

Minutes of the Regular Meeting of the Ogden City Council held on Tuesday, January 5, 2016 at 7:34 p.m., in the Council Chambers on the third floor of the Municipal Building, 2549 Washington Boulevard, Ogden City, Weber County, Utah.

Present: Chair Richard A. Hyer
 Vice Chair Marcia L. White
 Council members Bart E. Blair
 Neil K. Garner
 Luis Lopez
 Ben Nadolski
 Doug Stephens

Council Executive Director Bill Cook
Council Deputy Director Janene Eller-Smith
Council Policy Analyst Glenn Symes
Communications Manager Amy Sue Mabey

Also present: Mayor Michael Caldwell
 Chief Administrative Officer Mark Johnson
 City Attorney Gary Williams
 Community and Economic Development Director Tom Christopoulos
 Community and Economic Development Deputy Manager Brandon Cooper
 Management Services Director David G. Buxton
 Comptroller Lisa Stout
 Deputy Finance Manager Camille Cook
 City Treasurer Brandee Johnson
 City Recorder Tracy Hansen
 Deputy City Recorder Abbie Zampedri

Proposed Ordinance 2016-1 reappropriating \$18,428.00 for public art at the Fire Station #3 site

A memo from the Community and Economic Development Department regarding Arts Grants came before the Council for consideration. The memo stated City Administration is requesting a budget amendment to add an additional \$18,489 from the pooled art funds to increase the budget for the art project at the new Fire Station #3. The new station construction project does meet the criteria for incorporating art into the project, but generates only \$36,511 of arts money itself. The arts maintenance fund requirement is ten percent (10%) or \$3,651, leaving \$32,860 for the new station #3 art project. The Administration is recommending that money from the pooled funds be used to increase the budget to \$50,000. The larger budget would allow for a more significant art project at the site.

Chair Hyer then introduced in writing proposed Ordinance 2016-01, entitled:

“An ordinance of Ogden City reappropriating \$18,428.00 for public art at the site of Fire District #3 as detailed in the body of this ordinance; and providing that this ordinance shall become effective immediately upon posting after final passage.”

A copy of the proposed ordinance was deposited with the Deputy City Recorder and ordered that the City Recorder have at least one copy available for public inspection in her office during all business hours.

The proposed ordinance was then read by long title.

COUNCIL MEMBER GARNER MOVED A PUBLIC HEARING ON THE PROPOSED ORDINANCE BE HELD IN THE CITY COUNCIL CHAMBERS ON JANUARY 19, 2016, DURING THE CITY COUNCIL MEETING TO BE HELD AT 6:00 P.M. AND THAT THE CITY RECORDER BE DIRECTED TO PROVIDE NOTICE AS REQUIRED BY LAW. MOTION WAS SECONDED BY COUNCIL MEMBER LOPEZ, ALL VOTING AYE.

Consideration of the appointment of Council member Richard Hyer to the Central Weber Sewer Improvement District Board

A letter from Mayor Caldwell requesting consideration of the appointment of Council member Richard Hyer to the Central Weber Sewer Improvement District Board came before the Council for consideration.

COUNCIL MEMBER GARNER MOVED TO APPROVE THE APPOINTMENT OF COUNCIL MEMBER RICHARD HYER TO THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT BOARD, WITH HIS TERM TO EXPIRE JANUARY 2020. MOTION WAS SECONDED BY COUNCIL MEMBER LOPEZ, ALL VOTING AYE.

Approval of Minutes

Vice Chair White stated she had reviewed the minutes of the Special Meeting of October 13, 2015 and found them to be accurate to the best of her recollection.

Council member Stephens stated he had reviewed the minutes of the Study Session of October 20, 2015 and found them to be accurate to the best of his recollection.

Council member Blair stated he had reviewed the minutes of the Work Session of October 27, 2015 and found them to be accurate to the best of his recollection.

Council member Garner stated he had reviewed the minutes of the Study Session of October 27, 2015 and found them to be accurate to the best of his recollection.

COUNCIL MEMBER GARNER THEN MOVED TO APPROVE THE MINUTES AS PRESENTED. MOTION WAS SECONDED BY COUNCIL MEMBER BLAIR, ALL VOTING AYE.

Proposed Resolution 2016-1 approving a promissory note between the Ogden City Redevelopment Agency as borrower and Ogden City as lender, pertaining to the lending of \$340,000 to facilitate property purchase at 550 24th Street and development at 24th Street and Monroe Boulevard

A memo from the Management Services Department came before the Council to consider a resolution authorizing an interagency loan agreement with the Ogden Redevelopment Agency for the transfer of \$340,000 from City Home Exterior Loan Program (HELP) funds to the Redevelopment Agency (RDA) Housing fund. The memo stated City Administration is recommending the Council approve the loan agreement with the RDA authorizing a City loan to the RDA for \$340,000 to cover demolition expenses at 24th Street and Monroe Boulevard (\$60,000) and the additional funds required to close on the property at 550 24th Street (\$280,000). The RDA Housing funds originally identified for the 550 24th Street purchase were needed temporarily to meet the closing deadlines for 24th Street and Monroe Boulevard. Funds from the loan will replenish the RDA Housing Fund and allow the closing on 550 24th Street to close as scheduled.

Comptroller Stout summarized the memo and stated the RDA Board approved the purchase of property at 24th Street and Monroe Boulevard on November 17, 2015. RDA Housing Funds in the amount of \$389,000 are being used for this property purchase with the intent to reimburse the RDA Housing Funds. The RDA Housing Funds will be reimbursed by securing debt against the 24th Street and Monroe Boulevard property. The RDA will continue securing the financing on 24th Street and Monroe Boulevard to further redevelopment work and to repay the RDA Housing Funds of \$389,000 as outlined in the November 17, 2015 sources and uses provided to the RDA Board for the RDA Village Center Project. During the process of securing financing, an additional \$65,000 is necessary for demolition expenses at 24th Street and Monroe Boulevard and an additional \$275,000 is necessary for the acquisition of property at 550 24th Street. The City Housing Fund Loan of \$340,000 will cover any gap between contract deadlines and the RDA securing additional financing on 24th Street and Monroe Boulevard. No budget action will be required by the City to allow this loan, the funds have been budgeted under the HELP program. The commitments on the HELP money are such that allow the loan of \$340,000 to the RDA. Ms. Stout added City Council action is required to authorize a loan from Ogden City Housing Funds to the RDA. She explained the loan is required to be paid back to the City by July 31, 2016. The loan may be drawn down as the RDA needs the loan proceeds. An interest rate will be charged on any principal drawn down at the rate the City would earn in the Public Treasurers Investment Fund, which is currently .65% annually.

Chair Hyer inquired as to the impact the loan would have on the HELP fund. Ms. Stout indicated that there is \$415,000 in the fund and the loan will not impact the City's ability to complete other projects planned to be completed using HELP funding.

Vice Chair White stated she appreciates that the two projects have been separated from one another and she asked if the projects will also be accounted for independent of one another, to which Ms. Stout answered yes.

Chair Hyer introduced in writing proposed Resolution 2016-01, entitled:

“A resolution of the Ogden City Council approving a promissory note between the Ogden City Redevelopment Agency as borrower and Ogden City as lender, pertaining to the lending of \$340,000 to pursue redevelopment of property located at 24th Street and Monroe Boulevard.”

COUNCIL MEMBER NADOLSKI MOVED THE RESOLUTION BE ADOPTED, AND THE CHAIR BE AUTHORIZED TO SIGN THE SAME. MOTION WAS SECONDED BY COUNCIL MEMBER LOPEZ, WITH THE FOLLOWING ROLL CALL VOTE: VOTING AYE – COUNCIL MEMBERS BLAIR, GARNER, LOPEZ, NADOLSKI, STEPHENS, VICE CHAIR WHITE, AND CHAIR HYER. VOTING NO – NONE.

Proposed Resolution 2016-2 approving a Contribution Agreement by and between the City and the Ogden City Redevelopment Agency authorizing and approving the issuance by the Agency not to exceed \$30,000,000 revenue refunding bonds

A memo from Council staff came before the Council to consider a resolution approving a contribution agreement by and between the City and the Ogden City Redevelopment Agency authorizing and approving the issuance by the Agency not to exceed \$30,000,000 revenue refunding bonds. The memo stated City Administration is proposing that City Council approve a Contribution Agreement pledging the City's franchise tax as the primary source of the debt service payments for the RDA's Series 2016 Revenue Bonds which will be issued to refund the 2009A, B-1 and B-2 Bonds and the 2011 Bonds. The proposed resolution notes that the RDA will issue Tax Increment Bonds as follows:

- Issue amount will be not more than \$30,000,000
- Not to exceed 6% interest rate on a tax exempt basis and not to exceed 8% on a taxable basis
- Shall not be sold at less than 97% of the total principal amount
- The term of the Bonds will be twenty (20) years (expiration 2027)
- Debt service on the bonds will come from franchise tax revenues pledged by the City, pursuant to a Contribution Agreement, and from tax increment derived from the Project Area.

Under the Contribution Agreement, the City pledges the following:

- The City pledges franchise tax revenues to assist the Agency in repaying the 2016 Series Bonds
- The City will continue to impose the franchise tax until the Bonds have been paid
- The City will not issue any other bonds on parity with the 2016 RDA bonds using franchise tax revenues as the source of debt service unless the City proves it receives more that 200% of the debt service required by the RDA Series 2016 bonds.

Chief Administrative Officer introduced the City's Financial Advisor, Laura Lewis, and thanked her for the work she has done over the past nine years to ensure the City's bonds are handled in the best manner possible. Ms. Lewis indicated that this proposed action is related to an action taken by the Redevelopment Agency (RDA) to refund the City's Series 2009 and 2011 Tax Increment Bonds. She noted that in order to structure the bonds to ensure the highest rating and lowest interest rate, which will allow the City to better utilize available tax increment, a contribution agreement is being utilized to pledge franchise fee revenues for the debt service payments. This puts the City in a more favorable financial situation and the City's bond rating will be protected. She clarified that the debt service schedule has been structured in a way that the franchise fee revenues should not be needed; however, franchise fee revenue is listed as the primary debt service payment source in the agreement.

Chair Hyer introduced in writing proposed Resolution 2016-2, entitled:

“A resolution of the City Council of Ogden City approving a contribution agreement by and between the City and the Ogden City Redevelopment Agency, Utah (The “Agency”); authorizing and approving the issuance by the agency of its not to exceed \$30,000,000 revenue refunding bonds, for the purpose of refunding a portion of its prior obligations; authorizing the taking of all other actions necessary to the consummation of transactions contemplated by this resolution; and related matters.”

Chair Hyer then called for public input regarding the proposed resolution.

No persons came forward to be heard regarding this matter.

COUNCIL MEMBER BLAIR MOVED THE RESOLUTION BE ADOPTED, AND THE CHAIR BE AUTHORIZED TO SIGN THE SAME. MOTION WAS SECONDED BY COUNCIL MEMBER GARNER, WITH THE FOLLOWING ROLL CALL VOTE: VOTING AYE – COUNCIL MEMBERS BLAIR, GARNER, LOPEZ, NADOLSKI, STEPHENS, VICE CHAIR WHITE, AND CHAIR HYER. VOTING NO – NONE.

Council member Stephens thanked Council Deputy Director Eller-Smith for the graph and other packet materials she provided; the materials made the proposed action very understandable.

Election of Council Chair

Council member Garner nominated Council member White to serve as Council Chair.

Council member White stated she has been focusing on strategic planning for the City and if she were to be elected to the position of Chair she may be better able to bring new visions to the entire Council.

COUNCIL MEMBER GARNER MOVED TO ELECT COUNCIL MEMBER WHITE TO SERVE AS COUNCIL CHAIR DURING CALENDAR YEAR 2016. MOTION WAS SECONDED BY COUNCIL MEMBER LOPEZ, WITH THE FOLLOWING ROLL CALL VOTE: VOTING AYE – COUNCIL MEMBERS BLAIR, GARNER, HYER, LOPEZ, NADOLSKI, STEPHENS, AND WHITE. VOTING NO – NONE.

Election of Council Vice Chair

Council member Nadolski nominated Council member Blair to serve as Council Vice Chair.

Council member Blair stated he is excited to work with newly elected Council members and he would be happy to work with Chair White in furthering the progress the City Council has made recently.

COUNCIL MEMBER GARNER MOVED TO ELECT COUNCIL MEMBER BLAIR TO SERVE AS COUNCIL VICE CHAIR DURING CALENDAR YEAR 2016. MOTION WAS SECONDED BY COUNCIL MEMBER NADOLSKI, WITH THE FOLLOWING ROLL CALL VOTE: VOTING AYE – COUNCIL MEMBERS BLAIR, GARNER, HYER, LOPEZ, NADOLSKI, STEPHENS, AND WHITE. VOTING NO – NONE.

Administration of Oath of Office for Council Chair and Vice Chair

City Recorder Hansen administered the Oath of Office to Council member White and Council member Blair as the elected Chair and Vice Chair of the Ogden City Council.

Mayor Comments

Mayor Caldwell congratulated newly elected Chair White and Vice Chair Blair; he also thanked former Chair Hyer for his efforts of the past two years and he noted he enjoyed working with him in that capacity. He also welcomed Council members Lopez and Nadolski to their first meeting as Council members.

Council member Comments

Council member Stephens thanked Council member Hyer for his service as the Chair of the City Council; he set a positive tone for the Council and much was accomplished during his tenure. Council member Garner echoed Council member Stephens' comments and added that he is aware that Council member Hyer has additional things he would like to accomplish and he encouraged him to pursue those items.

Chair White recognized the management and staff at Mt. Ogden Golf Course; they have been grooming the golf course and it is so beautiful.

Council member Hyer stated that it has been an honor to serve as the Council Chair over the past two years; he has tried hard to make sure everyone's voice was heard, that things went smoothly, and that there was respect among the group even during consideration of contentious issues. He stated he is very happy to give his full support to Chair White and Vice Chair Blair and he issued them a charge to work hard, keep communication open among all Council members, and hold City Administration's feet to the fire when necessary.

Council member Lopez stated he appreciates being welcomed to the City Council; it is an honor for him to be here and experience his first meeting. He also thanked those residents who attended the meeting this evening. He added he looks forward to witnessing the leadership of Chair White and Vice Chair Blair.

Council member Nadolski thanked Council member Hyer for his service as Chair; he also thanked Chair White and Vice Chair Blair for being willing to serve. He thanked Council staff and City Administration for their assistance in providing a smooth transition as he and Council member Lopez are beginning their terms on the Council. He stated there have been many issues that he has been brought up to speed on very quickly.

There being no further business to come before the Council, **COUNCIL MEMBER GARNER MOVED THE MEETING ADJOURN AT 7:54 P.M. MOTION WAS SECONDED BY VICE CHAIR BLAIR, ALL VOTING AYE.**

ABBIE ZAMPEDRI
DEPUTY CITY RECORDER

RICHARD A. HYER, CHAIR

APPROVED: March 15, 2016