

COMMISSIONERS' MINUTES – DAVIS COUNTY

COMMISSION WORK SESSION MEETING MINUTES

September 18, 2018

The Board of Davis County Commissioners met for a work session meeting on Tuesday, September 18, 2018 at 9:00 a.m. Notice of this meeting was given in accordance with the requirements of UCA § 52-4-202. The notice stated it was to be held in room 314 of the Davis County Administration Building, 61 South Main Street, Farmington, Utah, but the meeting location changed to room 306 to accommodate the need for use of video equipment.

Present were: Commissioner Randy B. Elliott – Chair; Commissioner P. Bret Millburn – Vice-Chair; Commissioner James E. Smith; Curtis Koch, Davis County Clerk/Auditor; Heidi Voordeckers, Chief Deputy Audit/Finance; Brigham Mellor, Farmington Economic Development Director; Jim Talbot, Farmington Mayor; Sean Beus, Davis County Community & Economic Development; Megan Christensen, Davis County Community & Economic Development; Chris Sanford, Davis County Library Director; and Shairise Bills, Deputy Clerk/Auditor.

All documents from this meeting are on file in the Davis County (DC) Clerk/Auditor's office.

OPENING

The meeting convened at 9:03 a.m.

AGENDA

Consideration of an RDA (*See Attachment A.*)

WORK SESSION DISCUSSION

This is a discussion of several Community Redevelopment Agency (CRAs) proposed for Farmington City.

Brigham led the discussion of the consideration of Community Redevelopment Agency's (CRAs) 1 & 2. A proposal to amend the Redevelopment Agency (RDA), to remove six parcels of land and have them included in CRA 2 later, will be on the meeting agenda in Farmington City the first week of December. (*See Attachment B.*) The RDA for Station Park will be paid off early and the intent is to leverage some of the money toward infrastructure on the new CRAs. There was a question whether building permits for CRA 2 have been submitted. The County was told that the building permits would be pulled last week. Mayor Talbot said, "We have been told they are coming." Curtis said, "That is the urgency."

There were originally four [proposed]RDAs but now there are three because there was an area of land that the city is trying to acquire to use as a detention basin that will support the rest of the development. That area of land significantly cut into the fourth RDA and it didn't make sense to develop those 35 acres independently. This will allow for development to begin in area number two.

There is a lack of infrastructure that is not allowing the development to take place, so there is an emphasis placed on the need to get that infrastructure in place. There is a well currently being built in Farmington that will push water to the west side. The idea is to take the tax increment and use it to build out the infrastructure for the office spaces that will be coming subsequently. It was discovered that there is need for Wetland mitigation and there will be a one-time opportunity to utilize some of those wetlands with potentially the only cost being excavation, because of some of the roadwork being done along the West Davis Corridor.

The itemized budgets were explained for both CRA 1 and 2. (*See Attachments C1-C17 for detailed information on CRA 1 & 2.*) The total tax increment for CRA 1 is 85 percent for 20 years with a cap total at \$25 million over 20 years. The total tax increment for CRA 2 is 85 percent for 20 years with a cap total at \$30 million over 20 years. The RDA for Station Park will be paid off 13 years early.

Commissioner Smith asked if the [calculation of tax increment] works in the County's matrix. Shawn explained that the matrix requires the highest participation levels at 90 percent for 20 years, which requires a stronger than average affordable housing component. CRA 1 & 2 are being proposed at an 85 percent tax increment so they would have to have a strong housing component to justify the rates. Sean has not calculated the numbers inside the matrix [to determine what the tax increment rating would be.]

COMMISSIONERS' MINUTES – DAVIS COUNTY

CRA 1 would create 2,800 jobs with the average wage being 110 percent of Davis County [median income.] There was discussion of the potential uses for what would be Class A office spaces. Farmington has a draw for a lot of potential business growth but the lack of infrastructure is preventing it at this point. The CRAs would help mitigate the risk of investment. The affordable housing component was explained and discussed. The total request for all three CRAs combined is \$80 million.

NEXT STEPS The County has the current draft of CRA 1. Farmington City will send the latest draft of CRA 2. [Farmington City] wants a percentage commitment from Davis County to take to the taxing entities and has already been meeting with them. The ultimate goal is to have an interlocal agreement approved by the end of the year; otherwise, the process would have to start over. This would allow the base value to be set before any development begins. To make this possible, negotiations would need to be completed by the first part of November.

Curtis asked when a final draft of CRA 1 & 2 would be available. Brigham indicated that a final draft would not be available until the County has given a commitment. Curtis continued to have questions about off-set costs, impact fees, and what the total budget costs to the County will be. Brigham said that the impact fees and storm water fees are not included in the cost and cannot be determined at this point. The committee asked for a report with a more specific breakdown of funding contributions from all sources and how those monies will be used. Curtis went on record to recommend to the Commissioners that once those final numbers are received, consideration should be made based on job creation and residency, and on what the impact of services may be. Shawn requested the Commissioners use the County matrix to evaluate this project so as to get comfortable using it in the future to give applicants some guidelines to follow.

**MEETING
ADJOURNED** The meeting was adjourned at 9:53 a.m.

All publicly distributed materials associated with this meeting are noted as follows:

- A. Agenda
- B. Letter From Farmington City Re: Removal of Land Parcels from RDA
- C1-C17. North Station CRA1 and CRA2 Power Point Presentation

Minutes prepared by:
Shairise Bills
Deputy Clerk/Auditor

Minutes approved on: October 23, 2018

Curtis Koch
Davis County Clerk/Auditor

Randy B. Elliott
Commission Chair