

SMITHFIELD CITY REDEVELOPMENT AGENCY

SEPTEMBER 9, 2015

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Wednesday, September 9, 2015. Chairman Darrell G. Simmons was in the chair.

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

Kris Monson was excused.

Executive Director Craig Giles and Secretary Justin Lewis were also in attendance.

The meeting opened at 8:03 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM AUGUST 12, 2015

A motion to approve the August 12, 2015 RDA meeting minutes was made by Dennis, seconded by Brent and the vote was unanimous.

Yes Vote: Watkins, Kent, Barnes, Buttars

No Vote: None

Absent: Monson

PRESENTATION BY VEFINA, LLC ON THEIR REQUEST FOR FINANCIAL ASSISTANCE FOR PROPERTY LOCATED AT 600 SOUTH 100 EAST.

Blake Dursteler came before the board to explain the application submitted by his company for financial assistance on the property formerly belonging to Cantwell Lumber.

The application is for grant funding in helping to demolish and haul away the existing structures and for new infrastructure improvements for the area.

The bids do not include any of the infrastructure work on 100 East 600 South as that road is not located within the boundary of the RDA.

The application shows the costs paid by the developer and the requested grant amount from the RDA.

The cost of the land totaled \$1,105,000.

Total cost of improvements was estimated at \$800,000 and the grant request totaled \$265,306.

Two bids were received on the project and supplied to the city. One bid was from Rupp Trucking and the other from Edge Excavation.

Chairman Simmons mentioned infrastructure projects had been approved by the board on other projects in the RDA area.

Dennis explained the RDA cannot help on the residential area; only on the commercial area of the grant request.

The RDA is encouraged to create buffers between the residential areas and commercial areas.

Some of the goals of the RDA are to remove blight, encourage new business and bring in commercial development.

Areas that the RDA can contribute to include retail, commercial, office space, hotel and other areas of business growth.

The Smithfield RDA was created in 1992 and the focus was not around helping out housing projects.

Dennis suggested to the applicant they change their application and come back with a request for only the commercial portion of their project. The RDA cannot help on the residential portion of the request as that would go against the plan of the RDA.

Blake stated he understood each RDA is different. Each RDA has a specific focus. Some are less stringent than others. The goal is always to remove blight and attract business.

Blake felt the goal of the RDA is to attract business and remove blight. The RDA can use funds even when they are not for a business if it helps to meet those goals. The population needs to grow in order to attract new business and this project would remove blight, stimulate growth and attract businesses by adding several hundred people to the local community.

Blake mentioned the assisted living center is a business and will be on the highway. Dennis concurred it qualifies as it is a business.

Blake informed the board he had read the rules of the RDA and felt they qualified in how he read the guidelines and rules.

Dennis explained on parcels where there are existing buildings the RDA must evaluate the current tax value versus the new tax value after the project is completed. If the tax value is the same or less the RDA would not be inclined to want to participate. Blake stated he understood and agreed.

Dennis stated the number of new occupants in the residential area cannot be included in the calculations. Blake disagreed and stated they will be coming to the community and add value.

Dennis explained the RDA only gets funding from the commercial areas in the RDA boundary not the residential areas. The long term care facility will qualify as a business.

Blake explained the assisted living facility will be three times the size of the Cantwell's building and have more value than any of the current buildings on the parcel. The value added to the city will not be hard to determine or the difference in the property tax value. The initial assessment value will be based off of the anticipated costs listed on the building permit and then the county will update the value every two or so years after that.

Dennis stated this request will be unique as it involves existing buildings and tax values. The recently approved project on 800 South was quite simple as it only involved raw land. The RDA will be willing to offer more to a participant for the more added value brought to the property tax value of the parcel.

Blake stated he would revise the application and can easily come up with the new tax value versus the old tax value for the board to review.

Dennis reminded Blake to only include the commercial area in the calculations and application request. Blake stated he understood and their revised request will be to help with demolition and infrastructure work on the commercial portion of the property.

Dennis stated he understood the approval process for a long term care facility can take a significant amount of time and one of the goals of the RDA is for the project to happen quickly. The RDA could possibly approve funding now and if the project does not get started in a reasonable amount of time the RDA has the right to remove the approved funding. Blake stated he understood the timing component is a factor in any commercial project.

Chairman Simmons thanked everyone for having an informative discussion and suggested that Blake come to the October board meeting with his revised request for the board to review.

Justin stated he would add the discussion to the October 14th board meeting.

A public hearing and vote was not held since the applicant needs to revise the request to the RDA.

BOARD MEMBER REPORTS

Dennis stated he had not had an official conversation with Lloyd Meyer about acquiring the property on the north side of Callaway's Bistro.

Chairman Simmons asked how much the parcel appraised for? Dennis stated he would need to review the appraisal but if he recalled correctly it was around \$43,000.

Jeff asked how much funding is available from the RDA? Dennis stated there is approximately one million dollars in the cash accounts of the RDA and the RDA board had committed \$285,000 of that money to the 800 South 100 West commercial project. The RDA is financially sound and has funding available for qualified applicants.

Barbara asked when the next tax increment will be received? Justin stated the tax increment is received in approximately April of each year.

****A motion to adjourn at 8:24 P.M. was made by Barbara.****

**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 Wednesday, **September 9, 2015**. The meeting will begin no sooner than 8:00 P.M.

1. Approval of the RDA meeting minutes from August 12, 2015.
2. Presentation by VEFINA, LLC on their request for financial assistance for property located at 600 South 100 East.
3. Public Hearing on the application for financial assistance by VEFINA, LLC for property located at 600 South 100 East.
4. Discussion and possible vote on the financial assistance application by VEFINA, LLC.
5. 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 09/08/15, and the Utah Public Meeting Notice website.