

**TREMONTON CITY CORPORATION
REDEVELOPMENT AGENCY
January 3, 2012**

Board Members Present:

Roger Fridal, Chairman

David Deakin

Diana Doutre

Lyle Holmgren

Jeff Reese

Byron Wood

Shawn Warnke, Executive Director

Darlene Hess, Executive Secretary

Chairman Fridal called the Tremonton Redevelopment Agency Meeting to order at 7:34 p.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Chairman Fridal, Board Members Deakin, Doutre, Holmgren, Reese, and Wood, Executive Director Warnke, and Executive Secretary Hess, Public Works Director Fulgham, and Police Chief Nance.

1. Approval of agenda:

Motion by Board Member David Deakin to approve the November 15, 2011 agenda. Motion seconded by Board Member Jeff Reese. Vote: Board Member Deakin - aye, Board Member Doutre - aye, Board Member Holmgren - aye, Board Member Reese - aye, and Board Member Wood - aye. Motion approved.

2. Approval of minutes – December 6, 2011

Motion by Board Member Lyle Holmgren to approve the minutes of December 6, 2011. Motion seconded by Board Member Jeff Reese. Vote: Board Member Deakin - aye, Board Member Doutre - aye, Board Member Holmgren - aye, Board Member Reese - aye, and Board Member Wood - aye. Motion approved.

3. New Business

- a. Discussion of possible projects to address affordable housing issues in Tremonton City from housing funds generated from the West Liberty Foods Project Area.

Executive Director Warnke stated that about a year ago, the RDA Board authorized Bear River Association of Governments (BRAG) to move forward with amending the City's housing plan, anticipating the plan would then find some needs that the City may have for affordable housing. The West Liberty Foods Project Area generates 20% of their tax increment for affordable housing. BRAG is finishing that plan. One component that Executive Director Warnke

thought would be very helpful if the Board identifies potential projects to spend that 20% on. It is appropriate for the RDA Board to consider where they would like to see some of the funds spent, since the funds are generated from an RDA project. Executive Director Warnke and BRAG put together a list of potential projects for the Board to consider. There is one issue in the Affordable Housing data set that Executive Director Warnke and BRAG are trying to flesh out, and depending on what is found that might steer the Board in a little different direction because certainly the Board should address any issue that comes up in the plan. Generally the findings of the plan are that the City has a good stock of affordable housing in Tremonton City. With that, the Board has discretion and flexibility on the types of Affordable Housing projects the Board would like to see.

Board Member Deakin asked how flexible? If the Board talked about getting sewer and water and everything on the other side of the freeway so affordable housing had the possibility of being built, would that be stretching or would that be inappropriate? Executive Director Warnke said that could be. Legitimately the Board should think of what really is the best project for affordable housing, because in the end that is what the funds are for. There might be a good location on the other side of the freeway that makes perfect sense, but unfortunately Executive Director Warnke thinks affordable housing would probably be best served as an infill development. The one that Executive Director Warnke would recommend to the Board is the transitional housing. Annette MacFarlane from the New Hope Crises Center (Domestic Violence Shelter) came to the Council this fall and mentioned that she is interested in trying to expand service into Tremonton City. It is a service that the City provides a \$2000 a year contribution towards. These funds could be used to help construct transitional housing for victims of domestic violence. Executive Director Warnke had a conversation with Annette MacFarlane. Ms. MacFarlane thinks that they could use 12 units and fill them up. Chairman Fridal asked if Executive Director Warnke was talking about apartments. Executive Director Warnke stated that there are two types of housing that the New Hope Crisis Center provides; one is emergency shelter care, where something has happened in the home and the people need to get out; second; is the New Hope Crisis Center transitional housing where they subsidize rent starting at 90% subsidy. And the victim can stay in this transitional housing for up to a year. Each month the subsidy drops, maybe by increments of 10%. The idea is that when someone first comes out of an abusive situation, they might have greater needs for being subsidized, but over time they hope to transition out and have a greater responsibility for their own support for housing. This is where Annette MacFarlane thought they could use the 12 units, hoping to have 8 beds in the emergency shelter portion. The New Hope Crisis Center does not currently own any housing, but Annette MacFarlane said they possibly would want an that. There are lots of options to structure an Affordable Housing Project.. Maybe work with a non-profit, who would own the housing. Maybe New Hope Crisis Center would want to own the housing. Executive Director Warnke thought this was a project that warranted a strong merit. The other one that is something the

Board has done in the past was to fund the Home Repair and Improvement Grant which certainly provides some benefit. BRAG has not spent a lot of money on it, because they are waiting on direction from the RDA. The biggest misgiving that Executive Director Warnke has about this type of project is transferring wealth of public funds to individuals who actually realized a gain. Essentially, people would be in self help housing where one would go in and construct a home and then flip it. Executive Director Warnke stated that what he liked about the first idea of transition housing is the money stays for that specific need in perpetuity.

Board Member Deakin asked if the Home Repair and Improvement Grant would specifically target the area just south and west of the City offices and if that would limit the flipping of those homes in that situation? There is a certain area the Board had talked about maybe improving the look of. Executive Director Warnke stated that the Board could include some guidelines that would eventually limit the flipping. Executive Director Warnke asked the Board for priorities. If the Transitional Housing is something that seems of interest working with the New Hope Crisis Center, then the next step is to talk more directly with Annette MacFarlane and see if that is of interest and explore that option a little more.

Board Member Deakin asked if anyone is doing anything on the Home Buyers Assistance Program. Is doing a first time home buyers assistance program one of the things when the original money was coming in that BRAG had talked about. Board Member Deakin asked if BRAG is doing anything with those funds, or are they just waiting for the RDA to give them direction? Executive Director Warnke stated that BRAG is primarily waiting for the RDA to give them direction. They have used the funds in creation of this housing plan, which is something that the RDA authorized. BRAG is repaying the City for land that the RDA used in the Crown Homes. BRAG has held off to a large measure in some of the programs that the Board in the past has discussed with them. Board Member Holmgren asked, with the New Home Buyers Assistance Program if it is possible to stipulate that the people have to remain in the home for so long before they can move or they have to pay back the money. Executive Director Warnke stated that, yes; there is something the RDA could do in that regard. The current program that BRAG has is that either one can do a loan, or a grant program, but the RDA could have some stipulations in place. Board Member Doure commented that the New Hope Crisis Center is something that the Board should look into because the need is getting greater. The City has such a huge area that it covers, and it would be much more convenient to have something in Tremonton. Board Member Deakin asked how much money is being talked about. The last time he looked there were several hundred thousand dollars in the balance on this account. Executive Director Warnke said that the RDA has already passed off \$450,000, roughly, to BRAG. Executive Director Warnke stated there is approximately a couple hundred thousand that BRAG is holding on to. The Board could give BRAG firm direction to continue to do the programs that were first contemplated or do Transitional Housing or something else. Public Works Director Fulgam and City

Manager Warnke have tried to look at some infrastructure related projects that this money could reasonably be used for to benefit affordable housing. The City was able to do the Storm Drain Project. Executive Director Warnke stated that he's heard some discussion about the Home Buyers Assistance Program and the Home Repair. If that is something that the Board wants to do then more direction should be given to BRAG. Or, if the Board could try Traditional Housing with the New Hope Crisis Center or, maybe, some other entity that provides transitional housing.

Board Member Deakin commented to Public Works Director Fulgham that the City has been doing a lot of Eagle Scout projects with regard to the cement situation. That has been great. Could something similar be done with chip/crack issues on home repair, then it wouldn't be such a flip situation? Director Fulgham stated that the RDA could see if it qualified to fix some neighborhoods that are older. Executive Director Warnke stated that he talked to Roger Carver from BRAG asking him those kinds of questions and the best guidance he suggested is that we could potentially do like we do for CDBG funds, which is Community Development Block Grant, a Housing and Urban Development (HUD) administered program where a survey is required to prove that the people who are living in the home truly are low to moderate income. Executive Director Warnke also stated that he didn't talk to the State about this. If this is something of interest he could explore how the RDA could potentially do that. What Roger Carver from BRAG envisioned was a survey that documented that the people in the home were low to moderate income and then potentially the RDA could do the sidewalk in front of their home. It is not certain how they would look at a larger project like chip seal for roads. Chairman Fridal said that maybe easiest direction to pursue would be the New Hope Crisis Center. It would be something that the RDA could do relatively easily. Board Member Wood stated that he liked that idea better than personal income for an individual. Board Member Doutre agreed.

- b. Discussion of the Freeway Interchange (also known as RDA #3 or 197) Project Area's anticipated tax increment and obligations for reimbursement and authorization to send a letter to Malt-O-Meal regarding the priority of the RDA's obligation

Executive Director Warnke commented that he was working on putting the letter together. At the last RDA meeting, he understood that he was to draft a letter and bring it back to the Board and have the Board review and approve it. That is forthcoming.

4. Adjournment

Motion by Board Member Lyle Holmgren to adjourn the meeting. Motion seconded by Board Member Diana Doutre. Vote: Board Member Deakin - aye, Board Member

Doutre - aye, Board Member Holmgren - aye, Board Member Reese - aye, and Board Member Wood - aye. Motion approved. The meeting adjourned at 7:56 p.m.

The undersigned duly acting and appointed Executive Secretary for Tremonton City Corporation Redevelopment Agency hereby certifies that the foregoing is a true and correct copy of the minutes for the RDA Meeting held on the above referenced date. Minutes were prepared by Lora Naylor.

Dated this _____ day of _____, 2012.

Darlene Hess, Executive Secretary