

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, JANUARY 15, 2019

The Board of Directors of the Redevelopment Agency (RDA) of Salt Lake City, Utah, met on Tuesday, January 15, 2019 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.

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; Kort Utley, RDA Senior Project Manager; Cara Lindsley, RDA Project Manager; Tammy Hunsaker, RDA Project Manager; Corinne Piazza, RDA Project Coordinator; Benjamin Luedtke, Council Public Policy Analyst; Melissa Jensen, Housing and Neighborhood Development (HAND) Director; Allison Rowland, Council Public Policy Analyst; Nicole Smedley, Assistant City Recorder; and Cindi Mansell, City Recorder.

Guests in Attendance:

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

[2:11:33 PM](#) **Paul Johnson** addressed the Board on behalf of the Central 9th Community Council. He expressed support for the 900 South Streetscape improvements, West Temple Gateway project, and particularly, the Central 9th portion. He said this had been a unique challenge and partnership for all parties involved. He discussed the creation of form-based zoning and its goal to create greater density towards a vibrant walkable area. He said the density goal was happening. He said the 900 South area, where improvements were planned was the heart of the neighborhood, but not currently pedestrian-friendly (safety hazard/desperate for traffic-calming measures). He said Central 9th lacked green space, so for the goal of form-based zoning this required correction. He said this required support of traffic control, and ideas such as allowing and installing meters in the area. He said this experiment would only succeed if 900 South Street improvements were made. He said this group hoped to work with the City to achieve success of the form-based experiment.

B. PUBLIC HEARINGS

None scheduled.

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C. REDEVELOPMENT AGENCY BUSINESS

#1. 2:13:49 PM Election of Chair and Vice Chair for Calendar Year 2019. The Board will nominate and elect members to serve as Chair and Vice Chair of the RDA. [View Chair & Vice Chair Ballots](#)

Director Rogers moved and Director Wharton seconded to **nominate Director Fowler as RDA Chair for 2019**, which motion carried, all directors voted aye, except Director Johnston, who was absent for the vote.

Director Fowler moved and Director Rogers seconded to **nominate Director Wharton as RDA Vice-Chair for 2019**, which motion carried, all directors voted aye, except Director Johnston, who was absent for the vote.

#2. 2:20:08 PM Approval of Minutes. Director Mendenhall moved and Director Luke seconded to **approve the minutes of the Redevelopment Agency Board meetings** held November 27, 2018, December 11, 2018, and December 18, 2018, which motion carried, all directors voted aye, except Director Johnston, who was absent for the vote. [View Minutes](#)
(M 18-6)

#3. 2:20:40 PM Potential Maintenance Funding Strategies for Public Improvements associated with RDA Projects. *The Board will be briefed about funding strategies for ongoing maintenance of public improvements created by the RDA, project examples, and a legal update on changes to State law governing uses of agency funds.* [View Attachments](#)

Danny Walz, Cindy Gust-Jenson, Cara Lindsley, Benjamin Luedtke, and Kort Utley briefed the Board with attachments. Ms. Lindsley provided background on the RDA project maintenance strategies, tools, projects already constructed, and projects proposed. She said all included high quality improvements with maintenance requirements outside of standard City abilities. She said in the past when projects were completed, the General Fund had been utilized, but pressure on City resources required exploration of additional options. She reviewed the following potential funding sources and discussed pros and cons of each: General Fund Obligation; Tax Increment Obligation; Special Assessment Area; Owners' Association; Neighborhood-Organized Maintenance Entity; Property Owner Responsibility; and other fees such as business license or on-street pay parking/Parking Benefit District.

Ms. Gust-Jenson said the General Fund was the current default. She said there had been issues and the Council made a policy decision years ago to facilitate situations wherein abutting property owners paid for enhanced improvements/maintenance. She said the first was North Temple

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improvements and due to variety of issues, the ability to create a Special Assessment Area (SAA) failed (as did Sugarhouse along the transit line because it was not planned ahead). She said it was not that people formally rejected this type of funding source, rather steps that did not work out. She said the City Council/RDA had talked about improvements that created additional expense that should entail property owner partnership. She said many improvements could be made without assessment costs, and there was desire to change from the General Fund default.

Director Wharton inquired whether there was a model for SAA's. Ms. Lindsley said the Central Business District was an SAA that included marketing and economic promotion activities yet no successful model for maintenance (not included in this particular SAA scope of work). Mr. Luedtke said Staff had requested inventory of all existing SAA's and improvement districts in the City with intent to review and provide information to the Board. Director Fowler said there was need for policy discussions around these areas and how to maintain them; and moving forward, policy on how to structure future projects so that a funding mechanism was included.

Mr. Luedtke said last year was the first year the Council approved the Capital Improvement Projects (CIP) funding log to include maintenance for every approved project. Director Luke said the RDA needed to follow that same model, as it would impact decisions.

Director Rogers requested definition of the difference between a Property Owner's Association and a Neighborhood-Organized Maintenance Entity. Ms. Lindsley discussed the Owner's Association as an area defined by recording Covenants, Conditions, and Restrictions (CC&R's) against the property. She said this approach worked on Marmalade Block where the RDA owned the majority of property. She said maintenance could be provided by the City or a private contractor and was administrated by a Board of Directors for the Property Owner's Association.

Director Rogers discussed streetscape on 300 West and money put into beautification currently being maintained by the Public Services Department via the General Fund. He suggested a program or business willing to adopt a streetscape or parkway, etc.

Discussion continued for RDA project maintenance strategies. Ms. Lindsley reviewed Neighborhood-Organized Maintenance Entity pros and cons as an idea put together by Staff. She said Staff could look at examples where this had been done but such had not been implemented in Salt Lake City. She further reviewed property owner responsibility, enhanced business license fees, and pay parking/Parking Benefit District strategy ideas. She provided an overview of project examples from other cities, and highlighted takeaways and recommendations.

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Mr. Luedtke said it might be helpful to contextualize tools with specific City examples. He provided an overview of the Staff memo and four recent examples of significant RDA projects requiring funding: Sugarhouse Monument Plaza, Regent Street CBD, Streetscape improvements on 900 south in the Central Business District (funded but not yet built) and Station Center. He said these three groups (already built, in process, or future/still a few years out) all had significant funding needs. Director Mendenhall said she wanted Staff to piece together funding tools for Sugarhouse Plaza and Regent Street. Mr. Luedtke said Staff could also provide understanding of differences in State Law (SAA or local improvement districts) as well as important differences between these options. He said it would be helpful to understand the relationship between tax bases, what tax increase would be needed to cover the maintenance, or whether that threshold would be too much in an area.

Director Fowler discussed the need to most likely consider a guiding maintenance policy for future projects as well as current projects. Director Luke said there could be grandiose ideas to do amazing things without thinking everything through and he wanted to see the Board have not only options, but also a plan included for ongoing project/site maintenance. He said items were built and there was need to figure out how to maintain while continuing to build new things. He suggested for any future RDA areas or projects, to include scalable RDA Staff recommendations and that Staff work differently with property owners gauging interest, long-term involvement, and how committed they were to raising money through tax increment or another method. Discussion followed regarding commitments to residents and partners, understanding what happened to an RDA amenity once it was completed, concern with pulling additional funding from the General Fund to deal with more grandiose maintenance while having a difficult time cutting lawns, parks, watering (basic functions), and ultimately having resources to build and maintain projects.

The Board discussed the 9th Central maintenance funding coming up on a future agenda and encouraged Staff to come up with a recipe to fund and move forward on that project. Discussion followed regarding the future long-term question of creating that maintenance piece with each of the project areas or improvements being done within an improvement area. It was determined a longer conversation was needed, along with consideration of project areas with immediate need.

#4. [3:32:07 PM](#) Overview of Housing Allocations and Projects. *The Board will receive a follow-up briefing about the roles and interdepartmental coordination between the RDA and Housing and Neighborhood Development (HAND). The briefing includes an overview of RDA housing allocations since Fiscal Year 2010-11. [View Attachments](#)*

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Danny Walz, Melissa Jensen, and Tammy Hunsaker briefed the Board with attachments. Ms. Hunsaker said this was follow-up to a series of discussions and referenced three spreadsheets breaking out those funding allocations.

Director Luke thanked Staff for the detailed and helpful spreadsheet layout. He inquired as to what kind of measurable or outcomes could Staff report back based on the \$5.5 million for the Housing Trust Fund. Ms. Hunsaker said there were reports submitted to the RDA, but she would look into going through those reports and tallying up information to finish that process. Ms. Jensen said there was just over \$5.5 million producing a total of 1,085 units/700 affordable. Discussion followed regarding how affordability compared to other specific projects, and Ms. Hunsaker provided information relative to Area Median Income (AMI). She said the previous practice (not formal policy) was to put funding into the Housing Trust Fund. She said the amount varied from year to year and had not been a standardized formula, but was based on project priorities and fund balances. She said for the RDA, there were a total of 3,075 units/1,025 affordable.

The Board considered the spreadsheet being used as a model across the City. Discussion followed regarding the Board wanting something to consider as a broad policy to consider how to continue with affordable housing, as well as RDA and HAND relations. The Board suggested the spreadsheet could indicate what was being done with sales tax/policy and function as a guiding tool. Staff indicated they would return with a draft policy for Board feedback.

#5. [3:44:55 PM](#) Utah Open Meetings Law Training and Government Records Access and Management Act (GRAMA) Training. *The Board will receive a briefing from the City Attorney's Office about the Utah Open Meetings Law, and from the Recorder's Office about the Government Records Access and Management Act (GRAMA). This briefing will serve as the annual trainings for both the City Council and the Board of Directors of the Redevelopment Agency. [View Attachments](#)*

Katherine Lewis and **Margaret Plane** briefed the Council with attachments. Ms. Lewis said the Utah Open Meetings Law Training was required and conducted annually, and this took place either in the City Council or the RDA meetings (not required in both/same body).

Margaret Plane, Nicole Smedley, and Cindi Mansell briefed the Council on GRAMA with attachments.

#6. [4:10:26 PM](#) Block 67 Project Update. *The Board will receive a verbal update on recent changes to the proposed large-scale mixed-use*

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development on Block 67, a City block bounded by 100 South, 200 South, 200 West and 300 West.

Danny Walz, Allison Rowland, Jill Wilkerson-Smith, and Corinne Piazza briefed the Council. Mr. Walz said Staff thought it helpful to return and brief the Council on development issues. He discussed significant challenges and issues associated with pulling this out of the Central Business District Improvement Area (CBIA) to establish a Community Reinvestment Area (CRA). He said there were currently bonds secured by tax increment from the CBIA and Staff was risk adverse to complications. He said the developer was now proposing a new development on the north side of the block that would essentially put those properties crossing property lines. He said Staff was conducting fact finding as to whether those lines delineate collection of increment or not. He further discussed progress towards the \$15 million interlocal agreement in conjunction with Salt Lake County and said that agreement would return to the Board. He said in regards to the facilitation process, Staff had the first stakeholder group meeting scheduled. He said there had been a great deal of interest (City, County, developer, Japanese community representatives). He said the goal was to determine the Request for Proposal (RFP) process to reach out and hire a consultant to spend the \$100,000 allocated towards the visioning process, project scope and how the stakeholder group would be incorporated, stakeholder group representation, and stakeholder group oversight.

#7. 4:20:13 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 provided updates on a variety of projects.

#8. 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.

The meeting adjourned at 4:26 p.m.

Redevelopment Agency Chair

Secretary

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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 January 15, 2019.

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