

MINUTES OF THE
750th MEETING OF THE
BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF SALT LAKE CITY
Tuesday, October 14, 2014
451 South State Street, Room 326
Salt Lake City, Utah
12:00 pm

1. 12:21:54 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
Charlie Luke, Director
James Rogers, Director
Erin Mendenhall, Director

Absent:

Luke Garrott, Director

Also Present:

Ralph Becker, Chief Administrative Officer
David Everitt, Chief of Staff
D.J. Baxter, Executive Director
Justin Belliveau, Deputy Director

Others Attending:

Matt Dahl, Senior Project Manager
Ed Butterfield, Senior Project Manager
Jill Wilkerson-Smith, Project Manager
Ben Davis, Project Manager
Kort Utley, Project Manager
David Arteaga, Project Coordinator
Ashlie Easterling, Project Area Specialist
Shaké Agaronyan, Property Manager
Clayton Scrivner, Marketing and Communications Coordinator
Damon Georgelas, Agency Legal Counsel
Crayola Berger, Office Manager
Jolynn Walz, Office Facilitator II

Jennifer Bruno, Salt Lake City Council Office
Michael Akerlow, Director Salt Lake City HAND
Hillary Hahn, Utah Symphony and Opera
Micah Peters, Clear Water Homes
Amy Rowland, National Development Council
Mike Gallegos, Salt Lake County

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

12:22:36 PM Director LaMalfa apologized to staff for remarks that he made during the September Board meeting, and thanked them for their work.

2. 12:23:04 PM Briefing by the Staff.

Executive Director Baxter said he joined a group consisting of Director Rogers, Vice Chairperson Adams, Mr. Everitt, and Ms. Robin Hutcheson with the Transportation Division for a tour of Portland and Seattle to look at development along the Streetcar lines in these cities. One point of interest was a vertically integrated senior living and health care center, which was one of the models for a similar development in Sugar House, Director Rogers commented on the innovative funding being used for this project.

3. 12:25:30 PM Approval of the Minutes from the Meeting held September 16, 2014.

Director Mendenhall made a motion to approve the minutes from the September 16, 2014 meeting. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

4. 12:25:53 PM Report of the Chief Administrative Officer.

There was no report of the Chief Administrative Officer.

5. 12:26:30 PM Public Comments.

Mr. Micah Peters CEO of Clear Water Homes thanked the RDA Board and staff for their support in the completion of the Broadway Park Lofts project.

6. Retreat Discussion:

- A. 1:40:45 PM Review and Consideration of Draft Strategic Plans for the Central Business District, West Temple Gateway, Depot District, Granary District, and North Temple Project Areas.

RDA staff has prepared draft strategic plans for the Central Business District, Granary District, West Temple Gateway, Depot District, and North Temple project areas. The RDA Board will review the documents and provide direction on how to further develop the draft strategic plans.

Mr. Dahl reviewed the strategic planning process to date. He said the intent of the discussion is to allow Board members to review the draft plans and provide staff input and direction. Board members will be asked to split into two groups for review of the Granary, West Temple Gateway, Depot, and North Temple Project areas, after which the full Board will reconvene to allow each group to summarize their suggestions and comments and discuss the Central Business District strategic plan as a group. Staff will update the plans based on the direction received, and return to the Board for further review and adoption. Chairperson Penfold clarified that the plans will not be adopted today, this is an opportunity for Board members to ask questions, make recommendations, and request additional information if needed. Based on the discussions today, staff will revise the plans and circulate them among other Salt Lake City Divisions and the public, and return the plans to the Board for further discussion.

Mr. Dahl asked Mr. Mike Akerlow with Salt Lake City Housing and Neighborhood Development (HAND) to discuss the City's new Housing Initiatives, which will be completed this spring. Chairperson Penfold said he felt some of the findings and information from this plan should be incorporated into the RDA strategic plans.

Mr. Akerlow said a major focus of the initiative is the gap in affordable housing in the city. However, affordable housing is only one component of the wide spectrum of housing needs. To build a vibrant city, it is important to take holistic approach that considers all the necessary components including housing, economic development, and transportation.

Mr. Akerlow stressed the need to consider the future vision of housing, and what will be needed to retain residents given the country-wide shift in demographics. It is important to diversify the housing stock and ensure that all housing types and income levels are spread throughout the city. He said a critical message in this discussion is that cities will lose residents if they do not address the needs of these changing demographics, and consider the different housing product types they will require. He said the housing plan will create opportunities among all segments.

Mr. Akerlow discussed infrastructure, densities, and the financing tools available and how to best implement them.

Director LaMalfa asked whether the marketing plan includes ways to attract developers to build in Salt Lake City. Mr. Akerlow answered yes. He said one concern is that there may not be enough consideration for mixed income types in the housing products currently being built in the city. He reviewed the steps being taken in this process.

Chief Administrative Officer Becker said that the report discusses the gaps in the existing housing and what the future needs are. He asked where these gaps exist, and how the city will fulfill these needs. Mr. Akerlow said perhaps the greatest gap is affordable housing, for those making 40% of AMI or less. He felt there are also gaps in housing that will allow residents to age in place, and in middle class rental and home ownership products.

Director Mendenhall discussed the concern with concentrating areas of poverty. To establish an RDA project area, a finding of blight must be considered, and such blight is often in areas of poverty. She questioned how future housing opportunities could be considered by this Board

without contributing to this issue. Mr. Akerlow stressed the importance of increasing the quality of the existing housing product in what may be considered blighted areas, as well as providing affordable housing opportunities in higher income areas where little or no such housing exists. He felt the City and RDA need to find ways to provide necessary subsidies and incentives to developers to help make affordable housing pencil.

Executive Director Baxter said there are types of RDA project areas that are not based on blight. He felt it was important to consider how to ensure both income and housing diversity in every neighborhood. Vice Chairperson Adams commented on the quality of the affordable housing in Portland area. She said she felt quality should be a consideration for any affordable housing product regardless of location.

Mr. Akerlow said there are examples throughout the country where affordable housing has been successfully incorporated into higher income areas. He said there is often a misconception about those seeking affordable housing, it can be diverse mix of individuals including newlyweds and recent college graduates.

Chairperson Penfold said Mr. Akerlow and Ms. Tammy Hunsaker with HAND staff will take part in the group strategic plan discussions to answer questions and assist with housing considerations for the RDA project area plans.

Chairperson Penfold asked Board members to split into two groups to discuss the project area strategic plans.

2:13:04 PM Chairperson Penfold recessed the meeting.

3:58:05 PM Chairperson Penfold reconvened the meeting.

Chairperson Penfold asked each group to review their input on the strategic plans.

North Temple:

- Market rate housing is missing from the mix. There should be no RDA support for affordable housing.
- Facilitate the development of long term maintenance plans for public infrastructure, such as for the Jordan River Parkway, North Temple, and the Folsom Street line.
- Help renovate or remove high crime properties.
- Aesthetically improve connections under I-15, with art or landscaping. This appears to be a barrier to connecting the east and west segments of the city.
- Stimulate and attract developer interest.
- Facilitate a catalytic development project on the east side of the project area.
- Facilitate the completion of connection of the Jordan River Parkway.

Granary:

- The reconstruction of 400 West has been delayed due to a lack of funding awaiting a determination of alignment of a future streetcar. Suggest that 400 West be designed, engineered and constructed for a future streetcar, possibly in conjunction with a private development partner.
- Address new and innovative ways to utilize the right of way on other streets in this area (such as the Granary Row project) to encourage development. This could include parkway or other types of developments in the streetscape. Leases from such activities could assist in the funding for the 400 West reconstruction.
- Some expressed reluctance in funding the 400 West reconstruction, and stressed the importance of maintaining the character and mix of uses in the area.
- The housing objective is too broadly stated.

Chairperson Penfold suggested that staff return with some suggestions on how to bridge the differences in the comments made by the groups.

West Temple Gateway:

- The strategies are on track, and there is some reluctance to support any additional objectives other than those listed.
- Strengthen the character of the area with an emphasis on making this a “local node”.
- Until redevelopment begins, utilize the existing RDA owned parcels to hold events such as flea markets or food truck rallies to encourage pedestrian traffic in the neighborhood.
- Include the 900 South TRAX station in the free fare zone.
- Because this project area sunsets soon (2018) implement a program to ensure ongoing maintenance of the improvements.

Depot District:

- Focus on 100 South between 600 and 700 West as a corporate campus or Research Park type development. Housing may not be the best use for this location. Be creative with the possibilities for this unique space that is close to the transit hub and on a dead end street.
- Good area for a mix of housing.
- Preserve historic buildings and facades.
- Transit oriented development must be an essential component of any project in this area.
- Support a trail spur from City Creek to connect to the Folsom Corridor or to North Temple as a potential urban trail.

Chairperson Penfold thanked staff for their preparation and Board members for their participation in the retreat discussions. He encouraged the Board to contact staff with any additional comments or suggestions. He said staff will be returning to the Board with a consolidation of these recommendations and to clarify any areas of conflict. He said the Central Business District strategic plan and possible new project areas will be discussed in the November Board meeting.

7. Redevelopment Business/Routine Matters.
None.
8. Redevelopment Business/Old Business.
 - A. 12:33:12 PM Utah Symphony & Opera: Consideration of Annual In-Kind 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 400 West in exchange for free concerts and services provided to the community.

Ms. Wilkerson-Smith said that every year, the Board reviews the yearly report of community services provided in lieu of the interest on the loan made to Utah Symphony and Opera (US&O) to build their facilities in West Capitol Hill. The agreement was amended in 2011 to allow a reduction of a portion of the principal balance in exchange for concerts held at the Gallivan Center. She added that last year, Board members suggested that this principal write down agreement be extended. Staff will return with a proposal to do so. She introduced Hilary Hahn, Director of Foundation and Government Gifts for US&O.

Ms. Hahn described the concert at the Gallivan Center and the additional services provided during the year, as well as considerations for additional services. She thanked the Board for the partnership with US&O.

Director LaMalfa suggested participation in other events, such as the grand opening of the Sugarmont Plaza or at Pioneer Park. Board members discussed additional marketing methods for the Gallivan concerts.

Director LaMalfa made a motion to approve the in-kind value and proposed services to be provided over the 2014-2015 season. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

12:41:09 PM Chief Administrative Office Becker arrives to the meeting.

- B. 12:41:32 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving a Memorandum of Understanding Between the Redevelopment Agency and the Salt Lake City Corporation to Establish the Terms and Conditions for the Transfer of Property Located at Approximately 250 West 500 North, Salt Lake City, Utah for the Purpose of the New Marmalade Public Open Space.
Consideration of a resolution to enter into a memorandum of understanding with Salt Lake City Corporation over the transfer of property at 250 West 500 North for the creation of public open space.

Mr. Butterfield reviewed the background on the project. Director Mendenhall asked about the amount of the financial contribution obligation expected from Salt Lake City Corporation. Mr. Butterfield said these costs have not yet been determined as the improvements are still in the

design phase. It has been suggested that Salt Lake City Public Services would maintain the open space through their Park Operation budget. Chairperson Penfold added that all the adjacent property owners will also participate in this maintenance. Mr. Butterfield described the partnerships in this process, which will be handled much like an HOA among the four property owners.

12:48:06 PM Director Mendenhall made a motion to adopt the resolution. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted. Vice Chairperson Adams was not present for the vote.

- C. 1:39:35 PM Utah Theater Reuse Policy Discussion.
The RDA Board will discuss policy questions regarding the reuse of the Utah Theater.

Chairperson Penfold asked Board members to contact Mr. Dahl with questions, concerns, or other input on the items outlined in the briefing materials and said this item would be returned to the Board for consideration in the future.

- 9. Redevelopment Business/ New Business.
 - A. 12:48:40 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Establishment of a Loan Loss Reserve of up to \$300,000 to the Greater Salt Lake Development Corporation Loan Fund.
The RDA Board of Directors will consider making a contribution of \$100,000, plus a pledge of up to \$200,000, from its Revolving Loan Fund to establish a loan loss reserve for the Greater Salt Lake Development Corporation loan fund that will provide funding for community and economic development projects.

Deputy Director Belliveau reviewed the background of the request from the National Development Council (NDC). NDC is seeking funds for a loan loss reserve fund, which will assist in activating a loan fund for community and economic development projects in the Salt Lake City metropolitan area. He said there are two categories of loans eligible for this program, real estate development, which would provide funding for development projects that could include housing. He felt that as participants and members of the investment committee for this program, the RDA and City would have the ability to help shape the program's policies and guidelines as well as consider and approve loan requests. The RDA could market this program as an additional funding source for developments in RDA project areas, and the City's Economic Development group would benefit from this additional funding option City wide.

He added that since the briefing materials were distributed, Salt Lake County has requested that the RDA facilitate their participation in the program. The concept of which would be that the RDA would increase our contribution to \$200,000 in cash, with \$100,000 covering Salt Lake County's portion secured via an interlocal agreement.

Deputy Director Belliveau introduced Amy Rowland with NDC, and Mike Gallegos with Salt Lake County.

Ms. Rowland said that NDC is a Community Development Financial Institution or CDFI, and is required to have a majority of the funds they invest in lower income neighborhoods and will be looking for these opportunities in the entire Wasatch Front area. Mr. Gallegos expressed support for this program and said the interlocal agreement with the RDA would help expedite the funding from the county.

Board members reviewed the advantage of including the county in this process, how funding would be deployed, other partners and their considerations in the program, the benefits of these partnerships, and possible additional phases of the program.

Director Mendenhall expressed a desire to emphasize assistance to small businesses, particularly along existing and future streetcar routes. As both an RDA Board and Council Member, she felt it was important to develop a pro-active approach in sustaining and assisting these businesses to improve or renovate their buildings, especially during the construction of the streetcar lines. She asked whether these loans could be utilized for this process. Ms. Rowland answered yes. She added that NDC is a licensed SBA lender, so business loans for such needs may be available through SBA in addition to the Greater Salt Lake Development Loan funds.

Director Mendenhall asked about marketing efforts for these loan funds. Ms. Rowland said while there have been discussions with some small businesses regarding the SBA loans, they could not begin marketing the Development Loan funds until the loan loss reserve was funded. NDC will work with staff to target businesses in RDA project areas as well as the City's Economic Development staff to target small businesses throughout the city.

Board members asked whether the loan applications or use of funds could be restricted to Salt Lake City boundaries. Ms. Rowland felt it would be difficult to restrict loans in this manner, but felt the agreements could be crafted to assure fair distribution of the funds leveraged by the RDA's contribution.

Chairperson Penfold asked the configuration of the Investment Committee. Ms. Rowland said this committee would make the determination on which loans are funded, and will include a representative from each of the four banks and a representative from each of the groups funding the reserve.

Director LaMalfa expressed concern with funding additional low income housing in some lower income areas of the city, which can contribute to the concentrated areas of poverty as outlined in the Salt Lake County Fair Housing Equity Assessment. Ms. Rowland said that a majority of these loan funds must be provided in low income areas. However, these funds could be utilized for mixed use, mixed income projects in lower income areas as well as affordable housing in higher income areas. Director LaMalfa asked that the Salt Lake City Housing plan be supported in this process.

1:18:18 PM Director LaMalfa made a motion to approve the funding request with the caveat that the RDA's representation on the Investment Committee supports the Salt Lake City Housing Plan. Director Mendenhall seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved. Director Luke was not present for the vote.

Chairperson Penfold called for a straw poll on whether Board members supported the RDA allocating an additional \$100,000 to the loan loss contribution, to be reimbursed through an interlocal agreement from the County. A majority of Board members supported this allocation. Deputy Director Belliveau said the agreement would be brought to the Board in a future meeting.

1:22:21 PM Chairperson Penfold recessed the meeting.

1:37:12 PM Chairperson Penfold reconvened the meeting.

10. Consent.

- A. 1:38:57 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Authorizing an Extension of the Exclusive Negotiation Period with Benchmark Modern for the Acquisition of Agency-Owned Property Located at 830 & 836 South Jefferson Street, and 833 & 839 South 200 West.

Staff is requesting a six-month extension to the exclusive negotiation period with Benchmark Modern for acquisition of the Agency-owned properties that comprise the Jefferson Street Mid-block Walkway Project.

- B. Consideration and Approval of the Mayor's Recommendation for a New Salt Lake City Representative on the RFP and Developer Selection Committee for the Convention Headquarters Hotel.

The Board of Directors will consider approval of Mayor Becker's recommendation for a new member to serve on the Request for Proposals and Developer Selection Committee for a Convention Headquarters Hotel.

- C. Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Authorizing the Agency to Enter into an Agreement with GSBS Architects for the Design of Three Mid-Block Connections on Block 70.

Consideration of approval to enter into a contract with GSBS Architects for the design of three downtown mid-block crossings.

Vice Chairperson Adams made a motion to adopt the consent agenda items. Director Mendenhall seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

11. Written Briefings.
None.

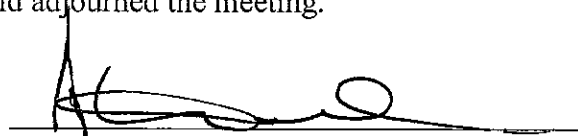
12. Closed Meeting.

- A. 4:16:49 PM Consider Adopting a Motion to Enter onto 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).

Chairperson Penfold pulled this item from the agenda.

13. 4:16:57 PM Adjournment.

There being no further business, Chairperson Penfold adjourned the meeting.



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 October 14, 2014.

MINUTES OF THE
749th MEETING OF THE
BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY OF SALT LAKE CITY
Tuesday, September 16, 2014
451 South State Street, Room 326
Salt Lake City, Utah
2:00 pm

1. 2:08:52 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
James Rogers, Director
Erin Mendenhall, Director

Also Present:

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

Others Attending:

Matt Dahl, Senior Project Manager
Ed Butterfield, Senior Project Manager
Jill Wilkerson-Smith, Project Manager
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David Arteaga, Project Coordinator
Ashlie Easterling, Project Area Specialist
Shaké Agaronyan, Property Manager
Clayton Scrivner, Marketing and Communications Coordinator
Damon Georgelas, Agency Legal Counsel
Crayola Berger, Office Manager
Jennifer Bruno, Salt Lake City Council Office
Claudia O'Grady, RAC Nominee
Kirk Huffaker, Utah Heritage Foundation
Nick Norris, Salt Lake City Planning
Terrell Budge, Lo-ci
John Sparano, SMA Architecture
Seth Striefel, SMA Architecture

2. 2:09:18 PM Briefing by the Staff.

Executive Director Baxter provided Board members a copy of the RDA's 2013 annual report.

Executive Director Baxter reminded Board members that a retreat will be held at 12:00 noon prior to the October 14, 2014 Board meeting.

3. 2:10:08 PM Approval of the Minutes from the Meeting held August 12, 2014.

Director Mendenhall made a motion to approve the minutes of the August 12, 2014 meeting. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved. Director Garrott was not present for the vote.

4. 2:10:35 PM Report of the Chief Administrative Officer.

Mr. Everitt commented that the 2015 legislative session will begin soon. He said City and RDA staff members have been reviewing the effort to bring more transparency to the process of evaluating and accessing new growth.

5. 2:11:49 PM Public Comments.

Chairperson Penfold called for public comments, there were no public comments.

6. Redevelopment Business/Routine Matters.

A. 2:12:11 PM Biannual Discussion and Recommendation of RAC Assignments for Fiscal Year 2014/2015.

RDA Staff will review current RAC project assignments with the Board and entertain additions or modifications to the list.

Mr. Butterfield said that twice a year, staff reviews the RAC project assignments with both RAC and the Board. This list was reviewed by RAC at their September meeting, no changes were requested.

Director LaMalfa recalled that a request had been made that RAC consider the loan processes. Mr. Butterfield said that the items reviewed as a part of the loan policy discussions earlier this year were considered by RAC. Director LaMalfa asked that all RDA loan policies be added to RAC's assignment list.

Director Garrott arrives to the meeting.

Director LaMalfa said there has been some interest expressed in supporting an event exploring tiny or temporary housing. Director Garrott asked Chairperson Penfold to speak to the RDA's involvement in the Jeff White experiment on 500 West and 300 South. Chairperson Penfold said RDA staff is in discussions with Mr. White on this project, and is considering ways to assist

specifically with the location for the event. Director Garrott felt it was important to that the RDA is involved in considerations for affordable housing initiatives and the City's housing goals.

Chairperson Penfold suggested that as the strategic plans and goals for housing are revised, consideration is made of the role the RDA can play in affordable housing through partnerships or funding. Mr. Butterfield said staff is working in coordination with HAND and to consider and support their housing study. He said the strategic plans will be reviewed by RAC.

Executive Director Baxter asked whether the Board would like to continue reviewing the RAC assignments on a biannual basis, Board members answered yes.

B. 2:18:18 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving the Appointment of Claudia O'Grady to the Redevelopment Advisory Committee.

The Board of Directors will consider the appointment of Claudia O'Grady to the Redevelopment Advisory Committee to fill its finance/real estate development role.

Deputy Director Belliveau said the current vacancy on the nine-member RAC committee calls for expertise in finance and real estate development. He introduced Ms. Claudia O'Grady, and said she has broad and deep expertise in real estate development, particularly in affordable housing. At this time, she serves as the Vice President of Multi-Family Finance with the Utah Housing Corporation, the organization that allocates low income housing tax credits. Staff is enthusiastic about Ms. O'Grady's expertise in real estate development and affordable housing, and is looking forward to the insights she will bring to RAC.

Ms. O'Grady said in addition to low income housing tax credits, Utah Housing Corporation issues tax exempt bonds which are frequently used in conjunction with tax credits and other multifamily other loan programs for affordable housing. She said they also work on single-family home ownership as well as mixed-income, mixed-use developments utilizing a variety of financing tools. Financing, especially over the last several years, has had to become innovative and Utah Housing has been able to utilize some interesting financing tools to enhance development throughout the State of Utah.

Director Garrott thanked Ms. O'Grady for her willingness to serve and said her affordable housing expertise will be greatly appreciated given the city has some new ambitious goals. Ms. O'Grady said she is familiar with, and has given input on these goals as she participates in some of the task force groups associated with the housing study and goal setting process.

2:20:58 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.

C. **2:21:41 PM Utah Theater Reuse Discussion.**

The RDA Board will discuss the current status of the Utah Theater and review background information provided by staff.

Chairperson Penfold said staff is not seeking action at this time. This is an opportunity for staff to provide historical information, answer questions, and for the Board to consider and discuss future opportunities for the RDA owned Utah Theater. Mr. Dahl reviewed the background of the acquisition of the Utah Theater property, which includes four retail spaces on Main Street that are currently leased.

Mr. Dahl said there have been several discussions with regard to the long term reuse of the theater, but no determination for a use has been made by the Board. At the August Board meeting, a study was presented by Salt Lake County and the Exoro Group that considered costs to rehabilitate the theater. The study indicated that the theater does not meet the definition of a historic site. Mr. Dahl said he discussed this with Mr. Kirk Huffaker, Executive Director of the Utah Heritage Foundation. Mr. Huffaker feels that while the property has cultural and historical relevance to the community, it is unlikely the building could meet the standards necessary to be placed on the Historic Register. This would impact some tax credits that may be available to rehabilitate the building.

Mr. Dahl said the briefing materials include policy documents he felt could be useful in guiding the discussion by highlighting policy decisions made by the Board with regard to Main Street, and how redevelopment funds should be utilized in project areas. The Utah Performing Arts Center (UPAC) Owner Requirements and Context Consideration Document (ORD) was the product of several discussions among many groups to consider how that project should integrate with Main Street including massing, ornamentation, and Main Street's role in the City as a historic and cultural destination.

Director Garrott asked whether the uses in the existing retail spaces were restricted so that any change in use, such as a restaurant, would require code upgrades. Mr. Dahl answered yes. He added that significant tenant improvements would be required to make such a change. Director Garrott asked that staff research the costs for tenant improvements. Chairperson Penfold reminded Board members that in the past, the Main Street frontages have been considered separately from the theater as the spaces are not connected with the theater lobby. So tear down or reconstruction of these spaces separate from the theater is a possibility. Director Garrott said he would like to consider the flexibility of uses for the spaces to determine whether they could be preserved.

Director Garrott provided some additional background on the purchase of the theater, and said he felt it was important to reaffirm whether the Board would like to preserve this as a cultural facility. Director Mendenhall felt it was also important to consider the role of the theater with the addition of the UPAC project across the street, as well as the vision for this entire area.

Director Rogers said he has toured the building and commented on the poor condition of the structure and issues with the site. He said while there are some unique characteristics, he felt the real historical value needs to be considered if everything must be replaced or rebuilt. He felt the

condition of the building should be considered before a decision is made as to whether it should be saved and asked why more detailed due diligence was not done prior to the purchase of the property. Director Garrott said that at the time the purchase was made, there was a strong feeling that if the theater was sold on the open market the building would be demolished. The RDA Board made the decision to move very quickly to purchase the property to assure that would not occur.

Chairperson Penfold recognized Mr. Kirk Huffaker with the Utah Heritage Foundation. He asked Mr. Huffaker to speak to the historic significance of the building and what he felt can, and should be saved. Mr. Huffaker said he felt historic significance is subjective, and that regardless of the classification given by the National Register, the RDA will need to determine its position on the significance of the structure. The façade has been changed, and no determination has been made whether the existing façade has historic significance. The National Register would base their classification on the exterior of the building rather than the interior. He added that he felt the value statements listed in the UPAC ORD were valid considerations for this project.

Vice Chairperson Adams said she was disheartened by the current condition of the theater. She expressed concern with the cost of rehabilitation, especially given the fact that tax credits will be limited. Mr. Huffaker said that tax credits could be available due to the age of the building, but would be at a 10% rate rather than the 20% available for buildings on the National Register. He added that the restrictions for the 10% tax credits are much less rigid than for the 20% credit.

Chairperson Penfold asked whether this is a priority structure for the Heritage Foundation. Mr. Huffaker answered yes. He said while there is not a formal list, his opinion is that this building is worthy of the investment in historic preservation because of its significance and meaning to the City, and the State.

Director LaMalfa recalled there are some functional restraints with this building, including the lack of loading docks to allow truck deliveries, as well as the size and configuration of spaces that could be considered for midblock walkways. He said there are many downtown goals that should be considered in this discussion.

Director Luke expressed concern with the condition of the building and the configuration. With the midblock walkway being constructed on Regent Street, consideration should be given to the overall ideals and functionality of the city. In the current configuration, uses could be limited. He felt that the Board should consider what could be on this site in addition to what could be done with the existing building.

Chairperson Penfold asked that staff consider the downtown goals as well as the right-of-way and midblock walkway issues in the strategic plan for the Central Business District.

Director Garrott felt there are many possible uses for this property. He felt there may be partners that are willing to meet all the goals of the Board, and that there may be a possibility that the RDA could retain ownership as a revenue generating project. He said the zoning for this parcel is D1, and asked the height restriction for this zone. Mr. Nick Norris with the Salt Lake City Planning Department clarified that for a midblock parcel, the D1 zoning allows for maximum

height of 100'. A conditional zoning and site design review process can be considered, which would remove that restriction. Chairperson Penfold asked that staff report back with additional information on the zoning for this parcel.

Executive Director Baxter said if the Board has an array of objectives or goals for this property staff can explore those and return with options that include pros and cons, as well as cost estimates. He felt that considering these objectives in the light of overall goals of the Downtown makes a lot of sense, and that the UPAC ORD provides a good model to accomplish this. In the UPAC ORD, several stakeholders in the project discussed what the project should accomplish for our downtown in the big picture. He felt that same sort of discussion could take place for the Utah Theater. He suggested that staff could begin to evaluate different options to accomplish those objectives.

7. Redevelopment Business/Old Business.

- A. **3:00:43 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving an Amendment to the Purchase and Sale Agreement with the Housing Authority of Salt Lake City for the Development of RDA-Owned Property Located at 444 South 900 East Salt Lake City, Utah.**

Staff is seeking an Amendment to the Purchase and Sale Agreement with the Housing Authority of Salt Lake City for the development of RDA-owner property at 444 South 900 East (Kiwanis-Felt building).

Mr. Butterfield reviewed the background on the Kiwanis-Felt site. He said that last fall the Housing Authority submitted an application for 9% tax credits but were denied as they could not demonstrate site control. In late spring, the Board requested that the Housing Authority again pursue the 9% credits as well as 4% tax credits to facilitate ground breaking this fall rather than next spring. A part of this package included funding from the Olene Walker Housing Loan Fund. The Olene Walker group did not meet in July, which set back the time line. The Housing Authority is seeking an extension on their purchase and sale agreement to May 1, 2015 contingent upon receipt of the 9% tax credits in December.

Mr. Butterfield said that in the event Housing Authority does not receive the tax credits in December, the RDA would likely re-issue the RFP or move forward with the second ranked developer from the original RFP process, depending on the Board's direction. He added that the agreement for a loan from the RDA has expired, so that is no longer a consideration.

3:03:23 PM Director Rogers 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 was adopted.

- B. **3:03:55 PM Discussion and Adoption of a Revised Development Implementation Strategy for the Hub Property.**

RDA staff and its consultant, Lo-ci, will present a revised implementation strategy of the Hub Project for the Board's consideration and approval.

Executive Director Baxter said this plan has been under consideration for a number of years, and with the benefit of input from the public and development community, a number of iterations of a development strategy for the RDA owned properties near the intermodal hub have been considered. The emphasis has been to take advantage of the best transit oriented development site in the state, which is located at the connection of all the different modes of the transit system. He said the Board adopted this strategy in 2012, and subsequently staff has received additional advice that led us to believe there should be some refinements to the strategy. Executive Director Baxter reviewed the site utilizing the attached power point presentation. He highlighted the key points from the public and Board input sessions in 2010, including retention of the historic buildings, to address homeless shelter issues, enhance the arts district, consideration for the public market, and reduced parking.

Executive Director Baxter said that during a developer round-table in 2012, several private development partners indicated a willingness to consider lower parking ratios, given the proximity to the transit system. They also recommended a diversity of housing for all income levels, a hotel use, and that smaller floor plates for the commercial buildings be considered. He reviewed the implementation strategy approved in 2012.

Subsequent to the adoption of the strategy, staff has made several visits to the Denver area and discussed this project with the developers around the very successful Denver Union Station. It is a larger scale than this development, but the concept is similar in that they have heavily invested in private development around the center of their transit system. In reviewing the strategy, these developers recommended that rather than providing a centralized parking garage, each project should be self-parked. They also recommended focus on the quality of the public spaces, as well as the importance of design review and guidelines. Staff has been working with City Planning Department staff to assure the proposed changes are manageable and consistent with the objectives of the Planning Department.

He commented that the strategy was approved prior to the acquisition of the Beehive Brick building. He said the proposed five story parking structure would be located very near the front of Beehive Brick. Staff feels that the parking structure would inhibit the value this building can bring to the neighborhood. Other refinements include the extension of Pierpont Avenue, which will provide opportunities to improve connections and the view corridors in this area, smaller parking garages associated with each project, flexible commercial and housing, and a larger festival zone that is not restricted to 300 South.

Executive Director Baxter recognized Mr. Terrell Budge with Lo-ci. Mr. Budge reviewed the proposed refinements.

Director Garrott said he felt consideration should be given to the historic buildings on the 200 South Frontage as well as the buildings owned by the RDA. Mr. Budge said that the RDA does not own the properties west of the Beehive Brick building, but has been in conversations with those land owners about participating in the plan.

Director Mendenhall asked about the proposed land swap with the State. Ms. Wilkerson-Smith said staff is in discussions with the land owners to assure the connection on 300 South is available through the south block to Market Street, which is a critical component of the proposal.

Director LaMalfa asked who had authorized staff to consider what he feels is a total, wholesale reset of the approved development strategy and to abandon it for this new plan. He expressed concern that it appears staff is already in negotiation with property owners to implement changes that were not requested nor approved by the Board. Chairperson Penfold clarified that conversations have taken place with the property owners, not negotiations. He added that the adopted strategy is still in place, and that these are suggested modifications. He asked Executive Director Baxter to speak to Director LaMalfa's concerns.

Executive Director Baxter said staff is recommending small revisions. He felt that save one item, the centralized parking, none of the core concepts of the strategy have been abandoned. He added that the items being discussed with the property owners are required under the existing strategy. He spoke to the benefits of the recommended modifications, stating he felt they will further improve the plan and make the projects more marketable and successful.

Director LaMalfa expressed concern that residents were not contacted in the evaluation process of the proposed revisions. Ms. Wilkerson-Smith said staff presented the proposed revisions to various stakeholders including the Downtown Community Council. A list of these groups, and their comments, was included in the briefing materials.

Director LaMalfa commented on the steps taken to consider changes to the adopted plan without direction or approval by the Board. He asked Chairperson Penfold to speak to this as a policy issue. Chairperson Penfold said that personally, he did not see issues with the process. He said he was not prepared to address these concerns and asked whether other Board members had concern with the process.

Director Mendenhall said she felt somewhat sideswiped by the proposed revisions and said it was likely the Board would have agreed with the steps taken had there been additional communication.

Vice Chairperson Adams said she felt the small group meetings with staff kept the Board updated on this process, and that the proposed changes were responsive and appropriate given the purchase of the Beehive Brick building. She expressed support for the proposed revisions, and said she did not feel she had been sideswiped. Director Rogers agreed, and expressed his support for the proposed revisions.

Director Mendenhall felt whether Board members liked or disliked the proposed changes was not in question, but rather why changes to the strategy were considered without the Board's direction.

Mr. Everitt said he is struggling to understand there is concern with staff taking the initiative to implement the design guidelines and overall philosophy of the Board. This is a proposal, so at this point nothing in the existing strategy has been changed. Staff is bringing the Board great

ideas that may or may not be approved. He said he did not understand why there is so much criticism over staff taking the initiative to implement the Board's values.

Director LaMalfa said he felt the guidance and direction of the adopted plan has been set aside and discarded without direction from the Board. Chairperson Penfold reiterated that the adopted strategy is in place and has not changed. These are recommendations put forward by staff for modifications to the strategy. Director Mendenhall felt the Board should be the first group in any public engagement process prior to any other stakeholders. She said she appreciates that staff continuously evaluates projects, but asked that in the future the Board be more involved up front.

Chairperson Penfold suggested that the Board comment on the proposed revisions to the strategy, and that the process be considered at the upcoming retreat. He said this is not the first time concern has been expressed about what the role and timing is between staff function, Board function, and policy and implementation. He called for questions specifically to the proposed revisions.

Board members discussed the proposed recommendations. Comments included: concern that the four-way intersection at 300 South and 550 West would increase traffic and diminish the pedestrian experience, the loss of public space or park area with this configuration, the number of driveways necessary to accommodate the various parking garages that will cross sidewalks, landscaping and trees, and open space. Strong focus was given to the configuration of 600 West as a major pedestrian and bicycle thoroughfare and how it, and other ancillary streets, will interact with this project.

Mr. Butterfield said the presentation today was intended to review the recommended revisions to the implementation strategy. With the Board's direction on these recommendations, staff will work with the City's Planning, Transportation, and Public Services Divisions to consider details of design schematics, including the public realm, which will be returned for consideration at a future Board meeting. Chairperson Penfold also proposed that the design consider an emphasis on public plaza space on the South end of the project, Board members agreed.

4:08:29 PM Chairperson Penfold called for a motion to move forward with the revisions to the implementation strategy with the following considerations: additional public plaza space on the south block, accommodation of 600 West as a part of the design guidelines in examination and conjunction with the city regarding how 600 West impacts flow into this project and pedestrian and bicycle access across 600 West to the intermodal hub, and with the expectations that design criteria detail will be provided at a future Board meeting. Vice Chairperson Adams made a motion to approve the revisions with the considerations as discussed. Director Rogers seconded the motion.

Director Luke expressed support for the revisions, but expressed concern with the low densities proposed for these projects. With the close proximity to transit infrastructure, he felt much higher densities should be considered. He strongly encouraged the Board and staff of the RDA to consider higher densities for parcels in the downtown area with proximity to the transit access that is lacking almost everywhere else in the city.

Director LaMalfa made a friendly amendment that the four-way intersection be removed from the revised strategy. Vice Chairperson Adams did not accept the amendment. She asked that this be reviewed when the revised strategy and designs are returned to the Board.

Director LaMalfa made a substitute motion that the four-way intersection be removed in favor of a plaza that adjoins 300 South. No second was offered.

Chairperson Penfold called for a vote on the original motion. Upon roll call he declared the motion approved with Director LaMalfa voting nay.

C. **4:12:08 PM Consideration and Approval of Redevelopment Concept for Jefferson Mid-Block Walkway Project.**

Staff will present two redevelopment scenarios for the Jefferson Street Mid-block Walkway Project and seek approval to move forward with the Board's preferred option.

Mr. Utley introduced Mr. John Sparano and Mr. Seth Striefel with SMA Architecture, and recognized Mr. Garth Hare from Benchmark Modern, the developer.

Mr. Utley reviewed the location and goals for the project. He said that Board members had expressed a preference to preserve the house located at 830 South Jefferson, which is considered in concept 1. He reviewed the steps taken to date in refining the concepts, stating that staff has looked at numerous iterations of the site plan and layout, spoken with neighborhood residents, real estate professionals, as well as individuals that fit the target market for the product. Mr. Utley noted that the concepts drawings are somewhat stark as they are intended to be massing models only. The intention is to portray the scale and physical relationship among the existing housing. Mr. Striefel presented the two proposed concepts utilizing the drawings provided in the briefing materials.

Director Garrott asked about the design of the housing and whether cottage style homes were considered. He also asked about buffering to the adjacent properties to the north side and the street frontages. Mr. Striefel reviewed the space constraints and construction issues with building cottage style homes and the buffering elements proposed for the north end of the development. Mr. Striefel said while they have not been tasked with considering the street frontages, he felt attention would be given to their design and impact. Director Garrott asked for sensitivity to the street frontages to assure the structures integrate into the existing neighborhood.

Director Rogers felt with concept 1, the relocated home is somewhat separated from the walkway community and asked how this may be addressed. Mr. Utley said staff is contemplating a solution to that issue, such as the addition of a porch off the rear of the property that relates to the walkway.

Chairperson Penfold called for a straw poll to determine whether the Board's preference was for option 1 or option 2. Board members unanimously preferred option 1.

Director Garrott asked that design consideration be made to assure privacy for the neighboring structures to the north.

Vice Chairperson Adams commented that staff has indicated the concept of relocating the 830 Jefferson home seems viable, but may not be feasible. She understood that in approving concept 1, in the event the structure cannot be relocated, staff would proceed with concept 2. Director Garrott said he would prefer that staff return to the Board for direction in the event the move is not possible. Mr. Utley said staff is proposing that every reasonable effort will be made to complete the project as approved by the Board. However, if during the relocation process a structural engineer determines the house cannot survive the move, or if the relocation expenses become excessive as determined by the RDA Director, staff would like the Board's permission to proceed with Concept 2. Chairperson Penfold asked that the Board is notified in the event the home cannot be relocated.

4:36:03 PM Director Garrott made a motion to approve concept 1 with the caveat that concept 2 may be pursued with notification to the Board as discussed. Director Mendenhall seconded the motion.

Upon roll call, Chairperson Penfold declared the motion unanimously approved.

D. Marmalade Block:

- 1) **4:37:15 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 Clear Water Homes for Parcel 2 of the Marmalade District Subdivision**
Staff seeks approval of a term sheet for the Purchase and Sale Agreement, Development Agreement, Special Warranty Deed, and Guaranty of Completion and Performance between the RDA and Clear Water Homes for parcel 2 of the Marmalade District Subdivision.

Mr. Butterfield reviewed the background on the proposed Purchase and Sale Agreement.

4:38:17 PM Director Garrott made a motion to adopt the resolution. Director Rogers seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

- 2) **4:38:39 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Authorizing the RDA to Enter onto an Exclusive Negotiation Period not to Exceed Six Months with Clearwater Homes for the Acquisition of Parcel 3, RDA-Owned Property Located at the Southeast Corner of 300 West Street and 600 North Street.**
Staff seeks authorization to enter into an exclusive negotiation period of six months with Clear Water Homes for the acquisition of parcel 3 of the

Marmalade District Subdivision, which is located at the southeast corner of 300 West Street and 600 North Street.

Mr. Butterfield reviewed the background of the RFQ process. Five responses were received to the second release of this RFQ, and the Selection Committee ranked Clear Water Homes first. Chairperson Penfold noted that one of the reasons this RFQ was re-released was that the neighborhood was hoping for a market in the development, which is included in this proposal.

4:39:38 PM Director Garrott made a motion to adopt the resolution. Director LaMalfa seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the resolution was adopted.

- E. **4:39:55 PM Consideration and Approval of the Selection Committee's Consultant Ranking for Design Services of Three mid-Block Connections on Block 70**
Consideration and approval of Selection Committee's consultant ranking for the Regent Street Mid-Block Design Improvements Request for Proposal.

Mr. Butterfield said after review of the five consultant proposals received, the Selection Committee selected GSBS as the first ranked response. He said some of the considerations included in the ranking were the integration of art and community outreach. He said GSBS proposed a creative outreach program involving the arts community, the neighborhood, and other arts and entertainment groups.

Chairperson Penfold asked the next steps in this process. Mr. Butterfield said staff would begin negotiations with the proposed consultant for a contract including a series of design benchmarks, which would be reviewed and approved by the Board. Director Garrott asked what product would be received from this consultant. Mr. Butterfield said the work would include a series of processes, which would include public and stakeholder engagement, bringing proposed options to the Board, design development, and the completion of construction ready plans.

Director Garrott asked whether other midblock connections, such as Orpheum would be considered in the design. Mr. Butterfield answered yes.

Director LaMalfa expressed concern that there is an unhealthy lack of commercial and retail experience on the selection committee and how other property owners on Regent Street would be involved. He felt that process of making Regent Street functional and vibrant requires more than just good design. The ORD indicates Regent Street should be a multi-use destination that includes dining and other commercial uses. Mr. Butterfield said this was an important consideration to the Selection Committee, and all those who submitted RFP's included retail sub-consultants. GSBS works with Richman Consulting. He spoke to the strong retail component presented by GSBS, as well as the inclusion of a branding and marketing process. These items will be included in the scope of work of the contract to be reviewed by the Board. He added that the Selection Committee included an individual from PRI who provided great feedback during the process, and who will continue to work with the consultant on improvements to the façade of

the parking facilities and their buildings. He said a strong stakeholder group has been identified, with whom communications are ongoing.

Director Garrott asked about approximate costs and how this work would be funded. Deputy Director Belliveau said the original estimates prior to engaging a designer were in the magnitude of \$10,000,000 and that staff has been considering several funding options. He felt this would be an iterative process, and will also be driven by funding available from the CDA, which is the major funding mechanism for these improvements. He felt it was important that the Board provide policy input throughout the process, such as how much funding should be made available for public art.

4:48:56 PM Director Mendenhall made a motion to accept the Selection Committee's Consultant Ranking for Design Services of Three mid-Block Connections on Block 70. Director Garrott seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved.

8. Redevelopment Business/ New Business.
None.

9. Consent.

A. 4:49:42 PM Consideration and Adoption of a Resolution of the Board of Directors of the Redevelopment Agency of Salt Lake City Approving an Interlocal Agreement with Salt Lake County and the City Of Ogden that Establishes the Policies and Procedures for an Environmental Protection Agency Revolving Loan Fund.

Staff is seeking adoption of a resolution approving the Interlocal Agreement between the Redevelopment Agency of Salt Lake City, Ogden City, and Salt Lake County that establishes policies and procedures for the administration of the Wasatch Brownfields Revolving Loan Fund.

B. Consideration and Approval of the Mayor's Recommendation for a New Salt Lake City Representative on the RFP and Developer Selection Committee for the Convention Headquarters Hotel.

The Board of Directors will consider approval of Mayor Becker's recommendation for a new member to serve on the Request for Proposals and Developer Selection Committee for a Convention Headquarters Hotel.

Director Garrott asked whether a preference for location and how to best fulfill the City's plans, needs, and vision for downtown would be considered or exerted in this committee context. He felt the City Council or the RDA Board should provide some guidance to this committee on these preferences. Director LaMalfa suggested a resolution to do so.

Executive Director Baxter said that when the committee members were first approved by the Board, Director Garrott asked that there be a public discussion and input on these concerns. Staff later proposed, and the Board approved, that the public discussion could take place as an open house to be held by the Planning Department. Because of sensitive negotiations regarding land,

planning staff was directed to frame the discussion on desired traits, how the site should interact with the area, and the desired amenities. Director Garrott suggested that once public comment is received on these items, a resolution is completed that will provide this direction to the committee.

Director Garrott made a motion to approve the consent agenda with the considerations to item B. as discussed. Vice Chairperson Adams seconded the motion. Upon roll call, Chairperson Penfold declared the motion unanimously approved and the consent agenda was adopted.

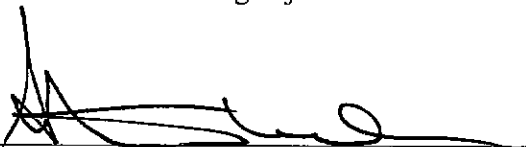
10. Written Briefings.
None.

11. Closed Meeting.
A. **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).**

Chairperson Penfold pulled this item from the agenda.

12. 4:58:22 PM Adjournment.

There being no further business, Chairperson Penfold declared the meeting adjourned.



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 16, 2014.