

MINUTES OF THE  
753<sup>rd</sup> MEETING OF THE  
BOARD OF DIRECTORS OF THE  
REDEVELOPMENT AGENCY OF SALT LAKE CITY  
Tuesday, January 13, 2015  
451 South State Street, Room 326  
Salt Lake City, Utah  
2:00 pm

1. [2:11:14 PM](#) Roll Call. The following members of the Board of Directors of the Redevelopment Agency of Salt Lake City were present:

Stan Penfold, Chairperson  
Lisa Adams, Vice-Chairperson  
Kyle LaMalfa, Director  
Luke Garrott, Director  
Charlie Luke, Director  
James Rogers, Director  
Erin Mendenhall, Director

Also Present:

David Everitt, Chief of Staff  
D.J. Baxter, Executive Director  
Justin Belliveau, Deputy Director

Others Attending:

Matt Dahl, Senior Project Manager  
Ed Butterfield, Senior Project Manager  
Jill Wilkerson-Smith, Project Manager  
Kort Utley, Project Manager  
Cara Lindsley, Project Coordinator  
Ashlie Easterling, Project Area Specialist  
Shaké Agaronyan, Property Manager  
Damon Georgelas, Agency Legal Counsel  
Crayola Berger, Accountant II  
Nick Norris, Salt Lake City Planning

2. [2:11:14 PM](#) Briefing by the Staff.

Executive Director Baxter said that several years ago, the Board adopted a loan extension policy to provide staff the flexibility to extend payment terms on loans with balloon payments. Last year, the Board approved such an extension for a borrower that had lost a major tenant in its

building. The Board approved an extension, which included terms consistent with the policy, but allowed the borrower to make discounted payments during a transition period. Executive Director Baxter reported that the transition period allowed the borrower to secure new tenants and recently paid the loan in full.

Executive Director Baxter said over the last several months, some policy issues have been discussed during Board meetings. He reviewed these items, and assured Board members that they will be added to future agendas for discussion. The items include:

Consideration of RDA Loan Programs, including adjusting loan terms to reflect current market conditions, identification of funding gaps, aligning loans with the adopted strategic plans, and to add a representative from the financial sector to the loan committee.

Amend the Tax Increment Reimbursement program and its eligible uses. The program is currently available for public space, historic preservation, and structured parking. Board members have asked that this program align with strategic plans, and include a cost-benefit analysis to assure a public benefit is being received.

The Board also asked for a broader discussion of the loan windfall protection concept, including how it has been implemented so far and consideration for future applications.

Director LaMalfa said Board members have also suggested shortening the standard loan balloon payment term from ten to five years. Executive Director Baxter said this would be added to the list for consideration.

3. [2:16:25 PM Approval of the Minutes from the Meetings held November 18 and December 9, 2014.](#)

Director Mendenhall made a motion to approve the minutes of the November 18 and December 9, 2014 meetings. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

4. [2:16:43 PM Report of the Chief Administrative Officer.](#)

Mr. Everitt commented that the Mayor's State of the City address will be given at Whittier Elementary Wednesday morning.

5. [2:17:25 PM Public Comments.](#)

Chairperson Penfold called for public comments.

[2:17:40 PM](#) Mr. George Chapman spoke to item 7.A regarding the approval of offering terms for RDA property located near the homeless shelter. He felt there should be additional public discussion regarding the future of this area, and asked that the Board consider tabling this item to allow additional public outreach and discussion to take place.

6. Redevelopment Business/Routine Matters.

A. 2:19:52 PM Election of Vice-Chairperson.

*The Board will nominate and elect a member to serve as the Vice-Chair of the RDA.*

Executive Director Baxter stated that the Chairperson of the Redevelopment Agency of Salt Lake City serves a two year term and the Vice-Chairperson serves a one year term. Chairperson Penfold has completed the first year of a two year term, so at this time only the Vice-Chairperson is up for election.

Directors Adams and Mendenhall expressed interest in serving as Vice-Chairperson. Director Mendenhall suggested aligning the terms of Vice-Chairperson and Chairperson in the future.

Chairperson Penfold asked Board members to mark the ballots provided for Vice Chairperson. The ballots were tallied as follows:

Directors Luke, Rogers, Adams and Chairperson Penfold voted for Director Adams. Directors Mendenhall, Garrott, and LaMalfa voted for Director Mendenhall. A majority of votes were cast for Director Adams.

2:26:59 PM Director Garrott made a motion to ratify the election of Director Adams to serve as Vice-Chair of the Redevelopment Agency for a term of one year. Director Luke seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

Chairperson Penfold thanked Board members for their support, and asked that they bring any issues, interests, or concerns to himself or Vice Chairperson Adams.

B. 2:27:16 PM Open Meetings Training.

*RDA Legal Counsel will present information to the Board regarding compliance with the Open Meetings Act.*

Mr. Georgelas reviewed the guidelines and provisions of the Open Meetings training as provided in the briefing materials.

C. 2:28:15 PM Distribution of RDA Disclosure Forms.

*RDA Staff will distribute and collect forms enabling Board members to identify and declare any potential conflicts of interest.*

Executive Director Baxter explained that each year, the RDA discloses the entities with which we do business to allow the Board and staff to publicly disclose any business relationships. He asked that Board members complete the disclosure forms provided.

D. 2:29:12 PM Recommendation of 2015/2016 Budget and Strategic Plan Meeting Schedule.

*The RDA Board will review and discuss the proposed schedule for the 2015/2016 Budget Process.*

Mr. Dahl reviewed the steps to date based on the new budget process, which considers strategic plans for each project area rather than individual funding requests. The budget schedule provided reflects a three-part process which includes development of 3-5 year strategic plans, completion of operation plans that outline projects and programs that will be implemented to move the strategic plans forward, and the development and approval of budgets that are tied to the operation plans.

Mr. Dahl outlined the proposed budget schedule as provided in the packets. Chairperson Penfold asked which groups have been asked to review and comment on the strategic plans. Mr. Dahl said the plans have been presented to RAC, the Division Directors in the City, and the Downtown Alliance. The plans will be available on the RDA website later in the week, and will also be presented to the pertinent Community Councils in the next month. Staff will present the strategic plans to the Board, including any recommendations or comments from these groups, at the February Board meeting.

Director LaMalfa asked whether there are projects that have been funded in the past that may not align with the strategic plans. Mr. Dahl said projects in process have been considered in the strategic plans or referenced in the objectives for each project area. He suggested that the Board direct staff to revise the plans to remove any items they feel are no longer viable.

Board members expressed concern that given the recent release of the strategic plans there will be little time for public review and engagement and the impact to the budget process should approval of the plans be delayed. Mr. Dahl suggested that the public review of the strategic plans could be extended through February, which would delay the schedule provided by one month. The draft budget would be brought before the Board for consideration and revision in May, and finalized for adoption in June. Board members agreed to this revised schedule to allow additional time for public outreach.

7. Redevelopment Business/Old Business.
  - A. [2:45:53 PM](#) **Consideration and Approval of Offering Terms for RDA-Owned Property Located Between 500 West and 600 West Streets, and 200 South and 400 South Streets, in Salt Lake City, Utah.**  
*RDA staff will present a Request for Qualifications term sheet for Phase I of the Hub Project to the RDA Board for its consideration and approval.*

Ms. Wilkerson-Smith reviewed the background on the process to date, and future scheduled processes as outlined in the briefing materials and attached PowerPoint presentation. She commented that there are five RDA-owned parcels available in the RFQ. Developers may propose on one or more of the parcels, and can establish development teams or groups.

Board members discussed the design guidelines for properties owned by the RDA and how other property owners could be encouraged to consider the guidelines in development of adjacent properties, including incentives provided by the RDA through loans or other programs. Board members asked whether the design guidelines could be added to the area through a zoning change or overlay district. Mr. Nick Norris, Salt Lake City Planning Manger, clarified the

process necessary to make changes to the existing zoning, and outlined some concerns with the current zoning, such as a lack of consideration for ground floor active uses.

Board members discussed the developer selection process, including how staff would proceed in the event that not all the parcels were selected in this process, incentives that will be available to developers, as well as an aggressive, nationwide marketing program for the RFQ. Mr. Butterfield described components of the marketing plan, including a public development launch event to release the RFQ with ULI Utah.

Focus was given to the importance of the proposed addition to Market Street located at approximately 350 South between 500 to 600 West, and the Board's commitment to this design.

Board members asked that the maps provided in the RFQ not include any implied routing for the streetcar line, as this has not yet been determined.

Chairperson Penfold asked about the process to implement a design review overlay or to make changes to the zoning in the area. Mr. Norris said that the zoning ordinance indicates requests for changes to the zoning map or overlay districts must come from the City Council, the Mayor, or the Planning Commission. He suggested that Chairperson Penfold could make such a request to the City Council on behalf of the RDA.

[3:19:12 PM](#) Chairperson Penfold called for a straw poll on whether Board members supported directing staff to pursue an aggressive marketing program and return to the Board with a plan and costs if additional funding will be required. Mr. Butterfield said funding has been allocated for marketing and branding, and that Clayton Scrivner, the RDA Marketing and Communication Coordinator, has drafted a branding plan for the area, as well as a marketing plan for this RFQ. He suggested that these plans could be brought to the Board in February. All Board members supported this direction.

Chairperson Penfold called for a straw poll on Board members' commitment to the completion of Market Street through the block at approximately 350 South from 500 to 600 West as shown in the development strategy. Mr. Georgelas clarified that the intent is to understand the Board's commitment to this design to the extent possible through negotiations for the property necessary for this design. With the exception of Director LaMalfa, Board members supported this direction.

Chairperson Penfold called for a straw poll on whether Board members would support having the Chair take steps to move forward with some design guideline mechanism, whether it be a zoning overlay or change, particularly for the properties facing 300 South. All Board members supported this direction.

[3:23:41 PM](#) Director Garrott made a motion to approve the Offering Terms for RDA-Owned Property Located Between 500 West and 600 West Streets, and 200 South and 400 South Streets, in Salt Lake City, Utah. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

8. Redevelopment Business/ New Business.

- A. [3:25:14 PM](#) **Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Terms of the Purchase and Sale Agreement and Authorizing the Agency to Acquire Property Located at 14 South 600 West.**

*Staff is seeking adoption of a resolution approving the terms of the purchase and sale agreement and authorizing the agency to acquire property located at 14 South 600 West in the Depot District Project Area.*

Chairperson Penfold asked the purchase price of the property. Ms. Lindsley answered \$93,000.

Director Garrott made a motion to adopt the resolution. Director Luke seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

- B. [3:26:04 PM](#) **Transition Plan and Tax Increment/Loan Program Policy for the Sugar House Project Area.**

*RDA staff is presenting a transition plan and Tax Increment/Loan Program Policy for the Sugar House Project Area in preparation for the Project Areas sunset date at the end of 2016.*

Mr. Butterfield said staff is seeking direction on a transition plan for the next two years as this project area comes to a close as well as policy direction whether loan and tax increment programs should be continued in the area.

Vice Chairperson Adams expressed support for the transition plan and asked that staff forward the information to the Sugar House Community Council.

Vice Chairperson Adams made a motion to approve a policy to discontinue the RDA's tax increment and loan programs in the Sugar House Project area. Director Mendenhall seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

9. Consent.

- A. [3:30:23 PM](#) **Consideration and Approval of a Building Renovation Loan Requested by Telegraph Exchange, LLC.**

*The Board of Directors will consider approval of the modified terms for the Telegraph Exchange LLC Building Renovation Loan. The \$3,000,000 loan was previously approved by the Board of Directors in November 2014, and will be used to renovate the property located at 180 South 300 West.*

Director Garrott made a motion to approve the consent agenda. Director Luke seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

10. Written Briefings.

- A. [3:30:41 PM](#) **Status Report on RDA Loan Portfolio**

*Semiannually, staff provides an update to the Board and RAC on the current status of the Agency's loan portfolio.*

Chairperson Penfold commented that there are no delinquencies. Director LaMalfa asked that in future reports, the loan portfolio include the amount available in the loan pool.

11. Closed Meeting.

- A. [3:32:03 PM](#) **Consider Adopting a Motion to Enter into a Closed Meeting in Keeping with Utah Code to Discuss Pending Litigation and/or the Acquisition/Disposition of Real Property and/or Attorney-Client Matters that are Privileged Pursuant to Utah Code Ann. § 78b-1-137(2).**

Chairperson Penfold pulled this item from the agenda.

12. [3:31:35 PM](#) Adjournment.

There being no further business, Chairperson Penfold adjourned the meeting.

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Stan Penfold, Chairperson

This document along with the digital recording constitute the official minutes of the Redevelopment Agency of Salt Lake City Board of Directors meeting held Tuesday, January 13, 2015.