

Ogden City

Ogden City Council Joint Study Session Notice November 13, 2012 – 5:30 p.m. City Council Work Room – Third Floor Municipal Building, 2549 Washington Blvd.

Notice is hereby given that the Ogden City Council also acting as the Redevelopment Agency Board will meet in a Study Session on Tuesday, November 13, 2012 at 5:30 p.m., in the Council Work Room located on the third floor of the Municipal Building located at 2549 Washington Boulevard in Ogden City, Weber County, Utah.

The purpose of the joint study session is to review agenda items for the special City Council meeting, discuss the Redevelopment Agency Quarterly Report for third quarter 2012, and Council and Board business.

~~~~

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Management Services Department at 629-8701 (TDD# 629-8949) or by email: <a href="@ci.ogden.ut.">@ci.ogden.ut.</a> at least 48 hours in advance of the meeting.

### **CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in three public places within the Ogden City Limits on this 9th day of November, 2012. These public places being: 1) City Recorder's Office on the 2nd floor of the Municipal Building; 2) 2nd floor foyer of the Municipal Building; and 3) the Weber County Library. A copy was also provided to the Standard- Examiner and posted on the Ogden City Website on the 9th day of November, 2012.

TRACY HANSEN, MMC OGDEN CITY RECORDER

Visit the Ogden City Web Site @www.ogdencity.com Ogden City Council Information Line – 629-8159

# REDEVELOPMENT AGENCY QUARTERLY REPORT

- Third Quarter 2012

**DISCUSSION:** Review of the RDA's Third Quarter Progress

Executive

**Summary** The Administration will review the RDA Quarterly Report for the

third quarter of 2012 (calendar year).

**Background** 

The Redevelopment Agency Board administrative staff--headed by the Community and Economic Development Director--have been providing monthly updates on the Redevelopment Agency for several years. Because of the nature of the developments occurring in the City's RDA's there was often not much change from month to month. The RDA Board had also requested quarterly financial updates, however, the financial information has primarily been provided in the RDA Annual Report that is submitted to the Board each January.

The Administration has proposed that reporting to the RDA Board be shifted to a quarterly basis and agreed to include financial information with the quarterly reports.

## October 30, 2012

The RDA Quarterly Report for the third quarter of 2012 was received in the Council office.

Information Provided

The RDA Quarterly Report includes a narrative for each Urban Renewal Area (URA)--previously referred to as RDAs—and Economic Development Area (EDA) that had significant development during the quarter. It also includes financial

information for each development area identifying the revenues and expenditures. The Report is summarized as follows:

# Ogden River URA

- Phase I of the Adventure Park is complete
- South River, LLC has started construction of five townhomes, three of which are under contract for sale
- South River, LLC has received financing approval for an additional five townhomes
- South River, LLC is working on financing to begin Phase 4, a new Garden Level homes project
- Kneaders is complete and open for business
- Gadi Leshem and R&O Construction are working with City to finalize agreements relating to development of the Leshem properties
- Gear:30 is under construction with completion and opening set for November 15

# Defense Depot Ogden (BDO) EDA

- A new traffic light will be installed on 12<sup>th</sup> street at Depot Drive
- A new 160,000 s.f. building is under construction. It will house the expansion of two existing businesses, Powder Processors and Mackenzie Exhibits
- A 32,000 s.f. flex space building will be completed by December 31, 2012. It will house a daycare and Universal Cycles
- A new parking lot was completed
- 1030 West Street was building to improve truck access to buildings

# CBD Mall URA

- Interior finishes of the Junction Condominiums are underway. Exterior improvements were completed last year. Four units have been finished and offered for sale
- A military recruiting office has lease space

• CED is working with Boyer to develop a different marketing approach

# East Washington URA

- Salerno Architecture was hired to complete the design for Startup Ogden (the App Accelerator). It is estimated to be completed in March 2013
- Weber State would like to expand the scope of the project. More information will be provided on this at a future date

# **Hinckley Airport URA**

- New terminal was completed
- A new entrance and interior improvements were completed
- Allegiant flights have been nearly sold out.

## South Wall EDA

• Watson Chevrolet expansion is near completion

## Golden Spike URA

 CED is working on a 100 acres master-planned development called the TrackLine Business Park. More information will be provided as the development progresses

Council Staff Contact: Janene Eller-Smith, (801)629-8165



# Ogden RDA – Quarterly Report

Third Quarter 2012

This report highlights new activity on notable projects of the Ogden City Redevelopment Agency. For additional information on RDA projects or other activities undertaken by the RDA, please contact Tom Christopulos at (801) 629-8946.

# Ogden Redevelopment Agency – Quarterly Report – Third Quarter 2012

### OGDEN RIVER URBAN RENEWAL AREA

The first phase of an adventure park has been installed on the north side of the river between Grant and Lincoln Avenues. The park is being used by residents in the area, as well as other residents as they become aware of the unique play equipment. This park will be expanded as the project further develops.

South River, LLC has begun construction on five townhomes, all of which are in various stages of completion. Three of the five townhomes are under contract for full price. South River has received bank approval to move forward with five more units. Construction on these new units began in late September.



**River Condominium** Construction: **Source: Standard Examiner** 

South River is working on an infrastructure loan so they will be able to move to Phase 4 and begin installing curb/roads and start marketing a new Garden Level product. Not only will this new phase expand South

River's market, but it will also bridge the development gap between the existing Phase 1 and the new commercial development along Washington Blvd.

Kneaders is complete and doing well. Parking will be an issue for them until the Gear:30 parking lot is complete. Overall parking is shared between the businesses with on-street parking along Park and Grant acting as overflow.

Gadi Lesham and R&O Construction are negotiating a memorandum of understanding (MOU) to develop the properties between Child and Grant Avenues. They are working with the planning department regarding the compliance of their proposed project with the adopted master plan guidelines. Development in the River Project is governed by a master plan and pattern book prepared by Urban Design Associates (UDA). The master plan was approved by the Planning Commission on May 4, 2011 and by the RDA Board on May 17, 2011. To this end, the parties are working on a site plan revision closer in line with the plan proposed by Urban Design Associates (UDA) and the developer's current planner.

Mr. Lesham and his financial partners have met with Mayor Mike Caldwell and CAO Mark Johnson and have established direct communication regarding the financial package for the development.

The land transaction for Gear:30 completed in July, and Ascent Construction has begun construction of the building (13,000 sq. ft.). Completion of the building is scheduled for the end of October, with Gear:30 opening approximately November 15<sup>th</sup>. The construction is currently on schedule and the building's exterior is nearly enclosed.

Discussions are continuing with prospective buyers and existing property owners regarding construction timetables for the Washington Blvd. frontage properties. We are currently looking at a number of small support businesses to occupy the Gear:30 buildings. To date, Ascent has been able to contract with Barbacoa Mexican Grill and Einstein's Bagels to co-tenant the Gear:30 building.

# DDO Urban Renewal Area (Business Depot Ogden)

A new traffic light has been approved by UDOT at the intersection of 1200 South and Depot Drive. This is to accommodate the increased traffic with Home Depot and other tenants.

A 160,000 sq. ft. new building is under construction to house the expansion of Powder Processors and MacKenzie Exhibits (two existing businesses at BDO that needed room to expand). The construction of Flex Building Three will be completed by December 31, 2012. It is a 32,000 sq. ft. building, and it is 65 percent preleased (Depot Daycare and Universal Cycles).



**Home Depot.com Interior** 

Net Operating income is growing annually, and that growth is projected to continue with the addition of the Flex Building, Wayfair and, Homedepot.com. The total lease area is now 5.5 million sq. ft., an increase of over 5 million sq. ft. since 2002. Existing buildings account for 3 million sq. ft. of the lease space and 2.5 million sq. ft. are separate tract leases. While there has been a slightly negative absorption through the last fiscal year, primarily in space relocation, the 2013 report will capture the Flex Building and Homedepot.com.

A new parking lot was completed along depot Drive to accommodate higher demands on parking. The cost was \$800,000. 1030 West Street was built in the second quarter to improve truck access to buildings 13A, 14A, 15B, and 15C.

### CBD Mall Urban Renewal Area

Construction continues on the Junction condominiums. Exterior improvements were completed last fall. Various financing issues have been resolved and construction will begin on the interior finishes of 42 units in 2013. As of this report, four units have been finished and offered for sale. The remaining units will be finished as presales dictate. Several interested buyers have asked to be placed on the waiting list to purchase a condominium.

Boyer is also negotiating with a 6,000 sq. ft. tenant for the Wells Fargo Building. New tenants at the Junction include a military recruiting office. Leasing is still slow, and CED is working with the Boyer Company to develop a different marketing approach.

# East Washington Urban Renewal Area

In accordance with Ogden City procurement requirements, Salerno Architecture, an architect and design team, were competitively evaluated and hired to complete the construction design drawings for Startup Ogden (the app accelerator). The construction design drawings are underway, and once complete the construction will be bid competitively. Construction was underway at the end of September. Estimated construction completion and occupancy is March 2013.

Weber State has expanded the scope of the project and they are evaluating their options to fund the expanded scope. The scope is to be divided into separate schedules, including one that meets only the budget and requirements of the Economic Development Administration (EDA) \$1,000,000. Other items include expanded training facilities, custom layout and design for the bookstore, and better access for customers and users. This new scope will greatly enhance the exterior façade of the building, as well as create a more retail-friendly interior. The new construction budget is currently \$2.2 million and the projected completion date is April 2013.

### **AIRPORT EXPANSION**

Construction of the new terminal was completed in mid-September, and commercial flights started on September 20<sup>th</sup>. In addition to the expansion space, additional

improvements included a new Porte cochere in the front of the existing terminal, as well as cosmetic improvements to the interior space.

The budget has been extended to include some long overdue remodeling outside of the new waiting area. Construction is on target for the main elements, but some of the remaining areas were not fully finished for the inauguration flight. Flights to date have been nearly sold out.



**Airport Ribbon Cutting Ceremony** 

# South Wall Economic Development Area

The South Wall Economic Development Project Area was approved just in time for the completion of the Watson Chevrolet expansion project. This project will include new showroom space, upgraded service bays, expanded lot display and sales areas, and an overall rebrand of the dealership. The city expects this new project to bring in over \$660,000 in new property taxes over the next 10 years.

# Golden Spike Urban Renewal Area

TrackLine Business Park is a 100 acre master planned, rail served business and industrial location with over 80 buildable acres for sale or lease. Located in West Ogden, this former cattle stock yard and shipping facility will be transformed into a vibrant,

convenient, and state-of-the-art business location offering premier services and infrastructure to the office, manufacturing, distribution, and light industrial sectors.

Currently work is being done on land acquisition and pre-development. Most of the 80 buildable acres are already under contract and will require closing before the end of 2012. Over the next months, the RDA desires to enter into a formal development agreement with the developer to memorialize their agreements and ensure the financing and development of the park. We have been successful in attracting the attention of multiple manufacturing and distribution users to this project and are working with them to coordinate development timelines. It is anticipated construction would start in summer of 2013 with initial tenants moving in Q2 2014.

### **RDA SOURCES AND USES**

#### 4th Quarter Fiscal Year 2012

#### Prepared by Community and Economic Development Department

4-Oct-12 unaudited financial summary

|                               |                 |                 |              | Lincoln       | Washington    | Lester       | Golden    |              |               |               | Union        |               |                  | Amerincan     |               | West            |               |               | Hinkley       |                  |
|-------------------------------|-----------------|-----------------|--------------|---------------|---------------|--------------|-----------|--------------|---------------|---------------|--------------|---------------|------------------|---------------|---------------|-----------------|---------------|---------------|---------------|------------------|
| SOURCES                       | Fairmount       | CBD Mall        | South CBD    | Avenue        | Blvd.         | Park         | Links     | Park Blvd.   | 25th Street   | St. Beneditcs | Garden       | 12th Street   | DDO              | Can           | Wall Ave.     | 12th Street     | Hinckley Dr.  | River         | Airport       | Totals           |
| Property Tax                  | \$ 892,937.99   | \$ 1,175,349.56 | \$ 16,923.62 | \$ 141,810.44 |               | \$ 54,125.17 | \$ 438.13 | \$ 25,086.66 | \$ 658,463.16 |               |              | \$ 78,984.81  | \$ 4,646,956.45  | \$ 481,134.38 | \$ 157,024.97 | \$ 1,537,258.14 | \$ 523,061.67 | \$ 47,054.04  | \$ 192,882.07 | \$ 10,629,491.26 |
| Property Tax Haircut Tax      | \$ 325,296.89   |                 | \$ 10,927.60 | \$ 60,713.34  | \$ 475,816.86 | \$ 37,295.10 | \$ 292.07 | \$ 17,282.42 |               | \$ 215,639.77 | \$ 15,466.65 | \$ 51,061.33  |                  |               |               |                 |               |               | ľ             | \$ 1,209,792.03  |
| Rec Center Lease Revenue      |                 | \$ 695,814.18   |              |               |               |              |           |              |               |               |              |               |                  |               |               |                 |               |               | ľ             | \$ 695,814.18    |
| Interest Income               | \$ 2,345.35     | \$ (1,510.52)   | \$ 51.34     | \$ 2,001.77   | \$ 796.70     | \$ 167.25    | \$ 2.15   | \$ 73.72     | \$ 1,102.62   | \$ 373.76     | \$ 27.26     | \$ 228.27     | \$ 6,467.36      | \$ 6,959.94   | \$ 1,655.04   | \$ 4,161.86     | \$ 2,114.83   | \$ 809.50     | \$ 568.20     | \$ 28,396.40     |
| Sale of Property              |                 |                 |              |               |               |              |           |              |               |               |              |               |                  |               |               |                 |               | \$ 152,674.00 |               | \$ 152,674.00    |
| Property Related Transactions |                 | \$ 19,194.95    |              |               |               |              |           |              |               |               |              |               |                  |               |               |                 |               |               |               | \$ 19,194.95     |
| Miscellaneous Revenue         | \$ -            |                 |              | \$ 243,534.24 |               |              |           |              |               |               |              |               |                  |               |               |                 |               |               | ľ             | \$ 243,534.24    |
| Bond Proceeds                 |                 |                 |              |               |               |              |           |              |               |               |              |               | \$ 5,375,000.00  |               |               |                 |               |               | ľ             | \$ 5,375,000.00  |
| Interfund Transfers           |                 | \$ 2,552,990.00 |              |               |               |              |           |              |               |               |              |               |                  |               |               |                 |               | \$ 549,107.00 |               | \$ 3,102,097.00  |
| <u> </u>                      | \$ 1,220,580,23 | \$ 4,441,838,17 | \$ 27,902,56 | \$ 448,059,79 | \$ 476,613,56 | \$ 91,587,52 | \$ 732.35 | \$ 42,442,80 | \$ 659,565,78 | \$ 216.013.53 | \$ 15,493,91 | \$ 130,274,41 | \$ 10.028.423.81 | \$ 488,094,32 | \$ 158,680,01 | \$ 1,541,420,00 | \$ 525,176,50 | \$ 749,644,54 | \$ 193,450,27 | \$ 21,455,994,06 |

| п | 15 | F |
|---|----|---|

| USES                          |                    |      |              |              |               |               |              |           |              |               |               |              |               |                 |                  |            |                 |               |               |               |        |              |
|-------------------------------|--------------------|------|--------------|--------------|---------------|---------------|--------------|-----------|--------------|---------------|---------------|--------------|---------------|-----------------|------------------|------------|-----------------|---------------|---------------|---------------|--------|--------------|
| Contractual Services          |                    | \$   | 720,111.79   |              |               |               |              |           |              |               |               |              |               |                 | \$ 80,503.87     |            |                 |               |               |               | \$     | 800,615.66   |
| Operating Expenses            |                    |      |              |              | \$ 36,294.60  |               |              |           |              | \$ 58,274.98  |               |              |               | \$ 54,498.75    | \$ 77,717.65 \$  | 555.17     | \$ 132,245.00   |               |               | \$ 121,964.00 | \$     | 481,550.15   |
| Property Development          |                    | \$   | 17,247.51    |              |               |               |              |           |              |               |               |              |               |                 |                  |            |                 |               | \$ 343,404.54 |               | \$     | 360,652.05   |
| Haircut to Rec                | \$<br>600,297.00   |      |              | \$ 10,928.00 | \$ 80,713.00  | \$ 476,614.00 | \$ 37,295.00 | \$ 292.00 | \$ 17,282.00 |               | \$ 216,014.00 | \$ 15,494.00 | \$ 51,061.00  |                 |                  |            |                 |               |               |               | \$ 1.  | 1,505,990.00 |
| Interfund Transfer: Housing   |                    |      |              |              |               |               |              |           |              | \$ 150,000.00 |               |              |               |                 | \$ 96,227.00 \$  | 31,405.00  | \$ 307,452.00   | \$ 104,612.00 | \$ 9,411.00   |               | \$     | 699,107.00   |
| Interfund Transfer: Gen Admin | \$<br>242,992.00   |      |              | \$ 16,975.00 | \$ 81,500.00  |               | \$ 54,292.00 | \$ 440.00 | \$ 25,160.00 |               |               |              | \$ 79,213.00  |                 | \$ 24,057.00 \$  | 7,851.00   | \$ 49,475.00    | \$ 15,692.00  | \$ 2,353.00   |               | \$     | 600,000.00   |
| Debt Service: Principal       | \$<br>255,000.00   | \$ 1 | 1,930,000.00 |              |               |               |              |           |              | \$ 105,000.00 |               |              |               | \$ 7,595,000.00 | \$ 357,000.00 \$ | 45,000.00  | \$ 1,020,000.00 | \$ 416,842.20 |               |               | \$ 11. | 1,723,842.20 |
| Debt Service: Interest        | \$<br>128,024.34   | \$ 1 | 1,735,124.27 |              |               |               |              |           |              | \$ 9,617.79   |               |              |               | \$ 224,005.55   | \$               | 17,069.81  | \$ 307,578.61   |               | \$ (926.27)   |               | \$ 2   | 2,420,494.10 |
| Bond Issuance                 |                    |      |              |              |               |               |              |           |              |               |               |              |               | \$ 70,750.00    |                  |            |                 |               |               |               | \$     | 70,750.00    |
|                               | \$<br>1,226,313.34 | \$ 4 | 4,402,483.57 | \$ 27,903.00 | \$ 198,507.60 | \$ 476,614.00 | \$ 91,587.00 | \$ 732.00 | \$ 42,442.00 | \$ 322,892.77 | \$ 216,014.00 | \$ 15,494.00 | \$ 130,274.00 | \$ 7,944,254.30 | \$ 635,505.52 \$ | 101,880.98 | \$ 1,816,750.61 | \$ 537,146.20 | \$ 354,242.27 | \$ 121,964.00 | \$ 18  | 8,663,001.16 |

Unapplied Funds to be assigned at a later date \$ 2,792,992.90