

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of: Tuesday, April 14, 2020

Location: South Davis Metro Fire Station 81, 255 South 100 West, Bountiful, Utah

Present: Acting Chairman – Kate Bradshaw; Board Members – Millie Segura Bahr, Kendalyn Harris, Richard Higginson, and Chris R. Simonsen; City Manager – Gary Hill; City Attorney – Clinton Drake; Redevelopment Director – Francisco Astorga; City Engineer – Lloyd Cheney; Assistant City Manager – Galen Rasmussen

Excused: Chairman – Randy Lewis

1. Acting Chairman Kate Bradshaw opened the meeting at 9:00 p.m. and welcomed those in attendance.
2. **Consider approval of minutes for June 11, 2019.**

Ms. Harris made a motion to approve the minutes for June 11, 2019. Mr. Simonsen seconded the motion.

A Ms. Bahr
A Ms. Bradshaw
A Ms. Harris
A Mr. Higginson
A Mr. Simonsen

Motion passed 5-0.

3. **Consider approval of Agreement to Substitute Collateral, Trust Deed, Assignment of Rents and Security Agreement, and Substitution of Trustee and Request for Full Reconveyance for an existing RDA Loan in the original amount of \$550,000 for the Renaissance Towne Project.**

Mr. Drake noted that he communicated to Mr. Broadhead and his attorney that they were not required to attend the RDA meeting. Mr. Drake presented a summary of the staff report (the full staff report follows).

In November of 2018, the RDA approved financing to Broadhead and Associates (Developer) for development of a portion of the Renaissance Towne Center in the amount of \$550,000. The loan was secured by real property collateral located in the Towne Center pursuant to Trust Deed and an Assignment of Rents and Security Deed (Trust Deed) which was recorded on December 11, 2018. The Developer now wishes to develop the encumbered portion of the property and has contracted to sell the property to a third party. In order to sell

the property, it cannot be encumbered by the Trust Deed. Accordingly, the Developer has offered to substitute other real property collateral located within the Towne Center in consideration of Release of the Trust Deed.

Staff has met with the Developer and found the plans to develop the encumbered parcel are consistent with the RDA's goals. The parcel offered as substitute collateral is equal to the parcel currently encumbered. Allowing the Developer to substitute collateral will allow the Towne Center to develop and the RDA will be provided sufficient substitute collateral to satisfy the original RDA loan. As of the date of this Staff Report, the Developer is current on its obligations to the RDA with just under \$523,000 outstanding. The request also includes a substitution of the current trustee, U.S. Title Insurance Agency to a successor trustee, Metro National Title Company which should not have any impact on the loan. All other terms and conditions such as the loan amount, amortization period, and interest rate will remain the same.

Mr. Drake recommended that the RDA approve the Agreement to Substitute Collateral with accompanying documents and authorize the RDA Chair to sign any documents necessary to complete the transaction.

Mr. Higginson made a motion for approval of Agreement to Substitute Collateral, Trust Deed, Assignment of Rents and Security Agreement, and Substitution of Trustee and Request for Full Reconveyance for an existing RDA Loan in the original amount of \$550,000 for the Renaissance Towne Project. Mr. Simonsen seconded the motion.

 A Ms. Bahr
 A Ms. Bradshaw
 A Ms. Harris
 A Mr. Higginson
 A Mr. Simonsen

Motion passed 5-0.

- 3. Consider temporary postponement of RDA loan terms due to the COVID-19 pandemic and authorize the RDA Director to finalize promissory notes, amortization schedules, and any other necessary documentation to accomplish the postponement of the RDA loans for a period not to exceed 90 days.**

Ms. Harris made a motion for approval of a temporary postponement of RDA loan terms due to the COVID-19 pandemic and authorize the RDA Director to finalize promissory notes, amortization schedules, and any other necessary documentation to accomplish the postponement of the RDA loans for a period not to exceed 90 days. Mr. Higginson seconded the motion.

A Ms. Bahr
A Ms. Bradshaw
A Ms. Harris
A Mr. Higginson
A Mr. Simonsen

Motion passed 5-0.

4. **RDA Director's report and miscellaneous business.**

Mr. Astorga referenced a printout of the March RDA loan payments and noted that all loan payments were current. He noted that starting in April two of the loans (Historic Bountiful Theater and Colonial Square) would temporarily postpone payments due to the COVID-19 pandemic.

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

A Ms. Bahr
A Ms. Bradshaw
A Ms. Harris
A Mr. Higginson
A Mr. Simonsen

Motion passed 5-0.

The meeting was adjourned at 9:10 p.m.



Randy Lewis
Redevelopment Agency Chairman