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MINUTES OF THE MEETING OF THE REDEVELOPMENT AGENCY OF LAYTON CITY — **AUGUST 16, 2018 – 5:31 P.M.**

BOARDMEMBERS AND OFFICERS PRESENT: **CHAIR BOB STEVENSON, VICE CHAIR BRUCE DAVIS, EXECUTIVE DIRECTOR ALEX JENSEN, JOYCE BROWN, TOM DAY, SCOTT FREITAG AND JOY PETRO**

STAFF PRESENT: **STEVE GARSIDE, LON CROWELL, BILL WRIGHT, DAVID PRICE, JOELLEN GRANDY, WESTON APPLONIE AND SECRETARY, KIM READ**

The meeting was held in the Council Conference Room of the Layton City Center.

Chair Stevenson opened the meeting.

MINUTES:

Boardmember Brown moved to approve the minutes of June 21, 2018, as written. Boardmember Petro seconded the motion, which passed unanimously.

AGENDA:

<u>PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY (RDA) OF LAYTON CITY AND NFP, LLC A UTAH LLC – RDA RESOLUTION 18-04</u>

Lon Crowell, Community and Economic Development Director, explained the City had been approached by WesTest Engineering expressing its interest to consider locating within the East Gate Economic Development Area. He reported it had recently purchased land off of Church Street and shared a visual illustration identifying its location and pointed out it wasn't a flat, buildable parcel. He indicated representatives had approached the City requesting assistance for property development, specifically for grading concerns and costs. He shared a concept of the proposed 26,000 square foot building to be constructed.

Mr. Crowell reported following discussions between the City and WesTest representatives, the requested assistance was fifty percent of the projected tax increment, allowing them to immediately begin the construction process in October 2018.

Bill Wright, Community and Economic Development Director, pointed out one of the benefits of the proposed building was that it could provide vacant office space in the East Gate Business Park for other businesses possibly locating in the area. He mentioned the topography of the area within the business park could be viewed as a deterrent, and expressed his opinion this was worthy of the participation. He pointed out the employee count was specific to WesTest employees and didn't include employees of the entire building and believed that number would be close to the fifty percent figure. He explained "post performance" meant the City would release the participating funds once the building was completed, occupied, and operational by WesTest for 30 days.

Andy Blunt, CBRE, Broker, mentioned the designed features which would be included within the construction process and spoke specifically to the power service and infrastructure which would be for future tech and aerospace businesses to use part of the building.

MOTION: Boardmember Davis moved to approve the participation agreement between the Redevelopment Agency (RDA) of Layton City and NFP, LLC a Nevada LLC – RDA Resolution 18-04. Boardmember Day seconded the motion. Voting AYE – Boardmembers Davis, Day, Brown and Petro.

Boardmember Freitag stated he wasn't convinced about the benefit to the City for granting RDA funds for this project. He expressed his opinion the RDA should have been involved earlier in the process and suggested this would be a new philosophy in granting RDA funds.

Chair Stevenson spoke to the development climate currently taking place within the area and cautioned the Board in being too cautious when it came to investing funds resulting in a positive outcome. He believed the City's contribution would be needed for the purpose of preparing the raw ground for development and expressed his support.

Boardmember Freitag continued to express concern with the change in philosophy in agreeing to incentivize a proposed development and suggested further discussions were needed. Alex Jensen, Executive Director, believed the City had previously assisted with similar developments and suggested it was a continuation of a philosophy already in place and shared examples.

D R A F T

Boardmember Freitag pointed out “new jobs” with higher than average salaries had been identified with the previous projects. Mr. Jensen stated the City believed in the company and recognized its contribution in encouraging other types of similar businesses to consider locating in the East Gate development. He indicated the dirt moving costs associated with the parcel had been an obstacle in previous developments and without the City’s assistance, he wasn’t sure businesses would consider locating at that site.

Boardmember Freitag announced his vote in favor of the request.

Boardmember Freitag suggested Staff provide more information identifying the benefits of why requests should be granted for future requests.

Mr. Wright emphasized this building would house the company’s corporate headquarters and emphasized the large building would not only benefit Hill Air Force Base (HAFB), but other companies that had contracts with the Department of Defense supporting HAFB and would entice other businesses to locate in the East Gate development.

Mr. Crowell reported the company that owned WesTest was located in Southern California, which was a global investment corporation which specifically invested in aerospace companies. He added NFP was a capital holding company owned by the same company.

Chair Stevenson clarified there was a motion, a second, the vote was unanimous and stated the agenda item had passed.

Boardmember Brown reminded Staff, Councilmember Freitag had previously requested an update regarding RDA items and suggested it be placed on a future Strategic Planning Meeting. Boardmember Freitag requested the downtown area be included in the discussion.

The meeting adjourned at 5:55 p.m.

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Kimberly S Read, Secretary