MINUTES OF THE MEETING OF THE REDEVELOPMENT AGENCY OF LAYTON CITY — **MARCH 5, 2020 – 5:30 P.M.**

BOARDMEMBERS AND OFFICERS PRESENT: **CHAIR JOY PETRO, VICE-CHAIR CLINT MORRIS, EXECUTIVE DIRECTOR ALEX JENSEN, BOARDMEMBERS ZACH BLOXHAM, TOM DAY, DAWN FITZPATRICK, AND DAVE THOMAS**

STAFF PRESENT: **GARY CRANE, CHAD WILKINSON, LON CROWELL, DAVID PRICE, MICHELLE HOWARD, KEVIN WARD, AND SECRETARY, KIM READ**

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

Chair Petro opened the meeting.

AGENDA:

AN INTERLOCAL AGREEMENT BETWEEN LAYTON CITY REDEVELOPMENT AGENCY AND DAVIS SCHOOL DISTRICT TO EXTEND THE COLLECTION PERIOD AND TO ESTABLISH DAVIS SCHOOL DISTRICT PARTICIPATION AT FIFTY-PERCENT CONTRIBUTION JANUARY 1, 2020 UNTIL DECEMBER 31, 2029 IN THE SOUTH MAIN/SOUTH FORT LANE REDEVELOPMENT PROJECT AREA PLAN BUDGET – RDA RESOLUTION 20-01

Lon Crowell, Economic Development, explained the South Main/South Fort Lane Redevelopment Project Area Plan and Budget was initiated in 2004. That plan specified the school district had an option to end its participation after 15 years and indicated that time period ended in 2019. He reported Staff met with the School Board several times in the fall and during its meeting on Tuesday, December 3, 2019, approved to continue participation in the RDA. He stated state law required a new Interlocal Agreement followed by a public hearing for any budget amendments. He emphasized although the school district's participation rate would be at 50% until 2029, all other entities' participation would be based at 100%.

Alex Jensen, City Manager, clarified this agreement with the school district wouldn't impact the taxes paid by any of the other participating entities.

Chair Petro suggested Staff explain why the projected development in that area hadn't been realized during the 2010-2014 recession. Chad Wilkinson, Community and Economic Development Director, suggested the discussion take place during the public hearing portion of the meeting.

MOTION: Boardmember Day moved to adopt RDA Resolution 20-01, approving an Interlocal Agreement between Layton City Redevelopment Agency and Davis School District to extend the tax increment collection period and Davis School District participation at 50% contribution January 1, 2020 until December 31, 2029 in the South Main/South Fort Lane Redevelopment Project Area Plan Budget, as submitted. Boardmember Thomas seconded the motion, which passed unanimously.

SOUTH MAIN/SOUTH FORT LANE REDEVELOPMENT PROJECT AREA PLAN BUDGET AMENDMENT PUBLIC HEARING AND BUDGET AMENDMENT – RDA RESOLUTION 20-02

Chair Petro opened the Public Hearing at 5:37 p.m.

Mr. Crowell explained the school district's extension to continue participation in the South Main/South Fort Lane RDA, the budget would need to be amended to accept increment from the school district. He explained the Agency had projected a significant amount of development which would have resulted in more increment than what the Agency actually received. He reported a substantial development has been proposed for that area which would provide increment funding. He explained in addition to the proposed development, needed infrastructure in the area would be completed at South Main with the redevelopment of property in addition to a proposed pedestrian bridge for FrontRunner. He stated without the school district's continued participation the increment wouldn't fund the redevelopment. He reported if development occurred as planned, the City projected the school district would receive approximately $1.2 million in property tax compared to approximately $700,000 without its participation. He pointed out its participation benefitted both the City and the District.

Chad Wilkinson, Community and Economic Development Director, requested Mr. Crowell explain how tax increment worked over time. Mr. Crowell explained the property owner continued to pay property tax as normal; however, its distribution was different in an RDA. He explained the increment was allowed to pay for improvements associated with development which promoted growth in a designated area and stated new growth created the increment.

Mr. Wilkinson pointed out the incremental proportion of the increase was the result of the new development and the majority of the tax increment was recognized from the new growth.

Boardmember Day inquired if there were parameters that identified when funds had to be spent. Mr. Crowell believed the City had one year following the expiration date of the Project Area, to spend or encumber the funds. Mr. Jensen explained how the designation of the Project Area and participation of taxing entities benefitted other businesses in the Project Area via infrastructure improvements and shared an example. Gary Crane, City Attorney, added he wasn't aware of any circumstance in which the funds hadn't been spent or encumbered and expressed his opinion any remaining increment would need to be returned to the taxing entities.

Boardmember Morris asked about the identified $4 million expenditure for affordable housing from the District's continued participation in the RDA. Mr. Crowell responded State Code required 20% of received tax increment toward affordable housing. A discussion took place specific to anticipated development in the Project Area.

Boardmember Thomas requested clarification regarding the proposed pedestrian crossing from the FrontRunner parking lot. Mr. Jensen indicated the property was currently vacant; however, he spoke to possible development in the area and the need for access to FrontRunner.

Chair Petro called for public comment.

Joe Morgan, 537 South 725 East, asked if there was something available to the public which identified how the funds had been expended and how funds were proposed to be expended in the future. Mr. Jensen responded Staff had the data and could compile that. He requested Mr. Morgan's contact information to provide the document.

MOTION: Boardmember Fitzpatrick moved to close the public hearing at 6:02 and adopt RDA Resolution 20-02 approving the South Main/South Fort Lane Redevelopment Project Area Plan Budget Amendment, including amendments to the South Main/South Fort Lane Redevelopment Area Plan Budget, as submitted.

Boardmember Morris seconded the motion. **The motion passed with the following vote: VOTING AYE – Boardmembers Morris, Bloxham, Day, Thomas, and Fitzpatrick. VOTING NO – None.**

The meeting adjourned at 6:03 p.m.

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Kimberly S Read, Secretary