

MINUTES OF THE
761st MEETING OF THE
BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF SALT LAKE CITY
Tuesday, September 8, 2015
451 South State Street, Room 326
Salt Lake City, Utah
2:00 pm

1. 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

Others Attending:

Justin Belliveau, Deputy Director
Ed Butterfield, Senior Project Manager
Jill Wilkerson-Smith, Project Manager
Kort Utley, Project Manager
Cara Lindsley, Project Coordinator
Susan Lundmark, Project Coordinator
Ashlie Easterling, Project Area Specialist
Shaké Agaronyan, Property Manager
Amanda Holty, Marketing and Communications Coordinator
Damon Georgelas, Agency Legal Counsel
Crayola Berger, Accountant II
Jolynn Walz, Office Manager
Kalli Ruiz, Office Facilitator
Mia Caselli, Administrative Assistant
Nora Shepard, Planning Director
Chief Brown, Salt Lake City Police Department
Amberly Crowford, Salt Lake City Police Department
Amy Rowland, National Development Council

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

2. [2:11:26 PM](#) Briefing by the Staff.

Executive Director Baxter introduced Susan Lundmark and Kalli Ruiz. He announced Susan is a new Project Coordinator and Kalli Ruiz, a new Office Facilitator for the RDA.

Executive Director Baxter explained that once funding is in place for the Central Ninth Project, a groundbreaking event will be scheduled. Staff is hopeful this event will happen sometime in September.

3. [2:15:26 PM](#) Approval of the Minutes from the Meeting held August 18, 2015.

Director LaMalfa made a motion to approve the minutes from the meeting held August 18, 2015. Director Mendenhall 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. [2:16:33 PM](#) Public Comments.

Mr. Chapman expressed his concern for the lack of Community Council input in the new project area creation process. He stated that the Ballpark Community Council feels the area near and surrounding the baseball stadium should be a priority; in order to revitalize the area, reduce crime, and create high density housing.

6. Redevelopment Business/Routine Matters.

A. [2:19:46 PM](#) **Utah Symphony & Opera: Consideration of Annual In-Kind Principal and Interest Forgiveness.**

The RDA Board will consider forgiving annual principal and interest payments on an RDA loan to Utah Symphony & Opera for construction of its facility at 336 North 500 West in exchange for free concerts and services provided to the community.

Ms. Wilkerson-Smith reminded the Board about the existing RDA loan agreement with Utah Symphony and Opera (US&O) and that US&O has performed the last required concert at Gallivan to pay off its \$250,000 principal balance. US&O has also provided a report of services provided in 2014-2015 to pay off its in-kind interest payment. She stated that the Utah Symphony and Opera is requesting an amendment to the loan to pay off the first half of the principle balance on that original loan. She asked that the Board consider US&O's in-kind principal and interest forgiveness for 2014-2015.

Ms. Wilkerson-Smith introduced Leslie Peterson and Hillary Hahn with Utah Symphony and Opera.

Ms. Peterson and Ms. Hahn provided an overview of the Utah Symphony and Opera events and programs offered to the community, during the 2014-2015 season.

Vice-Chairperson Adams expressed her appreciation to the US&O for providing free concerts and services to the community, and feels the in-kind loan repayment has benefited Salt Lake City.

[2:24:50 PM](#) Director LaMalfa made a motion to approve the principal and interest forgiveness for US&O's 2014-2015 season. Director Luke seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

- B. [2:25:46 PM](#) **Consideration and Adoption of Terms for a Second Amendment to Loan Agreement between Utah Symphony & Opera ("US&O") and the RDA for In-Kind Loan Forgiveness for a Construction Loan at 336 North 400 West.**

The RDA Board will consider approving a Second Amendment to Loan Agreement with Utah Symphony & Opera to forgive principal and interest for 2015-2020 in exchange for free concerts and services provided to the community.

Ms. Wilkerson-Smith presented a summary of the proposed services that US&O will provide for the next five seasons. US&O is requesting the RDA enter into a second amendment to loan agreement to pay off its remaining \$250,000 principal balance, plus 3% annual interest.

[2:28:39 PM](#) Director LaMalfa made a motion to adopt the terms for a second amendment to loan agreement between the RDA and US&O. Director Garrett seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

7. Redevelopment Business/New Business.

- A. [2:28:56 PM](#) **Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Terms of a Housing Acquisition Loan to Fayette Street Investments, LLC.**

The Board will consider a loan to Fayette Investments, LLC to acquire property for the purpose of constructing a market rate housing project in the West Temple Gateway Project Area.

Mr. Utley explained that Fayette Street Investments, LLC is requesting a \$267,000 loan to acquire two properties located on the corner of Washington Street and Fayette Street, in the West Temple Gateway project area. He said that the borrower plans to construct market rate housing and that the housing project supports the RDA's strategic plans for the area.

Mr. Utley stated that the Loan Committee had reviewed the loan request and recommended approval by the RDA Board. The loan has two modifications of the standard acquisition loan. 1)

Market rate housing as opposed to income targeted housing; 2) Decrease of the interest rate on the loan due to a shorter loan term.

[2:31:21 PM](#) Director Mendenhall made a motion to adopt the resolution and approve the terms of the Housing Acquisition Loan to Fayette Street Investments, LLC. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

8. Redevelopment Business/ Old Business.

A. [3:07:46 PM](#) **Consideration and Recommendation of Modifications to RDA Loan Program Policies.**

The Board will consider adoption of procedures to implement changes to the RDA's loan programs.

Deputy Director Belliveau explained that the purpose of today's discussion is to obtain confirmation as to the mission and purpose of the loan programs and authorization to proceed with implementation steps to address policy changes in the loan programs that the RDA Board previously directed staff to explore.

Deputy Director Belliveau introduced Amy Rowland of the National Development Council (NDC) and explained that she has been assisting the RDA in the proposed loan modification and implementation process.

Deputy Director Belliveau stated that staff has taken previous discussion and direction from the Board to focus on six specific areas of change to the loan programs. The six areas of focus are , which are; 1) adjusting loan terms to account for current market conditions, 2) requiring loan applicants to demonstrate a true need for RDA resources to bridge a funding gap, 3) a cost benefit analysis, 4) identifying resources to assist Staff and its Loan Committee in all loan requirements as to not require Board deliberation, 5) setting lending goals that are in line with strategic project plans, and 6) establishing goals for the tax increment reimbursement program.

Director Mendenhall questioned whether the RDA staff was proposing that the Loan Committee have final approval and all loans would no longer go before the Board. Deputy Director Belliveau stated that in previous discussions, the RDA Board suggested that once the modifications were made and additional training and expertise were added to staff and loan committee, there may be no need for the loans to go before the Board.

Director Mendenhall asked if the Board could still receive regular notifications from staff on all loan applications and if there would be an opportunity to request a specific loan come before the Board. Deputy Director Belliveau said the RDA could provide an update as frequently as the Board wished. Executive Director Baxter expressed the importance of transparency and predictability during the loan process and said it could come across as arbitrary for the Board to have the ability to review a particular loan on a case by case basis. He noted that the goal is to set clear standards for the loan application process in order for the applicant to understand it, prior to submitting an application.

Director LaMalfa said due to the nature of the application process and the complexity of the loans that the RDA provides, he felt the RDA Board does not have the time or the expertise to thoroughly review and make decisions on which loans should be approved or denied and it was a disservice to the applicants to have the Board involved. He stated he was in favor of the process and final approval being left in the hands of RDA Staff and Loan Committee and the Board be involved be in setting policy.

Director Mendenhall stated at this time, she was not comfortable with the Board no longer being involved in the final approval.

Chairperson Penfold asked staff to return to the Board at its October meeting with a mission statement of general policy, and a more clear definition of how the Board would set parameters for the loan programs and receive regular updates from staff.

B. [3:42:29 PM](#) **Project Area Creation Shortlist Process**

The RDA Board will consider the selection of three potential RDA project areas for further study by RDA staff.

Mr. Butterfield stated the RDA Board had requested information concerning crime within the proposed new project areas that are currently on the shortlist. Staff invited Acting Police Chief Mike Brown with the Salt Lake City Police Department to brief the Board on the crime “hotspots” within the areas.

Chief Brown and Ms. Amberly Crowford provided a PowerPoint presentation detailing the crime hotspots.

After some discussion about crime in the areas and the best way to reduce it, RDA Staff asked the Board members to select their top three project areas through a ballot vote. After tallying the ballots the results were as follows:

- 1) State Street
- 2) 900 South and 900 West
- 3) Ballpark

Director Garrott proposed renaming the 900 South and 900 West Project Area to “The 9 Line”. Chairperson Penfold conveyed that his thoughts on a name change were similar to Director Garrott’s.

Director LaMalfa asked Executive Director Baxter whether staff would have the capability to handle the new project areas. Executive Director Baxter explained that the staff capability would depend on the project area size. He said that the RDA may need to sequence the areas during the creation process, rather than working all areas on a simultaneous clock. Executive Director Baxter also stated that there had been a dialogue among staff concerning the possible need for modification to the boundaries of the selected areas, and noted that further discussion to define the scope of work with the Taxing Entities would be necessary before returning to the Board for guidance and final approval.

Director Garrott suggested extending the East/West boundaries of the State Street project area to include 200 East and Main Street. He indicated there is a great need for work to be done in the two areas.

Chairperson Penfold expressed his appreciation to Staff for the support and dedication they have put forth in the project area creation process.

9. Consent.
None

10. Written Briefings.
None

11. Closed Meeting.
A. [2:31:57 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 Mendenhall made a motion to enter into a closed meeting to discuss matters of property acquisition/disposition; 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 room East Council Conference Room at 2:35 PM on Tuesday, September 8, 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; James Rogers, Director; and Charlie Luke, 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; Damon Georgelas, Legal Counsel; Cara Lindsley, Project Coordinator; Jill Wilkerson-Smith, Project Manager; Jolynn Walz, Office Manager; Kalli Ruiz, Office Facilitator.

Others present: Kevin Murray, Outside Legal Counsel of Holland & Hart.

The Board discussed 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 LaMalfa seconded the motion. Upon roll call Chairperson Penfold declared the motion unanimously approved and the closed meeting was adjourned at 3:02 PM.

[3:07:41 PM](#) Chairperson Penfold reconvened the open meeting.

12. [4:41:57 PM](#) Adjournment.

Director Garrott made a motion to adjourn the meeting. Director Rogers 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 September 8, 2015.