DISCUSSION ON THE DEVELOPMENT OF CLEARFIELD STATION

Adam Lenhard, City Manager, explained the developer of Clearfield Station had been invited to update the Council on the project, in particular financing, timing of the project, phasing of the project and land acquisition.

Mike Christensen, Thackeray Garn, stated upfront expensive costs, land acquisition for the intersection, and a few other items had stalled the project. He explained how the financing was proposed to take place:
  • $1.5 million loan from the CDRA (Community Development and Renewal Agency)
Mr. Christensen summarized that funding would allow them to capitalize the project in relation to the upfront costs. He explained a number of banks had expressed willingness to loan funds for the industrial component. He explained a mortgage guarantee from HUD would be used to fund construction of the apartments. He added that was a long process but upon completion the construction loan and mortgage loan would be one in the same and explained the advantages to that financing avenue. He emphasized it didn’t change specifics of that component except for financing and emphasized the housing wouldn’t be directed toward low income residents.

He reviewed the construction timing:
- Ground breaking - March 2015
- Construction of UTA’s temporary structure
- Demolition of existing buildings
- Mass grading and site work – March/April 2015
- Flex space construction
- Multi-Family Housing – October-December 2015

Mr. Christensen stated he was requesting direction from the City and shared illustrations which reflected the approved phasing consisting of 168 multi-family housing units and that of the requested revised phasing which consisted of 216 multi-family housing units, which was an additional 48 units. He reviewed the new proposed phasing of the project with the inclusion of the additional 48 multi-family housing units. He mentioned the Master Development Agreement would need to be amended if the Council was inclined to approve the request.

Mr. Christensen explained his second request from the City was associated with the 1000 East configuration:
- UDOT approval status
- Property acquisition status
  - Wood Property
  - Chelemes Property

Mr. Christensen reviewed the pros and cons associated with possible scenarios and presented a map illustrating the options. He mentioned both Chelemes brothers would be willing to participate in a land swap and there would most likely be a lawsuit with Wendy’s. He explained the restaurant currently had two access points on State Street and the proposed road would eliminate the access closest to the proposed intersection. He believed the financing was in place regarding the funding of the intersection improvements.

He asked if there were any questions from the Council or Planning Commission and emphasized his willingness to pay fair market value, based upon an appraisal, for any parcels of property needing to be acquired for the new road configuration.

Mayor Shepherd inquired if the traffic study reflected any negative impact to the traffic flow on Antelope if the 1000 East access to State Street was closed compared to allowing traffic through
the project. Mr. Christensen stated the traffic engineer suggested diverting traffic through the development would increase the traffic which would require the roads be widened in addition to the entry drive being increased from three lanes to five impacting some of the planned projects. He explained the challenge associated with access for Wendy’s and reported Wendy’s believed its sales would be negatively affected by approximately 20-30 percent.

Mr. Christensen specifically requested feedback related to the modifications of the phasing component. Councilmember Bush expressed his opinion it made sense to complete the block in its entirety with the additional multi-family housing units in 1B. Mayor Shepherd commented he didn’t have any objection to the additional apartment units. Mr. Christensen added the housing component would take approximately 20 months to build.

Mayor Shepherd inquired if there had been any interest regarding the development of the proposed community space. Mr. Christensen reported he was aware of discussions regarding an “Academy” option which might be completed by the School District; however, no one had directly contacted the developer regarding that.

Councilmember LeBaron requested clarification regarding the proposed road configuration as it related to Wendy’s. Mr. Christensen explained if the proposed road were allowed through the Chelemes property Wendy’s southern access would be closed due to its proximity to the new signaled intersection at State Street. Councilmember LeBaron suggested allowing an access point from the proposed road through the Chelemes property. Amber Hansen, Thackeray Garn, explained that option was considered however it would require Wendy’s to modify the building on the property and they weren’t receptive to a remodel.

Councilmember Bush commented about vehicles turning right from 1000 East onto State Street and a discussion followed regarding the best solution to square up the odd shaped intersection at 1000 East. Nike Peterson, Planning Commission Chair, pointed out 1000 East access was imperative for residents living in the southern portion of the City wishing to get to Clearfield High, SR 193 or other parts of the City.

Mr. Christensen reported UDOT suggested installing both signals at once upon completion of buildings five and six. He added the construction of the intersection was a couple years in the future but expressed concern about acquiring the necessary property to facilitate the intersections sooner rather than later to avoid an increase in cost. He explained the process Thackeray Garn had used to determine the fair dollar value of the properties. Mr. Christensen explained and clarified the new proposed road configuration specific to the northern end of 1000 East. Ms. Hansen pointed out concern had been expressed by both UDOT and the traffic engineer regarding the possible stacking of cars stopped at the proposed new traffic signaled intersection and how it would impact Wendy’s drive through window. A discussion followed regarding the traffic flow specific to the Wendy’s restaurant.
Mr. Christensen asked if the Chelemes brothers were willing to sell or enter into a land swap. Chris Chelemes, resident, responded he wasn’t in favor of the proposed road because it would divide his property into two unusable parcels and suggested the developer should purchase the property in its entirety. Mr. Christensen mentioned that would increase the cost of the project by at least another $300,000.

Adam Lenhard, City Manager, inquired if the only issue regarding the road was the difference between what the Chelemes’ believed was the market value of the property and what Thackeray Garn was willing to pay. Mr. Christensen responded it was both a funding and timing issue and explained possible time frames associated with different options in acquiring the property.

Mr. Christensen stated Thackeray Garn would prepare an amendment relative to phasing in addition to an amendment to the Master Development Agreement. Brian Brower, City Attorney, responded both would require the Council’s approval.

Mayor Shepherd asked if there were any other comments regarding the development.

The meeting adjourned at 6:52 p.m.

APPROVED AND ADOPTED
This 10th day of February, 2015

/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, January 20, 2015.

/s/Nancy R. Dean, City Recorder