

Minutes of the Redevelopment Agency meeting held on Tuesday, April 19, 2016 at 4:00 p.m. in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Present: Diane Turner Jan Wells, Chief Administrative Officer
Brett Hales Janet Towers, Executive Assistant to the Mayor
Dave Nicponski Tim Tingey, Executive Director
Jim Brass Jan Lopez, Council Administration
Blair Camp Jennifer Kennedy, City Recorder
Jennifer Brass
Citizens

Chairwoman Diane Turner conducted and opened the meeting.

APPROVAL OF MINUTES

Ms. Turner stated that the minutes from the meeting on March 15, 2016 are prepared for approval. Brett Hales made a motion to approve the minutes. Seconded by Jim Brass.

A voice vote was made. Motion passed, 5-0.

DISCUSSION AND CONSIDERATION OF A RESOLUTION RELATED TO ENHANCEMENTS TO THE NEIGHBORWORKS HOUSING PROGRAMS

Tim Tingey stated that a requirement in three of the redevelopment areas is that 20% of tax increment financing funds must go towards housing programs. Many communities will send those funds back to the State but Murray City is fortunate to have a partnership agreement with NeighborWorks Salt Lake to use the funds within the City. NeighborWorks has completed numerous housing projects in Murray over the years and also coordinated and participated in community service events such as Paint Your Heart Out. Mr. Tingey recognized that Sonya Martinez is present at the meeting to represent NeighborWorks and said that he, Sonya and Maria Garcia have given a lot of thought to ways to enhance the programs that are available and how to reach out to more people. There will be more funding available in the upcoming year to put towards enhanced programs and the NeighborWorks Murray Advisory Committee has identified specific areas that would benefit from additional funding.

Mr. Tingey stated that the first area is in acquisition rehabilitation blight subsidy funding, which will allow NeighborWorks to be more aggressive in purchasing problem properties in neighborhoods, even if it means spending a little more, to eliminate a problem property for a neighborhood and create ownership opportunity for a new family. The additional funds will allow the RDA to provide a blight subsidy on these acquisitions. Another area to be enhanced is purchase assistance funding, where the funds that the City obtains from the County for down-payment and closing cost assistance will be augmented with tax increment funding dollars. The funds will be put towards a \$5,000 down-payment loan/grant to reduce out of pocket expenses for new homebuyers and provide an incentive to acquire a home in our community, and also for a 20% second mortgage program to be used in conjunction with a local lending institution first mortgage. This will eliminate the need for mortgage insurance and allow for an affordable monthly mortgage payment for new homeowners. Lastly, there will be funds available for landscaping grants to ensure that these projects maintain curb appeal and contribute to the overall appearance of the home and value of the property. The landscaping grant will be for \$1,000, which will be matched by NeighborWorks. Tim Tingey stated that staff is recommending approval of these enhancements and of the resolution to implement these programs as part of the partnership with NeighborWorks.

Jim Brass stated that when the City first developed a partnership with NeighborWorks it was with the intention to help people with down-payments and rehabilitation of properties. He said that it is important to provide this type of assistance in Murray to help first time homebuyers. Tim Tingey agreed and said that originally the City had obtained CDBG funding for down payment assistance, and the program was administered through CDC Utah on

the City's behalf. Now that the CDBG program is administered by the County, staff determined that providing down payment assistant options through NeighborWorks would ensure that the tax increment financing funds are put towards housing programs. Jim Brass stated that he thinks this is a great idea, and Diane Turner said that she is glad the RDA is in a position to provide this type of program.

Jim Brass made a motion to adopt the resolution related to enhancements to the NeighborWorks housing programs. Seconded by Blair Camp.

Call vote recorded by Jennifer Kennedy.

A _____ Jim Brass
A _____ Blair Camp
A _____ Dave Nicponski
A _____ Brett Hales
A _____ Diane Turner

Motion passed, 5-0.

FIRECLAY UPDATES

Tim Tingey stated that a letter was recently sent in relation to the park property and facilities in the Fireclay area. The park is to be developed in accordance with the plan that was adopted as part of the participation and development agreement with Hamlet Development Corporation. Although the land subsequently became bank-owned, the requirement to develop the park as specified in the agreement remains in place. The City has agreed to accept the park and its future maintenance once the improvements are complete in accordance with the approved plans. At this time staff is not willing to accept the park as complete and written notification has been submitted to the current developer outlining the additional items that need to be addressed. Additionally, there will be a requirement for a one year warranty bond on the park improvements. Before additional building permits are issued for the remainder of the project the park must be finalized, which is why this is an important issue for the developer. Mr. Tingey stated that he has not heard from the developer at this time in response to his letter.

Brett Hales stated that he appreciates staff following through on this issue and agrees that the park improvements need to be completed. Diane Turner asked how long this has been going on. Tim Tingey explained that this phase of the live/work townhome units began approximately four years ago.

Related to property acquisition in the Fireclay area, Tim Tingey stated that the Attorney's office has prepared a draft of an interlocal agreement with Salt Lake County to acquire the property on the corner of 4500 South and Main Street. Currently the county representatives are discussing the agreement and plan to meet with Mayor McAdams in the upcoming week to obtain his input. The intent is for Murray City to enter into this agreement with Salt Lake County in order to obtain this property for redevelopment.

MURRAY CITY CENTER DISTRICT (MCCD) UPDATES

Mr. Tingey stated that there is a lot happening with the developer in this area and specific details will be provided at a later date. Over the past few weeks staff has met with the property appraiser to initiate the appraisal process on both City and RDA-owned properties in this area. The result of the appraisals will help in determining the exchange value if it becomes necessary to proceed that way for future projects. Additionally, it may be beneficial to consider property exchanges between the RDA and City in order to accommodate private development projects.

UPDATE AND DISCUSSION ON PROPOSED MODIFICATIONS TO THE CENTRAL BUSINESS DISTRICT AND SMELTER SITE URBAN RENEWAL AREAS

Tim Tingey stated that last week staff and elected officials met with the Murray School District Board and administrative personnel. The board provided informal commitment to support the expansion of the Central Business District area as well as a modification to the Smelter Site area budget. He stated that staff has also met with Salt Lake County representatives, including the two individuals that are on the Taxing Entity Committee (TEC). The proposals were received positively and the County representatives will now proceed to obtain direction from the County Council and Mayor. The next step in the process will be for Murray City representatives to present the proposal to the County Council and Mayor for a formal decision. Following that presentation, a meeting will be scheduled with the TEC for a formal vote. There will also be meetings with the Redevelopment Agency and City Council to include a public hearing and budget modification decision. Mr. Tingey stated that he is hopeful of having this process completed within the next six weeks. Diane Turner asked who the TEC members are from the county. Tim Tingey replied that they are Darrin Casper, Chief Financial Officer and David Delquadro, who is the budget and financial representative from the County Council office.

Meeting adjourned.

B. Tim Tingey, Executive Director