you were to simply collect 20 people in a room with the goal of solving three different problems, chaos could ensue. That won't be the case here, however, as the structure you will give the meeting is going to allow it to progress nicely.

As a first step, you are going to divide the 20 people within the meeting into four groups of five. Working in smaller groups is almost always a good idea in a large meeting, as this reduces the chaos and allows more productive conversations to take place. Give each group a dedicated place to work – each group could even work in its own room, if necessary. Also, each group is going to pick a specific problem to tackle. Rather than trying to deal with all problems at once, groups are going to focus on a single issue to start. In our example, there are three problems and four groups, so two groups will be addressing the same problem. An Example of the Charette Procedure,



From: Kelly Gillman <kelly@crsa-us.com>
Sent: Tuesday, December 6, 2022 9:19:29 AM
To: Robert Dandoy <rdandoy@royutah.org>; Randy Sant <rscontractmanagement@gmail.com>
Cc: Matthew Andrews <mandrews@royutah.org>; Joshua Woodbury <josh_woodbury@woodburycorp.com>; Brody Flint <bflint@royutah.org>; Randy Sant <rscontractmanagement@gmail.com>
Subject: RE: Roy Downtown Plan Charrette Scheduling

Mayor,

My minutes show we had been continuing discussions internally amongst the project team but had delayed the charrette. So, I believe you are correct, our next step would be to schedule the charrette. We have spent about \$29k of our \$44k current contract. Backing up a little to account for the changing conditions and to reset a little, I'd suggest budgeting around \$10k to \$15k in additional funds. I have attached our original proposal for reference, I believe the general scope would still apply (although we have had staffing changes, so you'd see a little different staffing team).

What I believe we had been planning, is a limited invite charrette for key landowners and business owners. We would recommend around 12 to 18 people. That assumes there will be a public presentation or hearing at some point after.

We have current work writing plans in Lindon and Springville. We also have, in that time, developed a partnership with a group named Downtown Redevelopment Services. Some of their recent work includes:

- Moab Downtown Plan
- Zelinople Streetscape Project (phases 1, 2, & 3)
- West View, PA streetscape Master Plan
- DeFuniak Springs, FL Urban Design Standards
- Orlando, FL (Milk District Main Street) Streetscape Plan
- Reading, PA Complete Streets and Alleyways Plan
- Heber City, UT Downtown Plan?

We are currently collaborating with them on downtown plans in Hurricane Utah, West View and Zelinople PA.

Let me know if I missed anything.

Thanks



Kelly Gillman, ASLA, AICP | Senior Landscape Architect | Treasurer

175 S Main Street, Ste 300, SLC UT 84111

D: 801.746.6834 **C:** 801.232.2043 **O:** 801.355.5915

From: Robert Dandoy <rdandoy@royutah.org>
Sent: Sunday, November 20, 2022 8:31 AM
To: Kelly Gillman <kelly@crsa-us.com>; Randy Sant <rscontractmanagement@gmail.com>
Cc: Matthew Andrews <mandrews@royutah.org>; Walter Brock (w_brock@woodburycorp.com) <w_brock@woodburycorp.com>; Joshua Woodbury <josh_woodbury@woodburycorp.com>; Robert

Dandoy <rdandoy@royutah.org>; Brody Flint <bflint@royutah.org>; Randy Sant <rscontractmanagement@gmail.com>

Subject: Re: Roy Downtown Plan Charrette Scheduling

Kelly, sorry for the late response.

I am still convinced that Roy City needs a vision of what the future of Roy Downtown should look like. I think it needs to be in three parts, a 10-year, 20 year and 30 plus years. I believe Roy City needs a small group of property owners and residents who can be part of a Charrette process to help the Planning Commission and City Council to develop a vision. As a large property owner in our downtown business district, I would like Woodbury to be part of that process but not expected to help fund it.

I'm not sure where all members on the City Council sit on this effort. But like anything else, we need to provide key information for them to vote on a way ahead. There are a few pieces of information that I need from CRSA to presented to the Council / RDA Board in order to restart the process. The pandemic certainly has limited the progress of the this and many other issues in Roy City. Here is what I need:

- From the information that you have already collected, how much more is needed?
- What is your best guess on the additional cost to restart and finish this effort, using the Charrette approach?
- Best guess, how many people (property owners, residents) would normally be involved in the Charrette process?
- Can you direct me to a couple of examples of similar projects that you have completed?

I must tell you that UDOT has already started the land Right-of-Way acquisition process in our downtown area. We are still waiting for a final layout of the planned impact areas. This will be important to the process since buildings could be removed as UDOT widens 5600 So. and 1900 West. We are not sure at this moment of the final configuration of the I-15 Interchange but it looks like the Union Pacific rail line that runs on the east of our downtown will be purchased by UDOT. We have already started the conversation of using this old rail line as an active transportation (trail) corridor for access into Hill AFB, Falcon Hill, Roy Innovation Center, Hill Aerospace Museum and all points north into Ogden. Both Weber and Davis Counties are engaged as well as Ogden and Riverdale. I tell you this because some information needed for developing a vision requires a little more details. Having said that, if we can get this process restarted, it will need to happen after the first of the year when details are more reliable.

Let me know if you can help me gather the information I need. I would like to get this back on the City Council / RDA Board agenda in January 2023.
Thank you!

Respectfully!

Bob Dandoy, Mayor Roy City

Roy City RDA Board Agenda Worksheet

Roy City RDA Board Meeting Date: 17 January 2023

Agenda Item Number: Discussion Item #2

Subject: RDA Relocation Grant and Revolving Loan Fund Programs

Prepared By: Bob Dandoy

Background:

The existing RDA Relocation Grant and Revolving Loan Fund programs are challenging, difficult to manage at best. Qualification requirements for a business owner to meet the defined standards of the Relocation Funds are almost impossible to achieve. The Revolving Loan Fund has had a mixed bag of successes and failures but requires loan program management skills that are not available within the city's administrative responsibilities. These issues draw into questions the City's ability to effectively administer these programs and creates risks to government funds.

The existing business owners who have already applied or is receiving the intended benefits of these two programs are not affected by the RDA decision and will be addressed using the requirements established at the time of application. Any future applications going forward will comply to the decision made by this RDA Board.

A copy of the policies of each program is attached.

Staff needs to know whether to continue these programs as written, make modifications to the policy, or simply stop implementing these policies.

Recommendation (Information Only or Decision): Decision to remain as is, make appropriate adjustments and retain programs, or removed.

Contact Person / Phone Number: Bob Dandoy

Roy City RDA Relocation Grant Program

PURPOSE

The Roy Redevelopment Grant program purpose is to assist businesses located within adopted and approved Community Reinvestment Areas, or Urban Renewal Project Areas who have been impacted either by an outside public entity or an approved redevelopment project with costs associated with the relocation of their business to a new location within Roy City.

TERMS & PROVISIONS

GRANT AMOUNT: For Federal or state funded relocation costs, the maximum amount of any grant to be used to cover relocation costs shall not exceed \$7,500. For Agency redevelopment initiated projects, where no other funds are available, the maximum amount of any grant shall not exceed \$15,000.

PROPERTY ACQUISITION BY AGENCY: In the event the Agency acquires property, that would result in the need to displace any person, or business the Agency shall follow the rules and obligations outline in the Utah State Relocation Act, and will provide relocation funding in the amount necessary to cover the costs necessary for the relocation, and other required costs are outlined in the Act. All payments required under this provision shall be administered in a manner which is fair and reasonable, and uniform as practicable.

APPROVAL OF GRANT/RELOCATION FUNDING

All grant funding will be reviewed and approved by the Agency Board in a regular meeting of the Agency.

ELIGIBILITY REQUIREMENTS FOR GRANT FUNDS

For a business to qualify for any grant funds all of the following requirements shall apply:

- The affected business must be located within an adopted redevelopment project area.
- The business receiving any grant funds must relocate the business in Roy City.
- The reason for relocation is because the business has or will be impacted by a project approved for funding and development by a State or Federal agency, or the business has been impacted by a redevelopment project approved by the Roy City RDA, and no other funding or assistance has been offered to the business.
- In the event other relocation funding is available from other outside entities, the applicant shall apply for such funding, prior to applying for Agency funds.
- The business will provide to the Agency a list of all funding received from other agencies, for the payment of relocation costs, and the relocation cost items submitted to the funding agency for relocation reimbursement. RDA will not provide any additional fund for the approved and funded items, unless evidence has been submitted the cost for these services was not adequate to fund the cost.
- The business will provide a list of the relocation items not covered by any outside reimbursement, and the cost of those items.
- The business will be required to provide a bid or other evidence to support the cost requested from the Agency for reimbursement.
- The business may be required to sign an affidavit that the funds will only be used for relocation of its business.

- Business will agree to remain in Roy for a period of 3 years after its relocation, and in the event, it fails to remain in business in Roy, the Agency may at its discretion, require repayment of the funds provided by the Agency.

APPLICATION SUBMISSION

- Interested applicants must submit the application, attached to these guidelines, for determination of eligibility, including applicant qualifications, and how the requests meet the guidelines. The acceptance of an application does not constitute grant approval. Once a completed application and all supporting documents have been received, staff will review the application and prepare a recommendation for the agency Board's approval.

Roy City RDA Loan Fund

A. PURPOSE

The Roy City Economic Development Loan Fund's (EDLF) purpose is to stimulate business development and expansion, create employment opportunities, encourage private investment, promote economic development, and enhance neighborhood vitality and commercial enterprise in Roy City by making loans available to businesses. The program's goal is to invest in viable businesses that produce economic return to the city.

B. LOAN TERMS & PROVISIONS

LOAN AMOUNT: The maximum amount of any loan will not be more than \$30,000. The Loan Program is intended to provide gap funding to supplement existing, secured financing.

LOAN TERM: The standard loan term is up to 7 years. The term will be based on the amount of risk to the city, credit score of the applicant, applicant equity in the project, and collateral for the loan.

Loan may be prepaid, in part or whole, at any time without penalty but may not be transferred. First payment of the loan will be begin 60 days after the date all required loan documents are executed by all parties. An additional 30 days may be granted, by the loan committee, but in no event shall the first payment begin later than 90 days.

CREDIT SCORE

No minimum, each guarantor's credit score will be evaluated during the loan evaluation process.

COLLATERAL STANDARDS

Sufficient collateral and guarantees shall be provided through trust deeds, promissory note, and other uniform commercial collateral will be considered. The borrower shall provide a personal guaranty to the City guarantying full and unconditional completion of the proposed improvements and repayment of loan.

INTEREST RATES

The minimum interest rate will be based on the rate the City is receiving on their investment fund in the State Treasury, plus an additional 2.5%. Final interest rate will be determined on a number of factors, including but not limited to, the amount borrowed, risk of the loan, collateral provided, equity amount of the borrower, and credit score of the applicant.

OTHER APPLICANT REQUIREMENTS

Applicants must be the title owner or have site control of the property, by a current lease or affidavit from the owner of the property approving any development of the property. Property taxes and special assessments must be current, with no judgments or liens outstanding against the applicant or the property. In addition, the applicant must provide

sufficient evidence of their capabilities to successfully complete the project. The applicants credit history must demonstrate prompt payment of past obligations.

C. USE OF FUNDS

Uses of the funds are intended to generally support most traditional for-profit business needs, including, but not limited to:

- A business expanding or relocating to Roy City
- Energy-efficient equipment upgrades and building retrofits
- Businesses impacted by construction
- Construction/tenant improvement and/or real estate acquisition
- Signage, retail presentation, and display work
- Landscape and property improvements
- Fixtures, furnishings, equipment, and inventory
- Working capital and marketing
- Other as approved by the loan committee

Uses that are **NOT** approved include:

- Purchasing land and/or buildings or constructing buildings for real estate investments
- Any other kind of passive investment opportunity
- Using the loan for a use not approved by the Committee
- To relocate a Roy City business to another city
- Supporting an illegal activity or improperly licensed or zoned use

PUBLIC BENEFIT REQUIREMENTS

The financing provided for the loan program are public tax dollars. Therefore, each loan must meet one or more of the following adopted and approved public benefits:

sustainability- locating in one of the existing Community Development Areas or in an area defined by the City as an area for improvement (vacant building, blighted areas)

Public Amenities-Improving city infrastructure, such as water, sewer, roads, and Sidewalks, curb and gutter.

Adaptive Reuse-To promote the revitalization of underutilized buildings

Permanent job creation- & Retention Creating new jobs, or retaining current jobs for Roy City residents.

Architecture &- Promotes- Urban Design high quality and enduring architecture and development

Economic Impact- Provides increased sales and use tax to the City, increased property Values, redevelops property, or increases neighborhood services

LOAN EVALUATION /SELECTION PROCESS

A loan evaluation matrix will be used by the City's Loan Committee to rank loan applications based on an applicant's credit history, ability to repay the loan, management ability, business experience, neighborhood impacts of the business, and fiscal impacts of the loan relating to job creation and retention, leverage of public to private funds, and the collateral requirements enumerated above. The loan evaluation matrix has a total of 100 points, and a loan application generally must receive at least 70 points to be approved.

APPLICATION SUBMISSION

Interested applicants must first submit the application, attached to these guidelines, for determination of eligibility, including applicant qualifications, project qualifications, and how the project meets other items outlined in the guidelines. Incomplete applications will not be considered. The acceptance of an application does not constitute loan approval.

Once a completed application and all supporting documents have been received, staff

Will carry out an underwriting process to evaluate the following:

- Is the request for funding in accordance with the Loan Program Guidelines?
- Is the project financially feasible, and is all funding necessary to complete the project in place to complete the development?
- Are there any undue financial benefits to the applicant/
- Are the City Funds necessary and appropriate to the development
- Are the applicant's capabilities and strength of collateral identified and Reasonable?
- Other items to be consider will be lender participation, and guarantors involved in The project

LENDER PARTICIPATION

The City encourages participation of private lending institutions and looks favorably at providing funds to support differences between the owner's equity and conventional financing. The City may subordinate its security interest to the private lender.

GUARANTORS

Loans shall be guaranteed by the business and personally by the borrower and personal guarantors (all owners with 20% equity or more in the business are required to be a guarantor). The Loan Committee may waive personal guarantees in cases of unique corporate structures. ***Personal guarantors are liable to pay back the loan to the City even if the business fails.***

D. REQUIRED DOCUMENTS

In addition to the Personal Financial Statement, the following financial documentation is required for loan consideration. Please submit copies and keep the original documents.

BUSINESS TAXES

For businesses established three or more years, corporate federal and state income tax

returns for the previous three years, or for the year of operation are required.

BUSINESS FINANCIALS

For existing or operating businesses, provide audited (preferred) or unaudited/internally prepared corporate financial statements comprised of a profit and loss statement, and balance sheet for three years (or the number of years in operation) if less than three years, as well as the most recent month-end or quarterly financial statements.

Please be advised that some applicants may be asked to provide financial statements for related businesses or businesses in which the guarantors also have substantial ownership of, particularly if the business applying for a loan has been in existence for less than three years.

OTHER INFORMATION

If real estate is pledged as collateral, the applicant must also provide recent mortgage as well as evidence of the collateral value. If any other financing is being provided to fund the project, evidence must be provided that this financing has been approved. A credit report for each guarantor will be required. Guarantor is any individual or company with 20% or more equity share in the business. The report can be provided by the applicant or can be obtained by the city. If the city is to obtain the report the applicant will be required to provide the information necessary for a credit report, including name, address, date of birth and social security number. A credit report on the business if available should also be provided.

BUSINESS LOCATION INFORMATION

Provide a copy of the existing or proposed lease agreement or mortgage statement, or evidence of site control.

ARTICLES OF INCORPORATION

Provide a copy of the existing or proposed Articles of Incorporation to legally document the creation of the business, or other evidence that the business is a registered business with the State of Utah.

BUSINESS PLAN

A business plan serves as a road map for the company, and is an important document for evaluation of the ability of the business to succeed in their operations. A copy of the business plan is required to be submitted with every application.

YOUR BUSINESS PLAN SHOULD INCLUDE THE FOLLOWING:

- Executive Summary
- Description of Product/Services
- Target Market & Marketing Strategy
- Neighborhood/Human/Environmental Impact
- Management Team (bios or resumes)
- Financial Structure
- Future Plans

E. CHECKLIST

SUBMIT APPLICATIONS

- ☐ Application

REQUIRED DOCUMENTS

BUSINESS PLAN

- ☐ Executive Summary
- ☐ Product/Service Description
- ☐ Target Market & Marketing Strategy
- ☐ Neighborhood/Human/Environmental Impact
- ☐ Management Team (with bios or resumes)
- ☐ Financial Structure

FINANCIAL DATA

- ☐ Profit & Loss Statements for 3 previous years and most recent quarter or month
- ☐ Balance Sheets for 3 previous years, and most recent quarter or month
- ☐ 3 Year Financial Projections (pro forma); may be part of business plan
- ☐ Credit Report and explanation of any derogatory credit report information
- ☐ Evidence of approval of all financing required to complete the project
- ☐ Existing companies, 3-year business tax returns (or number of years filed)

LOCATION

- ☐ Lease (copy of lease agreement) ☐ Own (mortgage statement)

COLLATERAL

- ☐ Evidence of collateral value/equity committed to project from owner or operator

LEGAL STRUCTURE

- ☐ Sole Proprietorship ☐ LLC ☐ Corporation ☐ Partnership ☐ Nonprofit ☐ Other
- ☐ Articles of Incorporation (including by-laws, Capitalization Tables, etc.)

SUBMIT PAPERWORK

- ☐ Submit materials electronically or to our office:

Roy City Redevelopment Agency

5051 South 1900 West

Roy City, Utah 84067

OR electronically to

LOAN APPLICATION

Business Name		Date
Business Street Address	City	State
Contact Name	Phone	Email Address

Please fill out a Source and Use for the entire budget amount of the business project

Sources of Funds:

This Loan (Requested Amount)	\$ _____
Owner Cash Equity	\$ _____
Other Loans	\$ _____
Other Equity/Investment	\$ _____
Other Funding	\$ _____

Total Source of Funds	\$ _____
-----------------------	----------

Use of Funds:

Building/Purchase	\$ _____
Building Renovations	\$ _____
Machinery and Equipment	\$ _____
Furniture and Fixtures	\$ _____
Leasehold Improvements	\$ _____
Contingencies	\$ _____
Working capital/Professional Fees	\$ _____

Total Use of Funds	\$ _____
--------------------	----------

Guarantor (owners with at least 20% equity share in business) Please provide the following information for each guarantor: (Repeat as needed for each guarantor)

Full Name	Street Address
_____	_____
Email	Phone Number
_____	_____
Signature	

Project Summary: Provide a brief summary of the Project

Use of loan Proceeds (check all that apply)

- | | |
|---|---|
| ☐ Real Estate Acquisition | ☐ Signage, retail display |
| ☐ Building Construction/Renovation | ☐ Landscaping, property improvements |
| ☐ Machinery/Equipment | ☐ Working Capital |
| ☐ Furniture and Fixture | ☐ Marketing |
| ☐ Inventory | ☐ Other (specific use) |

Available Collateral (check all that apply)

- ☐ Real Estate
- ☐ Equipment
- ☐ Inventory
- ☐ Personal Property
- ☐ Other

Position City will be on the available collateral _____

(City must be in first position on anything except real estate, which a second position would be considered)

Sources of Financing:

Are you obtaining/providing additional financing for the project? Please describe below

	Amount	Loan (yes/no)	Term Length	Interest	Monthly Payment
Owner Equity					
Lender					
Investor					
Other					

Current Business Debt: Does your business have current obligations? If so please describe below

Lender	Amount	Term Length	Interest rate	monthly payment	balance owed
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Recent Financials: If an existing business, please provide the following:

Revenues: _____

Expense: _____

Debt Payments: _____

Net Profit: _____

Please List the public benefit your project will provide (see page 2 of guidelines for benefits)

Applicant Certification:

I/we hereby certify that all statements in this application are true and complete and are made for the purpose of obtaining a loan/credit. I/we fully understand it's a crime punishable by fine or imprisonment or both to knowingly make false statements concerning any of the above facts.

Applicant (Print)

By (signature)

Title _____

Date _____

Please attached the following documents to your application.

1-BUSINESS PLAN (must contain information outlined in guidelines. Page 4 and checklist)

2 FINANCIAL DATA including:

- Profit & Lost Statements for 3 previous years and most recent quarter or month
- Balance sheets for 3 previous years and most recent quarter or month
- 3 year financial projects (pro forma); may be part of your business plan
- Credit Report and explanation of any derogatory information (must be a report for all guarantors)
- Existing companies, 3 year business tax returns (or number filed if less than 3)
- Verification/evidence that all financing required for the project is approved and in placed

3-LOCATION/COLLATERAL

- Copy of lease agreement or
- Mortgage statement
- Evidence of collateral value

4-LEGAL STRUCTURE

- Sole proprietorship, LLC, Corporation, Partnership
- Copy of Articles of Incorporation
- Verification business is registered with the State of Utah

Other information may be requested during the review process to verify any information contained in the application. Applicant will be notified in writing if additional information is required.

Application and required documents are to be submitted to:

City Manager
Roy City Corporation
5051 South 1900 West
Roy City, Utah 84067
Attention: Loan Document

Electronically:

Roy City RDA Board Agenda Worksheet

Roy City RDA Board Meeting Date: 17 January 2023

Agenda Item Number: Discussion Item #3

Subject: Draft Development of a Tax Increment Funding (TIF) Policy

Prepared By: Bob Dandoy

Background:

Tax increment financing (TIF) is a method of financing real estate development costs--i.e.: to encourage developers to construct buildings or other private improvements, or. to pay for public improvements, such as streets, sidewalks, sewer and water, and similar improvements.

TIF is a geographically targeted economic development tool. It captures the increase in property taxes, and sometimes other taxes, resulting from new development, and diverts that revenue to subsidize that development. TIF calls for local taxing bodies to make a joint investment in the development or redevelopment of an area, with the intent that any short-term gains be reinvested and leveraged so that all taxing bodies will receive larger financial gains in the future.

TIF funds are generated from the difference between the value of an improved property and the frozen base value. If big improvements are made on a building in a TIF district, then that building has a higher value, and therefore pays more taxes. Tax increment is the primary source of revenue that redevelopment agencies must undertake redevelopment projects. It assumes that a revitalized project area will generate more property taxes than were being produced before redevelopment. When a redevelopment project area is adopted, the current assessed values of the property within the project area are designated as the base year value.

It is anticipated that Roy City will get a request soon for TIF incentive from a property developer, and need a policy to help govern the RDA Board in deciding. Attached is a draft TIF policy for your consideration.

Recommendation (Information Only or Decision): Decision to move forward in developing a TIF policy.

Contact Person / Phone Number: Bob Dandoy

Draft Roy City Redevelopment Agency (RDA) Tax Increment Financing Incentive Policy

Purpose:

The Tax Increment Financing (TIF) incentive is to be used to develop and build economic development opportunities, encourage private development that will thrive and meet the economic development priorities established by the city and redevelopment agency. Incentives should become investments that eventually benefit the community in a matter that exceeds the value of that incentive investment. Tax increment financing is a key local funding mechanism for encouraging and attracting high quality development. The decision as to whether to participate, and the level of any such participation, are ultimately decisions to be made by the Roy City RDA Board in its sole and absolute discretion.

Guidelines:

The following are suggested guidelines for the use of economic development incentives. These guidelines are intended to aid the city and redevelopment agency, and partners in other organizations that may offer economic incentives, in evaluating and deciding whether to grant the use of development incentives. Issuance of incentives should be provided to projects that provide a public benefit or will serve a public interest. Examples of the type of public benefits may include but are not limited to the following:

- Strengthen the city's employment, economic base and enhances other public entities tax base.
- Strengthen and diversify the local economy by promoting development in specific locations (defined in the Economic Development Strategic Plan & General Plan)
- Reduces economic problems and detriments of a particularly deprived area within the city.
- Support public schools for K-12 education for the future employment base and promotes higher education opportunities to increase the number of college and university graduates in Roy City to meet the demand for a highly skilled vocational and professional workforce.
- Provides a return on the investment to the city.

Attempts should be made to protect the public interests and investment that is made in any project receiving an incentive. These efforts should include the following:

- Public incentive should be "post-performance", which means the public funding is based on the project being completed. Any required up-front funding should be secured through the bonding process.
- Project Performance should be clearly stated and monitored on ongoing bases. Failure to fulfill conditions should result in a discontinuing of the incentives. Consideration should also be given to a requirement to pay back incentives already given if performance measures are not met.
- Development agreements should be required.
- Pro forma of the project is a requirement and should be professional reviewed to determine if the public investment is justified.
- An economic benefit analysis will be required for any project requiring an incentive. This analysis will also include the cost to the city for the development, and the amount of available revenue to cover those anticipated costs.
- Communication should occur in the beginning of the incentive process to outline all terms, conditions, obligations, and returns required for the public investment.
- Transparency should be required on all public financing of incentives.

Application / Review Process:

A consistent application and review process should be required for any requested Tax Increment Financing incentive. The application should include the following information:

- The applicant shall submit a Project Area Plan, a Budget, and other applicable information. Following receipt of submission, inclusive of all required elements, the Community Development Director will plan to meet with applicant to discuss the proposed Project Area. The completed Project Area Plan and the Budget should include all requirements outlined in state law.
- Letter from the company which includes information about the company, project to be built, number of jobs to be created, wages to be paid, capital investment to be made, time frame for construction, and specific request of incentive. If the project includes a residential component, housing unit affordability needs to be considered.
- A development proforma is to be submitted for review.
- Information provided by the applicant is reviewed by staff to determine if it meets the criteria established in the incentive policy, and a preliminary recommendation is made to participate or not to participate.
- An economic benefit analysis is conducted on the project to determine the return on the public investment, and cost to the city to support the project.
- If tax increment is required, a meeting is held with the RDA board to review the project, all applicable information, and the recommendations of staff and economic development committee, and the incentive requested. The RDA Board shall have the final decision as to offering any tax increment based on the information provided.
- If the RDA Board supports approving the incentive request, a letter and/or meeting is prepared to the applicant outlining any terms and conditions of the incentive to be offered. With a formal request for the company to either accept or reject the incentive
- The RDA moves forward with the creation of the applicable project area, if required, and complies with all requirements outline in State Code (Title 17C) for the project creation.
- Staff will assemble the necessary information, documents, individuals do address other taxing entities who may want to support the Tax Increment Financing request.
- The staff will prepare all required documents including development agreement, incentive offer, interlocal agreements for taxing entities, final budget, and takes the responsibility of any public release of the project.
- The RDA Board is responsible for any project monitoring of incentive requirements.
- The staff will report on a semi-annual basis the status of the development to the RDA board, including information regarding the progress of the economic benefit to the city from the proposed development.