

**Tooele City Redevelopment Agency
Business Meeting Minutes**

Date: Wednesday, March 29, 2006
Time: 6:00 P.M.
Place: Tooele City Hall Council Chambers
90 North Main Street, Tooele, Utah

RDA Board Members Present:

Mayor Patrick Dunlavy, Executive Director
Steve Bevan, Chair
Michael Johnson
Steven Pruden
John Hansen
Scott Wardle

City Employees Present:

Roger Baker, City Attorney
Glenn Caldwell, Director of Finance
Cary Campbell, Public Works Director
Richard Jorgensen, Land Use Technician
Paul Hansen, Contract City Engineer
Lisa Carpenter, Deputy Recorder/City Council Liaison

Minutes prepared by Andrea Cahoon

The meeting was called to order by Chairman Bevan at 6:08 p.m.

1. Budget Review

Presented by Randy Sant

Mr. Sant reported they are getting ready to prepare the budget for next year. He reported on the RDA funds and anticipated changes that will occur.

Depot Fund (UID):

There will be a significant change in the revenue as Detroit Diesel will be on the tax rolls at 100%. For the past ten years they have only paid a portion of their property tax each year as part of their incentive package. Their ten years are up and this will increase the property tax revenues about \$150,000.

They need to begin working on a new plan as one of their investments is winding down that has been receiving 7 ½% interest. If the interest drops down they will lose revenue. There are two years left on the investment and they are trying to find something to get the same return.

There will be an increase in expenditures as they begin making incentive payments to Carlisle Syntec. To help the downtown area have more money, they will put as much of the administrative costs in this budget as they can. In the past they have done a lot of infrastructure with grant money and funds. The grant programs will not be available until congress reappropriates this money. We will be taking on a bigger

burden of the infrastructure. He is working on an improvement plan and wishes to do a tax increment (TIF) bond for about 7 ½ to 10 million dollars. He also wants to get 1000 North done as soon as possible. Jason Burningham will run the numbers for the TIF. Mr. Wardle asked about the plan? Mr. Sant said they have 5 and 10 year plans. They want to see what is critical and then look at UID and come up with a 5 year capital plan. We have maxed out what we can do with what we have already done. Mr. Hansen also has indicated that we need to look at building a new reservoir.

This budget will be more of a working type of budget. Chairman Johnson asked if they put in \$500,000 for improvements this year? Mr. Sant said they had \$489,000 for improvements. They have spent \$200,000 so far. Mr. Sant said they allow incentives to be no more than 50% based on the brand-new increment. That is their starting point. He said he would bring their incentive policy back for their review.

Commercial Park Budget:

Mr. Sant reported he had been approached by a developer who wants to buy out the commercial park and remaining property. They are in the preliminary phases. If they can get enough money for the property, he will recommend they sell it. They still have a significant debt and are making payments on that debt. He felt they should aggressively market that ground, and perhaps get a realtor to get the rest of the lots sold and pay the commission. Mr. Johnson said they have made a verbal commitment to Utah State University for 50 acres. Mr. Sant said they could retain that portion. Mr. Johnson said they have put two stipulations on that land. The university has to be in Tooele, and USU can't sell the land. They can only use it for building the school. Mr. Sant felt they should discuss that further. He wants the property on the MLS. If they sell the property, they can pay back a significant portion of the debt.

Downtown:

Again Mr. Sant mentioned they will see what administrative costs can be put into other RDA project areas to free up money. He recommended that the money be totally controlled by the RDA Board. They only have 7 years left on the downtown project area before it sunsets.

2. Personnel Issues

Presented by Randy Sant

Mr. Sant reported that they hammered out a job description and they will begin advertising tomorrow. It will run in the Transcript Bulletin three times.

3. Minutes October 19, 2005 and November 16, 2006

Councilman Hansen moved to approve the November 16, 2006 minutes as presented.

Councilman Wardle seconded the motion. All members present voted, "Aye."

The minutes from the October 19, 2006 meeting were just an outline of the agenda. The board determined they needed to see what happened with the minutes. Mr. Sant thought perhaps Brian took the minutes on that day and stated he would check for his notes.

Councilman Hansen moved to table the minutes from October 19, 2005. Councilman Wardle seconded the motion. All members present voted, "Aye."

Note from Andrea Cahoon: I believe the October 19, 2005 meeting agenda was prepared, but then the meeting was cancelled.

4. Economic Update

Project Wood:

We are still in the running, but they have not yet ruled out a site in Oregon. They have been given authorization to start pursuing plans for the Tooele site. A recommendation is being made to the Board that Tooele be the location. The Board meets the first week in April to take action. All indications are that they will select us. They are looking at the east side of West Loop Road.

Project Steelers:

This company manufactures steel parts (coils). We are on their short list. They will be out to visit in the middle of April. They have not requested incentives. Mr. Johnson said he read in the paper that the County has passed some economic development ordinance. The article noted that they would be developing an industrial park. We need to get with the County and get involved on that. Councilman Wardle said he spoke with Commissioner Johnson about this. The Board has already been appointed. The Commissioner that lives outside of Tooele City made sure that there was not anyone from any City government on that committee. The other two commissioners were not involved in that decision. Nicole Cline is heading up that committee.

Mr. Johnson said having the County compete against Tooele City is not favorable. Mayor Dunlavy said he met with the president of EDCU and discussed that very issue. Mr. Sant said it is not helpful to have everyone doing their own thing. The counties usually support the cities within their boundaries.

Project Marathon:

We are on their short list. They are a plastic manufacturer. We are the only site that will allow a 70-foot tower without a conditional use.

Project Toyota:

This is a company from Idaho that makes snow plows. We are on their short list.

Project Glass:

Decided to go to St. George. The Las Vegas market is a significant market for them.

Project Clear:

Has put everything on hold for six months.

Project Elvis:

A distribution center that is no longer in the works

Project Via:

Moving slower than we thought

Project Moo:

Chose a site outside of Utah

Project Lime:

This company was trying to make the state they are in jealous. They are not looking to relocate any more.

Project Out:

This project name was changed to Project Marathon

Project Warranty:

This was a call center, and we don't go after those as they are not high paying jobs. They want to be

on the Wasatch front and are looking at an existing site in Ogden.

Project Continental:

We are not on their hot list, but still on their list

There are two other companies that have been looking out here and both are office users. They want to be in a rural area, but close to the Wasatch front. We fit 9 out of their 10 criteria.

5. Goals & Objectives

Presented by Randy Sant

Mr. Sant stated that they need to have a strategic planning session and create an action plan of what they want to accomplish next year. He asked that they plan on meeting at 5:00 p.m. before their next meeting and they will meet upstairs and he will bring dinner.

6. Invoices

Mayor Dunlavy presented the following invoice for payment:

RS Contract Management Services in the amount of \$38,750.00

Mr. Johnson moved to approve payment of the invoice. Mr. Hansen seconded the motion. All members present voted, "Aye."

7. Adjourn

Mr. Hansen moved to adjourn the meeting. Mr. Wardle seconded the motion. All members present voted, "Aye." The meeting adjourned at 6:44 p.m.

Approved by Steve Bevan

this _____ day of _____ 2006