

**City of Taylorsville
REDEVELOPMENT AGENCY
OF TAYLORSVILLE CITY MEETING
*Minutes***

**Wednesday, September 8, 2010
Council Chambers
2600 West Taylorsville Blvd., Room No. 140
Taylorsville, Utah 84118**

Attendance:

Mayor Russ Wall, Chief Executive Officer

Board Members:

Chairman Morris Pratt
Vice Chairman Jerry Rechtenbach
Board Member Dama Barbour
Board Member Bud Catlin
Board Member Larry Johnson

City Staff:

John Inch Morgan, Treasurer
John Brems, City Attorney
Cheryl Peacock Cottle, Secretary
Jessica Springer, Council Coordinator
Keith Snarr, Economic Development Director
Mark McGrath, Community Development Director
Del Craig, Chief of Police
Jean Ashby, Administrative Assistant
Donald Adams, Grants Manager
Patrick Tomasino, Building Official

Others: Randall Feil, Jon Springmeyer, Eric Isom, John Gidney, Nathan Murray, Paul Keil, Brent Shaw, David Kelly, Melissa Adamson, Bill Holmberg, Chris Howells, Nicole Anderson, Suzanne Chavez, Eric Isom, Mercedes Venna, Rajiv Shah, Carl Coombs, David Frost, Norman Hanneman, Betty Hanneman, Hugh Bringhurst, Gay Bringhurst, Pete Keil, P.J. Keil, Annette Black, Gayle Player, Jack Player, Kaylyn Smith Crum, Joe Martinez, Debra Martinez, Jeff Swain, Kim Swain, Dan Billingsley, Gigi Billingsley, Jonathan Crump, Christopher Hogan

1. Welcome and Roll Call – Chairman Morris Pratt

19:16:02 Chairman Morris Pratt called the Redevelopment Agency of Taylorsville City Board Meeting to order at 7:15 p.m. and welcomed those in attendance. Secretary Cheryl Peacock Cottle conducted a Roll Call, wherein all Board Members were present.

2. General Information Concerning The Proposed Project Area, And The Procedures, Requirements And Reasons For Creating The Project Area – Keith Snarr, Randall Feil (Special Counsel to the Agency) and Bob Springmeyer (Consultant to the Agency)

19:20:38 Economic Development Director Keith Snarr recognized Special Counsel Randall Feil and Bonneville Research Consultant Jon Springmeyer. He noted that consultant Bob Springmeyer was excused.

19:20:38 Mr. Feil referenced declining development areas in Taylorsville and described a tool that may be utilized by municipalities for tax increment financing to help with economic development. He stated that this tool will assist with rehabilitating areas in the City that meet certain criteria. Mr. Feil noted that the term used for qualifying the area is “blight.” He reviewed the definition of blight in this instance and clarified that it only means that a certain set of factors are found within a designated area. He cited the lengthy process that is followed in order to qualify an area, including a blight study, as performed by Mr. Springmeyer’s firm. He relayed that notices must be sent to residents and to the media, and a public hearing is then held.

19:21:56 Mr. Feil further explained that, if it is determined that the designated area qualifies for the tool, a project area plan and budget are then prepared. He noted that the plan and budget must be approved by a committee of taxing entities. He said that another hearing will subsequently be held regarding the plan and the budget. Mr. Feil clarified that the final decision by the RDA Board to determine boundaries for the designated area does not have to be rendered until the final plan hearing.

19:22:24 Mr. Feil noted that taxing entities are willing to let the City have a portion of tax dollars because certain areas are currently sitting in a state that is not economically beneficial to the community and would otherwise not be improved.

19:23:45 Mr. Springmeyer made clarification that no new taxes will be levied by redevelopment project areas. He explained that the tax rate would not increase on any of the properties within

the proposed project area. He said that the valuation of properties would increase and more taxes would be paid, but the tax rate remains the same.

19:24:22 Mr. Springmeyer addressed the effects of blight determination on economics. He relayed that in his experience, he has never seen a decrease in property values within redevelopment project areas and, in fact, being in an urban renewal area can often raise property values. He said that no property/assessor records associated with properties in the area will reflect the term "blight," and stressed that it is not a condition that is attached to homes.

3. Presentation Of Summary Statement, Including Purposes Of The Blight Hearing And Proposed Use Of Eminent Domain; Receipt Of Written Objections Of Owners Of Property Within The Proposed Project Area, If Any - *Randall Feil*

19:26:16 Special Counsel Randall Feil summarized the purposes of the blight hearing, as follows:

- To permit all evidence of the existence or non-existence of blight within the proposed project area to be presented
- To permit each record owner of property located within the proposed project area, or their representative, the opportunity to examine or cross-examine witnesses providing evidence of the existence or non-existence of blight
- To permit property owners to present their own evidence concerning the existence or non-existence of blight
- To inform the public about the 6200 South Redwood Road Urban Renewal Project Area that is being considered
- To receive all written objections and hear all oral objections of the record property owners, if any, to the inclusion of their property within the project area or to any required proceedings or steps that may be taken during the creation of the project area

19:27:09 Mr. Feil relayed that Mr. Springmeyer is a witness who will be presenting evidences of blight in the proposed project area and noted that property owners will have opportunity to cross-examine any witnesses.

19:28:09 Mr. Feil referenced various documents that are part of the public hearing record, i.e. notices that have been mailed and published, the resolution establishing the survey area to be studied, the meeting agenda, etc.

19:28:26 Mr. Feil stated that if the Redevelopment Agency Board determines, after this public hearing, to proceed with the proposed urban renewal project area, the agency will hold a second set of hearings regarding the plan and budget. He noted that the hearings must be held at least 30 days from the date of this meeting. Mr. Feil said that owners will receive notices of the plan and budget hearings.

19:29:10 Mr. Feil addressed the issue of eminent domain. He noted that the statute requires that it must be mentioned during this hearing if there is an expectation that eminent domain may be used as a power in the plan. Mr. Feil confirmed that there is no known reason at this point to actually use eminent domain against any particular property. He said that eminent domain is a tool that is included in project area plans in case of unforeseen circumstances. Mr. Feil said that in his 30 year experience, eminent domain has rarely been used and is reserved for extreme situations. He described rare scenarios when eminent domain may be necessary to keep negotiations reasonable. He noted that there are many protections for property owners built into the law in regard to eminent domain, i.e. fair market value with appraisals and good faith negotiations.

19:30:14 Mr. Feil clarified that new legal provisions require that in order for an RDA Board to exercise the option of acquiring a piece of project area property through eminent domain, there are two tests that must be satisfied separately for residential and commercial properties. He listed specific requirements, as follows: for residential property, at least 80% of the owner occupied property owners must sign a petition asking the RDA Board to use eminent domain; the residential property would have to constitute 70% of the value of all owner occupied properties in the relevant area; and at least a 2/3 vote of the RDA Board would be required in favor of eminent domain. For commercial property, the following criteria must be met: at least 75% of the commercial property owners must sign a petition asking the RDA Board to use eminent domain; the property would have to constitute at least 60% of the value of all commercial property in the relevant area; and at least a 2/3 vote of the RDA Board is required in favor of eminent domain.

19:34:26 Economic Development Director Keith Snarr confirmed that there is no property currently identified as needing to be obtained at this point.

19:34:34 Mr. Feil noted that in the notices mailed to property owners, owners were invited to file any written objections. He called for any written objections to be submitted now so that they might be distributed to the Board. No written objections were submitted.

19:35:05 Mr. Feil cited a housekeeping issue regarding a typographical error that was corrected in the legal description and a change that was made to reflect Section 22 instead of Section 15 in the first line of the description.

4. Hearing And Blight Hearing, Etc. on Proposed 6200 South Redwood Road Urban Renewal Project Area

Deleted:

- A. Hearing, Blight Hearing and Presentation of Evidence of Existence or Nonexistence of Blight Within the Proposed 6200 South Redwood Road Urban Renewal Project Area:

19:36:38 Chairman Morris Pratt opened the public hearing on blight.

- (1) Presentation of blight study and of evidence in support of a finding of blight within the proposed 6200 South Redwood Road Urban Renewal Project Area - *Jon Springmeyer, Bonneville Research*

19:36:46 Consultant Jon Spingmeyer illustrated a map of the proposed project area. Mr. Springmeyer outlined the statutory requirements as contained in the Urban Renewal Act, i.e. the collection of technical documentation defining the existence of blight and the factors which contribute to blight. He noted that the proposed project area must consist primarily of non-greenfield parcels; must be currently zoned for urban purposes and generally served by utilities; at least 50% of the parcels must be non-agricultural or non-accessory buildings and improvements; and the present condition must substantially impair the sound growth of the municipality, retard the provision of housing accommodations, constitute an economic liability, or be detrimental to the public health, safety or welfare, as shown by the existence within the proposed project area of four of the statutory factors of blight.

19:38:44 Mr. Springmeyer reviewed the seven blight factors defined by the State legislature, as follows:

1. One of the following, although sometimes interspersed with well maintained buildings and infrastructure:
 - a. substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure; or
 - b. significant noncompliance with current building code, safety code, health code or fire code requirements or local ordinances;
2. Unsanitary or unsafe conditions in the proposed project area that threaten the health, safety or welfare of the community;
3. Environmental hazards, as defined in state or federal law, that require remediation as a condition for current or future use and development;
4. Excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities;
5. Abandoned or out-dated facilities that pose a threat to public health, safety, or welfare;
6. Criminal activity in the project area, higher than that of comparable non-blighted areas in the municipality or county;
7. Defective or unusual conditions of title rendering the title non-marketable;

The following criteria for blight findings were cited:

- A. at least 50% of the parcels within the proposed project area must be affected by at least one of the factors, but not necessarily the same factor; and
- B. the affected parcels must comprise at least 66% of the acreage of the proposed project area.

19:41:13 Mr. Springmeyer noted that a blighted area can have well-maintained buildings or structures within the area. He clarified that the current building code is utilized in determining blight factors, not the code that the building is held to by the building standards at the time it was built. He explained that the year 2000 is actually used for identifying significant non-compliance with building code. Mr. Springmeyer stated that it takes a multitude of factors to create the phenomenon known as blight.

19:43:15 Mr. Springmeyer noted that the designation of blight is not placed on individual properties, but rather on an area as a whole. He reviewed the criteria and percentages used in determining blight within a project area.

19:46:16 Mr. Springmeyer relayed that study data was collected by several municipal departments and trained professionals, i.e. Planning and Zoning, Code Enforcement, the Police Department, Forsgren Engineering, Salt Lake Valley Health Department, and the Unified Fire Authority.

19:46:07 Mr. Springmeyer described the 6200 South Redwood Road Survey Area, and stated that the area is comprised of the following:

- 74.41 total non-public acres
- 117 privately owned parcels, all of which contain buildings and improvements

19:46:36 Mr. Springmeyer said that the entire survey area is being proposed as the project area.

19:47:26 Mr. Springmeyer reviewed blight findings within the 6200 South Redwood Road Project Area, as follows:

1. Substantial physical dilapidation, deterioration, or defective destruction:

Findings include vacant, abandoned, or dysfunctional land or structures; non-occupied residential properties; inadequate storm drainage, recent sale or transfer of ownership, etc. in 98 of the 117 parcels, or 84%.

19:48:17 Mr. Springmeyer illustrated photographic examples of some of the blight findings.

2. Significant noncompliance with current building code, safety code, health code, fire code requirements, or local ordinances:

Findings include parcels and buildings that don't meet current building code, inadequate landscaping, lots of inadequate or unusual size/shape, and sidewalk deficiencies, etc. on all 117 of the parcels.

3. Unsanitary or unsafe conditions in the proposed project area that threaten health, safety, or welfare of the community:

19:49:14 Findings include health department complaints, inadequate fire water flow, transient use, abandoned, unlicensed, wrecked, or junked vehicles on all 117 parcels.

19:49:26 Mr. Springmeyer addressed area-wide findings and cited three of the seven factors that speak to the project area, i.e. unsanitary or unsafe conditions, crime, and excessive vacancy. He explained that these are three conditions that adversely affect other properties and contribute to the area-wide findings. He clarified that unsanitary and unsafe conditions have been determined to be area-wide.

19:51:06

3. Environmental hazards, as defined in state or federal law, that requires remediation as a condition for current or future use and development:

No evidence of environmental hazards was found in the survey area.

19:51:22

4. Excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities:

Findings of vacant buildings/structures, vacant/abandoned/dysfunctional land, and vacant retail stores were found in 37 of 117 parcels, or 32%. Mr. Springmeyer stated that the retail vacancy rate is 8.46% and the office vacancy rate is 9.09%. He noted that this finding was determined to be area-wide.

19:52:41

5. Abandoned or out-dated facilities that pose a threat to public health, safety, or welfare:

Findings of buildings built prior to the enactment of state seismic code, roofs in need of replacement or significance maintenance, and building masonry in need of significance maintenance in 49 of the 117 parcels, or 42%.

19:53:26

6. Criminal activity in the project area, higher than that of comparable non-blighted areas in the municipality or county:

Findings, based on the calls for service provided by the Taylorsville Police Department and comparison to the non-blighted area of Sorensen Research Park, determined that the proposed project area does have higher criminal activity. Mr. Springmeyer noted that this finding was area wide.

19:54:28 Mr. Springmeyer addressed a question from Board Member Catlin regarding the classification of calls for service. He explained that calls were broken down, but traffic calls were not removed from the comparisons, as it was determined that accidents are happening for a reason and are contributing to blight conditions.

19:56:17 Mr. Feil and Mr. Springmeyer clarified that if the factor regarding traffic accidents were removed, it would not change the overall blight finding.

19:58:14 Mr. Springmeyer reviewed criteria that must be met in order to determine blight.

19:59:10 Mr. Feil made a point of clarification, and Mr. Springmeyer affirmed that at least 50% of the parcels in the project area must be affected by at least one of the factors, but not necessarily the same factor; and those parcels must represent 66% of the acreage. He stated that these standards have been met in the blight findings.

20:00:45 Mr. Springmeyer relayed that 117 of the total 117 parcels exhibited four or more of the legislative blight factors. He noted that some parcels have more than four findings of blight.

20:00:19 Mr. Springmeyer stated that the findings conclude that the 6200 South Redwood Road Urban Renewal Project Area is a blighted area, the renewal of which is necessary to effectuate a public purpose. He indicated that evidence of blight conditions or indicators was found in the proposed project area, sufficient to be determined to be present area wide and, therefore, leads to the cumulative conclusion of blighted conditions in the proposed project area.

20:00:50 Mr. Springmeyer illustrated blight findings on a map of the project area.

20:01:13 Mr. Feil reviewed procedures to be followed for the remainder of the hearing.

(2) Examination and cross-examination of witnesses providing evidence of blight, by record owners of property located within the proposed 6200 South Redwood Road Urban Renewal Project Area or by the record property owner representatives

20:02:26 Chairman Pratt called for any property owners wishing to cross examine Mr. Springmeyer about the blight findings. Mr. Feil clarified that any property owner within the project area may ask questions at this point. There were no property owners wishing to conduct cross-examination.

- (3) Presentation by record owners of property located within the proposed 6200 South Redwood Road Urban Renewal Project Area or by the record property owner representatives, of evidence and testimony, including expert testimony, concerning the existence or nonexistence of blight

20:03:31 Chairman Pratt called for any presentations from property owners of evidence or testimony regarding blight findings. There were no property owners wishing to make presentation.

- (4) Presentations by other interested persons or their representatives, including expert testimony, concerning the existence or nonexistence of blight

20:03:53 Chairman Pratt called for any presentations by other interested parties, representatives, or experts regarding the existence or nonexistence of blight, and there were none.

- (5) Public input regarding the proposed 6200 South Redwood Road Urban Renewal Project Area, and presentation of oral objections of owners of property within the proposed Project Area, if any

20:04:05 Chairman Pratt called for any public input regarding the proposed 6200 South Redwood Road Urban Renewal Project Area, and there was none.

- B. Motion to Close Hearing and Blight Hearing on Proposed 6200 South Redwood Road Urban Renewal Project Area

20:04:27 Board Member Jerry Rechtenbach **MOVED** to close the hearing and blight hearing on the proposed 6200 South Redwood Road Urban Renewal Project Area. Board Member Dama Barbour **SECONDED** the motion. Chairman Morris Pratt called for discussion. There being none, he called for a roll call vote. The vote was as follows: Johnson-yes, Catlin-yes, Barbour-yes, Pratt-yes, and Rechtenbach-yes. **All Board Members voted in favor and the motion passed unanimously.**

- C. Summary, if needed, Agency Board Question Period, and Consideration by Agency Board of all Objections Received, the Issue of Blight and of the Evidence and Information Relating to the Existence or Nonexistence of Blight

No summary was needed, and Chairman Pratt called for any further considerations or discussion from the Board.

20:05:45 Board Member Johnson stated that he has not examined the project area and would like to take time to do so before making a decision. He suggested continuing the hearing to a later date so that he might personally go study the area.

Chairman Pratt noted that no property owners have made objection to the project area.

20:06:45 Mr. Feil commented that this process is on a very tight schedule. He indicated that if the process is delayed, adoption of the findings may not be completed before the base year deadline of October 31, 2010. Mr. Feil said that delay could cause detriment to the agency.

D. Consideration and Adoption of Resolution No. RDA 10-03 - Making a Finding Regarding the Existence of Blight in the Proposed 6200 South Redwood Road Urban Renewal Project Area

20:07:51 Chairman Pratt noted that the detailed study, with blight findings, is attached to proposed Resolution No. RDA 10-03.

20:08:34 Board Member Johnson reiterated that he has not had time to do proper review of the area and does not like to vote on something with which he is not familiar. Chairman Pratt noted this project area has been previously adopted. He indicated that some members who have served longer on the Board may feel more comfortable in adopting the resolution.

20:09:17 Mr. Feil gave additional clarification regarding the legislative requirements for establishing tax increment and the deadline of October 31, 2010 for defining the base tax year. He relayed that Staff has determined that it is detrimental to the agency to delay adoption of the findings. Mr. Feil reviewed noticing requirements and said that a special Board Meeting may need to be scheduled in order to meet the time frame if this matter is delayed.

20:12:46 Board Member Rechtenbach cited his concerns with the tight time frame and said it is important for the City to move forward with economic development. He noted that no written or oral opposition has been presented. He invited Board Member Johnson to make inquiries, if necessary.

20:15:40 Chairman Pratt noted that when the project area was initially presented last year, there were some concerns, but after further explanation the concerns of residents seemed to be alleviated. He relayed that the Board will also be considering another project area during its next meeting on September 15, 2010.

20:16:11 Board Member Johnson said he hates to vote on something he knows nothing about and said that he would like additional time for consideration if the deadline can still be met.

20:17:32 Board Member Rechtenbach reviewed background and noted that this is the second time a hearing has been held for this particular project area. He said he believed some of the residents had previously chosen to opt out of the study area, while others reconsidered and elected to stay in.

20:18:01 Board Member Jerry Rechtenbach **MOVED** to approve Resolution No. RDA 10-03 - Making a Finding Regarding the Existence of Blight in the Proposed 6200 South Redwood Road Urban Renewal Project Area. Board Member Dama Barbour **SECONDED** the motion. Chairman Morris Pratt called for discussion. There being none, he called for a roll call vote. The vote was as follows: Johnson-no, Catlin-yes, Barbour-yes, Pratt-yes, and Rechtenbach-yes. **All Board Members voted and the motion passed with a four to one vote.**

- 1 E. Consideration and Adoption of Resolution No. RDA 10-04 - Selecting One or
2 More Redevelopment Project Areas Comprising Part or All of the Survey Area,
3 and Authorizing Preparation of the draft 6200 South Redwood Road Urban
4 Renewal Project Area Plan and Related Project Area Budget
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6 **20:19:39** Mr. Feil explained that the RDA Board has the option of selecting the whole survey
7 area, as recommended by Staff and Bonneville Research, or to carve out a separate area. He
8 relayed that there is not an opt-out provision, but the Board may adjust boundaries at the next
9 hearing.

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11 **20:22:00** Mr. Springmeyer clarified that residents of 6200 South previously had concerns and
12 legal counsel representing them, but by the conclusion of the prior hearing they had determined
13 to hold opt out requests until a later time. He relayed that no further request to opt out has been
14 received from residents in the area.

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16 **20:22:40** Mayor Wall called for clarification on opt-out options. Mr. Feil confirmed that there is
17 no actual opt-in or opt-out option for residents, but rather a request can be made and then the
18 Board determines whether to change boundaries of the project area. He noted that if a resolution
19 is adopted to exclude some property in the project area, it can not be added back in at a later date.
20 Mr. Feil stated that the project area could be modified at a future hearing to exclude certain
21 properties and residents would still have notice and opportunity to give additional input.

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23 **20:24:23** Board Member Barbour inquired whether any requests to be excluded from the project
24 area have been received. Mr. Springmeyer confirmed his understanding that no requests have
25 been submitted to date.

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27 **20:24:37** Board Member Dama Barbour **MOVED** to approve Resolution No. RDA 10-04 -
28 Selecting One or More Redevelopment Project Areas Comprising Part or All of the Survey Area,
29 and Authorizing Preparation of the draft 6200 South Redwood Road Urban Renewal Project
30 Area Plan and Related Project Area Budget. Board Member Bud Catlin **SECONDED** the
31 motion. Chairman Morris Pratt called for discussion. There being none, he called for a roll call
32 vote. The vote was as follows: Johnson-yes, Catlin-yes, Barbour-yes, Pratt-yes, and
33 Rechtenbach-yes. **All Board Members voted in favor and the motion passed unanimously.**

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5. If Needed, Consideration of Whether To Continue The Hearing and Blight Hearing To A Future Date, Time And Place Certain

This item was not applicable.

6. If Needed, Public Announcement of The Date, Time And Place Hearing Will Be Resumed

This item was not applicable.

7. Consideration of Setting A Date And Time For The Hearing On The Project Area Plan And Project Area Budget

20:25:57 Economic Development Director Keith Snarr recommended scheduling the next hearing regarding the 6200 South Urban Renewal Project Area for Wednesday, October 20, 2010, at 7:00 p.m., in the City Council Chambers. RDA Board Members concurred with this recommendation, and Chairman Pratt directed Mr. Snarr to proceed with proper noticing.

8. Consideration of Minutes from the Redevelopment Agency of Taylorsville Board Meeting of August 18, 2010

20:28:07 Board Member Jerry Rechtenbach **MOVED** to adopt the minutes from the Redevelopment Agency of Taylorsville City Meeting of August 18, 2010. Board Member Dama Barbour **SECONDED** the motion. Chairman Pratt called for discussion. Clarification was made regarding Board Members in attendance at the August 18, 2010 RDA Board Meeting. It was determined that a quorum was present during that meeting. There being no further discussion, Chairman Pratt called for a roll call vote. The vote was as follows: Johnson-yes, Catlin-yes, Barbour-yes, Pratt-abstain, and Rechtenbach-yes. The motion passed with a majority vote.

9. Other Agency Business

There was no other agency business

10. Motion To Adjourn Redevelopment Agency Meeting

20:28:53 Board Member Jerry Rechtenbach **MOVED** to adjourn the Redevelopment Agency of Taylorsville City Board Meeting. Board Member Bud Catlin **SECONDED** the motion.

1 Chairman Pratt called for discussion. There being none, he called for a roll call vote. The vote
2 was as follows: Johnson-yes, Catlin-yes, Barbour-yes, Pratt-yes, and Rechtenbach-yes. **All**
3 **Board Members voted in favor and the motion passed unanimously.** The meeting was
4 adjourned at 8:29 p.m.

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10 Cheryl Peacock Cottle, Secretary

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12 Minutes approved: RDA 10-20-10

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14 *Minutes Prepared by: Cheryl Peacock Cottle, Secretary*
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