

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

The Board of Directors of the Redevelopment Agency (RDA) of Salt Lake City, Utah, met on Tuesday, December 8, 2020 in an electronic meeting pursuant to Chair determination and Salt Lake City Emergency Proclamation No. 2 of 2020 (2) (b).

[Full Audio Link](#)

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

Absent: Analia Valdemoros.

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; Cara Lindsley, RDA Project Manager; Tracy Tran, RDA Project Manager; Felicia Baca, Arts Division Director; Tammy Hunsaker, Deputy Chief Operating Officer; Talitha Day, Gallivan Center Director; Amanda Lau, Council Public Engagement & Communications Specialist; Robert Nutzman, Council Administrative Assistant; Allison Parks, Senior City Attorney; Scott Crandall, Deputy City Recorder; and Cindy Lou Trishman, City Recorder.

Guests in Attendance: Michael Michelsen, Eide Bailley, CPA (Audit Firm)

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

George Chapman shared concern about the consideration of a Single-Room Occupancy (SRO) on Jefferson Street (near 1700 South) and encouraged increased public engagement efforts from the City.

B. PUBLIC HEARINGS

None.

Due to issues raised to the attention of the Board relating to noticing, action taken during the December meeting was scheduled and reaffirmed in January 2021.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

C. REDEVELOPMENT AGENCY BUSINESS

#1. Resolution: Adopting an Updated RDA Art Policy

The Board will be briefed about, and will consider adopting, a resolution for an updated 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, Tracy Tran, and Felicia Baca shared their willingness to answer questions from the Board on the policy proposed.

Director Johnston expressed support and appreciation for the incremental movement toward an artistic City.

Director Wharton moved and Director Johnston seconded to **adopt the resolution to update RDA Art Policy**, which motion carried, all directors present voted aye (roll call).

(Note, due to issues relating to noticing, the resolution was affirmed and numbered R-3 of 2021 at the January 12, 2021 RDA Meeting)

#2. Informational: Housing Allocation Policies Follow-up

The Board will be briefed about the draft RDA Housing Allocation Funds Policy and the Housing Development Loan Program Policy. The draft Housing Allocation Funds Policy establishes guidelines for allocating funding and directing resources to develop and preserve housing in the City. The draft Housing Development Loan Program Policy creates a program that would centralize the application, underwriting, and approval process. This setup would provide community partners a "one-stop shop" for accessing resources to develop and preserve affordable housing. [View Attachments](#)

Tammy Hunsaker provided a presentation to the Board on the formation of two separate policies for housing within the RDA; draft policy resolution which establishes guidelines for allocating and directing resources for the development and preservation of housing; and the housing development loan program policy, which was the program requested to create a one-stop shop for housing development and preservation within the City.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

Ms. Hunsaker stated that the Housing Allocation policy presented the establishment of four housing funds based on the funding source, addressed the annual budgeting process, and the reporting requirements for annual housing expenditures, projects, and outcomes. The funding strategy included an annual overview of the priorities and objectives for further budget allocations and implementation intentionally created for flexibility in priority and impact. It was added that the Redevelopment Advisory Committee recommended the policy move forward as presented. Mr. Walz also clarified that the primary goal of the policy was to outline the statute requirements and funding potential uses, while considering the intersectional opportunities for the use of the funds in various project areas based on priorities of the board and of the overall housing efforts.

Director Fowler suggested the potential for a preliminary approval with pending ratification in January 2021, as there had been some noticing issues and the item was a follow-up briefing.

Director Rogers moved and Director Johnston seconded to **preliminarily adopt the resolution for the Housing Allocation Policy**, which motion carried, all directors present voted aye (roll call).

(Note, due to issues relating to noticing, the resolution was affirmed and numbered R-4 of 2021 at the January 12, 2021 RDA Meeting)

#3. Informational: RDA 2020 Projects Review and 2021 Projects Preview

The Board will receive a summary of work done throughout the 2020 calendar year and a 2021 preview. The briefing will include, but is not limited to, loan closings, COVID-19 assistance, public art projects, and draft policies and programs, among other highlights. [View Attachments](#)

Danny Walz briefed the Board on the projects of 2020 in review and the upcoming projects of 2021.

Discussion included the assumed management of the Gallivan Center, COVID Assistance (rent waivers/loan-payment deferrals), loan closures on multiple projects, Art for Hope effort, development of the 9-line and State Street project creation stages, continued project development of Marmalade, Central Ninth, and Granary areas and partner projects.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

Director Dugan asked about the affordable housing ratio from 2020 and whether the agency specified the level of affordable housing required on projects applying for funding.

Tammy Hunsaker indicated the 2020 ratio of affordable housing could be provided to the Board via email, and Mr. Walz shared that the affordable housing considerations were established depending upon whether the project was Agency initiated, developer initiated or through the Notice of Funding Availability (NOFA) opportunities.

Director Johnston inquired about the Overnighter Hotel property demolition, the project areas in the planning stage, and the priority of the North Temple and Ballpark areas with minimal investment; and suggested the consideration of over allocating to the two struggling project areas (Ballpark was included with the State Street project area).

Director Fowler and Mr. Walz commented on the incredible, diligent, and good work moved into completion phases by Agency staff.

#4. Informational: 650 South Main TRAX Station Funding

The Board will be briefed about a proposal to use State Street Project Area "seed funds" to help complete the construction of a new TRAX station at approximately 650 South Main Street. The new station will be funded in conjunction with private property owners in the area who are planning developments, and previously appropriated RDA funding. [View Attachments](#)

Danny Walz and **Cara Lindsley** briefed the Board on the project status, including background on the proposed development with the current property owners under construction and those anticipated to be under construction relatively soon, including the station being originally planned as part of the 1997 design (leaving track work out of the necessary construction at this time), the proposed station being on the north-half of the block between 600/700 south, designs and public art for the station had been initiated in collaboration with UTA and the SLC Arts Council, with a selected artist chosen on Dec 3, 2020.

Ms. Lindsley shared the funding circumstances of developers' contributions and the remaining balance, including the average score of acreage of surrounding properties and proximity to the station, and included the appropriation of \$750,000 from the Agency and potential \$38,901 from State

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

Street Project Area Seed Funds as necessary funding for the project to move ahead, the scheduled steps included finalizing the construction agreement with UTA and construction beginning in the spring of 2021 with an opening date of December 2021.

Director Mano inquired about the leverage available to ask developers to provide funds and the anticipated project funding, once they had been 'reimbursed' to the RDA, and also noted the proximity of the Central Business District and the Ballpark Project Area.

Mr. Walz responded that the leverage of the RDA was in the participation of the RDA for the owners' further development of the area; specifically, that Sinclair had already indicated participation and the Sears block ownership had not completed their design on the project and funding was part of the negotiations. Mr. Walz also explained that if the agency covered the cost now, the effort to obtain the funds from the developers as projects continue would be in place, and if funds returned to the agency the seed funds (since they came from programming income account) could be allocated to a nearby project area or the board could reallocate the funds to another area financed by the RDA.

Director Johnston requested further information about the Sears block funding, structure of the agency committing the funds up front, and the proposed TRAX station benefit to the connected projects and contribution (reimbursement) of funds.

Mr. Walz shared that the development of the TRAX station was not a foregone conclusion and that although some impacted property owners had contributed and recognized the benefit, the RDA would continue conversations with those who might not be complete with their design, coordinating with them on the benefit and funding of the TRAX station. The station was a significant benefit to the area, and recognition of that benefit had been supported by developers who already contributed hard money on behalf of their individual projects.

The Board conducted a straw poll of support to commit the \$38,901 to the previously committed \$750,000. Directors Fowler, Rogers, Wharton, Dugan, and Johnston voted in support; Board Member Mano voted nay; Board Member Valdemoros was absent.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

Staff noted the consideration of conditions for future motions or additional small group meetings to address any concern.

#5. RDA Audit Review and Approval for Fiscal Year 2019-2020

The Board will review and consider accepting the Fiscal Year 2019-20 RDA Audit, which shows the Agency's financial conditions as of June 30, 2020. [View Attachments](#)

Michael Michelsen briefed the board with attachments, noting specifically that the information provided was in draft format but no significant changes made to the final report. He indicated there were two adjustments necessary to raise attention to including an overstated reclassification in the agency position in a 2019 adjustment between the unrestricted and restricted assets, and a correction of an entry to record income in investments of \$1.4 Million.

Director Johnston inquired about the \$1.4 Million of RDA funds and the unrestricted/restricted adjustment. **Mike Burns**, City Financial Analyst, indicated the \$1.4 Million was the error recorded backwards and was not associated with the restatement of net position. The restricted/unrestricted error was due to the placement of the distribution of internally adjusted funds.

Director Wharton moved and Director Johnston seconded to **accept the draft of the Audit Review**, which motion carried, all directors present voted aye (roll call).

#6. 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 Dugan seconded to **ratify the Chair determination to continue meeting remotely without an anchor location**, which motion carried, all directors present voted aye (roll call).

#7. Report and Announcements from 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.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

#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:

- Acknowledgments; and
- Scheduling Items.

Danny Walz recognized Director Chair Fowler and Vice Chair Valdemoros for leadership and hard work for 2020, and the service and leadership of Chair Fowler for her direction of the Agency through her years of service prior to and during 2020.

#9. Report of the Chair and Vice Chair.

Director Fowler shared her appreciation of the opportunity to serve as the Chair and within RDA leadership since 2018, noting the resilience/tireless efforts of staff, establishing affordable housing, and connecting/creating spaces for people to live, work, and play in Salt Lake City. She expressed her gratitude and continued support for the role of the Redevelopment Agency.

D. WRITTEN BRIEFINGS

None.

E. CONSENT

None.

F. 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.*

Item not held.

G. ADJOURNMENT.

The RDA meeting adjourned at 4:05 p.m.

Minutes Approved: August 24, 2021.

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

TUESDAY, December 8, 2020

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 December 8, 2020.

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