

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 13, 2016

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

2:13:31 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; Cara Lindsley, Project Coordinator; Jill Wilkerson-Smith, Project Manager; Amanda Holty, Marketing and Communications; Michael Mickelson, Eide Bailly; Jennifer Bruno, Council Office; Ben Luedtke, Council Office; Mike Akerlow, HAND; Melissa Jensen, HAND; Matt Dahl, HAND; Claudia O'Grady, Utah Housing Corporation; Amy Rowland, National Development Council (NDC); Dan Nackerman, Housing Authority of Salt Lake City.

**A. Comments:**

**1. 2:13:54 PM Amendment No. 2 to the FY 2017 Budget**

George Chapman explained his disappointment that the budget amendment is not appropriating money to be used to get the homeless off the streets. He stated he felt the City should be utilizing one of its vacant buildings to house the City's homeless population.

2:15:26 PM Vice-Chairperson Kitchen made a motion to close the public hearing. Director Penfold seconded the motion. Upon roll call, Chairperson Adams declared the motion unanimously approved. Director Luke was not present for the motion.

**2. General Comments to the Board**

2:16:22 PM George Chapman stated he felt that no one is working towards removing the criminal element from the RDA's Depot District project area. He stated is the criminal element was removed development in the area would happen more quickly. He asked that the RDA Board use its leverage and work with the County to open up more jail space to keep the drug dealers and other criminals off the street.

2:17:41 PM Jason Mathis read a letter from the Downtown Alliance Board and staff, which

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 13, 2016

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formally thanked Justin Belliveau and showed their appreciation for his dedication and work ethic during his tenure with the RDA.

**B. Redevelopment Agency Business**

**1. [2:22:31 PM](#) Approval of Minutes**

Director Mendenhall made a motion to approve the minutes from the meetings held October 25, November 1 & 15, 2016. Director Rogers seconded the motion. Upon roll call, Chairperson Adams declared the motion unanimously approved. Director Luke was not present for the motion.

**2. Report and Announcements from the Executive Director**

None.

**3. [2:23:43 PM](#) Financial Audit of FY 2015-2016**

Michael Michelsen of Eide Bailly provided the Board with an overview of the annual audit conducted on the Redevelopment Agency Accounts.

Director Penfold made a motion to accept the 2015-2016 Audit. Director Mendenhall seconded the motion. Upon roll call, Chairperson Adams declared the motion unanimously approved and the audit was accepted. Director Luke was not present for the motion.

**4. [2:33:36 PM](#) Utah Symphony and Opera Contract Amendment**

Ms. Wilkerson-Smith stated that in October 2015, the RDA Board approved a Second Amendment to Loan Agreement between the RDA and Utah Symphony & Opera for construction of its facility at 336 North 400 West. The Agreement allows for the RDA to forgive principal and interest payments on an annual basis in exchange for free community services and performances provided by Utah Symphony & Opera. The Agreement also contains an exhibit that identifies specific concerts and services to be provided during the 2015-2016 fiscal year. Ms. Wilkerson-Smith explained that the RDA proposes updating the exhibit with relevant community services and performances for the duration of the Agreement.

Ms. Holty reviewed the events for 2015-2016.

Director Mendenhall requested information concerning the schools Utah Symphony and Opera has reached out to and which of those schools have had them come perform. Ms. Holty said she would get that information to Director Mendenhall.

[2:38:51 PM](#) Director Penfold made a motion to approve an amendment to loan agreement between the RDA and Utah Symphony & Opera. Director Johnston seconded the motion. Upon roll call, Chairperson Adams declared the motion unanimously approved. Director Luke was not present for the vote.

TUESDAY, December 13, 2016

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5. [2:39:25 PM](#) Amendment No. 2 to the FY 2017 Budget

Chief Administrative Officer Belliveau explained that the adoption of the First Amendment to the 2016/2017 budget funded operations through a portion of the year and now in some areas funds are low and need to be replenished. He explained that five items have been identified that require urgent funding to ensure continued activity.

Chief Administrative Officer Belliveau reviewed the following urgent funding needs:

- 1) **Temporary Property Expense:** \$466,010, to cover the following expenses:
  - Depot District: Temporary Property Expense:** \$65,000. Funds would be used for property taxes, insurance, utilities, maintenance, and repairs to Agency-owned property.
  - Granary District: Temporary Property Expenses:** \$2,000. Funds would be used to pay for the on-going maintenance of RDA-owned properties, including utilities, insurance, and site maintenance services, which are provided through a contractor.
  - CBD: Temporary Property Expense:** \$390,000. Funds would be used to pay for the ongoing maintenance of RDA-owned properties, including utilities, insurance, and site maintenance services, which are provided through a contractor.
  - West Temple Gateway: Temporary Property Expense:** \$9,010. Funds would be used to pay for the on-going maintenance of RDA-owned properties, including utilities, insurance, and site maintenance services, which are provided through a contractor.
- 2) **Professional Services:** \$300,000, from Program Income Fund. The RDA is seeking funding for consulting services that would facilitate its redevelopment activities. Services would include appraisals, surveys, geotechnical studies, architectural studies, and environmental due diligence.
- 3) **North Temple Banner Program:** \$9,210, from North Temple Project Area. The RDA and NeighborWorks created the North Temple Banner Program to beautify existing poles installed by Salt Lake City as part of the North Temple TRAX beautification project. The Program entailed the production and installation of 92 banners along North Temple Boulevard between I-15 and Redwood Road. The RDA's portion of the initial Program budget was \$20,000 with an outstanding balance of \$9,201. The Program budget also included \$10,000 in matching funds from EDCUtah, Get into the River Festival, and Wells Fargo Bank. The RDA requires funds in order to fulfill its remaining obligation on this arrangement.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 13, 2016

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- 4) **RDA Properties Small Area Plan Study (100 S. 600 W.):** \$50,000, from Depot District Project Area. The RDA would create a small area plan for its property in the vicinity of 100 South between 600 West and 700 West, and market the property for development. This funding is needed to be able to submit a formal application to the WFRC TLC program for a grant to work with UTA to conduct “Station Area Planning” for the properties near the Salt Lake Central Intermodal Hub, including the RDA-owned properties near 100 South and 600 West. The formal application is due in January 2016, and the RDA’s match amount of \$50,000 must be firm at that time. UTA has indicated that they will contribute \$44,000 as their match with the formal application.
- 5) **300 South Public Art:** \$55,399, from Central Business District. The RDA would contribute to design, fabrication and installation of 18 Flying Objects art pieces to be installed along 300West. The funds will be used to pay the installation of the concrete foundations that the art will be mounted on for permanent display.

Director Penfold asked staff to contact NeighborWorks and ask if the banners along North Temple are reused every year. Ms. Wilkinson-Smith and Chief Administrative Office Belliveau said they would contact them.

Director Mendenhall and Director Rogers requested additional information be emailed to them concerning the appropriation for Professional Services to employ outside consulting for strategic planning on the new project areas.

Director Johnston requested staff report back periodically on how the \$300,000 for Professional Services is spent. Director Mendenhall suggested quarterly reports be provided to the Board moving forward and adjustments to the reporting can be made if needed. Director Penfold agreed, but recommended that these come in the form of written reports.

[2:58:11 PM](#) Director Johnston made a motion to adopt the following urgent budget items as a part of Budget Amendment #2 of Fiscal Year 2017:

- Temporary Property Expense budgets as follows:
  - Depot District - \$65,000
  - Granary District - \$2,000
  - CBD - \$390,000
  - West Temple Gateway - \$9,010
- \$300,000 from the Program Income Fund for Professional Services with the understanding that/contingent upon quarterly written reports.
- \$9,210 to complete funding for the North Temple Banner program.
- \$55,399 to complete funding for the 300 South Public Art “Flying Objects” program.
- \$50,000 for RDA Property small area master plan study.

Director Penfold seconded motion. Upon roll call, Chairperson Adams declared the motion unanimously approved. Director Luke was not present for the motion.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 13, 2016

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[2:59:54 PM](#) Chairperson Adams called for a vote to set a future public meeting. Director Penfold made a motion to set a public hearing during the January 17, 2017 Board meeting. Director Johnston seconded the motion. Upon roll call, the motion was unanimously approved. Director Luke was not present for the motion.

6. [3:01:13 PM](#) Affordable Housing Fact-Finding Session

Representatives from the Redevelopment Agency, Economic Development, Housing and Neighborhood Development, Utah Housing Corporation, National Development Council, and the Housing Authority of Salt Lake City participated in a discussion concerning Salt Lake City's current housing issues, potential new ways these groups could help to solve the housing problems, funding resources, and ways in which these groups and other groups are working to assist with the affordable housing needs throughout the City and State.

[3:06:52 PM](#) Director Luke enters the meeting.

The following are a list of requests/questions made by Board Members during the discussion.

[3:22:18 PM](#) Director Mendenhall requested that the City's Administration hold a summit and invite all developers who currently has permits in the pipeline that could potentially work with the City on affordable housing within future developments. The goal of the summit would be to involve developers early in the process and educate the development community of the City's housing goals and plan, potential resources, and the overall need for affordable housing. Mr. Akerlow stated that the Mayor is already currently working on that and it is the Administration's hope to begin those discussions by the beginning of 2017.

[3:34:47 PM](#) Chairperson Adams advocated that those who are transitioning into housing be provided training and education on how to live in a home again by teaching them the basic life skills that we may take for granted. She stated it she felt it would help them to take pride in where they were living and help landlords feel comfortable with participating.

[3:37:26 PM](#) Vice-Chairperson Kitchen asked that the Administration report back on specific proposal on how to make changes to zoning to address things such as "the missing middle" and also asked that they provide a recommendation or plan on a consistent revenue stream for the Housing Trust Fund. Mr. Akerlow said the 5-year plan HAND is working on addresses those items.

[3:47:37 PM](#) Vice-Chairperson Kitchen asked for an update on the Fleet Block. Mr. Dahl was invited to the table and reported that over the last few months the environmental conditions of the property needed to be reassessed. During the initial sampling, contaminants were discovered and additional sampling was needed. The Real Estate

TUESDAY, December 13, 2016

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Services Division has been working closely with the State, concerning the south end of the property where oil has leaked under the building and over the next few weeks the building will be demolished. Once all environmental conditions are assessed and the costs for cleanup are established, Real Estate Services will move quickly to begin steps toward implementing the Innovation District plan for the Fleet Block site.

[3:56:50 PM](#) Director Mendenhall requested at a future meeting staff provide specific advice and direction on the \$4.5 appropriation for east side affordable housing, how it can strategically be used, and help in defining what is considered “east side”.

[4:19:24 PM](#) Director Mendenhall requested a map of the “Areas of Opportunity” with transit included that Utah Housing Corporation uses in their funding matrix. Ms. O’Grady said she would send the information to HAND.

Chairperson Adams stated that she felt the discussion was very helpful and thanked all who participated in the discussion.

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

None.

**8. [5:07:49 PM](#) Report and Announcements from the Staff**

Ms. Lindsley provided a pre-disposition property report for Parcel 3 Station Center located at 400 South and 500 West. She explained that preliminary discussions have begun with the Housing Authority of Salt Lake City to build a residential project, which will include affordable housing. The marketing for this development did not go out to bid due to the Housing Authority being a special purpose governmental agency and the public use provided by affordable housing. The RDA will begin exclusive negotiation in January and will report back to the Board if a land write-down is requested by the developer. The developer will be applying for low income housing tax credits through the Utah Housing Corporation in October 2017. It is the hope that the project would open Fall 2019.

**C. Written Briefings**

None.

**D. Consent**

None.

**E. Closed Session**

None.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 13, 2016

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**F. [5:13:36 PM](#) Adjournment**

There being no further business the meeting was adjourned.

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Lisa R. Adams, Chairperson