

Minutes of the Redevelopment Agency meeting held on Tuesday, April 15, 2014 at 5:00 p.m. in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Present: Diane Turner Mayor Eyre
 Blair Camp Jan Wells, Chief Administrative Officer
 Brett Hales Janet Towers, Executive Assistant to the Mayor
 Dave Nicponski Frank Nakamura, City Attorney
 Tim Tingey, Executive Director
 Jan Lopez, Council Administration
 Doug Hill, Public Works Director

Excused: Jim Brass

Vice-Chair Diane Turner is conducting and opened the meeting.

APPROVAL OF MINUTES

Brett Hales made a motion to approve the minutes from March 18, 2014. Seconded by Blair Camp.

A voice vote was made. The motion passed, 4-0.

DISCUSSION OF CRITERIA FOR EVALUATION OF FUTURE REDEVELOPMENT AREAS

Tim Tingey stated that this discussion is about how projects are evaluated in current and future redevelopment areas. He said that there was a recent meeting with school district representatives and there were a lot of questions about how the City evaluates projects and incentives in redevelopment areas. He said that it is very important for a Redevelopment Agency to have a solid reputation with both the County and the State and other taxing entities. Sometimes there is a perception that redevelopment areas are proposed for any type of project and that incentives are not always scrutinized carefully. He stated that when using tax increment financing (TIF), the "but for" question needs to be addressed: But for tax increment financing, would this development happen? Mr. Tingey stated that this is often a difficult question to answer and staff has to evaluate each project carefully. Use of TIF helps guide the public use of dollars targeted at investment and development in the area, provides development niches, helps open markets and supports development in a specific area. He said that staff will analyze an area and review the length of time that there has been no development in that area. An example of this is the Ore Sampling Mill site, where a number of years have passed with no development activity and underutilization of the property. Another question is whether a project will curb sprawl and if it will help the City use resources to drive development in a specific area. Another consideration is if there have been redevelopment efforts in an area that have failed previously.

Mr. Tingey talked about the Hilton Home2 Suites that is being constructed in the Central Business District. He said that the issues for the site included the length of time that the site had gone undeveloped, environmental issues which included underground tanks that needed to be removed, overhead power line relocation and right-of-way acquisition that needed to take place. It is very likely that this hotel project would not have happened if there had not been an incentive to address these public concerns. He explained that staff carefully scrutinizes the reason why TIF would be needed for a project to ensure that there is a legitimate need to become involved. He said that because of carefully screened TIF requests, the Murray RDA has a positive reputation with other communities and the taxing entities.

Dave Nicponski stated that there are also restrictions based on the Redevelopment Plan. Tim Tingey agreed and said that projects must adhere to the Redevelopment Plan. Mr. Nicponski asked if TIF benefits could be refused for a project in a redevelopment area. Tim Tingey responded that there must be a legitimate reason for

considering TIF reimbursement and that development can happen in a redevelopment area without TIF involvement. Diane Turner asked how often the Redevelopment Plan is reviewed. Tim Tingey stated that each redevelopment area has a specific plan in place at the time the area is approved. Once the area is established the plan remains in place.

NEIGHBORWORKS UPDATE

Tim Tingey introduced Sonya Martinez from NeighborWorks. He said that the Redevelopment Agency has an agreement with NeighborWorks to use tax increment funding for housing efforts and that Ms. Martinez will be presenting an update on projects in the City.

Sonya Martinez explained the services that NeighborWorks provides and said that the Murray office focuses on real estate development, homeownership services and community building and organizing efforts. Since the office opened in Murray, NeighborWorks has acquired five properties that were in disrepair and three of those have been rehabilitated and sold. They also provide homebuyer education, pre-purchase and foreclosure counseling. There have been five home improvement projects completed, one that was just recently approved, and three more that are currently being considered. Ms. Martinez stated that citizens are starting to understand that NeighborWorks is a non-profit group and a community partner so there is more interest in their services. She said that there is an annual Paint Your Heart Out event where volunteers will paint the exterior of homes owned by seniors or people with disabilities. There is no cost to the homeowner for this service as the labor and materials are donated. She said that approximately sixteen families have benefited from the Do-It-Yourself program, which is based on the use of home product donations.

Ms. Martinez talked about the homes that have been rehabilitated by NeighborWorks and the benefit to the surrounding area where these projects take place. Mr. Hales asked how NeighborWorks finds properties to purchase. Ms. Martinez stated that it often takes place through referrals and that they prefer to purchase properties before they are placed on the market. She provided additional updates on current projects and explained that two residential projects are anticipated to be complete by the end of the year. Further discussion took place regarding home improvement projects, including a roof replacement, that have moved forward due to NeighborWorks involvement. She said that they try to utilize local contractors for the work being done in the community and that more than thirty-eight contractors have bid on these projects. She said that almost all of the projects in the City have had work done by Murray-based contractors.

Blair Camp asked about the income criteria for these different projects. Sonya Martinez explained that the income criteria varies depending on what type of funding is used for the project, but it is either 80% or 120% of the average median income level to qualify. Ms. Turner thanked Ms. Martinez for the presentation.

PROJECT AREA UPDATES

Tim Tingey stated that there are meetings scheduled in the upcoming weeks with Woodbury Development and Intermountain Healthcare to discuss the Central Business District. There was also a recent tour of the Ore Sampling Mill site and establishment of a redevelopment area is being considered for that area. He said that in Fireclay there are still some parking issues that staff is working to address.

Meeting adjourned.