

MINUTES OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

Tuesday, May 4, 2021

The Board of Directors of the Redevelopment Agency (RDA) of Salt Lake City met on Tuesday, May 4, 2021 in an Electronic Meeting, pursuant to the Chair's determination and Salt Lake City Emergency Proclamation No. 2 of 2020(2)(b).

The following Board Members were present:

Amy Fowler, Ana Valdemoros, Chris Wharton, Daniel Dugan, Darin Mano, James Rogers

Present Agency Leadership:

Danny Walz – Chief Operating Officer

Present City Staff:

Katherine Lewis – City Attorney, Kimberly Chytraus – Senior City Attorney, Cara Lindsley – Project Manager, Lauren Parisi – Project Manager, Tammy Hunsaker – Deputy Chief Operating Officer, DeeDee Robinson – Minutes and Records Clerk, Allison Rowland – Council Public Policy Analyst, Jennifer Bruno – Council Deputy Director, Robert Nutzman – City Council Staff, Amanda Lau – City Council Staff, Cindy Gust-Jenson – Council Executive Director

[Full Meeting Audio](#)

[Meeting Packet Material](#)

Director Chair Valdemoros presided at and conducted the meeting.

The meeting was called to order at 2:05 pm

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A.

Comments:

1. General Comments to the Board

~2:00 p.m.

5 min

The RDA Board of Directors will receive public comments regarding Redevelopment Agency business in the following formats:

1. Written comments submitted to RDA offices, 451 South State Street, Suite 118, P.O. Box 145455, Salt Lake City, UT. 84114-5455.
2. Comments to the RDA Board of Directors. (Comments are taken on any item not scheduled for a public Hearing, as well as on any other RDA Business. Comments are limited to two minutes.)

Minutes:

George Chapman spoke regarding reconfiguring/expanding TRAX in the Ballpark/400 West area and suggested to instead use impact fees to provide a park, inquire with surrounding residents/businesses on what they wanted in the area, the Ballpark area deserved additional mixed income/affordable housing, the area needed a 10 foot wide sidewalk to comfortably access TRAX (for pedestrians/bicyclists), and urged the Board to re-evaluate the project/loan proposal.

B. **Public Hearing** - individuals may speak to the Board once per public hearing topic for two minutes, however written comments are always accepted:

NONE.

C. **Redevelopment Agency Business** - The RDA Board of Directors will receive information and/or hold discussions and/or take action on:

1. Motion: Meeting Remotely Without an Anchor Location

~ 2:05 p.m.

5 min.

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.

Motion:

Moved by Director Mano, seconded by Director Dugan to **ratify the Chair's decision.**

AYE: Amy Fowler, Ana Valdemoros, Chris Wharton, Daniel Dugan, Darin Mano, James Rogers

Final Result: 6 – 0

2. Resolution: Loan to Colony B LLC for Affordable Housing Development at Approximately 228 West 1300 South ~ 2:10 p.m. 20 min.

The Board will receive a briefing about, and will consider approving, a loan to Colony B LLC for an affordable housing development at approximately 228 West 1300 South. The project will contain 140 residential units with 106 units affordable to households earning 50% of the area median income (AMI) and below for a minimum of 50 years.

Minutes:

Allison Rowland provided an introduction to the proposal, loan program details, noted the Housing Trust Fund (HTF) Advisory Board unanimously recommended approval of the loan, and said the Board was anticipated to take action on May 18, 2021.

Katherine Lewis introduced Sara Montoya (new Senior City Attorney assisting the RDA), provided Ms. Montoya's history/prior experience, indicated she would be taking over all City and RDA loans, and welcomed her to the team.

Lauren Parisi and **Tammy Hunsaker** provided information regarding Colony B Multi-Family Housing loan request, including:

- Site location
- Applicant prior experience (affordable housing development)
- Project details – five-story building, 140 units, one-bedroom and studios provided, etc.
- Financial overview – total project cost \$21,047,807, tax credit details, funding sources, etc.
- Project projected to generate a positive cash flow for entire 16-year investor period
- Construction projected to start in July 2021
- Loan terms – 16-year term, \$1,340,000 total loan amount, qualifying for .25% interest rate reduction due to proximity to transit, applicant's request for an additional 1.55% in interest rate reduction (RDA Staff having recommended approval of this reduced interest rate), etc.
- Project aligning with multiple policies in the City's housing plan (high number of deeply affordable units, proximity to transit, etc.)
- City funding sources

Director Mano expressed concern regarding lack of ground level commercial space (ground floor not ideal for residential due to proximity to transit/pedestrians – commercial space would help revitalize the neighborhood) and family-sized housing for this area of the City, but indicated his support for the project.

Director Fowler expressed appreciation for a project that reserved space for those who were aging out of foster care and commended/thanked the applicant for considering this vulnerable population. She inquired if there was a way to continue providing space specifically for this population. **Jake Williams** (developer/applicant) noted the possibility of partnering with the nearby Volunteers of America (VOA) to keep a running list of those in need to keep those dedicated spaces filled. He also shared ways pedestrian

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traffic and transit would be buffered from residential units and that by seeking the maximum amount of units allowed for more affordable units.

Director Rogers echoed Director Fowler's appreciation for consideration of the targeted population and said he saw it as a win-win public/private partnership and applauded the developer's efforts with this project.

Kimberly Chytraus responded to Director Fowler's question regarding continuation of targeted population housing in the project and detailed current loan agreement restrictions (typically 50-years) and spoke on the City's ability to incentivize keeping vulnerable populations housed in the project through various programs and new policies going forward.

Director Wharton said he also wanted to see more projects like this where vulnerable populations/youth leaving the foster system were considered and appreciated the project included a mix of different groups that were traditionally underserved.

Jake Williams and **Josh Runhaar** (representing Neighborhood Nonprofit) provided information regarding history of similar projects, partnership details, inspiration for the project, benefits to the residents (proximity to transit and VOA), location of accessible/ADA units within the building, and shared hopes that this project was the first of many to come.

Director Valdemoros inquired why family-sized units did not meet the requirements for the project. Mr. Williams responded it was due to land constraints (small site), construction costs were high, and found it was more cost effective to build smaller units. He added there was consideration for another project on North Temple to include larger/family-sized housing.

Motion:

Moved by Director Dugan, seconded by Director Fowler to **adopt RDA Resolution 8 of 2021, approving a loan of \$1,340,000 to Colony B, LLC for an affordable housing project at approximately 228 West 1300 South.**

AYE: Amy Fowler, Ana Valdemoros, Chris Wharton, Daniel Dugan, Darin Mano, James Rogers

Final Result: 6 – 0 Pass

3. **Resolution: Fiscal Year 2021-22 Affordable Housing Development Funding Priorities** ~ 2:30 p.m. 30 min.

The Board will receive a briefing about, and will consider adopting, a resolution that would adopt housing funding priorities for Fiscal Year 2021-22. The proposed funding priorities for the upcoming fiscal year will provide policy direction for RDA staff on affordable housing developments eligible for subsidies. The Board will discuss the total funding amount of housing dedicated to affordable housing developments, and the allocation of this amount among different program categories, on May 18, 2021.

Minutes:

Allison Rowland provided an introduction to the proposed resolution and noted the goal today was to discuss priorities/provide policy direction to RDA Staff with potential action scheduled for May 18, 2021.

Danny Walz and **Tammy Hunsaker** provided information regarding:

Fiscal Year (FY) 2022 Housing Strategy & Funding Priorities

- **Housing Budget & Administration Workflow** – Administration of housing activities according to budget allocations and Board-adopted policies
- **Revenues & Expenses** – RDA's four housing funds collectively total \$4,732,627 in revenue, \$3,482,627 was proposed for the Housing Development Loan Program, \$1 M set aside for a strategic site acquisition, \$250,000 for an accessory dwelling unit (ADU) program (revenues from the Inland Port), \$5,654,228 available from prior year budget (funds left over from current FY that could be utilized with FY 2022 resources to be provided through a new Notice of Funding Availability (NOFA)), with a total of \$10,386,855 to deploy for housing development for FY 2022
- **Funding Priorities** – (Utilized to rank/compare applications through NOFA and provide interest rate reductions for projects): Family Housing, Target Populations, Neighborhood Safety, Missing Middle & Unique Housing Types, Homeownership, Sustainability, Expand High-Opportunity Areas, Neighborhood Impact, Transportation Opportunities, Historic Preservation/Adaptive Use, Commercial Vitality, Public Art, and Funding Leverage
- **Impact Targets** – Availability of \$10,386,855 planned to be leveraged at 1:15 ratio (RDA funds to total cost) with \$150,000,000 in capital for affordable housing deployed into the City; estimating 45 high opportunity affordable units, 116 units at 50% AMI and below, 232 affordable units, 348 total units, and 10 development projects
- **Activities** – Housing Development Loan Program; three NOFA types: City-wide, Emergency Gap, and High Opportunity totaling \$9,106,400. Strategic Site Acquisition; funds potentially used for distressed motels, properties in target locations, and other properties that aligned with RDA project area goals/City's objectives. Accessory Dwelling Unit Program; targeting the 9 Line area for implementation, anticipating two projects with available funding (financing, technical assistance, design competition for standardized ADU plans for the community, etc.)

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- **Board's Role** – Adoption of Housing Policies (Housing Allocation Funds Policy adopted February 2021 and Housing Development Loan Program Policy adopted March 2021), adoption of RDA's annual budget (including revenue and expenses for housing), and adoption of Annual Housing Funding Priorities as proposed through the Annual Housing Development Funding Strategy

Director Rogers said blighted properties should have a higher priority on the list and suggested to remove the Northwest Quadrant (NWQ) funds from this list and initiate a community land trust for affordable homeownership/economic growth on the Westside. He added he did not feel comfortable distributing funds until he explored all options in regards to the community land trust because it had not been done before and wanted to create an environment where the RDA was funding it and creating affordable housing (rentals, etc. – including market) to supplement the affordability component.

Jennifer Bruno explained that there were models in different areas that had not necessarily been explored and there was a community land trust line item located in Housing & Neighborhood Development (HAND) that did not preclude the RDA from participating in a community land trust with City-wide housing or NWQ housing funds, as long as they operated within the legal requirements of each funding source.

Director Wharton inquired on why there was funding set aside for Acquisition when it had not been set aside in previous years (\$1 M not being sufficient for potential properties). Ms. Hunsaker noted no specific properties had been identified at this point and it was added in the budget for future opportunities, realizing \$1 M might not be enough, but it would be available to assemble other resources to get a property purchased.

Director Fowler thanked RDA Staff for recognizing the Board's intents/goals and implementing them into the plan/priorities (emphasis of 10% needing to be spent on the westside, importance of homeownership, etc.). She added that the community land trust idea was worth exploring further.

Director Dugan expressed the importance of the priorities being sustainable (and not necessarily incentivized to be sustainable), and discussed how family-housing, missing middle housing, homeownership, etc. should be incentivized. Ms. Hunsaker said the RDA was currently working on a sustainability policy and the Mayor's direction to RDA Staff had been to implement stricter sustainability requirements by 2023. She said the transition over the next few years would be through incentivizing sustainability aspects of projects, and preparing community partners and the development community (through outreach) for what was to come in 2023.

Further discussion was held regarding ranking/balancing priorities, how many priorities should be met to qualify for funding, and making more informed decisions once the budget had been presented.

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4. **Report and Announcements from the Executive Director** TENTATIVE 5 min.

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.

Minutes:

Item not held.

5. **Report and Announcements from RDA Staff** TENTATIVE 5 min.

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;

- Project Milestones;
- Staff Updates; and
- Scheduling Items.

Minutes:

Danny Walz informed the Board of Cara Lindsley's promotion to Senior Project Manager and thanked Directors Fowler and Valdemoros and the Mayor for attending the recent opening of Spyhop (Youth Media Arts Center in the Central 9th neighborhood) and expressed gratitude to the Board for supporting the project. Mr. Walz said the RDA had participated in the project by selling the property to Spyhop and provided financing for the project.

D. Written Briefings – the following briefings are informational in nature and require no action of the Board. Additional information can be provided to the Board upon request:

1. **Informational: Redevelopment Agency Semi-Annual Property Report**

The Board will receive a written briefing of all Tier 1 and Tier 2 properties owned by the RDA, as per the Land Disposition Policy. The April 16, 2021 report includes the description, address, parcel ID, size, zoning and tier category of each property. In addition, the report details approximate acquisition date, current category of disposition, interim use and proposed permanent use for each property.

Minutes:

Written briefing only. No discussion was held.

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- E. Consent** – the following items are listed for consideration by the Board and can be discussed individually upon request. A motion to approve the consent agenda is approving all of the following items:

NONE.

F. Tentative Closed Session

The Board will consider a motion to enter into Closed Session. A closed meeting described under Section 52-4-205 may be held for specific purposes including, but not limited to:

1. discussion of the character, professional competence, or physical or mental health of an individual;
2. strategy sessions to discuss pending or reasonably imminent litigation;
3. strategy sessions to discuss the purchase, exchange, or lease of real property:
 - (i) disclose the appraisal or estimated value of the property under consideration; or
 - (ii) prevent the public body from completing the transaction on the best possible terms;
4. strategy sessions to discuss the sale of real property, including any form of a water right or water shares, if:
 - (i) public discussion of the transaction would:
 - (A) disclose the appraisal or estimated value of the property under consideration; or
 - (B) prevent the public body from completing the transaction on the best possible terms;
 - (ii) the public body previously gave public notice that the property would be offered for sale; and
 - (iii) the terms of the sale are publicly disclosed before the public body approves the sale
5. discussion regarding deployment of security personnel, devices, or systems; and
6. investigative proceedings regarding allegations of criminal misconduct.

A closed meeting may also be held for attorney-client matters that are privileged pursuant to Utah Code § 78B-1-137, and for other lawful purposes that satisfy the pertinent requirements of the Utah Open and Public Meetings Act.

Minutes:

Item not held.

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G. Adjournment

CERTIFICATE OF POSTING

On or before 5:00 p.m. on _____, the undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was (1) posted on the Utah Public Notice Website created under Utah Code Section 63F-1-701, and (2) a copy of the foregoing provided to The Salt Lake Tribune and/or the Deseret News and to a local media correspondent and any others who have indicated interest.

CINDY LOU TRISHMAN
SALT LAKE CITY RECORDER

Final action may be taken in relation to any topic listed on the agenda, including but not limited to adoption, rejection, amendment, addition of conditions and variations of options discussed. People with disabilities may make requests for reasonable accommodation, which may include alternate formats, interpreters, and other auxiliary aids and services. Please make requests at least two business days in advance. To make a request, please contact the City Council Office at council.comments@slcgov.com,

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801-535-7600, or relay service 711.

Meeting adjourned at 3:48 pm.

Minutes Approved: December 14, 2021

Dan Dugan

Dan Dugan (Dec 16, 2021 16:04 MST)

Redevelopment Agency Chair

Cindy Truhman

Cindy Truhman (Dec 17, 2021 21:59 MST)

City Recorder



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 meetings (afternoon and evening) held Tuesday, May 4, 2021.

May 4, 2021 RDA Minutes

Final Audit Report

2021-12-18

Created:	2021-12-15
By:	Michelle Barney (michelle.barney@slcgov.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAusRFqW2C-ug_qyWSQroFq_YH0ldpPdZa

"May 4, 2021 RDA Minutes" History

-  Document created by Michelle Barney (michelle.barney@slcgov.com)
2021-12-15 - 10:01:05 PM GMT
-  Document emailed to Dan Dugan (daniel.dugan@slcgov.com) for signature
2021-12-15 - 10:01:51 PM GMT
-  Email viewed by Dan Dugan (daniel.dugan@slcgov.com)
2021-12-16 - 0:32:19 AM GMT
-  Document e-signed by Dan Dugan (daniel.dugan@slcgov.com)
Signature Date: 2021-12-16 - 11:04:46 PM GMT - Time Source: server
-  Document emailed to Cindy Trishman (cindy.trishman@slcgov.com) for signature
2021-12-16 - 11:04:47 PM GMT
-  Document e-signed by Cindy Trishman (cindy.trishman@slcgov.com)
Signature Date: 2021-12-18 - 4:59:40 AM GMT - Time Source: server
-  Agreement completed.
2021-12-18 - 4:59:40 AM GMT

