MORGAN CITY

ELECTRONIC RDA MEETING

06-23-20

(5:45 p.m.)
MORGAN CITY REDEVELOPMENT AGENCY AGENDA
JUNE 23, 2020 – 5:45 P.M.
MORGAN, UTAH

Public Invited to Attend by: YouTube recording on morgancityut.org

Public meetings will be held electronically in accordance with Executive Order 2020-1; Suspending the Enforcement of the Provisions of Utah Code 52-4-202 and 52-4-207 by Governor Gary Herbert on March 18, 2020, due to Infectious Disease, Coronavirus (COVID-19). **No physical meeting location will be available.** The public is invited to listen to the open portions of the meeting by watching the YouTube recording on the City's website - morgancityut.org.

**PUBLIC HEARING:** If you choose to participate in the public hearing listed on the agenda, please contact the City Recorder at (801) 829-3461 or dwoods@morgancityut.org prior to the meeting for instructions to join the meeting electronically.

**WELCOME:** Chair Little

**AGENDA**

1. Discussion and/or Action to Consider Approval of the Following:
   - Minutes of the Redevelopment Agency Electronic Meeting – April 14, 2020
   - Minutes of the Redevelopment Agency Electronic Meeting – May 12, 2020

**PUBLIC HEARING**

2. Resolution R20-20 – Final Adoption of the 2020 – 2021 Fiscal Year Budget

3. Adjournment

The Board at its discretion may rearrange the order of any item(s) on the agenda. In compliance with the American with Disabilities Act, individuals needing special accommodation (including auxiliary communicative aids and service) during the meeting should notify Denise Woods, City Recorder, at (801) 829-3461 at least 48 hours prior to the meeting. This meeting may be held electronically to allow a member to participate.

Notice is hereby given that by motion of the Board of the Morgan City Redevelopment Agency, pursuant to Title 52, Chapter 4 of the Utah Code, the Board may vote to hold a closed session for any of the purposes identified in that Chapter.

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Morgan City limits on this **18th day of June, 2020** at Morgan City Hall, on the Utah State Public Notice Website, at morgancityut.org, and three public places within the City. The 2020 meeting schedule was also published in the Morgan County News on December 6, 2019.

Denise Woods, CMC, City Recorder
MINUTES OF MORGAN CITY REDEVELOPMENT AGENCY ELECTRONIC MEETING
AUGUST 20, 2020; 5:03 P.M.

CHAIR AND BOARDMEMBERS PRESENT ELECTRONICALLY:
Chair Ray W. Little, Tony London, Eric Turner, Jeff Wardell, Jeffery Richins, and Dave Alexander

STAFF PRESENT ELECTRONICALLY:
Ty Bailey, City Manager; Gary Crane, City Attorney, Denise Woods

OTHERS PRESENT ELECTRONICALLY:
Doug Wickliffe

This meeting was held electronically in accordance with Executive Order 2020-1; Suspending the Enforcement of the Provisions of Utah Code 52-4-202 and 52-4-207 by Governor Gary Herbert on March 18, 2020, due to Infectious Disease, Coronavirus (COVID-19).

This meeting was called to order by Chair, Ray W. Little.

MINUTES

MOTION: Boardmember London moved to approve the minutes of the Morgan City Redevelopment Agency Meeting on January 28, 2020.

SECOND: Boardmember Turner

The vote was unanimous to approve the minutes as written.

ITEMS FOR DISCUSSION/APPROVAL

DISCUSSION/APPROVAL – DOUG WICKLiffe – REQUEST FOR EXTENSION OF INCENTIVE APPLICATION – 101/145 COMMERCIAL STREET

Ty Bailey, City Manager, explained two grants were awarded on April 9, 2019 to Doug Wickliffe for properties located at 101 and 145 Commercial Street. He explained the grants were for one year unless an extension was given to the applicant. He stated significant progress had been made on the end building and the grant for that property would be closed out first. He said it had taken longer than anticipated because the buildings were in worse condition than Mr. Wickliffe initially thought. He explained Mr. Wickliffe had received occupancy for the end building and had a couple of tenants in place even though there was work still to be done. He explained the funds in the Redevelopment Agency account rolled over year to year so an extension would not affect the budget.

Chair Little asked the Board if they had any questions for Mr. Wickliffe.

Boardmember London asked what the timeline was on these two projects.
Doug Wickliffe, Developer, said the end building was 1,800 square feet and one space had occupancy. He stated he would continue working on the building, but the facade would be completed within the next week or so and the building was ready for improvement requested by the new tenants. He said he had a carpet store and four offices rented and another business signed a lease a couple of weeks ago for personalized strength training. He said the end building was close to being completed. He said Buzzy's had been a challenge. He had hired an architectural firm and they had worked with WC3. He said he had not anticipated it taking nine months before he could begin working on Buzzy's. He explained some of the improvements which had been completed. He said the apartments in the back of the building were moving forward and he had building permits for them. He said Mark Schmid, Building Inspector, asked for a structural engineer to be brought in to inspect the roof.

Boardmember Alexander asked regarding the monies spent on each of the projects.

Doug stated he estimated the commitment to the end building would be approximately $700,000.00. He said there was a lot of unforeseen wiring issues, but it was moving forward, and it had occupancy. He said the building was almost complete except for some work on the façade and any improvements requested by the tenants.

Boardmember London asked Mr. Wickliffe how long of an extension would he need to complete both projects.

Doug stated he estimated it would take nine to twelve months to complete both the projects.

Boardmember London asked if he would be comfortable with a year extension.

Doug said a year would be plenty of time. He said the coronavirus was a big unknown, but he felt he could complete the projects with a year extension.

Ty explained each application was reviewed individually so granting an extension would not affect other projects. He stated the end building was near completion and would not need a year extension, but Buzzy's still had a lot of work to be done. He stated an extension on the end building could be for 2 months and one year for the completion of Buzzy's.

Boardmember Alexander asked if the Board had the ability to grant two separate extensions.

Ty explained each of the projects were under a separate application so the extensions could be specified for each project.

Boardmember London asked for clarification regarding the extensions; June 30th on the end building and one year for Buzzy's.

Doug stated those extensions worked for him.

**MOTION:** Boardmember London moved to grant an extension for the property on 101 Commercial Street to June 30, 2020 and an extension on the property at 145 Commercial Street for one year, which would mature on April 9, 2021.

**SECOND:** Boardmember Turner

**Discussion on the Motion:** None
ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – aye
Tony London – aye
Eric Turner – aye

Vote was 5 ayes; Motion passed unanimously to grant an extension for the property on 101 Commercial Street to June 30, 2020, and an extension on the property at 145 Commercial Street for one year, which would mature on April 9, 2021.

DISCUSSION ONLY – MORGAN HOTEL – EXTENSION OF SUBSTANTIAL COMPLETION DATE

Ty explained the City had received a letter from Scott Parkinson, Morgan Hotel LLC, stating the contract mentioned the possibility of an extension on the contract due to unforeseen circumstances. He said they were not asking for an extension at this time but wanted to give notice to the City of the possible delays due to COVID-19 and they might need an extension. Ty said he had acknowledged receipt of the letter. He had talked with Mark Schmid, Building Inspector, and WC3 and progress was being made on the project. He said a delay was not anticipated on the project.

Boardmember Alexander asked if the Hotel project was similar to the previously discussed projects.

Chair Little explained the agreement between Morgan Hotel LLC and the RDA. He said it was an eight-year agreement where the City would reimburse Morgan Hotel LLC a portion of the paid property taxes each year. He said the target date was December 31, 2020 and it was contingent upon them receiving substantial completion. He said the County Assessor would then assess the value of the building and the amount to be collected in 2021. He said after Morgan Hotel LLC paid those taxes the agreement would begin, and the City would reimburse them a portion of the paid taxes, which were referred to as tax increment in the agreement. He said if there were unforeseen delays it would change the dates of the payments.

Gary Crane, City Attorney, stated the portion to be reimbursed was the tax increment. He explained the tax increment was the amount the property was worth before the hotel was constructed and the amount the property was worth after. He said after the improvements on the property were completed, the property was worth more and that amount was used to calculate the amount to be reimbursed to Morgan Hotel LLC. He said the caution of granting an extension was the number of years the RDA was renewed. He said the RDA should send an acknowledgement of receipt of the letter and mention the terms of the agreement could change if there was an extension. He explained if the RDA did not collect the payment from Morgan Hotel LLC, the RDA was not obligated to reimburse a portion back to Morgan Hotel LLC.

Boardmember London asked how the value of the property would be assessed for 2020 where it was bare ground at the beginning of the year and then having a hotel completed by the end of the year.

Chair Little explained Gwen Rich, County Assessor, and an appraiser would appraise the value of the ground with the cost of the actual construction of the building as of December 2020. He said Gwen and/or an appraiser would assess the value of the property and building improvements and establish the property taxes due in 2021.

Boardmember London clarified that the first payment of the assessed value would be made in 2021.

Discussion regarding a response letter. Gary offered to draft the letter.
OTHER ITEMS DISCUSSED

Boardmember London asked regarding the progress on the bank building.

Ty explained the work which had been completed so far on the bank building; roof was done and the framing on the inside was completed. He said one issue with the bank building was there was two parcels but only one building. He said the business owners would be working together to realign the property boundaries and clean up those issues.

Ty said once the hotel was completed the agreement with each of the entities (Morgan County School District and Morgan County) would need to be restructured. He said the entities were aware of the possible change if/when the hotel was completed.

This meeting was adjourned at 5:45 p.m.

__________________________________________
Denise Woods, Agency Secretary

These minutes were approved at the June 23, 2020 meeting.
MINUTES OF MORGAN CITY REDEVELOPMENT AGENCY ELECTRONIC MEETING

MAY 12, 2020; 5:30 P.M.

CHAIR AND BOARDMEMBERS ELECTRONICALLY PRESENT: Chair Ray W. Little, Tony London, Eric Turner, Jeff Wardell, Jeffery Richins, and Dave Alexander

STAFF PRESENT ELECTRONICALLY: Ty Bailey, City Manager; Gary Crane, City Attorney, Denise Woods

This meeting was held electronically in accordance with Executive Order 2020-1; Suspending the Enforcement of the Provisions of Utah Code 52-4-202 and 52-4-207 by Governor Gary Herbert on March 18, 2020, due to Infectious Disease, Coronavirus (COVID-19).

The City Council Room located at City Hall, 90 West Young Street, Morgan, Utah, was open and available to the public for participation in the Public Hearing portion of the Council meeting.

This meeting was called to order by Chair, Ray W. Little.

ITEMS FOR DISCUSSION/APPROVAL

ADOPTION OF RDA TENTATIVE BUDGET FOR THE 2020 – 2021 FISCAL YEAR (JULY 1, 2020 TO JUNE 30, 2021) – SET DATE FOR FINAL APPROVAL

Ty Bailey, City Manager, explained the revenue and expenditures outlined in the RDA Tentative Budget for the 2020 – 2021 Fiscal Year. He said the new budget for the RDA would include the hotel incentive. He said the Tentative Budget showed $125,000.00 for the increment money and it was without the amount to be received from the hotel. He said the challenge was whether it would happen this year or not, but if it did the amount could raise an additional $130,000.00. He explained the line items in the Tentative Budget.

Discussion regarding the Tentative Budget and the amount to be received from the Morgan County School District and Morgan County under the current agreement. Ty said the Tentative Budget was based on those amounts, but he would be going back to both entities once the hotel was completed and would ask to amend the percentages currently outlined in the agreement. The amount of revenue in the Tentative Budget reflected the 60/40 split with the other entities. He explained the Tentative Budget included monies transferred from the General Fund to assist with other developments on Commercial Street. He explained the amount carried over from the previous year and the amounts to be paid out for current projects.

Mayor explained along with adopting the Tentative Budget for the 2020-2021 Fiscal Year a date needed to be set for final approval of the budget. He said it needed to be done by June 30th and the last Council meeting this fiscal year would by on June 23, 2020.
PUBLIC HEARING

ADOPTION OF RDA TENTATIVE BUDGET FOR THE 2020 – 2021 FISCAL YEAR (JULY 1, 2020 TO JUNE 30, 2021) – SET DATE FOR FINAL APPROVAL

MOTION: Boardmember London moved to open the public hearing.

SECOND: Boardmember Turner

Discussion on the Motion: None.

Vote was 5 ayes; Motion passed unanimously to open the public hearing to adopt the Morgan City Redevelopment Agency Tentative Budget for the 2020 – 2021 Fiscal Year Budget.

Public Comments: None.

MOTION: Boardmember London moved to close the public hearing.

SECOND: Boardmember Turner

Discussion on the Motion: None

Vote was 5 ayes; Motion passed unanimously to close the public hearing on the Morgan City Redevelopment Agency Tentative Budget for the 2020 – 2021 Fiscal Year.

ADOPTION OF RDA TENTATIVE BUDGET FOR THE 2020 – 2021 FISCAL YEAR (JULY 1, 2020 TO JUNE 30, 2021) – SET DATE FOR FINAL APPROVAL

This item was discussed earlier during the meeting.

MOTION: Boardmember Turner moved to adopt the Morgan City Redevelopment Agency Tentative Budget for the 2020 – 2021 Fiscal Year and set the date for final approval on June 23, 2020.

SECOND: Boardmember London

ROLL CALL VOTE: Jeffery Richins – aye
               Mike Kendell – aye
               Jeff Wardell – aye
               Tony London – aye
               Eric Turner – aye

Vote was 5 ayes; Motion passed unanimously to adopt the Morgan City Redevelopment Agency Tentative Budget for the 2020 – 2021 Fiscal Year and set the date for final approval on June 23, 2020.

Boardmember Alexander asked if the Tentative Budget could be changed before final approval.

Mayor said yes it could be amended before final approval and there would also be a public hearing to adopt the final RDA Budget for the 2020 – 2021 Fiscal Year.
OTHER ITEMS DISCUSSED

No other items discussed.

This meeting was adjourned at 5:52 p.m.

Denise Woods, Agency Secretary

These minutes were approved at the June 23, 2020 meeting.
RESOLUTION R20-20
MORGAN REDEVELOPMENT AGENCY

A RESOLUTION ADOPTING THE 2020–2021 FISCAL YEAR BUDGET FOR THE MORGAN REDEVELOPMENT AGENCY OF MORGAN CITY, UTAH.

WHEREAS, a tentative budget was prepared, adopted, and made available to the public by the Morgan City Redevelopment Agency as required by law; and

WHEREAS, a public hearing has been advertised and held on Tuesday, June 23, 2020, for the purpose of hearing all interested persons on the matter of said budget; and

WHEREAS, said public hearings, having been duly and regularly held and all persons present to be heard having been heard; and

WHEREAS, the Morgan Redevelopment Agency has duly and fully considered the proposed budget and is ready to adopt the budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MORGAN REDEVELOPMENT AGENCY OF MORGAN CITY, UTAH:

1. That the Morgan Redevelopment Agency does hereby adopt a budget for the fiscal year beginning July 1, 2020, in form and amount set forth in the written budget document, which is attached hereto and made a part of this resolution as set forth in full herein.

PASSED AND ADOPTED by the Morgan City Redevelopment Agency of Morgan, Utah, this 23rd day of June, 2020.

RAY W. LITTLE, Chair

BOARD VOTE AS RECORDED:

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<th>Aye</th>
<th>Nay</th>
<th>Excused</th>
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<tbody>
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<td>Boardmember London</td>
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<td>Boardmember Richins</td>
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<td>Boardmember Alexander</td>
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(In the event of a tie vote of the Board):

Chair Little

ATTEST:

DENISE WOODS, Agency Secretary
# Morgan City Budget 2020-2021

## Redevelopment Agency Fund

The Morgan City Redevelopment Agency is a special tax district within the City limits created to reinvest in redevelopment efforts. It was renewed in 2018 for a ten-year period and has some significant projects underway. First, there have been three redevelopment projects on Commercial Street that will not only rehabilitate old buildings but be occupied with businesses. The other significant investment includes the Cobblestone Hotel project which is scheduled to be completed by the end of 2020. These projects will create new property, sales, and transient room tax revenue. This year's budget not only includes the new revenue generated, but reflects the payback amounts to the City General Fund, Morgan County, and Morgan County School Districts, which have all contributed property tax revenue to make this project area successful.

## Morgan City

State Budget Report
75 Redevelopment Agency Fund - 07/01/2020 to 06/30/2021
100.00% of the fiscal year has expired

<table>
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<th>Change In Net Position</th>
<th>2020 Actual</th>
<th>2020 Original Budget</th>
<th>2020 Amended Budget</th>
<th>2021 Final Budget</th>
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<tr>
<td>Taxes</td>
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<td>Interest</td>
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<td>33550 INTEREST</td>
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| Expenditures:          |             |                      |                     |                   |
| Administration         |             |                      |                     |                   |
| 40210 PUBLICATIONS & ORDINANCES | 62.00     | 0.00                 | 0.00                | 0.00              |
| 40240 OFFICE EXPENSE & SUPPLIES | 50.00     | 0.00                 | 0.00                | 0.00              |
| 40280 LIABILITY INSURANCE | 1,760.00  | 2,000.00             | 2,000.00            | 2,000.00          |
| 40310 PROFESSIONAL & TECHNICAL SERV | 1,093.75  | 10,000.00            | 10,000.00           | 1,000.00          |
| 40610 MISCELLANEOUS    | 0.00        | 10,000.00            | 10,000.00           | 0.00              |
| 40890 PAYMENT TO GENERAL FUND | 0.00       | 0.00                 | 0.00                | 12,018.00         |
| 40900 PAYMENT TO MORGAN COUNTY | 0.00       | 0.00                 | 0.00                | 20,291.00         |
| 40910 PAYMENT TO SCHOOL DISTRICT | 0.00       | 0.00                 | 0.00                | 69,203.00         |
| 40920 BUSINESS LOANS/GRANTS | 36,222.00  | 79,000.00            | 79,000.00           | 363,500.00        |
| **Total Administration** | 39,087.75 | 101,000.00           | 101,000.00          | 468,012.00        |
| Total General government | 39,087.75 | 101,000.00           | 101,000.00          | 468,012.00        |
| Total Expenditures:    | 39,087.75  | 101,000.00           | 101,000.00          | 468,012.00        |
| **Total Change In Net Position** | 86,174.38 | 0.00                 | 0.00                | 0.00              |
NOTICE OF PUBLIC HEARING BY THE MORGAN CITY REDEVELOPMENT AGENCY OF MORGAN, UTAH

Notice is hereby given that the Morgan City Redevelopment Agency of Morgan, Utah, will hold a Public Hearing in connection with their meeting on **Tuesday, June 23, 2020, at 5:45 p.m.** If you chose to participate in the public hearing, please contact the City Recorder at (801) 829-3461 Ext.3 or dwoods@morgancityut.org prior to the meeting for instructions to join the meeting electronically. **No physical meeting location will be available.** The City Council will receive public comment electronically regarding the following:

- Final Adoption of the 2020 – 2021 Fiscal Year Budget

Interested persons are invited to attend and make comment as outlined above. Before the public hearing supporting documentation is posted on the City's website at morgancityut.org or available by contacting the City Recorder at (801) 829-3461 Ext. 3. The public is invited to listen to the meeting by watching the YouTube recording on the City's website - morgancityut.org. Copies of the 2020 – 2021 Fiscal Year Budget are on file and available to the public in the office of the City Recorder.

MORGAN CITY CORPORATION

Ray W. Little, Mayor
Denise Woods, City Recorder

Posted on June 16, 2020