

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, DECEMBER 11, 2018

The Board of Directors of the Redevelopment Agency (RDA) of Salt Lake City, Utah, met on Tuesday, December 11, 2018 in Room 326, Committee Room, City County Building, 451 South State.

In Attendance: Directors James Rogers, Erin Mendenhall, Amy Fowler, Charlie Luke, Chris Wharton, and Andrew Johnston.

Absent: Director Derek Kitchen

Staff in Attendance: Cindy Gust-Jenson, Council Executive Director; Jennifer Bruno, Council Executive Deputy Director; David Litvack, Mayor's Deputy Chief of Staff; Danny Walz, RDA Chief Operating Officer; Jill Wilkerson-Smith, RDA Deputy Chief Operating Officer; Margaret Plane, City Attorney; Katherine Lewis, Senior City Attorney; Lara Fritts, Economic Development Director; Cara Lindsley, RDA Project Manager; J.P. Goates, RDA Project Manager; Tammy Hunsaker, RDA Project Manager; Susan Lundmark, RDA Project Manager; Corinne Piazza, RDA Project Coordinator; Melissa Jensen, Housing and Neighborhood Development Director; Mary Beth Thompson, Finance Director; Benjamin Luedtke, Council Public Policy Analyst; Allison Rowland, Council Public Policy Analyst; and Cindi Mansell, City Recorder.

Guests in Attendance: Mike Mickelson, Eide Bailey Engagement Partner

Director Fowler presided at and conducted the meeting.

The meeting was called to order at 2:10 p.m.

A. GENERAL COMMENTS TO THE BOARD [2:10:26 PM](#)

Kirk Huffaker, Preservation Utah Executive Director, spoke about the collaboration between the RDA and Preservation Utah. He said this tremendous partnership and the latest project, Preservation at Work/Project House at Arctic Court (behind the Marmalade Library) now had a closing date for next week. He said the project was considered a success and thanked the RDA & City Staff for their efforts and relationship. He said he looked forward to future collaboration and projects.

Raymond Uno said he appreciated the recent efforts and Japanese community support offered by the RDA and Staff. He said that had always been a struggle and typically produced negative results. He said they were not obstructionists and wanted to see Salt Lake City grow, but they wanted to grow with them and not work against the Japanese community.

Brent Koga submitted a written comment card regarding Block 67. His comments included the resolution only being a piece of paper without actually placing Japantown on a map that would be considered when

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developing the surrounding area. He expressed concern regarding historical resolutions providing no benefit for this community.

B. PUBLIC HEARINGS

None.

C. REDEVELOPMENT AGENCY BUSINESS

#1. [2:15:42 PM](#) Approval of Minutes. Director Mendenhall moved and Director Johnston seconded to **approve the minutes of the Redevelopment Agency Board meeting held Tuesday, December 4, 2018,** which motion carried, all directors present voted aye. [View Minutes](#)
(M 18-6)

#2. [2:16:02 PM](#) RDA Audit Review for Fiscal Year 2017-18. *The Board will review and consider accepting the 2017-18 RDA Audit, which shows the agency's financial conditions as of June 30, 2018.* [View Attachments](#)

Mary Beth Thompson and **Mike Mickelson** briefed the Board from attachments. Mr. Mickelson discussed auditing requirements, standards, and thresholds to detect any misstatement above that threshold. He said timing did not permit review of all transactions, but areas with more materials and higher risk included greater sampling. He said they issued a clean (unmodified) opinion that stated the financial statements were fairly presented and all materials acceptable to general accounting principles. He referenced additional supplementary information and schedules by project area not formerly required.

Director Mendenhall inquired about the summarized net position table and what the deferred inflow of resources included. Mr. Mickelson said that was part of management's discussion and analysis and there was a more detailed version included. He provided background in creation of a standard a number of years ago that included items that did not technically meet the definition of an asset or liability and the deferral was related to the recognition on the statement of revenues and expenses. He said the items included were solely limited to pensions, or recognized as expenses in a subsequent period. He said they were required to disclose the most significant estimates associated with the financial statements, and that result was pension liability. He said there were no additional findings.

Director Luke moved and Director Mendenhall seconded to **accept the Redevelopment Agency Fiscal Year 2017-2018 Audit,** which motion carried, all directors present voted aye.

#3. [2:27:35 PM](#) Budget Amendment No. 2 for Fiscal Year 2018-19. *The*

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Board will consider adopting a resolution amending the RDA budget for Fiscal Year 2018-19 including reallocating Budget Amendment No. 1 funding. [View Attachments](#)

Benjamin Luedtke and **Danny Walz** briefed the Board from attachments. Mr. Luedtke said Budget Amendment No. 1 appropriated \$7 million from the RDA Revolving Loan Fund for potential property acquisition as a capital project set aside. He said discussions and negotiations were not successful to pursue that opportunity and the Board then initiated Budget Amendment No. 2 to pull back the appropriated funds when the opportunity no longer appeared likely. He said the Board held a public hearing last month and there were several options for the \$7 million; he briefly reviewed those.

Discussion followed regarding best practices and the options as outlined. Mr. Walz discussed advantages of seed capital money up front versus a traditional process of waiting for tax increment. He discussed benefits in having funds available in relation to the two new project areas and opportunities, even though those were still a work in process and not fully approved in terms of collecting increment and having authority. Mr. Luedtke said in October, the Board Chair requested RDA Staff look into a short list of potential projects that would be good to kick start tax increment generation in the two new areas. Mr. Walz said Staff was looking to include that as a large gathering of RDA funds or part of a different budget amendment to present at one time.

Director Luke moved and Director Johnston seconded to **approve [Resolution R-34-2018](#) amending the final budget of the RDA for Fiscal Year 2018-19 (Budget Amendment No. 2) to reallocate \$7 million to an unappropriated holding account with the intent to evaluate with RDA Staff potential catalytic projects in the 9-Line, North Temple, and State Street project areas**, which motion carried, all directors present voted aye.

#4. [2:41:12 PM Resolution in Support of Japantown Placemaking](#). *Based on Board Member interest, the Board will consider approving a resolution to express its support for an ongoing working group of Block 67 stakeholders, which will collaboratively articulate a vision for Salt Lake City's Japantown. The desire for this visioning process emerged from the community facilitation associated with the proposed Block 67 project, and will be funded with \$100,000 approved by the Board on November 27, 2018. [View Attachments](#)*

Allison Rowland, Corinne Piazza, and Danny Walz briefed the Board from attachments. Director Fowler spoke to the resolution and its intent. Director Mendenhall then read the resolution into the record.

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Director Luke moved and Director Johnston seconded to adopt [Resolution R-35-2018](#) supporting the Japantown Placemaking Process thru establishment of a Working Group composed of Block 67 stakeholders, with the goal of working collaboratively to articulate a vision for Japantown, and participating in the study and implementation of streetscape improvements to enhance placemaking in the community, which motion carried, all directors present voted aye.

#5. [2:50:04 PM Affordable Housing Coordination Follow-up](#). *The Board will receive a follow-up briefing about the roles and interdepartmental coordination between RDA and Housing and Neighborhood Development (HAND).* [View Attachments](#)

Danny Walz, Melissa Jensen, and Tammy Hunsaker briefed the Board from attachments. Ms. Hunsaker provided information as to coordination on focus areas and intersection of roles. She said Staff intent was to return with a draft Housing Funding Policy as well as an RDA transmittal that outlined historical funding expenditures over the past five years.

Director Mendenhall inquired as to different underwriting standards. She said in looking back over RDA funded loans, the Board had the authority to waive components of underwriting. She said she was uncomfortable not having underwriting standards associated with the Housing Trust Fund and wanted to explore this concept. Discussion followed regarding advisory roles. Ms. Hunsaker discussed differences between the Housing Trust Fund and the RDA Loan Program. She said there was the RDA Finance Committee reviewing all programs. Ms. Jensen said all federal programming did not have an advisory capacity or oversight yet was approved with overview initially. She said mortgage, community land trust, and other portfolios typically included oversight. Discussion followed on circumstances designating funding source.

The Board felt additional conversation would be necessary and inquired what input would be helpful for Staff moving forward in creating and providing the policy to the Redevelopment Advisory Committee (RAC). Mr. Walz requested additional information as part of finalizing that policy and bringing the draft forward. Director Rogers inquired about Staff input as to whether policy considerations would affect funding and timing considerations.

#6. [3:14:26 PM Report and Announcements from the Executive Director](#). *Report of the Executive Director, including a review information items, announcements, and scheduling items. The Board of Directors may give feedback or policy input.*

Danny Walz briefed the Board regarding Eccles Theater operations and different ways to activate and further improve to the McCarthy Plaza.

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Director Mendenhall inquired about activation of the Winter Garden and lack of it being open to the public. She requested information on this aspect when Staff returned. Ms. Bruno said Board Members had also made that request.

#7. Report and Announcements from RDA Staff. *The Board may review Board information and announcements. The Board may give feedback on any item related to City business, including but not limited to scheduling items.*

Item not held.

#8. Report of the Chair and Vice Chair.

Item not held.

D. WRITTEN BRIEFINGS

#1. Semi-Annual Report of RDA-owned Property - as of December 2018. *The Board will receive a written briefing of all Tier 1 and Tier 2 properties owned by the RDA, as per the Land Disposition Policy. [View Attachments](#)*

Written Briefing Only.

E. [3:18:08 PM](#) CONSENT

#1. Set Date - Block 67 Community Reinvestment Area. *The Board will set the date of Tuesday, February 12, 2019 at 2:00 p.m. to accept public comment and consider adopting a resolution for the proposed large-scale mixed-use development project on Block 67, a City block bounded by 100 South, 200 South, 200 West and 300 West. The date is set pursuant to State code, which requires at least thirty days' notice for public comment. [View Attachments](#)*

#2. Confirm the Date - RDA Budget Amendment No. 3 for Fiscal Year 2018-19. *The Board will confirm the date of Tuesday, December 18, 2018 at 12:15 p.m. (or immediately following the City Council meeting) to accept public comment and consider adopting a resolution amending the final budget of the Redevelopment Agency of Salt Lake City for Fiscal Year 2018-19. Budget amendments happen several times each year to reflect adjustments in the Redevelopment Agency's budget, including proposed project additions and modifications. The purpose of the proposed amendment is to review the recent \$200,000 appropriation relating to office space needs. [View Attachments](#)*

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Director Wharton moved and Director Luke seconded to **approve the Consent Agenda as proposed**, which motion carried, all directors present voted aye.

F. TENTATIVE CLOSED EXECUTIVE SESSION. The Board considered a motion to enter into Closed Session, in keeping with Utah Code §52-4-205 for any allowed purpose.

Item not held.

The meeting adjourned at 3:18 p.m.

Redevelopment Agency Chair

Secretary

This document is not intended to serve as a full transcript as additional discussion may have been held; please refer to the audio or video for entire content pursuant to Utah Code §52-4-203(2) (b).

This document along with the digital recording constitute the official minutes of the Salt Lake City Redevelopment Agency meeting held December 11, 2018.

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