

SMITHFIELD CITY REDEVELOPMENT AGENCY

APRIL 16, 2015

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Thursday, April 16, 2015. Chairman Darrell G. Simmons was in the chair.

The following board members were in attendance: Dennis Watkins, Barbara Kent, Kris Monson, Jeff Barnes and Brent Buttars.

Executive Director Craig Giles, former Executive Director James Gass and Secretary Justin Lewis were also in attendance.

The meeting started at 8:23 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM MARCH 11, 2015

A motion to approve the March 11, 2015 RDA meeting minutes was made by Barbara, seconded by Brent and the vote was unanimous.

Yes Vote: Watkins, Kent, Monson, Barnes, Buttars

No Vote: None

PUBLIC HEARING ON THE FINANCIAL ASSISTANCE APPLICATION BY BRENT LAWYER, ALLAN BURNINGHAM AND JEFF JACKSON FOR PROPERTY LOCATED AT APPROXIMATELY 700 TO 800 SOUTH AND 50 WEST

Dennis reminded the board the initial discussion on the request happened at the March RDA board meeting. Three entities were coming together to develop two parcels of land into some commercial building lots. There will be a significant amount of infrastructure expense involved in the project. The parties made a request for a grant from the RDA. One of the concerns with the property is the area is in the gateway zone and each of the buildings will require a higher standard in appearance. If the grant is awarded the developers will be able to lower the basis of the cost of the project making the lots more affordable; therefore, allowing for more money to be spent on the buildings that are constructed.

****The public hearing opened at 8:25 P.M.****

There were not any comments from the public.

****The public hearing closed at 8:26 P.M.****

Jeff Jackson stated the purchase of the land for the development had been secured. The issue is the cost of the land and the cost of the infrastructure makes the cost of the lots too expensive to sale. The price of the lots needs to be lowered \$1.00 to \$1.50 per square foot to be attractive for people to want to buy in Smithfield. The request for \$285,000 from the RDA was based on the amount needed to get the cost of the lots down to a sellable price range. If the grant is awarded

the cost of the building lots would be less than in Hyde Park and quite a bit less than in Logan making them more attractive for potential buyers.

Dennis asked for clarification on if the three applications were actually just one request for funding? Jeff Jackson stated that was correct. The entire grant request by the three entities totaled \$285,000.

Mayor Simmons asked if the original grant request was for \$285,000? Dennis stated the entire cost of the infrastructure work required for the project is \$474,159.34 and the grant request is \$285,000.

Dennis asked Jeff Jackson if subcontractors came up with the infrastructure estimate or if Jeff had come up with the estimate? Jeff Jackson explained he is currently overseeing two infrastructure projects and developments in Smithfield and is very comfortable the per units costs provided to the board are for the infrastructure are accurate.

Dennis informed the board he is part of a weekly lunch group and three of those that attend are developers. Dennis asked the members of the lunch group if they felt a development like this in Smithfield would be viable and able to attract business or if the strip mall concept was still successful? The opinion of the lunch group was that right now there is not much demand for strip mall type buildings but there is demand for small retail and light manufacturing areas that have some internet sales as well.

Dennis mentioned the requested amount is large and the RDA has not considered a request this large for a long time and that was a small concern of his.

Dennis reminded the board the RDA purchased the property where the city office building is currently located from David Bell for \$300,000 and the improvement to the corner of the block with the removal of the gas station and McCracken's was invaluable to the city. Now a new building is going to be built on the north side of the city office building that will look nice and generate property tax and sales tax revenue for the city. The RDA helped to get this project started many years ago by purchasing the land.

Chairman Simmons and Dennis both mentioned they had been to Prestige Solutions and they offer good products and are currently located in the city and wanting to build a new building and stay in the city.

Allen Burningham, owner of Prestige Solutions, informed the board that right now standard retail sales are growing by about 3% but on-line sales are growing by about 12% to 15%. The fastest growing area right now is light manufacturing and ecommerce. There is demand and new jobs are being created. Prestige Solutions started 6 ½ years ago and is currently renting 12,000 square feet from Nan and Lode King and want to build their own 8,000 square foot building that will better serve their needs.

Allen explained his business had been in Logan and is currently in Smithfield and they looked at property in Logan, Hyde Park and Smithfield and believe Smithfield is the best location for their

business. The city is good to be part of and is an untapped gem in the valley with many services to offer.

Jeff Jackson said the intent is to fully develop the area now with all of the landscaping being done in the park strip areas. The more attractive the area the more likely people will want to build and buy there. The vision of the group is to create momentum and traffic through the area to sell the lots.

A motion to approve the combined grant request from Real Estate Investment Vehicle 1, LLC, Prestige Solutions, LLC, and Ironwood Development Group, LC for infrastructure expense assistance in the amount of \$285,000.00 to be paid to the subcontractors completing the infrastructure work upon completion of the work at approximately 700 South to 800 South at 50 West was made by Dennis, seconded by Brent and the vote was unanimous.

Yes Vote: Watkins, Kent, Monson, Barnes, Buttars

No Vote: None

BOARD MEMBER REPORTS

Dennis informed the board that Lloyd Meyer had approached him about purchasing the small parcel of land owned by the RDA on the north side of Callaway's Bistro. Lloyd would prefer to purchase the property as it sits today and then asphalt the area after the purchase at his expense.

Dennis asked the board for permission to get an appraisal so the request to negotiate the sale of the property could be done.

Brent asked if the city would keep the area along the creek or if it would be sold with the other land? Dennis stated the RDA would not want to own just a small section of land along the river and it would be sold with the rest of the parcel. Jim suggested if the parcel is sold to retain an easement on the property thirty feet wide to get to the stream to make repairs or do work in high water years. The board agreed.

The consensus of the board was to order an appraisal on the parcel in question and then try to work a purchase agreement with Lloyd Meyer.

A motion to adjourn at 8:43 P.M. was made by Kris.

SMITHFIELD CITY CENTRAL BUSINESS DISTRICT REDEVELOPMENT AGENCY

Darrell G. Simmons, Chairman

ATTEST:

Justin B. Lewis, Secretary

**SMITHFIELD CITY REDEVELOPMENT AGENCY
96 South Main
Smithfield, Utah 84335**

AGENDA

Public Notice is given that the Smithfield City Redevelopment Agency Board will meet in a regularly scheduled meeting at 96 South Main, Smithfield, Utah on Thursday, **April 16, 2015**. The meeting will begin no sooner than 7:00 P.M.

1. Approval of the RDA meeting minutes from March 11, 2015.
2. Public Hearing on the financial assistance application by Brent Lawyer, Allan Burningham and Jeff Jackson for property located at approximately 800 South 50 West.
3. Discussion and possible vote on the financial assistance application.
4. Board Member reports.

Adjournment

Items on the agenda may be considered earlier than shown on the agenda.

In accordance with the Americans with Disabilities Act, individuals needed special accommodation for this meeting should contact the City Recorder at (435) 792-7990, at least (3) days before the date of this meeting.

Prepared, posted in the City Office and library, emailed to each Council Member, emailed to the Herald Journal, Smithfield Sun, and forwarded to be posted on the City Web Site on 04/14/15, and the Utah Public Meeting Notice website.