

Eagle Mountain City Redevelopment Agency Minutes 2018

Dates of RDA Meetings:

- April 3, 2018
- May 1, 2018
- May 15, 2018



EAGLE MOUNTAIN REDEVELOPMENT AGENCY MEETING MINUTES

April 3, 2018

Eagle Mountain City Council Chambers
1650 East Stagecoach Run, Eagle Mountain, Utah 84005

SPECIAL REDEVELOPMENT AGENCY MEETING – CITY COUNCIL CHAMBERS

BOARD MEMBERS PRESENT: Board Chair Tom Westmoreland, Board Members Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. Board Member Donna Burnham participated by telephone.

1. CALL TO ORDER – The City Council convened as the Board of Directors of the Eagle Mountain City Redevelopment Agency at 10:09 p.m.
2. MINUTES
 - A. May 16, 2017 – Regular Meeting

MOTION: *Board Member Gricius moved to approve the May 16, 2017 minutes. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

3. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City Appointing Officers to Serve in the Redevelopment Agency of Eagle Mountain City.

MOTION: *Board Member Curtis moved to adopt a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, appointing and electing officers to serve in the Redevelopment Agency of Eagle Mountain City, with Tom Westmoreland serving as Chair and Stephanie Gricius serving as Vice-Chair. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

4. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Designating a Survey Area Known as the Sweetwater Industrial Park Survey Area #1, and Authorizing Agency Staff, Consultants and Legal Counsel to Prepare a Proposed Community Reinvestment Project Area Plan, and Accompanying Project Area Budget for a Proposed Community Reinvestment Area within the Survey Area.

Executive Director Aaron Sanborn stated the proposed resolution gave the agency staff, consultants and legal counsel authorization to prepare a plan and budget for the project area.

MOTION: *Board Member Clark moved to adopt a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, designating a survey area known as the Sweetwater Industrial Park Survey Area #1, and authorizing agency staff, consultants and legal counsel to prepare a proposed Community Reinvestment Project Area Plan, and accompanying Project Area Budget for a proposed Community Reinvestment Area within the Survey Area. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

5. ADJOURNMENT

MOTION: *Board Member Gricius moved to adjourn the meeting at 10:15 p.m. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

Approved by the Redevelopment Agency Board on May 1, 2018.



Aaron Sanborn, Executive Director



EAGLE MOUNTAIN REDEVELOPMENT AGENCY MEETING MINUTES

May 1, 2018

Eagle Mountain City Council Chambers
1650 East Stagecoach Run, Eagle Mountain, Utah 84005

REDEVELOPMENT AGENCY MEETING – CITY COUNCIL CHAMBERS

OFFICIALS PRESENT: Board Chair Tom Westmoreland, Board Members Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves.

STAFF PRESENT: Ifo Pili, City Administrator; Paul Jerome, Assistant City Administrator/Finance Director; Fionnuala Kofoed, City Recorder; Melanie Lahman, Chief Deputy City Recorder; Aaron Sanborn, Economic Development Manager; Linda Peterson, Communications and Community Relations Director.

1. **CALL TO ORDER** – The City Council convened as the Board of Directors of the Eagle Mountain City Redevelopment Agency at 1:13 a.m. on May 2, 2018.
2. **MINUTES**
 - A. April 3, 2018 – Special Meeting

MOTION: *Board Member Burnham moved to approve the April 3, 2018 minutes. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

3. **RESOLUTION** – Consideration of a Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Tentative Budget for Fiscal Year 2018-2019 and Setting a Public Hearing for Adoption of the Final Budget.

Section 17C-1-601 of the Utah Code Annotated states the Redevelopment Agency must review and tentatively adopt a budget for fiscal year 2018-2019 and establish the time and place for a public hearing before the final budget is adopted.

MOTION: *Board Member Burnham moved to adopt a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, adopting the tentative budget for fiscal year 2018-2019 and setting a public hearing for adoption of the final budget on May 15, 2018. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius, Benjamin Reaves and Tom Westmoreland. The motion passed with a unanimous vote.*

4. **ADJOURNMENT**

MOTION: *Board Member Burnham moved to adjourn the meeting at 1:16 p.m. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham,*

Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.

Approved by the Redevelopment Agency Board on May 15, 2018.



Aaron Sanborn, Executive Director



EAGLE MOUNTAIN REDEVELOPMENT AGENCY MEETING MINUTES

May 15, 2018
Eagle Mountain City Council Chambers
1650 East Stagecoach Run, Eagle Mountain, Utah 84005

4:00 P.M. WORK SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Board Chair Tom Westmoreland, Board Members Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves.

CITY STAFF PRESENT: Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer/Assistant Finance Director; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Chief Deputy City Recorder; Aaron Sanborn, Economic Development Director; Linda Peterson, Communications and Community Relations Director; Evan Berrett, Management Analyst; Steve Mumford, Community Development Director; Mike Hadley, Planning Manager; Tayler Jensen, City Planner; Chris Trusty, City Engineer; Mack Straw, Public Utilities Manager; Zac Hilton, Streets and Storm Drain Manager; Jeff Weber, Facilities/Operations Director; Ross Fowlks, Fire Chief.

Mayor Westmoreland called the meeting to order at 4:10 p.m.

RDA MEETING AGENDA REVIEW

3. ORDINANCE – An Ordinance of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Fiscal Year 2018-2019 Budget.

City Treasurer David Mortensen stated there were no changes to the proposed budget since the previous Redevelopment Agency Board meeting. This was not an action item. The budget will be adopted on June 19.

4. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan.

Mr. Sanborn stated a Redevelopment Agency project was governed by a Project Area Plan and a Project Area Budget. The parcel of land involved in the proposed data center project was generating a total of \$66 in annual property tax revenue for all taxing entities. If developed under this plan and budget, the property would generate significant revenue, in addition to infrastructure improvements. The company committed to install more infrastructure than needed for its own project to facilitate other development in the area. While data centers bring in few direct full-time jobs, they generate a lot of revenue, provide an excellent opportunity for other businesses to follow and require relatively small amounts of municipal services.

5. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Budget as the Official Project Area Budget.

Mr. Sanborn noted this item had the same background as the previous item.

6. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.

Mr. Sanborn stated this agreement was the document that permitted the Redevelopment Agency to receive property tax from each of the taxing entities. There were some changes that were made in the agreement to comply with State law and to clarify certain issues.

1. The agreements sent to Unified Fire Authority and Alpine School District had language that should have been removed regarding the financial definition of a phase. Mr. Sanborn asked that the RDA Board authorize staff to work with those entities to correct the agreements.
2. The water district agreement referred to changes in its other interlocal agreement with the City. The district requested those changes be removed from this agreement and added to the other. Its agreement also limited the tax increment to \$4.8M. Staff requested that that be removed.

City Attorney Jeremy Cook stated items 7 – 10 were substantially the same, except for the entity with which the agreement was being made.

7. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Utah County for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.
8. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Alpine School District for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.
9. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Central Utah Water Conservancy District for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.
10. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Unified Fire Service Area for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.

11. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Authorizing the Chair of the Redevelopment Agency to Enter Into and Execute a Participation Agreement with Stadion, LLC in the Sweetwater Industrial Park Community Reinvestment Project Area #1. The Participation Agreement Sets Forth the Conditions of Reimbursement to Stadion, LLC for Certain Costs Involved in Developments in the Project Area; and Providing for an Effective Date.

Mr. Sanborn stated this was the agreement that authorized the Redevelopment Agency to transfer any incentives to the company according to the terms of the project area budget and the timing of those incentives.

7:00 P.M. POLICY SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Board Chair Tom Westmoreland, Board Members Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer/Assistant Finance Director; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Chief Deputy City Recorder; Aaron Sanborn, Economic Development Director; Linda Peterson, Communications and Community Relations Director; Evan Berrett, Management Analyst; Steve Mumford, Community Development Director; Mike Hadley, Planning Manager; Tayler Jensen, City Planner; Chris Trusty, City Engineer; Ross Fowlks, Fire Chief.

1. CALL TO ORDER

The Redevelopment Agency Board meeting was convened at 7:03 p.m.

2. MINUTES

A. May 1, 2018 – Regular Meeting

MOTION: *Board Member Burnham moved to approve the May 1, 2018 Redevelopment Agency meeting minutes. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

PUBLIC HEARING

3. **ORDINANCE** – An Ordinance of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Fiscal Year 2018-2019 Budget. *****This is not an action item*****

City Treasurer David Mortensen said the budget involves currently existing project areas of 2012-1 Economic Development Area (EDA) and the Parkside Community Development Area (CDA). The expenditures for the EDA are proposed at \$38,825, and Parkside CDA at \$18,413. Five percent is an administrative fee retained by the RDA for expenses such as attorney fees and consultants.

Board Chair Westmoreland opened the public hearing at 7:05 p.m. As there were no comments, he closed the hearing.

PUBLIC HEARING

4. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan.

Executive Director Aaron Sanborn introduced Laura Lewis from Lewis Young Robertson & Burningham. Ms. Lewis stated the purpose of a community redevelopment area is to encourage community enhancement and assistance for economic development purposes. Tax increment is the difference between the amount of property tax revenues generated each tax year by all taxing entities from the project area using the current assessed value of the property, and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property. The property in question is currently classified as greenbelt and is collecting relatively no tax revenue for the taxing entities. Once developed, the annual tax revenue is estimated to be more than \$1.1 million. The company has agreed to install the needed infrastructure to develop the property, while sharing in the taxes. The requested participation from the taxing entities is 80% for real property and 100% for personal property. Once the tax increment incentive expires, the taxing entities will receive 100% of the tax revenue. Every taxing entity will provide a portion of their tax revenue to the incentive package, and all entities must approve the plan.

Ms. Lewis explained this project will bring taxable value to the City in additional businesses, increased tax base, and job creation. She stated other cities in Utah utilize this incentive tool and have had great success in community development. Communities that do not utilize this tool are essentially left behind in community development.

Ms. Lewis said the data center will be 900,000 square feet with a construction cost of \$256 per square foot; the office space will be 70,000 square feet with a construction cost of \$154 per square foot. The building value is \$219 million, the land value is \$134 million, and the personal property value is \$373 million. The project is estimated to be completed by 2021. Once completed, the annual tax revenue will go from \$66 to \$837,000; over twenty years; the total revenue is \$16 million. The portion of the tax revenue going towards the project entity will total \$6.666 million, annually.

Under State law, community redevelopment areas must retain ten percent of the funds for affordable housing. No decisions have been made on how to utilize those funds at this time.

Board Member Curtis clarified with Ms. Lewis that the City would not receive any tax revenue over \$66 annually if this project is not developed. The City is not paying the developer to build the project. He stated rather than an 80/20 split, the agreement will actually be 70/30, as ten percent will go towards affordable housing in the City.

Board Chair Westmoreland opened the public hearing at 7:28 p.m.

Heath Johnson stated there are water problems in the area, and asked if the project would affect the airport near the project. He asked if east/west corridors will be developed, and how much lighting will be produced from the project. Community Development Director Steve Mumford explained that the airstrip was taken out of commission by the owner, and is no longer approved by the FAA. Board Chair Westmoreland said the City has purchased a significant amount of allocation from the Central Utah Water Project. He said traffic is not anticipated to be increased with the data center, and lighting will meet the dark sky ordinance.

Dean Kesser asked if the project will reduce overall taxes. Board Chair Westmoreland said it is more likely that residents would see additional services and amenities.

Board Member Curtis said the developer will be installing over \$100 million in infrastructure, and these improvements will benefit City residents.

Board Chair Westmoreland closed the public hearing at 7:35 p.m.

MOTION: *Board Member Gricius moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving the draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

PUBLIC HEARING

5. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Budget as the Official Project Area Budget.

Mr. Sanborn noted the company will be installing \$100 million in infrastructure. This is a significant investment for the community.

Board Chair Westmoreland opened the public hearing at 7:38 p.m. As there were no comments, he closed the hearing.

MOTION: *Board Member Burnham moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving the draft Sweetwater Industrial Park Community Reinvestment Project Area #1 budget as the Official Project Area Budget. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

6. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.

Mr. Sanborn stated items six through ten are identical. They are interlocal agreements between the Eagle Mountain Redevelopment Agency and the taxing entities. As the Redevelopment Agency is not a taxing entity, it cannot tax property. In order for the RDA to provide the planned budget, the funds come from taxing entities through the interlocal agreements. The terms state 100% of the personal property tax and 80% of the real property tax for twenty years are included in the agreement. The agreements have a forty-year cap in order to comply with State statute. Language was added in Section 8 that requires any additional phases to come back to the RDA Board for approval for an amended RDA plan and budget. Alpine School District and Unified Fire District requested language in the agreements that limits the valuation of a phase to be between \$750 and \$1 billion. Mr. Sanborn requested the RDA Board allow staff to work with those entities to remove that valuation language. The Central Utah Water Conservancy District added language setting a cap on the tax increment amount allowed to be

passed to the company. This raised concerns with the company that construction or computer hardware costs may increase, requiring the company to invest more in those areas. Mr. Sanborn requested that language be removed, as well.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1, and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

7. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Utah County for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Utah County for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Burnham seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

8. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Alpine School District for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Alpine School District for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

9. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Central Utah Water Conservancy District for the Collection and Remittance of

Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Central Utah Water Conservancy District for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Reaves seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

10. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Unified Fire Service Area for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Unified Fire Service Area for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

11. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Authorizing the Chair of the Redevelopment Agency to Enter Into and Execute a Participation Agreement with Stadion, LLC in the Sweetwater Industrial Park Community Reinvestment Project Area #1. The Participation Agreement Sets forth the Conditions of Reimbursement to Stadion, LLC for Certain Costs Involved in Developments in the Project Area; and Providing for an Effective Date.

Mr. Sanborn explained this agreement allows the RDA to carry out the plan set forth in the budget.

MOTION: *Board Member Burnham moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, authorizing the Chair of the Redevelopment Agency to enter into and execute a participation agreement with Stadion, LLC in the Sweetwater Industrial Park Community Reinvestment Project Area #1. The participation agreement sets forth the conditions of reimbursement to Stadion, LLC for certain costs involved in developments in the project area; and providing for an effective date. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

12. ADJOURNMENT

MOTION: *Board Member Gricius moved to adjourn the Redevelopment Agency Board meeting and reconvene the City Council meeting. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

Approved by the Redevelopment Agency Board on May 7, 2019.

A handwritten signature in black ink, appearing to read "Aaron Sanborn", is written over a horizontal line.

Aaron Sanborn
Executive Director



EAGLE MOUNTAIN REDEVELOPMENT AGENCY MEETING MINUTES

May 15, 2018
Eagle Mountain City Council Chambers
1650 East Stagecoach Run, Eagle Mountain, Utah 84005

4:00 P.M. WORK SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Board Chair Tom Westmoreland, Board Members Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves.

CITY STAFF PRESENT: Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer/Assistant Finance Director; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Chief Deputy City Recorder; Aaron Sanborn, Economic Development Director; Linda Peterson, Communications and Community Relations Director; Evan Berrett, Management Analyst; Steve Mumford, Community Development Director; Mike Hadley, Planning Manager; Tayler Jensen, City Planner; Chris Trusty, City Engineer; Mack Straw, Public Utilities Manager; Zac Hilton, Streets and Storm Drain Manager; Jeff Weber, Facilities/Operations Director; Ross Fowlks, Fire Chief.

Mayor Westmoreland called the meeting to order at 4:10 p.m.

RDA MEETING AGENDA REVIEW

3. ORDINANCE – An Ordinance of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Fiscal Year 2018-2019 Budget.

City Treasurer David Mortensen stated there were no changes to the proposed budget since the previous Redevelopment Agency Board meeting. This was not an action item. The budget will be adopted on June 19.

4. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan.

Mr. Sanborn stated a Redevelopment Agency project was governed by a Project Area Plan and a Project Area Budget. The parcel of land involved in the proposed data center project was generating a total of \$66 in annual property tax revenue for all taxing entities. If developed under this plan and budget, the property would generate significant revenue, in addition to infrastructure improvements. The company committed to install more infrastructure than needed for its own project to facilitate other development in the area. While data centers bring in few direct full-time jobs, they generate a lot of revenue, provide an excellent opportunity for other businesses to follow and require relatively small amounts of municipal services.

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Mr. Sanborn noted this item had the same background as the previous item.

6. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.

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1. The agreements sent to Unified Fire Authority and Alpine School District had language that should have been removed regarding the financial definition of a phase. Mr. Sanborn asked that the RDA Board authorize staff to work with those entities to correct the agreements.
2. The water district agreement referred to changes in its other interlocal agreement with the City. The district requested those changes be removed from this agreement and added to the other. Its agreement also limited the tax increment to \$4.8M. Staff requested that that be removed.

City Attorney Jeremy Cook stated items 7 – 10 were substantially the same, except for the entity with which the agreement was being made.

7. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Utah County for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.
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Mr. Sanborn stated this was the agreement that authorized the Redevelopment Agency to transfer any incentives to the company according to the terms of the project area budget and the timing of those incentives.

7:00 P.M. POLICY SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Board Chair Tom Westmoreland, Board Members Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer/Assistant Finance Director; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Chief Deputy City Recorder; Aaron Sanborn, Economic Development Director; Linda Peterson, Communications and Community Relations Director; Evan Berrett, Management Analyst; Steve Mumford, Community Development Director; Mike Hadley, Planning Manager; Tayler Jensen, City Planner; Chris Trusty, City Engineer; Ross Fowlks, Fire Chief.

1. CALL TO ORDER

The Redevelopment Agency Board meeting was convened at 7:03 p.m.

2. MINUTES

A. May 1, 2018 – Regular Meeting

MOTION: *Board Member Burnham moved to approve the May 1, 2018 Redevelopment Agency meeting minutes. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

PUBLIC HEARING

3. **ORDINANCE** – An Ordinance of the Redevelopment Agency of Eagle Mountain City, Utah, Adopting the Fiscal Year 2018-2019 Budget. *****This is not an action item*****

City Treasurer David Mortensen said the budget involves currently existing project areas of 2012-1 Economic Development Area (EDA) and the Parkside Community Development Area (CDA). The expenditures for the EDA are proposed at \$38,825, and Parkside CDA at \$18,413. Five percent is an administrative fee retained by the RDA for expenses such as attorney fees and consultants.

Board Chair Westmoreland opened the public hearing at 7:05 p.m. As there were no comments, he closed the hearing.

PUBLIC HEARING

4. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan.

Executive Director Aaron Sanborn introduced Laura Lewis from Lewis Young Robertson & Burningham. Ms. Lewis stated the purpose of a community redevelopment area is to encourage community enhancement and assistance for economic development purposes. Tax increment is the difference between the amount of property tax revenues generated each tax year by all taxing entities from the project area using the current assessed value of the property, and the amount of property tax revenues that would be generated from the same area using the base taxable value of the property. The property in question is currently classified as greenbelt and is collecting relatively no tax revenue for the taxing entities. Once developed, the annual tax revenue is estimated to be more than \$1.1 million. The company has agreed to install the needed infrastructure to develop the property, while sharing in the taxes. The requested participation from the taxing entities is 80% for real property and 100% for personal property. Once the tax increment incentive expires, the taxing entities will receive 100% of the tax revenue. Every taxing entity will provide a portion of their tax revenue to the incentive package, and all entities must approve the plan.

Ms. Lewis explained this project will bring taxable value to the City in additional businesses, increased tax base, and job creation. She stated other cities in Utah utilize this incentive tool and have had great success in community development. Communities that do not utilize this tool are essentially left behind in community development.

Ms. Lewis said the data center will be 900,000 square feet with a construction cost of \$256 per square foot; the office space will be 70,000 square feet with a construction cost of \$154 per square foot. The building value is \$219 million, the land value is \$134 million, and the personal property value is \$373 million. The project is estimated to be completed by 2021. Once completed, the annual tax revenue will go from \$66 to \$837,000; over twenty years; the total revenue is \$16 million. The portion of the tax revenue going towards the project entity will total \$6.666 million, annually.

Under State law, community redevelopment areas must retain ten percent of the funds for affordable housing. No decisions have been made on how to utilize those funds at this time.

Board Member Curtis clarified with Ms. Lewis that the City would not receive any tax revenue over \$66 annually if this project is not developed. The City is not paying the developer to build the project. He stated rather than an 80/20 split, the agreement will actually be 70/30, as ten percent will go towards affordable housing in the City.

Board Chair Westmoreland opened the public hearing at 7:28 p.m.

Heath Johnson stated there are water problems in the area, and asked if the project would affect the airport near the project. He asked if east/west corridors will be developed, and how much lighting will be produced from the project. Community Development Director Steve Mumford explained that the airstrip was taken out of commission by the owner, and is no longer approved by the FAA. Board Chair Westmoreland said the City has purchased a significant amount of allocation from the Central Utah Water Project. He said traffic is not anticipated to be increased with the data center, and lighting will meet the dark sky ordinance.

Dean Kesser asked if the project will reduce overall taxes. Board Chair Westmoreland said it is more likely that residents would see additional services and amenities.

Board Member Curtis said the developer will be installing over \$100 million in infrastructure, and these improvements will benefit City residents.

Board Chair Westmoreland closed the public hearing at 7:35 p.m.

MOTION: *Board Member Gricius moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving the draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Plan as the official Project Area Plan. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

PUBLIC HEARING

5. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving the Draft Sweetwater Industrial Park Community Reinvestment Project Area #1 Budget as the Official Project Area Budget.

Mr. Sanborn noted the company will be installing \$100 million in infrastructure. This is a significant investment for the community.

Board Chair Westmoreland opened the public hearing at 7:38 p.m. As there were no comments, he closed the hearing.

MOTION: *Board Member Burnham moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving the draft Sweetwater Industrial Park Community Reinvestment Project Area #1 budget as the Official Project Area Budget. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

6. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the Collection and Remittance of Incremental Property Taxes Collected from Property within the Sweetwater Industrial Park Community Reinvestment Area #1.

Mr. Sanborn stated items six through ten are identical. They are interlocal agreements between the Eagle Mountain Redevelopment Agency and the taxing entities. As the Redevelopment Agency is not a taxing entity, it cannot tax property. In order for the RDA to provide the planned budget, the funds come from taxing entities through the interlocal agreements. The terms state 100% of the personal property tax and 80% of the real property tax for twenty years are included in the agreement. The agreements have a forty-year cap in order to comply with State statute. Language was added in Section 8 that requires any additional phases to come back to the RDA Board for approval for an amended RDA plan and budget. Alpine School District and Unified Fire District requested language in the agreements that limits the valuation of a phase to be between \$750 and \$1 billion. Mr. Sanborn requested the RDA Board allow staff to work with those entities to remove that valuation language. The Central Utah Water Conservancy District added language setting a cap on the tax increment amount allowed to be

passed to the company. This raised concerns with the company that construction or computer hardware costs may increase, requiring the company to invest more in those areas. Mr. Sanborn requested that language be removed, as well.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Eagle Mountain City for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1, and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Clark seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

7. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Utah County for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Utah County for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Burnham seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

8. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Alpine School District for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Alpine School District for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

9. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Central Utah Water Conservancy District for the Collection and Remittance of

Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Central Utah Water Conservancy District for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Reaves seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

10. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Approving an Interlocal Cooperation Agreement between the Eagle Mountain Redevelopment Agency and Unified Fire Service Area for the Collection and Remittance of Incremental Property Taxes Collected from Property Within the Sweetwater Industrial Park Community Reinvestment Area #1.

MOTION: *Board Member Curtis moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, approving an interlocal cooperation agreement between the Eagle Mountain Redevelopment Agency and Unified Fire Service Area for the collection and remittance of incremental property taxes collected from property within the Sweetwater Industrial Park Community Reinvestment Area #1 and allow staff to make the changes as discussed, and any other non-substantive changes as needed. Board Member Gricius seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

11. RESOLUTION – A Resolution of the Redevelopment Agency of Eagle Mountain City, Utah, Authorizing the Chair of the Redevelopment Agency to Enter Into and Execute a Participation Agreement with Stadion, LLC in the Sweetwater Industrial Park Community Reinvestment Project Area #1. The Participation Agreement Sets forth the Conditions of Reimbursement to Stadion, LLC for Certain Costs Involved in Developments in the Project Area; and Providing for an Effective Date.

Mr. Sanborn explained this agreement allows the RDA to carry out the plan set forth in the budget.

MOTION: *Board Member Burnham moved to approve a resolution of the Redevelopment Agency of Eagle Mountain City, Utah, authorizing the Chair of the Redevelopment Agency to enter into and execute a participation agreement with Stadion, LLC in the Sweetwater Industrial Park Community Reinvestment Project Area #1. The participation agreement sets forth the conditions of reimbursement to Stadion, LLC for certain costs involved in developments in the project area; and providing for an effective date. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

12. ADJOURNMENT

MOTION: *Board Member Gricius moved to adjourn the Redevelopment Agency Board meeting and reconvene the City Council meeting. Board Member Curtis seconded the motion. Those voting aye: Donna Burnham, Melissa Clark, Colby Curtis, Stephanie Gricius and Benjamin Reaves. The motion passed with a unanimous vote.*

Approved by the Redevelopment Agency Board on May 7, 2019.

A handwritten signature in black ink, appearing to read "Aaron Sanborn", is written over a horizontal line.

Aaron Sanborn
Executive Director