

Shane Smoot with NovaSource introduced himself and his partner, Ron Witzel. He said that representatives of AE Urbia, the architects on this project, are present as well. Mayor Snarr said that he appreciates the cleanup that has been done at this site and stated that there are some existing tenants that would like to remain in this location. Mr. Smoot said that he is having discussions with the restaurants at the site about relocating to the building in the future. Brett Hales asked which restaurant showed the most interest in locating in the hotel. Shane Smoot said that Subway, Wasatch Grill and Alberto's are all interested in remaining at the site and locating in the hotel if the rental rate is agreeable. The number of parking stalls was discussed. Mr. Smoot indicated that there are 132 parking stalls on site.

Darren Stam asked about the participating partners in State & Vine LLC. Shane Smoot said that NovaSource Development will manage the project process and has a minority interest. The other entity is Hogan and Associates, which is the construction portion of the partnership and will contribute both financially and developmentally. He said that NovaSource and Hogan and Associates have worked on previous projects and have a good working relationship. Mr. Stam said that he has worked previously with Hogan and Associates on some school building projects and that they did a good job.

Jim Brass made a motion to approve the participation and development agreement with State and Vine LLC. Seconded by Brett Hales.

Call vote recorded by Tim Tingey.

A _____ Jim Brass
A _____ Brett Hales
A _____ Jared Shaver
A _____ Dave Nicponski
A _____ Darren Stam

Motion passed, 5-0.

REVIEW AND DECISION ON REIMBURSEMENT FOR FIRECLAY RAILROAD CROSSING IMPROVEMENTS

Mr. Tingey stated that Doug Hill, Public Services Director, has submitted a request for reimbursement related to costs for improvements done at the railroad crossing on Fireclay Avenue. He said that the reimbursement request is approximately \$34,000. He said that the Attorney's office will draft an agreement between the RDA and the City for reimbursement of the costs if this is approved. He said that agreements have been done previously for power line relocation and that the costs will be reimbursed once tax increment is generated for the site. Mr. Tingey stated that funds will be requested for the Fireclay area in the upcoming November 1st Report, but the funds will not be paid by the County until December of 2013. He said that once the funds are received by the RDA then reimbursements back to the City and obligations to other developers, education mitigation funds and the Murray School District will be evaluated. He said that staff is recommending approval of the reimbursement agreement between the RDA and the City for the costs of these improvements.

Jim Brass asked when the care facility will begin construction in this area. Tim Tingey stated that it is currently underway and permits have been issued and the footings are in. Jim Brass verified that this area is a 20-year collection and he wants to ensure that the maximum value is there before increment collection begins. Darren Stam asked how many apartment buildings have Certificates of Occupancy in Fireclay Villages. Tim Tingey responded that four buildings have certificates. Mr. Stam asked if the tax increment is also part of the agreement with Hooper Knowlton. Mr. Tingey replied that tax increment is included in the agreements with Parley's

Partners, Hamlet Homes and Fireclay Investment Partners. He said that he spoke with Mr. Knowlton today and he anticipates occupancy of some of the Birkhill Apartment units beginning in October.

Jared Shaver made a motion to approve the reimbursement agreement for Fireclay railroad crossing improvements. Seconded by Brett Hales.

Call vote recorded by Tim Tingey.

A _____ Jared Shaver

A _____ Brett Hales

A _____ Dave Nicponski

A _____ Jim Brass

A _____ Darren Stam

Motion passed, 5-0.

Doug Hill stated that there is a second phase of improvements that will be required at this railroad crossing. He said that it will include crossing arms, which UDOT has requested be installed in fiscal year 2014. He stated that this topic should be discussed in next year's budget review as the cost can exceed \$100,000 for crossing arms. Frank Nakamura stated that although this reimbursement has been approved by the RDA it does not preclude the City from recovering costs when increment becomes available and holding the developers responsible for some of the costs. He said that the development in the area necessitated the improvements and it has not yet been determined whether there will be some financial responsibility from the developers for these costs.

Jim Brass asked if the street running parallel to the railroad tracks has been removed. Mayor Snarr said that the road has been removed. Doug Hill confirmed and said that the road was removed from the Transportation Master Plan. Mr. Brass said that he understands the necessity of removing the road because of its proximity to the railroad tracks and the potential for people to drive around the crossing arms.

FUTURE REDEVELOPMENT AREA DISCUSSION

Tim Tingey stated that a few months ago the RDA discussed future RDA areas and that staff has researched some potential areas and determined possible boundaries. He stated that it is beneficial for staff to have some direction from the Board related to potential redevelopment areas as new projects are proposed. He said that recently a developer expressed interest in the area near 5300 South and I-15 which includes the Ore Sampling Mill site. Mr. Tingey said that there is some retail space along the frontage road that the developer is interested in and asked about RDA participation in a project. He stated that the area should be expanded according to the general plan, which indicates future land use in this area is to be mixed-use. He said that there are still some existing industrial uses at this time. He stated that with the right developer this would be a good area to redevelop as there are a number of rundown properties. He said that he doesn't think the site would attract a quality developer without some Redevelopment Agency participation.

The Board discussed access to the Ore Sampling Mill site and property uses in the area. Mr. Stam asked which type of redevelopment area would be best in this location because there are some types of areas that do not require approval by the taxing entity committee. Mr. Tingey said that it could be an Urban Renewal Area (URA) due to the blight and underutilization of property, and it would be beneficial to include the taxing entity committee in relation to these issues. Jared Shaver agreed and said that a URA would require the area to be cleaned up. Mr. Tingey said that if there was a project that needed to move forward quickly then a Community Development Area (CDA) would be considered as the RDA could negotiate individually without requiring taxing entity committee

approval. Mr. Tingey asked if this is an area that the RDA would consider for redevelopment. The Board members confirmed that it is.

Mr. Tingey stated that another potential redevelopment area is the former Galleria site. He said that there has been interest expressed in this property on a number of occasions, and that the property was recently purchased by Kimball Investments. He said that staff does not recommend participating in a mixed use development at this site as has been proposed previously. He said that the site has potential but no firm decisions about development have been made. The possibility of having Bus Rapid Transit through this area was discussed. Mr. Tingey said that the final area that staff has identified for potential redevelopment is the area around the Shopko site on State Street. He said that unless there is a substantial development proposal he would not recommend creating an RDA area around this site. Mr. Tingey summarized that all of the areas identified would be viable for redevelopment, but staff believes that the most promising area at this time is around the Ore Sampling Mill site.

FIRECLAY AREA UPDATE

Mr. Tingey said that the critical care facility is moving forward and the footings are in. He said that staff has met with the developer and realtor related to the development agreement with Hamlet Homes. The available area is being marketed and staff communicated what the City would like to see in the area and the parameters of the existing development agreement. Mr. Tingey said that staff has encouraged additional commercial development in the area. He said that staff has also met with Hooper Knowlton and was advised that he plans to start marketing the office facility that is part of his project.

Mr. Stam thanked staff for their work on all of the Fireclay projects.

Meeting adjourned.

B. Tim Tingey, Executive Director