



**Minutes of the
Millcreek Community Reinvestment Agency
Taxing Entity Committee
October 25, 2018
9:30 a.m.
Regular Meeting**

The Taxing Entity Committee met in a regular meeting on October 25, 2018 at City Hall, located at 3330 S. 1300 E., Millcreek, UT 84106.

PRESENT:

Committee Representatives

Chair Jeff Silvestrini, Millcreek
Vice Chair Todd Zenger, Granite School District
Kieth Bradshaw, Granite School District
Blake Thomas, Salt Lake County Alternate
David Delquadro, Salt Lake County
John Geilmann, Millcreek
Von Hortin, State Board of Education Alternate
Ifo Pili, All Other Taxing Entities

Attendees: Mike Winder, Millcreek Economic Development Director; Elyse Greiner, Committee Secretary; and Jason Burningham and Rob Sant, Lewis Young Robertson & Burningham, Inc.

REGULAR MEETING – 9:30 a.m.

TIME COMMENCED: 9:32 a.m.

A. Welcome

Mike Winder welcomed the committee representatives to the meeting, then introductions were made by each representative. Committee Representative Jeff Silvestrini, Mayor of Millcreek, said the reason the representatives have gathered was to help further goals to redevelop areas such as the Millcreek Center and several others in the City. The goal as a city is to create a downtown area through the general plan and a city center master plan. He said the City Council recently adjusted the Town Center Overlay Zone ordinance to allow for more height in the Millcreek Center. The Council also approved a development agreement for two projects on Gunn Avenue in the Millcreek Center redevelopment area that will give the City property and amenities in exchange for the extra height allowance. These developments will not be using tax increment, but Committee Representative Silvestrini said he is excited to use tax increment to help redevelop other parts of the redevelopment area. He said he spoke with County Mayor McAdams about extending the S-Line streetcar from Sugar House into Millcreek. He thanked the representatives for working with Millcreek. Jason Burningham said Lewis Young Robertson & Burningham, Inc. was there to help with the process and that the Community Reinvestment Agency (CRA) commissioned them to conduct the blight study for the Millcreek Center. Rob

Sant, also of Lewis Young Robertson & Burningham, Inc. said he assisted with the blight study and created the plans and budgets. Winder reviewed the meeting agenda.

B. Election of TEC Chair, Vice Chair, and Secretary

Winder said there will only be four meetings. He said the voting members of the Taxing Entity Committee (TEC) are: Granite School District with two votes, Salt Lake County with two votes, Millcreek with two votes, State Board of Education with one vote, and the other taxing entities get one consolidated vote.

Committee Representative Delquadro nominated John Geilmann as the Chair of the TEC. All representatives voted in favor of the nomination. Committee Representative Delquadro nominated Todd Zenger as the Vice Chair of the TEC. All representatives voted in favor of the nomination. Committee Representative Silvestrini nominated Elyse Greiner as the Secretary of the TEC. All representatives voted in favor of the nomination.

C. Adoption of Organizing Resolution

Burningham went over the proposed resolution. He said the TEC is a separate public entity and is subject to the Open and Public Meetings Act, so all meetings are open to the public. The TEC can hold closed meetings to discuss real estate transactions and the like. He said by adopting the resolution, the TEC would be authorizing the use of electronic meetings. Burningham went through the membership of the committee; two members appointed by the Granite School Board, two from Salt Lake County, two from the City of Millcreek, one from the State Board of Education, and one representative representing all the remaining local taxing districts. Those local entities include: the Unified Fire Service Area, Central Utah Water Conservancy District, South Salt Lake Valley Mosquito Abatement District, and Mt. Olympus Improvement District. Burningham said the idea of the first meeting was to organize and not make significant decisions relative to budget or blight findings.

Committee Representative Silvestrini moved to adopt Resolution 18-01, Organizing the Taxing Entity Committee for the Millcreek Reinvestment Agency. Committee Representative Delquadro seconded the motion. Chair Geilmann called for a roll call vote. The motion passed unanimously.

D. Review and Discuss Project Area Timeline

Burningham showed the proposed Millcreek Center project area to the Committee on a map. The area has been surveyed and a blight study has been conducted. On November 13th, the CRA will consider the blight study public hearing. He said there will be negative feedback from residents because the word blight has a negative connotation. The word "blight" is a declaration relative to the CRA that makes it possible for eminent domain by the CRA for the purposes of meeting the plan objectives. He said eminent domain is limited with a five-year window from when the plan is adopted, and it also requires a high threshold of a majority of other parcels in the vicinity that approve using eminent domain. Even though the blight study may allow for eminent domain, there is still a significant process the CRA would go through to use it. He said there is a lot of development that is under-utilized or has been blighted in the area. Burningham said the TEC would go over the blight factors at the next meeting after the CRA public hearing on November 13th. He anticipates that the main issues from the public hearing will be on how the study impacts property values or the personal title reports. Burningham said this does not force property owners to redevelop but it is an incentive tool to develop. The next TEC meeting will be at City Hall on

November 16th at 9:30 a.m. at which the TEC will consider and approve the finding of blight. Winder said the TEC will hear the same presentation on November 16th that the public will hear at the CRA meeting on November 13th.

Committee Representative Delquadro asked about the concept of the majority of parcels in relation to their size. Burningham said the majority is a super majority of parcels and acreage. Sant said it is fifty percent of the parcels that represent at least sixty-six percent of the acres. Burningham said there are a number of factors that state statute has identified as blight factors and one of those must be found for blight. The public hearing does allow the public to contest the finding of blight. Winder said the entire blight study is on the front counter and linked on the City's website (millcreek.us) for the public to view. He said individual properties are not blighted, it is a finding of blight for the whole area. Committee Representative Silvestrini said the Home Depot, for example, qualifies as blighted because of the number of cases for shoplifting that takes place there, not necessarily because the property looks blighted.

Burningham said on November 26th, the CRA would consider the adoption after they hold a public hearing on the plan and budget. If blight was not found, the CRA could still adopt a plan and budget to use tax increment but could not use eminent domain. Sant said the TEC cannot adopt the budget until two weeks after it has been introduced. Committee Representative Bradshaw said two meetings are also required for the Granite School District. There was discussion about individual entity's meeting schedules and processes. Winder requested that Lewis Young Robertson & Burningham, Inc. meet with the individual entities sooner rather than later. Sant said the TEC cannot meet during the State Legislative session.

Committee Representative Delquadro asked if the twenty percent required for affordable housing still applies with blight. Burningham said if the community reinvestment area is without blight, then the housing requirement is only ten percent, but if it is with blight, it requires twenty percent. Committee Representative Delquadro asked about the plan for using affordable housing dollars. Winder said the plan would be to include those dollars in the Millcreek City Center. Burningham said there are development proposals that would have mixed use components including low-moderate income affordable housing. Committee Representative Delquadro said his bosses have a problem with eminent domain, it was only used once for the Magna Library. Chair Geilmann said eminent domain must be justified. Burningham said sometimes it is a preferred treatment for tax purposes, but it is a tool used only under certain circumstances.

Winder asked if January could be used in the 2018 base year. Burningham said the TEC could determine what is the base year. The discussion of other entity's meeting schedules continued. It was decided that the TEC meeting scheduled for December 13th would be tentatively rescheduled to January 17, 2019. Committee Representative Delquadro asked when the five-year blight period starts. Sant said it is five years from when the plan becomes effective.

E. Review and Discuss Project Area Plan

Winder briefly went over the Millcreek Center plan, and it will include a walkable mixed-use lifestyle center, will be an amenity and gathering place for the whole city, and will be an engine of population and tax base to help keep taxes low for Millcreek. The Millcreek Center is between Richmond (1300 E.) and Highland Drive, around 3300 South. He said the fault line creates an opportunity for a focal point street. The City does have apartment complexes coming in on Gunn Avenue, but there is want for more varied mixed-uses. He said the Council approved the Town

Center Overlay Zone that provides for certain heights and restricts certain uses. The City received a planning grant from Wasatch Front Regional Council for city center planning. The City has two opportunity zones in the West Millcreek and Millcreek Center redevelopment areas. An opportunity zone is a tool from the federal government to encourage investment in an area. The community reinvestment area is a tool from the State to allow tax increment financing of special projects. Winder said the City has also coordinated with property owners, businesses, and developers about redevelopment. Committee Representative Silvestrini said the City has received accolades from state leaders on the public engagement that has taken place. There have been three large meetings with the public on the City Center plan and it has been well received.

Winder said the other two redevelopment areas are Olympus Hills and Canyon Rim Commons. They will not go through the TEC because they are not blighted but will go through an interlocal agreement. Burningham said the other redevelopment area in the City, West Millcreek Urban Renewal Area, has been in existence for about five years with the County. The County will be transferring that to the Millcreek Community Reinvestment Agency. Winder said Millcreek will be asking for an 80/20 tax increment split on the Millcreek Center and a 70/30 split on the Olympus Hills and Canyon Rim Commons redevelopment areas. Committee Representative Delquadro asked when the trigger year for the Millcreek Center would be. Sant said as soon as possible. Committee Representative Silvestrini mentioned that \$100 million worth of development will break ground in the area next year.

Chair Geilmann asked if the Committee would reconsider the Chair position for Committee Representative Jeff Silvestrini. Committee Representative Silvestrini accepted the nomination.

Chair Geilmann moved to amend Resolution 18-01 to replace John Geilmann as the Chair with Jeff Silvestrini. Committee Representative Delquadro seconded the motion. Chair Geilmann called for a roll call vote. All Committee Representatives voted in favor and Committee Representative Silvestrini abstained. The motion passed.

Burningham clarified that the TEC can unanimously waive the consideration of not meeting during the State Legislative session.

ADJOURNED: Committee Representative Hortin moved to adjourn the meeting at 10:39 a.m. Committee Representative Geilmann seconded. Chair Silvestrini called for the vote. The motion passed unanimously.

APPROVED: _____ **Date**
Jeff Silvestrini, Chair

Attest: _____
Elyse Greiner, Secretary