

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

The Board of Directors of the Redevelopment Agency (RDA) of Salt Lake City, Utah, met on Tuesday, September 29, 2020 in an electronic meeting pursuant to Chair determination and Salt Lake City Emergency Proclamation No. 2 of 2020 (2) (b).

Virtual Attendance: Directors Amy Fowler, Daniel Dugan, Chris Wharton, Analía Valdemoros, Andrew Johnston, James Rogers, and Darin Mano.

Staff in Virtual Attendance: Cindy Gust-Jenson, Council Executive Director; Jennifer Bruno, Council Executive Deputy Director; Erin Mendenhall, Mayor; Danny Walz, RDA Chief Operating Officer; Katherine Lewis, City Attorney; Lisa Shaffer, Mayor's Deputy Chief of Staff; Allison Rowland, Council Public Policy Analyst; Cara Lindsley, RDA Project Manager; Lauren Parisi, RDA Project Manager; Tracy Tran, RDA Project Manager; Felicia Baca, Arts Division Director; Tammy Hunsaker, Deputy Chief Operating Officer; Amanda Lau, Council Public Engagement & Communications Specialist; Robert Nutzman, Council Administrative Assistant; Allison Parks, Senior City Attorney; Ashley Ogden, RDA Project Manager; Kort Utley, RDA Senior Project Manager; Sam Owen, Council Public Policy Analyst; Erin Cunningham, RDA Financial Analyst; and DeeDee Robinson, Deputy City Recorder.

Guests in Attendance: Peter Corroon, Applicant (Item #7).

Director Fowler presided at and conducted the meeting.

The meeting was called to order at 2:04 p.m.

A. GENERAL COMMENTS TO THE BOARD

[2:26:35 PM](#) **George Chapman** said The Mattress Company building was not worth saving, it would look out of place surrounded by high-rise buildings, and he urged the Board not to spend money on preserving the building and suggested using the money to preserve The Rio Grande Station instead.

B. PUBLIC HEARINGS

None.

C. REDEVELOPMENT AGENCY BUSINESS

#1. [2:08:02 PM](#) Approval of Minutes. *Director Rogers moved and Director Dugan seconded to **approve the minutes of RDA Board meeting held Tuesday, June 2, 2020**, which motion carried, all directors voted aye (roll call).*
[View Attachments](#)

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

Note: Items #2 and #3 were heard as one item.

#2. 2:09:16 PM Diversion of Property Tax for a Community Reinvestment Project Area: 9-Line Interlocal with Salt Lake City. *The Board will be briefed about a resolution that would approve an interlocal agreement with Salt Lake City for the diversion of property tax for the 9-Line Community Reinvestment Project Area (CRA). The agreement identifies terms of participation in the CRA including percentage of tax increment to be contributed, length of the participation, amount of funds for specific activities (such as being set aside for affordable housing), and the base year used to calculate the increment.* [View Attachments](#)

Danny Walz and Tammy Hunsaker briefed the Board regarding background on the project, updates on the County's involvement (not yet committed to participate in the project areas), City/School District participation (Council to authorize terms of participation), and next steps (RDA Staff routing agreements for execution, completion of noticing requirements, interlocal agreements becoming effective, continuing discussions with the County/finalizing terms of participation).

2:30:20 PM Director Rogers moved and Director Johnston seconded to adopt [Resolution R-14-2020](#), an Interlocal Agreement with Salt Lake City authorizing use of a portion of tax increment to support the implementation of the 9-Line Community Reinvestment Area Plan, and to adopt [Resolution R-15-2020](#), an Interlocal Agreement with the Salt Lake School District authorizing use of a portion of tax increment to support the implementation of the 9-Line Community Reinvestment Area Plan, which motion carried, all directors voted aye (roll call).

#3. Diversion of Property Tax for a Community Reinvestment Project Area: 9-Line Interlocal with the School District. *The Board will be briefed about a resolution that would approve an interlocal agreement with the Salt Lake City School District for the diversion of property tax for the 9-Line Community Reinvestment Project Area. The agreement identifies terms of participation in the CRA including percentage of tax increment to be contributed, length of the participation, amount of funds for specific activities (such as being set aside for affordable housing), and the base year used to calculate the increment.* [View Attachments](#)

Discussion was held under Item #2.

Note: Items #4 and #5 were heard as one item.

#4. Diversion of Property Tax for a Community Reinvestment Project Area: State Street Interlocal with Salt Lake City. *The Board will be briefed about a resolution that would approve an interlocal agreement with Salt Lake City for the diversion of property tax for the State*

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

Street Community Reinvestment Project Area. The agreement identifies terms of participation in the CRA including percentage of tax increment to be contributed, length of the participation, amount of funds for specific activities (such as being set aside for affordable housing), and the base year used to calculate the increment. [View Attachments](#)

Discussion was held under Item #2.

[2:31:25 PM](#) Director Mano moved and Director Dugan seconded to **adopt Resolution R-16-2020**, an Interlocal Agreement with Salt Lake City authorizing use of a portion of tax increment to support the implementation of the State Street Community Reinvestment Area Plan and to adopt **Resolution R-17-2020**, an Interlocal Agreement with the Salt Lake School District authorizing use of a portion of tax increment to support the implementation of the State Street Community Reinvestment Area Plan, which motion carried, all directors voted aye (roll call).

#5. Diversion of Property Tax for a Community Reinvestment Project Area: State Street Interlocal with the School District. The Board will be briefed about a resolution that would approve an interlocal agreement with the Salt Lake City School District for the diversion of property tax for the State Street Community Reinvestment Project Area. The agreement identifies terms of participation in the CRA including percentage of tax increment to be contributed, length of the participation, amount of funds for specific activities (such as being set aside for affordable housing), and the base year used to calculate the increment. [View Attachments](#)

Discussion was held under Item #2.

#6. [2:33:26 PM](#) Informational: Updates to the RDA Percent for Art Policy
The Board will be briefed about a proposed update to the RDA Art Policy. The RDA's original policy, adopted in 1990, authorized 1% of certain Agency construction project budgets for public art. The RDA is proposing the Agency's art policy change to 1.5% and to include additional ongoing annual funding, RDA tools, and incentives to promote art. [View Attachments](#)

Danny Walz, Felicia Baca, and Tracy Tran briefed the Board with attachments. Ms. Tran provided background on the Art Policy, proposed updates, Art Policy purpose/components (art requirements, art incentives, implementation for public/private properties), and allocating additional funds (through annual budget process).

Discussion was held regarding length of time developers held RDA loans, loan terms, and consistency with City policies/programs.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

#7.2:48:52 PM Resolution: Approving Notice of Funding Availability (NOFA) for Affordable Housing Funding Allocations. *The Board will be briefed about, and will consider adopting, a resolution for affordable housing funding allocations. This funding was previously set aside by the RDA and aims to incentivize development and preservation of affordable housing within City boundaries. The latest application process resulted in two requests for funding. If approved, approximately \$2.4 million in loans would be available for the proposed affordable housing developments.* [View Attachments](#)

Danny Walz, Tracy Tran, Tammy Hunsaker, Peter Corroon, and Lauren Parisi briefed the Board with attachments. Discussion was held regarding available funds (\$3,953,779), application process (released June 17, 2020 and due on August 6, 2020), application summary (two applications received/\$2,420,000 total funding request), NOFA application threshold requirements, and project evaluation/review components.

Further discussion was held regarding details of the two applications received: 1) 144 Place Apartments at 144 South 500 East (110-unit apartment building with some retail and co-working space, of which the committee recommended approval), and 2) Pendleton Place at 1725 South Jefferson Street (77-unit single room occupancy type development, of which the committee recommended against approval due to noncompliance with zoning), and timeframe for approval/project commencement.

[3:11:23 PM](#) Director Dugan moved and Director Johnston seconded to approve **Resolution R-13-2020** for the project at 144 South 500 East, which motion carried, all directors voted aye (roll call).

[3:13:23 PM](#) Director Johnston moved and Director Dugan seconded to support the recommendation not to approve the project at 1725 South Jefferson Street, which motion carried, all directors voted aye (roll call).

[3:18:22 PM](#) Director Valdemoros requested Staff continue to communicate with the applicant (for 1725 South Jefferson Street) in the event they could overcome existing hurdles for an eventual approval of the project.

#8.4:14:52 PM Informational: Proposed Funding for Shoring and Stabilization of the Salt Lake Mattress Company Building. *The Board will be briefed about, and will consider approving, the use of Station Center Acquisition and Development funds to shore and stabilize the Salt Lake Mattress Company building located at 535 West 300 South (sometimes referred to as the Serta Mattress Building). The building sustained serious damage during the earthquake on March 18, 2020. RDA staff are*

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

requesting the funds to stabilize the building with shoring and bracing until a developer is selected for the Station Center project. The project aims to ensure preservation of one of the few remaining historic structures in what is now Salt Lake City's Warehouse District. [View Attachments](#)

Cara Lindsley and Danny Walz briefed the Board with attachments. Ms. Lindsley provided information regarding acquisition history, future lay-out plan for Station Center, the role of the Mattress Company Building in the proposed plan, damage sustained to the structure in the March 18, 2020 earthquake (including options for stabilizing the building), utilizing Station Center funds (reallocated in Budget Amendment #4) to stabilize structure until a developer was selected, cost estimate for stabilization (\$865,000-shoring equipment), and estimated costs for seismically upgrading the building/shell (\$3.4 Million).

Further discussion was held regarding process/costs involved to alternatively demolish/rebuild, only keeping the façade, and future tenant improvement.

Straw Poll: Support to approve \$865,000 for the Mattress Company building stabilization, with a contingency that it did not endorse using additional funds to save the historic structure in the future. All directors were in favor.

#9. Informational: Real Property Disposition Policy. *The Board will be briefed about potential revisions to the Real Property Disposition Policy. The proposed changes would:*

- *authorize long-term ground leases as a form of land disposition, and;*
- *clarify the circumstances in which the RDA can exclusively negotiate the disposition of a property. [View Attachments](#)*

Item not held.

#10. [3:19:45 PM](#) Motion: Meeting Remotely Without an Anchor Location. *The Board will consider a motion to ratify the determination that the Board will continue to meet remotely and without an anchor location under HB5002. [View Attachments](#)*

Director Wharton moved and Director Rogers seconded to **ratify the motion**, which motion carried, all directors voted aye (roll call).

#11. [4:28:56 PM](#) Straw Poll - Release of Station Center Acquisition and Development Funds. *The Board will consider a straw poll to release*

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

previously appropriated Station Center Acquisition and Development Funds for property acquisition.

Straw Poll: Support for releasing funds for Station Center/property acquisition. All directors were in favor.

#12. Report and Announcements from the Executive Director. *Report of the Executive Director, including a review of information items, announcements, and scheduling items. The Board of Directors may give feedback or policy input.*

None.

#13. 4:30:10 PM 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:*

- Personnel;*
- Public Art "Call for Artists;"*
- Affordable Housing Project Completion; and*
- scheduling items.*

Danny Walz said Tammy Hunsaker was promoted to Deputy Chief Operating Officer and he introduced Erin Cunningham as their new Financial Analyst employee. Mr. Walz also spoke regarding art being chosen by the Selection Advisory Committee for the Art for Hope SLC Project/roll-out of the program, and the opening of Pamela's Place (new affordable housing project).

#14. Report of the Chair and Vice Chair.

None.

D. WRITTEN BRIEFINGS

None.

E. CONSENT

None.

F. 3:21:57 PM CLOSED SESSION. *The Board will consider a motion to enter into Closed Session, in keeping with Utah Code §52-4-205 for any allowed purpose.*

Director Wharton moved and Director Rogers seconded to enter into Closed Session to discuss the purchase, exchange, or lease of real

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, SEPTEMBER 29, 2020

property pursuant to Utah Code §52-4-205(1)(d), and Advice of Counsel, pursuant to Utah Open and Public Meetings Law. A roll call vote was taken. Directors Wharton, Valdemoros, Fowler, Rogers, Dugan, Mano, and Johnston voted aye (roll call).

See File M 20-7 for [Sworn Statement](#)

In Attendance: Directors Wharton, Valdemoros, Fowler, Rogers, Dugan, Mano, and Johnston

Others in Attendance: Robert Nutzman, Allison Parks, Ashley Ogden, Cara Lindsley, Cindy Gust-Jenson, Danny Walz, Mayor Mendenhall, Jennifer Bruno, Katherine Lewis, Kort Utley, Lisa Shaffer, Sam Owen, Tammy Hunsaker, Erin Cunningham, Allison Rowland, and DeeDee Robinson.

G. ADJOURNMENT.

The Closed Session adjourned at 4:12 p.m.

The RDA meeting adjourned at 4:34 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 September 29, 2020.

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