

The Redevelopment Agency (RDA) of Murray City met on Tuesday, November 14, 2023, at 5:00 p.m. in the Murray City Council Chambers, 10 East 4800 South, Murray, Utah.

Members of the public were able to view the meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>.

Public comments could be made in person or by submitting comments via email at: rda@murray.utah.gov. Comments were limited to three minutes or less, and written comments were read into the meeting record.

In Attendance:

RDA Board Members

Diane Turner, Chair
Pam Cotter, Vice Chair
Garry Hrechkosy
David Rodgers
Rosalba Dominguez

Others in Attendance

Brett Hales, Executive Director
Doug Hill, Mayor's Office
G.L. Critchfield, City Attorney
Phil Markham, CED Director
Patty Johnson, Council Office
Zachary Smallwood, Senior Planner
Jennifer Kennedy, Council Office
Brooke Smith, City Recorder
Joey Mittleman, Fire Department
Tammy Kikuchi, Mayor's Office
Lori Edmunds, Parks & Rec
Kim Sorensen, Parks & Rec
Kim Fong, Library
Anthony Semone, NeighborWorks
Elvon Farrell, CED Department
Jeremy Lowry, Triumph Construction
Jim Allred, Triumph Construction
Members of the public, per sign-in sheet

CALL MEETING TO ORDER

Chair Turner called the meeting to order.

APPROVAL OF MINUTES

There were no minutes to be approved for this meeting.

CITIZEN COMMENTS

Chair Turner, seeing no comments, closed the citizen comment period.

DISCUSSION ITEMS

Presentation and board feedback on proposed development of the property located at 5025 South State Street with Introduction by Mayor Brett Hales.

Introduction from Mayor Hales

Mayor Hales began by thanking the board for having him and the selected group speak. He provided some background on the project, reminding the RDA board that they had hired Orden Yost from Colliers International to market the property at 5025 South State Street (the old city hall). On May 31st, 2023, the property appraised for \$14,330,000, assuming the property was developed as high-density multifamily. Colliers International received 10 proposals from developers. On June 20th, 2023, the board held a closed session to review the shortlist of the proposals. After several meetings with the RDA Chair, Vice Chair and staff, the board recommended two developers to the Mayor to move forward with. He thanked those developers that submitted their proposals. With the help of Chair Turner, Vice Chair Cotter, Phil Markham, Zachary Smallwood, Elvon Farrell, Susan Nixon and many others that Mr. Markham has involved. He selected the Triumph Group's proposal for further negotiation. He recommends them for the following reasons – The offer of \$9,520,000, although not equal to the appraisal, has the lowest residential density, which is in alignment with the board's vision and is an important issue for Murray citizens. Also, the Triumph Group proposal includes a medical office, which will enhance Murray's reputation and image as a thriving medical destination. The benefits include high paying jobs, economic development, and a healthy community. The mayor said he spoke with the board, his staff and Brenda Moore, the financial director and, with her agreement, another reason to choose Triumph's proposal is future revenue generation. The financial investment that the Triumph Group will make in the development is a significant source of property tax revenue. The proposal includes a landmark that may enrich, enhance, and define the city in this location. They are proposing owner-occupied housing, which will provide much needed housing in the city, as well as stabilize the neighborhood. The Triumph Group will use materials and design principles that enhance Murray's historic surroundings. The project will meet International Energy Conservation Code, assuring economic and environmental benefits.

The purpose of tonight's meeting is for the Triumph Group to present their proposal to you as a board. He encouraged the board to ask questions and share their comments. Following the meeting, the city and The Triumph Group will negotiate a real estate purchase contract that will be presented in December, on a date yet to be determined. He emphasized how much work has gone into the negotiation of this proposal, citing the strong desire the board has shown to do things the right way instead of the easy or quick way. He mentioned that GL Critchfield, the city attorney, and his staff have also worked hard to make this possible. He then turned the time over to the Triumph Group.

Mr. Jeremy Lowry of the Triumph group introduced himself. He stated that he is a Murray resident and that putting the proposal together had required extensive time and effort. He felt the exhaustive process led to a better outcome. He noted that public commentary during RDA meetings was considered when designing the project to align with public wants and desires. Mr. Lowry was excited to present the proposal. He stated that Triumph Group is a Murray business located on 9th East and 5151 South. Triumph has been operating for over 20 years, having previously been part of other groups. The principals of Triumph are Kenny Nichols, Jim Allred and David Killpack, who were leaders of other companies prior. Examples of buildings designed or constructed by these individuals were shown, demonstrating experience with high quality,

energy efficient buildings. Energy efficiency was stated as being important to Triumph. He explained that Triumph is interested in using the International Energy Conservation Code for the development due to potentially having clients from outside Utah who would be more familiar with this code rather than a Utah specific one. This code is used for federal buildings and nationally/internationally. Using this code was stated to deliver a high-quality building. The group's experience with constructing wonderful, long-lasting buildings was noted, giving examples of Draper City Hall, the Workers Compensation Building, and the EMI Health Building. Mr. Lowry spoke highly of Mr. Allred's integrity and ability to produce incredible work, looking forward to presenting the renderings.

The proposed mixed-use development will contain almost 180,000 square feet of medical office space. It was mentioned a letter was presented previously indicating interest from a major medical practice in the community. While not yet under contract, due to the land not yet being secured, discussions were underway with executives and the board of the practice's desire regarding participating in the development if approved. Beyond this practice, substantial interest from other medical groups was stated to have been received, with the location deemed as ideal for medical office space. Additionally, plans include a restaurant at the tower base, along with 99 for-sale condominium and townhome units. Enthusiasm was expressed regarding the residential aspect, as it would provide beautiful townhomes overlooking community jewels, while the condominiums would offer missing middle housing that is important statewide. It was shared that wanting a distinctive landmark was recognized during proposal iterations, one signifying the center of the valley. Getting creative, with inspiration drawn from St. Mark's Square in Italy, the decision was to think big and include a community gathering plaza. This was envisioned to feature nice restaurants that could become a sense of pride in the valley and attract people.

Mr. Jim Allred spoke next, noting his long association with the Murray community, having been involved for 40 years. He expressed great excitement about Murray and energy conservation, as public commentary during meetings indicated the community's priorities. As locals invested in the area, the goal was to create something unique for Murray. Contour maps from NASA were used in master planning the site's three levels of parking structure. The lowest grade level would provide secured residential parking. The next level accessible from a street cutting through the site would feature circulation to the office towers and other areas. Mr. Allred discussed being enamored with historical aspects from serving 10 years on a downtown board and conducting studies of State Street elevations for Murray in 1987. Having taught historic preservation in graduate school, incorporating a historical flair important to Murray based on public hearing commentary was a priority. The idea of creating a distinctive landmark was pursued, deciding to build a tower incorporating historical Murray building elements from State Street. The tower features a staircase leading to an observation deck with historical photos along the ascent. It was compared to climbing the long-gone smokestacks, which long-time Murray residents would appreciate. Flanking both sides would be restaurant spaces. The intent was tying in valued history while creating an identifiable modern landmark. Renderings displayed the tower staircase entrance coming down State Street. At the base would be a plaza with potential restaurant spaces to appeal to medical office tenants and the community. The area would be walkable and connected to the city. Views showed surrounding buildings, with the rear medical office building atop the parking structure. Patients could be dropped off under a glass and brick overhang, with outdoor dining nearby. The parking area could be closed off for community

events. Covered indoor dining could allow enjoying the plaza during inclement weather. Renderings from behind, facing the baseball field, displayed proposed townhomes to help screen the parking structure. Courtyards and outdoor spaces were included, along with main floor potential business space and housing above to emulate historical areas. Rooftop areas would allow viewing fireworks displays. No visible garage doors were included per Mr. Allred.

Mr. Lowry interjected regarding an interesting feature about the townhomes is that they'll have two-car garages attached, but those will be within the third (bottom) level the parking structure. He said they have a good video that illustrates what this will be like.

Chair Turner asked to confirm that there will be no garage doors on the outside.

Mr. Allred said that is correct. They face into the parking structure.

Vice Chair Cotter asked the presenters if they know how much the townhomes condos are going to be selling for.

Mr. Allred did not state a specific price, but said they were trying to accomplish having more affordable condominium units. He mentioned banks were not currently raising interest rates, expressing hope they would start to decrease to assist people in affording the planned units. He acknowledged the townhomes would likely be more expensive given their larger square footage. Referencing the renderings of the stack flats, Mr. Allred noted they were still working on the drawings having feverishly tried to complete as much detail as possible for the presentation, as his preliminary sketches apparently lacked adequate specifics. He conveyed appreciation for the chance to develop the renderings to demonstrate exactly what they hoped to achieve. The aim was to reach affordable pricing, though he observed construction costs were continually fluctuating. Mr. Allred shared having received letters in the past week about January concrete price increases, illustrating the challenges but also their eagerness to attain their affordability goal.

As the video began, Mr. Allred pointed out the gardens in the front. He said they are thinking of placing a small park in the center for residents to enjoy. He pointed out the three levels of parking in the back. He said they will cover that up with attractive townhomes, as they step up the hill, because that grade is quite steep. The grade lends itself to second floor entry for townhomes.

Mr. Allred and Mr. Lowry concluded their presentation and asked the board if they had questions.

Vice Chair Cotter asked if the Triumph Group is allowed to disclose which medical groups have expressed interest in being part of the project.

Mr. Lowry stated that, in the packet presented in May 2023, the letter from Granger Medical was included. They anticipate placing them under contract for the project.

Chair Turner asked what kind of medical facilities would be there – office or surgical.

Mr. Lowry stated there would be a combination of medical tenants. He believed the State Street five story building would likely have an imaging center, pharmacy, women's care group, family practice, cardiology groups and other specialists on the main floor that could utilize the nearby hospital for surgeries. Granger Medical felt there were many opportunities for proximity advantages with hospital-affiliated groups. Mr. Lowry thought it very likely there would be at least one if not multiple outpatient surgical centers between the two buildings. Several doctors had expressed location interest due to the hospital access. Though letters of intent were not yet in place, promising discussions were underway. In particular, Mr. Lowry felt the Arlington building raised over the parking garage would make an ideal outpatient surgical facility, allowing patients easy access down to their vehicles after procedures. His expectation was that at minimum one if not more surgical centers would occupy that building. To clarify, these would strictly be outpatient facilities without any overnight patient stays or hospital-like services. Mr. Lowry added that Granger was also considering an urgent care possibility as well.

Chair Turner confirmed that these facilities are for-profit because that's beneficial to the city's tax base.

Mr. Lowry said yes.

Rosalba Dominguez asked a question about the tower because the concept is that there would only be stairs. She's concerned about non-able-bodied people who would not be able to make it to the top of the tower but would love to see it. She wants to know if an elevator could be included.

Mr. Allred said they had not planned on including one. He said the project has already gone over budget. The tower alone is over a million dollars. He says it is unique in that regard. His alternative is to offer slides and pictures to present people who may not be able to climb the stairs.

Board Member Dominguez asked if that would be ADA compliant.

Mr. Allred said the cost to put an elevator in is approximately \$35,000 per floor, and it may change the rating of the building code. We're trying to be sensitive to that.

Vice Chair Cotter asked if the project is going to be completed all at once or if it's going to be in stages.

Mr. Allred it will be completed in stages, but that they do want to complete it as quickly as possible, stating that they have an aggressive agenda. They want to complete the project in three or four years. He acknowledges that construction takes a while. They feel the faster they do it, the the better off everyone involved will be.

Mr. Lowry said they are striving to have the parking garage completed first, stating that's an important part of this project. The project is hinged around the parking garage.

Vice Chair Cotter stated she doesn't want to see the parking structure go up and then nothing else being completed for several more years.

Mr. Lowry said their intent is to move quickly on the project.

Vice Chair Cotter said she appreciated how they incorporated the Murray Theater. She said the citizens like that as well. Being on the Feasibility Committee for the theater, that was one of the main things that they were talking about is parking for the renovated theater.

Mr. Lowry said he feels this is a great solution. The parking for public use is at the bottom lot, parking for the residents is on the upper two floors. The bottom level will be busy from 7am to 6pm, but then it will clear out for use by theater patrons.

Board Member Hrechkosy asked if there was a view that showed both sections of the townhomes and the medical. He said that when he saw the renderings of medical facilities, the thought of a college campus, which he wasn't fond of. He felt that the townhomes had the look and feel that he had envisioned for the project. He wondered if there's a way to incorporate the style of the townhome condominiums into the rest of the project. He feels like it would blend in better. He feels it has a more historic look, which he prefers.

Mr. Allred stated that they are trying to incorporate the ideas of what the physicians wanted, which was more modern. They're trying to mix the two in this project. This is why they the tower front and center, to show off the history. They're trying to pull the project together by using the brick. When they designed the townhomes, they chose to incorporate more historical aspects. They are trying to blend that to gracefully to keep the physicians happy with the new modern look. He does agree with Board Member Hrechkosy.

Board Member Hrechkosy wanted to know if there is a way to blend the brick, possibly make the tower have the same brick as the back building.

Board Member Dominguez suggested to incorporate the colors of the bricks to tie in the darker color, possibly by using red, to help the color stand out.

Mr. Allred agreed. He said it's challenging to get just the right color for the renderings on the computer.

Board Member Dominguez agreed. She said she assumes that his plan is to make it more cohesive, that's what the board desires.

Mr. Allred said they do have the challenge of having the housing have richer colored brick, yet have the medical buildings being more muted. He says there is a science to that. The point is not to confuse the public into thinking the condominiums are medical offices. That's why they chose those colors.

Board Member Hrechkosy wanted to make sure to avoid presenting an institutional look for the medical offices. He then said he wanted clarification from the group regarding the funds for

moderate low-income housing set aside in the RDA. He wanted to know if it can be used to help as an incentive to bring families into these townhomes and condominiums.

Mr. Critchfield said that it is supposed to be used at the site where the income was generated . The funds can be used off site in certain circumstances. He doesn't feel that would apply in this case.

Board Member Hrechkosy asked if this property is in an RDA zone.

Mr. Critchfield said it was, but it isn't any longer.

Board Member Hrechkosy said that's confusing and wanted to know why they're voting on it.

Mr. Critchfield said that the RDA owns the land.

Mr. Markham said the project is located in the MCCD, which is a redevelopment zone. However, the restrictions placed on low-income housing would not apply to these condominiums.

Mr. Markham noted that as far as the final design and materials, that will flesh out in the process. The Triumph Group will be working with the Planning Commission, and the Design Review committee.

Board Member Hrechkosy acknowledged the amount of work that's been put into this and noted that it's remarkable, expressing his appreciation for all the thought and time that went into this.

Board Member Dominguez asked about the possibility of using existing brick or materials from the Arlington in this project.

Mr. Lowry said he doesn't know if it's feasible to reclaim it to use it in the structure, but they plan to use it at different points within the tower complex as homage to the Arlington. He noted that there some residents have deep emotions about it, so they'd like people to enjoy seeing the bricks in the tower complex in the restaurants. He said he hopes it's apparent that they've listened to the public, and tried to try to come up with a concept that is beautiful. He is hopeful that the restaurants will enjoy regular clientele from the residents. He really wants to see the area become a community gathering center for residents.

Board Member Dominguez about the demolition of the Arlington, wanting to know what the process will be and who will be responsible for that.

Mr. Markham said that once the property is sold to the Triumph Group, they own everything on the property.

Board Member Dominguez said she asked because she know some residents may want pieces of the building as mementos.

Board Member Rodgers asked about what the developers envision for the stack homes. He wanted to know what variety of floor plans they are thinking of offering.

Mr. Allred said they have a lot of experience in this area. They plan to do a market study to determine the demographics of buyers and what they are looking for.

Mr. Lowry said he thinks there will be one-bedroom, two-bedroom and some three-bedroom units.

Chair Turner asked Mr. Allred about the idea of a live-work situation for the condominiums and how that would work.

Mr. Allred said that the main level of the condominium is the workstation, with stairs going up to the kitchen and family area on the second floor, then bedrooms on the third floor. The main level work area would have extra insulation in there, so that they can't hear the kids crying in the background. So that while you're on your computer, conducting business, your family's just next door or upper level.

Chair Turner asked how parking work in that scenario.

Mr. Allred said there will be public parking in the parking structure.

Mr. Lowry noted that this project has ample parking residents and visitors.

Mr. Allred felt most of the parking will be taken up by residents working from home, not necessarily by clients needing parking for meetings.

Board Member Dominguez also pointed out that this area is not zoned for certain types of high traffic businesses.

Mr. Lowry feels the condominiums will appeal more to the working professional in a higher income bracket. The stack units, depending upon how many bedrooms they have could lend themselves more towards residents who would meet the 80% AMI requirement for loan assistance.

Rosalba Dominguez spoke more on this development, because this is in her area of her constituency. She feels the board has a great opportunity to bring more medical facilities to Murray with this project. She feels quite proud that the board this collectively. She said she does respond to her constituents, and many of them want something that's going to generate income for Murray. She is pleased with the choice of developer because they understand the desires of the board and residents because they are also from Murray. She thanked the group for their presentation.

Mr. Lowry thanked the board for the opportunity to work on this project. He expressed their strong desire to create a project they would be proud of and would stand the test of time.

Mr. Allred commended the board for their efforts and thanked them for building this facility in Murray. He thanked them for what they've done for the community.

Board Member Rodgers asked how tall they anticipate the tower will be.

Mr. Allred Well said there's an area in the code that allows a tower. Part of the reason not to put an elevator in it is that I will pass the code to be 74 feet to the observation area. Then they can go above that because the code it's an "ornament" of sorts.

Chair Turner thanked the Triumph Group for their presentation.

PROJECT UPDATES

Mr. Markham stated that this has been a long session, back-to-back with a long committee of the whole. He stated he didn't have any urgent updates. Several things are just pending at this point and will be ready to give update on in the next meeting.

Rosalba Dominguez asked what the next steps in the sale of the property are.

Phil Markham is that the development agreement must be crafted and signed between the city and the developers. Mr. Critchfield is working on that. Then the real estate contract is created, and the transaction takes place.

ADJOURNMENT

Chair Turner adjourned the meeting at 6:09 P.M.



Philip J. Markham, Director
Community & Economic Development Department