

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, NOVEMBER 15, 2016

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

**2:14:26 PM Roll Call.** The following members of the Board of Directors of the Redevelopment Agency of Salt Lake City were present:

Lisa Adams, Chairperson	Derek Kitchen, Vice-Chairperson	Stan Penfold
Erin Mendenhall	James Rogers	Charlie Luke
Andrew Johnston		

The following members of the Board of Directors of the Redevelopment Agency of Salt Lake City were absent:

None.

Also present:

Justin Belliveau, Chief Operating Officer; Lara Fritts, Economic Development; Edward Butterfield, Senior Project Manager; Kort Utley, Senior Project Manager; Tammy Hunsaker, Project Coordinator; Susan Lundmark, Project Coordinator; Jill Wilkerson-Smith, Project Manager; Jim Serrine, Property Manager; Cindy Gust-Jenson, Council Office; Lynn Pace Mayor's Office.

**A. Comments:**

**1. 2:14:59 PM Amendment No. 2 to the FY 2017 Budget, including plans for Housing Funds**

LuAnn Stevenson stated that she is an advocate for those who are homeless and poverty stricken. She said she supports the budget amendment and feels Salt Lake City is moving in the right direction to help those get off the streets and receive necessary resources.

Bill Tibbitts said he is the Director for the Coalition of Religious Communities and indicated that this year it is their goal is to work with State and local government leaders to help end child homelessness. He stated he is in favor of the budget amendment because he feels this is a step to help meet the overall goal of homelessness prevention with families.

George Chapman stated that he supports the budget amendment and encourages the RDA and City leaders to move forward with approval in order to utilize the funds right away to get the homeless off the streets.

Alison Einerson said that everyone understands how important the Depot District is and there are necessary changes needed in the neighborhood. She explained that the Board of Directors of Urban Food Connections urges Board members to continue its work concerning housing and the

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homeless issue, but asked that funding remain for the Station Center project and the public market.

**2. General Comments to the Board**

**B. Redevelopment Agency Business**

**1. [2:21:15 PM](#) Approval of Minutes**

Director Rogers made a motion to approve the minutes from the October 18, 2016 Board meeting. Vice-Chairperson Kitchen the motion. Upon roll call, the motion passed unanimously. Director Penfold and Director Luke were not present for the vote.

**2. [2:21:44 PM](#) Report and Announcements from the Executive Director**

None.

**3. [2:21:55 PM](#) Amendment No. 2 to the FY 2017 Budget, including plans for Housing Funds**

Ms. Fritts said there has been a lot of activity refining such a large budget and she thanked all who have been involved, particularly Jennifer Bruno for preparing the staff memo that was provided in the packet.

Ms. Fritts explained that the Administration and RDA staff are committed to affordable housing, and are looking forward to working with the RDA Board and City Council staff to identify meaningful ways to deploy these funds that were allocated at the October 2016 meeting. She said while we identify projects for affordable housing, RDA and Council staff will be working together to revise the budget worksheets to make them more transparent and show available funding that is understandable and easy to identify.

Ms. Fritts stated that the next steps will be that the RDA staff and City Council staff will meet at the end of November, to create a template for the new budget documents. That template will be reviewed with the RDA Chair and Vice-Chair in December with the goal that the remaining budget and budget amendment #2 will be brought before the Board in January 2017 for final approval.

[2:24:28 PM](#) Director Penfold enters.

Director Mendenhall and Vice-Chairperson Kitchen questioned if Housing and Neighborhood Development and the Salt Lake City Housing Authority would be involved in discussions

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concerning ways to utilize RDA funds. Chairperson Adams and Ms. Fritts said yes.

[2:30:34 PM](#) Director Luke enters.

Vice-Chairperson Kitchen suggested that at the December meeting a “Fact Finding” housing discussion take place. He also added if there are other outside entities that should be included to participate in the discussion to please contact the RDA Chair or Vice-Chair.

4. [2:31:59 PM](#) **Update on Project Area Creation**

Mr. Butterfield, Ms. Hunsaker, Ms. Lundmark, Ms. Fritts, and Mr. Pace provided an overview of the project area creation schedule, public outreach, draft plans, public benefit analyses, Northwest Quadrant Strategic Implementation Plan, project area budgets, meetings with taxing entities, and next steps for each of the areas.

Mr. Butterfield added that staff is also conducting meeting the Taxing Entity partners to gather their feedback and policy objectives concerning the new project areas. That information will be brought to the Board once it is gathered.

The following are statements, concerns, or suggestions for each of the new project areas:

**Northwest Quadrant**

Director Mendenhall stated her concern of newly established roads being disrupted as new developments come into the area, creating additional costs to the City and development community. She asked that as conversation progresses that the City is assured that this will not happen.

Director Penfold said he is concerned that a property owner needing sewer service along the prison access road having to pay for the entire sewer infrastructure cost, in order to get access to one property. He noted that this topic is not one needing to be addressed by the RDA at this time, but suggested that Public Utilities report back to the City Council.

Director Luke asked that Public Utilities provide a tiered cost estimate on infrastructure costs in order to have that analysis when talking with the legislature. He stated that he felt the entire infrastructure costs should not fall on the City and the State needs to take a more active role, if they truly want to support future economic development in Northwest Quadrant.

Director Rogers asked to be included and involved in the Northwest Quadrant Strategic Implementation Plan process and discussions.

Ms. Gust-Jensen expressed concern about draft materials getting out prior to legislative action. Director Luke agreed and suggested communicating openly with the legislature on what Salt Lake City’s process is and where we are at in the process.

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Director Mendenhall stated she likes the package that Ms. Fritts has put together and suggested using the 5-10 year built out and cost to create a phase approached toward development opportunities in the area.

Director Mendenhall asked that the City look at waste heat recovery systems.

Director Rogers suggested working with Ms. Fritts and having this discussion at the City Council Meeting on December 6, 2016 on the Northwest Quadrant Strategic Implementation.

[3:09:08 PM](#) Chairperson Adams suggested continuing this discussion to a later meeting in order to provide feedback on concepts within the Northwest Quadrant Strategic Implementation. Chairperson Adams conducted a straw poll on continuing the discussion at the December 13 Board meeting. All Board members supported continuing the discussion at a later meeting.

[3:20:03 PM](#) **9-Line**

Vice-Chairperson Kitchen requested in future discussions that a better map that showed the 9-Line be provided.

Director Penfold suggested within the Master plan process, carving out a process to encourage new ideas and opportunities that utilize and encompass the 9-line.

Director Rodgers asked for staff to look at Bus Rapid Transit (BRT) options within the project area.

Director Andrews asked that the proposed Mass Transit Plan be included on the map. He then asked that the City owned properties sited for infill development also be included on the map.

[3:41:39 PM](#) **State Street**

Director Mendenhall would like to include major anchors and along State Street, such as the County and OC Tanner in later discussions.

Director Penfold asked that staff look into development options on the OC Tanner's parking lot.

Director Mendenhall was concerned about individuals using the motels along State Street as long-term housing and the potential of them being displaced. She questioned if there is a way to acquire data of those who use motels for long-term housing.

Director Mendenhall suggested that Board members take a tour of other cities who have developed areas similar to State Street.

Ms. Hunsaker stated staff will bring the draft plans for State Street and 9-line project areas at the January 2017 Board meeting.

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**5. [4:02:36 PM](#) Spyhop Land Disposition**

Ms. Hunsaker said that the RDA has negotiated the terms for the sale for the property located at 208 West 900 South to Spy Hop Productions, Inc. She explained that in an effort to ensure a development that would be financially viable to a developer as well as achieve certain public benefits, the RDA established in the RFP that it could consider providing a discount on the land.

Ms. Hunsaker stated as per the RDA's Real Property Disposition Policy, property discounts are subject to approval by a majority vote of the Board if property is to be sold at a discount greater than 10% from the as-is appraised fair market value. Spy Hop has requested and staff supports a 100% write-down of cost of the land to ensure a financially feasible project, mitigate burdens relating to environmental mitigation of the land, and to support public benefits that the project will provide to the community.

[4:09:16 PM](#) Director Penfold made a motion approve the resolution and Spy Hop's request to discount the land. Director Rogers seconded the motion. Upon roll call, the motion passed unanimously.

**6. Continue Policy Discussion**

**a. [4:10:04 PM](#) Interim Use**

Mr. Serrine said the RDA Board has identified and prioritized a series of policies to be revised as part of recent changes to the Redevelopment Agency of Salt Lake City's bylaws, including a policy regarding the interim use of RDA real property. He explained that from the point when the RDA acquires real property and finalizes the property disposition process, there may be a period of time where there is a desire to activate the property or make it available for use.

Mr. Serrine stated that during this process, the first priority of this policy is to ensure acquired properties are maintained according to city codes pertaining to health and safety. Unsafe structures may be demolished or otherwise secured. Properties that are in acceptable condition and are in areas where short term use is appropriate are sometimes leased or otherwise utilized to benefit the surrounding project area.

Chairperson Adams asked that the resolution state that "properties owned by the RDA will follow City ordinances." She also asked that the Attorney's office work with the RDA in setting broad policy parameters addressing "land banking" and properties being turned over as quickly as possible for economic development.

Vice-Chairperson Kitchen asked that staff draft a simple use plan for acquired RDA properties. Director Penfold agreed.

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Chairperson Adams asked RDA staff to bring this item back with the changes suggested by Board members.

Director Penfold asked that more information be provided on the need and necessary budget allocations for more aggressive environmental work on RDA properties. He stated that this should be part of a future policy discussion concerning property acquisition and disposition.

**b. Tax Increment Reimbursement Program**

Ms. Wilkerson-Smith explained that back in January 2016, the RDA Board approved three modifications to the Tax Increment Reimbursement Program that included requirements to meet RDA project area objectives, lengths of reimbursement terms, percentages of tax increment allocations, and meeting RDA-imposed design guidelines. She explained that these modifications have been incorporated into a comprehensive resolution and additional changes have been made to make the Program more nimble. Ms. Wilkerson-Smith described the existing program and Ms. Hunsaker reviewed the proposed Tax Reimbursement Program policy.

Ms. Wilkerson-Smith indicated that the Redevelopment Advisory Committee (RAC) is in favor of the policy, but recommended one change regarding consent rights during the construction phase control ownership of the project up to completion.

Chairperson Adams stated she liked that the term has been shortened and the benefit to the project area happens more quickly.

Director Penfold suggested to start marketing the availability of this program to all property owners and developers in each of the projects areas, including the new areas that are in the project area creation process phase.

Director Penfold asked how the RDA would address a situation where the land and building ownerships separate through a transaction after the tax increment reimbursement agreement is executed. Ms. Lewis replied that the RDA's legal counsel will ensure that the RDA has the right to determine which party is eligible for the reimbursement. The RDA will add a provision to the policy addressing the RDA's control in the case of severed ownership.

Chairperson Adams asked the RDA to make revisions based on the Board's direction and present the policy at the December Board meeting.

**7. [4:31:47 PM](#) Report and Announcements from RDA Staff**

Chief Administrative Officer Belliveau presented Board Members with a limited production watercolor rendering of the Eccles Theater in commemoration of the grand opening.

**8. Report of the Chair and Vice Chair**

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None.

**C. Written Briefings**

None.

**D. Consent**

None.

**E. Closed Session**

None.

**F. [4:32:23 PM](#) Adjournment**

There being no further business the meeting was adjourned.

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Lisa R. Adams, Chairperson