

wall and other components; the ropes course component may be the most lengthy project to complete, but the space will also include bumper cars, foam pits, and a roller rink.

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Board discussion centered on financial data provided by Mr. Gertge as well as the costs for completion of the projects in the pool space. Boardmember Savage expressed concern about Mr. Gertge's consideration of increasing participation prices because it may be difficult for residents to afford those costs, specifically when taking their entire family. Mr. Gertge stated that he is considering offering season passes or reduced resident passes, but no final decision has been made. There will be opportunities for offering discounted rates to Syracuse residents. Mr. Gertge stated that he has conducted extensive research into the types of components that will be successful because it is very important that The Rush not go through this type of situation in the future where it becomes necessary to close a portion of the business and move in another direction. The overhead for the new components will be less than half of the overhead costs for operating the swimming pool; this is closely related to reduced liability insurance premiums and reduced utility costs. However, the projected income will be nearly four times the income generated by the swimming pool.

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Discussion then shifted to concerns regarding outstanding debts of The Rush Funplex, specifically unpaid impact fees to the North Davis Sewer District (NDSB). Mr. Gertge noted that it his understanding that the charge assessed by the NDSB is inaccurate and he has written a letter to the NDSB and Davis County instructing them to waive the charge. He stated that if he does not get the response he is expecting, he may need to take legal action. The Board stressed that they are uncomfortable proceeding with the dedication of any tax increment financing until the issue is resolved. Mr. Gertge stated that he may need to enlist the help of the City's representation on the NDSB Board to resolve the issue. He noted that the impact fee was based upon the NDSB's assumption that pool water was entering the sewer system and that is not the case; he would be willing to participate in a meeting with the NDSB to explain to them the drainage/evaporation process for water at the pool. Boardmember Maughan stated the NDSB is a taxing entity in the City and one of the groups that must approve future RDA actions and it is important for the City to maintain a good relationship with them; they have expressed concern about this situation in the past and it must be resolved. He indicated a willingness to participate in a meeting between the NDSB and Mr. Gertge to address the issues.

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Community and Economic Development (CED) Director Mellor then summarized the basic terms of the proposed agreement and indicated that Mr. Gertge will receive the increment owed to him for the previous tax year according to the past agreement. He indicated that if the Board would like to see an agreement with amended terms before voting on it, he can make changes regarding payment of outstanding debts and bring an updated copy back to the Board at a meeting on April 25; otherwise, the Board can authorize execution of the agreement subject to amending the agreement. The Board discussed the options before them and indicated they would prefer to wait to take final action on the agreement on April 25. Mr. Mellor suggested a motion be made to table the agreement, but to direct staff on adjusting certain terms of the agreement so that Mr. Gertge can use that information to continue to work through the process of securing financing for the new project.

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BOARDMEMBER BOLDUC MADE A MOTION TO APPROVE A DRAFT TERM SHEET FOR THE AGREEMENT BETWEEN THE RUSH FUNPLEX AND THE SYRACUSE CITY RDA AND DIRECT STAFF TO BRING THE FINAL AGREEMENT BACK TO THE BOARD FOR FINAL ACTION DURING THE APRIL 25 MEETING. BOARDMEMBER ANDERSON SECONDED THE MOTION.

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Boardmember Gailey stated that he has recused himself from discussion and consideration of items relating to The Rush because of a distant family relation with Mr. Gertge, but in discussing that relationship with City Attorney Roberts, he has determined that he has no conflict of interest as he does not stand to gain financially as a result of the agreement.

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Executive Director Palmer indicated there has been a motion and second to table the resolution and he called for a vote; VOTING 'AYE': BOARDMEMBERS ANDERSON, BOLDUC, AND GAILEY. VOTING 'NO': BOARDMEMBER MAUGHAN. BOARDMEMBER SAVAGE ABSTAINED FROM VOTING.

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At 10:48 p.m. BOARDMEMBER GAILEY MADE A MOTION TO ADJOURN. BOARDMEMBER SAVAGE SECONDED THE MOTION; ALL VOTED IN FAVOR.

Redevelopment Agency Special Meeting
April 11, 2017

Mayor

City Recorder

Date approved: June 13, 2017