

SMITHFIELD CITY REDEVELOPMENT AGENCY

JANUARY 11, 2017

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Wednesday, January 11, 2017. Chairman Darrell G. Simmons was in the chair.

The following board members were in attendance: Deon Hunsaker, Barbara Kent, Kris Monson, Jeff Barnes and Curtis Wall.

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

The meeting opened at 8:12 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM NOVEMBER 9, 2016

A motion to approve the November 9, 2016 RDA meeting minutes was made by Barbara, seconded by Kris and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

CONTINUED DISCUSSION AND POSSIBLE VOTE ON THE LOAN REQUEST BY DOODLEBUG ACADEMY, LLC.

This item was cancelled.

PUBLIC HEARING ON THE SECOND REQUEST BY BRUCE LEISHMAN FOR FINANCIAL ASSISTANCE ON AN INFRASTRUCTURE PROJECT AT APPROXIMATELY 84 SOUTH MAIN.

Bruce Leishman informed the council he received approval from UDOT (Utah Department of Transportation) to cut into the highway to tie into the water and sewer service but the time period had lapsed. Right now cutting into the highway is not allowed as the highway is part of a UDOT moratorium which does not allow cutting into this particular road.

Chairman Simmons mentioned the highway is owned and maintained by UDOT. The road had been resurfaced in 2015 and typically UDOT issues a moratorium on new cuts into the road for two years. Bruce mentioned he was told the moratorium expires in July 2017.

Bruce informed the board he was applying for a second grant for his project. The new grant request is for curb and gutter, sidewalk, the approach area as well as the patio area between the buildings. The intent is to have a courtyard area between the city office building and Bruce's new building. The bid for the project from Edge Excavation totaled \$23,130 and the bid from Terry Bingham Construction, Inc. totaled \$19,680.

****The public hearing opened at 8:16 P.M.****

There were not any comments or input from the public.

****The public hearing closed at 8:17 P.M.****

DISCUSSION AND POSSIBLE VOTE ON THE FINANCIAL ASSISTANCE REQUEST BY BRUCE LEISHMAN.
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Deon asked if UDOT had approved a new access point onto the highway? Bruce stated that was correct.

Chairman Simmons asked if this project would ever be completed as it had been discussed for well over a year and probably closer to two years but no action had been taken to start the project. Bruce stated the project would be completed. Kris asked for a timeline. Bruce said he did not know because of the UDOT moratorium.

Chairman Simmons mentioned this is the second request by Bruce for funding of the same project. The concern of the board is tying up funding on a project that might never happen versus approving funding for a project that is ready to go. Bruce responded at this time he cannot start the project until July because of the moratorium placed by UDOT on the highway.

Chairman Simmons asked if the project is ready to start when UDOT allows the work in the roadway to be completed? Bruce stated that was correct.

Barbara asked Bruce if prior approval by UDOT to cut the road was a mistake on UDOT's part? Bruce stated that was correct.

Barbara asked if there are any other delays from starting the project other than UDOT? Bruce stated the only delay on the project is by UDOT.

Chairman Simmons asked Bruce if he felt the bids he received would still be valid in July? Bruce stated he was not sure but both contactors were reputable and almost the same cost.

Jeff asked how much was previously approved by the board? Justin stated \$39,000.

Barbara mentioned maybe it would be best to table this request until the project started. Bruce asked why? Barbara responded because the project has been all talk to this point with no action and by delaying the vote that would help to incentivize Bruce to start the project sooner than later.

Bruce informed the board he was not sure if he could start the project on July 1st or if it would be later in the month as UDOT had not responded to his request for clarification on this question.

Chairman Simmons expressed concern for tying up funds on a project that has not started as the life of the RDA is getting close to expiring. Craig mentioned the RDA will expire in late 2018 or early 2019.

A motion to approve the grant for curb and gutter, sidewalk, approach and courtyard area infrastructure work in the amount of \$19,680 for the Bruce Leishman building project located at approximately 84 South Main was made by Curtis, seconded by Jeff and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

DISCUSSION AND POSSIBLE VOTE ON THE SELLING OF PARCEL NUMBER 08-069-0010, LOCATED AT APPROXIMATELY 72 NORTH MAIN.

Justin informed the board an offer to purchase the property owned by the RDA at approximately 72 North Main had been received. There was a house on the property when the RDA purchased the parcel over a decade ago. The RDA had removed the house and the lot had been vacant since that time. Jaci Bennett had made a written offer of \$70,000 for the parcel. The parcel is between 0.30 and 0.40 acres. Currently, the eastern boundary is not straight and as part of the purchase agreement Jaci would like the eastern boundary line to be straightened. A realtor had been contacted to determine a fair sale price and the realtor stated \$70,000 was a fair price for both parties. The intent would be to have the legal counsel of the city write up a right-of-way agreement so Jaci would have long term access to the parcel from 100 North. The parcel would be accessed on the west side of the Civic Center. Jaci would like to purchase the parcel and build a 3,900 square foot building on it to operate her daycare and childcare business.

Chairman Simmons asked how long the RDA had owned the property? Justin stated since approximately 2006. Chairman Simmons mentioned the parcel had been for sale for many years.

Lloyd Meyer informed the board he owns the parcel to the south of this parcel where Callaway's Bistro is located. Lloyd owns the fence on the north side of his property. A right-of-way or access would not be granted to the buyer of the parcel by Lloyd.

Lloyd stated he had an interest in purchasing the parcel for the last two to three years as he wanted to make the area a parking lot.

Lloyd stated he had been told the area would be a park and the area along the creek bed needed to be cleaned up.

Lloyd stated the parcel is in a flood plain and any buyer will have to deal with those rules and regulations.

Lloyd mentioned former City Manager Jim Gass told him the parcel was almost impossible to build on because of the creek and how small the parcel is in size.

Lloyd informed the board he would like to purchase the parcel and turn it into a parking lot as Callaway's Bistro needs additional parking.

Justin mentioned he had not visited with Lloyd about this parcel for over a year and Jim Gass has been retired for over two years. No recent conversations with Lloyd have taken place regarding the selling of this parcel to him or anyone else by any staff member.

Jaci Bennett informed the board she had done some research and the parcel was removed from the flood plain designation two years ago. The building had to be at least thirty feet from the creek and all of the parking would be on the north end of the parcel. There would not be any access to the river if Jaci purchased the parcel. The north, south and west sides of the parcel would have a six foot privacy fence installed.

Jaci mentioned in regards to parking concerns her hours of operation are during the day and the activities at the Civic Center are mainly at night so there would not be any parking issues or conflicts with those using the Civic Center.

Jaci informed the board the county building inspection department does not require a parking lot as they only require a drop off zone area. City ordinance would require three regular parking stalls and one ADA parking stall to be installed.

Lloyd mentioned again he was not willing to give up access to this parcel through his parcel.

Lloyd stated Jim Gass had told him many times the parcel could not be built on because of the river. Jaci responded she had talked to Jim Gass as well and was informed she could build on the parcel.

Jeff asked how close the fence would be to the river? Jaci stated as close as the building inspector would allow.

Jeff mentioned in the event of the creek overflowing the fence could be damaged and ruined. Jaci remarked she was working with her builder on a drain system in case the river does exceed the bank.

Jeff stated Lloyd was aware the parcel had been for sale for many years and had never made a formal offer or submitted an application to purchase the parcel. Lloyd responded by stating he was told in the past he would be notified when the parcel was going to be sold. Jeff stated a formal application or offer to buy the parcel from Lloyd had never been received by the board or a staff member.

Barbara asked Lloyd if he wanted to buy the parcel? Lloyd stated that was correct.

Chairman Simmons mentioned this was a hard situation where the parcel had been for sale for many years and a formal offer had been made by Jaci Bennett and only during this meeting had Lloyd come forward stating he wanted to purchase the parcel now as well.

Kris mentioned she recalled Jim Gass stating several years before the parcel could not be built on but things change and in this case Jaci was now able to build on the parcel from the research she had done.

Curtis asked if the new building would be one level? Jaci stated that was correct.

Curtis asked who would be in charge of snow removal? Craig replied the city would own the area where Jaci accesses her building but it would be a very low priority level for the city staff to push this area. Snow removal would need to be worked out by both parties.

Jeff asked if the right-of-way should allow customers accessing Jaci's business to loop around the area and exit the area through the east parking lot at the Civic Center? Craig concurred with Jeff's suggestion to loop the access. Jaci stated she would like the loop as well.

Curtis asked how many children would come to the school? Jaci remarked the building would allow for up to 82 students but she wanted to be right around 45. The focus of the school is to have small individual classrooms for each age group. Before and after school programs would be a big focus. The location of the building is close to Summit Elementary. A crosswalk with a light is nearby to help the children safely cross the highway. Each group of students would have two aides helping them. A tutor would be available in the afternoon to help with homework as well. The goal was to help kids have a place they would go after school, get their homework done and have an afternoon snack until their parents get home from work later in the day.

Barbara asked if Jaci would have a van to haul the children around? Jaci stated the intent is to purchase a 12 passenger van to haul the kids around and the van would be parked in one of the three required parking stalls.

Jeff asked where the employees would park? Jaci mentioned she has visited with the city staff and was hopeful the board would allow the employees to park in the east parking lot of the Civic Center. There would be around eight employees per shift. Justin stated the intent was to allow Jaci's employees to utilize the east parking lot during the day since the Civic Center is seldom used during the day. This would allow parents to utilize the existing parking stalls by Jaci's building as they drop off and pick up their children.

Mayor Simmons mentioned Jaci had offered \$70,000 for the parcel and this parcel was a hard one to put a value on because of the size, closeness to the river and lack of access. Jaci mentioned she talked to the county and if she puts a building on the parcel the property tax will be over \$5,000 per year. Right now, there is not property tax paid on the parcel since it is vacant and owned by the RDA.

Jaci informed the board she had been in this field for over 16 years and has a two year waiting list for students and is currently turning students away because she does not have enough room.

Jaci mentioned she will be working with some non-profit groups to offer different programs and will have opportunities for low income families as well. Speech therapy and autism help could also be offered.

Chairman Simmons mentioned Jaci's business plan was well thought out. Jaci stated she has been working on this current plan for eight years to get to the point of being ready to build a building.

Lloyd mentioned he was told previously the intent of the city was to buy the parcel, remove the home and develop access to the Civic Center from the highway. The parcel is not big enough to build a building on that would be any good.

Lloyd informed the board he was told by Jim Gass the creek would need to be landscaped as well.

Lloyd mentioned he would like to see the parcel landscaped and turned into a Veteran's park if he is not allowed to purchase the parcel.

A motion to approve the sale of Parcel Number 08-069-0010 located at approximately 72 North Main to Jaci Bennett at a sale price of \$70,000 with the eastern boundary being straightened out before the parcel was sold was made by Curtis, seconded by Deon and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

Jaci mentioned she wanted to be a good neighbor to Lloyd and those in the area and would work with them as best she could.

PUBLIC HEARING ON THE GRANT REQUEST BY JACI BENNETT FOR PROPERTY AND INFRASTRUCTURE ASSISTANCE LOCATED AT APPROXIMATELY 72 NORTH MAIN.

Justin informed the board Jaci had submitted a request for a grant in the amount of \$101,500. The grant was for \$70,000 for the acquisition of the land and infrastructure, \$10,000 for a six foot white vinyl privacy fence on the north, south and west sides of the parcel and \$21,500 for a parking lot.

The cost of the building was approximately \$599,000 and Jaci would be putting in \$40,000 of her own funds.

Lewiston State Bank had been able to obtain approval for an SBA loan for the project.

Lewiston State Bank confirmed to the city staff the project was approved if the grant request was approved by the RDA board.

The county building inspection department had been contacted and did not have any concerns with a building being built on the parcel.

Jaci would be responsible for the cost of the survey to have the eastern boundary line extended as well as the cost of the right-of-way agreement.

Kris expressed concern for a white vinyl privacy fence being installed on the highway. Jaci stated the fence is being installed for safety purposes and she was open to any and all suggestions of what the board would like to see in regards to a fence on the parcel. Curtis mentioned a picket fence would look nice. Justin mentioned the total length of the fence on the three sides was around 400 feet.

Kris asked Jaci if she was asking for a grant for the entire cost of the parking lot or just part of it? Jaci stated she was asking for the RDA to fund the full cost of the parking lot. The request for the entire amount was because building code does not require a parking lot but city ordinance does. Building code only requires a drop off area. Chairman Simmons mentioned parking is needed whether the code requires one or not. Barbara mentioned parking is needed as some parents will want to come into the building. Curtis mentioned the Edith Bowen School in Logan only has a drop off area and does not have a parking lot.

Curtis mentioned he did not have a problem with the board approving the parking lot request as part of the grant as it was a city requirement. Jeff concurred.

****The public hearing opened at 9:09 P.M.****

There were not any comments from the public.

****The public hearing closed at 9:10 P.M.****

DISCUSSION AND POSSIBLE VOTE ON THE GRANT REQUEST BY JACI BENNETT.

Justin informed the board Jaci had a city business license for many years and no complaints or issues had been made with the city.

Jaci informed the board she currently operates the business out of her home on 200 South 800 West and used to have a morning and afternoon class with around 14 to 16 kids per class. Jaci had cut back to one class after the birth of her child. The new building will hold 85 people at capacity but the intent is to have no more than 40 to 45 in the building at a time.

Barbara asked Jaci if another RDA request by a similar type business would affect her business? Jaci said she was aware of the request and felt both businesses would serve different groups of people.

Jaci stated her focus is on before and after school programs, making sure kids gets enough meals per day and offering programs to low income families.

Jaci mentioned she has eight years of daycare experience and eight years of preschool experience.

Barbara asked if the request was all for a grant or if any of it was a loan? Justin stated the request is only for a grant. Curtis stated the request is for a grant in the amount of \$101,500.

Jaci mentioned each child needs about 35 square feet of space in the building so her intent is to only have 40 to 45 kids at the school at any given time.

Jaci mentioned her current business plan has her and a supervisor roaming between classes and two aides in each class all the time.

Jeff asked where the water, sewer and other utility services would be run from? Jaci remarked she was not sure as she had left that for her contractor to determine as part of the bid process. Craig mentioned he would have expected the utilities to the old home would have come from the highway but he was not sure. Lloyd Meyer mentioned he thought the sewer line to the old home tied into the line that connects to the Callaway's Bistro building.

Chairman Simmons asked if the county had reviewed the utilities on the parcel? Craig stated the county does not get involved with utility locations. The city engineer handles the location of water, sewer and storm water services.

Chairman Simmons mentioned requests like this are what the RDA was created for. Jaci stated the city will see an added benefit of about \$5,600 per year in property tax from the new building according to the information provided to her by the county.

Justin informed the board if the request is granted there are still many other items that need to be completed. The survey needs to be completed and finalized. The right-of-way agreement needs to be drafted and approved by the city and Jaci. The building permit process would then start and be reviewed.

Chairman Simmons asked Jaci if she had locked in an interest rate with the bank? Jaci stated she could not finalize her agreement with Lewiston State Bank until the bank knew if the RDA application was approved or denied.

A motion to approve the grant request by Jaci Bennett in the amount of \$101,500 for property acquisition, infrastructure work for a parking lot and a fence on the north, south and west sides was made by Curtis, seconded by Jeff and the motion passed by a vote of 4-1.

Yes Vote: Kent, Monson, Barnes, Wall

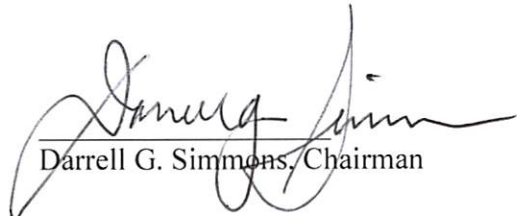
No Vote: Hunsaker

BOARD MEMBER REPORTS

The board did not have any additional items to discuss.

A motion to adjourn at 9:24 P.M. was made by Kris.

**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, **January 11, 2017**. The meeting will begin no sooner than 8:00 P.M.

1. Approval of the RDA meeting minutes from November 9, 2016.
2. Continued discussion and possible vote on the loan request by Doodlebug Academy, LLC.
3. Public Hearing on the second request by Bruce Leishman for financial assistance on an infrastructure project at approximately 84 South Main.
4. Discussion and possible vote on the financial assistance request by Bruce Leishman.
5. Discussion and possible vote on the selling of Parcel Number 08-069-0010, located at approximately 72 North Main.
6. Public Hearing on the grant request by Jaci Bennett for property and infrastructure assistance located at approximately 72 North Main.
7. Discussion and possible vote on the grant request by Jaci Bennett.
8. 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.