

**RIVERDALE CITY RDA BOARD**  
**CIVIC CENTER - 4600 S. WEBER FEBRUARY 18, 2014**

Minutes of the **Meeting of the Board of Directors of the Redevelopment Agency of Riverdale City** held Tuesday, **February 18, 2014** at 6:29 p.m. at the Riverdale Civic Center, 4600 South Weber River Drive.

Members Present:      Norm Searle, Chairman  
                                 Don Hunt  
                                 Michael Staten  
                                 Braden Mitchell  
                                 Brent Ellis  
                                 Gary Griffiths

Others Present:      Larry Hansen, Executive Director, Steve Brooks, City Attorney, Mike Eggett, Community Development Director; Ember Herrick, City Recorder and one member of the public Doug Peterson.

**A. Welcome and Roll Call**

Chairman Searle called the meeting to order and noted that all board members are present.

**B. Open Communications**

Chairman Searle asked for open communications and there were none.

**C. Consent Items**

**1.      Review of December 17, 2013 RDA Meeting minutes**

Chairman Searle asked for any corrections or amendments to the previous meeting minutes and Mr. Mitchell said Chairman Burrow's title was omitted from the last paragraph and the City Recorder noted the change.

**Motion:**              Mr. Hunt moved to approve the consent items. Mr. Mitchell seconded the motion.

Chairman Searle asked for discussion on the motion and there was none.

**Call the Question:**      The motion passed unanimously.

**D. Reports and Presentations**

Mr. Hansen said he would like to review the annual RDA statutory compliance report as a refresher for the seasoned board members and orientation for Mr. Ellis and Griffiths. He said Riverdale's RDA is required to send a report to all taxing entities in RDA project areas once a year and the report is compiled with the assistance of hired consultant Lewis Young. Mr. Hansen said the RDA is independent from Riverdale City and was created in September 1988 prior to much of the commercial development in the city and the project areas have helped to facilitate the development of Riverdale's current sales tax base. According to Mr. Hansen, the RDA has incentivized developers to improve certain blighted areas of the city and created jobs. He explained how RDA project areas function according to state statute and are created

through the Taxing Entity Committee and he discussed what entities are represented in that body and said five of the eight committee members must agree before an RDA area budget is adopted.

Mr. Hansen said he currently serves as Riverdale's RDA Executive Director and Michael Eggett serves as the RDA Deputy Director. Mr. Hansen said there are three active project areas the Riverdale Road Project Area, the 1050 West Project Area, and the 550 West Project Area. He said all three have tax increment flowing into Riverdale's RDA Fund for a set period of time and those funds are earmarked for RDA housing programs and improvement projects in or adjacent to project areas. According to Mr. Hansen, the newest RDA area was established in 2005 to improve the West Bench and remove blight. He said Riverdale's RDA owns the Riverdale Senior Center which is part of the 1050 West Project Area and he told the Board the center's fund balance for repairs and maintenance is healthy and projected revenues look good.

Mr. Hansen reviewed the Riverdale Road RDA Project Area created in 1989 and talked about the Hermes Corporation developments and retail land that could still be developed adjacent to Shopko. Mr. Staten asked who owns the 70 acres south of Riverdale's Civic Center and if there is a connection to Homer Cutrubus and Mr. Hansen said the Unity property is owned by Nick Vidalakis and he is not aware of any connection between Mr. Vidalakis and Mr. Cutrubus or his company H & P Investments. Mr. Hansen said the Riverdale Road RDA Project Area has a \$1.3 million budget and the fund balances for all three existing project areas totals \$4.3 million. He said the RDA helps sell commercial property but businesses primarily locate in Riverdale because the city's unique traffic flow makes Riverdale a great city to operate a business. Mr. Hansen said when the RDA was created Riverdale City's assessed value was \$3.6 million and in 2014 it is \$43 million, an increase of 1200 percent. He said the increased property tax values are good for the city and the county and have allowed the city to make improvements like the roundabout on 700 West and River Park Drive and acquire property without raising property taxes. Mr. Hansen explained how Riverdale acquired five acres of property on the west bench and relocated a Rocky Mountain power station.

Mr. Staten asked if RDA funds generated by one project area can only be used on improvement projects in that same area and Mr. Hansen said generally but not necessarily and explained the statute is clear but if questions arise RDA Attorney Randy File can be consulted. Mr. Hansen said when an RDA project life ends the property tax is then collected by Weber County and Riverdale City and the other taxing entities receive the property tax. Mr. Hunt said all the tax collecting entities benefit from improved properties and Mr. Hansen said development also helps adjacent areas and the RDA can be a great tool to help cities improve their commercial districts.

Chairman Searle asked about the two RDA Project Areas that are complete and Mr. Hansen explained where the Weber River Project Area and the Riverdale City IV Project Area are located on a map of the city. Mr. Hansen said the Riverdale Road Project Area will end after 25 years and the 1050 West Project Area will end in 2021. He said the 550 West Project Area started in 2005 and he discussed efforts the RDA has made to relocate homeowners in this project area and assemble the parcel for a future developer.

Mr. Staten asked what will happen if some residents refuse to sell and Mr. Hansen said eminent domain doesn't apply in RDA situations but elected officials can control the zoning of an area. Mr. Staten asked if an RDA project area could be extended and Mr. Hansen said that is possible. Chairman Searle asked how the RDA determines to pay tax increment to developers and Mr. Hansen said through development agreements. Mr. Mitchell asked when the project area clock starts and Mr. Hansen said once the increment payments are triggered. He said the West Bench RDA Project Area was adopted in 2005 but the TEC would not approve a budget for seven years until 2012 when Riverdale's RDA successfully lobbied for a \$9 million budget. Mr. Hansen said staff was also able to secure a \$2 million housing waiver from the Olene Walker Housing Board by documenting in an affordable housing plan that 51% of Riverdale's existing residences qualify as low or moderate income housing. Mr. Hansen said the 15 year \$9 million budget won't be triggered until development of the property begins and the money can be used to move the power lines that transverse the area to incentivize a developer. He said a proposal to develop the area will be discussed further on Saturday February 22, 2014 at the Strategic Planning Meeting. Mr. Hansen said this RDA Annual Report is available for public review on the city's website and he said the Board can monitor the project area balances on the monthly treasury reports and should consider the balances when considering initiatives.

#### **E. Action Items**

##### **1. Consideration of Resolution R2014-1 amending the RDA Housing Loan Program Policy**

Mr. Hansen said this proposed amendment to RDA policy will reduce the amount of emergency assistance available to mobile home owners from \$2,500 to \$500 but administration of program will remain the same. Mr. Griffiths asked if residents could apply for a second \$500 RDA loan once they have paid off their first loan and Mr. Hansen said a borrower could be eligible at the Board's discretion and he noted other options of repayment are possible like community service agreements and promissory notes, evaluated on a case by case basis. Mr. Hansen noted cases when loans have been granted. Mr. Hunt said he was concerned the \$2,500 amount was too high and he supports the proposed amendment and the granting of \$500 loans for qualified borrowers who have genuine health and safety issues they are working to resolve in their mobile homes.

**Motion:** Mr. Hunt moved to approve Resolution R2014-1 amending the RDA Housing Loan Program Policy. Mr. Griffiths seconded the motion.

Chairman Searle asked for discussion on the motion and there was none.

**Call the Question:** The motion passed unanimously.

#### **Executive Session**

Consideration of adjournment into Closed Executive Session for the purpose of strategy sessions to discuss the purchase, exchange, or lease of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms pursuant to Utah Code §52-4-5(1)(a)(iv).

**Motion:** Mr. Hunt moved to recess into closed executive session for the purpose of strategy sessions to discuss the purchase, exchange, or lease of real

property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms pursuant to Utah Code §52-4-5(1)(a)(iv)). Mr. Mitchell seconded the motion.

Chairman Searle asked for discussion on the motion and there was none.

**Roll Call Vote:** Mr. Mitchell, aye; Mr. Staten, aye, Mr. Hunt, aye; Mr. Ellis, aye; and Mr. Griffiths, aye. The motion passed unanimously.

The RDA meeting recessed at approximately 7:30 p.m.

**Motion:** Mr. Staten moved to close the executive session to discuss the purchase, exchange, or lease of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms pursuant to Utah Code §52-4-5(1)(a)(iv). Mr. Mitchell seconded the motion.

Chairman Searle asked for discussion on the motion and there was none.

**Call the Question:** The motion passed unanimously.

The RDA meeting resumed at approximately 8:34 p.m.

## **2. Consideration of action on purchase, exchange, or lease of real property**

**Motion:** Mr. Hunt moved to authorize the RDA Executive Director to proceed with discussions on the purchase, exchange, or lease of real property as discussed in the executive session. Mr. Griffiths seconded the motion.

Chairman Searle asked for discussion on the motion and there was none.

**Call the Question:** The motion passed unanimously.

### **F. Discretionary items**

Chairman Searle asked the Board for any discretionary items and there were none.

### **G. Adjournment**

With no further business to come before the board at this time, Mr. Hunt moved to adjourn the meeting. Mr. Mitchell seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 8:35 p.m.

Approved: March 4, 2014

Attest:

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Norm Searle, Chairman

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Larry Hansen, Executive Director