MINUTES OF THE MEETING OF THE REDEVELOPMENT AGENCY OF LAYTON CITY — **NOVEMBER 4, 2021 – 5:33 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, DAVID PRICE, ED FRAZIER, AND SECRETARY, KIM READ**

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

Chair Petro opened the meeting.

MINUTES:

Boardmember Morris moved to approve the minutes of June 17, 2021, RDA (Redevelopment Agency) Meeting , as written. Boardmember Fitzpatrick seconded the motion, which passed unanimously.

AGENDA:

AGREEMENT FOR THE DEVELOPMENT OF LAND BETWEEN THE REDEVELOPMENT AGENCY OF LAYTON CITY AND JL VENTURES, LLC – RDA RESOLUTION 21-04 – APPROXIMATELY 3675 NORTH FAIRFIELD ROAD

Chad Wilkinson, Community and Economic Development Director, introduced Hunter Blake, JL Properties, participating via Zoom. Mr. Wilkinson shared a visual illustration identifying the location of the property and explained the history associated with the parcel. He pointed out the challenges associated with the parcel and stated development had been limited due to the amount of grading needed to develop the site. He reported JL had approached the RDA (Redevelopment Agency) regarding available tools through the EDA (Economic Development Area) specific to development in the East Gate Project Area. He continued to explain it allowed the use of tax increment to assist with infrastructure needs or to remedy impediments associated with development.

He reported JL had requested up-front financial assistance in the amount of approximately $1.7 million to be used for grading. He added the up-front contribution would be reimbursed to the RDA for a period of time and explained it was contingent upon completion of the development as reflected on the conceptual plan; amounting to approximately 500,000 square feet of commercial or light industrial space over the next approximately six years. He shared the submitted concept plan and oriented the Council. He pointed out the two provisions associated with approving the Development Agreement:

1) The funds would be paid back through the development of the property and through the increment generated by the development.
2) Protection for the City (RDA) in the form of a trust deed and promissory note that would designate a portion of the property to be used for collateral for the contribution.

He mentioned there were additional incentives available to JL once the initial reimbursement occurred and reviewed those with the Board. He reported Staff was optimistic this would encourage development in this area and possibly provide additional interest in other properties in the area. He pointed out JL was also investing significant funds associated with the development, as well, and stated Staff recommended approval. He asked if there were any questions and a discussion followed regarding the status of the east gate access for HAFB (Hill Air Force Base) and Mr. Wilkinson anticipated that gate would open sometime next summer.

Mr. Blake provided a brief history and background of JL Ventures and Alex Jensen, Executive Director, also shared a brief history between JL and the City.

Boardmember Day requested some clarification whether the requested funds were considered a $1.7 million loan and Mr. Jensen explained how the tax increment accrued and a discussion took place specific to the grading project.

Boardmember Bloxham requested clarification regarding the trust deed and the property valuation was of similar value as to what the RDA was contributing toward the development. Gary Crane, City Attorney, pointed out the deed secured the note and emphasized the values were definitely compatible. He also clarified the City would be monitoring any additional subordination agreements associated with lending to ensure appropriate equity. He explained this process was typical with up-front funding requests and mentioned their performance would determine the amount of the generated increment and added there was also a penalty associated if the proper amount wasn't recognized and the discussion continued.

Chair Petro stated she had participated in many meetings and reported there was significant interest in these types of buildings and didn't believe there would be a problem leasing the buildings upon completion. Mr. Jensen pointed out the significance for the right type of development in this area and the discussion continued.

Boardmember Fitzpatrick requested clarification regarding some specifics in the 2009 Master Development Plan and Mr. Wilkinson believed this proposal was consistent with what was originally identified in that Plan and a discussion took place regarding other aspects of the original 2009 Plan. Mr. Jensen emphasized the design might change depending on who decides to locate on the parcel and the discussion continued.

Boardmember Bloxham asked if approval of the request could potentially negatively affect future projects due to the amount of the requested funding on behalf of JL. Mr. Wilkinson responded the requested funding was available in fund balance and suggested the generated increment would be significant and continue to increase over time.

MOTION: Boardmember Day moved to approve the Development Agreement with JL Ventures, LLC, as presented, Resolution 21-04. Boardmember Morris seconded the motion. The motion passed with the following vote: **Voting AYE – Boardmembers Fitzpatrick, Thomas, Day, Bloxham and Morris. Voting NO – None.**

UPDATE REGARDING THE LAYTON TRANSIT ORIENTED DEVELOPMENT MASTER PLAN

Mr. Wilkinson shared a draft of a conceptual plan for the parcel designated for the first phase of the Master Plan of the Downtown Area and the TOD (Transit Oriented Development) and clarified the developer's interest in participating with RDA funding. He indicated the City wasn't comfortable with what was proposed by the developer pointing out its inconsistencies with the plan and design of the City's vision of an urban development for the area. He reported the property owner had indicated it was moving forward in working with residents of the Cedarwood Mobile Home Park for relocation.

Mr. Wilkinson informed the Board, the developer had requested RDA funding and Staff believed there was some justification and reviewed some of the infrastructure, including the signaling and intersection, which RDA participation would be appropriate.

Mr. Wilkinson referred to the illustration and identified the location where the City and UTA (Utah Transit Authority) had designated for a parking structure and indicated the City would continue to negotiate with the developer regarding that development.

Boardmember Day stated he didn't recall a hotel was proposed in conjunction with the amount of multi-family and recollected more office space was proposed and Chair Petro expressed agreement. Mr. Wilkinson responded the option of a hotel had always been a possibility; however, he emphasized this proposal didn't meet the City's vision with the mix of office space. A discussion took place regarding the proposal.

CLOSED MEETING:

The Closed Meeting to Discuss Purchase, Exchange, or Lease of Real Property, Including any Form of a Water Right or Water Shares did not take place.

The meeting adjourned at 6 18 p.m.

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Kimberly S Read, Secretary