

PERRY CITY REDEVELOPMENT AGENCY MEETING
PERRY CITY OFFICES
DECEMBER 9, 2021

7:00 PM

BOARD MEMBERS PRESENT: Board Chairman Kevin Jeppsen presided and conducted the meeting. Nathan Tueller, Andrew Watkins, Toby Wright, Blake Oster and Esther Montgomery

BOARD MEMBERS ABSENT: None

CITY STAFF PRESENT: Shanna Johnson, Chief Deputy Recorder; Bob Barnhill, City Planner; Bill Morris, City Attorney; Scott Hancey, Chief of Police; Tyler Wagstaff, Public Works Director

OTHERS PRESENT: Dave Walker, Larry Hirschi, Nathan Hirschi, Jason Burningham, Ryan Montgomery, and Sam Montgomery

ITEM 1: Welcome to Order and Welcome

Mayor Jeppsen welcomed everyone and called the meeting to order.

ITEM 2: Presentation – 2021 Perry City RDA Annual Report

Shanna Johnson introduced Jason Burningham from Lewis, Young, Robertson and Burningham. They are the financial advisors for the Point Perry Community development area.

Mr. Burningham briefly reviewed the 2021 Perry City RDA annual report with the Council. He discussed one area being the Point Perry Community development area, and the other area as 1100 West CDA. He talked about the level of tax increment and what the value is now. He discussed the school district no longer being a participant. He explained that the tax increment is being used to reimburse the City with certain payments associated with a special improvement district. The positive is that the City owns and controls the land. Ultimately, the fair market value of the land will be worth enough to pay back the bond in its entirety. He discussed the RDA helping pay back some of the infrastructure improvements that were put in by this bond. He added that the report will be due on June 30th of each fiscal year instead of November 1st. He explained that the report will also be disseminated to the governor's office of economic opportunity, they will warehouse the database and make it available to the public. He added that the report has been filed and they have received confirmation of it being received.

Ms. Johnson said as they move into the next resolution, that although there has been a growth in the value, the amount that was realized was less than anticipated from the tax increment.

Board Member Ostler had questions about the due date of the report saying it would be due December 31st. Mr. Burningham clarified that date is for counties (as it follows the fiscal year), but for cities it should read 'beginning in 2022, it will be due June 30, 2022 and by June 30th each subsequent year'. Board Member Ostler then questioned page 11 saying the agency will still work with the school district to amend the inter-local agreement. Ms. Johnson said that she thinks there

will be more conversations with the school board and they may want to take part in it again if they see growth in the future.

Board Member Ostler then discussed the table on page 21, a footnote that says tax increment fund allocated for development activities will be used primarily to reimburse Perry City, but the revenue shows that it is coming from Perry City already. He wondered why the funds are being transferred to pay that bond and then come back to Perry anyway. Ms. Johnson explained how general funds were used to pay the SID bond, and tax increment and sales tax goes back into the general fund for the purpose of being transparent as well as accountable for paying those funds to that area. Mr. Burningham added that this was all predicated upon original inter-local agreements that were entered into by each of the taxing entities with the RDA. It is a legal contract that each of the entities (including the County, School District at the time, and the City). He explained that if it had followed the original intent, the tax increment would have been more than sufficient to pay the bond in full as well as additional money to re-invest in development in the area. Due to developers, non-conformance, and economic stress, it never reached the development magnitude that they anticipated it would reach. The school district was not inclined to extend or renew it when they talked to them a year ago. They said that if there were certain significant development projects that came into that area in the future, they would want to review it on a case by case basis.

ITEM 3: Action Item

A. Resolution 2021-02 Extending the tax increment collection period at the Point Perry Community Development Area.

Mr. Burningham explained that the purpose of the resolution is to extend the City and County's portion of the tax increment for an additional two years. There are many RDA's that were impacted negatively due to the Covid pandemic. The legislature provided an opportunity to extend the tax increment collection period for two years. It would be filed with the County and then bound for the additional two years. It would generate an anticipated \$40-\$50K to the City that could go toward reimbursement of the cost of the infrastructure that was put in. He explained that the project area was impacted (due to the type of development that was slated and planned for in the Point Perry area) from the pandemic. This is time sensitive and must be adopted before the end of 2021 to allow the extension.

Board Member Wright wanted clarification on the time period of when this ends (collection of tax increment). Mr. Burningham explained that it sunsets in 2026 and the extension would allow it to go to 2028. If this is not approved it will end in 2026. Board Chairman Jeppsen said he had reached out to the County and they are on board with wanting the extension.

MOTION: Board Member Montgomery made a motion to approve Resolution 2021-02 extending the tax increment collection period at the Point Perry Community Development Area. Board Member Wright seconded the motion.

ROLL CALL: Board Member Watkins, Yes
Board Member Wright, Yes
Board Member Montgomery, Yes

Board Member Tueller, Yes
Board Member Ostler, Yes

Motion Approved. 5 Yes, 0 No.

ADJOURNMENT

Board Member Montgomery made a motion to adjourn the meeting. Board Member Wright seconded the motion.

All Board Members were in favor.

The meeting adjourned at 7:33 p.m.

Shanna Johnson, Board Secretary

Kevin Jepps, Board Chairman