



## REDEVELOPMENT AGENCY MEETING

### *Minutes*

Tuesday November 12, 2024

**Council Chambers  
7505 S Holden Street  
Midvale, Utah 84047**

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**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, City Recorder; Garrett Wilcox, City Attorney; Mariah Hill, Administrative Services Director; Adam Olsen, Community Development Director; Laura Magness, Communications Director; Jerimie Thorne, Deputy Public Works Director; Meggie Troili, RDA Project Manager; Cody Hill, Economic Development Director; Wendelin Knobloch, Planning Director; Chief April Morse, UPD; and Juan Rosario, Systems Administrator.

Chair Stevenson called the meeting to order at 7:36 p.m.

**I. GENERAL BUSINESS**

**A. Welcome and 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 October 15, 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. 2024-27RDA APPROVING THE AFFORDABLE HOUSING INCENTIVE AGREEMENT, DEED OF TRUST, FINANCE AGREEMENT, RIGHT OF FIRST REFUSAL, AND ENVIRONMENTAL INDEMNITY AGREEMENT WITH BLACKPINE LLC, AND MIDVALE MAIN PARTNERS, LLC, FOR THE WEST MAIN MIXED-USE DEVELOPMENT AT 7592 SOUTH MAIN STREET, MIDVALE, AS PART OF THE MAIN STREET UPPER FLOOR HOUSING INITIATIVE**

Meggie Troili presented a housing incentive through the Main Street Upper Floor Housing Initiative (Initiative). The Applicants were pre-approved through **Resolution No. 2024-27RDA** to include affordable housing within the West Main mixed-use development (Project) located at 7592 Main Street, Midvale. The initial application and subsequent documentation from the Applicants have been thoroughly reviewed and the project is recommended for funding by a committee comprised of Agency and City staff.


The Main Street Upper Floor Housing Initiative (the “Initiative”) was approved by the Redevelopment Agency (the “Agency”) Board in 2019 and is supported by the Agency's dedicated affordable housing funds. The Initiative aims to provide up to 50% of the total rehabilitation and/or development costs of the residential component of a project to be used for affordable housing for households who fall at or below 80% AMI.

**Terms of the Agreements:**

- The total cost of the West Main Project is approximately \$19,316,160.
- The Applicants requested an incentive amount of \$6,254,275, covering 50% of the development costs for (50) fifty of the (66) sixty-six total residential units in the Project.
- This funding will ensure all (50) fifty of the one-bedroom units are designated affordable as part of the Initiative.
- The affordable units will be available for a term of 20 years to households with annual incomes at or below 60% of the Area Median Income (AMI), based on Salt Lake County’s AMI levels, as defined by the Department of Housing and Urban Development (HUD).
- Qualifying households will be eligible to pay rental rates that are reduced to 60% of the market rates within Salt Lake County, as revised by HUD annually.
- All (50) units will be subject to deed restrictions, held by the Agency, as part of the Incentive agreement.
- The Agency will have a Right of First Refusal if the Applicants choose to sell the Project.
- The Disbursement Agreement, a four-party agreement between Midvale Main Partners, BlackPine, Zions Bank and the RDA, identifies the funding

sources, specifies the total amount, and outlines the order in which the funds will be used.

**FISCAL IMPACT:** \$6,254,275 from the Agency's Affordable Housing Fund



Affordable Housing  
Incentive Agreements

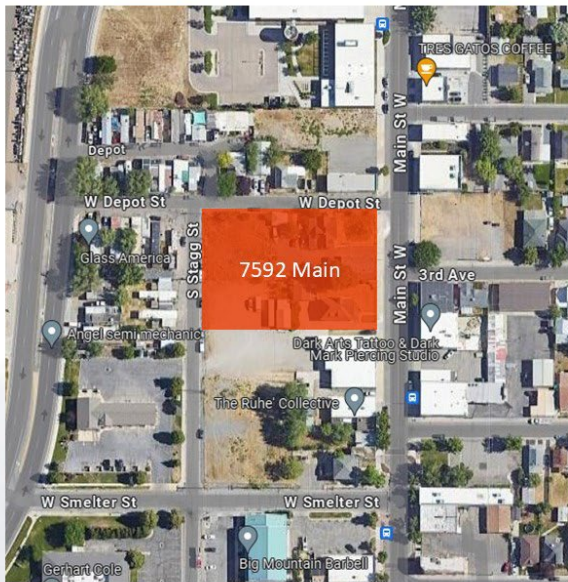
West Main Mixed-Use  
Development  
7592 Main Street

## Resolution

Consider **Resolution No. 2024-27RDA** Approving the Affordable Housing Incentive Agreement, Deed Restriction, Disbursement Agreement, and other Related Agreements, with BlackPine LLC. and Midvale Main Partners, LLC. for the West Main Mixed-Use Development at 7592 South Main Street, Midvale, as Part of the Main Street Upper Floor Housing Initiative.



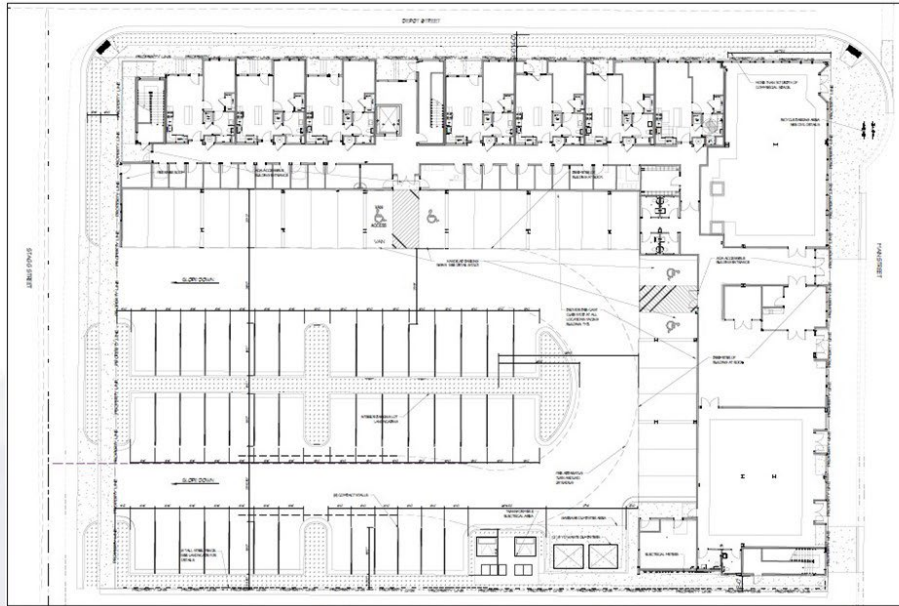
## West Main Project Overview



### West Main Mixed-Use Development

- 66 Total Units (4 Studios, 5 two-bdr, 56 one-bdr)
- 50 affordable 1-bedroom units
- Parking meets Form Based Code
- Sq ft 7,100 w/ 2-3 Retail Spaces including restaurant utilities on the corner space.
- Indoor Amenities - common lounge area, gym, bicycle storage area
- Rooftop Amenities – private and common sitting areas, barbecues, dog run

## West Main Project Overview



## Funding Overview



### Additional Benefits

- Improves North South street continuity – fills the gap
- Brings additional amenities to Main Street
- Includes a public art component

### Affordable Housing Funding Overview

- RDA is generating 1.9M annually for affordable housing
- 8M in available Affordable Housing funds FY2025
- Decrease the Affordable Housing fund balance (H.B. 465)  
*An agency shall spend, encumber, or allot the money contributed to the housing fund under Subsection (5)(a) within six years from the day on which the agency first receives the money.*
- Project will achieve 11% of required development to reach the Main Street CDA tax increment participation cap.

## Initial Terms, Financing & Rent Rates

PROJECT FINANCING	APPLICANTS REQUESTED/RDA RECOMMENDED TERMS
Total Project Cost - <b>\$19M</b>	Incentive Amount Requested- <b>\$6,254,275</b>
Developer Equity - <b>\$4.2M</b>	Percentage of Residential Development Costs - <b>50%</b>
RDA Incentive - <b>\$6,254,275</b>	AMI – <b>60% AMI</b>
Financing from Zions - <b>\$10M</b>	Affordable Units - <b>50 One-Bedroom Units</b>
	Term– <b>20 years</b>

SLCo MARKET RATE RENT	RENT FOR 60% AMI
<b>1 Bedroom (2 persons) \$1,625</b>	1 Bedroom (2 persons) - <b>\$1,389</b>
Utilities + Amenities = <b>\$100 - \$150</b>	Utility Allowance + Amenities Included – <b>(\$50)</b>
Estimated Total Market Rate = <b>\$1,725 - \$1,775</b>	Estimated Savings Per Month = <b>\$336</b>

## Securities



### Collateral & Trust Deed

- 4 Properties
- Total Value \$4,369,210
- The RDA 1<sup>st</sup> position

### Right of First Refusal

- Through the 20-year term of the agreement

### Deed Restriction

- Ensuring affordability of all 50 units through the term of the agreement.

### Certificate of Insurance

## Motion

### RECOMMENDED MOTION

“I move that we pass **Resolution No. 2024-27RDA** Approving the Affordable Housing Incentive Agreement, Deed Restriction, Disbursement Agreement, and other Related Agreements, with BlackPine LLC. and Midvale Main Partners, LLC. for the West Main Mixed-Use Development at 7592 South Main Street, Midvale, as Part of the Main Street Upper Floor Housing Initiative.”



Daniel Stevens, business partner of Jeff Beck, said he toured Midvale Main Street a few years ago and was shocked when he recently visited to see the changes on Main Street and is impressed with the vision. He expressed his appreciation to the Council for assisting them with this.

Chair Stevenson asked about how they landed at 60% AMI.

Jeff Beck said there were various factors in how the incentive was calculated based on AMI, there was a recommendation to stick to the 60% based on the market and how the project was working.

Board Member Dustin Gettel asked for an estimate of a minimum income of what the 60% represents in a dollar figure.

Jeff Beck said it is in the \$60,000 to \$70,000 range.

**MOTION:** Board Member Dustin Gettel MOVED to Approve Resolution No. 2024-27RDA the Affordable Housing Incentive Agreement, Deed of Trust, Finance Agreement, Right of First Refusal, and Environmental Indemnity Agreement with BlackPine LLC, and Midvale Main Partners, LLC, for the West Main Mixed-Use Development at 7592 South Main Street, Midvale, as part of the Main Street Upper Floor Housing Initiative. 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.

Matt Dahl said on Saturday he brought his family to Main Street; he was impressed to see the parking full and people walking to businesses.

Jeff Beck said there's a magic on the street that is palpable, the incentives are working and he'd like to see it continue.

**B. CONSIDER RESOLUTION NO. 2024-28RDA CONSENT TO ENTER INTO A THREE-YEAR CONTRACT WITH CRAFT LAKE CITY TO PRODUCE THE ANNUAL LETTERWEST CONFERENCE.**

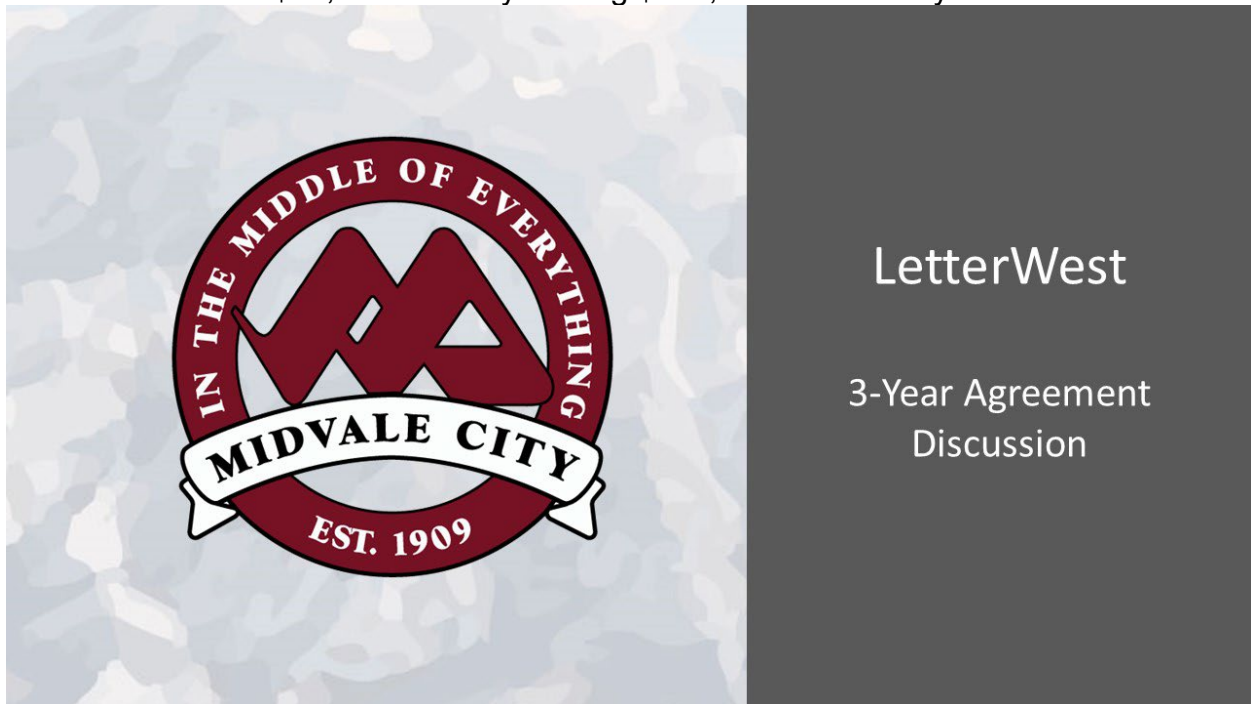
Meggie Troili said on November 13, 2023, the Redevelopment Agency of Midvale City (Agency) entered into a service agreement with Craft Lake City (Contractor) to produce the third annual LetterWest conference within the Midvale Main Arts & Culture District. This one-day conference took place on March 2, 2024, and based on its success, as described in the conference recap and evaluation report **Exhibit "A"**, the Agency desires to continue its relationship with the Contractor to produce LetterWest over the next three (3) years.

The Agency seeks to enter a three-year agreement **Exhibit "B"**, with the Contractor to

produce LetterWest for the price of \$55,000 per year totaling \$165,000 over (3) years. The Agency has budgeted for the conference within the Main Street Community Development Area 2025 fiscal year budget. The funded project will include the Contractor plan, coordinate, and report on all activities including spending associated with producing LetterWest.

In Spring 2025 the 4th Annual LetterWest will increase from a one-day to a two-day conference to be held on Friday March 14th and Saturday March 15th. Beginning in 2026 LetterWest will include a night market for the broader community in Midvale and the Wasatch Front to enjoy. Through these multi-day conferences, LetterWest will offer workshops, demonstrations, networking opportunities, and community activities fostering community engagement and leaving a lasting impact on Midvale's cultural and economic landscape within the Midvale Main Arts & Culture District.

**FISCAL IMPACT:** \$55,000 annually totaling \$165,000 over three years.



## Letter West - Action Item



## LetterWest - Overview

LetterWest 2024	LetterWest 2025-2027
1-day event	2-day event (2025 after)
Community Activity	Community Activity + Night Market(2026)
Workshops & Keynote Speakers	Longer Workshops + Keynote Speakers
Total RDA Funding = \$35,000	Proposed RDA Funding = \$55,000

**MOTION:** Board Member Dustin Gettel **Moved** to Approve Resolution No. 2024-28RDA for Consent to Enter into a Three-Year contract with Craft Lake City to Produce the Annual LetterWest Conference. 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**

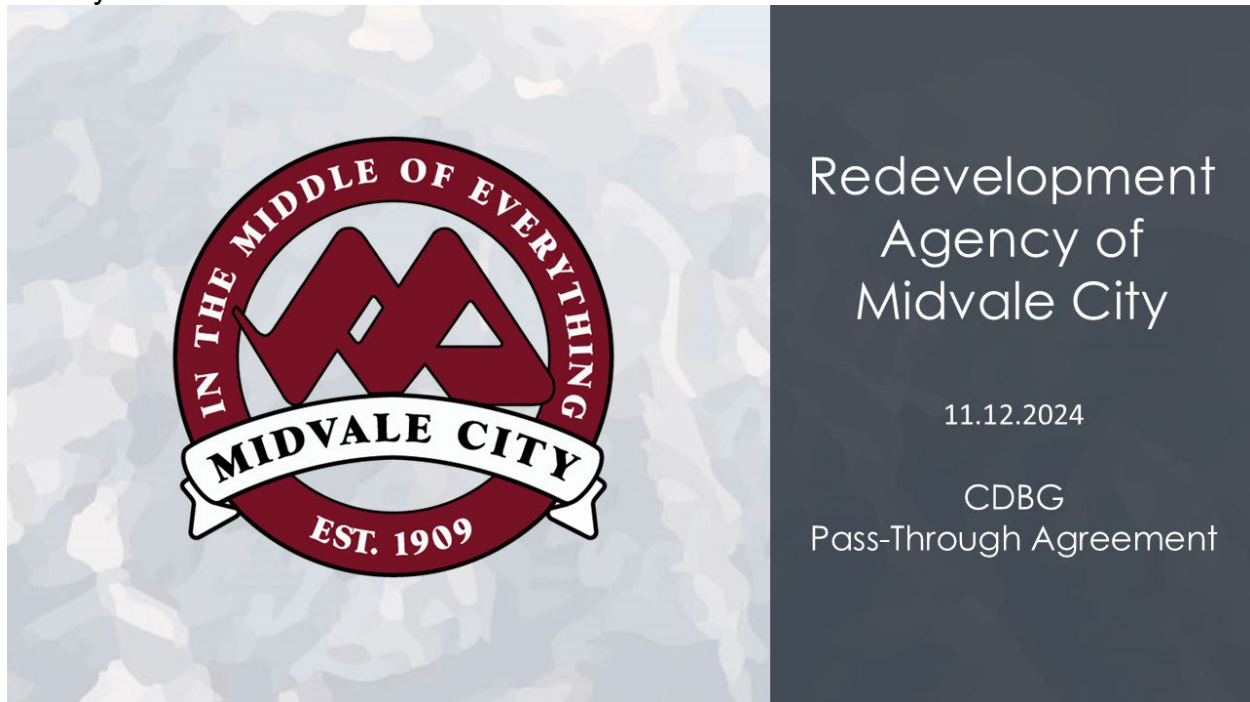
**The motion passed unanimously.**

**C.    CONSIDER RESOLUTION NO. 2024-29RDA CONSENT TO ENTER INTO A PASS-THROUGH AGREEMENT WITH MIDVALE CITY FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING TO SUPPORT THE REDEVELOPMENT AGENCY’S HOME REPAIR LOAN PROGRAM.**

Meggie Troili said On November 22, 2023, Midvale City applied for and was awarded \$100,000 in Community Development Block Grant (CDBG) funding from Salt Lake County to support the Redevelopment Agency’s (RDA) Home Repair Loan Program (HRLP) for fiscal year 2025. \$96,976 of unspent CDBG funds from fiscal year 2024 will also roll over into fiscal year 2025 for a total award of \$196,976 of CDBG funding.

Resolution No. 2024-29RDA will provide consent for Midvale City to pass CDBG funding to the RDA to support the HRLP. This pass-through agreement is necessary because the CDBG funds were awarded to the City, but the RDA administers the HRLP and holds the contract with the provider NeighborWorks Salt Lake who implements the HRLP.

Salt Lake County distributes CDBG funding through a reimbursement process. Therefore, the RDA will fund the HRLP program upfront with restricted affordable housing funds and request reimbursement from Midvale City, who will request reimbursement from Salt Lake County.



**FISCAL IMPACT: \$0**

## **ACTION ITEM**

CDBG Pass-Through Agreement

### **RECOMMENDED MOTION**

“I move that we suspend the rules and pass **Resolution No. 2024-29RDA** Consent to Enter into a Subrecipient Pass-Through Agreement With Midvale City for Community Development Block Grant Funding to Support the Redevelopment Agency’s Home Repair Loan Program.”

Tony Simone, Director of Homeowner Services with NeighborWorks Salt Lake, said they’ve received over 20 inquiries during the last week; the marketing plan is fantastic.

Chair Stevenson asked if there is a ratio of how many applicants don’t qualify.

Tony Simone said that all of the home improvement applicants meet the qualifications.

**MOTION:** Board Member Dustin Gettel **MOVED** suspend the rules and approve **Resolution No. 2024-29RDA** Consent to Enter into a Subrecipient Pass-Through Agreement with Midvale City for Community Development Block Grant Funding to Support the Redevelopment Agency’s Home Repair Loan Program. 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.

**D. CONSIDER RESOLUTION NO. 2024-30RDA CONSENT TO THE SECOND AMENDMENT TO THE FIRST AMENDED AND RESTATED MODERATE INCOME HOUSING PROGRAM ADMINISTRATION SERVICE AGREEMENT WITH NEIGHBORWORKS SALT LAKE.**

Meggie Troili said The Redevelopment Agency of Midvale City (RDA) and NeighborWorks Salt Lake (Contractor) entered into a First Amended and Restated Services Agreement (Restated Services Agreement), dated September 19, 2023, whereby NeighborWorks Salt Lake (Contractor) agreed to administer the RDA's Home Repair Loan Program (HRLP).

The RDA has received Community Development Block Grant (CDBG) funding for the HRLP for fiscal year 2024-2025 and is subject to an agreement between Salt Lake County and Midvale City signed on November 4, 2024 (County Agreement). The county will roll over unspent CDBG grant funding from fiscal year 2023-2024 in the amount of \$96,876.00 to fiscal year 2024-2025 funding for the HRLP and will add \$100,000.00 in new money for fiscal year 2024-2025 for a total of \$196,876.00.

The RDA will roll over required matching funds from fiscal year 2023-2024 in the amount of \$150,000 and will add \$150,000.00 in new money for the HRLP in fiscal year 2024-2025 for a total of \$300,000.00 of restricted housing funds. The RDA and Contractor wish to amend their Restated Service Agreement to include the rollover funding and new funding for fiscal year 2024-2025 and for future years moving forward.

**FISCAL IMPACT: \$0**



## ACTION ITEM

### CDBG Pass-Through Agreement

#### RECOMMENDED MOTION

“I move that we suspend the rules and pass **Resolution No. 2024-30RDA** Consent to the Second Amendment to the First Amended and Restated Moderate Income Housing Program Administration Service Agreement with NeighborWorks Salt Lake.”

**MOTION:** Board Member Dustin Gettel **MOVED** suspend the rules approve **Resolution No. 2024-30RDA** Consent to the Second Amendment to the First Amended and Restated Moderate Income Housing Program Administration Service Agreement with NeighborWorks Salt Lake. 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.

**E. CONSIDER RESOLUTION NO. 2024-31RDA APPROVING THE TERM SHEET BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND, JM5 LLC, C/O MICHEAL FERRO AND JAKE COPINGA FOR PARTICIPATION IN THE MAIN STREET FAÇADE IMPROVEMENT PROGRAM.**

Kate Andrus said Agency staff received an application for funding through the Façade Improvement Grant Program from JM5 LLC, C/O Michael Ferro and Jake Copinga (“JM5 LLC”) for the building located at 7676 S. Main Street. Agency staff assessed the application for completion and presented it to the Main Street Façade Improvement Advisory Board (“Advisory Board”) for review and recommendations. The Advisory Board's recommendations are now presented to the RDA Board for approval.

The Advisory Board's review of JM5 LLC's proposal determined that the project meets the basic eligibility requirements of the program. Given the impact of the improvements and the budget required, the Advisory Board recommends funding the maximum award amount of \$50,000, not to exceed 50% of the total project cost. Additionally, the Advisory Board recommends conveying an easement on the funded improvements to the Redevelopment Agency of Midvale City for a term of 10 years.

Agency staff are now seeking authorization from the RDA Board to execute the agreement based upon the terms outlined in the attached term sheet.

**FISCAL IMPACT:**

The current program budget is \$175,000. If approved, the RDA will provide funds up to \$50,000 as a reimbursement to JM5 LLC. This will bring the overall budget for the Main Street Façade Improvement Program to \$125,000 for FY 2025.



## Scope of Work & Budget

- Demolition of the front entry and storefront
- Installation of a new front façade
- Installation of two entry doors to be recessed per applicable codes
- New entryway landings
- Installation of a concrete step
- New windows and storefront
- Brick repair and new paint on the top and sides of glass storefront.
- New plaster on recessed ceiling and on the steel beam above the store front.
- New paint on center beam to match black store front
- New exterior lighting
- New exterior hardware
- Tile installation on lower wall of glass storefront

▶ Demo	\$8,675
▶ Building Concrete	\$8,355
▶ Masonry Structural steel for entry ways	\$7,275
▶ Carpentry	\$6,575
▶ Window	\$3,500
▶ Flashing	\$2,200
▶ Trim work	\$850
▶ Hardware	\$1,500
▶ Aluminum Storefront	\$72,560
▶ Painting	\$12,650
▶ Tile	\$6,725
▶ Electrical/Lighting	\$6,375
<b>Total</b>	<b>\$137,240</b>

## Visuals

Past

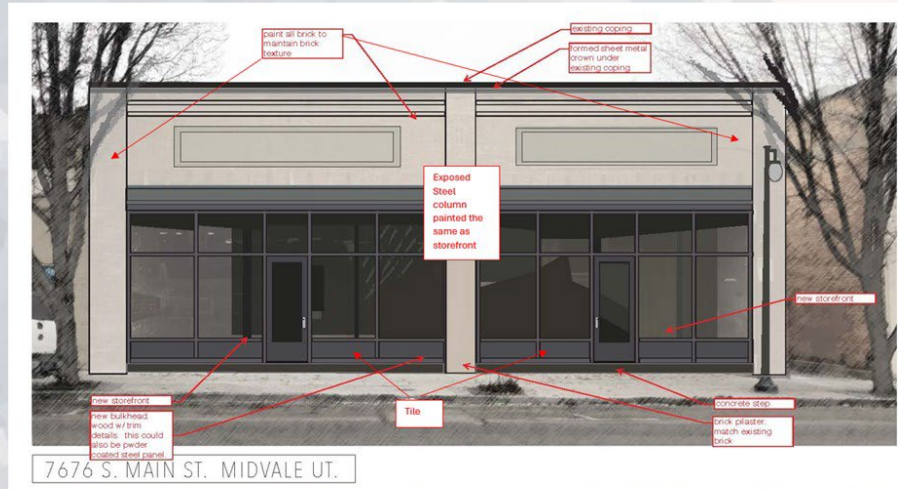


Present



## Visuals

### Future



## Fulfillment of Program Objectives

Provide a noticeable contribution to Main Street's revitalization efforts.

- These improvements will take place on a historic building located on the North End of Main Street
- This improvement will help activate what is currently a vacant and blighted building.

Be consistent with the aspirational character of and vision for Main Street.

- The restoration of the brick and the installation of architectural elements will directly contribute to the look and feel that we are hoping to have on Main Street.

Support and enhance pedestrian accessibility and be pedestrian-oriented.

- These renovations will improve building appeal and functionality and will play a key role in attracting tenant and increasing street activity.

## Committee Recommendations

Grant Amount:

\$50,000

Total Project  
Cost:

\$137,240

Easement Term  
of 10 Years

## Additional Terms

- Payment:
  - The grant award amount shall not exceed 50% of the total cost of the improvements to the façade(s) And shall be provided as a reimbursement after all associated work listed on the approved scope of work has been completed.
- Use of Proceeds:
  - Grant funding shall only be used to fund those improvements included in the scope of work.
- Maintenance:
  - Grantee agrees to maintain and keep in good repair the façade or improvements. This will ensure that any improvements funded by the RDA will remain in good condition and repair regardless of change in ownership.
- Miscellaneous:
  - If the building is currently vacant, the applicant must demonstrate a plan for achieving occupancy and secure a tenant within 12 months of the project completion date with a lease of at least three years. Construction on the project must begin within 90 days of final approval.

## Recommended Motion:

"I move that we suspend the rules and adopt Resolution No. 2024-31RDA approving the term sheet for a grant agreement between the Redevelopment Agency of Midvale City and JM5 LLC C/O Micheal Ferro and Jake Copinga for participation in the Main Street Façade Improvement Program."

Board Member Bryant Brown said he would like a requirement that the building be fully occupied, not just half the building as Kate Andrus stated was an option.

**MOTION:** Board Member Bryant Brown **MOVED** to suspend the rules and approve Resolution No. 2024-31RDA approving the Term Sheet including an amendment to the term sheet that the building must be fully occupied within twelve months with a grant agreement Between the Redevelopment Agency of Midvale City and JM5 LLC, C/O Micheal Ferro and Jake Copinga, for Participation in the Main Street Façade Improvement Program. 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.

**F. CONSIDER RESOLUTION NO. 2024-32RDA APPROVING THE TERM SHEET BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND HIVE HOLDINGS GROUP LLC FOR PARTICIPATION IN THE MAIN STREET FAÇADE IMPROVEMENT PROGRAM.**

Kate Andrus said Agency staff received an application for funding through the Façade Improvement Grant Program from Hive Holding Group LLC for the building located at 7711 S. Main Street. Agency staff assessed the application for completion and presented it to the Main Street Façade Improvement Advisory Board ("Advisory Board") for review and recommendations. The Advisory Board's recommendations are now presented to the RDA Board for approval.

The Advisory Board's review of Hive Holdings Group LLC's proposal determined that the project meets the basic eligibility requirements of the program. Given the impact of the improvements and the budget required, the Advisory Board recommends funding the maximum award amount of \$50,000, not to exceed 50% of the total project cost. Additionally, the Advisory Board recommends conveying an easement on the funded improvements to the Redevelopment Agency of Midvale City in perpetuity.

Agency staff are now seeking authorization from the RDA Board to execute the agreement based upon the terms outlined in the attached term sheet.

**FISCAL IMPACT:**

The current program budget is \$175,000. If approved, the RDA will provide funds up to \$50,000 as reimbursement to Hive Holdings Group LLC. If this grant and the façade grant for JM5 LLC are approved, the overall budget for the Main Street Façade Improvement Program will be \$75,000 for FY 2025.



## Scope of Work & Budget

- Fabrication and installation of marquee and blade sign
- Replacement of lower-level windows
- New entry door
- Installation of tile leading to entryway
- Trim Work
- New concrete work leading up to entryway
- Tree Removal

### 7711 S. Main Renovation

**PROJECT Budget**

\$164,048.97

Item	Amount
Marquee and Blade Sign	\$120,510.38
Concrete Work	\$18,930.00
Lower Floor Window Replacement	\$12,223.91
Entry Door Replacement	\$7,634.68
Exterior Tile Work	\$2,350.00
Tree Removal	\$1,000.00
Trim Work	\$1,400.00
Total	\$164,048.97

## Visuals

Past



Present



Future





## Committee Recommendations

Funding Amount:

\$50,000

Total Project Cost:

\$164,048

Easement Term held in  
perpetuity

## Additional Terms

- Payment:
  - The grant award amount shall not exceed 50% of the total cost of the improvements to the façade(s) And shall be provided as a reimbursement after all associated work listed on the approved scope of work has been completed.
- Use of Proceeds:
  - Grant funding shall only be used to fund those improvements included in the scope of work.
- Maintenance:
  - Grantee agrees to maintain and keep in good repair the façade or improvements. This will ensure that any improvements funded by the RDA will remain in good condition and repair regardless of change in ownership.
- Miscellaneous:
  - If the building is currently vacant, the applicant must demonstrate a plan for achieving occupancy and secure a tenant within 12 months of the project completion date with a lease of at least three years. Construction on the project must begin within 90 days of final approval.

## Recommended Motion:

"I move that we suspend the rules and adopt Resolution No. 2024-32RDA approving the term sheet for a grant agreement between the Redevelopment Agency of Midvale City and Hive Holdings Group LLC for participation in the Main Street Façade Improvement Program."

Board Member Bryant Brown said tree removal is landscaping and does not meet the definition of façade. This line item needs to be removed to avoid confusion and to not set a precedent for future requests. Board Member Brown asked what the timeline is for this project. He said he feels like Main Street is currently very dark at night.

Kate Andrus said it should be finished in two months.

Board Member Dustin Gettel asked if the stained-glass features inside the building would remain.

A spokesperson with Hive Holding Group LLC said yes, they will stay.

**MOTION:** Board Member Bryant Brown **MOVED** to suspend the rules and approve Resolution No. 2024-32RDA approving the Term Sheet for a grant amount of \$163,048.97 Between the Redevelopment Agency of Midvale City and Hive Holdings Group LLC for Participation in the Main Street Façade Improvement Program. 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.**

**G. CONSIDER RESOLUTION NO. 2024-33RDA APPROVING A RIGHT OF FIRST REFUSAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND HIVE HOLDINGS GROUP, LLC FOR THE PROPERTY LOCATED AT 7711 S MAIN STREET, MIDVALE UT 84084.**

Nate Rockwood said In August 2022, the Redevelopment Agency of Midvale City (the "Agency") provided a loan of \$250,000 to Hive Holdings Group, LLC, through the Main Street Revolving Loan Program to assist with the purchase of the theatre located at 7711 S. Main Street, where The Pearl Theatre currently operates. This property has been an important cultural asset for the community throughout the history of Midvale's Main Street, hosting numerous cultural events under various names, including The Burk Theatre, The Iris Theatre and Comedy Circuit, among others. The Agency is now considering entering a Right of First Refusal (ROFR) Agreement with Hive Holdings Group, LLC, and is bringing the agreement before the RDA Board for discussion.

The primary purpose of this ROFR Agreement is to enable the Agency to preserve the theatre's operations as a theatre and performance venue and that it remains an essential cultural and community asset in the event the building is ever put up for sale in the future. This ROFR also allows the RDA to confidently invest additional funds into the preservation and reconstruction of the theater façade which is of significant importance to the revitalization of Main Street and the placemaking efforts in the creation of the Midvale Main Arts, Food & Culture District. Understanding the impact that the theater marquee and blade sign will have on both the activation of the theater space and the activation of Main Street itself, the owners have agreed that all proceeds from the ROFR, along with the façade improvement grant will go into the theater's façade.

**Key Provisions:**

- Grant of Right of First Refusal (ROFR):
  - Hive grants the Agency a ROFR on any sale of the property, allowing the Agency the opportunity to match any third-party offer before Hive can proceed with a sale.
- Notification and Exercise Period:
  - If Hive receives a bona fide purchase offer it wishes to accept, it must notify the Agency within 15 days and provide full details of the offer.
  - The Agency then has 30 days from receipt of the notice to exercise its right to purchase the property under the same terms as the third-party offer.
- Due Diligence Period:
  - Upon the Agency's notice of intent to purchase, it will have 120 days to conduct due diligence, including property inspections and assessments. All payments provided in the ROFR agreement, and any remaining loan amount would be deducted from the sale price. The agreement allows

the Agency to terminate the agreement if the property is deemed unsuitable.

- Financial Considerations and Contributions:
  - The Agency previously loaned Hive \$250,000 at a 1.75% interest rate for property renovations. These funds were used as intended to purchase the property and renovate the internal theater space. The owners are current with all loan payments.
  - In order to expedite the restoration of the theater's façade, the Agency will contribute a total of \$164,048.97 towards façade and sidewalk improvements, including:
    - \$50,000 from the Façade Improvement Grant Fund.
    - \$15,807 in waived interest on the loan (this will match current loan program guidelines).
    - \$97,661.97, for the ROFR, contingent upon the Agency's approval of the façade restoration plans.
- Third-Party Purchase Provision:
  - If the Agency opts not to exercise its ROFR, Hive may sell the property to the third-party offeror within 60 days. If the sale does not close within this period, Hive must provide a new ROFR notice to the Agency for any subsequent offers.
- Expiration of ROFR:
  - This agreement remains in effect until the Agency purchases the property, or the property is sold to a third party within the specified timeframe.
- Release Option:
  - The Agency may waive its ROFR if a third-party buyer agrees to maintain the property's façade and continue the property's use as a theater and performance venue.

#### **FISCAL IMPACT:**

The ROFR Agreement entails specific fiscal impacts for the Agency. Initially, the Agency committed \$250,000 to Hive at an interest rate of 1.75% for property renovations, the \$15,807 in interest will be waived as part of this agreement with those funds being committed to the façade. Additionally, the Agency will contribute \$50,000 through the Façade Improvement Grant Fund, along with an additional \$97,661.97 needed to secure the ROFR and fund the proposed improvements, contingent upon the Agency's approval of restoration plans.

If the Agency Board chooses to exercise its right to purchase the property, it will match any third-party offer price, applying all previously contributed funds (such as grants, loans, and waived interest) toward the purchase price, effectively reducing the Agency's out-of-pocket expense at the time of acquisition. Alternatively, should the Agency waive its right to purchase, there would be no additional fiscal impact beyond the initial investments. In such a scenario, the property may be sold to a third party, provided that the buyer agrees to maintain the property's historic façade and continue its use as a theater and

performance venue. In all scenarios the façade easement would run with the property in perpetuity or until removed by the RDA Board.



**Redevelopment  
Agency of  
Midvale City**

**Right of First Refusal  
Regarding 7711 S.  
Main Street with  
Hive Holdings  
Group LLC.**

## Background

- The RDA provided a Revolving Loan of \$250,000 to Hive Holding Group LLC (Hive) in August 2022 with an interest rate of 1.75%.
- The lower level of this property currently operates as an entertainment venue.
- This property has been an important cultural asset for the community throughout the history of Midvale's Main Street, hosting numerous cultural events under various names, including The Burk Theatre, The Iris Theatre, and Comedy Circuit, among others.
- The marquee sign has been an iconic feature of these past venues.
- The property has been listed for sale several times in the past 5 years and as recently as this year.
- The Agency believes it is vital to preserve the theater's operation as a performance venue and would therefore like to enter into a Right of First Refusal (ROFR) agreement with Hive on the property.



## Key Terms

### Right of First Refusal (ROFR)

- Hive must give the Agency a chance to match any third-party offer before selling the property.

### Notification & Exercise Period

- Hive has 15 days to notify the Agency of an offer they want to accept. The Agency has 30 days to match it.

### Due Diligence

- After the Agency's intent to purchase, they get 120 days for inspections and assessments, with deductions for any payments or loan balance.

### Financial Contributions

- As a provision of this agreement, Hive shall use the following funding to provide the proposed façade and sidewalk improvements, including:
  - \$50,000 from the Façade Improvement Grant Fund.
  - \$15,807 in waived interest on the \$250,000 loan (this will match current loan program guidelines).
  - \$97,661.97, for the ROFR, contingent upon the Agency's approval of the façade restoration plans.

## Financial Contributions Explained

Total Façade Cost Estimate	\$164,048.97
Façade Improvement Grant Funding	\$50,000.00
Waived Interest from Revolving Loan	\$15,807.00
Funds provided to Hive For the Right of First Refusal	\$97,661.97

## Additional Terms

### Third-Party Sale

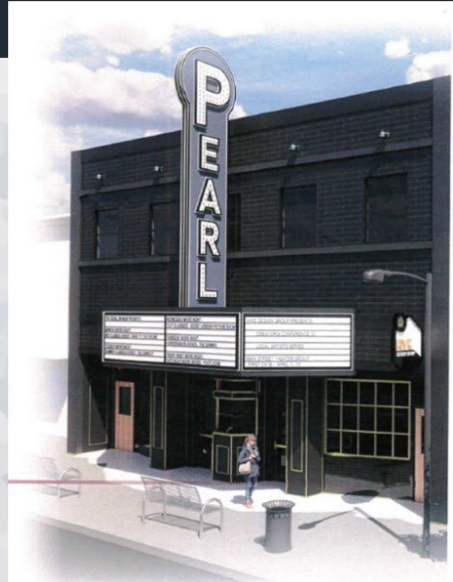
- If the Agency declines the ROFR, Hive can sell to the third party within 60 days or provide a new ROFR if not closed.

### ROFR Expiration

- The ROFR is valid until the property is sold to the Agency or a third party.

### Release Option

- The Agency may waive ROFR if the buyer agrees to maintain the façade and theater use. This would be used if an offer for purchase come from an owner/group planning to operate the building as a theater.



## Fiscal Impact

### Initial Investment to secure the ROFR:

- The Agency loaned Hive \$250,000 at 1.75% interest. As part of this agreement, the Agency will waive \$15,807 in interest which shall be allocated by Hive towards the façade improvements.
- An additional \$50,000 will come from the Façade Improvement Grant.
- \$97,661.97 will secure the ROFR and improvements.

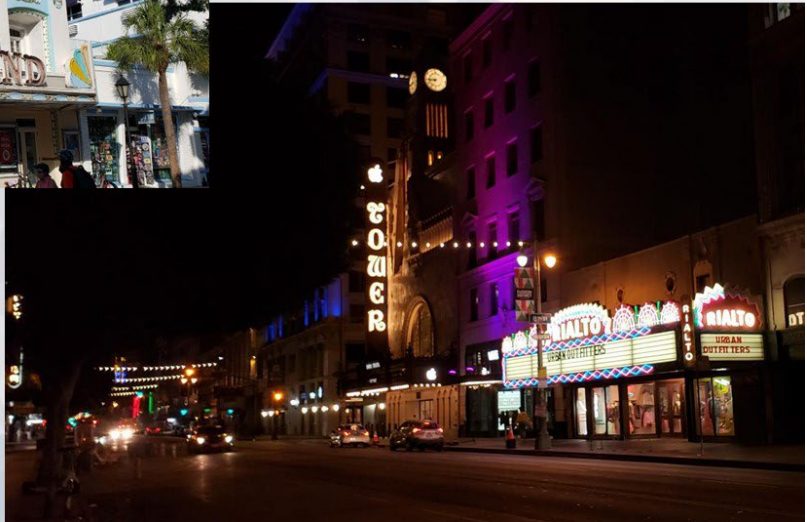
**Purchase Option:** If the Agency buys the property, it can apply all prior funds (grants, loan, waived interest) to reduce the purchase price.

**Waiving Purchase Option:** If the Agency waives the purchase, no further costs apply, and the property may be sold to a third party if the buyer maintains the historic façade and theater use.

**Façade Easement:** This easement remains in effect permanently unless removed by the RDA Board.

## Recommended Motion:

"I move that we suspend the rules and adopt Resolution No. 2024-33RDA approving a Right of First Refusal Agreement between the Redevelopment Agency of Midvale City and Hive Holdings Group, LLC for the Property Located at 7711 S Main Street, Midvale, UT 84047."



**MOTION:** Board Member Dustin Gettel **MOVED** to suspend the rules and approve Resolution No. 2024-33RDA Approving a Right of First Refusal Agreement between the Redevelopment Agency of Midvale City and Hive Holdings Group, LLC for the Property Located at 7711 S Main Street, Midvale Ut 84047. 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. POSSIBLE CLOSED SESSION**

The Board may, by motion, enter into a Closed Session for:

- A. Discussion of the Character, Professional Competence or Physical or Mental Health of an Individual;
- B. Strategy sessions to discuss pending or reasonably imminent litigation;
- C. Strategy sessions to discuss the purchase, exchange, or lease of real property;
- D. Discussion regarding deployment of security personnel, devices, or systems, and
- E. Investigative proceedings regarding allegations of criminal misconduct.

**VI. ADJOURN**

**MOTION: Board Member Paul Glover MOVED to adjourn the RDA meeting and proceed into the City Council 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 8:38 p.m.

*Rori Andreason*

**Rori L. Andreason, MMC  
City Recorder**



Approved this December 3, 2024.