MINUTES of the
REDEVELOPMENT AGENCY FINANCE COMMITTEE
Monday, September 21, 2022
11:00am

1. Roll Call

The following members were present:

Erin Cunningham for Danny Walz, RDA
Peter Makowski, Economic Development
Blake Thomas, Community and Neighborhoods
Tony Milner, Housing Stability
Marina Scott for Mary Beth Thompson, Finance

Claudia O'Grady was absent.

Also Present:

Tracy Tran, Project Manager; Sara Montoya, Senior City Attorney; Allison Parks, Senior City Attorney; Robyn Stine, RDA Office Manager; Donna McAleer, Bicycle Collective; Todd Reeder, Bicycle Collective; Felina Lazalde, RDA Office Facilitator.

2. Business

A. Loan Request for the Bicycle Collective – Tracy Tran, RDA Project Manager

Tracy Tran provided an overview of the Bicycle Collective's request for an additional $500,000 due to increased construction costs and supply chain issues, increasing their loan request to $2,250,000. She added that the Applicant is also requesting to maintain their current base interest rate through the Redevelopment Agency of Salt Lake City's (RDA) Loan Program. Ms. Tran explained that in May 2022, the RDA Board of Directors (Board) approved the original loan request of $1,750,000 for the development of 901 South Gale Street, adding that the additional funds would ensure the project would be all electric.

Ms. Tran said the project meets four public benefit criteria, qualifying for interest rate reductions and primary financing through the RDA Loan Program:

- Public Amenities: The project will include a public art amenity and it located along the 9 Line Corridor which connects the east with the westside neighborhoods.
- Transit Alternatives: The objective of the Bicycle Collective is to encourage cycling as an effective and sustainable form of transportation. The project will also include employee showers and lockers.
- Architecture & Urban Design: The project was included in an RDA design review process that reviewed how the project fits in with surrounding neighborhoods, how the project will enhance the public realm, and the buildings materials.
- Sustainability: The project has been designed to a LEED-Silver equivalent standard and will include an all-electric building that will incorporate rooftop solar. The Bicycle Collective was recently awarded a Blue Sky Grant from Rocky Mountain Power.

Discussion:

Tony Milner asked if the increase was based on secure bids in hand, or if it was a certain percentage for contingency construction costs? He also asked regarding the sources and uses if they have $1.9MM in the capital campaign in terms of what has been raised?

Ms. McAleer clarified the increase is based on bids in hand. A significant driver was the electrical system required for this project. When they received bids in April, the electrical portion was significant. They attempted to make changes to the electrical system to bring the cost down, but ran into a challenge, because the RDA Loan documents state that the building must be all-electric. Ms. McAleer also clarified that The Bicycle Collective has raised $2.6M and has a matching grant provided by the Ray & Tye Noorda Foundation of $500K. They will also match anything raised between 07/01/2020 – 03/2023, contingent on this contract being signed.

Marina Scott noted the debt service on their loan would be $127,000, and asked if The Bicycle Collective has any other debt with any other financial institution? Ms. Scott also asked if there are any agreements for dollars currently? And if retail operations are expected to cover whatever the fundraising does not cover?

Donna confirmed that they do not have any other debt and explained The Bicycle Collective has $1MM from the Noorda Foundation, 100K from the George S. & Delores Eccles Foundation, $140K from Sorenson, and $250K from the Miller Family Foundation. All initial commitments have been turned into actual dollars in the bank, and 2nd requests are currently in process. Ms. McAleer also confirmed that they do think retail operations would cover anything that the fundraising does not cover, however a combination of both is expected.

Tony Milner made a motion to recommend the RDA Board to approve the loan increase and lock in the rate as presented without condition. Marina Scott seconded the motion. Upon roll call, this motion passed unanimously.

3. Adjournment

There being no further business the meeting was adjourned.

Blake Thomas, Vice Chairperson

This document along with the digital recording constitute the official minutes of the Redevelopment Agency Finance Committee held September 21, 2022.

2022-09-21 FC Minutes

Final Audit Report 2023-11-17

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