Mayor Shepherd called the meeting to order at 6:33 p.m.

DISCUSSION ON TAX INCREMENT FINANCING

JJ Allen, Assistant City Manager, shared a visual presentation explaining how tax increment could be used to finance development within the City. He pointed out the municipality was required to create a Community Development and Renewal Agency (CDRA) traditionally known as an RDA (Redevelopment Agency) and emphasized the purpose was to capture property tax increment which could be used to finance public improvements associated with economic development. He shared a graph which illustrated tax distribution related to a CDRA project area and explained each color of the graph.

Adam Lenhard, City Manager, emphasized the taxing entities would never receive a reduction of the property tax already being received once the CDRA created a new project area. He pointed taxing entities would continue receiving what it always had plus more upon completion of the project.

Mr. Allen reviewed the three different types of designated project areas explaining the differences between them, how they could be used and the purpose for each. He explained the
approval process associated with each one and stated the City would had created a Community Development Area (CDA) for the Clearfield Station Development and emphasized the taxing entities would choose to participate in the project area via interlocal agreement. He then shared a map of the City reflecting the designated EDAs and RDAs project areas located within the City.

Mr. Lenhard mentioned increment generated within an area generally had to be spent within the identified area. Mr. Allen identified ways in which tax increment could be used, most commonly paid to a business or developer as a reimbursement for public infrastructure improvements or as a straight incentive. He mentioned the increment could also finance public improvements by servicing the associated bonds and stated this was not financially appealing.

Mr. Allen reviewed the Clearfield Station CDA sequence of events with the Council and explained where the City was in the process. Councilmember Bush inquired how the participating entities would receive payment. Mr. Allen explained the CDRA (Agency) would receive the increment funds from the County after which the Agency would verify that all terms and conditions had been met by the developer. He indicated once the property tax payments had been received by the City, generally in the month of March, the Agency would then pay the incentive in April, within one month after receiving the revenue from the County.

A discussion took place regarding the designated areas.

The meeting adjourned at 6:50 p.m.

APPROVED AND ADOPTED
This 11th day of March, 2014

/s/Mark R. Shepherd, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, February 11, 2014.

/s/Nancy R. Dean, City Recorder