

**WORK SESSION OF THE
BRIGHAM CITY COUNCIL TO
DISCUSS THE REEDER RANCH
INDUSTRIAL PARK DEVELOPMENT AGREEMENT
November 2, 2017
6:00 PM**

PRESENT:	Tyler Vincent	Mayor
	DJ Bott	Councilmember
	Alden Farr	Councilmember
	Ruth Jensen	Councilmember
	Tom Peterson	Councilmember
	Mark Thompson	Councilmember
ALSO PRESENT:	Dave Burnett	Public Power Director
	Mary Kate Christensen	City Recorder
	Paul Larsen	Community Development Director
	Mike Nelsen	Police Chief
	Derek Oyler	Finance Manager
	Tyler Pugsley	Public Works Director
	Jason Roberts	City Administrator

Mr. Larsen explained that this property is located in the southwest quadrant of the SR-13/I-15 interchange and is approximately 350 acres. It is an ideal location for industrial development. There are water and sewer main lines that cross the property.

There are a few things that still need to be done. There have been previous discussions on the 2600 West railway crossing on the northwest corner of the property. The City has looked into the possibility of relocating the crossing from 2600 West to 2400 West. With the railroad on 2600 West, there would only be projects on one side of the road. Relocating it to 2400 West would allow more projects along that street. It would also allow alignment of existing infrastructure with a road right-of-way, which would be more serviceable. It would also create a 4-way intersection at 2400 West, which UDOT has agreed could be a signalized intersection. The relocation of the rail crossing will be paid through tax increment. There is the possibility of bringing a rail spur to the property. It has rail access on the north side.

The current draft of the development agreement addresses the railroad crossing in four major areas. Staff has discussed doing two. It currently addresses the rail crossing, the 2400 West issue, potential purchase of a residence, and language regarding land prices. The parties felt that it would be better to only address the rail crossing relocation and the process of determining the right-of-way for 2400 West. The question of land price and the resident acquisition are items that can be tailored as individual projects come in.

The estimate for the engineering and permitting of the railroad crossing is approximately \$60,000. The cost to actually move it is approximately \$494,000. This includes engineering, construction and a contingency fee of 30%. This includes the swing arms and signals at the crossing, but does not include a signal on SR-13.

Mr. Pugsley said this will be a 6-18 month process from permitting to completion. There was concern about the permits expiring before anything gets started. Staff will find out how long the permits will last. It would be helpful to have the permit in hand when a developer is interested in the property because they would not want to wait 18 months to get one.

A discussion was held on how these items would be funded. Mr. Larsen said there are a few options. One is to have a prospective business pay for it and the City would reimburse at 50% through tax increment. Another is to bond, but it is not the most likely scenario. Tax increment is a tool to make this feasible.

Councilmember Jensen noted that Love's Trucking built a road and an intersection with no help from the City. Mr. Larsen stated that Love's is a retail facility and had no other options in Box Elder County. The dynamics between these two sites are different. If a company is looking for a good location and looking at several options, incentives could be what they need to locate in Brigham City. Councilmember Jensen said although Love's does not have \$40,000-\$50,000 salaries, there are at least 100 jobs at the truck stop and Holiday Inn. Niagara came in with tax incentives and employs less than 50 people, many of who are not Brigham City residents. There are several high dollar projects coming up and she did not feel that the City can afford this.

Mr. Roberts said this agreement will not commit the City to anything other than the railroad crossing study.

Staff will move forward with getting permits for the crossing, and when the time comes the Reeder's will give the City the right-of-way for the roads.

Councilmember Jensen said, for the record, that she was not ready to move forward. She still has questions and felt that keeping it the way it was is enough to help get things moving forward.

The meeting adjourned at 7:03 p.m.

The undersigned duly appointed Recorder for Brigham City Corporation hereby certifies that the foregoing is a true, accurate and complete record of the November 2, 2017 Work Session.

Dated this 4th day of January 2018.

Mary Kate Christensen
Mary Kate Christensen, Recorder