



7505 South Holden Street
Midvale, UT 84047
801- 567-7200
Midvale.Utah.gov

**REDEVELOPMENT AGENCY OF MIDVALE CITY
MEETING AGENDA
FEBRUARY 6, 2024**

PUBLIC NOTICE IS HEREBY GIVEN that the **Redevelopment Agency of Midvale City** will hold an electronic and in-person meeting on the **6th day of February 2024** as follows:

Electronic & In-Person City Council Meeting

This meeting will be held electronically and in-person. **Public comments may be submitted electronically to the Board consideration at www.Midvalecity.org/government/contact-us by 5:00pm on February 5th and will be included in the meeting record.**

The meeting will be broadcast on the following: **You Tube: Midvale.Utah.gov/YouTube**

7:00 PM OR IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING

I. GENERAL BUSINESS

- A. WELCOME AND ROLL CALL

II. PUBLIC COMMENTS

Any person wishing to comment on any item not otherwise scheduled for public hearing on the agenda may address the Redevelopment Agency of Midvale City Board at this point by stepping to the microphone and giving his or her name for the record. **Comments should be limited to not more than three (3) minutes unless additional time is authorized by the Redevelopment Agency of Midvale City Board.** Citizen groups will be asked to appoint a spokesperson. This is the time and place for any person who wishes to comment on non-hearing items. Items brought forward to the attention of the Redevelopment Agency of Midvale City will be turned over to staff to provide a response outside of the Redevelopment Agency meeting.

III. CONSENT AGENDA

- A. Consider Minutes of January 16, 2024 *[Rori Andreason, HR Director/City Recorder]*

IV. ACTION ITEMS

- A. Consider **Resolution No. 2024-03RDA** approving the term sheet for an adaptive reuse loan agreement between the Redevelopment Agency of Midvale City and Midvale Main Partners II, LLC *[Kate Andrus, RDA Program Manager]*
- B. Consider **Resolution No. 2024-04RDA** approving the term sheet for a business loan agreement between the Redevelopment Agency of Midvale City and Cactus and Tropicals, LLC *[Kate Andrus, RDA Program Manager]*
- C. Consider **Resolution No. 2024-05RDA** authorizing the Chief Administrative Officer to execute an amendment to the Interlocal Cooperation Agreement between the Redevelopment Agency of Midvale City and Salt Lake County regarding the Main Street Festival Lighting Project *[Kate Andrus, RDA Program Manager]*

V. CLOSED SESSION TO DISCUSS THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY

VI. ADJOURN

Redevelopment Agency Board Meeting
February 6, 2024

In accordance with the Americans with Disabilities Act, Midvale City will make reasonable accommodations for participation in the meeting. Request assistance by contacting the City Recorder at 801-567-7207, providing at least three working days' notice of the meeting. TTY 711

A copy of the foregoing agenda was provided to the news media by email and/or fax. The agenda was also posted at the following locations on the date and time as posted above: City Hall Lobby, on the City's website at Midvale.Utah.gov and the State Public Notice Website at <http://pmn.utah.gov>. Board Members may participate in the meeting via electronic communications. Board Members' participation via electronic communication will be broadcast and amplified so other Board Members and all other persons present in the Council Chambers will be able to hear or see the communication.

DATE POSTED: FEBRUARY 1, 2024

**RORI L. ANDREASON, MMC
HR Director/City Recorder**

REDEVELOPMENT AGENCY MEETING

Minutes

Tuesday January 16, 2024



Council Chambers
7505 S Holden Street
Midvale, Utah 84047

CHAIR: Marcus Stevenson

BOARD MEMBERS: Board Member Paul Glover
Board Member Bonnie Billings
Board Member Dustin Gettel
Board Member Bryant Brown
Board Member Heidi Robinson

STAFF: Matt Dahl, City Manager; Nate Rockwood, Assistant City Manager; Rori Andreason, HR Director/City Recorder; Garrett Wilcox, City Attorney; Glen Kennedy, Public Works Director; Mariah Hill, Administrative Services Director; Adam Olsen, Community Development Director; Elizabeth Arnold, Senior Planner; Wendelin Knobloch, Planning Director; Jonathan Anderson, Planner II; Erinn Summers, Policy and Project Manager; Kate Andrus, RDA Program Manager; Laura Magness, Communications Director; Aaron McKnight, Deputy City Attorney; Chief Randy Thomas, UPD; Josh Short, Junior Network Administrator.

Chair Stevenson called the meeting to order at 7:17 p.m.

I. GENERAL BUSINESS

A. Roll Call - Board Members Dustin Gettel, Bonnie Billings, Bryant Brown, Heidi Robinson, and Paul Glover were present at roll call.

II. PUBLIC COMMENTS

There was no one who desired to speak.

III. CONSENT AGENDA

A. CONSIDER MINUTES OF JANUARY 2, 2024

MOTION: Board Member Paul Glover **MOVED** to approve the consent agenda. The motion was **SECONDED** by Board Member Heidi Robinson. Chair Stevenson called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Bryant Brown	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye

Board Member Bonnie Billings Aye
Board Member Heidi Robinson Aye
The motion passed unanimously.

IV. ACTION ITEMS

**A. CONSIDER RESOLUTION NO. 2024-01RDA APPROVING
AMENDMENTS TO THE MIDVALE MAIN BUSINESS LOAN PROGRAM**

Kate Andrus said since its adoption in 2021, only one loan has been processed under this program. Unfortunately, due to higher interest rates implemented to mitigate inflation, the development and business industry has experienced a significant slowdown. Despite the program's attempt to offer a rate reduction based on a set of public benefit criteria, the final reduction in the interest rate has proven insufficient to stimulate the desired improvements and businesses along the street. Therefore, recognizing the need to address the challenges posed by high interest rates, as well as desiring to tailor the program more specifically to businesses, staff has proposed the following amendments, which can be found in the attached program guidelines. These amendments aim to create a more impactful and transformative framework that aligns with the vision for Midvale Main.

Major Program Amendments:

Eligibility:

- Minimum Eligibility: To be considered for a loan the project must score a minimum score of 25/40 in meeting four key public benefit criteria of Economic Impact , Public Amenity, Permanent Job Creation, and Street Activation. These criteria are found in the chart below in Section V.
- Public Benefit Incentive: Applicants will receive a rate reduction of 0.25% for every 5 3points earned over the minimum required score, as outlined in the Public Benefit Criteria Chart found in Section V.
- The addition of Public Benefit Projects: Projects that provide a substantial public benefit to the street are eligible for 0% interest loans.
 - Loans under \$25,000 must meet the minimum eligibility requirement, have a minimum score of 35 points under the public benefit criteria which must receive a full score in the areas of 1) Economic Impact, 2)Street Activation, 3) Job Creation.
 - Loans over \$25,000 must meet the minimum eligibility requirement, have a minimum score of 60 points under the public benefit criteria and must receive a full score in the areas of 1) Economic Impact, 2) Adaptive Reuse, 3) Permanent Job Creation 4) Street Activation.

Terms:

- Collateral: Must have 10% 60%-80% minimum of available collateral.
- Base Interest Rate: US Prime Rate + 1.5(- Public Benefit Score Reduction, if applicable) .

Public Benefit Criteria:

- Defined desired businesses under the desired business categories list attached to the Program as exhibit A.
- Removed Historic Preservation and Affordable Housing: AMI targets as a public benefit criteria.

Fiscal Impact:

Funding in the amount of \$1.5 million was loaned from the Bingham Junction Project Area to the Main Street Project Area. To date, only one loan has been processed for \$250,000, and this loan has already started the repayment process.

Main Street CDA Goals

Objectives:

- Provision of development that enhances economic and quality of life basis.
- The stimulation of associated business and economic activity by the development

Tools to achieve the objective:

- Support and encourage appropriate public and private development efforts in the community.
- Support developers and other stakeholders to invest in preserving the Main Street District and create economic development opportunities while utilizing the City's renewable resources.
- Offer incentives, as may be appropriate to encourage development within the Project Area.
- Improve the design quality of structures within Midvale City.

Program Amendments

- The Revolving Loan Program will be separated into two distinct loan programs: Business Loans and Adaptive Reuse Loans.
- Base Interest Rate will be set at: US Prime Rate (- Public Benefit Score Reduction, if applicable)
- Interest free loans will be made available to projects identified as Public Benefit Projects, meaning that the project has demonstrated that the funding provided will contribute to significant and positive impacts of Midvale Main.

Public Benefit Adaptive Reuse Loan

Historic Character	To promote the historic character of the Project Area or the individual building.	<ul style="list-style-type: none">• The project will introduce significant architectural elements, signs, and styles that fit the historic look and feel of Midvale Main.• This project focuses on maintaining, rehabilitating and/or recreating both internal and external historical characteristics that currently exist or would have existed from the period in which the building was built.
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Public Benefit Business Loan

Adaptive Reuse	To promote the revitalization of underutilized buildings that preserve the character of the Project Area while promoting new land uses.	The project will preserve or repurpose a building through the conversion of existing structures into new land uses via a form-based code (FBC) model. The project will <u>preserve or repurpose an existing building, built prior to 1950, through the conversion of existing structures into new land uses, as allowed within the zone.</u>
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Fiscal Impact

- \$1.5 million was loaned from the Bingham Junction Project Area to the Main Street Project Area.
- To date, only one loan has been processed for \$250,000.
- Both programs share the revolving nature of funds and will utilize the same funding source.
- To date, only one loan has been processed for \$250,000.
- Both programs share the revolving nature of funds and will utilize the same funding source.

MOTION: Board Member Dustin Gettel MOVED to approve Resolution NO. 2024-01RDA approving amendments to the Midvale Main Business Loan Program with the additional change to define adaptive reuse as a project that will preserve or repurpose an existing building built prior to 1950 through the conversion of existing structures into new land uses and allowed within the zone. The motion was **SECONDED** by Board Member Heidi Robinson. Chair Stevenson called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Bryant Brown Aye
Board Member Dustin Gettel Aye
Board Member Paul Glover Aye
Board Member Bonnie Billings Aye
Board Member Heidi Robinson Aye

The motion passed unanimously.

B. CONSIDER RESOLUTION NO. 2024-02RDA APPROVING THE MIDVALE MAIN ADAPTIVE REUSE LOAN PROGRAM

Kate Andrus said in 2021, the Redevelopment Agency adopted the Main Street Revolving Business Loan, now known as the Midvale Main Business Loan. Since that time, it has become evident to staff that this program was not distinctly tailored for businesses or property owners. As a staff, we also recognize the need for gap funding by property owners to address the substantial costs associated with the adaptive reuse of many historical buildings, transforming them into usable shells for tenants.

Due to the desire to provide funding to businesses and property owners within the Main Street Project Area, staff has proposed the separation of the program into two distinct loan programs, thereby creating a new program that provides adaptive reuse loans.

Intent:

The Midvale Main Adaptive Reuse Loan Program is another funding tool in the Main Street redevelopment toolkit designed to incentivize the right development or improvements to activate the street. More specifically, the purpose of this program is to encourage and promote the reuse and revitalization of existing buildings within the Main Street Project Area. The objective is to facilitate transformative development that preserves the past while contributing to the economic vitality of the Main Street Project Area. This is achieved by making loans available to property owners within Midvale's Main Street Project Area.

Eligible property owners must demonstrate their commitment to creating a sense of place within the Main Street project area by shaping redevelopment, enhancing arts and culture, preserving and celebrating history and providing or supporting spaces for people to gather and recreate.

Program Guidelines:

Key Eligibility Requirements:

- Applicants must own or be purchasing property within Midvale's Main Street Project Area.
- Minimum Eligibility: To be considered for a loan, the project must score a minimum of 25/40, meeting four key public benefit criteria: Economic Impact, Public Amenity, Beautification, and Street Activation, as found in Section V.
- Public Benefit Incentive: A reduction to the standard interest rate is available for projects exceeding the minimum score in any combination of criteria in the Public Benefit Criteria Chart (Section V). For every 3 points earned over the minimum score required, a project is eligible for a rate reduction of 0.25% from the standard interest rate, with a minimum interest rate of 1%. Compliance and reporting requirements will be triggered for each interest rate reduction to ensure public benefit criteria are met.
- Public Benefit Projects: Projects providing a substantial public benefit to the street are eligible for 0% interest loans.
 - Loans under \$25,000 must meet the minimum eligibility requirement, score a minimum of 35 points under the public benefit criteria, and receive a full score in the areas of 1) Economic Impact and 2) Street Activation.
 - Loans over \$25,000 must meet the minimum eligibility requirement, score a minimum of 55 points under the public benefit criteria and receive a full score in the areas of 1) Economic Impact, 2) Historic Character, 3) Beautification, and 4) Street Activation.

Key Terms:

- **Loans for Physical Improvement and Real Estate Purchases Under \$25,000**

- o Loan Amount: Loans will provide up to \$25,000.
- o Background Check: Required.
- o Credit Score: No minimum. (Credit scores determine loan amount, interest rate, and collateral %).
- o Collateral: Must have 100% available collateral.
- o Default: Defaulting on the loan will result in the loss of collateral.
- o Easement: An easement will be placed on the property until the loan is repaid in full.

- **Loans for Physical Improvement and Real Estate Purchases Over \$25,000**

- o Loan Amount: Loans will provide up to \$250,000.
- o Background Check: Required.
- o Credit Score: Minimum Credit Score of 640.
- o Collateral: Must have 100% available collateral.
- o Default: Defaulting on the loan will result in the loss of collateral.
- o Easement: An easement will be placed on the property until the loan is repaid in full.
- o Loan to Value Ratio: 85% of the property value or project expense.

The full eligibility requirements, along with loan terms, can be found in the program guidelines.

Approval Process:

RDA staff will evaluate the loan application based on the public benefit criteria listed under Section V of the attached Program guidelines. The applicant must meet specific thresholds to be considered. Applicants exceeding these thresholds will be eligible for more favorable loan terms. If all terms and requirements are met, all loans under \$25,000 will be administratively processed by RDA Staff. All loans over \$25,000 will be brought before the RDA Board for approval. Any loan with terms negotiated outside standard loan parameters detailed in the program will be brought to the Board for approval.

Fiscal Impact:

Funding in the amount of \$1.5 million was loaned from the Bingham Junction Project Area to the Main Street Project Area. To date, only one loan has been processed for \$250,000. This loan has already started the repayment process. The business loan and the adaptive reuse loan will utilize the same funding source and share the same revolving nature of the funds.

Desire Business Categories

This is a list of business categories which will play an important role in establishing an arts, food, and culture district. This will be used as a guide when determining the public benefit criteria score of a loan application.

1. Art Galleries and Studios
2. Theaters and Performing Arts Spaces

3. Music Venues
4. Food and Beverage
5. Bakery
6. Museums and Cultural Institutions
7. Artisan and Craft Shops
8. Event Spaces
9. Educational Institutions
10. Media and Publishing
11. Creative Technology Hubs
11. Community Centers
12. Vintage and Antique Shops
13. Fashion Boutiques
14. Home Decor and Design Stores
15. Music and Record Stores
16. Lifestyle and Wellness Shops
17. Concept Stores
18. Kids and Family-Friendly Shops
19. Tourism and Visitor Centers

Program Update

- Since 2021, one loan has been processed under this program.
- Despite offering an avenue for interest rate reduction, higher interest rates have resulted in rates that fell short of incentivizing development and business growth.
- Questions regarding who the program was tailored to: Property Owner or Business?
- Questions regarding what a complimentary service or business is as called out in the Public Benefit Criteria.
- Overall desire to provide an attractive incentive to potential projects that will play a significant role in the rapid transformation of Midvale Main.

Proposed Amendments

Base Interest Rate: US Prime Rate +1.5% (- Public Benefit Score Reduction, if applicable)

Base Interest Rate: US Prime Rate (- Public Benefit Score Reduction, if applicable)

Interest free loans will be available to projects identified as Public Benefit Projects, meaning that the project has demonstrated that the funding provided will contribute to significant and positive impacts of Midvale Main.

For Adaptive Reuse Loans, these projects must achieve:

- Loans under \$25,000
- Minimum score of 35 points under the public benefit criteria
- Full points under 1) Economic Impact and 2) Street Activation.
- Loans over \$25,000
- Minimum score of 55 points

- Full points under 1) Economic Impact, 2) Historical Preservation, 3) Beautification, and 4) Street Activation.

Interest free loans will be available to projects identified as Public Benefit Projects, meaning that the project has demonstrated that the funding provided will contribute to significant and positive impacts of Midvale Main.

For Business Loans, these projects must achieve :

- Loans under \$25,000
- Minimum score of 35 points
- Full points under 1) Economic Impact, 2) Street Activation, 3) Job Creation.
- Loans over \$25,000
- Minimum score of 60 points
- Full points under 1) Economic Impact, 2) Adaptive Reuse or Historical Preservation, 3) Permanent Job Creation, 4) Street Activation.

MOTION: Board Member Heidi Robinson **MOVED** to approve Resolution NO. 2024-02RDA approving the Midvale Main Adaptive Reuse Loan Program. The motion was **SECONDED** by Board Member Bonnie Billings. Chair Stevenson called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Bryant Brown **Aye**
Board Member Dustin Gettel **Aye**
Board Member Paul Glover **Aye**
Board Member Bonnie Billings **Aye**
Board Member Heidi Robinson **Aye**

The motion passed unanimously.

V. DISCUSSION ITEMS

A. DISCUSSION REGARDING THE CACTUS AND TROPICALS MIDVALE MAIN BUSINESS LOAN

Kate Andrus said on June 15, 2022, the RDA Board approved the Midvale Main Street Revolving Loan Program.

Currently, the RDA is in the process of amending this program. During this phase, Agency staff received a loan request from Cactus and Topicals for \$250,000. Staff has reviewed and evaluated the loan application based on the proposed program guidelines and criteria, finding that the applicant has met the required threshold for consideration. As the loan request exceeds \$25,000, the terms of the loan agreement are being presented to the RDA Board for discussion and eventual final approval

With most of the building restoration being handled by the property owners, Cactus and Tropicals will require funding to implement the additional tenant improvements essential to creating a customized space that aligns with their mission. This mission involves establishing a beautiful space that offers distinctive products and services, setting them

apart as an exceptional retailer of horticultural products, events and workshops along the Wasatch Front. The planned improvements encompass various aspects, including construction features such as skylights, floor coverings, paint, lighting, and plumbing. Additionally, the inventory will include display tables, racks, shelving, cash registers, computers, printers, plumbing fixtures, shopping carts, pallet jacks, tools, and other fixtures crucial to their operational needs.

As part of the staff review, it was concluded that the application exceeded the minimum required threshold. This demonstration indicates that the funds provided will contribute to attracting and promoting the growth of businesses within the Main Street Area.

Cactus and Tropicals loan proposal scored strongly under the Public Benefit Criteria, obtaining full points in the areas of 1) Economic Impact, 2) Adaptive Reuse, 3) Permanent Job Creation, and 4) Street Activation. Agency staff believes that Cactus and Tropicals will provide a substantial public benefit to the street. Specifically, Cactus and Tropicals will help rejuvenate the vacant Vincent building, once again making it an attraction on Midvale Main. Furthermore, given that Cactus and Tropicals is a local and popular retailer and event company along the Wasatch Front, staff believes that their presence will have a significant economic impact on the area, not just in terms of new employment opportunities but also in street activation. This impact will bring increased pedestrian activity that will likely spill over into other businesses, making the area more attractive to future businesses looking to relocate.

Therefore, Agency staff recommends providing a loan of \$250,000 to Cactus and Tropicals with the terms outlined in the attached Term Sheet. This recommendation is based on Agency staff's review of Cactus and Tropicals' proposal and supporting financial documents. Furthermore, if the Agency Board approves the adoption of the Public Benefit Project Incentive offering 0% interest business loans, Staff further recommends Cactus and Tropicals as a qualified applicant for the incentive.

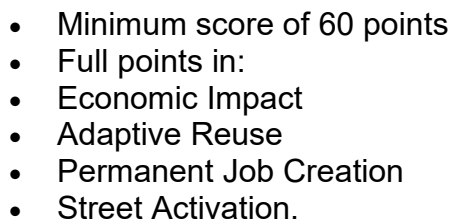
Fiscal Impact:

The current program budget is \$1.25 million to be utilized for individual loans. If approved, the RDA will provide a \$250,000 loan to Cactus and Tropicals. This will bring the current overall budget for the revolving loan program to \$1 million to be loaned to additional projects.

Project Summary

Cactus and Tropicals applied for a \$250,000 loan to help fund tenant improvements, equipment and inventory, specifically:

- Skylights
- Floor coverings
- Paint
- Lighting
- Display tables
- Racks



Cactus & Tropicals – Midvale Main St.

Economic Impact

Public Amenities

Adaptive Reuse

Beautification

Education Based

Street Activation

Job Creation

Sustainability

Cactus & Tropicals – Midvale Main St.

Economic Impact

Public Amenities

Adaptive Reuse

Beautification

Education Based

Street Activation

Job Creation

Sustainability

Cactus & Tropicals – Midvale Main St.

We have City Home Collective waiting in the wings to help us with the design of the Midvale Store

The Becks have a vision of what
The store as well as the rest of the street can look like

We are excited about that vision.
A mix of a charming, vintage style with a contemporary flair.

We hope to keep much of the bones of the structure and
to recreate an area as you come off of the street that
directly reflects some of the nostalgia of Vincent Drug.

Cactus & Tropicals – Midvale Main St.

Economic Impact
Public Amenities
Adaptive Reuse
Beautification
Education Based
Street Activation
Job Creation
Sustainability

Cactus & Tropicals – Midvale Main St.

Number of Transactions in 2023

Salt Lake City -- 74,000

Draper -- 31,000

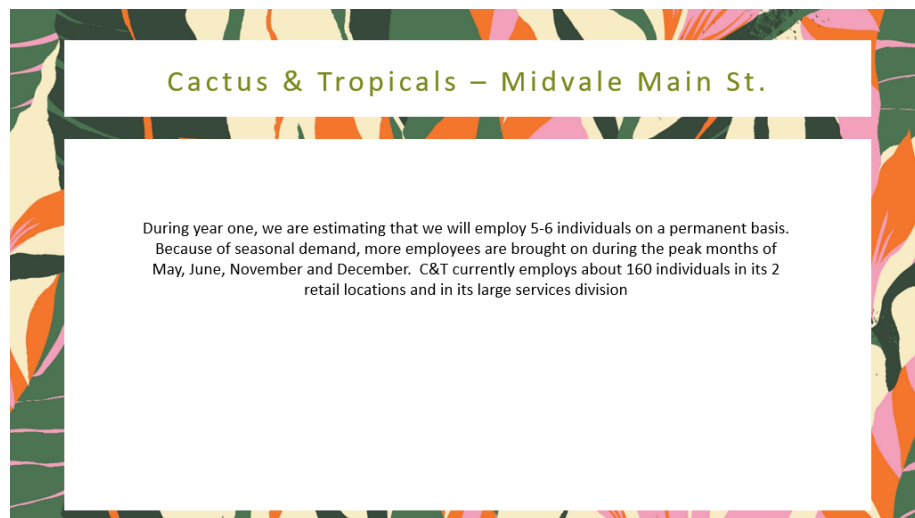
In addition, events brought into our 2 stores
approximately 9,000 people after hours

Cactus & Tropicals – Midvale Main St.

Our two stores are open M-Sat 10 – 6 and Sun 11 -5

In the evening we transform them into event venues





Proposed Loan Terms

Loan Amount: \$250,000

Term: 7 Years

Interest Rate: 0%

Other Main Items:

- C&T pledges the equity from property of current existing locations as collateral with a loan ratio of 80%. The RDA will be in last position.
- The first payment shall be the sooner of: a) The first day of the first full month following the opening of the business or b) October 1, 2024.
- C&T equal monthly payments based on the outstanding Loan Amount.
- C&T agrees to submit receipts, invoices, or other reasonable evidence as requested by the RDA to verify that the Loan is being used for the permitted uses.

The Board all expressed their excitement for this project.

Scott Pines, owner of Cactus and Tropicals, said their other two stores have about 100 events a year. Those events are open to the public and scheduled in advance.

Jeff Beck said he feels like they pulled a rabbit out of their hat with this one. This program is amazing to attract this kind of business. He thanked the Board for having these types of programs. He said the City staff is amazing.

MOTION: Board Member Paul Glover MOVED to adjourn the meeting. The motion was SECONDED by Board Member Dustin Gettel. Chair Stevenson called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

The meeting adjourned at 7:40 p.m.

Rori L. Andreason, MMC
City Recorder

Approved this 6th day of February 2023.



REDEVELOPMENT AGENCY OF MIDVALE CITY SUMMARY REPORT

February 6, 2024

ITEM TYPE: Action

SUBJECT: Consider **Resolution No. 2024-03RDA** approving the term sheet for an adaptive reuse loan agreement between the Redevelopment Agency of Midvale City and Midvale Main Partners II, LLC

SUBMITTED BY: Kate Andrus, RDA Program Manager

CITIZEN'S REPORT: The Redevelopment Agency of Midvale City Board of Directors will have a discussion and consider a proposed \$250,000 loan for 7696 S. Main Street, Midvale UT 84047.

SUBMITTED BY:

Kate Andrus, RDA Program Manager

SUMMARY:

On January 16, 2024, the RDA Board approved the Midvale Main Adaptive Reuse Loan Program. Since its approval, Agency staff received a loan request from Jeff Beck with Midvale Main Partners II, LLC for \$250,000. Agency staff has reviewed and evaluated the loan application against the program guidelines and criteria, confirming that the applicant successfully met the required threshold for consideration. Given that the loan request exceeds \$25,000, the terms of the loan agreement are now presented for discussion and approval by the RDA Board.

Midvale Main II, LLC, the applicant, is the owner of the property located at 7696 S. Main Street, commonly known as the Vincent building. The applicant intends to implement necessary improvements to attract and secure tenants essential for activating Midvale Main, focusing on the realms of food, retail, and events. The planned renovations are extensive, covering structural upgrades, new framing and stair access, updated HVAC systems, new plumbing, drywall installation, electrical upgrades, flooring enhancements, and modernized bathrooms.

In addition, the section of the Vincent building designated for Cactus and Tropical will feature the installation of a greenhouse positioned on the west side of the building. This greenhouse will seamlessly integrate into the open space located to the north making it a perfect environment to sell Cactus and Tropical Product and to host events. Furthermore, the smaller retail/restaurant space on the northern side of the building will be retrofitted to cater to a food tenant, with new openings facilitating outdoor dining in the adjacent open space to the North. These strategic

improvements aim to create an inviting and dynamic environment, fostering the success of Midvale Main as a vibrant hub for various activities.

As part of Agency staff's review, it was concluded that the application exceeded the minimum required threshold, demonstrating that these funds will contribute significantly to creating a sense of place within the Main Street project area. This contribution involves shaping redevelopment, enhancing arts and culture, preserving and celebrating history, and providing or supporting spaces for people to gather and recreate.

Furthermore, the loan proposal from Midvale Main Partners II, LLC received strong scores under the Public Benefit Criteria, attaining full points in the areas of 1) Economic Impact, 2) Historic Character, 3) Beautification, and 4) Street Activation, making it a qualified applicant for the 0% incentive.

Considering these findings, Agency staff recommend approving a loan of \$250,000 to Midvale Main Partners II LLC, with the terms outlined in the attached Term Sheet. This recommendation is based on a review of the applicant's proposal and supporting financial documents by Agency staff.

Fiscal Impact:

The current budget for the revolving loan programs is \$1.25 million to be utilized for individual loans. If this loan is approved, the RDA will provide a \$250,000 loan to Midvale Main Partners II, LLC. In addition, the Agency Board is currently considering a business loan of 250,000. If both loans are approved, this will bring the current overall budget for the revolving loan programs to \$750,000 to be loaned to additional projects.

Recommended Motion

"I move that we suspend the rules and pass Resolution No. 2024-03RDA approving the term sheet for an adaptive reuse loan agreement between the Redevelopment Agency of Midvale City and Midvale Main Partners II, LLC."

Attachments:

Resolution No. 2024-03RDA
Term Sheet
Amortization Schedule
Public Benefit Impact

**THE REDEVELOPMENT AGENCY OF MIDVALE CITY
RESOLUTION NO. 2024-03RDA**

**A RESOLUTION APPROVING THE TERM SHEET FOR A LOAN AGREEMENT
BETWEEN REDEVELOPMENT AGENCY OF MIDVALE CITY AND MIDVALE
MAIN PARTNERS II, LLC.**

WHEREAS, the Redevelopment Agency of Midvale City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, on November 17, 2015, the Agency adopted Resolution 2015-13RDA approving the CDA Project Area Plan for the Midvale Main Street CDA Project Area; and

WHEREAS, on October 6, 2020, the Agency adopted Resolution 2020-11RDA, adopting the Main Street Community Development Area Budget; and

WHEREAS, on September 7, 2021, the Agency adopted Resolution 2022-17RDA, approving the Midvale Main Business Loan Program (the “Program”); and

WHEREAS, on January 16, 2024, the Agency adopted Resolution 2024-RDA, approving Amendments to the Midvale Main Business Loan Program; and

WHEREAS, the Program seeks to incentivize desired businesses and business improvements through low-interest loans to activate and revitalize Midvale’s Main Street area; and

WHEREAS, funds available in the amount of 1.5 million dollars were loaned from the Bingham Junction Project Area to the Main Street Project Area to be utilized as loans for eligible businesses and upon completion of the program, will be repaid to the Bingham Junction Project Area; and

WHEREAS, the Midvale Main Partners II, LLC applied for a loan through the Program in the amount of \$250,000 for planned renovations which include structural upgrades, new framing and stair access, updated HVAC systems, new plumbing, drywall installation, electrical upgrades, flooring enhancements, and modernized bathrooms; and

WHEREAS, the Agency reviewed the application and supporting submitted and believes that the funds loaned to the Midvale Main Partners II, LLC will contribute to the revitalization of the Midvale Main Street CDA Project Area; and

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby approve the Term Sheet for a Loan Agreement with Midvale Main Partners II, LLC and authorizes the Chief Administrative Officer and Executive Director to execute loan agreement based on the Term Sheet, subject to such other terms and conditions as recommended by Agency’s legal counsel.

Passed and Adopted by the Board of Directors of the Redevelopment Agency of Midvale City, State of Utah, this _____ day of _____, 2024.

Marcus Stevenson,
Chief Administrative Officer

Matt Dahl
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Council:	"Aye"	"Nay"
Bonnie Billings	_____	_____
Paul Glover	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____
Dustin Gettel	_____	_____

Proposed Loan

Debt Assumptions		
Loan Amount	250,000	
Interest Rate	0.00%	0.00%

Proposed Loan	Amount	Interest	Project Proceeds
Loan #1	\$250,000	\$ -	\$ (250,000)

Loan Amount Issued	\$ 250,000
Costs of Issuance	\$0
Total Amount	\$ 250,000
Total	\$ 250,000

Month	Principal	Interest Rate	Interest	Total P+I
1	\$2,976	0.00%	\$0	\$2,976
2	\$2,976	0.00%	\$0	\$2,976
3	\$2,976	0.00%	\$0	\$2,976
4	\$2,976	0.00%	\$0	\$2,976
5	\$2,976	0.00%	\$0	\$2,976
6	\$2,976	0.00%	\$0	\$2,976
7	\$2,976	0.00%	\$0	\$2,976
8	\$2,976	0.00%	\$0	\$2,976
9	\$2,976	0.00%	\$0	\$2,976
10	\$2,976	0.00%	\$0	\$2,976
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84	\$2,976	0.00%	\$0	\$2,976
\$ 250,000			\$ -	\$ 250,000

Vincent Park: Public Impact

Economic Impact: We believe that through rehabilitating the old Vincent Building and retrofitting it for Cactus and tropicals it will have a large economic impact on Main Street Midvale. Cactus and Tropicals is a local and popular retailer along the wasatch front. It is a destination for people and we believe it will drive a lot of traffic to the street which will spill over into other businesses. We also feel it will help other landlords attract much stronger and more interesting tenants because of their presence on Main Street.

Public Amenities: We believe that the Vincent Soda Shop, Cactus and Tropicals, the Restaurant, the rooftop dining and the park will all be beautiful and unique amenities on Main Street. The outdoor dining and garden areas will be a beautiful green space that will benefit everyone walking by and every customer that visits any of these spaces.

Preservation: We are planning to restore the old Vincent facade. We hope to improve it by adding tasteful finishes that make it look current, while also keeping some of its unique characteristics to preserve the charm and history that it holds for the city. We are also planning to have a soda and candy shop in the first 25 feet of the Vincent building as a throwback to what Vincent was known for and to create a place that people can stop in for a soda and a little nostalgia. We have chosen to remodel, rather than rebuild these buildings, because we believe that restoring old buildings brings an authentic charm to the street that new construction can't replicate.

Beautification: We are working with reputable designers and architects and plan to use high end finishes to make the facade look charming and current. The outdoor dining and the courtyard area for Cactus will be a beautiful, unique attraction for the city.

Educational based Business: Cactus and tropicals is a retail and events business, but it also hosts classes and lectures to educate their customers on a variety of subjects regarding plants. This will bring an educational element to the space.

Sustainability: Remodeling vs. Rebuilding is better for the environment. It creates less waste and uses less resources. We believe because we are remodeling, rather than rebuilding, this is considered a sustainable project

Street Activation: Cactus and tropicals sells retail during the day and hosts events at night. This will activate the street for longer hours than an average retail shop. As mentioned above, they are a popular and beloved company, and we believe people will come to Main Street specifically to shop there. This will drive traffic that wouldn't naturally be on Main Street. We believe the design of the park, with the outdoor dining and retail, will activate the street in a unique way. This will be a great experience and a draw that we believe will activate Main Street in a big way.



REDEVELOPMENT AGENCY OF MIDVALE CITY SUMMARY REPORT

February 6, 2024

ITEM TYPE: Action

SUBJECT: Consider **Resolution No. 2024-04RDA** approving the term sheet for a business loan agreement between the Redevelopment Agency of Midvale City and Cactus & Tropicals, LLC

SUBMITTED BY: Kate Andrus, RDA Program Manager

CITIZEN'S REPORT: The Redevelopment Agency of Midvale City Board of Directors will consider a \$250,000 loan for Cactus & Tropicals, LLC.

SUBMITTED BY:

Kate Andrus, RDA Program Manager

SUMMARY:

On January 16, 2024, the RDA Board approved amendments to the Midvale Main Business Loan Program. Coinciding with this approval, Agency staff received a \$250,000 loan proposal from Cactus & Tropicals, LLC. Agency staff has reviewed and evaluated the loan application against the program guidelines and criteria, confirming that the applicant successfully met the required threshold for consideration. In addition, staff concluded that the application went above and beyond the minimum required threshold, demonstrating that the funds provided will contribute to the attraction and promotion of growth and improvement of businesses within the Main Street Area. Agency staff has, therefore, concluded that this proposal is eligible for the 0% interest loan incentive. A term sheet has been compiled to demonstrate the proposed terms of the agreement, and this was brought before the Board for discussion on January 16, 2024. These same terms are now being brought before the Board for approval.

Fiscal Impact:

The current budget for the revolving loan programs is \$1.25 million to be utilized for individual loans. If this loan is approved, the RDA will provide a \$250,000 loan to Cactus & Tropicals, LLC. In addition, the Agency Board is currently considering an adaptive reuse loan of 250,000. If both loans are approved, this will bring the current overall budget for the revolving loan programs to \$750,000 to be loaned to additional projects.

Recommended Motion

“I move that we pass Resolution No. 2024-04RDA approving the term sheet for a business loan agreement between the Redevelopment Agency of Midvale City and Cactus & Tropicals LLC.”

Attachments:

Resolution No. 2024-04 RDA

Term Sheet

Amortization Schedule

Public Benefit Impact

**THE REDEVELOPMENT AGENCY OF MIDVALE CITY
RESOLUTION NO. 2024-04RDA**

**A RESOLUTION APPROVING THE TERM SHEET FOR A LOAN AGREEMENT
BETWEEN REDEVELOPMENT AGENCY OF MIDVALE CITY AND CACTUS AND
TROPICALS.**

WHEREAS, the Redevelopment Agency of Midvale City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, on November 17, 2015, the Agency adopted Resolution 2015-13RDA approving the CDA Project Area Plan for the Midvale Main Street CDA Project Area; and

WHEREAS, on October 6, 2020, the Agency adopted Resolution 2020-11RDA, adopting the Main Street Community Development Area Budget; and

WHEREAS, on September 7, 2021, the Agency adopted Resolution 2022-17RDA, approving the Midvale Main Business Loan Program (the “Program”); and

WHEREAS, on January 16, 2024, the Agency adopted Resolution 2024-RDA, approving Amendments to the Midvale Main Business Loan Program; and

WHEREAS, the Program seeks to incentivize desired businesses and business improvements through low-interest loans to activate and revitalize Midvale’s Main Street area; and

WHEREAS, funds available in the amount of 1.5 million dollars were loaned from the Bingham Junction Project Area to the Main Street Project Area to be utilized as loans for eligible businesses and upon completion of the program, will be repaid to the Bingham Junction Project Area; and

WHEREAS, the Cactus & Tropicals LLC applied for a loan through the Program in the amount of \$250,000 for planned renovations which include construction features such as skylights, floor coverings, paint, lighting, and plumbing. Additionally, the inventory will include display tables, racks, shelving, cash registers, computers, printers, plumbing fixtures, shopping carts, pallet jacks, tools, and other fixtures crucial to their operational needs; and

WHEREAS, the Agency reviewed the application and supporting submitted and believes that the funds loaned to Cactus & Tropicals LLC will contribute to the revitalization of the Midvale Main Street CDA Project Area.

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby approve the Term Sheet for a Loan Agreement with Cactus & Tropicals LLC and authorizes the Chief Administrative Officer and Executive Director to execute loan agreement based on the Term Sheet, subject to such other terms and conditions as recommended by Agency’s legal counsel.

Passed and Adopted by the Board of Directors of the Redevelopment Agency of Midvale City, State of Utah, this _____ day of _____, 2024.

Marcus Stevenson,
Chief Administrative Officer

Matt Dahl
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Council:	"Aye"	"Nay"
Bonnie Billings	_____	_____
Paul Glover	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____
Dustin Gettel	_____	_____

Midvale City Redevelopment Agency

Term Sheet for Loan Agreement

(Cactus & Tropicals, LLC)

Borrower:	Cactus & Tropicals (Borrower)
Lender:	Redevelopment Agency of Midvale City (Lender)
Loan Amount:	\$250,000.00
Interest Rate:	0% Interest
Term:	7 Years
Payments:	1. Borrower shall pay to RDA equal monthly payments of principal and interest based on the outstanding Loan Amount.
First Payment	2. The first payment shall be the sooner of: a) The first day of the first full month following the opening of the business or b) October 1, 2024.
Security:	3. Borrower pledges the equity from property of current existing locations as collateral with a loan ratio of 80%. The lender will be in last position.
Late Fee:	4. Borrower agrees to pay a late payment fee equal to five percent (5%) of the late amount, if payment is received after the 15 th day of in which the payment is due. All sums in default will accrue interest at the rate of 18% per annum, compounded monthly, before and after judgment, until paid in full.
Prepayment:	5. Prepayment of the outstanding balance of the Loan, in whole or in part, may be made prior to the Maturity Date without a prepayment penalty.
Personal Guarantee	6. The loan must have a personal guarantee from all owners with over 20% equity in the property or project.
Use of Proceeds	7. Borrower shall use the proceeds of the Loan for the permitted uses which includes the tenant improvements , inventory, machinery and equipment. This will be in the form of skylights, floor coverings, additional painting, etc. Lighting, display tables, racks, shelving, cash registers, computer and printer, plumbing fixtures, shopping carts, pallet jack, tools, and other fixtures 8. Borrower agrees to submit receipts, invoices, or other reasonable evidence as requested the RDA to verify that the Loan is being used for the permitted use.

Default	9. Defaulting on the loan will result in the loss of collateral.
Miscellaneous	<p>10. Borrower shall have executed and delivered to Lender the Loan Documents in a form satisfactory to Lender. Guarantor shall have executed and delivered to Lender the Guaranty in a form satisfactory to Lender.</p> <p>11. Personal guarantors are liable to pay back the outstanding balance of the loan after the liquidation of collateral to the RDA even if the business fails.</p> <p>12. Borrower shall comply with all other terms outlined in the Midvale Main Business Loan Program guidelines.</p>

Proposed Loan

Debt Assumptions		
Loan Amount	250,000	
Interest Rate	0.00%	0.00%

Proposed Loan	Amount	Interest	Project Proceeds
Loan #1	\$250,000	\$ -	\$ (250,000)

Loan Amount Issued	\$ 250,000
Costs of Issuance	\$0
Total Amount	\$ 250,000
Total	\$ 250,000

Month	Principal	Interest Rate	Interest	Total P+I
1	\$2,976	0.00%	\$0	\$2,976
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84	\$2,976	0.00%	\$0	\$2,976
	\$ 250,000		\$ -	\$ 250,000

Cactus & Tropicals Economic & Community Impact

Cactus & Tropicals, (C&T) in its two existing locations, has had a significant positive impact on the surrounding business and residential communities.

Economic Impact – We anticipate that in year one, C&T Midvale will generate about \$600,000 in revenue from the sale of retail merchandise and through the hosting of events such as wedding receptions, corporate events, community gatherings and sponsored classes. The “spillover” effect has been positive for the community with the build up of several restaurants (SLC - Feldman’s Deli, Draper – Cliff and Cultivate) as well as several retail stores and residential complexes that did not exist before the establishment of our stores in those area. Over the span of 6-8 years we hope to grow revenues in our Midvale location to \$1.8 million.

Public Amenities – C&T has established as its competitive advantage over big box competitors such as Lowes and Home Depot, a positive customer experience. Fountains and blooming vines as well as arbors and statuary are used to create an environment that suggests a garden lifestyle both in our stores and in our outdoor areas. C&T Midvale will have a greenhouse structure where tropical plants will be planted as well as offered for sale. Because of the gardenlike atmosphere that we create, our two existing locations began offering their spaces to customers for private events in 2006. In addition to paid events, each year, the spaces are provided to charitable organizations and other NFP’s at no charge as a location where they can hold fund raisers and gatherings.

Adaptive Reuse – C&T Midvale hopes to be able to open in the old Vincent Drug building. It will attempt to keep much of the charm of that building while adding a greenhouse towards the rear of the property. In addition, the plan is to tentatively have a space up front that is reminiscent of the original soda fountain that was a gathering place at Vincents in days gone by. It will offer customers sodas and light refreshments as well as its wide array of plants and gifts.

Beautification – We are working closely with Jeff and Caitlin Beck to create a space that is both charming and that will attract customers from all over the valley. We have retained the services of a designer to help create a beautiful space within the building and will be calling on our own landscape designers to create an attractive outdoor nursery area that will enhance the street and neighborhood. The first line of our mission statement is that we create beautiful spaces – both for our retail stores and for our customers’ homes and businesses.

Education Based – C&T offers classes and lectures on a wide variety of topics. Some of these classes and demonstrations are free to the public and some are for a small charge. We advertise these classes on our website and through an extensive mailing email list of over 20,000 recipients. It is our intention to offer those same classes and demonstrations at our Midvale Location.

Street Activation – As noted above, we believe that our two locations have been a positive catalyst for activity in their respective geographies. In both our Salt Lake and Draper locations, multiple businesses established themselves after we opened. In both locations we are open Monday through Saturday from 10 am to 6 pm and Sundays from 11 am to 5pm for retail sales. In the evenings we make our space available for private events. In 2023 we hosted 48 private events at our Salt Lake City Store and 86

events in our Draper Store. It is our intent to do the same at C&T Midvale. These numbers do not include donating the space for events for charitable organizations and NFP's.

Permanent Job Creation and Retention - During year one, we are estimating that we will employ 5-6 individuals on a permanent basis. Because of seasonal demand, more employees are brought on during the peak months of May, June, November and December. C&T currently employs about 160 individuals in its 2 retail locations and in its large services division.

Sustainability -- Because of the green nature of our business, we attempt to use sustainable practices in all of our operations. We have purchased several electric vehicles for deliveries and service personnel. We recycle paper, glass, and green waste whenever possible. We have a sustainability committee that meets regularly to identify ways to reduce waste, conserve, reuse and recycle whenever possible. We attempt to focus our customers on natural solutions for their gardening needs.



REDEVELOPMENT AGENCY OF MIDVALE CITY SUMMARY REPORT

February 6, 2024

ITEM TYPE: Action

SUBJECT: Consider **Resolution No. 2024-05RDA** authorizing the Chief Administrative Officer to execute an amendment to the Interlocal Cooperation Agreement between the Redevelopment Agency of Midvale City and Salt Lake County regarding the Main Street Festival Lighting Project.

SUBMITTED BY: Kate Andrus, RDA Program Manager

CITIZEN'S AGENDA: Redevelopment Agency of Midvale City Board of Directors will consider an amendment to the Interlocal Cooperation Agreement between the Redevelopment Agency of Midvale City and Salt Lake County for the purpose of extending the deadline of the festival lighting project to July 1, 2024.

SUMMARY:

In March of 2023, the Redevelopment Agency received grant funding for the installation of festival lighting along Midvale Main through the Salt Lake County Tourism, Recreation, Culture and Convention (TRCC) Support Program with a completion deadline of March 31, 2024.

Unfortunately, this project has encountered unforeseen obstacles that have affected its ability to meet the March 31st deadline.

The primary issue being a lack of responses to the initial Request for Proposals (RFP). Despite staff's best efforts to solicit bids from potential vendors, staff did not receive any responses. Upon further investigation and discussions with potential bidders, a critical problem was identified which involved an inadequate supply of power to Main Street for the festival lights.

To address this, Agency staff will be working with Rocky Mountain Power to provide the needed infrastructure to supply power to the street. However, this process could take a few months.

Agency staff has been working with Salt Lake County to obtain an extension of the deadline. Agency staff are now bringing before the Board an amendment to the original grant agreement which will extend the completion date to July 1, 2024.

FISCAL IMPACT:

The overall budget for this project is \$387,700. The TRCC Support Program is providing \$200,000 as a reimbursement grant. The remaining \$187,700 will be funded by the Main Street CDA budget.

RECOMMENDED MOTION:

“I move that we suspend the rules and pass Resolution No. 2024-05RDA authorizing the Chief Administrative Officer to execute an amendment to the Interlocal Cooperation Agreement between the Redevelopment Agency of Midvale City and Salt Lake County regarding the Main Street Festival Lighting Project.”

Attachments:

Resolution No. 2024-05RDA

Midvale City-Main Street Lighting Project Amendment

**THE REDEVELOPMENT AGENCY OF MIDVALE CITY
RESOLUTION NO. 2024-05RDA**

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE
INTERLOCAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF
MIDVALE CITY AND SALT LAKE COUNTY**

WHEREAS, the Redevelopment Agency of Midvale City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, on November 17, 2015, the Agency adopted Resolution 2015-13RDA approving the CDA Project Area Plan for the Midvale Main Street CDA Project Area; and

WHEREAS, on October 6, 2020, the Agency adopted Resolution 2020-11RDA, adopting the Main Street Community Development Area Budget; and

WHEREAS, The Redevelopment Agency of Midvale City (the “Agency”) seeks to transform Midvale’s Main Street and establish it as a much-needed public space that plays a vital role in the economic and social lives of the surrounding community; and

WHEREAS, the Agency applied for funding through the Salt Lake County Tourism, Recreation, Culture and Convention (TRCC) Support Program to support the costs of installing festival lighting along the length of Midvale’s Main Street; and

WHEREAS, Salt Lake County approved the Agency’s application for funding and awarded the Agency \$200,00 for the installation of festival lighting; and

WHEREAS, The Agency is committing \$187,00 to provide matching funding to cover the remaining cost of the project; and

WHEREAS, on March 21, 2023, the Agency adopted Resolution 2023-03RDA executing the Interlocal Agreement (Agreement) for the administration of the TRCC Support Program; and

WHEREAS, the Agency encountered unforeseen circumstances that required an extension to the grant deadline; and

WHEREAS, Salt Lake County has prepared an Amendment to the Agreement Extending the grant deadline to July 1, 2024.

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby authorizes the Chief Administrative Officer and Executive Director to execute an amendment to the Interlocal Agreement regarding the TRCC Support Program, between the Redevelopment Agency of Midvale City and Salt Lake County

Passed and Adopted by the Board of Directors of the Redevelopment Agency of Midvale City, State of Utah, this _____ day of _____, 2024.

Marcus Stevenson,
Chief Administrative Officer

Matt Dahl
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Council:	“Aye”	“Nay”
Bonnie Billings	_____	_____
Paul Glover	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____
Dustin Gettel	_____	_____

AMENDMENT NO. 1

To the

AGREEMENT BETWEEN

SALT LAKE COUNTY

AND

REDEVELOPMENT AGENCY OF MIDVALE CITY

THIS AMENDMENT NO.1 to Salt Lake County Contract #0000003492 is effective as of _____ day of _____, 2024, by and between **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah, for and on behalf of the Department of Community Services ("County") and **REDEVELOPMENT AGENCY OF MIDVALE CITY**, a public agency established by resolution of the Midvale City Council ("RDA"). County and RDA may each be referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

- A. On or about May 18, 2023, the Parties entered into Salt Lake County Contract # 0000003492 (the "Agreement");
- B. The Parties now wish to amend the Agreement to extend the expenditure deadline and reporting deadlines.

AMENDMENT

The Parties agree to amend the Agreement as follows:

1. The paragraph 2, is deleted and replaced as follows:
 2. **RDA'S OBLIGATIONS AND REPRESENTATIONS.**
 - A. Acknowledgement. RDA acknowledges that the TRCC Funds provided to RDA under this Agreement are County public funds received pursuant to the TRCC Act and Salt Lake County Code of Ordinances §3.10.030, 3.10.040, and 3.10.051, and therefore must be used for

the development, operation, and maintenance of publicly owned or operated recreation, cultural, or convention facilities.

B. Allowable Uses and Limitation on Use.

(i) RDA shall use the TRCC Funds provided under this Agreement solely to cover costs incurred by RDA to develop the Project as described in **EXHIBIT A**, (application) and **EXHIBIT B**, (project budget).

(ii) RDA shall not expend any TRCC Funds on: (a) fund-raising expenditures related to capital or endowment campaigns, grants or re-grants; (b) direct political lobbying, (c) bad debt expense, (d) non-deductible tax penalties, (e) operating expenses that are utilized in calculating federal unrelated business income tax; or (f) in any other manner that would be inconsistent with the use stated in Paragraphs 2A and 2B of this Agreement.

C. Match Requirement. If RDA's TRCC Application attached hereto as **EXHIBIT A** and/or budget attached as **EXHIBIT B** indicate that RDA will make a matching contribution toward the purpose for which TRCC Funds will be used by RDA under this Agreement, RDA shall make the matching contribution so indicated in the amount specified in RDA's Cultural Facilities Support Program Application. If RDA fails to make and expend such a matching contribution prior to **September 30, 2024**, the County may require repayment of TRCC Funds from RDA for noncompliance with this provision.

D. Deadline to Expend TRCC Funds. RDA shall expend all TRCC Funds received under this Agreement in accordance with Paragraph 2B above prior to **September 30, 2024**. Additionally, if RDA uses any portion of the TRCC Funds for anything other than for the purposes identified in Paragraph 2B above, RDA shall immediately pay to the County an amount equal to the amount of TRCC Funds spent for purposes other than those identified in Paragraph 2B.

E. Reporting Requirements. RDA shall submit to the County a completed copy of the TRCC Project Status Report, which can be found at <https://slco.org/community-services/trcc-support-program/>, detailing how the TRCC Funds were expended no later than **January 31, 2024 and September 30, 2024**.

F. Request for Reimbursement. RDA shall furnish to County the TRCC Reimbursement Form, which can be found at <https://slco.org/community-services/trcc-support-program/>, together with such invoices or other supporting documentation as County may reasonably require.

G. Deadline to Request Reimbursement of TRCC Funds. All requests for reimbursement under this Agreement shall be made on or before **September 30, 2024**.

H. Recordkeeping. RDA agrees to maintain its books and records in such a way that any TRCC Funds received from the County will be shown separately on RDA's books. RDA

shall maintain records adequate to identify the use of the TRCC Funds for the purposes specified in this Agreement. RDA shall make its books and records available to the County at reasonable times.

I. Public Funds and Public Monies:

(i) RDA agrees that the TRCC Funds are “public funds” and “public monies,” meaning monies, funds, and accounts, regardless of the source from which they are derived, that are owned, held, or administered by the State or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or similar instrumentalities, or any county, city, school district, political subdivision, or other public body. The terms also include monies, funds or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services. Said funds shall maintain the nature of “public funds” while in RDA’s possession.

(ii) RDA, as the recipient of “public funds” and “public monies” pursuant to this and other agreements related hereto, expressly agrees that it, its officers, and its employees are obligated to receive, keep safe, transfer, disburse and use these “public funds” and “public monies” as authorized by law and this Agreement for TRCC qualifying purposes in Salt Lake County. RDA understands that it, its officers, and its employees may be criminally liable under Utah Code Ann. § 76-8-402 for misuse of public funds or monies. RDA expressly agrees that the County may monitor the expenditure of TRCC Funds by RDA.

(iii) RDA agrees not to make TRCC Funds or proceeds from such funds available to any public officer or employee or in violation of the Public Officers’ and Employees’ Ethics Act, Utah Code Ann. §§ 67-16-1, *et seq.* (1953, as amended).

J. Right to Verify and Audit. The County reserves the right to verify application and evaluation information and to audit the use of TRCC Funds received by RDA under this Agreement, and the accounting of such use. If the County requests an audit, RDA agrees to cooperate fully with the County and its representatives in the performance of the audit.

K. Noncompliance. RDA agrees that the County may withhold TRCC Funds or other funds or require repayment of TRCC Funds from RDA for noncompliance with this Agreement, for failure to comply with directives regarding the use of public funds, or for misuse of public funds or monies.

L. Representations.

(i) No Officer or Employee Interest. RDA represents and agrees that no officer or employee of the County has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement.

(ii) Ethical Standards. RDA represents that it has not: (a) provided an illegal gift in connection with this Agreement to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards in connection with this Agreement set forth in State statute or Salt Lake County Code of Ordinances § 2.07; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, in connection with this Agreement, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

2. All Parts, Paragraphs, Attachments and other provisions of the Agreement shall be the same and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1, the day and year first above written.

[Signature Pages to Follow]

SIGNATURE PAGE FOR THE COUNTY

SALT LAKE COUNTY:

By _____
Mayor Jennifer Wilson or Designee

Dated: _____, 2024

Approved by:

DEPARTMENT OF COMMUNITY SERVICES

By _____
Robin Chalhoub
Department Director

Dated: _____, 2024

Reviewed and Advised as to Form and Legality:

By _____
Senior Deputy District Attorney

[Signatures continue on next page.]

SIGNATURE PAGE FOR THE RDA

**REDEVELOPMENT AGENCY OF MIDVALE
CITY**

By _____

Name: _____

Title: _____

Dated: _____, 2024