

REDEVELOPMENT AGENCY OF BOUNTIFUL CITY

Tuesday, June 16, 2020

8:00 p.m. (Time approximate after the City Council meeting)

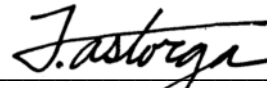
NOTICE IS HEREBY GIVEN that the Board of Directors of the Bountiful City Redevelopment Agency will hold a meeting at **South Davis Metro Fire Station 81, 255 South 100 West, Bountiful, Utah**, at the time and date given above. The public is invited to attend. Persons who require special accommodations should contact Shawna Andrus, City Recorder, 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 (RDA) at (801) 298-6190, at least 7 days before the scheduled meeting.

Bountiful RDA meetings, including this meeting, are open to the public. In consideration of the COVID-19 pandemic, members of the public wishing to attend this meeting are encouraged not to attend in person and to view the meeting online. The link to view the meeting can be found on the Bountiful City website homepage. If there is a public hearing listed on the agenda that you would like to submit a comment for, please email that comment prior to the meeting to info@bountifulutah.gov and indicate in the email if you would like your comment read at the meeting.

AGENDA

1. Welcome
2. Consider approval of minutes for April 14, 2020.
3. **PUBLIC HEARING:** Consider adopting RDA Resolution 2020-01 approving the proposed Fiscal year (FY) 2021 RDA Budget.
4. RDA Director's report and miscellaneous business.



Francisco Astorga, RDA Director

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.

Francisco Astorga, Redevelopment Director

RDA Staff Report

Subject: Adoption of Proposed FY 2021 RDA Budget
Author: Francisco Astorga, AICP, RDA Director
Dept.: Redevelopment Agency
Date: June 16, 2020



Background

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 a final budget for Fiscal Year (FY) 2021 for the RDA of Bountiful City. An amended budget for FY 2020 is not necessary.

Analysis

The RDA budget includes two (2) 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 principal 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 \$1,143,117 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 \$1,875,000 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. Agency special projects budgeted for next year includes parking improvements in support of the Bountiful Town Square and downtown events. \$75,000 has been budgeted for the design and construction of Downtown Main Street signage/feature. An allocation for property of \$1,000,000 has been placed. Also, \$800,000 has been allocated for the infrastructure of the Renaissance Towne Centre development, formerly known as the Five-Points Mall site. A reduction in administration funding for the area is reflected in the budget as negotiated with the Taxing Entity Committee (TEC).

Department Review

The budget has been reviewed and approved by the City Manager.

Significant Impacts

None

Recommendation

The RDA Board should hold a public hearing and adopt Resolution 2020-01 approving the proposed FY 2021 RDA Budget.

Attachments

- RDA Resolution 2020-01
- RDA Budget (included with the Bountiful City Budget Document) under separate cover

**RESOLUTION OF THE BOUNTIFUL REDEVELOPMENT AGENCY
APPROVING THE 2020-2021 FISCAL YEAR BUDGET**

WHEREAS, the Bountiful Redevelopment Agency has held a public hearing on the 16th day of June, 2020; and

WHEREAS, the Bountiful Redevelopment Agency has caused a notice of Public Hearing to be published in the Salt Lake Tribune, a newspaper of general circulation, on the 5th day of June, 2020, eleven (11) days in advance of the public hearing date; and

WHEREAS, the Bountiful Redevelopment Agency has caused a copy of the proposed budget document to be available for public inspection during regular hours in the office of the Bountiful Redevelopment Agency, 150 North Main, Suite 101, Bountiful, Utah, and on the Bountiful City website (www.bountifulutah.gov) for a period of at least three (10) days before the commencement of the public hearing; and

WHEREAS, the Bountiful Redevelopment Agency has considered all written and oral statements made at the public hearing objecting and supporting the Redevelopment Agency Budget based upon the evidence and testimony received at the public hearing.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Bountiful Redevelopment Agency that the 2020-2021 Bountiful Redevelopment Agency Budget is hereby approved as set forth in the City of Bountiful, Utah Operating & Capital Budget document provided under separate cover.

Approved and adopted this 16th day of June 2020.

Randy Lewis, Chairman
Bountiful Redevelopment Agency

Attest: Francisco Astorga, Director
Bountiful Redevelopment Agency