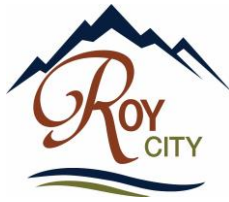


Mayor
• Robert Dandoy

City Manager
• Matt Andrews



Council Members
• Ann Jackson
• Diane Wilson
• Joe Paul
• Randy Scadden
• Sophie Paul

ROY CITY RDA BOARD MEETING AGENDA

OCTOBER 17, 2023 - 5:30 PM

ROY CITY COUNCIL CHAMBERS – 5051 SOUTH 1900 WEST

This meeting will be streamed live on the Roy City YouTube channel.

A. Welcome & Roll Call

B. Consent Items

These items are routine and will be enacted by a single motion. If discussion is desired on any consent item, that item may be removed from the consent agenda and considered separately.

1. Approval of September 20, 2022, Roy RDA Meeting Minutes and May 2, 2023, Roy RDA Meeting Minutes

C. Action Items

1. Resolution 23-6; A Resolution designating individuals to act on behalf of the Redevelopment Agency of Roy in transactions concerning the Public Treasurers Investment Fund.
2. Resolution 23-7; A Resolution of the Redevelopment Agency of Roy City approving Interlocal Cooperation Agreements between the agency and various taxing entities.
3. Update CRA Budget – Discussion only

D. Adjournment

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Administration Department at (801) 774-1020 or by email: admin@royutah.org at least 48 hours in advance of the meeting.

Pursuant to Section 52-4-7.8 (1)(e) and (3)(B)(ii) “Electronic Meetings” of the Open and Public Meetings Law, Any Councilmember may participate in the meeting via teleconference, and such electronic means will provide the public body the ability to communicate via the teleconference. The anchor location shall be the Roy City Council Chambers located at 5051 South 1900 West, Roy Utah.

Certificate of Posting

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in a public place within the Roy City limits on this 13th day of October 2023. A copy was also posted on the Roy City Website and Utah Public Notice Website on the 13th day of October 2023.

Visit the Roy City Website @ www.royutah.org
Roy City Council Agenda information – (801) 774-1020

Brittany Fowers
City Recorder





ROY CITY
Roy City RDA Meeting Minutes
September 20, 2022 – 5:30 p.m.
Roy City Council Chambers
5051 South 1900 West

Minutes of the Roy City Redevelopment Agency Board Meeting held in the City Council Chambers of the Roy City Municipal Building on September 20, 2022, at 8:29 PM

Notice of the meeting was provided to the Utah Public Notice Website at least 24 hours in advance. A copy of the agenda was posted to the Roy City Website.

The following members were in attendance:

Chairman Robert Dandoy
Board member Jackson
Board member Joe Paul
Board member Scadden
Board member Sophie Paul
Board member Wilson

City Attorney, Andy Blackburn

Also present were: Assistant City Manager, Brody Flint; City Manager, Matt Andrews; City Recorder, Brittany Fowers; Randy Sant, Glenda Moore, and Kevin Homer.

A. Welcome & Roll Call

Chairman Dandoy welcomed those in attendance and noted Board members Jackson, Joe Paul, Scadden, Sophie Paul, and Wilson were present.

B. Discussion Items

1. Discussion and consideration of approval of a request from Dilly Dallys for relocation funding.

Chairman Dandoy gave a history of the item, and noted the RDA board members had each received a letter requesting compensation for relocation from Dilly Dallys. He explained Roy City Council had previously reviewed a Planning Commission recommendation for the rezone and authorization of the mixed use developments within the downtown commercial area, known as Chapter 13 in their current standing ordinance. He recalled Dilly Dallys had been one of the first businesses impacted by this zoning change and had needed to be incorporated into a CRA. Chairman Dandoy said the property owner at the time had not been willing to issue Dilly Dallys a long term lease, and a City Council decision made in October of that year indicated the need for more time to assess the Chapter 13 document, and required a survey to be conducted. He further elaborated as storefront space was limited in the downtown area, Dilly Dallys was running out of options to find a future business location. Chairman Dandoy explained the Dilly Dallys had been concerned about the future of their business, and so they felt they needed to secure a new business location six months before their current lease ran out. He said this decision had been costly for them as the Dilly Dallys had needed to pay both their old and current lease, plus the costs of moving. Chairman Dandoy further reported that in the spring the City Council had approved Chapter 13, and explained Dilly Dallys was now requesting compensation for having been forced to move location from one part of Roy City to another. He asked the board members how they wanted to move forward.

Randy Sant outlined the relocation policy which had been adopted by the City. He noted the policy had



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been adopted by resolution by the RDA board. He stated that per the document, the maximum amount of financial assistance the City could give to a business impacted by relocation was \$75,000, and the maximum amount of any grant should not exceed \$15,000. He also listed the requirements for a business to qualify for any grant funding, which included that the business had to be located within an adopted redevelopment project area, the business had to remain in Roy City, and the reason for relocation had to be because of a redevelopment project approved by the Roy City RDA, and no other funding or assistance had been offered. Mr. Sant clarified the RDA board had not yet approved the Woodbury project. He explained the City Staff was reviewing things with the developer of that project, but the project had not yet come before the RDA board for formal approval. He also clarified there was no other funding available in this case, but if there was, the business was required to apply for other forms of aid before coming before the RDA. Mr. Sant explained the business would be required to submit a bid which confirmed the cost of the relocation process. He also noted the business might be required to sign an affidavit that stated they would only use the funds for the cost of relocation. He lastly noted the business would also be required to remain in Roy City for a certain amount of time, and if they were to leave the City before the end of the specified time they might be required to repay some of the funds had been received.

Board Member Wilson asked if the request should be tabled since it was in process and presumably at some point Dilly Dallys would meet all of these requirements. Mr. Sant said he only wanted to clarify that all of the requirements had to be met in order for the business to receive funding. Chairman Dandoy pointed out there was no expectation that the RDA would meet in regards to this project, and Mr. Sant explained that was correct. Mr. Sant elaborated the developers for the Woodbury project would only go to the RDA board if they were looking for TIF funding, and he noted that while nothing was official yet, he had spoken with the developers and they had indicated they wanted to request TIF funding. Mr. Sant said that based on his conversations with the developers, they would come to the RDA board for a TIF, but he did not have a sense of their timeline.

Chairman Dandoy asked how the RDA board could address the relocation expense. Mr. Sant said they could go back and change their policy if they needed to, and he explained the reasoning as to why the policy was worded in the way it was. He recalled there had been a lot of discussion about businesses that were impacted by road projects, so they had to make sure it specified funding could be for a project approved for funding by the State or a development agency, which would take care of the issue of UDOT projects. Mr. Sant clarified they only had the right to make any suggestions if they wanted to give it a tax increment, which is what gave them the discretion to review those projects. Chairman Dandoy said he did not understand what the RDA's interest would be in a business that was funded by UDOT. He thought the only interest the RDA would have in that business would be keeping it within Roy City limits. Mr. Sant agreed that was correct, and said the RDA would be able to offer relocation funds to that business to move them inside Roy City limits, but only as long as the business was being impacted by a State project.

Mr. Sant explained in the case of Dilly Dallys, they had gone to the property owner, who had told them they could not have a multi-year lease since they wanted the property to be available for a new development which was more in line with what the City wanted as far as the Chapter 13 rezone was concerned. He said while Dilly Dallys had not been kicked out as a result of the RDA, they had made their move as a direct result of the rezone. He stated Dilly Dallys had moved six months before the end of their lease, and so their request initially had been for funding assistance to help cover the cost of paying two leases at a time. Board Member Wilson added that she had spoken with Dilly Dallys owner, and they had explained January was their slowest time of year, so they had opted to move then, rather



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than July as it was a much busier time for them and moving would have been harder to manage. Mr. Sant said they also had had to move as soon as a good new location was available.

Chairman Dandoy summarized that the challenge now was determining if those things would have happened anyway if the RDA had not been working on the Chapter 13 rezone, or been in talks with Woodbury about other developments. Chairman Dandoy pointed out the Chapter 13 project had ended up being delayed several months as a result of both the survey and impacts from the Covid-19 pandemic. Chairman Dandoy reported he had spoken with Jeff Woodbury, as had Mr. Sant, and he said they had everything worked out and their plans would have gone ahead, if not for the delay of Chapter 13. Chairman Dandoy said Dilly Dallys had claimed they had spent \$29,000 in moving costs alone, and they had spent about \$80,000 in all. Chairman Dandoy pointed out the most Dilly Dallys could hope to get from the RDA was only \$15,000, which was a fraction of their costs. He said Dilly Dallys had been a business in Roy City for a long time, and said if not for the actions of the RDA board, Dilly Dallys would still be in its original location. Chairman Dandoy said they needed to do everything they could to protect their businesses and keep them in Roy City.

Mr. Sant agreed with Chairman Dandoy's sentiments, but said that the difference now was that Woodbury was initiating a project; it was not being initiated by the City or the State. Mr. Sant recalled Woodbury had come to them with the idea for the project and had asked for help in filling in the gaps, and so his recommendation at the time had been to create the Southeast project area. Board Member Wilson asked if Dilly Dallys had filled out an application for that project area, and Mr. Sant replied they had. Board Member Wilson then opined they needed to vote on if they wanted to give them \$15,000 or not. Mr. Sant confirmed \$15,000 was the maximum amount they could give to Dilly Dallys. The Board Members discussed the key point was whether or not the project was approved by the RDA, as was specified in the policy. Chairman Dandoy argued this did not make sense, since the only reason the RDA would approve a project was in regards to tax increment funding. Mr. Sant acknowledged there was ambiguity in the phrasing of the adopted policy, and said if they wanted to change it they could.

Board Member Wilson felt they should give Dilly Dallys \$15,000, since they had moved as a result of the redevelopment. She said the business owners had been in Roy City for over 30 years, and thought this had been a bad deal for them. Board Member Joe Paul disagreed, and thought Dilly Dallys had made an objective business decision to pick up and move, and felt they had made the best choice for their business given the information available to them at the time. Board Member Jackson thought this was cut and dry, and thought it came down to the interpretation of the policy. She asked who would be responsible for the interpretation of the document, and Mr. Sant explained that was the Board's prerogative.

Chairman Dandoy thought the larger question was if they needed to modify their policy. Chairman Dandoy pointed out the policy dealt more with the developers rather than the business which were actually being impacted. He said they now had a project which had been approved by the Planning Commission, and reminded the Board Members that the purpose of their conversation that evening was just to have a discussion, not to make a decision. He thought the intent of the policy was to try and address the issue of business which were impacted by the RDA. He opined they address the issues with the policy first, and said they needed to change the policy before they made a decision about Dilly Dallys or the Woodbury development. He commended Mr. Sant for clarifying the wording of the policy, and he reiterated his opinion that the wording of the policy lost the intent of what they wanted to accomplish. Chairman Dandoy felt Dilly Dallys had not had a choice of if they needed to move or not, and thought they should be able to at least reimburse some of the costs they had been forced to take on.



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Chairman Dandoy also discussed the purpose of the RDA. He said the RDA could use tax increment to help encourage business relocation, expansion, and development. He discussed in the last ten years, the RDA board had not invested money back into businesses, and they had \$1.6 Million dollars in RDA funds that were not being utilized for projects. Board Member Joe Paul argued they had done a lot of utility work at the Albertsons, but agreed other than that their funds had mainly been used for smaller projects. Board Member Scadden said they had talked about a lot of projects, but not a lot had actually gotten done. Chairman Dandoy continued to say their funds continued to accumulate, and yet there were no projects going on to show for it. Board Member Joe Paul thought they had not had the right project come along yet to deserve their available funds. Chairman Dandoy agreed with Board Member Joe Paul, and reiterated that he thought the main thing they needed to do was reevaluate their policy. Chairman Dandoy also spoke about what they would do if Dilly Dallys came to the RDA for a TIF, since they did meet all of the requirements.

Board Member Scadden agreed with Chairman Dandoy that they needed to have two separate conversations; one about the policy and then one about Dilly Dallys in particular. Board Member Wilson asked about the timeline, and Mr. Sant explained Dilly Dallys had already submitted their application, so they might have to be grandfathered into whatever the Board decided on. Mr. Sant asked if it would be the Board's preference that they start this conversation with the Economic Development Committee who could come back to the Board with recommendations, and the RDA Board agreed that would be the best course of action.

Chairman Dandoy repeated that they needed to look at the correlation between the TIF and a business which had been forcibly moved by an RDA project area. He said if they got a TIF, they would technically be in compliance with the policy. Mr. Sant discussed the RDA and the City were two separate entities with separate budgets, and so if the money were to come out of the City, then the Council would have to decide to fund it. Mr. Sant added this was the third version of the project, and they could always choose to change it again. Mr. Sant said in his view, they did not have an approved project since it had not officially come before the RDA board. He elaborated they did not have the right to request specifications from the developer, since it was not under their jurisdiction until the developer came before the RDA to ask for a TIF. Mr. Sant said he had spoken with City Planner Steve Parkinson about the project, who had reported the developer was still in an early stage of the project. Mr. Sant explained once the RDA gave the project money, they would be able to set guidelines for the project.

Board member Scadden motioned to adjourn. Board member Wilson seconded the motion. All Board members voted "aye". The board adjourned at 9:15 p.m.



ROY CITY
Roy City RDA Board Meeting
May 2, 2023 – 5:30 p.m.
Roy City Council Chambers
5051 South 1900 West

Minutes of the Roy City Redevelopment Agency Board Meeting held in the City Council Chambers of the Roy City Municipal Building on May 2, 2023, at 5:30 p.m.

Notice of the meeting was provided to the Utah Public Notice Website at least 24 hours in advance. A copy of the agenda was also posted to the Roy City Website.

The following members were in attendance:

Chairman Robert Dandoy
Board member Jackson
Board member Sophie Paul
Board member Wilson
Board member Scadden
Board member Joe Paul

City Manager, Matt Andrews
City Attorney, Matt Wilson
City Recorder, Brittany Fowers

Also present were: Kevin Homer and Glenda Moore

A. Welcome & Roll Call

Chairman Dandoy welcomed those in attendance and noted Board members Jackson, Sophie Paul, Wilson, Scadden, and Joe Paul were present.

B. Consent Items

(These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.)

1. Approval of the September 20, 2022, and January 17, 2023, Roy City RDA Board Meeting Minutes

Board member Wilson motioned to approve the January 17, 2023, and to table the September 20, 2022, minutes for further review. Board member Sophie Paul seconded the motion. All Board members voted “aye”. The motion carried.

C. Presentations

1. Proposed FY 2024 RDA Budget

This item was skipped.

D. Action Items

1. Consideration of Resolution 23-4 Adopting interlocal agreements with all taxing entities within the Amended 1900 Southeast Community Reinvestment Area.

Assistant City Manager Flint led this portion of the meeting, and he introduced Josh Woodbury and Rob Sant to speak as well. Mr. Woodbury noted the Woodbury corporation has owned property in the area for decades, and acknowledged they were looking to reinvest in a shopping center on this property to better impact the community. Mr. Woodbury said they were looking to develop the property in phases starting



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with the Southern side. Mr. Woodbury added they were looking to the RDA to get a stronger sense of requirements and parameters. Mr. Woodbury said the initial plan called for height above 60 feet and concrete construction, and he continued to say they had since looked at the “feasibility gap” and assessed different scenarios from a “size and scope standpoint” to help bring down costs. Mr. Woodbury reported they were now looking at a 55 foot design with fewer units and less concrete. Mr. Woodbury said it would be 260 apartment units with largely commercial use, and indicated the front area would be designed for community uses.

Councilmember Joe Paul clarified that the building would be five stories. Mr. Woodbury clarified that yes, the building would be five stories, with each floor being about ten feet and the ground floor being 15 feet. Councilmember Jackson asked if the property would extend to the grocery store. Mr. Woodbury replied they would be tearing that part down.

Mr. Woodbury emphasized they would invest in renovating the existing exteriors as well. Councilmember Scadden asked what they guessed the market rate would be for the apartments. Mr. Woodbury expressed they wanted to do more one bedrooms and studio apartments, which would put the rate at two dollars per square foot. Councilmember Jackson asked how long they anticipated the project would take. Mr. Woodbury said two years. Councilmember Sophie Paul asked if there would be a green space, to which Mr. Woodbury said they would provide a courtyard. Councilmember Sophie Paul asked if they were trying to add a restaurant, and Mr. Woodbury expressed that they were.

Mr. Rob Sant came forward next. Mr. Sant shared he had worked for the public and private sector since 2011, and said he has worked in economic development for Sandy City for the last year and has his own consulting firm on the side. Mr. Sant explained there were no class A apartment complexes, although they have class A expenses. Mr. Sant spoke about the project as a whole along with the uses and process.

Mr. Sant acknowledged they revised the map to create this project in September. Mr. Sant then went through Utah's Code 17C in which they discussed the project process. Mr. Sant noted they have changed this code every year to better reinvest in the community. Mr. Sant said these used to be known as RDAs from 1989 to 1993. Mr. Sant explained they have since worked on creating better transparency, to which end they had created EDAs. Mr. Sant added they created community development areas in 2006 which had a catch all use, and said these areas are now known as CRAs. Mr. Sant stressed that there would be no tax increase, though they would be developing the area from a percentage of taxes. Mr. Sant stated they were there today to negotiate where this will come from.

Mr. Sant said the lot was 67.52 acres, located just South of Riverdale Road. Mr. Sant announced it would be largely commercial and be valued at \$49.2 million dollars with a property tax of a little under \$500,000. Mr. Sant said they had been planning on investing a lot of private capital, though anticipated this area will create several jobs. Mr. Sant felt this would also be a great revitalization tool.

Mr. Sant shared he had worked with Assistant City Manager Flint to create a budget for the area. Mr. Sant said they anticipated 847 total units, 311,000 square feet of commercial, 121,000 square feet of office space, and a total value of \$232 million dollars. Mr. Sant the tax would be \$49 Million, with a ten year projection of \$281 Million dollars. Mr. Sant added they would set up meetings with the City, the County, and the School District to determine the best way to move forward, and the other goal of today was getting permission to approach the County and School District and begin negotiations.

Mr. Sant said they would consider all requested changes. Mr. Sant added taxes would be \$484,000, and



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come to \$73,000 a year. Mr. Sant went through a chart which color coded taxes and fees.

Mr. Sant said all CRAs had a required 10% allotment for affordable housing, though he noted this requirement was broad and could be a partnership with the school or even the local government. Mr. Sant said some of these numbers need to be explored. Mr. Sant expressed a big question revolved around parking structures and said there could be approximately \$36 Million dollars worth of costs associated with parking structures. Mr. Sant said market condition costs relating to infrastructure improvements and upsizing would also be something to consider. Mr. Sant added developments were on hold until they had considered these factors and could yield further costs.

Councilmember Wilson asked about “additional assumptions” listed in the packet. Mr. Sant said primary residencies were taxed at 55% of their value and this applies to all dwelling types. Mr. Sant said these numbers are based on self reports, and some of this is based on usage. Councilmember Wilson clarified this was about accounting for taxes ahead of time. Mr. Sant confirmed she was correct, and added that inflation plays a role as well.

Councilmember Wilson then asked if the building value changed or not. Mr. Sant replied this would also be dependent on the tax rate. Councilmember Wilson asked about a line in the packet referring to a “discount rate of 5%,” and Mr. Sant explained this information was most relevant to the developer and served as another projection for future worth. Councilmember Wilson asked if that rate referred to a potential depreciation value for the building. Mr. Sant replied it was similar to investing.

Councilmember Wilson inquired about commercial sales per square foot, and asked if this applied per resident. Mr. Sant said there were two pieces of sales tax, and this stemmed from an assessment of gross tax and square footage from all businesses. Mr. Sant presented the mathematical formula from which they determined sales tax.

Councilmember Wilson asked about a franchise tax. Mr. Sant said this would derive from average usage of each unit. Councilmember Wilson asked Mr. Sant to expand upon the incremental expenses of Roy City’s development. Mr. Sant said there would be incremental growth in revenue alongside growth in expenses. Mr. Sant expressed they were confident in their revenue projections, but emphasized it was difficult to project expenditures. Mr. Sant said they tried to account for capital expenditures in roads and other construction costs.

Councilmember Wilson then asked about the sales tax increases and where these projections came from. Mr. Sant said they were assuming a growth rate for sales tax, which he clarified was fairly normal. Councilmember Wilson asked about the project area acres versus developable acres, to which Mr. Sant discussed they looked at the whole footprint of the development which included neighboring properties that are unused or underutilized. Mr. Sant gave the empty storage units in the neighboring lot as an example.

Councilmember Wilson asked about absorption rates. Mr. Sant said they took the developable square feet and divided it by costs. Mr. Sant said this rate allowed them to determine that downtown will be developed in the next eight to ten years. Mr. Sant said these were also projections based on available data, and emphasized they were only broad projections based on things that were fundamentally unknown.

Councilmember Wilson asked about the budget analysis listed at the end and the taxable rates listed. Mr. Sant said this was based on current parcel information in the City, some of which did not have property



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taxes listed. Councilmember Wilson asked about the affordable housing requirement and if they will have moderate income housing as well. Mr. Woodbury responded they will on both counts, and said the agency would come up with these rates. Mr. Sant felt these benefits had a good impact on the community and were also good for the developer. Mr. Sant stated they will eventually negotiate a development agreement, which will include City requests for the developers as they pertained to both Code and affordable housing requirements. Mr. Sant this would also be the point at which they would assess tax projections and offset costs.

Mayor Dandoy moved to approve resolution 23-4 to adopt interlocal agreements with all taxing entities within the Amended 1900 Southeast Community Reinvestment Area. A roll call vote followed in which the motion was approved unanimously.

Board member Joe Paul motioned to adjourn. Board member Scadden seconded the motion. All Board members voted “aye”. The board adjourned at 8:46 p.m.

RESOLUTION NO. 23-6

**A RESOLUTION DESIGNATING INDIVIDUALS TO ACT ON BEHALF OF
REDEVELOPMENT AGENCY OF ROY IN TRANSACTIONS CONCERNING THE PUBLIC
TREASURERS' INVESTMENT FUND.**

Whereas, The Redevelopment Agency of Roy maintains fund balance reserves in the Utah Public Treasurers Investment Fund, and

Whereas, The Utah Office of the State Treasurer administers the fund and in an effort to increase efficiency is requiring the Redevelopment Agency of Roy to adopt the attached Public Entity Resolutions; and

Whereas, the attached Public Entity Resolution authorizes designated individuals to act on behalf of the Redevelopment Agency of Roy in transactions concerning the Public Treasurers Investment Fund; and

Whereas, the Redevelopment Agency of Roy Board has determined that it is in the best interest of the Redevelopment Agency of Roy to adopt the attached Public Entity Resolution; and

Now, therefore, be it resolved that the attached Public Entity Resolution is hereby adopted this 17th day of October 2023.

Robert Dandoy, Chair

Attested:

Brittany Fowers, Secretary

Voting:

Boardmember Jackson _____

Boardmember Joe Paul _____

Boardmember Wilson _____

Boardmember Sophie Paul _____

Boardmember Scadden _____

Roy City RDA Agenda Worksheet

Roy City RDA Meeting Date: October 17, 2023

Agenda Item Number: Action Item #2

Subject: RESOLUTION OF THE REDEVELOPMENT AGENCY OF ROY CITY APPROVING INTERLOCAL COOPERATION AGREEMENTS BETWEEN THE AGENCY AND VARIOUS TAXING ENTITIES.

Prepared By: Brody Flint

Background:

To finalize the Southeast 1900 CRA the RDA board is required to approve the interlocal agreements that the other participating taxing entities have approved. This resolution will apply to those that have already approved the interlocal agreements and those entities that are to do so in the near future.

The participating entities are Roy City, Weber County, Weber County School District, Weber Basin Water Conservancy District, North Davis Sewer, and Roy Water Conservancy District.

This resolution approves the interlocal agreements whereby the Taxing Entities would remit to the Agency a portion of the property tax increment generated within the Amended 1900 Southeast Community Reinvestment Project Area, which would otherwise flow to the Taxing Entities, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area. This participation is for 70% of the TIF for a 20-year term.

Recommendation (Information Only or Decision): Decision

Contact Person / Phone Number: Brody Flint / Rob Sant



ROY CITY REDEVELOPMENT AGENCY AMENDED 1900 SOUTHEAST CRA

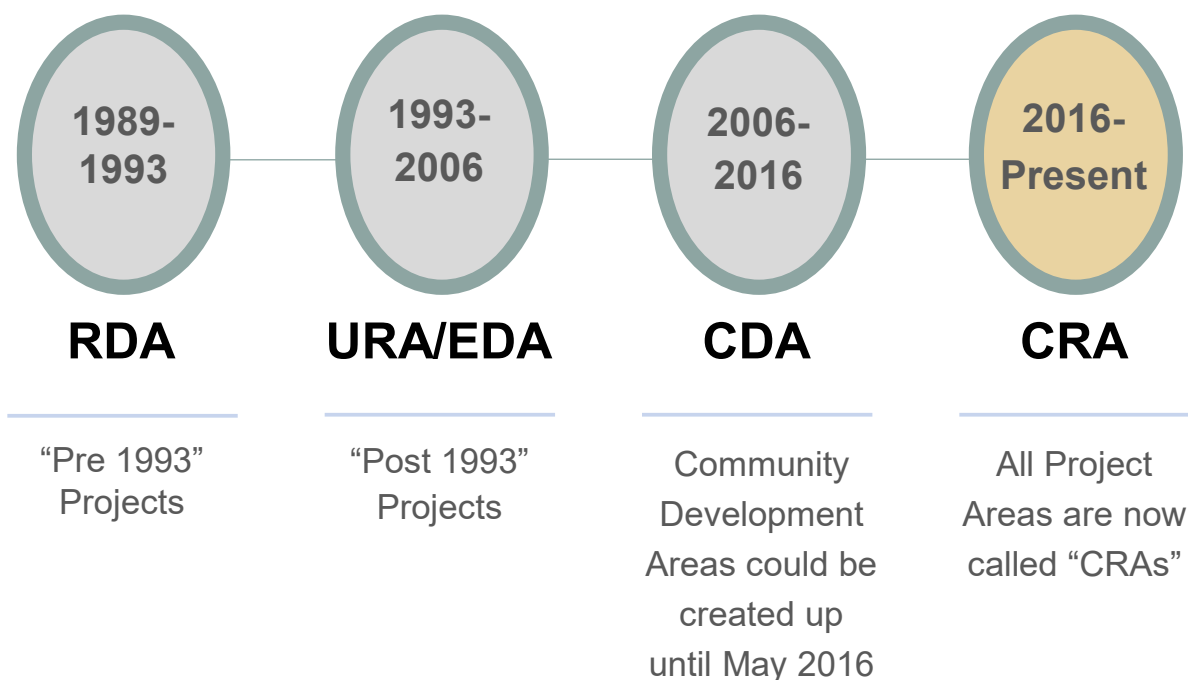
OCTOBER 2023



STATUTORY FRAMEWORK AND GOVERNANCE OF PROJECT AREAS

Under Utah Code 17C “Limited Purpose Local Government Entities – Community Reinvestment Agency Act,” Utah’s local governments have the authority to conduct economic development activities within their communities through their Community Reinvestment Agencies.

As of 2017, only CRAs can be created. Project areas created before 2017 and that were established as a URA, EDA, or CDA can still be active today and are governed under the requirements of their respective Project Area types until they expire.



TAX INCREMENT

- **Not the result of a tax increase!**
- Property taxes “frozen” the creation year of the project (“base year”)
- A portion of property taxes in excess of the base year are redirected to the redevelopment agency for use within a defined geographic area in the community.



TAX INCREMENT EXAMPLE

Example Tax Increment Calculation

Marginal Value
(Value above Base):
\$232,603,915

Base Year Value:
\$49,210,014

Current
Assessed
Value:
\$281,813,929

Current Assessed Value:	\$281,813,929
Less Base Year Value:	<u>\$49,210,014</u>
Marginal Value:	\$232,603,915

City Certified Tax Rate: 0.001484

Marginal Value X Certified Tax Rate

$\$232,603,915 \times 0.001484 = \$345,184$

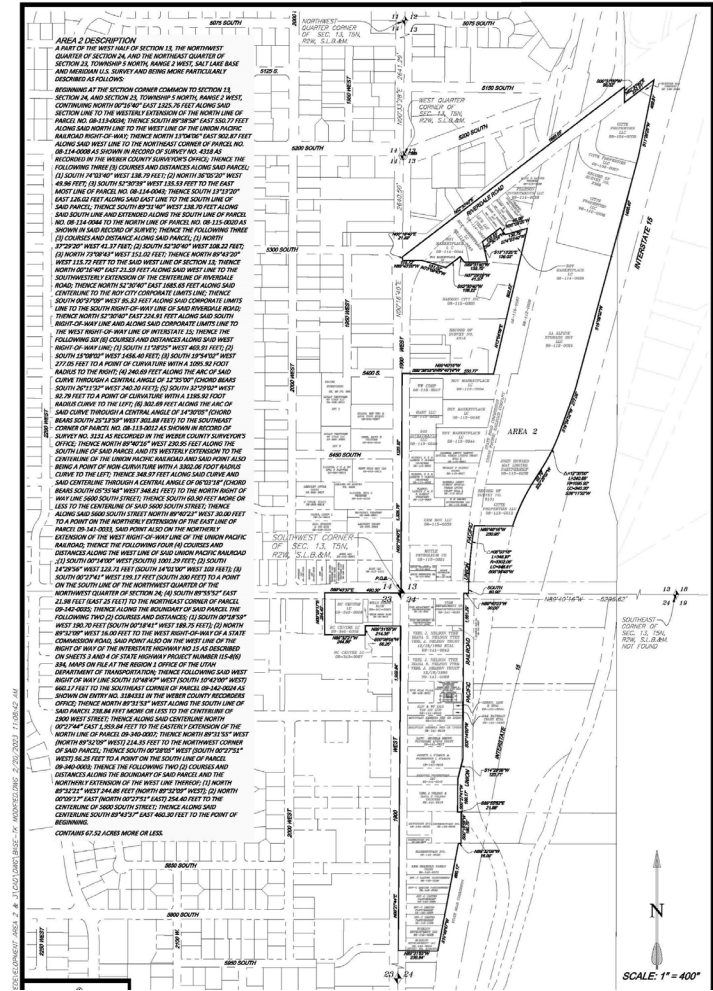
City Participation Rate: 70%

$\$345,184 \times 70\% = \underline{\underline{\$241,629}}$



PROPOSED CRA PROJECT AREA BOUNDARIES

- Total Project Area Acres: 67.52 acres
- Location: South of Riverdale Road, between 1900 West and I-15.
- Existing Land Use: Commercial and Vacant Land
- 2022 Value: \$49,210,014
- Property Tax Generation: \$472,367



CLASS A HOUSING NEED

Roy Innovation Center (RIC)

- Headquarters of Northrop Grumman's nationwide team supporting the Nation's Ground Based Strategic Deterrent (GBSD) program (\$13.3 billion contract).
- 5,000 new STEM jobs.
- High paying annual contracts.
- Employees looking for higher-end housing options.



REINVESTMENT/REBRANDING ROY'S DOWNTOWN

Current Downtown



Future Downtown



DEVELOPMENT ASSUMPTIONS & TAX BASE

Development	Square Feet/Units	\$/Square Feet/Unit	Total Real (Building & Land Value)	Personal Property Value	Assessed Value
Residential ¹	847 Units	\$274,071	\$127,580,558	\$-	\$127,580,558
Commercial	311,037 SF	\$205.18	\$63,818,526	\$9,622,779	\$73,441,305
Office	121,710 SF	\$225.64	\$27,462,654	\$4,119,398	\$31,582,052
TOTAL			\$218,861,738	\$13,742,177	\$232,603,915

- 10 Year Absorption Schedule
- Estimated Base Year Tax Value: **\$49,210,014**
- Incremental Assessed Value in 20 years: **\$232,603,915**
- Total Assessed Value in 20 years: **\$281,813,929**
- Length of Tax Increment Participation: 20 Years
- Participation Rate of all Taxing Entities: 70%

1. Assessed value includes 45% primary residential exemption.



REQUESTED PARTICIPATION FROM TAXING ENTITIES

ENTITY	PERCENTAGE	LENGTH
Weber County	70%	20 Years
Weber County School District	70%	20 Years
Roy City	70%	20 Years
Weber Basin Water Conservancy District	70%	20 Years
North Davis Sewer District	70%	20 Years
Roy Water Conservancy District	70%	20 Years



BASE YEAR TAXES

- **ASSUMPTIONS:**

- Estimated Base Year Tax Value: **\$49,210,014**
- \$472,367 Base Year Tax for 20 Years

ENTITY	ANNUAL TAX	20-YEAR TOTAL
Weber County	\$94,582	\$1,891,633
Weber County School District	\$271,344	\$5,426,880
Roy City	\$73,028	\$1,460,553
Weber Basin Water Conservancy District	\$8,218	\$164,361
North Davis Sewer District	\$23,030	\$460,606
Roy Water Conservancy District	\$2,165	\$43,305
TOTAL	\$472,367	\$9,447,338



PASS-THROUGH INCREMENT TO TAXING ENTITIES

- **ASSUMPTIONS:**

- Incremental Assessed Value: **\$232,603,915**
- 30% of TIF for 20 Years

ENTITY	AVERAGE ANNUAL TIF	20-YEAR TOTAL
Weber County	\$106,918	\$2,138,356
Weber County School District	\$306,735	\$6,134,702
Roy City	\$82,553	\$1,651,051
Weber Basin Water Conservancy District	\$9,290	\$185,799
North Davis Sewer District	\$26,034	\$520,682
Roy Water Conservancy District	\$2,448	\$48,953
TOTAL	\$533,977	\$10,679,543



ESTIMATED SOURCES OF TAX INCREMENT FOR CRA BUDGET

- **ASSUMPTIONS:**

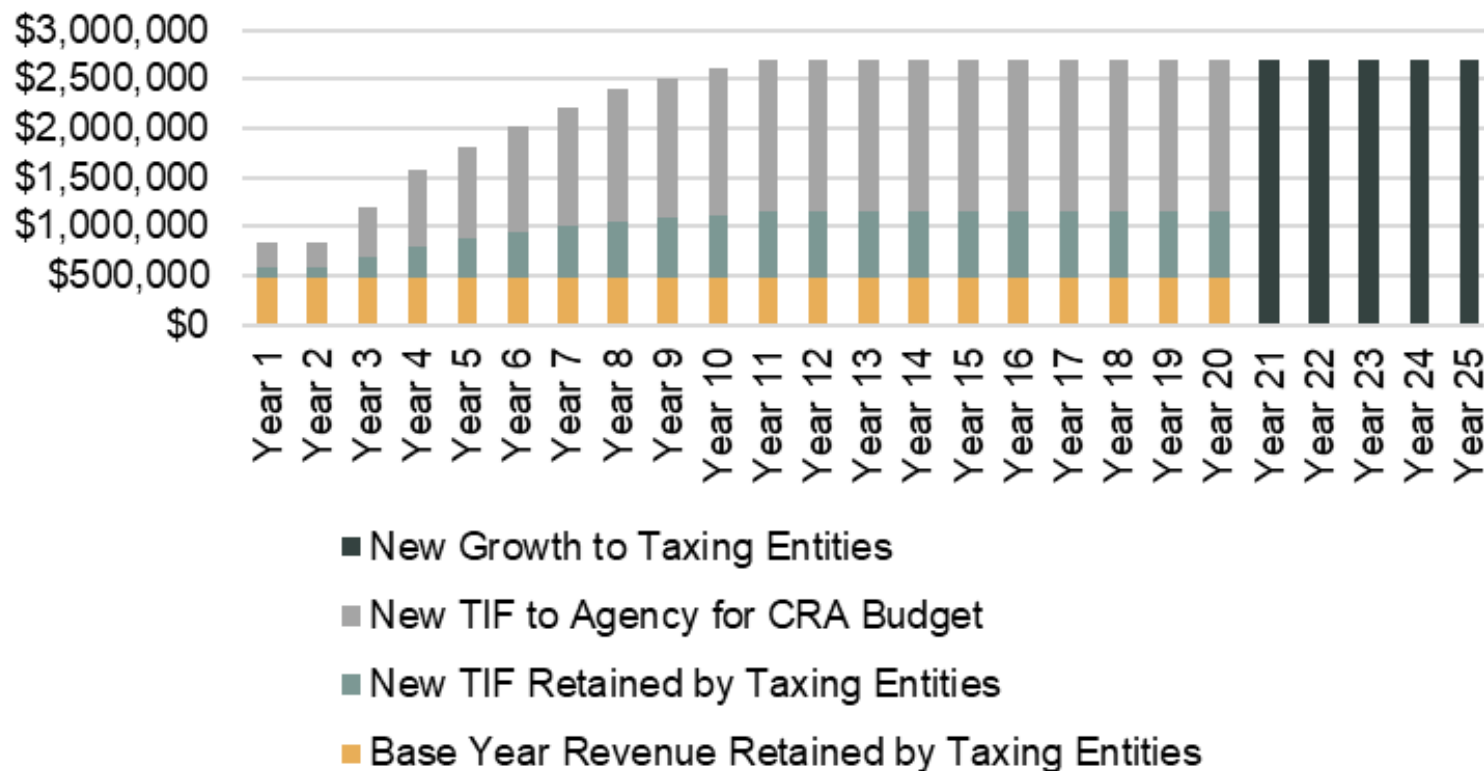
- Incremental Assessed Value: **\$232,603,915**
- 70% of TIF for 20 Years

ENTITY	AVERAGE ANNUAL TIF	20-YEAR TOTAL
Weber County	\$249,475	\$4,989,498
Weber County School District	\$715,715	\$14,314,304
Roy City	\$192,623	\$3,852,453
Weber Basin Water Conservancy District	\$21,677	\$433,531
North Davis Sewer District	\$60,746	\$1,214,925
Roy Water Conservancy District	\$5,711	\$114,224
TOTAL	\$1,245,947	\$24,918,935



TAX INCREMENT GRAPH

AMENDED 1900 SOUTHEAST CRA



ESTIMATED USES OF TAX INCREMENT

- **ASSUMPTIONS:**

- Incremental Assessed Value: **\$232,603,915**
- 70% of TIF for 20 Years

ENTITY	PERCENT	AVERAGE ANNUAL TIF	20-YEAR TOTAL
Redevelopment Activities - Infrastructure, parking structures, demolition, land assemblage, etc.	87%	\$1,083,974	\$21,679,473
CRA Affordable Housing Requirement	10%	\$124,595	\$2,491,893
Agency Administration	3%	\$37,378	\$747,568
TOTAL		\$1,245,947	\$24,918,935



EXTRAORDINARY (“BUT FOR”) COSTS NECESSITATING TIF

DESCRIPTION	COST
Parking Structures to increase density within commercial corridor (1,200 Stalls @ \$30,000/stall)	\$36,000,000
Redevelopment Expenses (building razing, land assemblage, infrastructure improvements and upsizing, etc.)	TBD
Market Constraints (construction loan interest rates, building material costs, etc.)	\$7,200,000
TOTAL	\$43,200,000



RESOLUTION NO. 23-7

RESOLUTION OF THE REDEVELOPMENT AGENCY OF ROY CITY APPROVING INTERLOCAL COOPERATION AGREEMENTS BETWEEN THE AGENCY AND VARIOUS TAXING ENTITIES.

WHEREAS pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Interlocal Act”), and the provisions of the Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the “Act”), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into mutually advantageous agreements for joint and cooperative actions, including the sharing of tax and other revenues; and

WHEREAS the Redevelopment Agency of Roy City (the “Agency”) Roy City, Weber County, Weber County School District, Weber Basin Water Conservancy District, North Davis Sewer District, and Roy Water Conservancy District (collectively, the “Taxing Entities”), are “public agencies” for purposes of the Act; and

WHEREAS after careful analysis and consideration of relevant information, the Agency desires to enter into Interlocal Agreements with the Taxing Entities whereby the Taxing Entities would remit to the Agency a portion of the property tax increment generated within the Amended 1900 Southeast Community Reinvestment Project Area, (the “Project Area”) which would otherwise flow to the Taxing Entities, for the purpose of encouraging development activities through the payment for certain public infrastructure and other uses that directly benefit the Project Area; and

WHEREAS Section 11-13-202.5 of the Interlocal Cooperation Act requires that certain interlocal agreements be approved by resolution of the legislative body of a public agency.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE AGENCY, AS FOLLOWS:

1. The Interlocal Cooperation Agreements between the Agency and the Taxing Entities, substantially in the form attached hereto as Exhibit A (the “Agreements”), are approved in final form, and shall be executed for and on behalf of the Agency by the Chair of the Agency Board.

2. Pursuant to Section 11-13-202.5 of the Interlocal Act, the Agreements have been submitted to legal counsel of the Agency for review and approval as to form and legality.

3. Pursuant to Section 11-13-209 of the Interlocal Act, a duly executed original counterpart of the Agreements shall be filed immediately with the Agency Secretary, the keeper of records of the Agency.

4. As provided in Utah Code Ann. § 17C-5-205(3), the Agreements shall be effective on the day on which the Agency publishes notice of the Agreements pursuant to Utah Code Ann. § 11-13-219 of the Interlocal Act.

5. This Resolution shall take effect upon adoption.

APPROVED AND ADOPTED by the Governing Board of the Agency this ____ day of _____,
2023.

Chair,
Redevelopment Agency of Roy City

Attest:

Agency Secretary

EXHIBIT A
INTERLOCAL COOPERATION AGREEMENTS

Roy City RDA Agenda Worksheet

Roy City RDA Meeting Date: October 17, 2023

Agenda Item Number: Action Item #3

Subject: Approving Updated Budget for the Southeast 1900 CRA

Prepared By: Brody Flint

Background:

The budget we originally adopted for this project was from 2019, so it has an older base year value, smaller TIF budget, and some of the non-participating taxing entities. While the budget does not need to match the ILA per se, it is a good idea to have the board adopt an updated budget that mirrors the ILA. This would mainly be for uniformity purposes and to offset any future questions that may arise 10-20 years from now as others review the legal documents. To do this requires a 30-day notice. We would like to discuss this process and then formalize the updated budget in another RDA meeting after the required noticing is complete.

Recommendation (Information Only or Decision): Information

Contact Person / Phone Number: Brody Flint / Rob Sant