Minutes of the Redevelopment Agency of Centerville meeting held Tuesday, May 22, 2018 at 8:00 p.m. in the Centerville City Hall Council Chambers, 250 North Main Street, Centerville, Utah.

DIRECTORS PRESENT
Clark Wilkinson, Chair
Tamilyn Fillmore
William Ince
Stephanie Ivie, Vice-Chair
George McEwan
Robyn Mecham

STAFF PRESENT
Steve Thacker, RDA Executive Director
Lisa Romney, City Attorney
Katie Rust, Recording Secretary

STAFF ABSENT
Jacob Smith, Management Services Director

VISITORS
Fred Hale, H&S, LLC
Chad Salmon, H&S, LLC
Nick Smith, Legacy Trails Subdivision Project Manager
Shaun Johnson, Legacy Trails Subdivision Project Manager

LEGACY TRAILS APARTMENT PROJECT

Chad Salmon of H&S, LLC provided the Directors with cost summaries and maps of improvements in the Legacy Trails Subdivision, as well as a summary document, and the Parrish-Legacy Crossing Community Development Project Area (CDA) Plan (attached). He stated he and Mr. Hale feel H&S, LLC added value to the Legacy Crossing CDA and to the community as a whole, and that they met the intent of the CDA Plan in multiple areas. Mr. Salmon said they feel all the costs shown on the Legacy Trails Subdivision Cost Spreadsheet are worthy of note in regards to the CDA, and asked that the RDA particularly take into consideration the specific costs associated with Parrish Lane, 1250 West, and Legacy Trail Part A and B, for tax increment participation.

Mr. Salmon explained that land was deeded and improvements made along 1250 West in conjunction with development of the Legacy Crossing Subdivision to the east, prior to development of the Legacy Trails Subdivision. Staff pointed out that the same land would have been deeded and improvements required at the time Legacy Trails Subdivision was developed.

Mr. Salmon stated in hindsight they realize a tax increment agreement should have been reached before beginning the project. He said they went forward with the development in good faith, thinking the agreement would occur after the project. Steve Thacker, City Manager, stated meeting minutes from 2014 reflect discussion of the possibility of tax increment participation for the trail connection portion of the development. Councilwoman Fillmore said she feels the improvements were already incentivized with the density that was granted. Cory Snyder, Community Development Director, said he remembers recommending H&S, LLC approach the City Manager in 2014 to talk about RDA participation for the trail portion. The improvements to Parrish Lane and 1250 West were all required for the development to occur.

Mr. Salmon commented that the trail connection was very costly. He said they were required to pay a park impact fee for each housing unit, and said they feel they were double charged since Park Impact Fees are used to establish trail access. Referring to RDA tax increment participation with the Legacy Crossing U.S. Development project, Mr. Salmon
acknowledged that the first group to develop in the area should be given preferential treatment. He said he and Mr. Hale are only asking to be treated fairly. Councilman McEwan responded that park impact fees would have been charged regardless of the trail connection. All new housing units are charged a park impact fee. Councilwoman Fillmore pointed out that approval of the project was by tight majority vote of 3-2. She said it is difficult to know if approval would have been granted if H&S, LLC had pushed for more tax increment participation than was recommended by staff at that time. Ms. Romney stated the developer may have had an expectation of greater tax increment participation, but the City did not. Based on costs related to the off-site trail connection previously submitted by Mr. Salmon and Mr. Hale, Mr. Thacker recommended the RDA consider $75,000 tax increment participation. Councilman Ince said it appears from the list that a significant portion of the costs were associated with UDOT.

Mr. Salmon stated they did not need to install the trail system or the decorative fencing. He added that the additional units were costly because of the park impact fees. Ms. Romney responded that all of the improvements were required for approval of the PDO. She recommended the RDA Board consider the request as a new petition, since no agreement was entered into prior to development. Director Fillmore read aloud the development objectives from the CDA Plan. She pointed out that residential development costs the city much more long term than commercial development, and the Legacy Trails Subdivision has a higher residential component than commercial. The Legacy Crossing Subdivision to the east has a much higher commercial element than the Legacy Trails Subdivision.

Director McEwan commented that the trail connection enhances the property itself as well as the City. It benefits the residents who live closest to it more than other residents in the City. Mr. Salmon agreed, but stated the trail connection qualifies as a trail system and betterment to the City. Councilwoman Fillmore responded that the $75,000 recommended by staff recognizes the betterment to the City. Chair Wilkinson asked Mr. Salmon what amount they are asking for. Mr. Salmon responded they believe $291,000 is supportable.

The RDA Board and staff discussed taxable value and City tax revenue with Mr. Salmon and Mr. Hale. Mr. Thacker said the City expects to receive a new report from the County within the next couple of weeks. Mr. Thacker reminded the RDA Board that the Legacy Crossing CDA owes $200,000 to the Parrish Gateway Project Area. He provided an updated RDA Project Areas Financial Projection (attached).

Mr. Hale and Mr. Salmon described their experience with the property since they purchased the five acres in 1993. There has not been commercial interest in the property. He said they have not had any calls on the two remaining commercial lots. Mr. Hale pointed out they have given the City some kind of tax base where there wasn’t any. Director Ince stated he needs time to think about what has been presented. Director McEwan expressed that the RDA Board is trying to be responsible stewards of the City’s funds. He agreed with Ms. Romney’s recommendation to consider the request as a new petition. Mr. Thacker said staff can update the financial projection when they receive updated values from the County. He suggested the RDA Board and H&S, LLC could possibly enter into a tax increment agreement for the two remaining commercial properties.

ADJOURNMENT

Vice-Chair Ivie made a motion to adjourn the meeting at 9:24 p.m. Director Ince seconded the motion, which passed by unanimous vote (5-0).
Redevelopment Agency of Centerville
Minutes of Meeting of May 22, 2018

Steve Thacker, RDA Executive Director

Katie Rust, Recording Secretary

Date Approved: 6/7/18

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