

**Tooele City Redevelopment Agency  
Business Meeting Minutes**

Date: Wednesday, July 19, 2006  
Time: 6:30 P.M.  
Place: Tooele City Hall Council Chambers  
90 North Main Street, Tooele, Utah

**RDA Board Members Present:**

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

**City Employees Present:**

Wayne Jones, Assistant City Attorney  
Randy Sant, RDA Consultant  
Doug Redmond, Economic Development Specialist  
Glenn Caldwell, Director of Finance  
Cary Campbell, Public Works Director  
Lisa Carpenter, Deputy Recorder/City Council Liaison

Minutes prepared by Andrea Cahoon

The meeting was called to order by Chairman Bevan at 6:32 p.m.

**1. Approval of the Memorandum of Development Agreement at Utah Industrial Depot**

Presented by Randy Sant

Mr. Sant distributed a packet of papers and a map to each member of the Board. Copies of the distributed packet and map are included with these minutes as Exhibits A (letter) and B (map). He explained that we received a letter from the attorney for the Utah Industrial Depot regarding the 1997 master development agreement (MDA). They felt there were several outstanding issues that needed to be resolved. The most important part of the letter addresses Section 4.1 of the MDA, the dedication of streets. He referred to the map he handed out and stated that the map contained the streets they felt should be dedicated and this should be included with the MDA as Exhibit H.

Mr. Sant said he met with Paul Hansen, Roger Baker, and Mayor Dunlavy and they are all in agreement to recommend this as our recommendation for Exhibit H. He thought it was interesting that they indicate the Exhibit was given to the City back in 1998, and they had assumed that the RDA had accepted it even though the agreement clearly says that it is to be finalized by mutual agreement of both parties. Their proposed Exhibit included a lot of the avenues. We feel we should not be taking care of the interior roads, only the exterior roads. The map also shows the proposed widths of those roads that we will take, and Mr. Sant added what they believed the

cost estimates to bring those roads up to the City standard at that right of way width. We are proposing that we would agree to be responsible for the following:

- Industrial Loop Road at a minimum width of 115 feet
- “B” Avenue at a width of 84 feet
- Emerald Road at a width of 84 feet
- Garnet Street at a width of 56 feet
- Lodestone Way at a width of 84 feet
- James Way at a width of 84 feet
- New construction to connect James Way into Emerald Road

He proposed that the Board allow them to put a letter together with an exhibit back to Utah Industrial Depot indicating that this is what we are willing to agree to as Exhibit H. The letter will address the other items as well. For the most part UID has complied and we agree with what they say here. In the letter we will also demand payment of the 1.5 million dollars which will be used for 1000 North.

Mr. Johnson said he wanted to see the letter before it was sent. Mr. Sant said he would be happy to send him a copy of the letter. Mr. Sant said they would prepare a response letter and attach this as Exhibit H.

Mr. Sant said that Mark Smith and he had spoken of this two years ago, and it has always been his understanding with Mark Smith that this would be mutually agreed to. Mr. Sant stated his surprise when they delivered the exhibit that they did that showed the additional roads. He said with all due respect to Mark Smith this might have been something that came from his partners. He, the Mayor, and Paul Hansen felt this was a reasonable deal for the RDA to take over.

Mr. Johnson felt this was a reasonable plan. Mr. Sant asked for authorization to finalize Exhibit H as shown and draft the letter. We will let you see the letter before it is sent out.

**Mr. Johnson moved to authorize Mr. Sant, Mr. Baker, and Mayor Dunlavy to prepare a response to the letter proposing that the roads shown on the exhibit (with these minutes as Exhibit B) be taken over as public roads and to respond to the other items in the letter.** Mr. Hansen seconded the motion. All members present voted, “Aye.”

2. **Resolution 2006-03 Resolution of the Board of Directors of the Redevelopment Agency of Tooele City, Authorizing the Preparation of a Draft Community Development Project Area Plan**

Presented by Randy Sant

Mr. Sant said at the last meeting they discussed proceeding with the Broadway area as a redevelopment area. This resolution is the first step in that process. It doesn't have or require a legal description. The legal description now becomes part of the plan. We are proposing the area that will be included is that area Mr. Peterson outlined, which basically includes his development and goes across the street to take in the public right of way. We are not adding any additional property at this time. If a property owner comes in and wants to be included, additional areas could be considered. This is to help Mr. Peterson with his development. The good thing about the law is it is easy to expand the area at a later date. We just have to hold a public hearing.

Mr. Pruden asked if we wanted the railroad park added? Mr. Sant responded that was not in the proposal at this time. If they felt they wanted to stretch the area down to include that we could do so. Mr. Johnson asked why they didn't include that? When they spoke about this before they were going to include all of Broadway all the way down to the armory. Mr. Sant said that was correct and we could still add that if that is what they wanted to do. The public hearing process is to notify everyone in that area that they are being included in that plan, and it is a 14-day notice. It's not a big deal. The only thing we really have going at this time is Mr. Peterson's development. He didn't know if there would be adequate funds to do more than that at this time. Mr. Sant wanted to get this process started. Mr. Pruden asked what the life span of the RDA is? Mr. Sant said this is an opt in. We have to go to each one of the taxing entities and ask for a period of time that we can take. He felt they wouldn't want to go more than ten years.

Mr. Pruden said his concern was if we go small, and later the members of this board won't be in office anymore, and that part that we wanted to have done gets forgotten again. West of the museum is a weed patch. Mr. Sant said there is nothing wrong with going for a bigger area. We will have to go to each taxing entity to ask for participation. It doesn't hurt us except from the base year value. He had no problem including the larger area, but he had two reasons for keeping the area smaller. 1. We have to go back and ask every time we want to include an area, and if we have to do that, why not create another CDA area for that and extend that an additional ten years. 2. The Mayor is wise. We don't want to create something too big that will compete with the downtown area. That is the other reason for doing the CDA. If someone wants to do a development they can come in and ask to do so. We can decide at that time if the project will have an impact or not on the downtown area. We could do 20 CDA areas because we have to go back and ask each taxing entity anyway.

Mr. Pruden felt that going back so many times would be taxing. Mr. Sant replied they would have to do that anyway, each time. Unless they put in a project area budget, they will have to ask. We know we have a development with Mr. Peterson. We know what he wants, what his costs are, etc. If someone else brings another project, we can ask for participation at that time after another public hearing. We don't have to adopt the final boundaries until we do the plan.

Mayor Dunlavy asked what the advantage would be to add the Vine Street park? Mr. Sant said it is if we needed some type of funding and we could use some tax increment to upgrade the facility. We can use this for park development.

Chairman Bevan asked if we should include the park? The Mayor said he would like to do something there if they had a funding mechanism in place. We should just keep that in mind.

**Mr. Pruden moved to approve Resolution 2006-03.** Mr. Hansen seconded the motion. All members present voted, "Aye."

### **3. Economic Development Update**

Presented by Randy Sant and Doug Redmond

Mr. Sant reported the following leads since he last updated them. Tooele has five projects that he would consider on their hot list. Of those five, two have had more than two visits here.

- Project Redrocks, which is a food manufacturer. 300 jobs, 250,000 square feet, 34 million dollars in capital investment

- Project Firestorm, a plastic manufacturer. 40 jobs, 40,000 square feet
- Project Wellspring, a pharmaceutical manufacturer. 300 jobs, 195,000 square feet, 100 million dollar capital investment
- Project Centrum Material, a data center, 200 jobs, 300,000 square feet, 500 million capital investment
- Project Elvis, a distribution facility, 250 jobs, 300,000 square feet

Conestoga has not closed on their property yet. The money is in escrow. The reason it is not closed yet is they have a lot of questions on the Army agreements. Our deal says we give you what they gave us. Their attorney is looking over the agreements. UID has been very good. We are hoping to close on Friday. They should have the due diligence done on Thursday.

We received a notice of default on the Central Elementary Project. He gave it to the attorney to look at. His understanding is that it will be resolved and we won't have to do anything.

Mr. Sant reported that he is working on a letter that they received from the Utah State Extension with the Mayor. It concerns the 50 acres. We will get that surveyed and figure out what that 50 acres is and how it relates. Then we will come back because they would like to sell ten acres right away to help with the cost of their construction. He made an inquiry to the State to determine if the \$900,000 that was appropriated for the sale is available. He asked Glen Caldwell when the bond payment is due? Mr. Caldwell responded August 5. Mr. Sant said it would be nice to resolve this before we make another bond payment, however, we probably won't make that date.

Mr. Redmond reported that he has a conference call with "Project Happy Wives" next week. Mr. Johnson asked what retail projects are coming in? Mr. Redmond responded Apollo Burger, Chevron, and Burger King.

Mr. Wardle asked about the notice of default and if there was going to be any resolution? Mr. Sant said they need to discuss that with Mathew Arbshay. Roger Baker is out of town right now, and as soon as he returns they will need to meet about it. His understanding is that there is a resolution. Mr. Arbshay is selling off a piece of his property. As soon as that closes there will be adequate funds to take care of that. Mr. Johnson said it takes about four months for the foreclosure process.

Mayor Dunlavy said Winfield Academy is moving forward. Mr. Pruden reported that the "Fridays on Vine" program is going very well.

#### **4. Invoices**

Presented by Randy Sant

Mr. Sant said as per the MDA agreement, we need to refund back to UID the property tax they paid minus the assessed value on five million dollars. During fiscal year 2006 they paid \$375,203.14. After applying the five million dollars to the certified tax rate of 0.012992, the RDA needs to refund \$310,243.14 to UID.

Mr. Johnson asked how long this goes? Mr. Sant replied two more years, just this current year, fiscal year 2007 and then 2008. Then the refunds will cease.

Mr. Johnson asked if they challenged their assessed valuation or something? Last year we paid them \$500,000. Mr. Sant thought they had challenged their assessment. At the next meeting we will be

bringing back an agreement with Jason Burningham to work with him in doing an audit of the County on the assessment and the taxes paid on this. He suspects they did a request for valuation decrease.

**Mr. Pruden moved to pay a tax refund to UID in the amount of \$310,243.14 for the UID tax refund.** Mr. Wardle seconded the motion. All members present voted, "Aye."

**5. Minutes of June 21, 2006**

Mr. Johnson noted that on page one, bottom paragraph it stated that, "We should see a significant increase in from those projects." The word "in" should be removed.

**Mr. Hansen moved to approve the minutes from June 21, 2006 as amended.** Mr. Pruden seconded the motion. All members present voted, "Aye."

**6. Adjourn**

**Mr. Hansen moved to adjourn.** Mr. Wardle seconded the motion. All members present voted, "Aye." The meeting adjourned at 6:59 p.m.

Approved this 18 day of October, 2006