



REDEVELOPMENT AGENCY OF MIDVALE CITY MEETING AGENDA April 2, 2019

PUBLIC NOTICE IS HEREBY GIVEN that the **Redevelopment Agency of Midvale City** will hold a regular meeting on the **2nd day of April 2019** at Midvale City Hall, 7505 South Holden Street, Midvale, Utah as follows:

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 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 Governing Body.** 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, non-Agenda items. Items brought forward to the attention of the Redevelopment Agency Board will be turned over to staff to provide a response outside of the Redevelopment Agency meeting.

III. CONSENT AGENDA

- A. Consider Minutes of March 5, 2019 [*Rori Andreason, H.R. Director/City Recorder*]
- B. Set date and time [April 16, 2019 at 7:00 pm] for a public hearing to consider budget amendments to the FY2019 Redevelopment Agency of Midvale City Budget [*Matt Dahl, Redevelopment Agency Director*]

IV. DISCUSSION ITEMS

- A. Discuss proposed budget amendments to the FY2019 Redevelopment Agency of Midvale City Budget [*Matt Dahl, Redevelopment Agency Director*]

V. ADJOURN

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 day 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 www.midvalecity.org 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.

PLEASE SILENCE CELL PHONES DURING THE MEETING

DATE POSTED: MARCH 29, 2019

**RORI L. ANDREASON, MMC
H.R. DIRECTOR/CITY RECORDER**



REDEVELOPMENT AGENCY MEETING

Minutes

Tuesday March 5, 2019
Council Chambers
7505 South Holden Street
Midvale, Utah 84047

CHAIR: Robert M. Hale - Excused

BOARD MEMBERS: Board Member Dustin Gettel
Board Member Paul Glover
Board Member Quinn Sperry
Board Member Bryant Brown
Board Member Paul Hunt

STAFF: Bryce Haderlie, Assistant City Manager/Admin. Services Director; Rori Andreason, City Recorder; Lisa Garner, City Attorney; Glen Kennedy, Public Works Director; Matt Dahl, Redevelopment Agency Director; Jessica Stephens, RDA Executive Assistant; Lesley Burns, City Planner; Christopher Butte, Economic Development Director; Laura Magness, Communications Specialist; Chief Randy Thomas, UPD; and Matt Pierce, IT Manager.

Chair Hale called the meeting to order at 10:04 p.m.

I. GENERAL BUSINESS

A. Roll Call - Board Members Paul Hunt, Dustin Gettel, Quinn Sperry, Paul Glover, and Bryant Brown were present at roll call.

II. PUBLIC COMMENTS

There was no one present who desired to speak.

III. CONSENT AGENDA

A. CONSIDER MINUTES OF FEBRUARY 19, 2019

MOTION: Board Member Paul Glover **MOVED** to approve the consent agenda. The motion was **SECONDED** by Board Member Bryant Brown. Chair Pro-Tem Dustin Gettel called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Paul Hunt	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Bryant Brown	Aye

The motion passed unanimously.

IV. ACTION ITEMS

A. DISCUSSION AND ACTION REGARDING RESOLUTION NO. 2019-02RDA AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND TAG SLC LLC, FOR THE SALE OF PROPERTY LOCATED AT 695 WEST FIFTH AVE/7555 SOUTH MAIN STREET

Matt Dahl said that on August 16, 2018 the Redevelopment Agency (“RDA”) issued a Request for Proposals (“RFP”) for development of an RDA owned parcel consisting of .32 acres of vacant land in the Main Street Project area on the southeast corner of Main Street and 5th Ave (“Property”).

By the October 1st deadline, the Agency received four proposals. On October 15th, TAG, whose proposal included 6 residential units with 3 commercial units on the ground level, was unanimously recommended by the Selection Committee to be the developer of the property.

On November 13, 2018, the Board of Directors of the RDA adopted Resolution No. 2018-12RDA, which granted the Developer the exclusive right to negotiate for the acquisition of the Property.

During Exclusive Negotiations the RDA and TAG SLC have negotiated the terms of a Purchase and Sale agreement. The agreement details the requirements the developer and the RDA must satisfy for the developer to close on the property. Key terms of this agreement include:

- A. Purchase Price: \$120,000.
- B. Payment of the Purchase Price shall be made at the time of closing.
- C. The Developer is purchasing the Property from the RDA in an “AS IS”, “WHERE IS” condition.
- D. Deadline for Execution of Agreement: April 1, 2019
- E. Deadline for Property Closing: October 1, 2019
- F. Financing: RDA shall have determined that the Developer has obtained one or more loans to finance a portion of the costs of the construction of the Developer Improvements and has obtained sufficient equity funding such that the Developer will be able to timely complete the development.
- G. 90- Day Marketing Period: The Developer shall have a 90-day marketing period to gain letters of interest from active retail tenants and have commenced with furthering the design of the project.
- H. Zoning - Developer shall adhere to the Historic Commercial (HC) Zone.
- I. RDA Approval of Architect and Construction Contracts: The right of the Developer to purchase the Property is subject to the condition precedent that the RDA shall have approved the architect contract between the Developer and the Architect pursuant and the contract between the Developer and the Construction Contractor.
- J. RDA shall approve Basic Design, Schematic Design, Design Development, and Final Construction Drawings.
- K. The agreement also includes the forms of the Special Warranty Deed, Guaranty, Development Agreement and Right of First Option to the Purchase Agreement.

The Purchase and Sale agreement was prepared by Tom Berggren of Jones Waldo and has been reviewed by legal counsel for TAG SLC, LLC.

FISCAL IMPACT: The developer will pay the Agency \$120,000 for the property.

MOTION: Board Member Bryant Brown MOVED to Adopt Resolution No. 2019-02RDA Authorizing the execution of a Purchase and Sale Agreement between the Redevelopment Agency of Midvale City and TAG SLC, LLC for the sale of property located at 695 West Fifth Ave/7555 South Main Street. Board Member Paul Hunt SECONDED the motion. Chair Pro-Tem Dustin Gettel called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Paul Hunt	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Bryant Brown	Aye

The motion passed unanimously.

B. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 2019-03RDA BINGHAM JUNCTION PUBLIC ART PROJECT

Jessica Stephens said that on January 14, 2014, the Redevelopment Agency of Midvale City Board of Directors ("Board") approved creation of the Bingham Junction Art Program. The goal of the program is to integrate public art into private development or public spaces. Funding is approved and allocated through the Redevelopment Agency of Midvale's ("Agency") annual budget.

The area staff has identified for consideration for the 2019 Bingham Junction Public Art Project is located along the west side of Bingham Junction Blvd from Center Street to 7200 South. The proposed project will require artists to design digital art ("Artwork") to be printed and affixed to 16 separate utility boxes.

Rocky Mountain Power owns the utility boxes and are in the process of drafting an agreement that will allow the Agency and its selected artist access to install the art onto the boxes. This agreement will be presented to the Board for consideration in conjunction with the artist agreement.

The theme of the project is "Magic in the Mundane." The theme is inspired by the people who use Bingham Junction Boulevard to get to and from work every day. The goal with this theme is to add interest to the Bingham Junction Area and to add magic to the weekday commute of its residents and workers.

The RFP provides a budget limit of \$25,000 to the Artist. The total budget for the project must include design, supplies, fabrication, installation, travel and artist's fee. The budget is all inclusive and must cover the cost of ensuring all of Rocky Mountain Power's requirements for utility box art are met.

We intend to use the RFP to publicly market this project to maximize the number of submissions. Once the submittal period is closed a Design Advisory Committee consisting of staff, city residents, and a council representative will make a recommendation to the Board for final approval.

Criteria for selection will include, but will not be limited to, review of past projects, experience, qualifications, artistic excellence, commitment to the project's goals and themes, and professionalism.

Upon completion, the Redevelopment Agency of Midvale City will assume ownership of the Artwork and be entitled to exercise all rights previously held by the artist. The Agency will have the right to display, destroy, remove, replace, transport, transfer or modify the artwork whenever the Agency deems it necessary. The Agency may also reproduce, print, copy, edit, and distribute the artwork for display, marketing and promotional purchases by any method the Agency deems appropriate, including both electronic and physical reproduction and distribution. The agency will credit artist in all reproductions and distributions of the artwork.

FISCAL IMPACT: The \$25,000 project cost will be funded through the Agency's 2019 FY Public Art budget.

Board Member Bryant Brown asked if this is being done in this area because it was an RDA area? Jessica Stephens said yes, this art must be within the RDA area.

Board Member Bryant Brown said also, he would really love to get Midvale artists to contribute.

Matt Dahl said he could add it as a preference.

MOTION: Board Member Quinn Sperry **MOVED** to Approve Resolution No. 2019-03RDA Approving the 2019 Bingham Junction Public Art Project and authorizing the issuance of the Request for Proposals for Bingham Junction Public Art Installation and Paul Hunt serve on the selection committee. Board Member Paul Glover **SECONDED** the motion. Chair Pro-Tem Dustin Gettel called for discussion on the motion. There being none he called for a roll call vote. The voting was as follows:

Board Member Paul Hunt	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Bryant Brown	Aye

The motion passed unanimously.

IV. ADJOURN

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

The meeting adjourned at 10:19 p.m.

Rori L. Andreason, MMC
H.R. Director/City Recorder

Approved this 2019.

PENDING



Redevelopment Agency of MIDVALE CITY SUMMARY REPORT

MEETING DATE: APRIL 2, 2019

SUBJECT: Discussion Regarding an Amendment to the FY2019 Budget for the Redevelopment Agency of Midvale City.

SUBMITTED BY: Matt Dahl, Redevelopment Agency Director

HISTORY:

- June 19, 2018: Agency Board Adopted Fiscal Year 2019 Budget
- September 19, 2018: Agency Board Adopted First Amendment to Fiscal Year 2019 Budget
- December 13, 2018: Agency Closed on Series 2018 Tax Increment Bonds for Bingham Junction Project Area
- March 25, 2019: Agency Received Tax Increment Allocation for Fiscal Year 2019

SUMMARY: Tax Increment is the primary funding source for the Redevelopment Agency of Midvale (Agency). The Agency receives an initial allocation of tax increment from Salt Lake County in December and the final distribution in March. Given that the final tax increment revenue amount for the fiscal year is unknown until the March distribution, the Agency is required to amend the current year's budget in April to reflect the actual revenue that is received.

Subsequent to the adoption of First Amendment to the Fiscal Year 2019 Budget, the Agency received its annual allocation of tax increment and issued \$8,500,000 in tax increment bonds. Staff will ask the Agency Board to address the following issues resulting from these events in the Second Amendment to the Fiscal 2019 Budget:

- **Tax Increment Revenue:** The Fiscal Year 2019 Budget anticipated that the Bingham Junction Project Area would generate \$7,000,000 in tax increment revenue. The actual amount received by the Agency is \$6,501,445, which results in a deficit of \$498,555. While the Agency has received the final distribution of funds, Salt Lake County has yet to provide the supporting data that was used to calculate the distribution. Staff anticipates receiving the supporting data by the April 16th budget hearing and will use the information to provide additional analysis on the cause of the revenue shortfall.
- **Series 2018 Bond:** In December 2018, the Agency closed on the sale of the Series 2018 Bingham Junction Tax Increment Bonds. This transaction provided the

Agency with \$8,500,000 in revenue and increased the Fiscal Year 2019 Debt service by \$145,092. The Series 2018 Bond revenue was earmarked for repaying developers in the Bingham Junction Project Area. Through these reimbursements, the Agency reduced the annual reimbursement obligations of the Agency by approximately \$1,500,000.

The net result of these two events, is that the Agency will have approximately \$850,000 to reallocate from the Bingham Junction Developer Reimbursement Account.

Staff will be prepared to discuss the proposed budget amendment during the meeting. The RDA Board has scheduled a public hearing for the proposed amendment on April 16, 2019.