

**REDEVELOPMENT AGENCY WORK MINUTES**  
**JANUARY 18, 2023**

The Redevelopment Agency held a meeting on Wednesday January 18, 2023, at 7:04 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

**MEMBERS PRESENT:** Chair Craig Isom; Secretary Scott Phillips; Members: Garth O. Green; Terri Hartley; Craig Isom; Tyler Melling.

**STAFF PRESENT:** City Manager Paul Bittmenn; City Attorney Tyler Romeril; City Engineer Jonathan Stathis; Finance Director Jason Norris; City Recorder Renon Savage; Economic Development Director Danny Stewart.

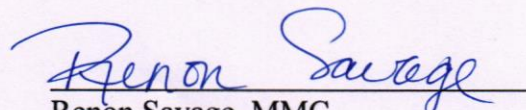
**OTHERS:** Wendy Green, Alysha Lundgren.

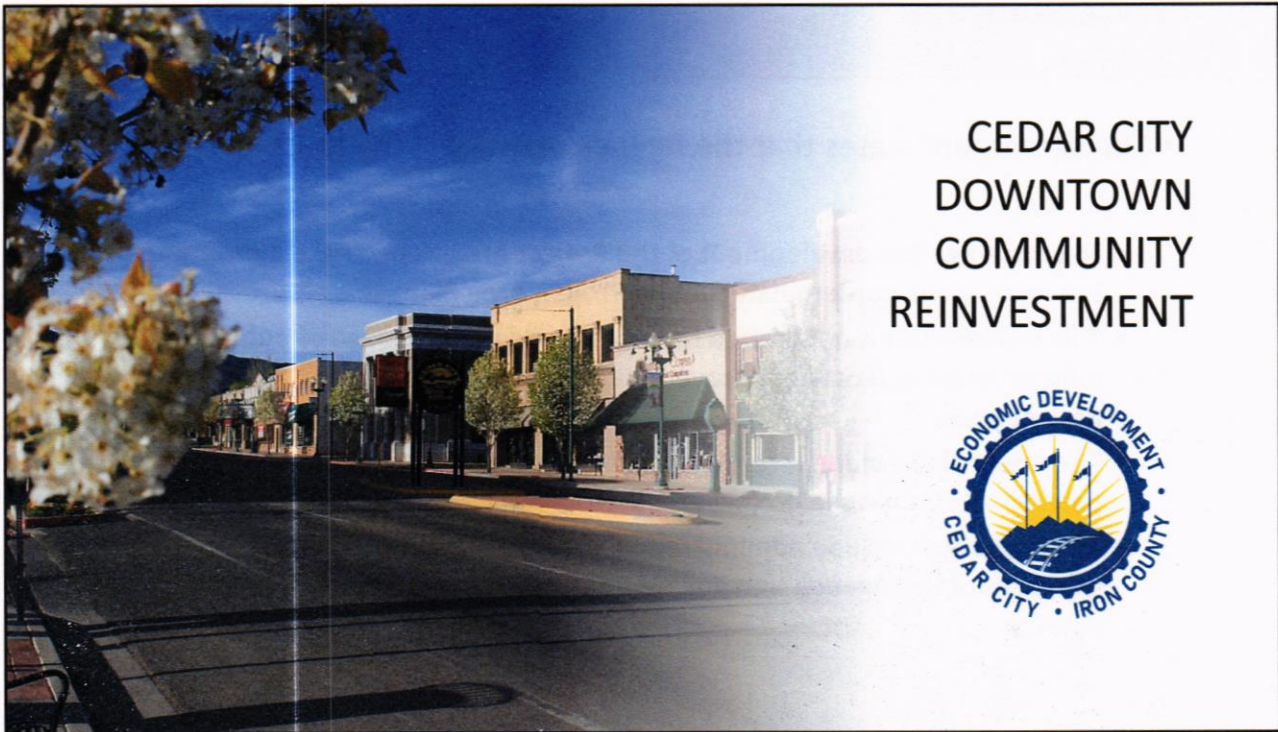
**CONSIDER AN INTERLOCAL AGREEMENT WITH THE LOCAL TAXING ENTITIES FOR THE CEDAR CITY DOWNTOWN COMMUNITY REINVESTMENT PROJECT AREA. – DANNY STEWART:**

**Danny** – a month ago we created a redevelopment project area to create incentives and invest in infrastructure and some goals in the downtown. We need to enter into interlocal agreements with taxing entities that collect revenue. A few points, you received copies with the School District, Iron County and the Water Conservancy District, in the next week we will condense into one agreement. I presented the agreement to Iron County who voted unanimously to enter into, last night I presented it to the School Board and will be acted on next week. I will present tomorrow to the Water Conservancy District. **Melling** – I had a few people reach out, there was some confusion on if it is a zoning or historic district, I explained it is a program where people that invest in improving property in the downtown are not penalized. **Danny** – if they improve their property the taxes will go up but there is reimbursement. See Exhibit “A”. This is project based. We talked about this when we did the budget for this, we looked at a few projects floated by Developers and came up with valuation on those. Taxing entities are surrendering for a time period of each phase.

**Melling** – there is a lot that is hard to calculate, if someone creates a space where students can shop and live, it makes it hard to quantify all the benefits. I don't see a problem with this. **Danny** – I am excited about this, I like the phase based, it is harder for the county, but it gives us more control.

**ADJOURN:** Phillips moved to adjourn at 7:16 p.m.; second by Melling; vote unanimous.

  
Renon Savage, MMC  
City Recorder



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INTERLOCAL AGREEMENT

- Agreement allows for 85 Percent of new tax increment on approved redevelopment projects within the project area.
- Maximum collection period of 20 years per phase.
- Maximum of 8 phases allowed.
- A phase consists of a portion of the project area of at least one parcel, but not more than 10 contiguous parcels, identifiable by an outside boundary that follows existing parcel boundaries.
- Valid from January 1, 2023 to December 31, 2047 – 25 years total.

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## INTERLOCAL AGREEMENT

- The agreement states that the Agency may apply the funds collected:
  - To encourage the development of the Project Area as deemed appropriate by the Agency and contemplated in the Project Area Plan.
  - This includes but is not limited to the cost and maintenance of public infrastructure and other improvements located within or benefitting the Project Area.
  - This could also include incentives or reimbursements to developers or participants within the project area.
  - This could also include administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency.

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## BENEFITS TO TAXING ENTITIES

**Example of Financial Benefits** (based on a capital investment of \$27 million)

- \$5.3 million in incremental property tax revenues generated over 15 years
- Nearly \$1 million in incremental property tax revenues to taxing entities over 15 years
- More than \$420,000 (\$2022) in annual in property tax revenues to taxing entities after 15 years

**Other Benefits**

1. Partnership with City and business community to realize downtown vision.
2. Increase economic vitality and diversity of downtown area.
3. Improve downtown as a destination for residents and visitors.
4. Better connection between SUU and community.

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