

July 20, 2021 Redevelopment Agency of Murray City Meeting

The Redevelopment Agency (RDA) of Murray City met on Tuesday, July 20, 2021 at 4:00 p.m. in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Members of the public were able to view the meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>. *Public comments could be made during the meeting by registering at: <https://tinyurl.com/y2zpucq7> OR by submitting comments via email at: rda@murray.utah.gov. Comments were limited to 3 minutes or less, and written comments were read into the meeting record.

RDA Board Members

Dale Cox, Chair
Brett Hales, Vice Chair
Kat Martinez
Diane Turner
Rosalba Dominguez

Others in Attendance

Blair Camp, RDA Executive Director
Melinda Greenwood, RDA Deputy Executive Director
Jennifer Kennedy, City Council Executive Director
Brooke Smith, City Recorder
Jennifer Heaps, Chief Communications Officer
G.L. Critchfield, City Attorney
Brenda Moore, Finance & Admin. Director
Jay Baughman, Economic Development Specialist

Mr. Cox called the meeting to order at 4:00 p.m.

Approval of the June 15, 2021 RDA meeting minutes

MOTION: Ms. Turner moved to approve the meeting minutes. The motion was SECONDED by Ms. Dominguez.

Ms. Martinez	Aye
Mr. Cox	Aye
Ms. Turner	Aye
Mr. Hales	Aye
Ms. Dominguez	Aye

Motion Passed 5-0

Citizen Comments

There were no citizen comments.

Project Updates – Presenter: Melinda Greenwood

Ms. Greenwood stated that the cell phone tower relocation should be completed by the end of August. T-Mobile will go live at the new tower on August 1st and will proceed to demolition after that.

Staff have ordered an appraisal of the Think Architecture site. Once that is completed in roughly six weeks, staff will be able to bring a sales agreement to the Board for their consideration.

The Jesse Knight Legacy Center's subdivision was approved by the Murray Planning Commission on July

1st. They also received verbal acceptance of their clean-up plan from the Utah Department of Environmental Quality. The plan should be approved by the end of July, if not the beginning of August. Ms. Dominguez asked a question regarding the project's timeline. Ms. Greenwood stated that the contractor would need to obtain several permits prior to commencing work that may take a few weeks, but the biggest hurdles to beginning cleanup are now behind them.

The Habitat for Humanity project in the Fireclay Area will be a mixed-use site with a retail store on the bottom level and their corporate offices on the second floor above the retail store. Habitat also plans to put in 100 units of affordable housing on the site through Salt Lake County Housing Connect at 40% AMI. They are seeking affordable housing fund assistance from the RDA for some of the costs associated with the project. Once staff has more information on their funding request, we will bring that information to the Board for their consideration.

Staff has met with Desert Star Playhouse regarding their infrastructure relocation request. Ms. Greenwood met with Mr. Todd in June where he presented revised plans for the expansion of the Theater. His proposal last year was much larger than the plan he is proposing now. Ms. Greenwood expressed concerns about the smaller project not providing the return in property taxes for the city to justify such a large public investment.

Ms. Dominguez asked how much of the infrastructure in the area needs to be redone. Ms. Greenwood stated that there are plans to re-sleeve the sewer line planned for later this year. She explained a difficulty with such a relocation project is that the parking lot for Home 2 Suites would be torn up for several months. The relocations will cost around \$600,000 and Desert Star's new plan will not yield sufficient return on the back end to justify the expense.

Mr. Hill added that besides the issue of maintaining the utility line, this request by Desert Star would *relocate* utility lines, instead of maintaining them where they are as is the current plan. Mr. Todd's request would require the city to move the lines, which is outside the scope of the City's current utility maintenance plans. Ms. Dominguez asked what area Mr. Todd wants the lines relocated to. Ms. Greenwood stated that the lines would likely go to where the City has existing easements or right-of-way. If there no suitable easements existed, the city would have to purchase property. Mr. Hill explained that the lines are currently under Mr. Todd's property. If we were to move them, we would look for a public right-of-way, typically in a city-owned road. Ms. Dominguez stated that with the anticipated growth on that block that she would like to see a plan for updating or moving utilities in the best way for that growth.

Ms. Turner inquired about the city recouping the money spent on relocating the sewer line. Ms. Greenwood stated that the larger project that Mr. Todd originally proposed last year included expanding the building which would bring in more property taxes. His revised plan consists of a stage renovation and a 1,000 square foot dressing room expansion. This smaller plan does not seem to justify the expense of moving the utility lines based on the expected return in property tax revenue. His original 2020 proposal seemed like something the RDA could possibly support.

Staff has received appraisals for the 12 parcels that the RDA owns on the 4800 South and State Street block. The parking analysis has also been completed. Based on the appraiser's report, the land is worth twice the value that Edlen & Co. had anticipated when they submitted their proposal. Edlen also provided an updated cost estimate based on current increase in construction costs and other factors. They are

concerned about being able to attract investors to the project in light of rising costs and have proposed a few solutions to these issues. Edlen will propose these solutions when they meet with Board Members on July 26th. Some of these new proposals include reducing the number of housing units or removing a level of the building.

Ms. Turner stated that the Board needs to decide if the project is still what is best for Murray. Ms. Greenwood stated that Edlen would like to have that be part of the discussion and present their best design to Board Members.

Mr. Hill clarified that the meetings with Edlen on July 26th will not be public meeting of the RDA Board but instead will be small individual meetings. Anything discussed in these meetings that needs the Board's approval will be brought to a future public meeting for discussion and vote.

Mr. Hales expressed his concerns about the cost of the project and is stated he is leaning towards not supporting the project.

Ms. Dominguez asked about the status of the project and what the RDA has agreed to. Ms. Greenwood stated that the Board approved the exclusive negotiation agreement with Edlen in November of last year, and it was fully executed in February of this year. As of right now, the project is at a place where Edlen could have construction-level drawings by September. There is a public open house that could happen in September as well. Both partners have spent money on the project doing studies and analysis, though Edlen has spent much more than the RDA. Mr. Critchfield stated that the negotiation agreement was an agreement to "agree," which we have not yet done. The RDA does not owe Edlen anything if we stop and do not go forward. The RDA Board would have to approve any more agreements.

Ms. Turner stated that she understood that one of the reasons Edlen was chosen as the developer for the project was because they did not ask for any public funds. Ms. Greenwood stated that was one of the considerations. Because of the changing circumstances and negotiating with a development partner, the nature of the project and each side's needs have changed.

Mr. Cox stated that the project has changed many times over the course of the negotiations. As the construction landscape has shifted, the date of the open house has moved out. Now that the project has been more stable, there will be an open house.

The meeting was adjourned at 4:28 p.m.

Minutes drafted by:
Jay Baughman, Economic Development Specialist