

Mr. Allen reviewed the revenue proposed for the CDRA budget for fiscal year 2021 (FY21) which totaled \$2,550,086. He highlighted the transfers and expenditures planned for the FY21 budget. He pointed out some of the tax increment from the RDAs was used to pay the debt service on the Clearfield Aquatic and Fitness Center (CAFC). Mr. Allen commented each year staff looked at how much to take from each RDA to pay debt service and keep things balanced.

He explained each year funds were transferred to the General Fund for the Sales Tax Revenue Bond Payment and CDRA Administration. Mr. Allen reviewed the incentive payment expenditures projected for RDA 7, EDA 3, and the Clearfield Station CDA first tranche in FY21. He stated the calculations used were based on FY20 actuals which had proven over the years to be the best method for budget estimations.

Mr. Allen highlighted the following other projects that could be expensed in the FY21 budget:

- \$250,000 - assist with power line undergrounding; budgeted in RDA 7.
- \$365,340 - property acquisition of roadway right-of-way for downtown development; budgeted in RDA 8.
- \$286,058 – reimburse Ironwood Development for a portion of the cost of extending Depot Street; budgeted in RDA 9.

Mr. Allen indicated the only other expense in FY21 would be to repay the water fund \$20,000 for interest on the CDRA's loan. He mentioned loan forgiveness had been discussed in prior years; however, the Board would need to consider whether or not funds were better used to make the Enterprise Funds whole or be used toward economic development. He pointed out RDA 7 was the primary benefactor of the loan from the water fund; yet, it would not have the funds to pay the debt nor would payment be required to come solely from that project area.

Director Thompson questioned if maintenance costs had been factored into the road development of the project areas. Mr. Allen responded as roads developed there would be an ongoing cost for maintenance; however, a principle taught during the Utah League of Cities and Towns meetings was that as development happened in dense areas, it would be more likely to cover the costs of its services.

Summer Palmer, Assistant City Manager, reported the Board's decision on water fund loan forgiveness did not need to be resolved during the current discussion. Chair Peterson suggested staff provide analysis about the loan forgiveness or repayment options, process, and time table involved which could be reviewed by the Board at a future meeting. Mr. Allen indicated if the Board desired to further explore loan forgiveness staff could conduct analysis and report back during a future work session. The consensus of the Board was for staff to prepare information for further analysis.

Mr. Allen reviewed the chart included in the agenda packet regarding annual tax increment revenue by project area from years 2015 to 2021. He reminded the Board there was a dramatic drop in tax increment collected from EDA 3 in 2017 because of an overpayment in prior years that was deliberately being corrected as depicted in the drop of 2017 and 2018 tax increment revenues for EDA 3.

Director Bush moved to adjourn as the CDRA and reconvene as the City Council in work session at 6:35 p.m., seconded by Director Thompson. The motion carried upon the following vote: Voting AYE – Directors Bush, Phipps, Roper, Shepherd and Thompson. Voting NO – None.

The City Council work session minutes are in a separate location.

**APPROVED AND ADOPTED
This 23rd day of June, 2020**

/s/Nike Peterson, Chair

ATTEST:

/s/Nancy R. Dean, Secretary

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield Community Development and Renewal Agency meeting held Tuesday, April 28, 2020.

/s/Nancy R. Dean, City Recorder