

Minutes of the Redevelopment Agency meeting held on Tuesday, December 1, 2015 at 4:30 p.m. in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

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

Excused: Jim Brass

Chairwoman Diane Turner conducted and opened the meeting.

DISCUSSION REGARDING AN ARTS CENTER AND FUTURE USE OF THE CITY AND RDA OWNED PROPERTY AT THE CORNER OF 4800 SOUTH AND STATE STREET

Tim Tingey stated that a development agreement was approved recently by the RDA with J.R. Miller Enterprises for development in the downtown. Per the agreement, there is a four month period for evaluation of development opportunities for an arts center on the parcels located on the corner of 4800 South and State Street. The City had submitted an application to Salt Lake County to locate a performing arts center on this site but it was not selected. Mr. Tingey explained that one of the important elements of a downtown area is having an arts component because it brings people into the area and provides a cultural experience as well as enhancing nearby amenities. An arts center is not only for performing arts as it can also include such things as a single screen theater with 150 seats, a black box theater or small performance stage, lobby areas and hallways for art displays, music practice rooms, small professional recording studios, a conference or classroom area and a sandwich shop or other food-related component. He said that there has been contact made with various groups to see if there are any corporations or philanthropic groups that have interest in donating funds for this type of project but there has not been success in obtaining support at this time. Tim Tingey stated that he would like input from the RDA as to what should be pursued for this site.

Ms. Turner invited board members to comment on this issue. Mr. Nicponski asked if the local arts community had been contacted regarding this project and if they had any input. Tim Tingey replied that there have not been specific conversations with our local groups although the Public Services Director has participated in a number of the meetings. He said that there are a number of non-profit organizations out there but staff has been more focused on private investors. Mr. Nicponski stated that he likes the idea of having a mixed use arts center, where there can be art displays in addition to performances, and he would like to see such a project move forward. There was a brief discussion about trying to accomplish this task within the four month period and the possibility of extending that time frame.

Mr. Camp stated that with the recent purchase of the Murray Theater, perhaps a number of these uses can be housed there once some renovation is completed, although there are issues with parking at that location. He also said that considering such a building on the west side of State Street may require longer than four months due to the scale of the project. Tim Tingey agreed and said that it may be possible to have a multi-storied building where the arts center only takes a portion of the space. He said that the developer has the option of proposing something at this site as well but he hasn't had a proposal from them at this point. Mr. Hale asked if the Murray Theater was used as an arts center if it would free up this other site for another use, such as a big screen theater. Mr. Tingey said that may be an option that would have to be discussed in more detail with the developer. He said that it is important for this corner to be an integral part of the downtown and contain a timeless element that is unique.

Ms. Turner stated that the corner property is extremely valuable and she wonders if there are other opportunities to create a better tax base for the City by considering other uses. She likes the idea of having a performing arts center and thinks that the Murray Theater would be a suitable place for that use. Mr. Camp asked if there has been any response at all to any of the inquiries from staff about financial support for an arts center. Tim Tingey replied that there have been responses but nothing substantial, and that additional contacts will be pursued in the upcoming few months to see if there are any other options. Ms. Turner asked if something else can be considered for this site within the four month period. Mr. Tingey responded that the developer has the option to propose a different project for this corner during the four month period.

Frank Nakamura stated that building a performing arts center is not specified in the exclusive developer agreement. He said that in evaluating the development of this site, the vision is to develop something timeless and iconic, which could be a project with an arts element. He said that the four month period is only to obtain a commitment for a project, it does not mean that there is a deadline for architectural renderings or other project details. The differences between non-profit and private investment were briefly discussed. Dave Nicponski stated that he likes the idea of an arts center being at the core of our downtown development.

Mayor Eyre stated that the developer has indicated that multiplex theaters are now being constructed with the ability to repurpose the building at a later date in the event that a theater use becomes outdated. He said that there are a number of examples of multi-use arts centers in downtown areas, such as in Boise, Dallas, and Phoenix. He suggested that it may be worthwhile to travel to one of these locations to gain information and visual materials to help convey and clarify the vision for our downtown area. Diane Turner said that she thinks it would be very helpful to see similar facilities. Tim Tingey said that another issue to consider is the value of this site in the event that property exchange becomes a necessary component of development in the downtown area. He said that staff will continue to evaluate options and will present additional information to the RDA in the upcoming months.

Mr. Nakamura encouraged City staff and elected officials to reach out to colleagues and others about this potential project to gain insight and perhaps obtain interest from investors. Speaking to other cities that have had similar projects is very helpful.

UPDATES ON THE PROPOSED MODIFICATION OF THE TAX COLLECTION AREA IN THE CENTRAL BUSINESS DISTRICT

Tim Tingey stated that there is an extensive process in place to negotiate expansion of a tax collection area. Staff has spent significant time in preparing for this process, including financial estimates and calculations of implications on tax revenues for the affected entities. He anticipates presenting the proposal to the taxing entities in the next few months, and it is important for everyone to understand the vision for the downtown area and what the City is trying to accomplish. He said that there are very sound arguments to include the current City Hall site and adjacent properties in the tax collection area. The parcels on the east side of State Street were identified, which includes 1.73 acres of private property in addition to the non-taxable parcels. The base value has been calculated at \$1.9 million, which equates to a minimal value for the taxing entities. For example, the county receives \$5,600 currently from these parcels so having the opportunity to create density would have a positive impact on the tax value. Mr. Tingey said that he is close to having some final increment calculations related to this proposal and will continue to outline the reasoning for including this area in the tax collection area, which will be presented to the RDA in the near future.

UPDATES

Tim Tingey stated that there have been further conversations with Salt Lake County representatives related to the property in the Fireclay area on the corner of 4500 South and Main Street. He anticipates arranging a meeting very soon with the county and representatives of Novasource to discuss the development proposal and property acquisition process. He said that the county is still pursuing funding for their new facility, which will impact the

timing in having the Fireclay parcel vacated. Additionally, the property on the corner of Fireclay near Trax is part of a development agreement with Hamlet Development. Mr. Tingey has discussed this site with the developer and there is interest in pursuing some commercial projects in the near future. He said that the Metro at Fireclay project is still moving forward and he anticipates that plans will be submitted very soon.

Related to the Murray Theater, Tim Tingey stated that a contract is now in place for fire monitoring of the building. He said that the need for a building sprinkler system will still be evaluated and he expects to meet with the Fire Department and Chief Building Official in the upcoming weeks to discuss this issue. He said that the electrical work in the building, including the addition of lights inside the auditorium, will begin this week. There have been ongoing repairs of the marquee sign and a timer and new bulbs will be installed soon. City staff receives a number of calls each week from people that are interested in using or renting the facility. He has communicated that significant work needs to take place prior to the building being occupied, and that in the short term it is only going to be used as a practice facility for City arts events. Diane Turner asked when the theater will be ready for practices to take place. Tim Tingey responded that he thinks in January the facility will be cleaned up enough to allow performance practices. Blair Camp asked if the Murray C Store logo on the side of the building will be painted over. Tim Tingey replied that it will be painted over as soon as weather allows.

Mr. Tingey provided a brief update on the property on Myrtle Avenue. He said that the Water Department has capped the artesian well on the site and that the Parks Department has been working on the design and plans for the pickle ball courts. The plans will be submitted for review by the Murray City Center District Design Review Committee at the end of December. The committee will then provide a recommendation to the Planning Commission. If the plans are approved, construction is anticipated to begin in the spring.

Tim Tingey stated that the RDA owns a number of properties on the west side of State Street and that tenants occupy some of the retail spaces. There is a martial arts studio in one of the buildings that has encountered a water line problem. It has taken some time to determine that the water line and meter are encased in concrete and there is significant work required to access the leak. The water line will be reconfigured in order to be repaired and that work is currently underway. Additionally, a large window on the front of the building was broken recently and had to be replaced.

Meeting adjourned.

B. Tim Tingey, Executive Director