

MINUTES OF THE
743rd MEETING OF THE
BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF SALT LAKE CITY
Tuesday, February 11, 2014
451 South State Street, Room 326
Salt Lake City, Utah
12:00 p.m.

1. [12:17:41 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
Erin Mendenhall, Director
James Rogers, Director

Also Present:

David Everitt, Chief of Staff
Eric Shaw, Director Salt Lake City Community and Economic Development
D.J. Baxter, Executive Director

Others Attending:

Matt Dahl, Senior Project Manager
Jill Wilkerson-Smith, Project Manager
Ed Butterfield, Project Manager
Travis Pearce, Property Manager
Ben Davis, Project Coordinator
Kort Utley, Project Coordinator
Ashlie Easterling, Project Area Specialist
Clayton Scrivner, Marketing and Communications Coordinator
Damon Georgelas, Agency Legal Counsel
Crayola Berger, Office Manager
Richard G. Carr, Brick Layers Union

Chairperson Penfold said Director Rogers would arrive to the meeting late.

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

2. [1:11:35 PM](#) Briefing by the Staff.

Executive Director Baxter asked RDA staff to introduce themselves to the new Board members. He said there are a total of 14 RDA staff members that work in: Communications and Marketing, Project Area Management and Coordination, Property Management, Administrative and Office Support, an Executive and Deputy Director, and Legal Counsel through the City Attorney's office. Staff members present introduced themselves to the Board.

3. [Delayed Approval of the Minutes from the Meeting held January 14, 2014.](#)

4. [12:19:36 PM](#) Report of the Chief Administrative Officer.

Mr. Shaw said the Economic Development Division has been working with the RDA on a series of projects. Economic Development has been developing strategies for the upcoming year which include revising programs, developing processes for applications and prevention of overlapping loans, and working on common spaces in relation to economic development for the city. He said these processes will be presented to the City Council next week. He thanked the RDA for their assistance in developing these processes.

5. [12:21:17 PM](#) Public Comments.

Chairperson Penfold called for public comments.

[12:22:04 PM](#) Mr. Richard Carr said he is member of the Brick Layers Union. He expressed concern about the recent fire in a partially built apartment complex downtown, and pointed out that many housing projects in the City are constructed mostly of wood. He felt it was important that the City and RDA consider brick construction for fire safety. Mr. Carr added that artificial stone and stucco make buildings look generic, and that using brick and masonry would add to building endurance. Mr. Carr provided brochures to Board Members on brick and masonry construction.

[12:23:39 PM](#) Director Garrott said the RDA and City conform to building codes adopted by the State of Utah. He asked whether the RDA or City have considered encouraging or requiring the use of quality, long lasting materials for construction. He said an additional concern to him is that wood construction may not insulate against outside noise. Mr. Shaw said the Downtown Master Plan currently in process addresses the issue of sound insulation in both the neighborhood and destination aspects in Salt Lake City. There have also been discussions among local developers on the concept of stronger finishes and longer lasting design, especially in relation to commercial development. Director Garrott suggested that the RDA consider how to add a similar value to the multi-family developments in Salt Lake City. Mr. Shaw said the subject should be brought to the attention of the Salt Lake City Council.

Chairperson Penfold said the RDA could consider making additional project funding available to allow for stronger finishes, but that changes to the building codes would require action by the City Council and State.

6. Redevelopment Business/Routine Matters.
 - A. [12:28:17 PM](#) **Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Appointment of Adrienne Bell to the Redevelopment Advisory Committee**
The Board will interview Adrienne Bell and consider appointing her to the Redevelopment Advisory Committee.

Chairperson Penfold recognized Ms. Adrienne Bell and asked about her background.

Ms. Bell said that she is a resident of District 3 and an attorney working in the areas of Real Estate, Energy, Environmental, and Land Use law. Prior to becoming an attorney she worked in commercial development. She holds a Master's Degree in City Planning, and was a planner in Baltimore, MD. She said she enjoys participating in urban redevelopment and land use considerations, and looks forward to serving her community. She said she felt the role of the RDA is to maximize assets to find the best development opportunities for each site and to promote the goals of the city. She stressed the importance of collaborative community involvement in the development process, and said she understands the obstacles, challenges, and rewards of urban infill projects.

Board members thanked Ms. Bell for her willingness to serve on RAC and welcomed her to the RDA.

[12:33:38 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. Director Rogers was not present for the vote.

- B. [12:34:09 PM](#) **Review of Redevelopment and Economic Development Tools.**
Staff will present an overview of the upcoming Regent Street project and demonstrate how various tools available to the Board –and the City as a whole— can bring about redevelopment and economic development in the area.

Mr. Utley said RDA staff has been working closely with the Community and Economic Development Department (CED) to consider how best to identify, prioritize, and achieve shared objectives for areas of the city, including RDA Project Areas. He said the framework is designed to provide a disciplined process for taking an idea, issue, problem, or opportunity through a deliberate process of project initiation, pre-analysis, analysis, decision making, and implementation, and to ensure a more deliberate and collaborative use of City resources. Mr. Utley reviewed the tools available utilizing the attached presentation. He said the Regent Street

Improvements have been used as an example of how the tools can be coordinated to transform a targeted area.

Director LaMalfa asked what types of projects would utilize this process. Mr. Utley said the framework is conceptual at this time, but staff hopes it could be utilized on any City or RDA project that requires collaboration between several departments. Staff expects this process to evolve and improve with input from the Board, CED, and other City Departments.

Board members discussed the process specific to the Regent Street model, asking about financing tools and options, improvements on Regent Street and the surrounding areas, urban design and form, long term programming, and the project scope.

Chairperson Penfold asked the next steps in the process for the Regent Street project. Mr. Utley said that the RDA and CED will assemble a team, develop the project scope, budget, and timeline, as well as a project analysis utilizing the existing and improved plans. Staff will provide an update on this process to the Board at the April meeting. Director LaMalfa asked whether the RDA will be the project coordinator. Mr. Utley answered yes.

Chairperson Penfold said he felt this new process of collaboration would benefit all the RDA and City with projects. He thanked RDA and CED staff for their efforts.

C. [1:24:37 PM](#) **Overview of Redevelopment Agency Loan Programs.**
Staff will present an overview of the loan programs.

Chairperson Penfold said this overview is in response to a request by Director LaMalfa regarding expertise of staff and the Board with regard to the RDA loan programs.

Mr. Butterfield provided a review of the RDA loan programs utilizing the memo supplied in the briefing materials. He said staff has some proposed changes to the programs, and would also like to consider any changes requested by the Board.

Director Mendenhall asked whether loan funds have ever been depleted to a point that new loan requests were not considered. Mr. Butterfield said while there have been occasions when loan approvals were delayed due to lack of funding, he was not aware of requests not being considered. He added that monthly payments and loan payoffs are utilized to replenish the loan funds. He felt adequate loan funds could be an issue in the future, and said the Board may want consider tightening the requirements and restrictions for RDA loans or to allocate additional loan funds during the budget process.

Board members discussed whether there was a need for additional loan programs such as for transit oriented development (TOD), LEED Certification, and allowances for high-end materials and finishes.

Director LaMalfa said two issues he would like to be considered in the policy discussion next month are the first come first served basis of considering loan requests and the complexity of the terms and loan agreements.

Director LaMalfa suggested that the Board consider a policy to review several loans at once to assure the highest quality project is funded. Director Garrott expressed concern with the timing of considering loans in this manner.

Director LaMalfa said many of the loan documents brought before the Board are very complex, and can include changes to the terms of existing loans. Because of the complexity, he suggested that the Board relinquish authority to consider the risks and the approval loan terms and documents to the expertise of staff. Director Garrott added that he felt the Loan Committee should continue to be a part of the loan approval process, Director LaMalfa agreed.

Director Mendenhall asked whether the RDA receives loan requests that are not considered. Mr. Butterfield said there are, but that such requests would not come to the Board as the applicant may not meet the minimum requirements or take the steps to bring the proposal to fruition. He felt having requirements in place is important as they help staff assure loan requests meet the goals of the RDA project areas. Director Garrott commented that there is a minimal default rate on RDA loans, and felt perhaps the requirements may be too restrictive. Mr. Butterfield felt this could also be a part of the policy discussion. Director LaMalfa asked for a statement of the loans including the cash flow.

Director Garrott asked about the promotion and marketing of the loan programs. Mr. Butterfield felt the programs are well promoted and described the web based loan applications. Executive Director Baxter added that with any modification to the programs the promotion and web application would be updated.

Executive Director Baxter asked Board members to contact staff with any additional items for consideration in the discussion next month.

- D. [1:44:09 PM](#) **Review and Approval of Project Area Strategic Plans.**
As part of the 2014/2015 Budget Process approved in January, the RDA Board is being asked to review and approve strategic plans for most RDA project areas.

Executive Director Baxter said that at the January meeting, the Board approved a proposal to revise the RDA budget process. Staff has developed shorter strategic plans for most of the project areas to guide the budget funding decisions over the next several years. The two exceptions to this change are the North Temple and Central Business District (CBD) project areas, for which the existing project area plans and goals from 2013-2014 will be used as the basis of the 2014-2014 budget. He added that Board approval of the strategic plans will allow staff to move forward with the budget process.

Director LaMalfa suggested removing the Gallivan Center Improvements from the CBD priorities to allow focus on the other key projects there, and to limit the North Temple efforts to focus on a full strategic plan.

Board members discussed the CBD priority of the reuse of the existing Olympic Tower at the Main Street entrance of the Gallivan Plaza. Executive Director Baxter stated that the Board approved funding to replace the three panels on the tower last year. Staff has been working with a design team and will present the design to the Board in the near future. He said the three themes are: the Olympics, Gallivan, and Downtown. Director Luke expressed support for retaining the Olympic legacy downtown. Director Garrott said there will be an item coming before the City Council to provide funding for an Olympic Legacy project in District 4. He provided background on this item, and requested further discussion by the City Council.

Director Mendenhall asked about the permanent public market in the Depot District, and asked for further information on this project, including the possible use of the Rio Grande building for the market. Ms. Wilkerson-Smith said the Downtown Alliance is considering locations for the permanent market. Executive Director Baxter reviewed funding provided by the RDA over the last several years for this process, including the design of the market. Director Mendenhall requested a briefing by the Downtown Alliance on this topic.

Director Garrott commented on the efforts of the Pioneer Park Coalition with regard to the stresses surrounding Pioneer Park and Rio Grande area, which encompass both the Depot District and CBD project areas. This group of developers, land owners, residents, and tenants are focusing on the services needed to assist with housing the homeless and other issues in the area. Director Garrott also recalled the commitment made by the RDA to replace the affordable single room occupancy (SRO) housing units that were displaced by the State Street Plaza project. He expressed a desire to ramp-up funding assistance for affordable housing by the RDA, and recalled that during the last budget cycle the majority of the housing funds were allocated to Railroad Quiet Zones.

Mr. Shaw said the Housing and Neighborhood Development Department (HAND) has recently completed a Housing Market Study which assesses current market conditions and identifies gaps. HAND will likely request additional assistance from the RDA for the Housing Trust Fund based on this assessment. Ms. Bruno with the City Council Office reviewed the process for the use of Housing Trust funds.

[2:06:15 PM](#) Director Rogers arrives to the meeting.

Executive Director Baxter said he and has met with the Pioneer Park Coalition and commented that the coalition is very focused on solving the issues in this area. He felt that there is an opportunity to leverage private interest and investment in the area encompassing a wide array of needs, possibly including core infrastructure, for which the City doesn't normally receive private contributions. He felt that the Coalition will push the City on the timing of the improvements.

The Coalition is ready to move forward now and it is important that the RDA and City are prepared to be nimble, responsive, and supportive.

Executive Director Baxter said the RDA focused on replacement of SRO housing units because this is a housing type that none of the private entities, including service providers like the Road Home, have been willing to provide.

Director Garrott felt it was important to recognize and assist with the gaps in housing needs. He asked that the Board consider funds to assist the Housing First effort, which addresses homelessness as well as affordable housing. He asked for a focus in the Pioneer Park area. He requested that staff review restrictions on RDA housing funds to maximize flexibility as a part of the budget process. He suggested a joint RDA and City Council meeting to review this issue.

Executive Director Baxter suggested that the City Wide and Project Area Housing strategic plans include a priority of providing funds to address gaps in housing types identified by the Housing Assessment report.

Director Garrott expressed concern with the existing zoning in the Granary District, and asked what steps the RDA could take to assure changes are made in planning and zoning to achieve its goals. Mr. Dahl said the Granary District is within the boundaries of the Downtown Master Plan which is currently being considered by the City. Staff has discussed the RDA goals and vision with City Planning and Zoning Departments. Staff understands that the zoning in this area will be upgraded once the Master Plan is approved. Director Garrott asked whether the Kentlands Initiative input is considered in this work. Mr. Shaw said the Kentlands Initiative plan is a supporting document to the Downtown Master Plan process. Director Garrott requested that the Granary District strategic plan include that the RDA will participate in the Downtown Master Plan process and the implementation of new zoning.

Director LaMalfa suggested that the RDA add two employees that are experts in the financial tools available to achieve the goals of redevelopment project areas and the City. He felt these individuals would work with all City departments to focus on funding sources. Chairperson Penfold said this request should be addressed as a part of the administrative budget staffing considerations rather than a project priority. Executive Director Baxter and Chairperson Penfold both expressed concerns about the city-wide focus these positions would need to have, and noted that RDA might not be the best way to fund such positions.

Director LaMalfa asked that the completion of a North Temple project area Strategic Plan be added to the priorities for the project area, and that the Gallivan plaza stage improvements be removed from the CBD priorities.

Chairperson Penfold clarified the modifications requested to the strategic plans as follows: City Wide and Project Area housing funds: the addition of a priority to provide funds to address gaps in housing types identified by the Housing Assessment Study; Granary District: a priority to

address the Master Planning and zoning implementation processes; North Temple: addition of the Strategic Plan; CBD: remove the assessment of improvements to Gallivan Plaza.

[2:29:57 PM](#) Director Garrott made a motion to accept the proposed strategic plans with the modifications as described. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

7. Redevelopment Business/Old Business.
8. Redevelopment Business/ New Business.
9. Consent.
 - A. **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 Chris Talvy for the Development of Agency-Owned Property Located at 868 South Jefferson Street.**
Staff requests the Board's consideration and approval of the terms for the sale and redevelopment of the Agency-owned property at 868 South Jefferson Street.

[2:30:41 PM](#) Director LaMalfa made a motion to adopt the consent item. Director Garrott seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

10. Written Briefings.
11. Closed Meeting.
 - A. [2:31:00 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 matters of property acquisition/disposition; he further moved that at the conclusion of the closed meeting the RDA Board meeting would stand adjourned. 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 Council Chamber conference room at 2:35 p.m. on Tuesday, February 11, 2014.

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; James Rogers, Director; Kyle LaMalfa, Director; Luke Garrott, Director; Erin Mendenhall, Director; Charlie Luke, Director.

The following members of the staff of the Redevelopment Agency of Salt Lake City were present: D.J. Baxter, Executive Director; Damon Georgelas, Legal Counsel; Travis Pearce, Property Manager, Jill Wilkerson-Smith, Project Manager; and Crayola Berger, Office Manager.

Others present: Jennifer Bruno, Salt Lake City Council Office.

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 Garrott made a motion to exit the closed meeting and Director Luke seconded the motion. Upon roll call Chairperson Penfold declared the motion unanimously approved and the closed meeting was adjourned at 2:55 p.m.

12. Adjournment.

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 February 11, 2014.