



7505 South Holden Street
Midvale, UT 84047
(801) 567-7200
www.midvalecity.org

REDEVELOPMENT AGENCY OF MIDVALE CITY MEETING AGENDA May 19, 2020

PUBLIC NOTICE IS HEREBY GIVEN that the **Redevelopment Agency of Midvale City** will hold a regular meeting on the **19th day of May 2020** at Midvale City Hall, 7505 South Holden Street, Midvale, Utah as follows:

Electronic Redevelopment Agency Meeting

This meeting will be an electronic meeting, without a physical location, pursuant to Midvale City Resolution No. 2020-R-11. As restrictions take place across the state for limiting public gatherings, the City wants to make sure everyone interested in participating in City Council Meetings can do so. The meeting will be broadcast on the following links:

You Tube: <https://www.youtube.com/channel/UCLDszK2kMUHuc3-b-V-BBsIQ>

Mixlr and City website: <https://www.midvalecity.org/how-do-i/listen-to-publicmeetings>

If you would like to provide public comments, please email your comments to Lmagness@midvale.com or comment on Midvale City's Facebook page prior to the completion of the public comments portion of the meeting. You may also submit comments if the Mayor and City Council open a specific agenda item to public comment. These comments will be read aloud in the meeting and will be part of the public record.

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 submit their comment via email to Lmagness@midvale.com or on Midvale City's Facebook page prior to the completion of this portion of the meeting. Items brought forward to the attention of the Redevelopment Agency Board will be turned over to staff to provide a response outside of the Meeting.

III. CONSENT AGENDA

- A. Consider Minutes of May 5, 2020 [*Rori Andreason, H.R. Director/City Recorder*]

IV. ACTION ITEM

- A. Discussion and action regarding Resolution No. 2020-06RDA approving the terms for First Amendment to Tax Increment Reimbursement Agreement between Midvale RDA and Zions Bancorporation N.A. **[Patrick O'Brien, RDA Housing Manager]**
- B. Consider Resolution No. 2020- 07RDA Approving the terms for an Interlocal Agreement between the Redevelopment Agency of Midvale City and Midvale City for Use of and Repayment of \$5,500,00 Loan from State Infrastructure Bank **[Patrick O'Brien, RDA Housing Manager]**

V. DISCUSSION ITEM

- A. Discuss proposed amendments to the FY2020 Budget of the Redevelopment Agency of Midvale City **[Cody Hill, RDA Manager]**

VI. 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: MAY 14, 2020

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



REDEVELOPMENT AGENCY MEETING

Minutes

Tuesday May 5, 2020

Council Chambers
7505 South Holden Street
Midvale, Utah 84047

CHAIR: Robert M. Hale

BOARD MEMBERS: Board Member Quinn Sperry
Board Member Heidi Robinson
Board Member Paul Glover
Board Member Bryant Brown - Excused
Board Member Dustin Gettel

STAFF: Kane Loader, City Manager; Matt Dahl, Assistant City Manager; Rori Andreason, City Recorder; Lisa Garner, City Attorney; Kyle Maurer, Administrative Services Director; Nate Rockwood Community Development Director; Glen Kennedy, Public Works Director; Laura Magness, Communications Director; Patrick O'Brien, RDA Housing Manager; Cody Hill, RDA Manager; Chief Randy Thomas, UPD; and Juan Rosario, Systems Administrator.

Chair Hale called the meeting to order at 9:23 p.m.

I. GENERAL BUSINESS

A. Roll Call - Board Members Dustin Gettel, Quinn Sperry, Paul Glover, and Heidi Robinson were present at roll call. Board Member Bryant Brown was excused.

II. PUBLIC COMMENTS

There was no one who desired to speak.

MOTION: Board Member Dustin Gettel **MOVED** to move the action item before the public hearing. The motion was **SECONDED** by Board Member Paul Glover. Chair Hale 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	Excused
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

III. ACTION ITEM

A. CONSIDER RESOLUTION NO. 2020-05RDA FIRST AMENDMENT TO TAX INCREMENT REIMBURSEMENT AGREEMENT WITH GARDNER JORDAN BLUFFS L.C.

Patrick O'Brien said The Agency has been in discussion with the Gardner Company regarding an amendment to their 2017 Tax Increment Reimbursement Agreement with the Agency.

Agency staff has negotiated a reimbursement agreement with Zions Bancorporation for 19.502 acres in the northern parcel of Lot 2 from the original Jordan Bluffs TIRA with Garden Jordan Bluffs L.C. This term sheet sets out the terms for the removal of the 19.502-acre parcel from the 2017 TIRA. In addition to this carve out of the original property, the term sheet seeks to:

1. Redefine the "Property" to incorporate the various lots resulting from the subdivisions which have occurred since the Original Agreement (the Residential Lots and the Gardner Commercial Lots.
2. Remove the Office Building Lot; provided, however, the Office Building Lot will be included for purposes of determining minimum assess value thresholds.
3. Redefine the Property Tax Base Value to allocate the amounts of the Property Tax Base Value in the Original Agreement to the Residential Lots and the Gardner Commercial Lots and allocated \$1,000,000 of Property Tax Base Value to the Office Building Lot.
4. Reduce the Reimbursement Cap by \$3,384,520, leaving the amended Reimbursement Cap at \$40,915,480. The term sheet has been prepared in consultation with Tom Berggren of Jones Waldo and has been reviewed and approved by Gardner Company.

FISCAL IMPACT: The Developer is responsible for paying the initial costs of the development. Reimbursement is limited by the amount of tax increment generated by the Property and the amount of reimbursement expenses approved by the Agency. The maximum reimbursement amount will be \$40,915,480.

MOTION: Board Member Dustin Gettel MOVED to approve Resolution No. 2020-05RDA approving the term sheet. for the First Amendment to Tax Increment Reimbursement Agreement between Midvale RDA and Gardner Jordan Bluffs L.C. and authorizing the execution of a tax increment reimbursement agreement between the Redevelopment Agency of Midvale City and Gardner Jordan Bluffs L.C. The motion was SECONDED by Board Member Paul Glover. Chair Hale 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 Excused
Board Member Dustin Gettel Aye
Board Member Paul Glover Aye
Board Member Quinn Sperry Aye
Board Member Heidi Robinson Aye
The motion passed unanimously.

MOTION: Board Member Paul Glover MOVED to open a public hearing. The motion was SECONDED by Board Member Quinn Sperry. Chair Hale called for discussion on the motion. There being none he called for a vote. The motion passed unanimously.

IV. PUBLIC HEARING

A. **CONSIDER THE ADOPTION OF THE TENTATIVE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

Cody Hill said as part of the Fiscal Year 2021 Budget approval process, staff will be presenting a Tentative Operating Budget for the Redevelopment Agency. Staff will update the Board on the revenue estimates and provide a brief overview of the expenditures, highlights, and program changes.

FISCAL IMPACT:

The tentative budget provides a starting point to discuss the operating budget for Fiscal Year 2020 prior to final approval.

Redevelopment Agency of Midvale City Proposed FY2021 Budget:

Overview

Redevelopment Agency - Overview					
Account	Budget FY2020 Expense	Recommended FY2021 Expense	Difference	Percent Change	
Operations	\$ 908,300	\$ 801,337	\$ (106,963)	-11.8%	
Bingham Junction	27,814,500	6,892,985	(20,921,515)	-75.2%	
Jordan Bluffs	112,000	112,000	-	0.0%	
Main Street	30,000	300,000	270,000	900.0%	
Public Art Maintenance	50,000	50,000	-	0.0%	
Program Income	24,200	24,200	-	0.0%	
Project Area Housing	194,200	194,200	-	0.0%	
City-Wide Housing	1,353,500	1,860,500	507,000	37.5%	
Total	\$ 30,486,700	\$ 10,235,222	\$ (20,251,478)		

RDA Operations

Redevelopment Agency - Operations							
	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change	
Revenues:							
TOTAL REVENUES	\$ 495,006	\$ 867,722	\$ 867,910	\$ 801,337	\$ (66,385)	-7.7%	
Expenditures:							
Total Personnel	393,441	513,500	349,073	404,637	(108,863)	-21.2%	
Total Operating	330,685	394,800	394,800	396,700	1,900	0.5%	
TOTAL EXPENDITURES	\$ 724,126	\$ 908,300	\$ 743,873	\$ 801,337	\$ (106,963)	-11.8%	
NET REVENUES OVER/(UNDER)							
EXPENDITURES	\$ 229,120	\$ 40,578	\$ (124,037)	\$ -	\$ (40,578)		

Bingham Junction Project Area

Redevelopment Agency - Bingham Junction Project Area							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
TOTAL REVENUES	\$ 27,040,535	\$ 16,043,058	\$ 7,117,000	\$ 7,799,557	\$ 7,580,000	\$ 463,000	6.5%
Expenditures:							
TOTAL EXPENDITURES	\$ 7,223,126	\$ 13,597,617	\$ 27,814,500	\$ 27,921,309	\$ 7,577,522	\$ (20,236,978)	-72.8%
NET REVENUES OVER/(UNDER)							
EXPENDITURES	\$ 19,817,409	2,445,441	(20,697,500)	(20,121,752)	2,478	20,699,978	-100.0%

Jordan Bluffs Project Area

Redevelopment Agency - Jordan Bluffs Project Area							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
TOTAL REVENUES	\$ 150,000	\$ 75,000	\$ 74,000	\$ 74,000	\$ 112,000	\$ 38,000	51.4%
Expenditures:							
TOTAL EXPENDITURES	\$ 25,046	\$ 112,000	\$ 112,000	\$ 129,100	\$ 112,000	\$ -	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES							
	124,954	(37,000)	(38,000)	(55,100)	-	38,000	

Main Street Project Area

Redevelopment Agency - Main Street Project Area							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
TOTAL REVENUES	\$ 50,000	\$ 378,000	\$ 25,000	\$ 25,000	\$ 300,000	\$ 275,000	1100.0%
Expenditures:							
TOTAL EXPENDITURES	\$ 52,534	\$ 435,648	\$ 30,000	\$ 30,000	\$ 300,000	\$ 270,000	900.0%
NET REVENUES OVER/(UNDER) EXPENDITURES							
	(2,534)	(57,647)	(5,000)	(5,000)	-	5,000	

Public Art Maintenance

Redevelopment Agency - Public Art Maintenance Fund							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
Interest Earnings	-	-	-	-	-	-	0.0%
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures:							
Public Art Maintenance	-	-	50,000	50,000	50,000	-	0.0%
TOTAL EXPENDITURES	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES	-	-	(50,000)	(50,000)	(50,000)	-	

Program Income

Redevelopment Agency - Program Income							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
Interest Earnings	311	504	200	453	200	-	0.0%
TOTAL REVENUES	\$ 311	\$ 504	\$ 200	\$ 453	\$ 200	\$ -	0.0%
Expenditures:							
Main Street Property	-	-	24,200	24,200	24,200	-	0.0%
TOTAL EXPENDITURES	\$ -	\$ -	\$ 24,200	\$ 24,200	\$ 24,200	\$ -	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES	311	504	(24,000)	(23,747)	(24,000)	-	

Project Area Housing

Redevelopment Agency - Project Area Housing							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
Interest Earnings	2,434	3,948	3,100	3,500	3,100	-	0.0%
TOTAL REVENUES	\$ 2,434	\$ 3,948	\$ 3,100	\$ 3,500	\$ 3,100	\$ -	0.0%
Expenditures:							
Unallocated Affordable Housing	-	-	194,200	194,200	194,200	-	0.0%
TOTAL EXPENDITURES	\$ -	\$ -	\$ 194,200	\$ 194,200	\$ 194,200	\$ -	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES	2,434	3,948	(191,100)	(190,700)	(191,100)	-	

City-Wide Housing

Redevelopment Agency - City-Wide Housing							
	Actual FY2018	Actual FY2019	Budget FY2020	Estimated FY2020	Recommended FY2021	Difference	Percent Change
Revenues:							
Interest Earnings	4,777	14,339	10,000	18,944	12,000	2,000	20.0%
Transfer From Bingham Junction Project Area Fund	250,000	500,000	500,000	500,000	500,000	-	0.0%
TOTAL REVENUES	\$ 254,777	\$ 514,339	\$ 510,000	\$ 518,944	\$ 512,000	\$ 2,000	0.4%
Expenditures:							
Affordable Housing Plan	1,346	1,527	5,000	5,000	-	(5,000)	-100.0%
Housing Programs	104,206	500	1,348,500	1,348,500	1,860,500	512,000	38.0%
TOTAL EXPENDITURES	\$ 105,552	\$ 2,027	\$ 1,353,500	\$ 1,353,500	\$ 1,860,500	\$ 507,000	37.5%
NET REVENUES OVER/(UNDER) EXPENDITURES	149,225	512,312	(843,500)	(834,556)	(1,348,500)	(505,000)	

MOTION: Board Member Quinn Sperry MOVED to close the public hearing. The motion was SECONDED by Board Member Dustin Gettel. Chair Hale

called for discussion on the motion. There being none he called for a vote. The motion passed unanimously.

ACTION: APPROVE RESOLUTION NO. 2020-04RDA FOR THE ADOPTION OF THE TENTATIVE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY

MOTION: Board Member Quinn Sperry MOVED to approve Resolution No. 2020-04RDA for the Adoption of the Tentative Budget for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 for the Redevelopment Agency of Midvale City. The motion was SECONDED by Board Member Dustin Gettel. Chair Hale 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	Excused
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

V. CONSENT AGENDA

A. CONSIDER MINUTES OF APRIL 21, 2020

B. SET DATE AND TIME [JUNE 2, 2020 AT 7:00 P.M.] FOR BUDGET AMENDMENTS TO THE REDEVELOPMENT AGENCY OF MIDVALE CITY FY2020 GENERAL FUNDS AND OTHER FUNDS AS NECESSARY

C. SET DATE AND TIME [JUNE 2, 2020 AT 7:00 P.M.] FOR A PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021 FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY

MOTION: Board Member Paul Glover MOVED to approve the consent agenda. The motion was SECONDED by Board Member Quinn Sperry. Chair Hale 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	Excused
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

V. ADJOURN

MOTION: Board Member Dustin Gettel MOVED to adjourn the meeting. Board Member Quinn Sperry SECONDED the motion. Chair Hale called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

The meeting adjourned at 9:35 p.m.

Rori L. Andreason, MMC
City Recorder

Approved this 19th day of May 2020.



Redevelopment Agency of Midvale City Action Item

MEETING DATE: MAY 19TH, 2020

SUBJECT: Discussion and action regarding Resolution No. 2020-06RDA approving the terms for First Amendment to Tax Increment Reimbursement Agreement between Midvale RDA and Zions Bancorporation N.A.

SUBMITTED BY: Patrick O'Brien, Housing Manager

SUMMARY:

The Agency has been in discussion with Zions Bancorporation and the Gardner Company regarding the development of 400,000 square foot of commercial office space on a 19.5-acre site within the Jordan Bluffs Project Area.

It is the developer's intent to build a parking structure as a part of the previously agreed development. The overall development will provide financial and economic benefits to the City, as well as providing a development with a high-quality design that provides technologically advanced features for energy and environmental design. The Agency intends to utilize funds from the State Infrastructure Bank to support the development of the parking structure. Tax Increment generated from the project will be used to repay this loan and the accrued interest.

Agency staff has negotiated a proposed amendment to the Tax Increment Reimbursement Agreement (attached) that details the proposed amended terms of the reimbursement agreement. The reimbursement cap remains at \$9,000,000. Staff proposes the following amendments to the TIRA:

These proposed amendments to the Original Agreement are believed to be beneficial to both the Owner and the Agency. The amendments include:

1. Changing the Silver LEED certification requirement. Instead of obtaining the certification from the U.S. Green Building Council (the process for which is complex and expensive), the Owner would be required to have a qualified architect certify that the building qualifies for, at a minimum, Silver LEED Certification. Staff believes the same benefits to the community of the project meeting the Silver LEED standards can be obtained at a lower cost to the project by making this change.
2. Replacing the minimum employment condition (1,500 full time, benefited employees) for eligibility for \$1,000,000 in Tax Increment. Owner shall be eligible to begin receiving the \$1,000,000 previously approved as part of the employment incentive as a part of the \$9,000,000 overall incentive once the parking structure and office building are complete.

As part of qualifying for the \$1,000,000, Owner will be obligated to construct a parking structure with standards in accordance with specified minimum design standards. Design guidelines will be prepared by the CD Director and agreed to by Owner and RDA prior to execution of the agreements.

3. Adding a reimbursement amount from the Agency of up to \$5,500,000 to support the construction of the parking structure. The reimbursement would be funded by the proceeds from a loan from the City to the Agency ("UDOT Loan"). The City will be able to fund the loan to the Agency from the proceeds of a loan from the State Infrastructure Board to the City. The Agency will be able to repay the loan to the City from the tax increment generated by the project. The Agency will not be obligated to make the reimbursement payment until the parking structure is completed.
 - (a) The Agency will disburse the full amount of \$5,500,000 to Zions for use in completing the parking structure upon satisfaction of the following requirements: (1) copies of paid invoices relating to the construction of the parking structure in excess of \$5,500,000; and (2) evidence or certification by Owner's representative (Gardner) that Owner has spent \$100,000,000 on the acquisition of the Site and the construction of the office building and parking structure. City to pay the \$5,500,000 within 30 days of Owner's satisfaction of the foregoing two requirements. The estimated cost of the parking structure is \$11,200,000. The \$5.5 million payment to Owner is for just under 50% of the cost of the parking structure.
 - (b) The obligation to make annual payments to reimburse the Owner up to \$9,000,000 under the Original Agreement from tax increment will be subordinate to the Agency's receipt of tax increment sufficient to pay the Agency's debt service to the City each year.
 - (c) The Reimbursement Term shall be lengthened to 2042.
 - (d) The UDOT Loan under existing UDOT regulations will be limited initially to 10 years. Owner and Agency agree to work together to advocate for UDOT amending its regulations to allow for 15-year term loans so that the UDOT Loan may be modified to a 15-year term. If the UDOT Loan is not amended to be a 15-year term by the end of 2020, then the Developer's Share of increment under the TIRA shall increase from 48% to 52%. If, however, the UDOT Loan is amended to a 15-year term, the Developer's Share of increment shall remain 48%.

The term sheet has been prepared in consultation with Tom Berggren of Jones Waldo and has been reviewed and approved by Zions Bancorporation.

FISCAL IMPACT: The Developer is responsible for paying the initial costs of the development. Reimbursement is limited by the amount of tax increment generated by the Property and the amount of reimbursement expenses approved by the Agency. The maximum reimbursement amount will remain at \$9,000,000. Additional tax increment generated from the project will be utilized to repay the SIB Loan of \$5,500,000 and the associated interest (total \$7,028,476 P&I). Therefore, the total contribution by the RDA to the project will be \$16,028,476 which is the combination of the \$9M. reimbursement and the repayment of principal and interest by the RDA of the SIB Loan. The total increment amount used for the \$9M. reimbursement and the repayment of the \$5.5M. loan will not exceed 48% of increment in any given year under the 15-year SIB loan scenario and will not exceed 52% under the 10-year SIB loan scenario.

Under UDOT administrative rule, loan terms are permitted over 10 years in contrast to the state code loan where a legislative change permits loan terms to be up to 15 years.

RECOMMENDED MOTION:

I move that we adopt Resolution No. 2020-06RDA approving the term sheet for First Amendment to Tax Increment Reimbursement Agreement between Midvale RDA and Zions Bancorporation and authorizing the execution of a tax increment reimbursement agreement between the Redevelopment Agency of Midvale City and Zions Bancorporation.

ATTACHMENTS: Term Sheet; Resolution No. 2020-06RDA

RESOLUTION NO. 2020-06RDA

**A RESOLUTION AUTHORIZING THE EXECUTION OF FIRST AMENDMENT TO
TAX INCREMENT REIMBURSEMENT AGREEMENT DATED MAY 4, 2020
BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND
ZIONS BANCORPORATION, N.A.**

WHEREAS, the Redevelopment Agency of Midvale City (the “Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, the Board of Directors of the Agency adopted the Jordon Bluffs Project Area Plan on August 10th, 2004; and

WHEREAS, the Board of Directors of the Agency desires to encourage redevelopment within the Jordon Bluffs Project Area; and

WHEREAS, on May 4, 2020, the Agency and Zions Bancorporation N.A. (the “Owner”) entered into a Tax Increment Reimbursement Agreement (the “Original Agreement”) with respect to the reimbursement of certain “Approved Costs” incurred by the Owner in connection with the development of property within the Jordan Bluffs Project Area into an office building (the “Project”), subject to satisfaction of the certain specified conditions; and

WHEREAS, the Owner has requested that the Original Agreement be amended to modify the requirements for satisfying the sustainability condition (LEED certification), to eliminate the employment condition and substitute a requirement that a parking structure be constructed on the site, and to provide for the reimbursement of 50% of the cost of the parking structure for the Project, not to exceed \$5.5 million; and

WHEREAS, the Agency has determined that it is in the best interests of the Agency to amend the Original Agreement to modify the sustainability condition (LEED certification), to eliminate the employment condition and substitute a requirement that a parking structure be constructed on the site in accordance with a set of minimum design standards, and, to incentivize the construction of the parking structure, to provide for the reimbursement of 50% of the cost of the parking structure for the Project, not to exceed \$5.5 million; and

WHEREAS, the Board of Directors of the Agency and the Owner desire to enter into an amendment to the Original Agreement to make the foregoing described amendments.

NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, that the Board of Directors does hereby authorize the Chief Administrative Officer and Executive Director to execute a First Amendment to Tax Increment Reimbursement Agreement in accordance with the Term Sheet presented to the Board as part of the agenda, a copy of which is attached hereto, subject to such other terms and conditions as recommended by the Agency’s legal counsel.

**PASSED AND ADOPTED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY
BOARD OF DIRECTORS, this _____ day of May, 2020.**

Robert M. Hale
Chief Administrative Officer

Kane Loader
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Board of	“Aye”	“Nay”
Directors:		
Bryant Brown	_____	_____
Paul Glover	_____	_____
Quinn Sperry	_____	_____
Heidi Robinson	_____	_____
Dustin Gettel	_____	_____

Term Sheet for First Amendment to Tax Increment Reimbursement Agreement with Zions Bancorporation, N.A.
(Jordan Bluffs Project Area)

Parties:	Redevelopment Agency of Midvale City, Utah (the “Agency”) and Zions Bancorporation, N.A. (the “Owner”).
Description of the Purpose of the Amendment:	The Agency and the Owner entered into a Tax Increment Reimbursement Agreement on May 4, 2020 (the “Original Agreement”). Under the Original Agreement, the Agency agreed to reimburse the Owner for certain Approved Costs, provided that the Owner satisfied certain minimum conditions pertaining to employment, solar, and sustainability (as defined therein) with respect to the development of the property and conducting business operations within the Jordan Bluffs Project Area. The Owner has requested certain amendments to the Original Agreement: 1. Modify the requirements for satisfying the sustainability condition (LEED certification) 2. Eliminate the employment condition and substitute a requirement that a parking structure be constructed on the site in accordance with a set of minimum design standards. 3. Include a reimbursement to pay for 50% of the cost of the parking structure, not to exceed \$5.5 million, to incentivize the construction of the parking structure for the benefit of the office building.
Amendments to Original Agreement:	These proposed amendments to the Original Agreement are believed to be beneficial to both the Owner and the Agency. The amendments include: 1. Changing the Silver LEED certification requirement. Instead of obtaining the certification from the U.S. Green Building Council (the process for which is complex and expensive), the Owner would be required to have a qualified architect certify that the building qualifies for, at a minimum, Silver LEED Certification. Staff believes the same benefits to the community of the project meeting the Silver LEED standards can be obtained at a lower cost to the project by making this change. 2. Replacing the minimum employment condition (1,500 full time, benefited employees) for eligibility for \$1,000,000 in Tax Increment. Owner shall be eligible to begin receiving the \$1,000,000 previously approved as part of the employment incentive as a part of the \$9,000,000 overall incentive once the parking structure

	and office building are complete. As part of qualifying for the \$1,000,000, Owner will be obligated to construct a parking structure with standards in accordance with specified minimum design standards. Design guidelines will be prepared by the CD Director and agreed to by Owner and RDA prior to execution of the agreements. 3. Adding a reimbursement amount from the Agency of up to \$5,500,000 to support the construction of the parking structure. The reimbursement would be funded by the proceeds from a loan from the City to the Agency (“UDOT Loan”). The City will be able to fund the loan to the Agency from the proceeds of a loan from the State Infrastructure Board to the City. The Agency will be able to repay the loan to the City from the tax increment generated by the project. The Agency will not be obligated to make the reimbursement payment until the parking structure is completed. (a) The Agency will disburse the full amount of \$5,500,000 to Zions for use in completing the parking structure upon satisfaction of the following requirements: (1) copies of paid invoices relating to the construction of the parking structure in excess of \$5,500,000; and (2) evidence or certification by Owner’s representative (Gardner) that Owner has spent \$100,000,000 on the acquisition of the Site and the construction of the office building and parking structure. City to pay the \$5,500,000 within 30 days of Owner’s satisfaction of the foregoing two requirements. The estimated cost of the parking structure is \$11,200,000. The \$5.5 million payment to Owner is for just under 50% of the cost of the parking structure. (b) The obligation to make annual payments to reimburse the Owner up to \$9,000,000 under the Original Agreement from tax increment will be subordinate to the Agency’s receipt of tax increment sufficient to pay the Agency’s debt service to the City each year. (c) The Reimbursement Term shall be lengthened to 2042. (d) The UDOT Loan under existing UDOT regulations will be limited initially to 10 years. Owner and Agency agree to work together to advocate for UDOT amending its regulations to allow for 15-year term loans so that the UDOT Loan may be modified to a 15-year term. If the UDOT Loan is not amended to be a 15-year term by the end of 2020, then the Developer’s Share of increment under the TIRA shall
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		increase from 48% to 52%. If, however, the UDOT Loan is amended to a 15-year term, the Developer's Share of increment shall remain 48%.
Project and Payment of Tax Increment:		1. The only change to the description of the Project will be the addition of a parking structure and its minimum standards. 2. No changes will be made to the funding source for the reimbursement of the Approved Costs from the Original Agreement. 3. No changes will be made to the terms and conditions of the payment of Tax Increment from the Original Agreement (other than the change of minimum employment to minimum parking structure standards, the adjustment to the LEED certification and other details set forth in this term sheet).
Miscellaneous:		Such other terms and conditions as may be agreed to by the parties.



**MIDVALE REDEVELOPMENT AGENCY
ACTION ITEM**

MEETING DATE: MAY 19TH, 2020

SUBJECT: Consider Resolution No. 2020-07RDA Approving the terms for an Interlocal Agreement between the Redevelopment Agency of Midvale City and Midvale City for Use of and Repayment of \$5,500,000.00 Loan from State Infrastructure Bank

SUBMITTED BY: Patrick O'Brien, Housing Manager

SUMMARY: The Agency intends to receive a loan from the City of up to \$5,500,000.00 to support the construction of a parking structure as part of the Zions project. The City will be able to fund the loan to the Agency from the proceeds of a loan from the State Infrastructure Board (SIB) to the City. The Agency will be able to repay the loan to the City from the tax increment generated by the developer from the Zions project.

The agreement terms have been prepared by City and Agency staff and reviewed by Tom Berggren of Jones Waldo. Staff recommends adopting the resolution establishing the terms for the Interlocal Agreement as stated in Midvale City Redevelopment Agency Term Sheet for Loan and authorize the Agency Board Chair to execute the Interlocal Agreement.

FISCAL IMPACT: The SIB Loan is for \$5,500,000.00. The loan will be repaid (including accrued interest) through tax increment generated from the Zions Bancorporation project and is guaranteed by the City.

RECOMMENDED MOTION: I move that we adopt Resolution No. 2020-07RDA approving the attached term sheet and authorize the Agency Board Chair to execute the Interlocal Agreement between the Redevelopment Agency of Midvale City and Midvale City for a loan agreement.

ATTACHMENTS: Term Sheet; Resolution No. 2020-07RDA

MIDVALE CITY

RESOLUTION NO. 2020-07RDA

A RESOLUTION APPROVING THE TERMS FOR AN INTERLOCAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND MIDVALE CITY FOR USE OF AND REPAYMENT OF \$5,500,000.00 LOAN FROM THE STATE INFRASTRUCUTRE BANK

WHEREAS the Redevelopment Agency of Midvale City (the “**Agency**”), and Midvale City (the “**City**”) are “public agencies” for purposes of the Act (collectively referred to as the “Parties”); and

WHEREAS, the Parties are public agencies and therefore are authorized under the Utah Interlocal Cooperation Act, Section 11-13-101, et seq., U.C.A. 1953, as amended, to enter into agreements with each other which enable them to make the most efficient use of their powers; and

WHEREAS, the City desires to contract with the Agency for the use of and repayment of \$5,500,000 loan from the State Infrastructure Bank; and

WHEREAS, the Agency is willing to enter into such an agreement, and to repay the loan including the accrued interest as outlined in the terms; and

WHEREAS, SIB Loan Funds have been budgeted by the state to be allocated to Midvale City for uses related to transportation and parking. The City anticipates finalizing the loan amounts and terms and securing those monies this month (May 2020); and

WHEREAS, the Zions Bank technology headquarters is anticipated to create 1,500 jobs within the Jordan Bluffs project area. The planned office building will be roughly 400,000 square feet. The Agency is in the process of finalizing its support for the office building. To simplify managing the project, the Agency will also lead the initiative to support a parking structure adjacent to the new office building. Supporting the parking structure is an appropriate and approved use of the SIB loan monies. The parking structure will be constructed as part of the overall Zions project and will be privately owned by Zions Bancorporation.

WHEREAS, if the terms of this agreement are modified or changed, staff will return to the Agency for approval of the modifications or changed terms.

NOW, THEREFORE, be it resolved by the Redevelopment Agency Board of Midvale accepts the attached terms and authorizes the Agency Board Chair to execute Interlocal Cooperation Agreement that memorializing said terms between the City and the Agency be accepted and approved.

**PASSED AND ADOPTED BY THE REDEVELOPMENT AGENCY OF MIDVALE,
STATE OF UTAH**, this ____ day of May, 2020.

Robert M. Hale
Agency Board Chair

ATTEST:

Rori L. Andreason, MMC
City Recorder

Voting by the Board:

Bryant Brown

Paul Glover

Quinn Sperry

Heidi Robinson

Dustin Gettel

“Aye”

“Nay”

Midvale City Redevelopment Agency

Term Sheet for Loan Agreement

(Jordan Bluffs Project Area)

Borrower:	Redevelopment Agency of Midvale City (Borrower)
Lender:	Midvale City (Lender)
Loan Amount:	\$5,500,000
Interest Rate:	2.65% Per Annum (fixed rate)
Term:	15 Years (10 years initially—see Item 4 below)
Annual Payments:	1. Borrower shall make annual payments to the City equal to the amount required to satisfy the annual interest and principal payments for the Loan Amount. The schedule for repaying the entire Loan Amount is illustrated in Exhibit A. The total annual payment (including interest and principal) amounts to \$468,565, under a 15 year term. If the term is a 10 year term, the annual payments will be increased, as discussed in Item 4 below. 2. To make the payments, the Borrower shall utilize property tax increment revenues generated from the Zions Bank Technology Headquarters Building site, which includes the at least 390,000 square foot office building, associated improvements, and the parking structure. The Agency will draw, specifically, from revenues defined as “Owner’s Share” in the First Amended Tax Increment Reimbursement (“Amended TIRA”) agreement with Zions Bancorporation, N.A. (“Zions”). 3. The Agency’s reimbursement payments to Zions will be subordinate to the debt service payments. 4. The Funds must be drawn within 180 days of the City entering into the loan agreement with the Utah Department of Transportation (“UDOT”). Zions must consent to the form of the loan agreement with UDOT and the form of loan agreement between Borrower and Lender. Under UDOT’s administrative rules, UDOT is only able to enter into a 10 year term loan with Lender. State law was amended in the 2020 legislative general session and once UDOT rules are amended, likely in September 2020, UDOT will be able to enter into loan agreements with a 15 year loan term. Lender, Borrower and Zions shall all cooperate and support the effort to have UDOT amend its rules to allow a 15 year loan term for this project.

		5. The first debt service payment must be made two years from when the debt service revenues were drawn by the Lender to the State Infrastructure Bank (SIB). Interest on the first two years of debt will be capitalized over the life of the bonds.
Miscellaneous:		1. Borrow shall mitigate its own risk of default and the lender's risk of default through changes to the TIRA, which has still not been executed and will become the Amended TIRA. 2. The execution of loan documents will be conditioned on Zions' consent to the form of loan documents and execution of the Amended TIRA. Loan documents shall also be in a form acceptable to Lender and its legal counsel. 3. Such other terms as recommended by the Lender's legal counsel and as consented to by Zions.

Exhibit A: Proposed Debt Service Schedule (15 year term)

Date	Principal	Coupon	Interest	Total P&I	Bond Balance
	5,500,000		1,528,476	7,028,476	\$ 5,500,000
2021					\$ 5,500,000
2022					\$ 5,500,000
2023	303,382	2.65%	\$ 165,183	\$ 468,565	\$ 5,196,618
2024	311,421	2.65%	\$ 157,144	\$ 468,565	\$ 4,885,197
2025	319,674	2.65%	\$ 148,891	\$ 468,565	\$ 4,565,523
2026	328,145	2.65%	\$ 140,420	\$ 468,565	\$ 4,237,377
2027	336,841	2.65%	\$ 131,724	\$ 468,565	\$ 3,900,536
2028	345,768	2.65%	\$ 122,798	\$ 468,565	\$ 3,554,769
2029	354,930	2.65%	\$ 113,635	\$ 468,565	\$ 3,199,838
2030	364,336	2.65%	\$ 104,229	\$ 468,565	\$ 2,835,502
2031	373,991	2.65%	\$ 94,574	\$ 468,565	\$ 2,461,511
2032	383,902	2.65%	\$ 84,663	\$ 468,565	\$ 2,077,610
2033	394,075	2.65%	\$ 74,490	\$ 468,565	\$ 1,683,535
2034	404,518	2.65%	\$ 64,047	\$ 468,565	\$ 1,279,016
2035	415,238	2.65%	\$ 53,327	\$ 468,565	\$ 863,779
2036	426,242	2.65%	\$ 42,323	\$ 468,565	\$ 437,537
2037	437,537	2.65%	\$ 31,028	\$ 468,565	\$ (0)



MIDVALE REDEVELOPMENT AGENCY SUMMARY REPORT

MEETING DATE: MAY 19TH, 2020

SUBJECT: Discussion regarding Budget Opening #1 for Fiscal Year 2020

SUBMITTED BY: Cody Hill, RDA Manager

SUMMARY: Agency staff proposes amendments to the FY 2020 Budget for the Bingham Junction RDA Fund and Jordan Bluffs RDA Fund. These amendments cover unanticipated expenses, balance revenues and expenses through transfers between funds, and account for higher than anticipated tax increment revenues. Funds transferred from Bingham Junction to the Jordan Bluffs redevelopment area were to cover cost related to the installation of traffic signals at the intersection of 700 W. and Bingham Junction Blvd. Tax increment collection has not yet been triggered in the Jordan Bluffs redevelopment area. All funds transferred from the Bingham Junction area to Jordan Bluffs will be repaid once tax increment is triggered and collections begin.

FISCAL IMPACT:

Bingham Junction RDA Fund – \$831,373 increase in Property Tax Revenue
Bingham Junction RDA Fund – (\$243,915) decrease in Contribution from Fund Ballance
Bingham Junction RDA Fund – \$1,250 increase in Professional Services
Bingham Junction RDA Fund – \$540,809 increase in Development Reimbursement
Bingham Junction RDA Fund – \$83,399 increase in Transfer to Jordan Bluffs RDA Fund
Jordan Bluffs RDA Fund – \$83,399 increase in Transfer from other RDA funds
Jordan Bluffs RDA Fund – \$83,399 increase in Infrastructure

STAFF RECOMMENDATION: N/A

RECOMMENDED MOTION: N/A

ATTACHMENTS: FY 2020 BUDGET REPORT AND PROPOSED ADJUSTMENTS.

MIDVALE CITY REDEVELOPMENT AGENCY - BUDGET OPENING # 1 - FY 2020

Description	A/C #	YTD Amount	Budget	Remaining Budget	% of Budget	Recommended Budget Adjustment	Increase Decrease	New Budgeted Amount
BINGHAM JUNCTION RDA								
Property Tax Revenue	31-3110-000-000	7,431,373.00	6,600,000.00	(831,373.00)	112.60%	\$ 831,373	Increase	\$ 7,431,373
Interest revenue	31-3610-000-000	111,944.90	116,000.00	4,055.10	96.50%			
Interest in Bonds	31-3610-100-000	157,368.28	-	(157,368.28)	0.00%			
IRS debt subsidy	31-3620-000-000	387,833.64	401,000.00	13,166.36	96.70%			
Contribution from Fund Balance	31-3890-000-000	-	20,697,500.00	20,697,500.00	0.00%	\$ 243,915	Decrease	\$ 20,453,585
		8,088,519.82	27,814,500.00	19,725,980.18				
Professional Services	31-4102-310-000	1,250.00	-	(1,250.00)	0.00%	\$ 1,250	Increase	\$ 1,250
Surrounding properites P/Y	31-4102-754-001	-	334,500.00	334,500.00	0.00%			
Developer reimbursement	31-4102-760-000	1,440,809.00	900,000.00	(540,809.00)	160.10%	\$ 540,809	Increase	\$ 1,440,809
County Storm Drain contrib	31-4102-790-001	15,000.00	15,000.00	-	100.00%			
Public Art - P/Y	31-4102-790-004	25,000.00	148,400.00	123,400.00	16.80%			
Infrastructure imprvmnts - C/Y	31-4102-790-006	-	461,400.00	461,400.00	0.00%			
Infrastructure imprvmnts - P/Y	31-4102-790-009	-	224,500.00	224,500.00	0.00%			
Infill development incentives	31-4102-790-010	-	940,000.00	940,000.00	0.00%			
Debt service principal	31-4102-810-000	20,618,000.00	20,618,000.00	-	100.00%			
Interest on bonds	31-4102-820-000	2,710,722.40	2,710,800.00	77.60	100.00%			
Transfer to Administration	31-4102-910-100	647,174.97	862,900.00	215,725.03	75.00%			
Transfer to Citywide Housing	31-4102-910-200	375,000.03	500,000.00	124,999.97	75.00%			
Transfer to Jordan Bluffs Proj	31-4102-910-300	55,500.03	74,000.00	18,499.97	75.00%	\$ 83,399	Increase	\$ 157,399
Transfer to Main St Proj	31-4102-910-500	18,749.97	25,000.00	6,250.03	75.00%			
		25,907,206.40	27,814,500.00	1,907,293.60				
		(17,818,686.58)	-	17,818,686.58				
JORDAN BLUFFS RDA								
Transfer from other RDA funds	32-3880-000-000	55,500.03	74,000.00	18,499.97	75.00%	\$ 83,399	Increase	\$ 157,399
Contribution from Fund Balance	32-3890-000-000	-	38,000.00	38,000.00	0.00%			
		55,500.03	112,000.00	56,499.97				
Infrastructure	32-4201-200-000	83,399.00	-	(83,399.00)	0.00%	\$ 83,399	Increase	\$ 83,399
Professional Services	32-4201-300-000	112,000.00	112,000.00	-	100.00%			
		195,399.00	112,000.00	(83,399.00)				
		(139,898.97)	-	139,898.97				