MINUTES OF THE VINEYARD
REDEVELOPMENT AGENCY BOARD MEETING
125 South Main Street, Vineyard, Utah
October 10, 2018 – 6:00 PM

Present	**Absent**
Chair Julie Fullmer	Boardmember Nate Riley
Boardmember John Earnest	
Boardmember Tyce Flake	
Boardmember Chris Judd	

Staff Present: City Manager/Finance Director Jacob McHargue, Public Works Director/City Engineer Don Overson, City Attorney David Church, Sergeant Holden Rockwell with the Utah County Sheriff's Office, Community Development Director Morgan Brim, City Planner Elizabeth Hart, Planning Commission Chair Cristy Welsh, City Recorder Pamela Spencer, Water/Parks Manager Sullivan Love

Others Speaking: Mike Hutchings and Jeff Walker with Anderson Geneva

7:12 PM REDEVELOPMENT AGENCY BOARD MEETING

Chair Fullmer called the Redevelopment Agency Board meeting to order at 7:12 PM.

CONSENT AGENDA
2.1 Approval of the September 26, 2018 RDA Meeting Minutes
2.2 Geneva Nitrogen Reimbursement Agreement

Chair Fullmer called for a motion.

Motion: BOARDMEMBER JUDD MOVED TO APPROVE CONSENT ITEMS 2.1 AND 2.2 AS PROPOSED. BOARDMEMBER EARNEST SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT. ROLL CALL TO APPROVE THE GENEVA NITROGEN AGREEMENT WENT AS FOLLOWS: CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

BUSINESS ITEMS
3.1 DISCUSSION AND ACTION – **Extension of 1750 North**

> Martin Snow with Vineyard Properties of Utah LLC is requesting that the RDA pay the full cost for completing the extension of 1750 North as described in the application. The total estimated cost of the project is $2,478,467.61. The RDA Board will take appropriate action.

Mr. McHargue explained the reimbursement agreement for the construction of 1750 North to Pioneer Lane. He stated that the land costs had been removed from the request bringing it to $1,641,580.24. He said that the agreement would be updated to reflect the change.

Mr. Church stated that this application was consistent with past road construction projects. He added that the agreement would require the dedication of the land. Mr. McHargue mentioned that the RDA did not have current funding for the project, so it would have to be reimbursed in the future.

Boardmember Judd asked if there were additional cost breakdowns to get to the $1.6 million. Mr. McHargue replied that he had not had time to review the new application. Boardmember Judd stated that he did not feel comfortable voting on the application tonight. Mr. McHargue replied that they would get a contract put together with the actual amounts for the next meeting.

Chair Fullmer called for a motion to postpone the business item.

Mr. Church stated that they needed to make a motion to accept the application subject to it being put in contract form for final approval.

Motion: BOARDMEMBER JUDD MOVED TO ACCEPT THE APPLICATION AND ALLOW IT TO MOVE FORWARD TO GO INTO CONTRACT FORM FOR THE NEXT RDA BOARD MEETING FOR A VOTE AND APPROVAL OF THE CONTRACT WITH THE UPDATED NUMBERS. BOARDMEMBER FLAKE SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

3.2 DISCUSSION – Anderson Geneva Land Donation Agreement

Anderson Geneva is requesting approval of a land donation agreement for the area to be known as the promenade and approval for the chair to sign said agreement. No action will be taken at this time.

Mr. McHargue explained that this presentation tonight was for a land donation and a development agreement. He turned the time over to Mike Hutchings with Anderson Geneva.

Mr. Hutchings stated that Anderson Geneva had met with staff to review and revise the proposed land donation and development agreement. He explained that the concept was for Anderson Geneva to donate to the city the lake promenade area. He mentioned that it would be approximately 16 acres of property. He explained that they might want to adjust the plans for the promenade and move it slightly to the north to give them more acreage for structured parking, etc. He mentioned that UDOT wanted to have 1000 parking stalls for the FrontRunner station. He said that one of the concepts of moving the promenade to the north was to line it up and create a view line from the FrontRunner station to the lake. Boardmember Judd asked how much of a change were they proposing. Mr. Hutchings replied that it would be at least 50 feet but could be as much as 200 feet. He pointed out where the land would be on the map. Chair Fullmer asked if it would still line up with the FrontRunner station if they moved the promenade 50 feet. Mr. Overson replied that the promenade would be on the north end of the FrontRunner station platform. Boardmember Judd asked if it would be in the line of sight of the platform. Mr. Overson replied that the idea was that you would be able to see the lake from the platform.

Mr. Hutchings explained that they were not donating contaminated ground. He said that the agreement would state that the ground would be DEQ acceptable.

Mr. Hutchings explained that the east portion of the promenade was narrow and widen towards the lake. He explained that the wider area was 240 feet (80 yards of green space). He felt that they should be putting the roadways inside of that area and moving some of the width into the narrow area. He commented that the narrow area was 70 feet. He suggested that they put the roadways in the green space, move some of the green space to the east, and they would still end up with 70 feet of green space. He said that they would donate ground to be used as a roadway.

Boardmember Judd asked if they would have to amend the Town Center Master Plan. Mr. Brim replied that the agreement matched the code. There was a discussion about the roads in the promenade area. Mr. Hutchings stated that they were going to donate 16 acres for the promenade and recommend that it include roads and parking. Mr. Church explained that this was not referenced in the proposed agreement because the code allowed for it to be done. He said that Mr. Hutchings was recommending that it be used for exactly what the code said. Mr. Brim felt that there might be places in the Town Center where they could have buildings adjacent to the green space. He felt that the code was written so they could include the roads or have restaurants that opened up onto the green space. Mr. Church stated that it was contemplated and allowed in the code and the agreement would not change the code.

Mr. Church felt that the agreement would accomplish 4 basic things:

1. Takes the code and makes it part of a development agreement. This meant, by contract, the city was vesting people in the code so that a future City Council could not change the vision and abandon it when it was halfway done. On the city's side, it committed the landowner to develop it according to the code. Commit to it contractually.
2. Identifies backbone infrastructure as being necessary, that the RDA would participate in installing, to incentivize the development. Make sure that it was successful for future development. The contract identified that the RDA could build the backbone or allow the developer to build the backbone and the RDA would reimburse through tax increment generated by that development.
3. Promenade and other things go across property lines. This gives the landowner the opportunity to donate this land at one time to the city, for the promenade, instead of having to work with the individual developers.
4. When the land is purchased, the developer will be responsible for any infrastructure not included in the backbone infrastructure and will be built at the developer's expense.

He emphasized that:

1. They vest it on both sides
2. They establish what the RDA would participate in
3. The city would gain the land donation now
4. They identify what the RDA did not intent to do

He felt that there would not be enough money to build the infrastructure and the parking structures. He felt that they should concentrate on the backbone.

Jeff Walker with Anderson Geneva stated that they were trying to create a legal description in order to donate the land. Mr. Church thought that where the promenade would be located had not been set in stone. He said that it would need to tie into the FrontRunner station and the lake.

Chair Fullmer felt that they needed to reexamine the 7.5 percent interest rate mentioned in the agreement. Mr. Hutchings felt that the interest rate should be higher, but made the decision not to ask for more. Boardmember Judd stated that as much as they wanted it, they did not have to force the land to be developed and did not want to pay the 7.5 percent interest rate. He felt that it was on the landowner's shoulders. Mr. Hutchings replied that they were doing what other developers had done to install backbone infrastructure in the city. Boardmember Judd asked if the RDA had paid the 7.5 percent interest rate on other infrastructures projects. Mr. McHargue replied that there had been one other agreement with Flagship Homes. Mr. Church explained that they had taken the 7.5 percent interest rate from the WatersEdge agreement which was higher than they could borrow from. He said that they would like to see a lower rate. Boardmember Judd said that if they wanted to get the infrastructure done now they could put it in and then submit for reimbursement, providing the RDA had the funds. Mr. Church stated that if times were good, then they could pay it off with a bond, but if times were not good they would not be paid off at the end of the contract and it would be an unrecoverable amount. Mr. Hutchings stated that Anderson Geneva would bear the risk. Mr. Church felt that Anderson Geneva would be selling off to other developers. Mr. Hutchings stated that they would sell off the property with the obligations attached to the properties, which would be to build their proportional part of the promenade. Mr. Church said that if it was not listed as backbone in the agreement, then the developer would have to build it as part of their project.

Boardmember Judd felt that the property owner could take the risk and that it was not the RDA Board's responsibility. Mr. Walker commented that the repayment would only come from increment from the property that the owner had improved. It was a cost risk analysis for both the RDA and the property owner. He said that the interest rate would be tied to the development and not taken from any other place in the city. The risk was low. There was further discussion about the interest rate and the expectation of what the developer would be required to build. Mr. Hutchings said that Anderson Geneva had to bear the risk to come up with a functional downtown and train station to benefit the city and regional community.

Boardmember Judd had the following comments/questions:

1. Page 2 stated that the agreement was between the city and the developer
   He asked if it should be between the RDA and developer. Mr. Hutchings replied that they would make the change to the agency.

2. Section 2. <u>Property Affected by This Agreement</u> The agreement stated that no additional property may be added
   He asked if there was a reason they did not include the removal of property. Mr. Hutchings agreed to add it.

3. <u>Section 3. Land Donation by Developer</u> The agreement stated that the parties agree that the lake promenade property had a donative value of at least $350,000 per acre, which would be verified by an MIA appraiser.
   Mr. Church responded that the number had been removed.

4. <u>Section 4. Future Donation by Developer of the Plaza Property</u> - approximately 1.3-acre property depicted in the Town Center Map
   Mr. Hutchings stated that it was an office pocket park.

5. <u>Section 5a. Vested Rights</u> -The vesting period ending on December 21, 2049
   He asked if they used this date because it was the end of the RDA.
   Mr. Hutchings explained that it was three years beyond the end date of the RDA. Boardmember Judd asked why it past the end date. Mr. Hutchings replied that it gave room in case the RDA length was extended. Mr. Church explained that the dates should reflect a reasonable amount of time for a developer to complete the project.

6. <u>Section 5c. Phasing of the project</u>
   He felt that they hoped to have great relationships with the developers and asked if they could require that the developers give annual updates. Mr. Church stated that they could

have annual reports. He felt that what would drive the phasing would be the backbone infrastructure. He felt that it would naturally phase from backbone infrastructure out. Boardmember Flake asked if they agreed with what the backbone infrastructure was. Mr. Church said that there was a description and that there needed to be clarity on both sides.

7. Section 6c. Release of the Developer In the event of a transfer of any portion of the property to any successors they assign.
   He asked how the RDA would be notified if they sold off property. He asked if there was a requirement that they notify the RDA as they sell off portions of the property. Mr. Church replied in the affirmative.

8. Section 7. Infrastructure - defines the public facilities, system improvements.
   Mr. Church explained that the current version of the agreement deletes it and refers it to Exhibit F. Boardmember Judd stated that he would need the exhibits detailed with legal descriptions. Mr. Hutchings replied that it was almost impossible to detail where the promenade would be. He said that one of the requirements would be to have a buy-off from the DEQ giving the RDA ground that was certified clean. Mr. McHargue felt that it would also be difficult to have legal descriptions for the roads this quickly. Boardmember Judd asked if the RDA took over the roads now, it they would require the RDA to pay for them. Mr. Church explained that they would be public roads as soon as they were built and dedicated. He explained how other contracts had worked that were similar to this agreement.

9. Section 7f. City Impact Fees
   Mr. Church replied that he had recommended that all references to impact fees be removed. There was a discussion about impact fees. Mr. Church felt that when they discuss the parking structure they may want to say that it would be a benefit and do a parking structure impact fee or do a combination.

10. Section 7f. Impact Fee and RDA Reimbursement for System Improvements including Backbone Infrastructure; i and ii
    He asked if it would limit other RDA incentives. Mr. Church stated that it had been rewritten.

11. The City shall activate the RDA for the area covering the property within the project area by a certain date. Mr. McHargue stated was that it was a set date.

12. Section 8a - Open Space Credit from the Lake Promenade and Plaza Properties.
    He asked why it was a future credit. Mr. Hutchings replied that it was in the original master plan. Mr. Church explained that the intent was to clarify in the agreement that the 20 percent open space minimum required was part of it. Mr. Brim stated that they had discussed providing credit but having a minimum for onsite open space. Mr. Church said that they did not want any development completely stripped by the credits. He said that there were new minimums and that no development would be without open space.

Mr. McHargue said that they would work with Anderson Geneva and have a final draft for the next RDA meeting.

Mr. Church said that if Anderson Geneva was making an upfront donation they wanted to make sure anyone they sold to would realize the open space credit.

13. General Terms of Condition
    He asked if they were standard. Mr. Church replied that they were, but had missed the remedies section. He said that the remedies section clearly outlines the remedies for both side, which is specific performance of the agreement and neither side could not sue for damages. They ca can sue for specific performance, equitable relief, and attorney's fees. He said that the reason for that was they could not sue to insure contractual agreements.

Boardmember Judd felt that there was work to be done on the agreement but in general it was a good agreement.

Chair Fullmer called for further questions from the board or the public.

Resident Anthony Jenkins commented that wanted to make sure that when they were discussing the promenade to talk about pedestrian safety first. He said that there was discussion about parking and if they called it government-subsidized storage of private assets on public property they would think about it differently. He suggested that they charge for parking. Mr. Church said that if the city built a large parking structure and it was owned by the city, it would not necessarily be free parking.

Boardmember Judd asked Mr. Brim if they were looking at a scooter ordinance. Mr. Brim replied that they were looking at a shared bike and scooter program for the promenade.

ADJOURNMENT

Chair Fullmer called for a motion to adjourn the meeting.

Motion: BOARDMEMBER FLAKE MOVED TO ADJOURN THE MEETING AT 8:12 PM. BOARDMEMBER EARNEST SECONDED THE MOTION. CHAIR FULLMER, BOARDMEMBERS EARNEST, FLAKE, AND JUDD VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

RDA meetings are scheduled as needed.

MINUTES APPROVED ON: December 12, 2018

CERTIFIED CORRECT BY: /s/ Pamela Spencer
PAMELA SPENCER, CITY RECORDER