

**MINUTES OF THE CITY OF WEST JORDAN
REDEVELOPMENT AGENCY MEETING**

Tuesday, May 09, 2023 - 6:00 PM
Approved June 14, 2023

Thomas M. Rees Justice Center
8040 S Redwood Road
West Jordan, UT 84088

REDEVELOPMENT AGENCY MEETING

1. CALL TO ORDER

COUNCIL: Chair Christopher McConnehey, Vice-Chair Pamela Bloom, Kelvin Green, Zach Jacob, David Pack, Kayleen Whitelock, and Melissa Worthen

STAFF: Council Office Director Alan R. Anderson, Policy Analyst & Public Liaison Cassidy Hansen, City Administrator Korban Lee, Economic Development Director Chris Pengra, Administrative Services Director Danyce Steck

Chair McConnehey called the meeting to order at 7:01 pm and noted technical difficulties.

Administrative Services Director Danyce Steck responding to a question from Board Member Green reported that once an RDA expired, they had several years to spend the money collected.

Economic Development Director Chris Pengra responding to a question from Board Member Green explained that reactivating an RDA would require entering into a new agreement.

2. BUSINESS ITEMS

a. Work session to discuss the Redevelopment Agency Tentative Budget for FY 2024

Economic Development Director Chris Pengra presented an overview of the Redevelopment Agency's project areas. The following information was provided for each project area:

RDA Project Area 1 - Town Center

The collection period concludes on December 31, 2024, with a significant increase of approximately \$39 million in marginal taxable value.

Board Member Green inquired about plans for the area. Economic Development Director Pengra mentioned that infrastructure improvements, a traffic signal, and potential investments for the north site were part of the plan. However, a strategic planning process was also being developed to ensure a systematic and strategic approach to the area.

Chair McConnehey pointed out that the collection period would end in 2024 and asked if the remaining funds could be carried over for expenditure. Mr. Pengra confirmed that

this was possible. He also mentioned a proposed House Bill that could establish a five-year limit on any remaining funds, but at the moment, there was no specific sunset date, and the funds could be utilized for planned projects in the area as necessary.

RDA Project Area 2 – Industrial Park

The collection period is set to conclude in December 2025. The total increase in taxable value amounted to just over \$23 million. There were no active agreements in place for the area.

RDA Project Area 3 – Southwire

The area has expired with no remaining balance. The taxable value experienced a moderate increase.

Board Member Green questioned why the expired project area was still included in the report if it had a zero balance. Mr. Pengra explained that it was standard practice to keep it open for a couple years after expiration in case any new developments arise, but they would work to remove it.

RDA Project Area 4 – Spratling

A significant increase in taxable value amounting to \$55 million was observed. Mr. Pengra reported that H-Mart was progressing with plans to open by October. He also mentioned working with a private investor for a separate investment opportunity. Furthermore, site plans for an NHL regulation ice sheet catering to hockey organizations were being finalized.

RDA Project Area 5 – Downtown

There are four more collection years remaining in this project area, which had experienced considerable success. The taxable value has increased by \$40 million.

RDA Project Area 6 – Briarwood

The area expired in 2020, with a total increase in taxable value of \$17 million. There is a remaining balance earmarked for affordable housing. Mr. Pengra noted the possibility of entering into a new agreement for the city center.

EDA Project Area 2 – Bingham Business Park (Bowing)

There was a significant increase in taxable value amounting to \$110 million. Currently, there are no active agreements and it is in the final collection year.

EDA Project Area 3 – Oracle Data Center

Similar to the previous project area, this area also experienced a substantial increase in taxable value amounting to \$110 million. It expired in 2021 with a remaining balance and an expired agreement. Mr. Pengra noted anticipated plans for a large investment, where Oracle intends to sell the property to a private data center owner and lease it back. Oracle no longer wishes to retain ownership of the asset. He considered this a success for the project area.

Board Member Whitelock inquired about water efficiency methods for the new data center. Mr. Pengra confirmed that water-efficient methods would indeed be used. When

asked about the purpose of the remaining balance, Mr. Pengra stated that the funds would be utilized for agency-wide investments, such as water tanks, sewer improvements, and street scape enhancements.

EDA Project Area 4 – Fairchild

The collection period for this project area concludes in 2030. It was noted that there is a rebate for personal property tax and an aligned energy rebate of the municipal energy tax. Board Member Whitelock inquired about the inclusion of a restaurant in the front, and it was confirmed that the plan still stands. Board Member Green mentioned the presence of a sign for pad sites on the property and suggested that Aligned Energy should apply for a rezone. Mr. Pengra explained that they would either work through the process with a developer or consider purchasing the property.

EDA Project Area 5 - Pioneer Technology District (SWQ)

It was reported that the tax increment has not yet been triggered in this area. However, they are currently collaborating with Lewis, Young, Roberts, and Burningham for a strategic plan and MDA (Master Development Agreement). Board Member Green expressed a preference that no housing incentives be offered in the area, emphasizing the need to focus on building the economic base of the city. Mr. Pengra agreed and assured that he would take that into consideration.

CDA Project Area 1 - Jordan Valley Station

Mr. Pengra provided an update that Paul is actively involved in the development with a focus on commercial exchanges in the area. Board Member Whitelock requested better signage for Trax parking in the vicinity. Board Member Green expressed disappointment that there has been no commercial development in the area over the past 20 years.

CDA Project Area 2 – Copper Hills Marketplace

Tax increment measures have not been triggered yet but once triggered, they believe there is potential for innovation with the property across the street. Mr. Pengra noted that Truck Ranch plans to include a boat dealership, in response to Board Member Whitelock's inquiry.

CRA Project Area 1 – 9000 S Redwood Road

Several big box stores in the area have reduced their footprint and two successful incentives were implemented to attract users and increase the assessed taxable value, preventing major blight in the area.

The RDA Strategic Plan is scheduled to kick off at the end of May with the objective to collaborate with the board to identify potential investments and explore triggering the TIF (Tax Increment Financing) collection for CDA#2 and EDA#5.

Administrative Service Director Steck provided a brief history of the tax increments collected in each project area year by year. A budget amendment would be presented to adjust actual figures. Interest on reserves had been accrued, and the energy tax, currently receipted in the General Fund, needs to be transferred to the RDA and Aligned Energy to restore balances to zero for closure. The PayPal incentive for personal property tax will be rebated due to higher amounts compared with the previous year.

The outstanding Bangerter Station incentive owed to the developer was mentioned, and an adjustment in administration was deemed necessary to bring it back to the General Fund. Regarding the Bangerter Station incentive, Board Member Green requested that City Administrator Lee provide a compliance report.

Next, Ms. Steck provided a budget overview, comparing Fiscal Year 2023 to estimations for Fiscal Year 2024. Budgeted items were highlighted, including the strategic plan, administration costs, incentive projections, UDOT improvements with walls and streetscapes, streetlights along Redwood Road, new city signage at strategic entrances, a new message board for City Hall, and contribution towards a cemetery water tank.

Board Member Whitelock expressed concern that if the noted improvements were only planned for Redwood Road, 9000 South was equally important and sought further clarification. Board Member Green inquired about potential improvements on 7800 South, particularly at the east end. Ms. Steck acknowledged the confusion and clarified that the description provided was for the area in general and not specific locations. Additional information would be provided.

Brief time frames for the agreements with Aligned Energy (5 of 10 years paid), PayPal (4 of 10 years paid), and Jordan Valley Station (5 of 20 years paid) were outlined. One-time improvements were detailed, and the balances for each RDA, EDA, CDA, and CRA area were provided. It was mentioned that an RDA budget amendment and budget adoption would be considered on May 10th. Board Member Bloom expressed gratitude to Ms. Steck for her diligent work in preparing the budget.

3. ADJOURN

Board Member Whitelock moved to adjourn. Board Member Green seconded the motion. All voted in favor and the motion passed unanimously (7-0).

The meeting adjourned at 7:49 pm

I certify that the foregoing minutes represent an accurate summary of what occurred at the meeting held on May 9, 2023. This document constitutes the official minutes for the City of West Jordan Redevelopment Agency meeting.

Cindy M. Quick, MMC
Secretary

Approved this 14th day of June 2023