



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

REDEVELOPMENT AGENCY OF MIDVALE CITY MEETING AGENDA October 19, 2021

PUBLIC NOTICE IS HEREBY GIVEN that the **Redevelopment Agency of Midvale City** will hold an electronic and in-person meeting on the **19th day of October 2021** as follows:

Electronic & In-Person City Council Meeting

This meeting will be held electronically and in-person. Midvale City no longer requires masks and social distancing; however, Midvale City recommends following the CDC guidelines. **Public comments may be submitted electronically for Board consideration at www.Midvalecity.org/government/contact-us by 5:00pm on October 18th. Please indicate if you would like your comment addressed in the Redevelopment Agency meeting.**

The meeting will be broadcast on the following:

You Tube: www.MidvaleCity.org/YouTube

6:00 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 of Midvale City 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 of Midvale City will be turned over to staff to provide a response outside of the Redevelopment Agency meeting.

III. CONSENT AGENDA

A. Consider Minutes of September 21, 2021 [*Rori Andreason, HR Director/City Recorder*]

IV. ACTION ITEMS

A. Consider **Resolution No. 2021-20RDA** Adopting 2-Year Extensions to RDA Project Areas [*Cody Hill, RDA Manager*]

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: October 14, 2021

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



REDEVELOPMENT AGENCY MEETING

Minutes

Tuesday September 21, 2021

Council Chambers
7505 South Holden Street
Midvale, Utah 84047

CHAIR: Robert M. Hale

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

STAFF: Matt Dahl, City Manager; Kyle Maurer, Assistant City Manager; Rori Andreason, HR Director/City Recorder; Lisa Garner, City Attorney; Glen Kennedy, Public Works Director; Nate Rockwood, Community Development Director; Mariah Hill, Administrative Services Director; Laura Magness, Communications Director; Cody Hill, RDA Manager; Patrick O'Brien, RDA Housing Manager; Chief Randy Thomas, UPD; Matt Pierce, IT Director and Jake Shepherd, Network Administrator.

Chair Hale called the meeting to order at 9:29 p.m.

I. GENERAL BUSINESS

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

II. PUBLIC COMMENTS

There was no one who desired to speak.

MOTION: Board Member Paul Glover **MOVED** to open the public hearing. Board Member Bryant Brown **SECONDED** the motion. Chair Hale called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

III. PUBLIC HEARINGS

A. CONSIDER PROPOSED AMENDMENTS TO THE FY2022 BUDGET OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY

Cody Hill said Agency staff propose amending the FY 2022 Budget to eliminate funds no longer deemed necessary to the Agency's management and governance. The fund's positive fund balances will be transferred to appropriately corresponding funds.

Fund to Eliminate	Existing Fund Balance	Transfer Fund to
Fund 37: Project Area Housing	197,492	Fund 38: City Wide Housing
Fund 34: Public Art Maintenance Fund	50,000	Fund 31: Bingham Junction Project Area
Fund 36: Program Income	25,228.61	Fund 30: RDA Operations
Property Held for Resale	150,130.40	Account to Cover Asset

Furthermore, Agency staff propose amendments to the Main Street CDA Fund's budget to cover unanticipated costs associated with public art, events, and area promotion.

FISCAL IMPACT: The fund balances in these unused funds have been untouched and slowly accumulating interest for over ten years. Agency Staff propose programing these funds as follows:

Fund 37: Project Area Housing

Project Area Housing Fund Expenses (\$197,492 total increase)
- \$197,492 increase in Transfers to City-wide RDA Fund

Fund 38: City-wide Housing

City-wide Housing Fund Revenues (\$197,492 total increase)
- \$197,492 increase in Transfers
City-wide Housing Fund Expenses (\$197,492 total increase)
- \$197,492 increase in Affordable Housing Incentives

Fund 34: Public Art Maintenance Fund

Public Art Maintenance Fund Expenses (\$50,000 total increase)
- \$50,000 increase in Transfers to Bingham Junction Project Area

Fund 31: Bingham Junction Project Area

Bingham Junction RDA Fund Revenues (\$50,000 total increase)
- \$50,000 increase in Transfers

Bingham Junction RDA Fund Expenses (\$64,771 total increase)
- \$50,000 increase in Public Art
- \$14,771 increase in Transfer to RDA Administration

Fund 36: Program Income

Program Income Fund Expenses (\$175,359.01 total increase)
- \$175,359.01 increase in Transfers to RDA Operations Fund

Fund 30: RDA Operations

RDA Operations Fund Revenues (\$190,130 total increase)
- \$175,359.01 increase in Transfers from Fund 36: Program Income
- \$14,771 increase in Transfers from Fund 31: Bingham Junction Project Area

** Note: The additional \$150,130.40 is the value of property held for resale*

RDA Operations Fund Expenses (\$40,000 total increase)

- \$40,000 increase in Administrative Fee (Interfund)

Fund 33: Main Street CDA

Main Street CDA Fund Expenses (\$25,000 total increase)

- \$10,000 increase in Main Street Events and Promotion

- \$15,000 increase in Main Street Public Art Program

** Note: The increased Expenses will decrease the Fund Balance from \$73,354.74 to \$48,354.74.*

Fund 30	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment	Difference	Percent Change
Revenues:							
Interest Earnings	5,386	4,144	1,880	2,000	-	-	0.0%
Miscellaneous Revenue	120	228	200	-	-	-	0.0%
Transfer From RDA Funds	489,500	862,900	718,749	599,955	790,085	190,130	31.7%
TOTAL REVENUES	\$ 495,006	\$867,271	\$720,829	\$601,955	\$ 790,085	\$ 190,130	9.6%
Expenditures:							
Personnel							
Salaries	255,384	206,638	239,540	190,606	-	-	0.0%
Benefits	135,287	114,126	149,445	121,147	-	-	0.0%
Cell Phone Allowance	2,769	635	-	564	-	-	0.0%
Total Personnel	393,441	321,398	388,985	312,317	-	-	0.0%
Operating							
Subscriptions and Memberships	2,064	976	310	1,680	-	-	0.0%
Travel	2,979	2,840	95	12,800	-	-	0.0%
Equipment, Supplies, and Mainten	2,605	4,244	537	10,000	-	-	0.0%
Information Technology Equipment (Interfund)	5,100	3,100	3,612	6,200	-	-	0.0%
Communications and Telephone	1,147	1,122	1,232	800	-	-	0.0%
Professional Services	72,438	94,164	42,453	65,000	-	-	0.0%

Proceedings of Redevelopment Agency of Midvale City Meeting
September 21, 2021

Administrative Fee (Interfund)	241,200	262,200	262,988	193,158	40,000	-	0.0%
Education	3,152	200	-	-	-	-	0.0%
Total Operating	330,685	368,846	311,227	289,638	40,000	-	0.0%
TOTAL EXPENDITURES	\$ 724,126	\$ 690,244	\$ 700,213	\$ 601,955	\$ 40,000	\$ -	0.0%

NET REVENUES

OVER/(UNDER) EXPENDITURES \$(229,120) \$177,027 \$ 20,616 \$ - \$ 150,130

Fund Balance @ FY's Beginning	400,352	171,232	\$348,259	379,630	529,760
Use of/Contribution to Fund Balance	(229,120)	177,027	31,370	-	150,130
Fund Balance @ FY's End	171,232	\$348,259	379,630	379,630	679,890

Fund 31	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment	Difference	Percent Change
Revenues:							
Tax Increment Revenue	561,619	889,722	7,793,504	7,830,000	-	-	0.0%
Contributions From Other Governments (Tax Increment)	5,939,826	6,541,651	-	-	-	-	0.0%
Interest Earnings	138,687	139,422	51,167	40,000	-	-	0.0%
Bond Interest Revenue	342,662	534,016	6,408	-	-	-	0.0%
IRS Debt Subsidy	402,736	387,834	-	-	-	-	0.0%
Sundry Revenues	-	-	29,200	-	-	-	0.0%
Bond Issuance Proceeds	8,657,528	-	-	-	-	-	0.0%
Transfer In from RDA Funds	-	-	-	-	50,000	50,000	0.0%
TOTAL REVENUES	16,043,058	\$ 8,492,644	7,880,280	\$ 7,870,000	\$ 50,000	\$ 50,000	0.6%
Expenditures:							
Professional Services	-	-	9,828	-	-	-	0.0%
Surrounding Properties Current Year	5,900	-	-	-	-	-	0.0%
Developer Reimbursement	7,663,672	2,219,152	1,366,573	1,242,000	-	-	0.0%
County Storm Drain Contribution	15,000	15,000	-	-	-	-	0.0%
Public Art - Prior Year	-	25,000	-	50,000	100,000	50,000	100.0%
Infrastructure Improvements - Current Year	195,500	193,744	5,792	130,000	-	-	0.0%
Infrastructure Improvements - Prior Year	-	-	-	-	-	-	0.0%
Infill Development Incentives	-	-	-	-	-	-	0.0%
Professional Services	3,250	-	-	-	-	-	0.0%
Bond Issuance Costs	131,530	-	-	-	-	-	0.0%
Debt Service Principal	1,604,000	20,618,000	1,960,000	2,039,000	-	-	0.0%
Debt Service Interest	2,539,264	2,710,722	1,514,685	1,439,715	-	-	0.0%
Transfer to RDA Administration Fund	489,500	862,900	685,267	556,352	571,123	14,771	2.7%

Proceedings of Redevelopment Agency of Midvale City Meeting
September 21, 2021

Transfer to RDA Housing Fund	500,000	500,000	500,000	1,952,000	-	-	0.0%
Transfer to Jordan Bluffs Project Area Fund	75,000	157,399	93,333	-	-	-	0.0%
Transfer to Main Street Project Area Fund	375,000	25,000	286,750	1,500,000	-	-	0.0%
Transfer to BJ Bond Proj Fund	-	-	4,577,601	-	-	-	0.0%
TOTAL EXPENDITURES	\$13,597,617	\$27,326,917	\$10,999,829	\$8,909,067	\$671,123	\$64,771	0.7%

NET REVENUES OVER/(UNDER)

EXPENDITURES	2,445,441	(18,834,273)	(3,119,549)	(1,039,067)	(1,039,067)	(14,771)
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Fund Balance @ FY's Beginning	26,551,386	28,996,827	10,162,555	7,043,006	7,043,006
Use of/Contribution to Fund Balance	2,445,441	(18,834,273)	(3,119,549)	(1,039,067)	(1,039,067)
Fund Balance @ FY's End	28,996,827	10,162,555	7,043,006	6,003,939	6,003,939

Fund 33	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment Difference	Percent Change
Revenues:						
Transfer From Other RDA A/C Bingham Junction Project Area	375,000	25,000	286,750	1,500,000	-	0.0%
Transfer from General Fund	-	-	6,000	-	-	0.0%
Sale of Properties Held for Resale	3,000	-	-	193,000	-	0.0%
TOTAL REVENUES	\$378,000	\$25,000	\$292,750	\$1,693,000	\$-	0.0%
Expenditures:						
Project Area Improvements	35,648	6,456	168	10,000	-	0.0%
Events and Promotion	-	-	-	-	10,000	0.0%
Public Art	-	-	-	-	15,000	0.0%
Revolving Loan Program	-	-	-	1,500,000	-	0.0%
Transfer to Housing Fund	-	-	-	-	-	0.0%
Professional Services	-	-	29,121	-	-	0.0%
Property Acquisition 400,000	-	-	248,469	-	-	0.0%
TOTAL EXPENDITURES	\$435,648	\$6,456	\$277,757	\$1,510,000	\$25,000	0.0%

NET REVENUES OVER/(UNDER)

Proceedings of Redevelopment Agency of Midvale City Meeting
September 21, 2021

EXPENDITURES (57,647) 18,544 14,993 183,000 (25,000) 158,000

Fund Balance @ FY's Beginning	97,466	39,818	\$58,362	73,355	73,355
Use of/Contribution to Fund Balance(57,647)	18,544		14,993	183,000	158,000
Fund Balance @ FY's End	39,818	58,362	73,355	256,355	231,355

Redevelopment Agency - Public Art Maintenance Fund

Fund 34	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment	Difference	Percent Change
Revenues:							
Contribution from Fund Balance		-	-	-	-	-	-
					0.0%		
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Expenditures:							
Public Art Maintenance							
Transfer to Another Fund	-	-	-	-	50,000	50,000	0.0%
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES							
						(50,000)	

Fund Balance @ FY's Beginning	50,000	50,000	\$50,000	50,000	50,000
Use of/Contribution to Fund Balance	-	-	-	-	(50,000)
Fund Balance @ FY's End	50,000	50,000	50,000	50,000	0

Redevelopment Agency - Program Income

Fund 36	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment	Difference	Percent Change
Revenues:							
Interest Earnings	504	409	126	104		-	0.0%
Contribution from Fund Balance	-	-	-	-		-	0.0%
TOTAL REVENUES	\$ 504	\$ 409	\$ 126	\$ 118	\$ -	\$ -	0.0%
Expenditures:							

Proceedings of Redevelopment Agency of Midvale City Meeting
September 21, 2021

Transfer to Another Account	-	-	-	-	175,359	175,359	0.0%	
TOTAL EXPENDITURES	\$	\$	\$	\$	\$	175,359	\$ 175,359	0.0%
	-	-	-	-				

NET REVENUES OVER/(UNDER) EXPENDITURES	504	409	126	118	(175,359)	(175,485)
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Fund Balance @ FY's Beginning	174,319	174,824	\$175,233	175,233	175,359
Use of/Contribution to Fund Balance	504	409	126	118	(175,359)
Fund Balance @ FY's End	174,824	175,233	175,359	175,351	0

Fund 37	Actual FY2019	Actual FY2020	Actual FY2021	Budget FY2022	Proposed FY2022 Amendment	Difference	Percent Change
Revenues:							
Interest Earnings	3,948	3,204	987	-	-	-	0.0%
Contribution from Fund Balance		-	-	-			
TOTAL REVENUES	\$ 3,948	\$ 3,204	\$ 987	\$ -	\$ -	-\$ -	0.0%
Expenditures:							
Transfer to Another Fund	-	-	-	-		197,492	0.0%
			197,492				
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ 197,492	\$ 197,492	0.0%
NET REVENUES OVER/(UNDER) EXPENDITURES							
	3,948	3,204	987	-	197,492)	-	

Fund Balance @ FY's Beginning	189,353	193,301	\$196,505	197,492	197,492
Use of/Contribution to Fund Balance	3,948	3,204	987	-	(197,492)
Fund Balance @ FY's End	193,301	196,505	197,492	197,492	-

Revenues:

Interest Earnings	14,339	19,368	8,215	6,000	-	-	0.0%
Transfer From Other RDA Accounts	500,000	500,000	633,927	2,126,413	2,323,905	197,492	9.3%
Contribution from Fund Balance	-	-	-	-	-	-	0.0%
TOTAL REVENUES	\$ 514,339	\$ 519,368	\$ 642,142	\$ 2,132,413	\$ 2,323,905	\$ 197,492	9.0%

Expenditures:

Personnel	-	-	-	130,285	-	-	0.0%
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Proceedings of Redevelopment Agency of Midvale City Meeting
September 21, 2021

Benefits	-	-	65,917	-	0.0%
Cell Phone Allowance	-	-	242	-	0.0%
Equipment, Supplies, and Maintenance	-	-	2,000	-	0.0%
Affordable Housing Plan	1,527	5,000	-	-	0.0%
Midvale Housing Master Plan - 10 Years	-	-	-	-	0.0%
Affordable Housing Incentivization	-	-	83,037	1,000,000	1,197,492 197,492 19.7%
Blight Elimination	-	-	-	-	0.0%
Recreation Amenitiy Program	-	-	50,000	-	0.0%
Homeownership/Landlord Education	-	-	5,000	-	0.0%
Home Repair Program	-	-	-	-	0.0%
Down-Payment Assistance Program	-	-	-	-	0.0%
Housing Programs	500	870	-	-	0.0%
TOTAL EXPENDITURES	\$ 2,027	\$5,870	83,037	\$1,253,444	\$ 1,450,936 \$ 197,492 15.8%

NET REVENUES OVER/(UNDER) EXPENDITURES 512,312 513,498 559,105 878,969 872,969

Fund Balance @ FY's Beginning	403,900	916,213	\$1,429,711	1,988,816	1,988,816
Use of/Contribution to Fund Balance	512,312	513,498	559,105	878,969	872,969
Fund Balance @ FY's End	916,213	1,429,711	1,988,816	2,867,785	2,861,785

STAFF RECOMMENDATION: Pass Resolution No. 2021-16RDA, which adopts the proposed amendments to the FY 2022 budget.

Chair Hale opened the hearing to public comment. There was no one who desired to speak.

Board Member Dustin Gettel inquired about the Main Street Christmas tree lighting.

Cody Hill said they would be meeting on that next week.

MOTION: Board Member Bryant Brown **Moved** to close the public hearing. Board Member Paul Glover **Seconded** the motion. Chair Hale called for discussion on the motion. There being none, he called for a vote. The motion passed unanimously.

ACTION: APPROVE RESOLUTION NO. 2021-16RDA A BUDGET APPROPRIATION RESOLUTION OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY, AMENDING THE OPERATING BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2022

MOTION: Board Member Bryant Brown MOVED to approve Resolution No. 2021-16RDA which adopts the proposed amendments to the 2022 Budget. The motion was SECONDED by Board Member Heidi Robinson. 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	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

IV. CONSENT AGENDA

A. CONSIDER APPROVAL OF THE SEPTEMBER 7, 2021 MINUTES

MOTION: Board Member Paul Glover MOVED to approve the consent agenda. The motion was SECONDED by Board Member Bryant Brown. 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	Aye
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. ACTION ITEMS

A. CONSIDER RESOLUTION NO. 2021-17RDA ADOPTING THE MAIN STREET PUBLIC ART PROGRAM

Cody Hill said in 2015, the Agency Board adopted the Bingham Junction Public Art Program. Through this program, the Agency solicits and funds public art initiatives throughout the Bingham Junction Project Area. With the Main Street CDA created and beginning to program future funding, it is now necessary to adopt a public art program for the Main Street CDA. Agency staff propose a public art program for Main Street that is identical to Bingham Junction's program.

Through this program, the flowing process takes place:

1. Agency staff identify or are directed to a suitable location for a public art installation,

2. Agency staff work with property owners, identify terms necessary to the property owner or specific to the installation,
3. Staff bring a draft term sheet to the RDA Board for consideration,
4. After the term sheet's approval, Agency staff draft an agreement between the property owner and the Agency according to the term sheet,
5. Once the agreement is signed, Agency staff will extend a call for artists, soliciting proposals,
6. The Agency will form a Design Advisory Board to review and rank submissions and then submit a recommendation to the RDA Board, and
7. The RDA Board will consider the Design Advisory Board's recommendation. If approved, Agency staff will notify the artist selected, have the artist enter into a contract for the creation of their proposed installation and oversee and manage the contract.

FISCAL IMPACT:

Main Street CDA's adopted budget calls for \$1.9M in funding for Public Art. The \$1.9M will be used to support the Art House, improve streetscapes and connectivity, install murals and statuary, support art-centric events, and other uses deemed necessary and beneficial to the development of the Area. Agency staff recommend an initial allocation of \$15,000 to support the program between now and the end of the fiscal year. The Main Street CDA Fund has a fund balance of \$73,355, enough to support this allocation of funds.

STAFF RECOMMENDATION:

Adopt Resolution No. 2021-17RDA to create the Main Street Public Art Program.

MAIN STREET PUBLIC ART PROGRAM

PURPOSE: The goal of the Main Street Public Art Program is to provide opportunities to integrate public art into private developments or public spaces.

FUNDING: Funding will be allocated through the RDA annual budget. Matching funds may also be utilized from partners.

PROCESS: Art projects will be publicly advertised for artist participation. Some projects may be advertised only to Utah artists while others will be open to any artists within the United States.

OVERSIGHT: The program will be managed by the Midvale Redevelopment Agency with participation by a design advisory board.

DESIGN ADVISORY BOARD: The design board will consist of five members.

RDA representative

CD Department representative

Council Member

Arts Community representative (Arts Council, Artist, Performer, outside Arts representative)

Community/property owner representative

Other members brought in depending on the project: City Engineer, Public Works Director, historic representative, Planning Commission member, partners, neighbors, and those involved in design, construction, use and/or maintenance.

SELECTION: The Design Advisory Board shall make a recommendation to the Agency's Board of Directors for final approval on artist selection for each art project. Depending on the scope of work and/or the advertising range for the solicitation the Agency may provide a stipend to artists submitting proposals.

CRITERIA: Among other criteria, review and approval of each art project shall be based on past projects, experience, qualifications, appropriateness of the proposed artwork as well as goals, scale, public safety, maintenance issues, material selection and budget.

MOTION: Board Member Dustin Gettel MOVED to adopt Resolution No. 2021-17RDA and create the Main Street Public Art Program. The motion was SECONDED by Board Member Heidi Robinson. 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	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

B. CONSIDER RESOLUTION NO. 2021-18RDA ADOPTING THE JORDAN BLUFFS PUBLIC ART PROGRAM

Cody Hill said in 2015, the Agency Board adopted the Bingham Junction Public Art Program. Through this program, the Agency solicits and funds public art initiatives throughout the Bingham Junction Project Area. With the Jordan Bluffs RDA beginning to collect property tax increment, it is now necessary to adopt a public art program for the Jordan Bluffs RDA. Agency staff propose a public art program for Jordan Bluffs Street that is identical to Bingham Junction's program.

Through this program, the following process takes place:

1. Agency staff identify or are directed to a suitable location for a public art installation,
2. Agency staff work with property owners, identify terms necessary to the property owner or specific to the installation,
3. Staff bring a draft term sheet to the RDA Board for consideration,
4. After the term sheet's approval, Agency staff draft an agreement between the property owner and the Agency according to the term sheet,

5. Once the agreement is signed, Agency staff will extend a call for artists, soliciting proposals,
6. The Agency will form a Design Advisory Board to review and rank submissions and then submit a recommendation to the RDA Board, and
7. The RDA Board will consider the Design Advisory Board's recommendation. If approved, Agency staff will notify the artist selected, have the artist enter into a contract for the creation of their proposed installation, and oversee and manage the contract.

FISCAL IMPACT:

Agency Staff will recommend annual budget allocations to support this program as needed. For the Fiscal Year 2022 budget adopted by the Agency board, \$10,000 is budgeted for Public Art for the Jordan Bluffs RDA. Agency staff will utilize these, already programed for public art to support this program through FY2022.

STAFF RECOMMENDATION:

Adopt Resolution No. 2021-18RDA to create the Jordan Bluffs Public Art Program.

JORDAN BLUFFS PUBLIC ART PROGRAM

PURPOSE: The goal of the Jordan Bluffs Public Art Program is to provide opportunities to integrate public art into private developments or public spaces.

FUNDING: Funding will be allocated through the RDA annual budget. Matching funds may also be utilized from partners.

PROCESS: Art projects will be publicly advertised for artist participation. Some projects may be advertised only to Utah artists while others will be open to any artists within the United States.

OVERSIGHT: The program will be managed by the Midvale Redevelopment Agency with participation by a design advisory board.

DESIGN ADVISORY BOARD: The design board will consist of five members.

RDA representative

CD Department Representative

Council Member

Arts Community representative (Arts Council, Artist, Performer, outside Arts representative)

Community/property owner representative

Other members brought in depending on the project: City Engineer, Public Works Director, historic representative, Planning Commission member, partners, neighbors, and those involved in design, construction, use and/or maintenance.

SELECTION: The Design Advisory Board shall make a recommendation to the Agency's Board of Directors for final approval on artist selection for each art project. Depending on

the scope of work and/or the advertising range for the solicitation the Agency may provide a stipend to artists submitting proposals.

CRITERIA: Among other criteria, review and approval of each art project shall be based on past projects, experience, qualifications, appropriateness of the proposed artwork as well as goals, scale, public safety, maintenance issues, material selection and budget.

MOTION: Board Member Heidi Robinson **Moved** to adopt Resolution No. 2021-18RDA and create the Jordan Bluffs Art Program. 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	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

C. CONSIDER RESOLUTION NO. 2021-19RDA APPROVING BASKETBALL COURT RFP

Patrick O'Brien said the Redevelopment Agency of Midvale City ("Agency") is proposing to sell the Basketball Court on 5th Ave. and Main Street to facilitate the redevelopment of the Main Street area.

The Agency plans to list the purchase price in the RFP at \$280,000. Proposed designs shall incorporate, among other things, high quality façade materials, a building that primarily addresses Main Street, and adhere to all zoning code requirements, and that utilize green building techniques. Preference will be given to those proposals that provide neighborhood-oriented programming or services, significantly increase daily pedestrian activity, and contribute to the emergence of a Main Street activity center.

Each RFP submission must include a project description, drawings, proforma, statement of qualification, financial capacity, and down payment.

The developer will be selected by a Selection Committee comprised of representatives of both Agency and City staff. The Selection Committee may select a first and second ranked developer, or no developer. The developer will be selected based on criteria including but not limited to, completeness of proposal, developer's vision, scope of development, development preferences, developer qualifications, and financing.

The selected developer will then go through a design review process that will require them to obtain approval for Basic Design, Schematic Design, Design Development, and Final Construction Documents for the proposed development.

5th Avenue Development

Request for Proposals Term Sheet

Property Description:

Property Address: 695 West Fifth Avenue

7555 South Main Street

Parcel: 21-25-307-001

21-25-307-002

Property Size: 0.32 Acres (13,939.2 square feet) Current Condition: The assemblage is currently vacant.

Purchase Price:

The Purchase Price shall be \$280,000. During exclusive negotiations the RDA will consider reducing the purchase price, based on demonstrated funding gaps directly related to fulfilling the RDA's Scope of Development.

Scope of Development:

It is the RDA's intent that the Property be used to support the establishment of Main Street as significant retail and cultural activity center within Salt Lake County, with an emphasis on creating more pedestrian activity on Main Street. The selected development will need to have a high-quality design that complements the neighborhood and demonstrates the developer understands the neighborhoods assets and character. In accomplishing the RDA's intent for the development of the Property, the following should be incorporated into all proposals:

1. All offered property shall be utilized in the development.
2. Designs shall incorporate high quality façade materials and be in keeping with the character of historic Main Street (e.g., brick, wood, metal, masonry). Stucco is not an acceptable façade treatment on the 5th Avenue and Main Street frontages.
3. The development shall be designed using green building techniques such as:
 - Efficient use of energy, water, and other resources
 - Use of non-toxic, ethical and sustainable materials
 - Pollution and waste reduction measures, and the enabling of re- use and recycling
 - Use of renewable energy, such as wind energy, solar energy
 - Good indoor environmental air quality
4. No onsite surface parking shall front Main Street.
5. The site shall be designed to primarily address Main Street with a secondary frontage allowed on Fifth Avenue.
6. The project design shall incorporate all zoning code requirements.
7. The project shall include an element of public art (the, "Art"). The Art shall be visible to the public and contribute to an enhanced pedestrian experience in the Main Street neighborhood.

Preference will be given to projects that:

1. Provide neighborhood-oriented programming or services that supports commercial activity on Main Street and/or quality of life for current and prospective residents.
2. Significantly increase the daily pedestrian activity on Main Street.
3. Contribute to the emergence of a Main Street activity center.

RFP Submission Requirements:

1. Project Description: A written description of the proposed development, including the following information:
 - a. A description of the types of uses (e.g., residential, office, educational neighborhood retail, etc.) included in the development;
 - b. Indication of the degree to which the developer commits/intends to incorporate environmentally friendly green building techniques or programs.
 - c. A vision for how the development will complement the character of the Main Street neighborhood, particularly how it contributes to the emergence Main Street as an activity center.
 - d. A description of the developer's strategy for maximizing pedestrian activity on Main Street.
 - e. A conceptual description of the Art element that will be included in the development.
2. Project Drawings: The developer shall provide the following project drawings:
 - a. Conceptual Site Plan. The plan must show auto and pedestrian circulation, building footprint, any proposed parking, the neighborhood amenity, the required Art element, and conceptual landscape improvements.
 - b. Main Street and Fifth Avenue Elevation Drawings. The elevation drawings should identify façade materials and any other design elements the applicant deems necessary to communicate the intent of their proposal.
3. Project Proforma: A preliminary estimate of the project's cost and a 5-year proforma. This should include a brief description of how the developer anticipates funding the project and a description of any financial assistance, if any, the developer intends to request from the RDA.
4. Statement of Qualification:
 - a. Identification of the legal entity with whom the Agency would contract.
 - b. Identification of the developer, including potential joint venture or limited partners.
 - c. The developer's previous relevant experience, including, descriptions, photos, description of roles in previous projects,

and status of previous projects. References for previous projects should also be included.

- d. Organizational and management approach, and role of each development partner and major consultant in the implementation of the development.
 - e. To the extent possible, identification of key individuals and consultants on the development team who would be involved in the negotiations, project design, and implementation, including their background and experience.
5. **Financial Capacity:** A description of the financial capacity of the developer. The selected developer will be required to submit additional financial information about the development entity and owners or partners within the entity during the Exclusive Negotiation Period.
 6. **Down Payment:** Along with the proposal, the developers shall submit a check (certified or cashier's) made payable to the Redevelopment Agency of Midvale City in the amount of \$1,000.00 to serve as a deposit. Deposits will be returned to the developers who are not selected. The selected developer must submit an additional \$2,000, in the form of a certified or cashier's check, within 10 days of being notified that they were selected, or the RDA will begin negotiations with the second-ranked developer. The total deposit made by the selected developer will be credited toward the developer's earnest money deposit under the Purchase and Sale Agreement. The earnest money deposit will be applied to the purchase price at closing and can only be refunded prior to closing if the developer is unable to get Planning Commission approval (if needed).

Developer Selection:

The submittals will be reviewed by a Selection Committee comprised of representatives of the RDA, City, and the community. The Selection Committee may select a first-ranked developer, a first- and second-ranked developer, or no developers. The RDA will enter into exclusive negotiations with the first-ranked developer. The RDA will enter into exclusive negotiations with the second-ranked developer if the first-ranked developer is unable to close on the Project in the allotted time.

Selection Criteria:

The following will be the criteria by which the Selection Committee will select the first- and second-ranked development proposals:

1. **Complete Proposal:** Did the developer submit a complete proposal?
2. **Developer's Vision:** Does the developer provide a clear vision for how the development will complement the Main Street Neighborhood?
3. **Scope of Development:** How well does the development proposal address the Scope of Development?
4. **Development Preferences:**

- How many people in the Main Street neighborhood would directly benefit from the proposed development.
 - How many more people will utilize Main Street on a daily basis as a result of the proposed development?
 - Does the proposed development include a Neighborhood Amenity that meets the criteria outlined in the Neighborhood Amenity Section?
 - Does the proposed development contribute to the emergence of a Main Street activity center?
5. Developer Qualifications: To what degree do the developer and development team possess the qualifications and experience necessary to plan, design, and build the proposed development?

Financing: Does the developer have the necessary financial expertise and backing to complete the proposed project?

Design Review:

This design review process will require the selected developer to obtain approval for the Basic Design, Schematic Design, Design Development, and Final Construction Documents for the proposed development. A Main Street Design Review Committee comprised of representatives from the RDA staff shall be responsible for the review and approval of the Schematic Design, Design Development, and Final Construction Documents.

Basic Design: The Basic Design drawings shall consist of the drawings submitted in response to the RFP and any modifications to the development proposal required by the RDA Board as part of their approval of a first- and second-ranked developer. The selected developer will be expected to present the Basic Design to the Main Street Business Association or other community group selected by the RDA.

Schematic Design: The schematic design shall be conducted when the design is 30% complete. The submittal shall include a narrative description of the development, a presentation site plan, exterior concept elevation drawings, and two project sections.

Design Development: The Design Development submittal shall include the 60% complete construction documents. The submittal will include samples of exterior materials, as well as drawings that specify the location and appearance of all exterior design features.

Final Construction Documents: The Final Construction Documents submittal shall include all drawings, specifications, and related documents necessary for construction of the development.

Legal Documents:

A summary of the RDA's standard legal requirements will be attached to the offering with a statement that the full documents are available upon request. The agreements will be

negotiated and executed after the developer has been granted the exclusive right to negotiate.

Purchase and Sale Agreement:

The Purchase and Sale Agreement will be negotiated during the period of exclusive negotiations and will be signed at such time as the Board approves the agreement's terms. The exclusive negotiation period shall not exceed six months. As a condition of the RDA's obligation to sell the Property, the developer must demonstrate its financial ability to acquire and develop the Property.

Development Agreement:

At closing, the developer must enter into a standard Development Agreement with the RDA to construct and oversee the marketing of the development. The terms of the

Development Agreement will require the developer to provide personal guarantee(s) and payment and performance bonds.

CC&Rs:

The developer will be required to prepare and record CC&Rs against the Property specifying the rules for the use and maintenance of common areas and shared improvements.

Title:

The developer must accept a Special Warranty Deed subject to a right of reverter in favor of the RDA in the event of default.

Closing:

Closing shall be contingent on the developer receiving the requisite approvals of the Final Construction Documents, construction estimate, marketing plan, project proforma, and building permit, as well as all other conditions of closing that are negotiated during the exclusive negotiation process. The RDA will close simultaneously with the developer's construction financing.

Schedule:

The developer will prepare a development schedule in consultation with RDA staff, highlighting major milestones such as closing, start of construction, and project completion.

Property Listing:

The Request for Proposals (RFP) will be distributed free of charge to all interested parties. Notices will also be placed in the local newspapers, as well as the Midvale City website.

A sign declaring the Property is available and listing the appropriate contact person will be placed on the site and will remain in place until a Purchase and Sale Agreement is executed.

The RFP will be issued before September 30, 2021. Responses will be due 45 days after issue. If no offers are received on or before the RFP deadline or the Selection Committee does not recommend the selection of a developer, the RDA will continue to offer the Property for development and the RDA Director shall have the authority to determine the process by which subsequent development proposals are reviewed and submitted to the RDA Board for approval.

Miscellaneous:

1. Such other terms as required by RDA attorney.
2. The selected Developer shall agree not to contest the formation of any assessment district that shall include Property and be used for the purpose of infrastructure installation, maintenance and/or programming.
3. Pending RDA approval, the selected developer will be required to include the City logo and name and acknowledge the RDA's contributions or assistance to the project.
4. The selected Developer shall agree to provide a written Project Report to the RDA and County Assessor within 2 weeks of receiving a Certificate of Occupancy. The report shall include the following information:
 - a. Total square footage of Property improvements.
 - b. Total development cost.
 - c. Description of the development.
 - d. Lease rates for the development.

The selected Developer shall agree to provide an annual leasing report to the RDA and County Assessor that discloses the lease rates being charged to all tenants.

MOTION: Board Member Dustin Gettel **MOVED** to approve Resolution No. 2021-19-RDA approving the request for proposal for disposition of property at 7555 South Main Street & 695 West Fifth Avenue. The motion was **SECONDED** by Board Member Heidi Robinson. 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	Aye
Board Member Dustin Gettel	Aye
Board Member Paul Glover	Aye
Board Member Quinn Sperry	Aye
Board Member Heidi Robinson	Aye

The motion passed unanimously.

VI. DISCUSSION ITEMS

A. DISCUSS UTAH STATE ANNOTATED ("UCA") 17C-1-416, THE COVID-19 EMERGENCY EXTENSION BILL, AND ITS POTENTIAL APPLICATION IN MIDVALE

Cody Hill said during a special legislative session in 2020, the Utah legislature adopted 17C-1-416 Extension of Collection Period for Project Areas Impacted by COVID-19 Emergency – Requirements – Limitations. Under 17C-1-416, a redevelopment agency

may extend the project area funds collection period of an “Impacted Project Area” for up to two years. Before a redevelopment agency may consider an emergency extension, it must consider a resolution that describes:

- the conditions resulting from the COVID-19 emergency that will likely delay the implementation of the project area plan or reduce the amount of tax increment that the agency receives from the Impacted Project Area;
- why an extension of the project area funds collection period is needed; and the date on which the extension period will end.

If the redevelopment agency board finds that one of its project areas is an Impacted Project Area, it may adopt a resolution and extend the collection period of the project area by one or two years.

To qualify as an “Impacted Project Area” a project area:

- Is one that an agency expects to receive tax increment;
- Is subject to a project area funds collection period;
- Is subject to a project area plan that was adopted on or before December 31, 2019; and
- In which the agency determines the conditions resulting from the COVID-19 emergency will likely:
 - A. delay the agency's implementation of the project area plan; or
 - B. cause the agency to receive an amount of tax increment from the project area that is less than the amount of tax increment the agency expected the agency would receive from the project area.

Agency staff wish to inform the Agency Board of this new legislation and efforts made to study its potential impact on the Midvale Redevelopment Agency.

VII. ADJOURN

MOTION: Board Member Paul Glover 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 9:51 p.m.

Rori L. Andreason, MMC
City Recorder

Approved this 19th day of October 2021.



MIDVALE REDEVELOPMENT AGENCY SUMMARY REPORT

MEETING DATE: OCTOBER 19TH, 2021

SUBJECT: Discuss Agency staff memo on the COVID-19 Emergency Extension, and consider extending collection period for Agency's collection period

SUBMITTED BY: Cody Hill, RDA Manager

SUMMARY: Agency staff analyzed the three project areas' revised budgets, original budgets, and expected revenues to determine whether the Agency will receive less tax increment than anticipated, which is a strong possibility in the Jordan Bluffs and Main Street project areas. The Agency also received information from the primary developers within the project areas and determined that the COVID-19 pandemic has delayed the implementation of the project area plans in all three project areas.

If the redevelopment agency board finds that one of its project areas is an Impacted Project Area, it may adopt the resolution and extend the collection period of the project area by one or two years.

FISCAL IMPACT: If the Agency board finds that project areas meet the statutory standard of qualifying as "Impacted Project Areas" the fiscal impacts could be significant:

Bingham Junction RDA: Currently collects \$7.8M annually. This amount is believed to increase moderately as development within the area concludes. An additional two years of tax increment would likely be an additional \$16M-\$20M.

Jordan Bluffs RDA: According to the adopted project area budget, the Jordan Bluffs RDA will bring in \$5M to the Agency in Year 25. If this project area were to be extended an additional two years, this would translate to an additional \$10M.

Main Street CDA: Unlike the two RDAs, Main Street CDA has cap amounts on the amount of tax increment it may collect from each taxing entity. If the CDA reaches the cap amount of participation it may collect before Year 20, extending the CDA an additional two years will not bring any additional revenue. If the cap amount is not reached by Year 20, an additional two years of collection could bring an additional \$1-\$1.8M to the Agency.

STAFF RECOMMENDATION: Based on the results of its research and analysis, Agency staff recommend passing Resolution No. 2021-20RDA which will approve a two-year extension to the Agency's three project areas' collection periods.

RECOMMENDED MOTION: I move to pass Resolution No. 2021-20RDA which extends the collection period for the Agency's three project areas by three years due to the project areas being Impacted Project Areas.

ATTACHMENTS: Resolution No. 2021-20RDA, Memo to Midvale Agency Board on 2-Year Extension

**REDEVELOPMENT AGENCY OF MIDVALE CITY
RESOLUTION 2021-20RDA**

A RESOLUTION AUTHORIZING THE EXTENSION OF COLLECTION OF TAX INCREMENT FOR TWO YEARS IN EACH OF THREE PROJECT AREAS IMPACTED BY THE COVID-19 EMERGENCY.

WHEREAS, the Utah Legislature, in the Sixth 2020 Special Session, through Senate Bill 6001, amended the Utah Community Reinvestment Agency Act (the “**Act**”), specifically enacting Utah Code Annotated (“UCA”) § 17C-1-416 (“**The COVID-19 Emergency Extension Bill**”); on August 31, 2020 which authorized Community Reinvestment Agencies such as the Redevelopment Agency of Midvale City (the “**Agency**”) to extend the collection of “**Tax Increment**” (as defined in UCA § 17C-1-403) under certain circumstances due to the COVID-19 Emergency;

WHEREAS, the Agency intends to extend the Project Area funds collection period of multiple impacted project areas, including the Bingham Junction Redevelopment Area, the Jordan Bluffs Redevelopment Area, and the Main Street Community Development Area for a period of two years;

WHEREAS, the COVID-19 Emergency Extension Bill was signed by the Governor of Utah and became law, effective August 31, 2020;

WHEREAS, the Agency adopted the project area plans for the Bingham Junction RDA and Jordan Bluffs RDA on August 10, 2004, and adopted the project area plan for the Main Street CDA on November 15, 2015;

WHEREAS, the COVID-19 Emergency Extension Bill specifically authorizes the Agency to extend the Tax Increment collection period in each Impacted Project Area, by up to two years, if the agency determines the conditions resulting from the COVID-19 emergency will likely delay the Agency's implementation of each of the Plans described herein; or cause the Agency to receive an amount of Tax Increment from each Project Area that is less than the amount of Tax Increment the Agency expected the Agency would receive from the Project Area, respectively;

WHEREAS, the Agency has carefully considered the facts and information available to the Agency on whether the COVID-19 emergency will likely delay the Agency's implementation of each of the Impacted Plans, for each Impact Project Area; or cause the Agency to receive an amount of Tax Increment from each of each Impacted Project Area that is less than the amount of Tax Increment the agency expected the agency would receive from the Impacted Project Area, respectively; and

WHEREAS, the Agency Board, after carefully considering all of the facts and information, including without limitation a memorandum prepared by Agency staff that includes an analysis of Agency revenues and information relayed from property owners and developers

within each of the respective project areas, is prepared to make its determinations, findings and conclusions as set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY AS FOLLOWS:

1. The Agency Board finds and determines that each of the Impacted Project Areas is an “Impacted Project Area” as defined in UCA § 17C-1-416(1)(c), based on the facts that, among other things, (a) the Agency expects to receive Tax Increment from each Impacted Project Area, as provided under the applicable Impacted Plan and/or Impacted Budget for each Impacted Project Area, respectively, (b) each respective Impacted Project Area is subject to a project area funds collection period, (c) each Impacted Plan was adopted before December 31, 2019; and (d) the Agency has determined the conditions resulting from the COVID-19 Emergency will likely either delay the Agency’s implementation of the respective Impacted Plans or cause the Agency to receive an amount of Tax Increment from the respective Impacted Project Areas that is less than the amount of Tax Increment the Agency expected it would receive from the respective Impacted Project Areas.
2. The following summary of conditions resulting from the COVID-19 Emergency will likely either delay the Agency’s implementation of the Bingham Junction RDA Plan or cause the Agency to receive an amount of Tax Increment from the respective Bingham Junction RDA that is less than the amount of Tax Increment the Agency expected it would receive from the Bingham Junction RDA: CHG Healthcare had a significant development stalled by the COVID-19 emergency. CHG’s phase II development includes 122,000 square feet of Class A office space and a four-story parking stall that would accommodate 780 stalls. The COVID-19 emergency has temporarily eliminated CHG’s need for additional office space and additional parking, which was to be shared between CHG and the public. This has delayed the Agency’s ability to implement the Bingham Junction Project Area Plan in further accomplishing four of the plan’s stated Redevelopment Purposes and Objectives:
 - i. Strengthening the tax base and economic health of Midvale City, and the entire State of Utah.
 - ii. Provide rehabilitation of a Superfund site and return the vacated site to useful activity through construction of infrastructure.
 - iii. Provide quality development to ensure the long-term physical and economic vitality the Bingham Junction Project Area.
 - iv. Plan project parking, signage, and pedestrian circulation to reduce vehicle/pedestrian conflicts.

CHG’s phase II project was estimated to cost \$41,846,028. This will translate to about \$400,000 in annual tax increment revenue. Every year phase II is delayed, the Agency loses out on \$400,000 in tax increment revenue.

3. The following summary of conditions resulting from the COVID-19 Emergency will likely either delay the Agency’s implementation of the Jordan Bluffs RDA Plan or cause the Agency to receive an amount of Tax Increment from the Jordan Bluffs RDA that is less than the amount of Tax Increment the Agency expected it would receive from the Jordan Bluffs RDA: The first year for Jordan Bluffs RDA to collect tax increment was FY2021. The majority of tax

increment came from three developments, Zions Bank's technology headquarters building, Gardner's View 78 development, and Wasatch Residential. The assessed value for Year 1 was \$66,460,160. The Original Project Area Budget projected a Year 1 value of \$45,660,260. The actual value is 43% higher than the Original Budget's projected value. For Year 2, however, the Agency anticipates that the value will be lower than the figure projected by the Original Budget at Year 2, \$104,371,548. The Original budget projects an increase in value between Year 1 and Year 2 of 129%. To have a value of \$104,371,548, the growth rate between Year 1 and Year 2 will have to be 57%. The Agency believes this is unlikely to happen as multiple projects within the project area have been delayed and pushed back. According to Wasatch Residential, their lease-up was delayed at the onset of the pandemic. Their actual vacancy rate was 20% higher than what they had projected. The higher vacancy rate caused them to delay the construction of their final phase. Originally, they planned to start Jordan Bluffs Phase III in March of 2021. The current scheduled start date is now April 2022. Wasatch Residential sent Agency staff provided the Agency with their monthly lease up numbers vs projected for the Parc View development (Jordan Bluffs Phase I and 2).

4. The following summary of conditions resulting from the COVID-19 Emergency will likely either delay the Agency's implementation of the Main Street CDA Plan or cause the Agency to receive an amount of Tax Increment from the Main Street CDA that is less than the amount of tax increment the Agency expected it would receive from the Main Street CDA: One of the primary developers on Main Street, Jeff Beck, provided Agency staff with information on how the COVID-19 emergency impacted developments within the Main Street CDA. According to Mr. Beck, nearly all costs associated with his developments increased significantly, including labor, lumber, and other materials. Obtaining financing also became difficult because financial institutions became cautious and more risk averse concerning funding projects. Feasibility studies became so full of uncertainty as to render them useless. At this point, his projects have been delayed and pushed back by at least a year and a half.
5. The date on which the Tax Increment collection period, as extended by this resolution, will end for the Bingham Junction RDA is now December 31, 2036.
6. The date on which the extension period, as extended by this resolution, will end for the Civic Center North Project Area is now December 31, 2047.
7. The date on which the extension period, as extended by this resolution, will end for the Main Street CDA is now December 31, 2046, if the first year of collection occurs in 2024.
8. Agency staff is hereby authorized and directed to mail or electronically submit a copy of this Resolution after adoption to:
 - a. the Utah State Tax Commission;
 - b. the Utah State Board of Education;
 - c. the Utah State Auditor;
 - d. the Salt Lake County Auditor; and
 - e. each taxing entity affected by the Agency's collection of Tax Increment from the Project Area.

9. Agency staff are hereby authorized to take all other actions necessary to carry out the purposes of this Resolution.

This resolution shall become effective immediately upon passage thereof.

Passed and adopted by the Redevelopment Agency of Midvale City Board of Directors, State of Utah, this 19th day of October 2021.

Robert M. Hale
Chief Administrative Officer

Matt Dahl
Executive Director

ATTEST:

Rori L. Andreason, MMC
Secretary

Voting by the Board:	"Aye"	"Nay"
Dustin Gettel	_____	_____
Paul Glover	_____	_____
Quinn Sperry	_____	_____
Heidi Robinson	_____	_____
Bryant Brown	_____	_____



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Midvale, UT 84047
(801) 567-7200
www.MidvaleCity.org

MEMORANDUM

To: Midvale City Redevelopment Agency Board
From: Midvale City Redevelopment Agency Staff
Date: October 12, 2021
Subject: Extension of Collection Period for Project Areas Impacted by COVID-19 Emergency

Summary of 17C-1-416

During a special legislative session in 2020, the Utah legislature adopted 17C-1-416 Extension of Collection Period for Project Areas Impacted by COVID-19 Emergency – Requirements – Limitations. Under 17C-1-416, a redevelopment agency may extend the project area funds collection period of an impacted project area for up to two years. Before a redevelopment agency may consider an emergency extension, it must consider a resolution that describes:

- the conditions resulting from the COVID-19 emergency that will likely delay the implementation of the project area plan or reduce the amount of tax increment that the agency receives from the impacted project area;
- why an extension of the project area funds collection period is needed; and
- the date on which the extension period will end.

If the redevelopment agency board finds that one of its project areas is an “Impacted Project Area”, it may adopt a resolution and extend the collection period of the project area by one or two years.

To qualify as an “Impacted Project Area” a project area:

- Is one that an agency expects to receive tax increment;
- Is subject to a project area funds collection period;
- Is subject to a project area plan that was adopted on or before December 31, 2019; and
- In which the agency determines the conditions resulting from the COVID-19 emergency will likely:
 - (A) delay the agency's implementation of the project area plan; or
 - (B) cause the agency to receive an amount of tax increment from the project area that is less than the amount of tax increment the agency expected the agency would receive from the project area.

Note that adopting a resolution approving an extension does not increase the percentages that taxing entities participate or increase the total amount that the redevelopment agency is allowed to collect (participation cap), if such a provision is in place in the Taxing Entity Committee or Interlocal Cooperation agreements. Also, the agency may not expend the additional tax increment revenues for any purposes outside of those listed in the project area plan and budget.

The extension will not take effect until the resolution is adopted by the redevelopment agency board and copies of the resolution are sent to the State Tax Commission, State Board of Education, state auditor, county auditor, and each taxing entity affected by the extension. The copies of the resolution must be sent no later than November 1 of the year immediately preceding the year in which the project area funds collection period would normally end.

Application to Midvale's Three Project Areas

The Midvale Redevelopment Agency (the "Agency") has three project areas. The following table illustrates each project area and which qualifications they meet to align with the definition of an Impacted Project Area.

	Bingham Junction RDA	Jordan Bluffs RDA	Main Street CDA
Agency expects to receive tax increment	Yes	Yes	Yes
Subject to project area funds collection period	Through FY 2034	Through FY 2045	Through FY 2044
Project area plan adopted before 12/31/2019	Yes	Yes	Yes
Delayed project area plan implementation or Agency receive less tax increment than expected	TBD	TBD	TBD

All three project areas objectively and unequivocally meet the first three qualifications to be classified as an Impacted Project Area. To determine whether the project areas meet the fourth requirement, the Agency reached out to the main developers within the project areas and asked them how their existing, current, and future developments were impacted by the COVID-19 emergency. The following three sections provide information on how the Agency's project areas were impact by the COVID-19 crisis.

Bingham Junction RDA

CHG Healthcare had a significant development stalled by the COVID-19 emergency. CHG's phase II development includes 122,000 square feet of Class A office space and a four-story parking stall that would accommodate 780 stalls. The COVID-19 emergency has temporarily eliminated CHG's need for additional office space and additional parking, which was to be shared between CHG and the public. This has delayed the Agency's ability to implement the Bingham Junction Project Area Plan in further accomplishing four of the plan's stated Redevelopment Purposes and Objectives:

1. Strengthening the tax base and economic health of Midvale City, and the entire State of Utah.
2. Provide rehabilitation of a Superfund site and return the vacated site to useful activity through construction of infrastructure.
3. Provide quality development to ensure the long-term physical and economic vitality the Bingham Junction Project Area.
4. Plan project parking, signage and pedestrian circulation to reduce vehicle/pedestrian conflicts.

CHG's phase II project was estimated to cost \$41,846,028. This will translate to about \$400,000 in annual tax increment revenue. Every year phase II is delayed, the Agency loses out on \$400,000 in tax increment revenue.

Jordan Bluffs RDA

The first year for Jordan Bluffs RDA to collect tax increment was FY2021. The majority of tax increment came from three developments, Zions Bank's technology headquarters building, Gardner's View 78 development, and Wasatch Residential. The assessed value for Year 1 was \$66,460,160. The Original Project Area Budget projected a Year 1 value of \$45,660,260. The actual value is 43% higher than the Original Budget's projected value. For Year 2, however, the Agency anticipates that the value will be lower than the figure projected by the Original Budget at Year 2, \$104,371,548. The Original budget projects an increase in value between Year 1 and Year 2 of 129%. To have a value of \$104,371,548, the growth rate between Year 1 and Year 2 will have to be 57%. The Agency believes this is unlikely to happen as multiple projects within the project area have been delayed and pushed back.

According to Wasatch Residential, their lease-up was delayed at the onset of the pandemic. Their actual vacancy rate was 20% higher than what they had projected. The higher vacancy rate caused them to delay the construction of their final phase. Originally, they planned to start Jordan Bluffs Phase III in March of 2021. The current scheduled start date is now April 2022. Wasatch Residential

sent Agency staff provided the Agency with their monthly lease up numbers vs projected for the Parc View development (Jordan Bluffs Phase I and 2).

Gardner Company, another major developer within the project area, has also seen major impacts from the COVID-19 Pandemic. According to Gardner,

Since 2011, the Gardner Company's development team has successfully delivered approximately 500,000 sq. ft. of new Office space to the Utah market on an annual basis. Unfortunately, the recent COVID-19 pandemic forced many current and future office tenants to pause their growth plans as they developed strategies for how to adapt to the changing environment. As a result, the demand for new office space in the greater Salt Lake Valley came to an abrupt halt. Rather than developing our usual 500,000 sq. ft. of office, Gardner Company had every potential development deal (including one that was already under construction 100,000 sq. ft. CHG phase 2) fall through. We were unable to kick off a single new office project in 2020 or 2021 to this point. View 78 has also felt setbacks due to the pandemic, during the entire year of 2020 we did not receive a single request for proposal (RFP) from an office user for that area.

Main Street CDA

The Agency adopted the Main Street Community Development Project Area Plan on November 17, 2015. The taxing entities were, at the time, not supportive of the Main Street CDA's plan and budget. In 2020, Agency staff revised the project area budget and secured the support of most taxing entities via Interlocal Cooperation Agreement the following year. Per the terms of the ILAs, which all¹ have the same terms, the CDA may collect 60% tax increment for 20 years. Agency staff proposed these terms as they would meet more stringent participation guidelines adopted by Canyons School District, Unified Fire Authority, and Salt Lake County while still raising enough revenue to accomplish the goals set out in the plan and budget. This, however, assumed that the COVID-19 emergency would not significantly delay developments within the Main Street CDA for a prolonged period of time. If delays continue, the Agency may not collect enough tax increment from the taxing entities to reach the cap amounts and fund the project area budget. Extending the collection period two years would help ensure the Agency will collect the requisite amount of tax increment revenues.

One of the primary developers on Main Street, Jeff Beck, provided Agency staff with information on how the COVID-19 emergency impacted developments within the Main Street CDA. According to Mr. Beck, nearly all costs associated with his developments increased significantly, including labor, lumber, and other materials. Obtaining financing also became difficult because financial institutions became cautious and more risk averse concerning funding projects. Feasibility studies became so full of uncertainty as to render them useless. At this point, his projects have been delayed and pushed back by at least a year and a half.

Note that each taxing entity has a cap amount specific to how much they will participate, independent of the other taxing entities. If the Agency is able to collect the cap amount of tax increment from the various taxing entities before Year 20, the Agency will not need or be able to extend the collection period. Extending the collection period, at this point, however, appears to be a prudent and necessary precaution.

Takeaway

To determine whether the Agency's project areas were Impacted Project Areas, Agency staff analyzed the three project areas' revised budgets, original budgets, and expected revenues to determine whether the Agency will receive less tax increment than anticipated, which is a strong possibility in the Jordan Bluffs and Main Street project areas. The Agency also received information from the primary developers within the project areas and determined that the COVID-19 pandemic has delayed the implementation of the project area plans in all three project areas. Based on the

¹ Salt Lake County's ILA has not yet been finalized but will likely be 75% participation for 20 years.

results of this research and analysis, Agency staff recommend approving two-year extensions to the Agency's three project areas.