

MINUTES
OF THE 759th MEETING OF THE
BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF SALT LAKE CITY
Tuesday, June 9, 2015
451 South State Street, Room 326
Salt Lake City, Utah
1:00 p.m.

1. [1:08:14 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
Luke Garrott, Director
Kyle LaMalfa, Director
Charlie Luke, Director
James Rogers, Director
Erin Mendenhall, Director

Also Present:

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

Others Attending:

Matt Dahl, Senior Project Manager
Ed Butterfield, Senior Project Manager
Jill Wilkerson-Smith, Project Manager
Kort Utley, Project Manager
David Arteaga, Project Coordinator
Cara Lindsley, Project Coordinator
Shaké Agaronyan, Property Manager
Amanda Holty, Marketing and Communications Specialist
Damon Georgelas, Agency Legal Counsel
Crayola Berger, Accountant II
Jennifer Bruno, Salt Lake City Council Office
Eric Osth, Urban Design Associates
Terry Walsh, Urban Design Associates

Some items were considered in an order different than listed on the agenda, time stamps shown indicate when items were considered.

2. [1:08:34 PM Briefing by the Staff.](#)

Executive Director Baxter introduced Amanda Holty, the RDA's new Marketing and Communications Specialist.

Executive Director Baxter invited the RDA Board to attend the grand opening of the Sugar House Monument Plaza on Friday, June 12, 2015. He explained that there would be a press release at 10:00 AM and public event starting at 5:30 PM on the plaza.

Executive Director Baxter said that as a part of the summer music season, the Gallivan Center and Excellence in the Community will be hosting a Big Band series on the Gallivan Plaza. The event would be held Tuesday evenings at 7:30 PM, starting June 9. He also stated that the Utah Symphony and Opera will be holding a free concert at the Gallivan Plaza on Monday, June 22, 2015. He invited Board Members to attend.

3. [1:11:00 PM Approval of the Minutes from the Meeting held April 14 and May 12, 2015.](#)

Director Adams made a motion to approve the minutes from the meeting held April 14 and May 12, 2015. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

4. [Report of the Chief Administrative Officer.](#)

There was no report of the Chief Administrative Officer.

5. [1:45:55 PM Public Comments.](#)

Mr. Matt Hansen with Peg Development explained that his company is an adjacent property owner just north of 340 West 200 South. He said that they are excited about the upcoming development and felt that it is a great site for residential, but they are concerned about the viability of retail and felt there is a limited potential for office space, due to the lack of parking. He stated that they like the open space aspect of the design, but asked that the RDA look at options to buffer the open space from the road.

Mr. Hansen added that after having discussions with the property owner to the south of the RDA site, they felt that the midblock access would be more beneficial if the existing alignment and easements are retained. This would provide a smooth transition between the property to the south and the future development.

Mr. Hansen thanked the RDA Board for the opportunity to speak and asked that they take his comments into consideration when reviewing the design.

6. Closed Meeting.

- A. [1:11:39 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).**

Director LaMalfa made a motion to enter into a closed meeting to discuss pending litigation and or the acquisition/disposition of real property. Director Garrott seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

The closed meeting of the Board of Directors of the Redevelopment Agency of Salt Lake City was held at the City and County Building, 451 South State Street, in the Historic Room at 1:15 p.m. on Tuesday, June 9, 2015.

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; Erin Mendenhall, Director; and Charlie Luke, Director; and James Rogers, Director.

The following members of the staff of the Redevelopment Agency of Salt Lake City were present: D.J. Baxter, Executive Director; Justin Belliveau, Deputy Director (By Phone), Damon Georgelas, Legal Counsel; Matt Dahl, Senior Project Manager; Ed Butterfield, Senior Project Manager; and Crayola Berger, Accountant II.

Others present: Tom Berggren.

The Board discussed pending litigation and the acquisition/disposition of real property.

There being no further business, Chairperson Penfold called for a motion to exit the closed meeting. Director Mendenhall made a motion to exit the closed meeting and Director Garrott seconded the motion. Upon roll call Chairperson Penfold declared the motion unanimously approved and the closed meeting was adjourned at 2:35 pm.

[1:45:44 PM](#) Chairperson Penfold reconvened the open meeting.

[1:47:16 PM](#) David Everitt enters the meeting.

7. Redevelopment Business/Old Business.

- A. [1:49:48 PM](#) **Review of Site Analysis for Property Located at 340 West 200 South and Consideration of Alternative Development Options.**
The RDA Board will review and comment on an updated version of the Utah Paperbox Site Analysis, and select a general development alternative.

Mr. Arteaga explained that the updated site analysis for the Utah Paperbox site, located at 340 West 200 South, incorporates the comments from adjacent property owners, the Redevelopment Advisory Committee, and the Board of Directors.

Mr. Arteaga introduced Eric Osth who provided a presentation of the updated site analysis.

Mr. Dahl said that Staff is seeking comments from the Board of Directors regarding the following: Whether the site should be developed as mixed-use development, as open Space, or as a primarily mixed-use development with open space. What general criteria should be incorporated into the selected development? Mr. Dahl said RDA staff is proposing to work directly with adjacent property owners, instead of doing a public RFP, by creating a comprehensive development plan that would authorize them to develop the property pursuant to a plan provided by the RDA. This would have several advantages, including being able to take advantage of numerous cross easements that provide shared access to the Paper Box property as well as properties of adjacent owners.

Director Mendenhall and Director Garrott felt that a north-to-south mid-block access would be beneficial if the site were developed as mixed-use development with open space. Director Mendenhall added that she felt the mid-block connection should be an example that can be replicated in other project areas.

[2:37:52 PM](#) Chairperson Penfold called for a straw poll on whether Board members supported the site development as a mixed-use residential with some open space and a connection to 200 South. All Board members supported this direction.

Director Garrott suggested the mews should allow space for some parking. Mr. Osth recommended allowing parking that would be beneficial to the retail zone as well as public space.

Director Garrott suggested the retail spaces be built for maximum flexibility. Mr. Osth recommended creating spaces that look like retail spaces but could easily be converted to office space or additional residential space. Mr. Dahl added that the developers would utilize their market experience to help increase the uses of the retail spaces. Director Garrott expressed concern that the surrounding area may have too many small retail spaces.

Chairperson Penfold felt that RDA staff should explore ways in which the developer can maintain affordable rent prices, and help to activate the neighborhood.

Director Garrott asked who would own and manage the open space. Mr. Dahl stated that the open space is expected to be constructed as part of the development, but it is still unknown who will own the open space. He added that RDA staff is in the process of determining ways in which the open space could be managed. Director Mendenhall asked if the Salt Lake City Parks Division could purchase the open space from the RDA with impact fees. Mr. Dahl said he didn't know but would look into it and report back to the RDA Board.

[2:42:05 PM](#) Chairperson Penfold called for a straw poll on whether Board members supported

the overall criteria and comments presented in today discussion. With the exception of Directors Luke and Rogers, Board members supported this direction.

Director LaMalfa said that although he supports the overall criteria, he felt the final design should also maximize the size of the green space and increase the number of eyes facing the park.

[2:42:35 PM](#) Chairperson Penfold called for a straw poll on whether Board members supported maximizing the size of the green space within the development site plan already agreed upon in a straw poll at today's meeting. With the exception of Vice Chair Adams, Directors Rogers and Luke, Board members supported this direction.

Executive Director Baxter proposed that adjacent property owners develop the site pursuant to a plan formulated by the RDA and approved by the Board of Directors.

[2:45:36 PM](#) Chairperson Penfold called for a straw poll on whether Board members supported RDA staff to begin working directly with adjacent property owners with the intent of creating a development proposal pursuant to the criteria discussed at today's meeting. All Board members supported this direction with the consideration that RDA staff will return to the Board with the adjacent property owners' design proposal.

B. [2:46:14 PM](#) **Presentation and Recommendation Regarding Schematic Design Drawings from Everest Builders for Parcel 4 of the Marmalade District Subdivision.**

The Board will consider adopting the Schematic design for the Marmalade parcel 4 Townhome Development.

Mr. Butterfield introduced Eric Saxey of Everest Builders and Chris Jensen of Think Architect. He explained that the RDA staff is seeking a recommendation regarding the schematic design drawings for the construction of 12 townhome units on Parcel 4 of the Marmalade block project. Mr. Butterfield added that along with the Board's review, the design would also be submitted to the Historic Landmarks Commission for review and approval.

Mr. Jensen provided a presentation and brief overview on the schematic design for Parcel 4.

Director Rogers expressed his excitement for the project and the transformation of the Marmalade area.

Director LaMalfa asked about the prices for the townhomes. Mr. Butterfield said that those numbers have not been set, but Staff will bring that information back once it is available.

Director Garrott stated that in previous discussions on the original plan, there was a staircase or a path from the townhomes to the public space. He questioned whether that was still part of the overall plan. Mr. Butterfield answered yes, and said that the current plan is to put a walkway on the North side of the townhomes to provide access to the residents of the townhomes and Capital Villa. Staff is working through ADA accessibility issues.

Director Mendenhall expressed concern about the water table and drainage issues for this area. Mr. Butterfield explained a massive de-watering system is currently being installed on the property, which will constantly drain the site. He added that the RDA will be the majority stakeholder in the owners association until certificates of completion are issued on the other two parcels that run along 300 West, which would occur in approximately three years. During that time, Staff will be monitoring and testing the system to ensure that it is working properly before turning the complete management and monitoring over to the owners association.

[3:02:33 PM](#) Director Garrott made a motion to approve the schematic design drawings. Director Luke seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

- C. [3:03:01 PM](#) **Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Terms for the Purchase and Sale Agreement, Development Agreement, Special Warranty Deed, and Guaranty of Completion and Performance with Clearwater Homes for Parcel 3 of the Marmalade District Subdivision.**
The Board will consider adopting terms for the sale of Parcel 3 of the Marmalade Block Development to Clearwater Homes.

Mr. Butterfield provided an overview of Parcel 3 of the Marmalade District. He explained the RDA is seeking approval on the terms for the Purchase and Sale Agreement.

Director Rogers expressed his concern of the proposed height for the project. He felt the 75 feet would be high for the area. Mr. Butterfield said staff will bring an additional schematic design review before the Board once the Purchase and Sale Agreement is executed. He stated that the 75 feet reflects what the zoning will permit in the area and not what may actually be built. The developer discussed building at a height closer to approximately five stories (60 feet). Chairperson Penfold mentioned that approximately five years ago, the neighborhood was involved in the re-zoning of the properties along the 300 West Frontage, at that time the majority were in support of the height increase.

Director Garrott asked about the ground floor retail and the Board's desire to include a grocery store. Mr. Butterfield stated that the developer is currently in discussions with a potential grocer for the site. He added that the developer is also looking at building an underground parking structure that would connect Parcels 2 and 3.

[3:07:34 PM](#) Chairperson Penfold requested a motion to adopt the resolution. Director Garrott made a motion to approve the terms and adopt the resolution. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

- D. [3:03:01 PM](#) **Consideration and Adoption of a Resolution of the Board Directors of the Redevelopment Agency of Salt Lake City Authorizing the RDA to Execute Exclusive Negotiation Agreements with The Boyer**

Company/Cowboy Partners and Landforge + Community Studio for the Acquisition of RDA- Owned Property Located Between 200 South and 400 South, and 500 West and 600 West.

Staff will present the Selection Committee's recommendation to the Board for consideration and approval to enter into one or more Exclusive Negotiation agreements for Phase I of the Station Center Project.

Ms. Wilkerson-Smith said that the RDA issued a Request for Qualifications (RFQ) in April 2015 for the development of Phase I of the Station Center Project and that six proposals were submitted. A Selection Committee convened in May 2015 to establish a shortlist for each Parcel.

Ms. Wilkerson-Smith said that the Selection Committee recommended a joint venture between The Boyer Company/Cowboy Partners to develop Parcel 1 and Landforge + Community Studio to develop Parcel 2. She stated that the Selection Committee further recommended that the RDA not enter into exclusive negotiations for Parcels 3, 4, and 5, at this time and recommended those Parcels be remarketed at a later date in Request for Proposals (RFP) process. Ms. Wilkerson-Smith explained that the Selection Committee did not feel comfortable moving forward with any of the responses for those properties, and preferred to combine them and request more detailed proposals (rather than just qualifications) for the site.

Ms. Wilkerson-Smith added that if the Board adopts the resolution, the RDA will enter into an eight month exclusive negotiation period and return to the Board in February 2016 for approval of the sales terms.

[3:29:30 PM](#) Director Adams made a motion to adopt the resolution. Director Garrott seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution adopted.

E. [3:30:18 PM](#) **Project Area Creation Update.**

Staff will give the RDA Board a brief status report on its research of potential RDA project areas.

Chairperson Penfold pulled this item from the agenda and said it will be presented at a future meeting.

8. Redevelopment Business/ New Business.

A. [3:30:41 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 Option to Purchase Agreement with Form Development for 167-169 South Regent Street.**

The Board will consider adopting a resolution approving the terms of the Option to Purchase Agreement with Form Development for three RDA-owned parcels located at 167-169 South Regent Street.

Mr. Butterfield presented the proposed term sheet of the Option to Purchase Agreement for two Parcels located at 167-169 South Regent Street. He explained that the acquisition would be used

to construct a hotel development on the site.

[3:31:14 PM](#) Director LaMalfa made a motion to approve the Option to Purchase Agreement and adopt the resolution. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

- B. [3:31:48 PM](#) **Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Terms for a Grant Agreement with Central Ninth Development Partners LLC for the Design and Installation of Public Art at 153 West 900 South.**
The RDA Board will consider adoption of a resolution approving a grant agreement term sheet with Central Ninth Development Partners LLC. The grant would partially fund the design and fabrication of public art that would be incorporated in a development located at 153 West 900 South.

Mr. Dahl stated that the development terms for the property located at 153 West 900 South require Central Ninth Development Partners to install a piece of public art. Mr. Dahl said the developer has allocated \$15,000 for the project, but feels in order to create a more impactful public art piece an additional \$15,000 would be needed. The developer is requesting that the RDA match its contribution with a \$15,000 grant.

Mr. Dahl said RDA staff is proposing to fund the grant with the remaining \$10,000 currently allocated to public art for the West Temple Gateway Project Area and \$5,000 from funds that were allocated to Central Ninth Development.

[3:33:30 PM](#) 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.

9. Consent.

- A. [3:34:21 PM](#) **Consideration and Adoption of A Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Grant Agreement Between the Salt Lake City Housing Trust Fund and the Redevelopment Agency of Salt Lake City.**
The Board will consider a Grant Agreement between the RDA and Salt Lake City Housing Trust Fund to allocate \$899,902 from the Agency's City-Wide Housing Fund and \$282,778.60 in loan repayments to the Housing Trust Fund to support the financing of affordable housing projects.

[3:34:22 PM](#) Director Luke made a motion to approve the consent item. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution adopted.

10. Redevelopment Business/Routine Matters.

- A. **2015-16 Budget:**

1) **3:35:16 PM Public Hearing for Consideration of the 2015/2016 Annual Implementation Budget.**

The RDA Board will hold a Public Hearing to accept comments from the public regarding the proposed 2015-2016 RDA Budget

Chairperson Penfold opened the public hearing and called for public comments on the 2015-2016 annual implementation budget.

Mr. George Chapman expressed his concerns with the Station Center Development and the proposal for mixed-use apartments that UTA will be submitting to the RDA. He stated that UTA is in the transit business and has no experience developing housing. He said he felt that this development would hurt the City and UTA. He asked that the RDA Board not encourage or entertain UTA's proposal.

Director LaMalfa made a motion to close the public hearing. Director Garrott seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the public hearing was closed.

2) **3:37:15 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Adopting the Annual Implementation Budget for the Fiscal Year Commencing July 1, 2015 and Ending June 30, 2016.**

The RDA Board will review and consider adoption of the RDA's 2015-2016 Budget, which determines the allocation of tax increment funds for the coming fiscal year.

Mr. Dahl reviewed the 2015/2016 Annual Implementation budget and highlighted the changes the Board requested at the May 2015 meeting.

Chairperson Penfold stated he has asked staff to develop an evaluation component to measure the success of the additional Gallivan programming and report back to the RDA Board in the Fall.

Director LaMalfa said the parklets on Main Street created by the Downtown Alliance were a success and suggested moving \$50,000 from the Utah Theater Redevelopment to support activities connecting Main Street to Regent Street. Director Garrott asked whether the Downtown Alliance program was a success. He then stated that he would be unable to vote to approve funding for parklets without additional information on their success, and the Downtown Alliance's future commitment and budget for the project.

Chairperson Penfold stated that due to the unanswered questions, restrictions on RDA funding and location of the project, he suggested allocating \$20,000 from the Utah Theater Redevelopment project toward a CBD Public Art Project.

3:53:17 PM Chairperson Penfold called for a straw poll on whether Board members supported reallocating \$20,000 from the Utah Theater Redevelopment to CBD Public Art Project. All Board members supported this direction with Vice-Chairperson Adams abstaining.

[3:53:44 PM](#) Director Luke made a motion to adopt the resolution with the changes stated. Director Mendenhall seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

11. Written Briefings.

- A. [3:34:38 PM](#) **Update on Amendments to RDA Loan Program Policies.**
Update on the status of loan program policy revisions and next steps in the process.

Director LaMalfa stated that he appreciates staff efforts in amending the RDA loan program policies and felt the policies are in line with the Board's direction.

12. Adjournment.

[3:54:42 PM](#) Vice-Chairperson Adams made a motion to adjourn the meeting. Director Mendenhall seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

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 June 9, 2015.