

Minutes of the Redevelopment Agency meeting held on Tuesday, September 17, 2013 at 4:15 p.m. in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Present:	Jim Brass	Mayor Snarr
	Darren Stam	Jan Wells, Chief of Staff
	Brett Hales	Frank Nakamura, City Attorney
	Dave Nicponski	Tim Tingey, Executive Director
	Jared Shaver	Jan Lopez, Council Administration
		Doug Hill, Public Works Director
		Jennifer Heaps, Office Administrator
		Citizens

Chairman Jim Brass opened the meeting.

APPROVAL OF MINUTES

Jared Shaver made a motion to approve the minutes from August 27, 2013. Seconded by Brett Hales.

A voice vote was made. The motion passed, 5-0.

PROJECT UPDATE FROM PARLEY'S PARTNERS

Hooper Knowlton was present to provide an update on his project in the Fireclay area. He stated that Birkhill Phase One is complete and has obtained Temporary Certificates of Occupancy. All 65 units were occupied within four days of opening, and there are 224 people on a waiting list for the next phase. Mr. Knowlton stated that Morgan Stanley has stated that the Birkhill Apartment Project at Fireclay is the poster boy nationally for transit-oriented development. He stated that Phase Two will contain 65 dwelling units, with 70 percent of the units being affordable housing and the other 30 percent being market rate units. The application for Phase Three is underway and will be submitted to the Utah Housing Corporation on October 7, 2013. This phase will be senior affordable housing, and is planned to be five stories high with 104 dwelling units. This phase will contain 20 percent market rate units and 80 percent affordable units. All of the units in Phase Three will be one and two-bedrooms. Mr. Knowlton stated that having affordable housing as part of this upscale, luxury development has been a great marketing tool. He said that there is an interesting socioeconomic mix of tenants.

Dave Nicponski asked about the price of the units. Hooper Knowlton explained that if an individual qualifies on an affordable subsidized basis, rent will range from \$257 to \$575 per month. If an individual is not subsidized, the one-bedroom rate is \$850, two-bedroom is \$950 and three-bedroom is \$1,250. Mr. Nicponski stated that these are competitive rates. Mr. Knowlton stated that the kitchen in every unit is the same, which allowed cabinetry to be pre-built and granite countertops pre-cut. He stated that the playground and swimming pool have been in constant use all summer. He said that there are 250 stalls in the parking structure and at the highest count there have been 144 vehicles parked there. He said that the parking ratio required by the City's TOD ordinance appears to be accurate.

Mr. Knowlton said that the building permit for Phase Two was issued on August 27th and construction began on September 3rd. He said that this phase is to the east of the existing Phase One. He stated that there will be ten two-bedroom units, ten three-bedroom units and 45 one-bedroom units. He said that Phase Three will be located across Gilbride Avenue, which is on the southeast corner of the property, and will be wrapped around a 263 stall parking structure. He said that they do not anticipate as high of a demand for parking stalls in this phase, however it will be built to the TOD standards. He said that Phase Four will be the office building that is proposed on the corner and will contain 36,000 square feet. Part of the required parking for this phase will be accommodated in Phase Three, and there will also be some parking under the office building. Mr. Knowlton has discussed the

possibility of building a tunnel under Jummer Way with the City Public Works Department to tie the parking between these phases and accommodate the tenants. He stated that they anticipate starting Phase Three in June. Mr. Shaver stated that he likes the style of the buildings and the interior courtyard areas.

MURRAY CITY CENTER DISTRICT AREA DISCUSSION (ROCHESTER MN MEDICAL CENTER SITE VISIT)

Tim Tingey stated that Woodbury Strategic Partners recently met with Intermountain Medical Center to discuss development in the downtown area. Discussion took place related to the Mayo Clinic and how it has revitalized Rochester. Tim Tingey and Jim Brass traveled with Woodbury Representatives to Rochester to see what type of development has taken place around the Mayo Clinic. He said that Mayo Clinic was founded in 1883 with a focus on the "Culture of Care", which continues today. The Clinic has a large plaza area that connects into private development, and the various surrounding businesses were discussed. Staff met with three groups while in Rochester: Mayo Clinic representatives, a developer that has developed a majority of the area, and representatives from Rochester City. Mr. Tingey stated that the Mayo Clinic has 30,000 employees, and the population of Rochester is 107,000. He said that the developer has developed in the area for over fifty years and has partnered with the Redevelopment Agency of Rochester using tax increment financing. Development projects have included hotels, retail, restaurants and office buildings. There are also some mixed use areas with residential units built above commercial space.

Jared Shaver stated that a medical center of that size requires a number of supporting businesses around it. Jim Brass stated that there are nineteen parking structures within easy walking distance of the Mayo Clinic, and there are still issues with sufficient parking. He said that the employees park in satellite lots and are taken by shuttle to the clinic. Dave Nicponski asked what process the developer went through to acquire all of the needed properties. Tim Tingey stated that the developer has been very patient and has been purchasing property for fifty years. He said that the Mayo Clinic also purchases property when it becomes available. He said that eminent domain is available but has not been pursued. He stated that there is not a mass transit system in Rochester although it is being discussed by the City. Jim Brass stated that Rochester has an international airport but it only has six gates.

Mr. Tingey talked about the skyway systems that connect various buildings throughout Rochester and promote walkability. He said that tax-increment financing was utilized to build a number of the skyways which are owned by the City or the Redevelopment Agency. Maintenance is provided by the adjacent property owners. He said that there is a skyway going across the river from the City Hall building into the downtown area, and many of the skyways have multiple levels. There is also an underground walking subway leading to various retail establishments. Mr. Brass stated that the Mayo patients are very ill and often travel a great distance for treatment at this facility. The amenities surrounding the clinic are accessible to everyone. Tim Tingey stated that representatives of Rochester City and the Mayo Clinic created a vision called Destination Medical Clinic (DMC). They have committed to a partnership including State, City, Mayo Clinic and private investments of \$6 billion over the next twenty years. He said that the City and Redevelopment Agency are planning to pay \$128 million of that amount towards infrastructure, amenities and redevelopment. The hospital plans to increase the number of employees to 70,000 over time.

Dave Nicponski asked if staff would find out the number of days a patient stays at the Mayo Clinic in comparison to Intermountain Medical Center. Tim Tingey agreed, and stated that the Mayo Clinic has been in Rochester for over one hundred years and the Intermountain Medical Center has been in Murray for only six years. Jim Brass stated St. Mary's hospital is located in Rochester as well and is less than two miles away from the Mayo Clinic. He said that IMC has access opportunities from Provo to Ogden due to FrontRunner and that there is great potential for development in the surrounding area.

DEVELOPMENT UPDATES

Tim Tingey stated that there was a recent press release announcing that Dillards will be relocating at Fashion Place Mall to the site recently vacated by Sears. Plans have been submitted and the architects have met with City staff to review the plans. He said that the hotels in the downtown area that are currently under construction are expected to be open by the end of next summer. He stated that the power lines have been relocated near the Vine Street hotel, and recently the acquisition of right-of-way was completed.

Meeting adjourned.

B. Tim Tingey, Executive Director