

The Redevelopment Agency (RDA) of Murray City met on Tuesday, December 19, 2023, at 4:00 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](http://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](mailto: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  
David Rodgers  
Rosalba Dominguez  
Garry Hrechkosy

Others in Attendance

Brett Hales, Executive Director  
Doug Hill, Mayor's Office  
G.L. Critchfield, City Attorney  
Phil Markham, CED Director  
Pattie Johnson, Council Office  
Brenda Moore, Finance Director  
Zachary Smallwood, Senior Planner  
Jennifer Kennedy, Council Office  
Joey Mittleman, Fire Department  
Mark Richardson, Deputy City Attorney  
Michael Carlston, Outside Attorney  
Kim Sorensen, Parks & Recreation  
Jeremy Lowry, Triumph Construction  
Jim Allred, Triumph Construction  
Paul Picket, Council Member  
Members of the public, per sign-in sheet

CALL MEETING TO ORDER

Chair Turner called the meeting to order.

APPROVAL OF MINUTES

Chair Turner called for a motion to approve the minutes for October 17, 2023 and November 14, 2023. Board Member Rodgers made a motion to approve the minutes. Board Member Dominguez seconded. A voice vote was taken, with all in favor.

CITIZEN COMMENTS

Chair Turner opened the period for citizen comment. Seeing no comments, the period was closed.

ACTION ITEMS

Consideration of a resolution adopting the regular meeting schedule of the Redevelopment Agency of Murray City for calendar year 2024

Phil Markham presented the 2024 meeting schedule to the board for their approval.

Board Member Rodgers made a motion to approve the schedule for the Murray City Redevelopment Agency for 2024.

Vice Chair Cotter seconded. Roll call vote:

Y Diane Turner  
Y Pam Cotter  
Y David Rodgers  
Y Rosalba Dominguez

Motion passed 4-0.

Chair Turner noted for the record that Board Member Hrechkosy joined the meeting.

Consideration of a resolution authorizing the purchase, sale and development agreement for the sale and development of real property located at 5025 South State Street and 149 East to 179 East Myrtle Avenue, Murray, Utah, and authorizing execution of documents to finalize the transaction.

Mayor Hales began by thanking everyone for their involvement in the process, including city staff, outside attorneys, the board, special committees, and the public for their input. Mayor Hales introduced the City Attorney, G.L. Critchfield who will briefly go over the project.

Mr. Critchfield spoke regarding the sale of the property at 5025 South State Street. He referred to the agreement, provided to the board in their packets. Under section four, it talked about complying with energy efficiency building codes, which had been a concern of the board previously. Under section five, it stated that the development would be for-profit for 30 years, with the 30 years beginning after the first five-story medical office building is essentially completed. The agreement also stated that any material changes to the project would require RDA approval, with the plans and drawings that had been seen previously made part of the agreement. It was acknowledged that some slight construction changes can happen but anything material would need to come back to the RDA. It is expected the developers will communicate closely with the city during construction and provide updates to the RDA. The agreement also preserved requirements around historical authenticity in the building architecture and having open space, a tower, restaurant(s), etc. that had been discussed previously. There were also provisions to prevent speculative sale of the property - the RDA would have a right of first refusal on any sale until construction on the main five-story building is underway, estimated at \$13 million spent.

Board Member Dominguez said she heard that it would cost about \$5 million to put in the footings for the five-story building. She asked if the total cost for the footings of the whole project will be \$13 million or will it be just to that point in the project.

Mr. Critchfield answered it will just be to that point. He said the purchase price alone would be \$9.5 million. Additionally, he mentioned that the estimated cost for demolition, site preparation, and foundation installation would be approximately \$4 million. When combined with the purchase price, the total investment would come to roughly \$13 million at that point.

Vice Chair Cotter asked if the requirement for the development to be for-profit applies only Granger Medical Clinic or is it for other medical establishments coming into this development.

Jeremy Lowry answered the question. He said he believes that the ownership of the property will be a for-profit entity for 30 years, and up to 20% of the space could be leased by nonprofits, of the total 180,000 square feet. He said that Granger Medical is for-profit and does not appear to have any desires to be nonprofit.

Board Member Hrechkosy asked how long Triumph has been around and if Triumph will directly develop the property.

Jim Allred answered that they have practiced for 45 years and are the developers of the property.

Board Member Dominguez expressed concern about the history of previous projects in Murray. She stated that there have been projects in the city where developers had defaulted on their loans or resold their properties to new developers and the city has often not gotten what they expected from many key projects.

Mr. Allred reassured her that they've never defaulted on a loan. He said they have bank references indicating repayment of previous loans. He stated that they also have a personal investment in the project because they each life-long residents of Murray.

Chair Turner stated that they are cautious due to previous experiences that didn't go well.

Board Member Dominguez asked about the meaning of the conservation code – IECC.

Jim Allred said that it's an international code for energy conservation, stating that it's a benchmark that's difficult to hit. Everything must be tested. They intend to hit that completely.

Board Member Dominguez asked what will happen to the existing structure or the facade of the building and will there be any type of homage to the Arlington.

Mr. Allred said they've committed to saving some of the masonry products in the building and utilizing them in the tower and in the restaurant areas. They're striving to utilize those components as much as possible and be sensitive to the history of the area. He said that he has experience in historic preservation.

Vice Chair Cotter confirmed that the tower will not be ADA accessible due to the costs.

Mr. Allred said they have been working on a strategy for that issue. One idea is placing museum pieces and displays on the first floor, so that everyone can have the opportunity to see those items. They are thinking it might be best not to allow the public to go up into the tower. They are concerned about safety and feel this may be the best option. The tower itself will be best enjoyed by viewing it from the outside. There would be stairs, but only for maintenance access.

Vice Chair Cotter asked if they had considered any other architectural designs of the landmark. She asked if they considered a smokestack instead of a tower.

Jim Allred discussed different architectural elements they have considered.

Jeremy Lowry stated that there would be many design discussions and reviews going forward.

Board Member Dominguez asked if Mr. Critchfield could explain the right of first refusal process, in the unlikely event that Triumph Construction would decide to sell the property. She said she understands it's very valuable and wants to ensure they won't turn around and sell it.

Mr. Critchfield said that Triumph would have to come to the board and offer it to the RDA first. The board would then have 45 days to decide. If the RDA decides not to buy it, then Triumph could sell it to somebody else. He said the RDA would need to pay Triumph what they paid for the property less any cost associated with demolition. If there are any subs that need to be paid, those costs would come out of the payment and the RDA would pay the subs directly.

Mr. Lowry noted that the agreement really disincentivizes any financial benefit to flip the property.

Board Member Dominguez thanked them for the clarification. She asked for clarification on the footings being put in. She asked if Triumph Construction could sell the property without coming before the RDA at that point.

Mr. Critchfield said that's correct.

Board Member Dominguez said she wanted to put that on the record. She then asked if Triumph Construction will be obligated to pay costs for permits, demolition, and impact fees.

Mr. Critchfield said yes.

Mr. Lowry said that by the time the footings are in and building permits have been issued, the only people who would be interested in buying that would be people who want to develop that medical office building.

Chair Turner thanked Mr. Critchfield for being so detailed and taking each board member through the whole process, allowing them the chance to go through the agreement very thoroughly.

Vice Chair Cotter made a motion to authorize the purchase, sale and development agreement for the sale and development of real property located at 5025 South State, and 149 East to 179 East Myrtle Avenue, Murray, Utah, and authorizing execution of the documents to finalize the transaction.

Board Member Hrechkosy seconded. Roll call vote:

Y Diane Turner  
Y Pam Cotter  
Y David Rodgers  
Y Rosalba Dominguez  
Y Garry Hrechkosy

Motion passed 5-0.

Chair Turner thanked the board, the mayor, staff and Triumph for their hard work and diligence in this matter.

## PROJECT UPDATES

Mr. Smallwood said they are moving forward with the chapel survey. Since the RDA will not be removing or moving the Townsend House, they will go a different direction. They are going to start working on creating new parcels for the chapel site and then a development site just south of that for the RDA to decide how they want to pursue that in the future. They got estimates back on the development costs. During the next couple of weeks, they'll enter into a contract.

Mr. Smallwood stated that Ben Levenger from Downtown Redevelopment Services gave them a draft report for the downtown area, based on the study that he conducted. Mr. Smallwood said he's pleased with the recommendations.

Brenda Moore provided an update on the RDA areas. She said the city received their first distribution of nearly \$2.7 million of the anticipated \$4.4 million for the RDA of tax property taxes. The remaining balance should be distributed in March 2024 after Salt Lake County does a final settlement of property tax payments. She said that, overall, the amount they're receiving is \$250,000 less than budgeted, which shouldn't impact the budget very much. The county did withhold the RDA portion of the property taxes from the city, which was \$777,000 from the city itself and \$176,000 from the library. When the RDA's end, that money will go back to the city and back to the library. She said they won't know the final amounts for the Smelter Site or Cherry Street until March. She said she'd provide a copy of the report to board members, as well as last year's numbers, for comparison.

Board Member Hrechkosy said this is a reminder for the board to keep track of the RDA budgets and be thoughtfully planning how to spend the money, so that they aren't rushing at the end of an RDA.

Board Member Dominguez thanked the mayor for his diligence, inclusivity, and transparency in the process of the sale of 5025 South State Street. She said it was important to her and her constituents to thoughtfully pick the best developer. She believes that the best one was chosen, who has Murray's best interest in mind.

Mayor Brett Hales said he appreciated how quick the process was, attributing that to the fact that all parties were involved throughout the whole process.

Chair Turner clarified that there will be a period of due diligence required before the purchase and sale is complete.

## ADJOURNMENT

Chair Turner adjourned the meeting at 4:47 p.m.



---

Philip J. Markham, Director  
Community & Economic Development Department