

Adopted Minutes
Spanish Fork City Council Meeting
October 24, 2000

The meeting was called to order at 7:00 pm by Mayor Dale R. Barney. The pledge of allegiance was led by Councilmember Glenn A. James.

Elected Officials Present: Mayor Dale R. Barney, and Councilmembers Glenn A. James, Roy L. Johns, Everett Kelepolo, and Lillian J. Shepherd. Councilmember Sherman E. Huff was excused.

Staff Members Present: David A. Oyler, City Manager; S. Junior Baker, City Attorney; Kent R. Clark, Finance Director/Recorder; and Gina Peterson, Deputy Recorder.

Citizens Present: Randall S. Feil, *Oswald & Feil*; Rodger Hardy, *Deseret News*; and Joshua Mills, *KBYU*.

Convene Joint City Council / Redevelopment Agency Meeting

Councilmember Shepherd made a **motion** to convene the joint meeting with the Spanish Fork City Council and Spanish Fork Redevelopment Agency. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Summary of Evidence Presented and Findings of Agency for the Spanish Fork Gateway Economic Development Project Area - Randall S. Feil

RDA Attorney Randall Feil reviewed the following information with regard to the Spanish Fork Gateway Economic Development Project Area. A proposed or preliminary economic development Plan and Report are adopted in two steps. The first step is to have the Redevelopment Agency and City Council hold a joint public hearing where evidence is received for or against the adoption of the Plan as provided by statute. The Redevelopment Agency may or may not thereafter adopt the Plan and Report, with any amendments, by resolution. If adopted, the Plan and Report are referred to the City Council for its action. The City Council may or may not adopt the economic development Plan and Report, with any amendments, by ordinance.

The resolution of the Redevelopment Agency needed to adopt the Plan and Report makes certain findings pursuant to State code. The proposed Ordinance of the City Council needed to adopt the Plan and Report requires that the City Council, as the legislative body, make certain findings as provided pursuant to State code as well. Mr. Feil noted where these findings are located in the RDA resolution and the City Council ordinance.

Mr. Feil summarized evidence presented which supports the required findings. The findings, together with reference to the documents supporting the findings, are listed as follows:

FINDING NO. A (Development is Necessary to Effectuate the Public Purposes Set Forth in the Utah Neighborhood Development Act)

"The development of the project area is needed to effectuate the public purposes set forth in the Utah Neighborhood Development Act.

The purpose of the Utah Neighborhood Development Act will be obtained as a result of the adoption of the economic development Plan by locating employers willing to invest private capital into new business which will benefit the State and the City. The adoption of the economic development Plan will result in new jobs and employment, maximize financial assistance, and increase the tax base of the community and the State. The adoption of the economic development Plan will provide opportunities to stimulate associated business activities.

FINDING NO. B (There is a Benefit Under the Analysis described in Section 17A-2-1220, Utah Code Annotated 1953, as amended)

"There is a benefit under the analysis described in Section 17A-2-1220, Utah Code Annotated 1953, as amended if the economic development Plan is adopted."

The economic benefits derived from the adoption of the economic development Plan are as follows:

- (1) Encourage and assist economic development in order for a public or private employer to create additional jobs within the state.
- (2) Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for economic development served by improved public utilities, infrastructure improvements and new public or private facilities.
- (3) The elimination of environmental deficiencies, irregular lot subdivision, improper drainage, overcrowding or underutilization of real property.
- (4) Achievement of an environment reflecting a high level of concern for architectural, landscape and urban design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to owner participants and developers.
- (5) Promote and market the project area for economic development that would be complimentary to existing businesses and industries or would enhance the economic base of the City through diversification.
- (6) Provide utilities, streets, curbs, sidewalks, parking areas, landscape areas and other infrastructure improvements as appropriate and as necessary.
- (7) Provide for the strengthening of the property and income tax base and economic health of the entire community and the State of Utah.
- (8) Provide improved public streets and road access to and within the project area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality and reduce congestion.
- (9) Insure compatible relationships among land uses and quality standards for their development, such that the area functions as a unified and viable center of economic activity for the City.

FINDING NO. C (Plan Conforms to Utah Neighborhood Development Act)

"The economic development Plan would develop the project area in conformity with the Utah Neighborhood Development Act and is in the best interests of the public peace, health, safety and welfare."

The preliminary economic development Plan describing how the development activities described in the Plan would be implemented conforms with the Utah Neighborhood Development Act in that the Plan contains all necessary provisions required by Sections 17A-2-1210.5, 17A-2-1214 and 17A-2-1247.5 Utah Code Annotated 1953, as amended, as well as other provisions of the Act.

Specifically the Plan provides as follows:

(A) The economic development Plan contains the following limitations on the power of the Agency:

(1) a time limit not to exceed three years after the date of plan adoption during which the agency must commence implementation of the Plan unless the Plan is re-adopted as if it were a modified Plan in accordance with Section 17A-2-1229;

(2) the economic development Plan does not provide for property to be acquired through eminent domain;

(3) a time limit not to exceed 25 years from the date of Plan adoption after which no tax increment from the project area may be allocated to or paid to the agency without the agency obtaining the majority consent of the taxing agency committee in accordance with Section 17A-2-1247.5 for a longer time period for the collection of tax increment.

(B) The owner participation plan adopted by the Agency and the City and the economic development Plan provides for reasonable opportunities to participate in the development of property in the project area by the owners of property in the project area if the owners enter into a participation agreement with the Agency. Provided they enter into an acceptable participation agreement, the Agency shall permit owners (and tenants having the right of ownership or to become owners) within the project area reasonable opportunities to participate in the development of the project area by:

a. Owners retaining, maintaining, and if necessary rehabilitating, all or portions of their properties;

b. Owners acquiring adjacent or other properties in the project area;

c. Owners selling all or portions of their improvements to the Agency, retaining the land, and developing their properties;

d. Owners selling all or portions of their properties to the Agency and purchasing other properties in the project area;

e. Owners selling all or portions of their properties to the Agency and obtaining preferences to re-enter the project area;

f. Tenants having opportunities to become owners of property in the project area, subject to the opportunities of owners of property in the project area; or

g. Other methods as may be approved by the Agency.

The Redevelopment Agency extends reasonable preferential opportunities to owners (and tenants having the rights of ownership or to become owners) in the project area ahead of persons and entities from outside the project area, to be owners and tenants in the project area during and after the completion of development.

(C) The project area described in the economic development Plan does not exceed 100 acres of

privately-owned property unless the governing body of each local taxing agency which levies taxes upon property within the proposed economic development project area consents in writing to the economic development project area Plan, or the law is amended modifying this provision.

(D) The layout of the principal streets in the project area boundaries are shown on the map attached to the Plan.

(E) The population densities within the boundaries of the project area are described in the Plan.

(F) The building intensities within the boundaries of the project area were analyzed along with the condition of each of each structure as described in the Plan. No unusual evidence of building intensities was found in the project area.

FINDING NO. D (Plan is Economically Sound and Feasible)

"The adoption and carrying out of the Plan is economically sound and feasible."

This finding is supported by the Plan and by Section 3 of the Report which describes the economic resources available to the Agency to implement the Plan. The Plan will be implemented as revenue sources become available to the Agency. Under the provisions of the tax increment section of the Plan, revenues will be generated by increasing the tax base within the project area through the removal or the rehabilitation of structures within the area and the construction of new improvements.

FINDING NO. E (Compatible With City Comprehensive General Plan)

"The economic development Plan does conform to and is compatible with the general master plan of the City."

Support Documents: The letter from the City Planning Commission states that the Plan is consistent with the comprehensive general plan of the City as determined by the Planning and Zoning Commission.

FINDING NO. F (Promote Public Welfare of City)

"The carrying out of the economic development Plan will promote the public peace, health, safety and welfare of the community and will effectuate the purposes and policy of the Utah Neighborhood Development Act."

The Plan is designed to implement the purposes set forth in the Act. Sections 4, 5, 6, 7, 8, 9, 11, and 13 of the preliminary Plan describe how this is to be accomplished.

FINDING NO. G (Condemnation Provisions)

"The acquisition of real property by the power of eminent domain or condemnation is not provided for in the economic development Plan, and is not necessary to the execution of the economic development Plan. Adequate provisions have been made for payment for property to be acquired as required by law."

Section 12E of the Plan describes how real property is to be acquired and that it shall not be acquired by condemnation. The Agency has adopted provisions for owner participation and owner

and tenant relocation, if necessary.

FINDING NO. H (Relocation Plan)

"The Redevelopment Agency of Spanish Fork City has a feasible method or plan for the relocation of persons displaced from the project area, if the economic development Plan may result in the temporary or permanent displacement of any occupants of the area."

The Redevelopment Agency has previously adopted by Resolution 00-04 dated October 3, 2000, rules governing relocation assistance for this project area. The rules governing relocation assistance are in conformity to Utah State law, as most recently enacted or amended. Persons who may be eligible for relocation assistance if real property is to be acquired by the Agency will be assisted by the Agency as set forth in the Plan and the Relocation Rules for the project area.

FINDING NO. I (Housing Facilities)

"The City Council is satisfied that permanent housing facilities will be available within three years from the time occupants of the project area are displaced, and that pending the development of these housing facilities, there will be available to the displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement."

The Agency does not contemplate the residential displacement of owners from the project area, but is satisfied that if displacement occurs, that other similar housing is available within the neighborhood and within the city limits at comparable prices. The Agency and the City find that housing facilities are currently available within the neighborhood and within the City, and find that rental housing is available at comparable prices as those being paid in the project area.

PARAGRAPH NO. 7 FINDING: (Displaced Persons)

"Persons displaced from the project area are able to find or will be able to find either in the project area or in areas not generally less desirable in regard to public utilities and public and commercial facilities, and at rents or prices within their financial means and available to them, decent, safe, and sanitary dwellings equal in number to the number of dwellings displaced and reasonably accessible to their places of employment."

The Agency does not contemplate the displacement of residential owners from the project area, but is satisfied that other similar housing is available within the neighborhood and within the City limits at comparable prices. *(Note: There are no residential property owners within the project area.)*

Discussion took place regarding condemnation power of a redevelopment agency. Mr. Feil indicated State law does not authorize condemnation power to an RDA in an economic development area. He clarified the condemnation powers of Spanish Fork City remain unaffected in the area.

No other questions were received regarding the summary of findings.

Recess City Council Meeting and Convene Redevelopment Agency Meeting

Councilmember Kelepolo made a **motion** to recess the City Council meeting and convene the meeting of the Redevelopment Agency at 7:24 pm. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Adjourn Redevelopment Agency Meeting and Reconvene City Council Meeting

Councilmember Shepherd made a **motion** to adjourn the meeting of the Spanish Fork Redevelopment Agency and reconvene the City Council meeting at 7:32 pm. Councilmember Johns **seconded**, and the motion **passed** with a unanimous vote.

Consideration and Adoption of Findings

Councilmember Kelepolo made a **motion** to accept the summary of findings and supporting documents for the Redevelopment Agency of Spanish Fork City and for the City Council of Spanish Fork City with regard to the Gateway Economic Development Project Area. Councilmember James **seconded**, and the motion **passed** with a unanimous vote.

Ordinance 13-00: Adopting the Gateway Economic Development Plan and Report dated September 1, 2000

Councilmember Johns made a **motion** to adopt Ordinance 13-00: Adopting the Gateway Economic Development Plan and Report dated September 1, 2000. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Resolution 00-27: A Resolution Authorizing McDonald's Litigation Settlement Agreement

Attorney Baker reviewed Resolution 00-27 which will authorize a settlement agreement in the McDonald's Litigation. Issues surrounding the litigation were also reviewed. City staff was given authorization during a recent executive session to negotiate a settlement in this matter. The lawsuit involved storm drain improvements on the Love to Learn Daycare Center, McDonald's and Subway Sandwich properties. Storm drainage improvements will be installed in the area as part of the settlement. Spanish Fork City will pay \$19,859.25 for their portion of the settlement. Since the vacant lot east of Subway Sandwich will benefit from the storm drain improvements, it will reimburse part of the settlement costs to the City upon development.

Councilmember James made a **motion** to adopt Resolution 00-27: A Resolution Authorizing the McDonald's Litigation Settlement Agreement in the amount of \$19,859.25. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Adjournment

Councilmember Kelepolo made a **motion** to adjourn the meeting of the Spanish Fork City Council at 7:42 pm. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.