

# **REDEVELOPMENT AGENCY OF BOUNTIFUL CITY**

**Tuesday, November 13, 2018**

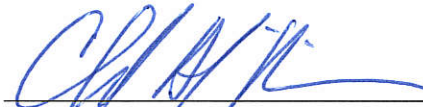
**7:30 p.m. (Time approximate after the City Council meeting)**

**NOTICE IS HEREBY GIVEN** that the Board of Directors of the Bountiful City Redevelopment Agency will hold a meeting at Bountiful City Hall, 790 South 100 East, Bountiful, Utah, at the time and date given above. The public is invited to attend. Persons who require special accommodations should contact Shawna Andrus, Executive Assistant, at (801)298-6140, at least 24 hours prior to the meeting.

If you are not on the agenda, the Board of Directors will not discuss your item of business until a subsequent meeting. If you wish to have an item placed on the agenda, contact the Redevelopment Agency Director at (801)298-6190, at least 7 days before the scheduled meeting.

## **AGENDA**

1. Welcome
2. Consider approval of minutes for June 12, 2018.
3. Consider approval of finalist for purchase and preservation of the Historic Day-Mabey Home located at 73 West 100 North, Bountiful.
4. RDA Director's report and miscellaneous business.



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Chad Wilkinson, RDA Director

Pending minutes have not yet been approved by the Redevelopment Agency Committee and are subject to change until final approval has been made.

## BOUNTIFUL REDEVELOPMENT AGENCY

### Meeting Minutes of: Tuesday, June 12, 2018

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman – Randy Lewis; Board Members – Kendalyn Harris, Richard Higginson, Beth Holbrook, and Chris R. Simonsen; City Manager – Gary Hill; City Attorney – Clinton Drake; Redevelopment Director – Chad Wilkinson; City Engineer – Paul Rowland

Excused: John Marc Knight

1. Chairman Randy Lewis opened the meeting at 9:25 p.m. and welcomed those in attendance.
2. **Consider approval of minutes for March 27, 2018.**

Mr. Wilkinson noted that on page 2 of the minutes the loan call should read as 5 years rather than 4 years. Mr. Higginson made a motion to approve the minutes for March 27, 2018 with the correction. Ms. Holbrook seconded the motion.

A Mr. Lewis  
A Ms. Harris  
A Mr. Higginson  
A Ms. Holbrook  
A Mr. Simonsen

Motion passed 5-0.

3. **PUBLIC HEARING: Consider approval of Resolution 2018-01; FY 2018 Amended RDA Budget and proposed FY 2019 RDA Budget.**

Redevelopment Director Chad Wilkinson presented a summary of the staff report (the full staff report follows).

Each year the Redevelopment Agency (RDA) Board of Bountiful City must adopt a budget for the upcoming fiscal year. The Board may also adopt an amended budget if necessary.

Staff has prepared an amended budget for FY 2018 and a final budget for FY 2019 for the Redevelopment Agency of Bountiful City.

The RDA budget includes two funds:

- Fund 72 – Loan Program

- Fund 73 – Administration and Operations

**Fund 72** - The Loan Fund administers the city’s revolving loan program. Revenues for the fund include principle and interest payments from loans and transfers from fund balance. Expenditures are almost exclusively in the form of new loans. Since this fund has adequate balance to cover loans for the coming year, no new funds are budgeted for Fund 72 this year.

**Fund 73** – The Administration and Operations Fund is used to administer the RDA programs and projects. Revenues are primarily from tax increment. This year’s budget anticipates collecting roughly \$1,097,450 in new tax increment. The remainder of the revenue is from interest earnings and fund balance.

Expenditures in this fund include personnel, operating costs (materials, supplies, and services) and special projects. A total of \$4.2 million dollars has been budgeted for special projects for the coming year with revenues coming from a combination of Undesignated Fund Balance and new tax increment revenues. Special projects budgeted for next year include funding for the downtown plaza and professional services associated with the project, funding for extension of enhanced infrastructure along Main Street, and planning and redevelopment efforts surrounding the existing City Hall and Renaissance Towne Center. A reduction in administrative funding for the area is reflected in the budget as negotiated with the TEC.

The budget has been reviewed by the RDA Director and the City Manager.

Staff recommends that the RDA Board should adopt Resolution 2018-01 approving the Fiscal Year 2018 Amended RDA Budget and proposed Fiscal Year 2019 RDA Budget.

Mr. Higginson inquired regarding future plans for the enhanced infrastructure. Mr. Wilkinson stated that the original proposal to the TEC Committee was for one block south (south of 2nd South to 3rd South) and one block north (1st North to 2nd North). The timing for the north is not as critical as the south as there exists potential redevelopment which the city desires to tie in so everything gets built about the same time as to prevent interruptions later on.

**PUBLIC HEARING:** Chairman Lewis opened the public hearing at 9:29 p.m., and the hearing was closed at 9:30 p.m. with no comments from the public.

Mr. Higginson made a motion for approval of Resolution 2018-01; FY 2018 Amended RDA Budget and proposed FY 2019 RDA Budget. Ms. Holbrook seconded the motion.

A Mr. Lewis  
A Ms. Harris  
A Mr. Higginson  
A Ms. Holbrook  
A Mr. Simonsen

Motion passed 5-0.

**4. Update and Discussion of Renaissance Pad A revolving loan application.**

Mr. Wilkinson explained that Bruce Broadhead approached the city regarding financing for the project on Pad A (Lot 9), Renaissance Towne Center. Mr. Broadhead asked if the RDA would be willing to consider going back to the first loan application, which was to use the property (Pad A, Lot 9) as collateral for the loan, which would put Bountiful City into a second position. There were two previously approved loan applications for this development. One loan application was last year – using Pad A as collateral – being in second position to a commercial loan. A new loan, which was approved earlier this year, used a separate parcel as collateral with the city being in first position. There are pros and cons to both scenarios. It is good to be in first position, but it would lock up another piece of property which could impact development. There is an expiration on the terms of the loans, but nothing has been rescinded and the applicant has accepted the terms. Staff is seeking direction regarding the two scenarios. Mr. Lewis asked for a recommendation, and Mr. Wilkinson noted that while it is advantageous to be in first position it would lock up the property from any other developers, and with the other scenario it is not advantageous to be in second position on a loan. Mr. Wilkinson noted that the property valuation has been completed, and there is an appropriate loan/value ratio on the property. Ms. Holbrook asked regarding the possibility of changing to first position in the future, and Mr. Wilkinson explained that the terms and structure of the loan would have to be redone, but everything would depend on the timing. Ms. Harris inquired as to what would bring about the best results. Mr. Wilkinson suggested that the first scenario might provide the best results. Mr. Broadhead explained that he is the unique position of having two lenders wanting to do things two different ways, and he asked the council to approve either approach so that he can go either direction. Mr. Lewis asked the council if they were at ease with the two loan scenarios, and the council noted that they were comfortable.

**5. RDA Director’s report and miscellaneous business.**

Mr. Higginson made a motion to adjourn the RDA meeting. Mr. Lewis seconded the motion.

- A       Mr. Lewis
- A       Ms. Harris
- A       Mr. Higginson
- A       Ms. Holbrook
- A       Mr. Simonsen

Motion passed 5-0.

The meeting was adjourned at 9:39 p.m.

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Chad Wilkinson, Redevelopment Director



# Redevelopment Agency

## Staff Report



**Subject:** Day-Mabey Home 73 W. 100 North

**Author:** Chad Wilkinson, Planning and Redevelopment Director

**Date:** November 13, 2018

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### **Background**

The Redevelopment Agency purchased the property at 73 West 100 North on December 5, 2016 for the purpose of creating additional parking to support downtown redevelopment efforts. The property has an existing residence that was constructed between 1903 and 1906 and is identified as the Day-Mabey home in the Bountiful Historic District inventory. The residence is in disrepair and earlier in the summer the RDA received complaints from adjacent property owners related to use of the property by transients. Bountiful Police removed the individual who was using the rear of the property as a temporary living area and the City initiated efforts to remove the buildings on the site in order to prevent future impacts to adjoining properties from what had become an attractive nuisance.

As a routine part of the demolition process, the City building department notified the Bountiful Historic Society of the pending demolition. The Historic Society expressed concern with the demolition of the home and asked the City to postpone the demolition. While the City has no regulation preventing the demolition of an historic home, it was determined to be worthwhile to look at other options prior to demolishing the building.

After reviewing options available for preserving the existing home, the RDA Board directed staff to issue a request for proposals (RFP) in order to solicit offers for the purchase and renovation of the residence. Notice of this RFP was sent to members of the Bountiful Historical Preservation Foundation, and was published in the newspaper and posted to the City website. The City received two proposals by the November 1<sup>st</sup> deadline: one from Brian Knowlton representing Knowlton General and one from Michael and Kristan Crouch.

### **Analysis**

The RFP included the following five evaluation criteria to be used in selecting a finalist for purchase of the property:

1. The respondent's proposed use of the property.
2. The area of the lot proposed for purchase.
3. Proximity of the subject property to other land already owned by the respondent.
4. The respondent's ability, capacity, skill and financial capability to complete renovation of the home in a timely manner.
5. Proposed purchase price.

The City was fortunate to receive two very good proposals. Both proposals were submitted by individuals/companies with experience in renovating historic properties and both submitters appear to have the financial and technical capability to complete renovation/restoration of the home in a timely manner. Where the proposals differ is the proposed use and the size of the property requested. The Crouch proposal indicates a proposed use as an office with the need for approximately 4,200 square feet of lot area. Since the Crouch family owns and operates their business from the adjacent property they are able to propose a smaller lot area for purchase that could be combined with their existing property through a property line adjustment. Mr. Knowlton proposes a single family residential use for the property and seeks 8,000 square feet in order to create a compliant residential lot meeting the standards of the downtown zone. The following table summarizes the proposals:

|  | <b>Knowlton</b> | <b>Crouch</b> |
|--|-----------------|---------------|
| <b>Offer price</b>   | \$146,000       | \$63,000      |
| <b>Area proposed for purchase</b>                          | 8,000 sf        | 4,260 sf      |
| <b>Offer price per SF</b>                                  | \$18.25         | \$14.78       |
| <b>Owns property adjacent</b>                              | No              | Yes           |
| <b>Demonstrated ability to restore historic properties</b> | Yes             | Yes           |
| <b>Proposed use</b>  | Residential     | Office        |
| <b>Stated financial capability</b>                         | Yes             | Yes           |

One of the stated objectives of the RFP was to “Preserve the maximum amount of property for future parking to support the economic development of Downtown Bountiful.” Both proposals include viable plans for restoration of the property. However, the Crouch proposal would preserve more property for downtown parking. Because the property boundaries could be easily adjusted to include the home within the existing parcel to the west, the sale could be limited to only those portions needed to provide adequate setbacks for the home. This limited purchase area would be ideal and in keeping with the RDA plans for the property. The Crouch family are the neighboring property owners and have a strong vested interest in maintenance of the property. In addition, because the home would become a part of their overall property, they would retain ownership of the building after restoration which would increase the likelihood of long-term maintenance of the building. While the per square footage price of the offer submitted by the Crouch family is lower than that offered by Mr. Knowlton, the prospect of retaining additional property for parking means that the Crouch proposal is more consistent with the original plan for the property and the goals and objectives of the RDA with regard to the downtown. Both offers exceed the per square foot

price paid by the RDA. For these reasons, RDA staff recommends that the Council select the Crouch family as the finalist to move forward with negotiations on purchase of the property and to finalize details for an agreement for completion of the renovation of the home. As stated in the RFP, if the RDA and the Crouch family are not able to come to an agreement on the details of the purchase and renovation of the home, the RDA will move to negotiations with the respondent in the second selection spot.

### **Department Review**

The item has been reviewed by the RDA Director, City Engineer, City Attorney, and the City Manager.

### **Significant Impacts**

The proposed purchase offer would leave sufficient area to construct additional needed parking on the property while preserving and restoring the historic home. This would be a positive impact for the Downtown zone.

### **Recommendation**

It is recommended that the Redevelopment Agency Board approve Michael and Kristan Crouch as the selected finalist and authorize staff to begin negotiations on final price and terms of an agreement for purchase and restoration of the Day-Mabey Home. The final approval of a purchase and restoration agreement will come back to the RDA board for approval at a future meeting.

### **Attachments**

Submitted proposals



# 73 W 100 North





**KNOWLTON  
PROPOSAL**

## Day-Mabey Home 73 West 100 North



We are interested in purchasing the home located at 73 west 100 North in Bountiful, Utah per the requirements and conditions outlined in the RFP regarding this property from the Redevelopment Agency of Bountiful. We understand and will work with the City regarding the mechanisms for insuring that the home is restored and maintained as a single-family residence. We offer \$ 145,000.00 for the purchase price. Our financial capacity can be provided upon request.

We anticipate beginning restoration within 60 days of finalizing the agreement with RDA and the purchase of the property (weather permitting). We will work with the City on their requirements for future parking. We will need the full 8000 s.f. of property to be a conforming lot and to provide on premise parking for the residence. We will work with the City on our final site plan to maximize the City parking use, as such, our proposed site plan can vary on length and width to meet the RDA requirements.

We anticipate restoring the exterior of the house to maintain the masonry details and the roof lines. This may include structural work on the roof based on our exterior inspections. We will provide new fenestrations consistent

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with the design intent and the period of the house also providing improved thermal performance. We anticipate a full gut rehab on the interior of the house to bring the systems up to current requirements and to provide living space consistent with our high standards. We have multiple years' experience in Asbestos and lead remediation

We have extensive single-family experience on Restoration on Yale and Harvard in SLC and in the avenues. Below are images of some of our projects







We are currently involved in 2 SLC restoration projects.



The site plan would comprise the Northerly portion for the full frontage to allow the building to be conforming. There is also a possibility to shorten the frontage if it suites the RDA needs. We would prefer to create on site parking to the East of the house. Further defined site plans will be provided with City input and prior to any detailed discussions. We will require a minimum of 8000, details to be worked out due to the size and width of the property.

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Brian Knowlton

# **CROUCH PROPOSAL**

**Michael & Kristan Crouch**  
245 North 100 East  
Bountiful, Utah 84010  
(801) 884-9679 - (801) 573-5133

October 25, 2018

Historic Day-Mabey Home Purchase and Restoration Proposal  
Attn: Chad Wilkinson, Redevelopment Director  
790 South 100 East  
Bountiful, Utah 84010

Dear Chad,

Attached, please find our proposal for the purchase and restoration of the Day-Mabey home located at 73 West 100 North in Bountiful.

As long-time residents of Bountiful, and home designers by profession, we have a deep appreciation for the architectural history of the city. We are always interested in seeing the unique culture of the city preserved, especially those structures located within the Bountiful Fort Historic District.

This proposal details the reasons we feel that we are ideally suited to take on this project, including; our record of restoring historically significant properties, the proximity to our existing property, and our ability and desire to see the home properly restored and maintained.

We understand that a written agreement with the RDA detailing the terms and conditions of the purchase and restoration will be required. Should we be selected, we would be willing to enter into such an agreement.

We appreciate your consideration in this matter.

Sincerely,  
Michael R. Crouch

*Michael R. Crouch*



PROPERTY PURCHASE PROPOSAL FOR:

# BOUNTIFUL CITY

OCTOBER 25, 2018



MICHAEL & KRISTAN CROUCH  
245 NORTH 100 EAST  
BOUNTIFUL, UTAH 84010  
(801) 884-9679 - (801) 573-5133

## **Proposal to purchase property**

### **Objective:**

We are interested in exploring the possibility of purchasing a portion of the property located at 73 West 100 North, Bountiful.

### **Background:**

I am a life-long resident of Bountiful. My wife, Kristan, and I currently own two properties in the city. Our home, located at 245 North 100 East which we bought in 1988, was built in 1910 by the fifth mayor of Bountiful, Amos Cook. Our office, located at 94 North 100 West which we purchased in 2003, was built in 1917 and is commonly referred to as the Holbrook home. It is currently zoned Professional Office and is used for our home design business Hearthstone Design.

We have a deep appreciation for these historic properties and have renovated and maintained them accordingly.

### **Current Situation:**

We recently became aware that the property to the east of, and adjacent to, our office has been purchased by the city for the purpose of creating additional downtown parking. We've also heard that there is a desire by some to save and restore the house located on the North West corner of the property.

I understand that the home was built in 1903 and was the one-time residence of former Utah Governor and Bountiful Mayor Charles R. Mabey.

### **Proposal:**

In order to maximize the available parking area and still preserve the home we are proposing that we be allowed to purchase the existing home and a minimum amount of the surrounding property, perhaps an additional 10' or so of property to the east and south of the structure. Since the new parcel would be prohibitively small we are proposing to incorporate it into our existing property located directly to the west.

Our intention would be to restore the existing structure for use as additional office space.

We plan to begin the restoration process immediately following the finalization of the purchase. Proposed improvements include roof repair, restoration of the exterior, renovation of the interior (flooring, electrical, plumbing, painting...) and landscaping. Weather permitting, we hope to have renovations completed within a few months.

We look forward to determining a final purchase price with the city. Based on our preliminary calculations, however, we would be interested in approximately 21% of the total property or 4,260 square feet. We understand that the appraised value of the land is \$300,000 making 21% somewhere in the \$63,000 range. According to the appraisal the existing improvements do not offer any contribution above the improved site value as if

vacant. We would also like to maximize the funds available for the necessary site improvements, which are significant.

**Benefits:**

The location of our parcel makes it ideal for subdividing and incorporating the smallest possible amount of city owned land into an existing adjacent property. (See Concept Plan.) This would allow the maximum amount of remaining area to be used as parking.

Our financial situation will allow us to make the purchase and most, if not all, of the restoration using our cash reserves. We are currently both personally and professionally completely debt free. Hearthstone Design is in it's 25th year of operation and continues to be a reliable source of income.

Finally, our history of owning, restoring, and maintaining historic Bountiful properties demonstrates our commitment to the city and our immediate community. Over the years we have received a great deal of positive feedback on the appearance of the properties we currently own. We are excited about the possibility of treating this home in a similar manner.

**Summary:**

We feel this proposal would be beneficial to all interested parties. The city would be able to move forward with the plan for additional much-needed parking. Desirable office space would be created while preserving the historically significant home.

We appreciate your attention in the matter and look forward to discussing this further. Feel free to contact us with any questions or concerns.

Michael Crouch  
(801) 884-9679

Kristan Crouch  
(801) 573-5133

Christopher Crouch  
(801) 891-8306





CROUCH HOUSE



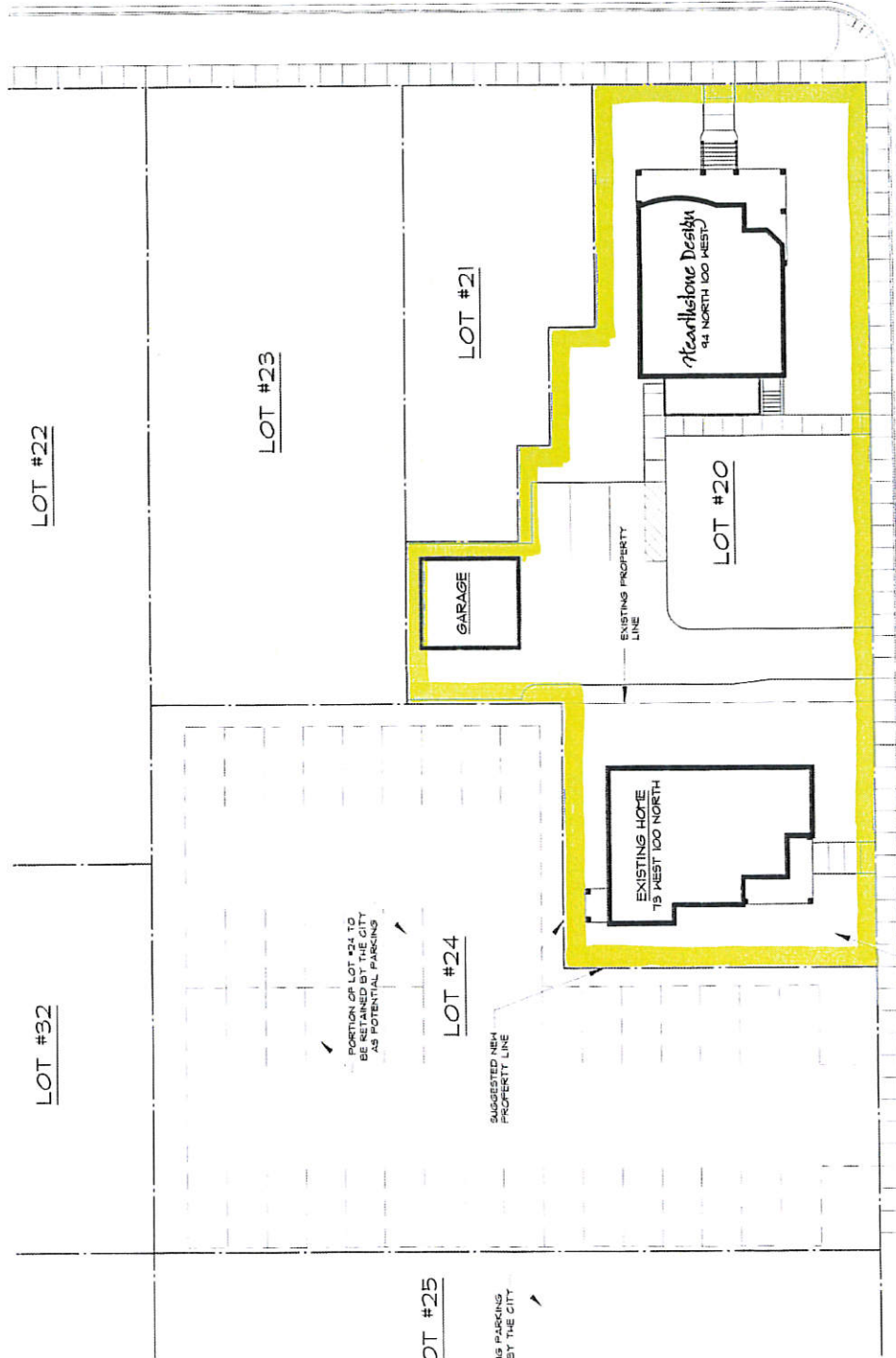
HEARTHSTONE DESIGN





PROXIMITY OF PROPERTIES

100 NORTH STREET



LOT #22

LOT #23

LOT #21

LOT #20

LOT #24

LOT #25

PORTION OF LOT #24 TO BE RETAINED BY THE CITY AS POTENTIAL PARKING

SUGGESTED NEW PROPERTY LINE

EXISTING PARKING OWNED BY THE CITY

EXISTING PROPERTY LINE

EXISTING HOME 75 WEST 100 NORTH

Heavenstone Design  
94 NORTH 100 WEST

GARAGE

100 NORTH STREET

PORTION OF LOT #24 TO BE ADDED TO LOT #20

PROPERTY PURCHASE PROPOSAL FOR:  
MICHAEL AND KRISTAN CROUCH

CONCEPT PLAN