

SMITHFIELD CITY REDEVELOPMENT AGENCY

JANUARY 9, 2019

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Wednesday, January 9, 2019. Chairman Jeffrey H. Barnes was in the chair.

The following board members were in attendance: Deon Hunsaker, Jamie Anderson, Wade Campbell and Curtis Wall.

Bart Caley was excused.

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

The meeting opened at 8:45 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM DECEMBER 12, 2018

A motion to approve the December 12, 2018 RDA meeting minutes was made by Wade, seconded by Curtis and the vote was unanimous.

Yes Vote: Hunsaker, Anderson, Campbell, Wall

No Vote: None

Absent: Caley

*****WITHDRAWN*** DISCUSSION AND POSSIBLE VOTE ON THE REQUEST BY RIGO CHAPARRO, AGENT FOR CHAPARRO PROPERTIES LLC LOCATED AT 30 SOUTH MAIN TO HAVE THE EXISTING RDA LOAN SUBORDINATED FROM POSITION NUMBER TWO (2) AT THE BANK TO POSITION NUMBER THREE (3) FOR A PERIOD NOT TO EXCEED NINETY (90) DAYS.***WITHDRAWN*****

Chairman Barnes mentioned this item had been withdrawn at the request of the applicant.

Chairman Barnes asked Justin if this item would be on a future agenda? Justin replied the applicant resolved the issue with the bank and this item would not be considered in the future.

PUBLIC HEARING, NO SOONER THAN 7:35 P.M., FOR THE PURPOSE OF DISCUSSING TWO FINANCIAL ASSISTANCE APPLICATIONS BY ALPINE CLEANING & RESTORATION FOR PROJECTS LOCATED AT 177 SOUTH MAIN STREET. PARCEL NUMBER 08-073-0022.

The public hearing was opened at 8:49 P.M.

Jamie asked if the applications were the same as presented at the December 12th board meeting? Craig replied last month there were four applications and this month there are two applications. There was a misunderstanding regarding voting rules and board members abstaining from the

vote last month which led to some confusion. The applicant asked for two of the applications to be reviewed again.

Chairman Barnes stated last month the motion was two votes in favor and one vote against with two board members abstaining. Legal counsel advised in this case three votes were needed to pass the motion.

Quinn Bagley stated he worked for Alpine Cleaning and Restoration.

Quinn mentioned the two applications consisted of redoing the parking lot and replacing the electronic sign by the highway.

Quinn mentioned the electronic sign is used to advertise for Alpine Cleaning as well as the city, local schools, the chamber of commerce and other groups.

Quinn stated carpet cleaning sales have decreased since the sign quit functioning as sales and other information could not be advertised.

Justin mentioned the bids from last month were the same bids submitted this month.

Chairman Barnes stated the confusion from last month was from not properly understanding the rules when board members are in attendance but abstain from a vote.

Craig mentioned in the case of the RDA the State of Utah defines the majority as the number of board members actually present in the meeting.

Marty Spicer mentioned he would like some items clarified as he had come before the board several times in the last year and is confused on some things.

Marty mentioned he read what the purpose of the RDA is on the city website as well as the State of Utah website. The RDA should help long term growth for the community. The RDA should help remove blight and that is specifically listed in the RDA rules of the city.

Marty stated he felt the requests by Alpine Cleaning are maintenance and repair items and do not help the city tax base grow. The school district is helped out when the tax base grows.

Marty mentioned some of his applications had been voted down by the board in the past. The city attorney did some research on appeals and the rules of the RDA do not allow for an appeal.

Marty asked why these applications are being considered again since appeals are not allowed? Justin replied appeals are not allowed. Craig replied the city attorney advised the city an applicant must start over since an appeal is not allowed and that is why another public hearing is being held on the applications.

Marty asked if these applications are considered new requests? Craig stated that is correct.

Marty asked if the applicant must own the parcel? Craig replied the board had stated at a previous board meeting that would be a requirement.

Marty asked Quinn if Alpine Cleaning and Restoration owns the parcel or just the business? Craig asked the board if they were going to let an applicant be questioned directly by someone speaking during a public hearing? Marty replied the property is not owned by Alpine Cleaning & Restoration but by Alpine Property Investments Management LLC which is a technicality.

Chairman Barnes advised Marty to speak to the board not ask questions to the applicant.

Marty stated the board should not consider the applications since Alpine Cleaning and Restoration does not actually own the property.

Marty mentioned the dollars in the RDA need to be preserved. The information presented in past board meetings was wrong. The funds can be allocated for seven more years, they do not have to be spent by June 30th as stated in previous meetings. The board should not rush to spend the money. There is not a current deadline.

Marty asked the board to consider using RDA funds to research the possibility of extending the life of the RDA or to create an entity such as a Commercial Redevelopment Area. Something is needed long term in the city.

Marty mentioned he needs to get a new electronic sign for the theatre building he owns. Technology moves fast. Signs will go out and not be repairable. Repairing or replacing a sign should be the responsibility of the property owner not the RDA.

Marty stated the available funds should be used to help out long term. Ownership of each parcel should be considered. Each application should be reviewed to make sure it qualifies. The purpose of the RDA needs to be considered. Long term growth for the city over the next 20 to 30 years should be considered. Funds in the RDA should be used to research and extend the life of the RDA. Compliance such as building code should be considered. When the use of a building changes new building code requirements are required. Parking needs to be considered. Is there enough room for those attending the BNI meetings to have parking in the Alpine Cleaning parking lot? Building code should be reviewed. These might be petty items to the board but the funds in the RDA need to be protected. Draft copies of all items coming before the board should be readily available to the public for review. Having a draft copy is fine as it can be reviewed and researched before the meeting. Specific questions can be asked if research is done beforehand.

****The public hearing was closed at 9:03 P.M.****

<p>DISCUSSION AND POSSIBLE VOTE ON THE FINANCIAL ASSISTANCE APPLICATIONS BY ALPINE CLEANING & RESTORATION.</p>

Curtis mentioned the city does not pay sales tax so it would be deducted from the bids. The two bids without sales tax total \$43,917.00.

Deon asked how much funding is available? Craig reminded the board approximately \$102,000 has been encumbered for the Old Grist Mill LLC application until the board makes a final determination on the application. Justin stated there is approximately \$98,000 available at this time.

Chairman Barnes asked Quinn if the parking lot is in disrepair? Quinn replied there are several holes, significant asphalt cracking and the lines are non-existent.

Chairman Barnes asked if the entire parking lot would be redone? Quinn stated that is correct.

Curtis mentioned he had seen the parking lot and there are no visible parking stall lines.

Chairman Barnes asked how long the sign had not been functioning? Quinn replied at least two to three years.

Jamie asked if the sign meets the requirements of the city sign ordinance? Curtis replied it would as nothing has changed other than the existing sign has quit working and a new similar sign would be installed.

A motion to approve Application #2, a bid from Top Job Asphalt in the amount of \$7,327.00 for Top Guard Premium Municipal Grade Sealer, Asphalt/Skin Patching and Striping was made by Curtis, seconded by Wade and the motion passed by a vote of 3-1

Yes Vote: Anderson, Campbell, Wall

No Vote: Hunsaker

Absent: Caley

Craig mentioned the lower bid on Application #1 totals \$36,590.00 without sales tax.

Curtis asked if a timeline should have been included on the approval of Application #2? Justin replied other recent approvals have been given one year to complete the project. Chairman Barnes mentioned he felt September 30th was reasonable.

A motion to amend the approval of Application #2, a bid from Top Job Asphalt in the amount of \$7,327.00 for Top Guard Premium Municipal Grade Sealer, Asphalt/Skin Patching and Striping adding a project completion deadline of no later than September 30, 2019 was made by Curtis, seconded by Wade and the motion was unanimous.

Yes Vote: Hunsaker, Anderson, Campbell, Wall

No Vote: None

Absent: Caley

Curtis asked Quinn what a reasonable timeline was on the replacement of the sign? Quinn stated if the application is approved the sign would be ordered the following day. Quinn felt three to four months would be reasonable.

Curtis stated he felt the sign offers service to the community. Local schools, the Smithfield Chamber of Commerce, the city and others can advertise events and happenings on the sign. A lot of people from the city and outside of the city read the sign. People noticed when it went out. The sign helps advertise events for the entire community.

A motion to approve Application #1, a bid from Allied Electric Sign for the replacement and installation of a new electronic sign in the amount of \$36,590.00 with a project completion deadline of no later than September 30, 2019 was made by Curtis, seconded by Wade and the motion passed by a vote of 3-1.

Yes Vote: Anderson, Campbell, Wall

No Vote: Hunsaker

Absent: Caley

Deon informed the board about the following information he gathered on the RDA since the last board meeting.

The RDA plan was adopted in 1993.

The RDA plan was amended in 1994.

The property tax increment was first collected in 1995. The first increment was in the amount of \$74,736.53.

Last year the tax increment was \$254,726.86.

The amount of increment received in 2019 has yet to be determined but should be around \$260,000.

The increment is collected and remitted to the city based on the tax year not the fiscal year. Property tax collected in 2019 will not be remitted to the RDA until the spring of 2020.

The increment received by the RDA in 2020 should be around \$270,000.

The Cache County Clerk's Office supplied this information.

The property tax increment has been collected for 23 years and this spring, 2019, will be year 24 and next year, 2020, will be the last year, year 25.

The board has five years after next year to allocate the funds to projects.

Craig asked Deon to supply him a copy of the information he presented as the RDA documents the staff have show this year as the last year of the RDA.

Deon mentioned if the RDA was not in existence an additional \$31,838.67 would have come to the city general fund in the form of property tax as that is the amount the city gave up to the RDA for the fiscal year. The school district gave up approximately \$140,000 to the RDA.

Deon stated the reason there has been confusion is because the property tax increment is based on the tax year not the fiscal year like the city operates on.

Marty Spicer asked if he could give the board an update on his current project.

Marty informed the board the heating and air conditioning units have been installed. The invoices for the work have been provided to the city staff and the building inspection reports were mailed to the staff as well.

The grease trap is currently sitting at Old Castle Precast waiting to be picked up.

Marty asked the board for an additional thirty days to complete his project. The hole for the grease trap has been dug.

The concrete ADA ramp has not been installed because of the workload of those working on the project. The project can be completed within thirty days. Due to the cold weather there was a concern about frost ruining the new concrete.

Chairman Barnes asked if those were the only remaining projects which needed to be completed on the approved project? Marty replied the interior ramp cannot be completed at this time because of some design changes.

Justin informed the board he received three invoices for the heating and air conditioning units. Once the inspection reports have been submitted showing each unit has passed all of the requirements. The invoices will be paid.

Chairman Barnes asked Marty if his request was to extend the project completion deadline by thirty days to finish the grease trap and concrete ramp?

Jamie asked what the process is since the request is not on the agenda? Justin replied the board cannot vote on the request since it is not an agenda item. Craig mentioned any decision made by the board would not be binding since the request is not an agenda item.

Jamie stated he has concern granting the request because of legal reasons. Craig replied the board must be consistent; if they grant this request then they need to grant all future requests of the same type. Jamie concurred.

Curtis asked when the deadline is on the project? Craig replied January 10th.

Wade stated since the deadline has come Marty should reapply for the projects which have not been completed.

Wade agreed with Jamie's comments and did not want to have legal issues or set a bad precedent for the future. Curtis concurred and mentioned it would be best to reapply so the original deadline has been abided by.

Marty stated he would reapply for those projects in February. Craig informed Marty the next RDA board meeting will be on February 27th. Justin stated the application deadline is February 20th at 5:00 P.M.

Marty asked the board to consider having another RDA meeting after the January 23rd city council meeting. Jamie replied he was not opposed to having another RDA meeting in two weeks as he did not like having the hole where the grease trap will go open any longer than needed.

The board agreed to hold an additional January board meeting on January 23rd.

Justin informed Marty the application deadline is Wednesday, January 16th at 5:00 P.M.

****A motion to adjourn at 9:35 P.M. was made by Curtis.****

**SMITHFIELD CITY CENTRAL BUSINESS
DISTRICT REDEVELOPMENT AGENCY**

Jeffrey H. Barnes, 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 scheduled meeting at 96 South Main, Smithfield, Utah on Wednesday, **January 9, 2019**. The meeting will begin no sooner than 7:30 P.M.

1. Approval of the RDA meeting minutes from December 12, 2018.
2. Discussion and possible vote on the request by Rigo Chaparro, agent for Chaparro Properties LLC located at 30 South Main to have the existing RDA loan subordinated from position number two (2) at the bank to position number three (3) for a period not to exceed ninety (90) days.
3. Public Hearing, no sooner than 7:35 P.M., for the purpose of discussing two financial assistance applications by Alpine Cleaning & Restoration for projects located at 177 South Main Street. Parcel Number 08-073-0022.
4. Discussion and possible vote on the financial assistance applications by Alpine Cleaning & Restoration.

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.