



THE REDEVELOPMENT AGENCY
OF MURRAY CITY

PUBLIC NOTICE IS HEREBY GIVEN that the Board of Directors of the Redevelopment Agency of Murray City, Utah will hold a special meeting beginning at 5:00 p.m., Tuesday, September 19, 2023 in the Murray City Council Chambers at 10 East 4800 South, Murray, UT.

Members of the public may view the meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>. Public Comments can be made in person during the meeting or may be submitted by sending an email (including your name and address) to: rda@murray.utah.gov *All comments are limited to 3 minutes or less and email comments will be read into the meeting record.*

RDA MEETING AGENDA
5:00 p.m., Tuesday, September 19th, 2023

1. **Approval of Minutes:** June 27, 2023, July 18, 2023, and August 22, 2023
2. **Citizen comments:** (see above for instructions)
3. **Action Item:** Consideration of a Resolution approving an agreement between the redevelopment agency of Murray City and Salt Lake Neighborhood Housing Services dba Neighborworks Salt Lake for a contribution of funds to be used for down payment assistance and home improvement loans for qualifying households.
4. **Discussion Item:** Smelter Site RDA Funds
 - a. Potential Projects
 - i. Cottonwood Street Reimbursement
 - ii. Central Station Area Plan Update
 - iii. Street Lighting Upgrade
 - b. Discussion on unused funds
5. **Project Updates:**
 - a. Downtown Area Plan
 - b. Murray Transportation Assistance Program
 - c. Employee Down Payment Assistance Program
 - d. Fireclay Bollards
 - e. Townsend House Relocation
 - f. 5025 South State Street Property
 - g. Cherry Street Road Improvements

Special accommodations for the hearing or visually impaired will be made upon a request to the office of the Murray City Recorder (801-264-2660). We would appreciate notification two working days prior to the meeting. TTY is Relay Utah at #711.

On September 13, 2023 a copy of the Notice of Meeting was posted in accordance with Section 52-4-202(3).



Philip J Markham,
Community and Economic Development Director

~DRAFT~

The Redevelopment Agency (RDA) of Murray City met on Tuesday, June 27th, 2023 at 5:00 p.m. in the Murray City Council Chambers, 10 East 4800 South, 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 in person or by submitting comments via email at: rda@murray.utah.gov. Comments were limited to three minutes or less, and written comments were read into the meeting record.

In attendance:

RDA Board Members

Diane Turner, Chair
Phil Markham, Vice-Chair
Rosalba Dominguez
Pam Cotter
Garry Hrechkosy

Others in Attendance

Brett Hales, RDA Executive Director
Jared Hall, RDA Deputy Executive Director
G.L. Critchfield, City Attorney
Brooke Smith, City Recorder
Doug Hill, Mayor's office
Brenda Moore, Finance
Kim Sorenson, Parks & Recreation
Stephen Olson, Fire Department
Tammy Kikuchi, Mayor's Office
Elvon Farrell, CED
Members of the public, per sign-in sheet

CALL MEETING TO ORDER

Chair Diane Turner called the meeting to order.

BUSINESS ITEMS

Approval of Minutes

There were no minutes to be approved for this meeting.

PUBLIC COMMENTS

There were no public comments for this meeting.

PUBLIC HEARING(S)

Brenda Moore (Murray City Finance Director) presented the proposed RDA budget:

1. Fireclay Site
 - a. The TIF is \$2 million.
 - b. \$358,000 will be set aside for low-income housing, indicating the use of those funds is undecided.
 - c. \$800,000 is set aside for private reimbursements to pay for roads and various other facilities.

- d. Funds from The Murray School District will be \$244,000 - if The City receives the funds.
 - e. \$30,000 is set aside for professional services.
 - f. \$42,000 is set aside for administration fees.
2. Smelter site (hospital site)
- a. There is \$1 million budgeted for TIF funding. It's the last collection year we will no longer get money from them after the next budget cycle.
 - b. \$40,000 will be set aside for moderate income housing.
 - c. \$144,000 will be set aside for The Murray Homeless shelter. This is withheld by the state tax commission from the city's sales tax payments.
 - d. \$133,000 will be provided to The Murray School District.
 - e. Professional services have \$20,000.
 - f. Admin fees budgeted \$59,259.
 - g. \$265,000 has been transferred to the general fund for an infrastructure reimbursement.
3. East Vine Street not a lot happening and is fine.
- a. The TIF is \$59,000
 - b. The admin fees are going to be \$35,000.
 - c. There are funds in reserves, if a project arises.
4. Cherry Street
- a. The TIF is \$112,000. This is its last collection year.
 - b. There is a proposed infrastructure project to add continuous sidewalks along Cherry Street that will cost around \$100,000.
 - c. Admin fees budgeted at \$35,000.
 - d. Transfer to the general fund to reimburse infrastructure is \$37,900.
5. Central Business District.
- a. The TIF is \$1.4 million.
 - b. Rental income from Tea Rose and Kiai Martial Arts is \$21,000.
 - c. Transfer from the general fund for \$325,000 was received to pay for the city hall land.
 - d. Low/moderate income housing amount of \$213,354.
 - e. The Murray School District, will receive \$400,000 of the \$1.4 million.
 - f. Professional services is budgeted for \$100,000.
 - g. Buildings is budgeted at \$100,000. The use of the funds is undecided. Potential uses could be for surveys, land cleanup, or moving the Townsend home.
 - h. Admin fees are budgeted at \$59,000.
 - i. Miscellaneous is budgeted at \$100,000
 - j. Travel and utilities are budgeted at \$13,000. The City has to pay utilities on some buildings being rented.
 - k. \$564,750 is set aside for a bond payment.

Vice-Chair Markham said that the math for the Cherry Street Site wasn't coming out to \$112,000. He said it was more. Ms. Moore indicated that was because Cherry Street has \$100,000 of reserves that will be used. They are the only site using reserves.

Board Member Dominguez asked which sites are going to be expired this year.

Ms. Moore said The Smelter Site and Cherry Street will expire this year. She explained that the city, the school district, and other agencies will get the property tax back.

The public hearing was opened by Chair Turner.

Glen Barney spoke. He started by thanking the fire department for a recent incident where a canopy blew over a telephone line. They came by and took care of the situation, so that he would not have to be worried about getting electrocuted or any fires happening on the property.

Mr. Barney expressed his concern with some properties in the RDA area. Weeds are growing fairly tall, about five to six feet high. With fire season approaching, he'd appreciate if those could be mowed down. In another RDA area on West Fourth Avenue, there's some alfalfa growing tall and will become a fire hazard. He asked to have those issues addressed before it does create a problem.

Chair Turner pointed out that this meeting is for the Redevelopment Agency and that these comments may be more appropriate at a City Council meeting.

Mr. Barney said that they are on Redevelopment Agency property.

He said he noticed that when he looked at the budget for this meeting, there's nothing specifically set aside for cleanup, even though it was mentioned that there's some money set aside for miscellaneous things. Since nothing was specifically set aside for cleanup. In the online version of the budget that I was looking at, that means there's nothing set aside to cleanup. He wanted to bring it to the attention to the Redevelopment Agency to put something on the budget to cleanup areas within the RDA that could cause a fire hazard.

Chair Turner said that makes sense and thanked Mr. Barney for his comments and attendance at the meeting.

Chair Turner closed the public hearing.

Board Member Dominguez moved that they consider a resolution adopting the proposed Redevelopment Agency budget fiscal year 2023-2024.

Chair Turner seconded. Roll Call Vote:

Y Diane Turner
Y Garry Hrechkosy
Y Rosalba Dominguez
Y Pam Cotter
Y Phil Markham

ANNOUNCEMENTS

Mr. Hall introduced Elvon Farrell. He's the new Economic Development Specialist.

ADJOURNMENT

Chair Turner adjourned the June 27, 2023 RDA Board Meeting at 5:17 P.M.

A handwritten signature in black ink, reading "Philip J. Markham". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Philip J. Markham, Director
Community & Economic Development Department

~DRAFT~

The Redevelopment Agency (RDA) of Murray City met on Tuesday, July 18, 2023 at 4:32 p.m. in the Murray City Council Chambers, 10 East 4800 South, 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 in person or by submitting comments via email at: rda@murray.utah.gov. Comments were limited to three minutes or less, and written comments were read into the meeting record.

In attendance:

RDA Board Members

Diane Turner, Chair
Pam Cotter, Vice Chair
Rosalba Dominguez
Garry Hrechkosy

Others in Attendance

Brett Hales, RDA Executive Director
Doug Hill, Mayor's Office
Tammy Kikuchi, Mayor's Office
G.L. Critchfield, City Attorney
Phil Markham, CED
Brenda Moore, Finance
Zachary Smallwood, CED
Elvon Farrell, CED
Robert White, IT
Ben Gray, IT
Pattie Johnson, Council Office
Jennifer Kennedy, Council Office
Kim Sorenson, Parks & Recreation
Brooke Smith, City Recorder
Members of the public, per sign-in sheet

CALL MEETING TO ORDER

Chair Diane Turner called the meeting to order.

APPROVAL OF MINUTES

Board Member Dominguez made a motion to approve the minutes from the June 20, 2023 meeting. Seconded by Vice Chair Cotter. A voice vote was made, and the motion passed.

CITIZEN COMMENTS

None

ACTION ITEMS

Consider a Resolution approving an Agreement between the Redevelopment Agency of Murray City and Salt Lake Neighborhood Housing Services dba NeighborWorks Salt Lake for a contribution of funds to be used for down payment assistance and home improvement loans for qualifying households – Doug Hill

Doug Hill discussed the agreement between the City of Murray and NeighborWorks to provide down payment assistance loans to individuals purchasing homes within Murray City. NeighborWorks also has a number of other programs they work with the city on to help income qualified individuals. NeighborWorks has had an increase in demand this last year for down payment assistance, so they have a need for additional funding and cannot provide those loans any longer. Staff has worked with NeighborWorks to create this agreement that would provide them with \$200,000 of funding for these down payment assistance loans.

Board Member Dominguez shared that she received a loan from NeighborWorks for her home, and she wanted that relationship on the record. She has had a lot of constituents in situations where she was able to refer them to NeighborWorks, passing out a lot of applications and knows there are a lot of families whose homes need to be rehabbed but their income doesn't allow for those repairs.

Vice Chair Cotter moved to approve a resolution creating an agreement between The Redevelopment Agency of Murray and Salt Lake Neighborhood Housing Services dba NeighborWorks Salt Lake, for a contribution of funds to be used for down payment assistance and home improvement loans for qualifying households. Seconded by Board Member Dominguez.

Roll Call Vote:

Y Diane Turner

Y Garry Hrechkosy

Y Pam Cotter

Y Rosalba Dominguez

Motion Passes 4-0

Consider a Resolution by the Redevelopment Agency of Murray City (RDA) to appropriate funds for the Murray City Employee Down Payment Assistance Pilot Program – Zach Smallwood

Mr. Hill gave a brief history of the Redevelopment Agency's role and their funds, along with recent discussions had on ways to spend down those sizable funds accumulated over the years.

Zach Smallwood shared details of the proposed program. Originally they were going to ask for \$100,000, that was amended to \$150,000 based on housing prices and suggestions from NeighborWorks. This first request is the resolution to do the down payment assistance program for Murray City employees. It would be eligible for up to 120% of the median area income, which is determined by Salt Lake County; in 2022 100% of the AMI was \$106,000 for a family of four, so Murray is allowing up to 20% more than that. There is a scale based on the household size on who that applies to. It must be the primary residence, so no second homes or rentals. The home must be in Murray, they must be a full-time Murray City employee who has completed their probationary period and be in good standing without not more than \$20,000 in liquid assets post close. They must also be a first-time homebuyer, i.e., not owning a home within the last three years.

Chair Turner asked what "forgivable" means in this program.

Mr. Smallwood explained this will all be administered through NeighborWorks and a percentage of the loan will be forgiven every year over the course of five years. If the resident refinances or sells the home within the five-year time frame the loan would go into repayment.

Vice Chair Cotter asked if the home could be rented out if they moved somewhere else after purchase.

Mr. Smallwood responded he doesn't believe so, and that NeighborWorks would probably have something written into their title.

Board Member Dominguez asked if this agreement would last for three years, meaning the RDA is contributing \$150,000 a year for those three years.

Mr. Smallwood responded this is currently a pilot program, they are funding it for a year to see how successful it is. They would come back next year to reevaluate and discuss the future of the program. At a maximum of \$30,000 they would be able to help five employees this year, depending on what amount is approved for each person it could potentially help more people.

Chair Turner asked if there are any limitations to the properties other than they are located within Murray City, and if there is a price range allowed.

Mr. Smallwood said there isn't a price range limit, but they would have to be a first-time homebuyer that falls within the income limits.

Vice Chair Cotter asked if there will be any reports or pictures back when an employee takes advantage of this program to show what they were able to get, or would that be private information.

Mr. Smallwood said the homebuyer could elect to share that information, but they can't require it.

Board Member Dominguez asked how many people have already inquired about this program.

Mr. Smallwood responded that he has already had two people inquire specifically. The state has their own down payment assistance program as well that's available.

Board Member Dominguez moved to consider a Resolution by the Redevelopment Agency of Murray City (RDA) to appropriate the funds for the Murray City Employee Down Payment Assistance Pilot Program. Seconded by Vice Chair Cotter.

Roll Call Vote:

Y Diane Turner

Y Garry Hrechkosy

Y Pam Cotter

Y Rosalba Dominguez

Motion Passes 4-0

Consider a Resolution approving an agreement between the Redevelopment Agency of Murray City (RDA) and Salt Lake Neighborhood Housing Services dba NeighborWorks Salt Lake for a contribution of funds to be used for the Murray City Employee Down Payment Assistance Pilot Program – Doug Hill

Mr. Hill noted that this pilot program will have a budget of \$150,000, and when that money is gone the program is suspended until there is additional funds appropriated. This resolution simply transfers \$150,000 of the low-income housing money that has been set aside to NeighborWorks to administer the funds.

Board Member Dominguez made a motion to consider a Resolution approving an agreement between the Redevelopment Agency of Murray City (RDA) and the Salt Lake Neighborhood Housing Service dba NeighborWorks Salt Lake for the contribution of funds to be used for the Murray City Employee Down Payment Assistance Pilot Program. Seconded by Board Member Hrechkosy.

Roll Call Vote:

Y Diane Turner

Y Garry Hrechkosy

Y Pam Cotter

Y Rosalba Dominguez

Motion Passes 4-0

DISCUSSION ITEM

Presentation on NeighborWorks 60/40 loan programs – Tony Semone

Mr. Simone reviewed background information on the 60/40 Loan Program included in the meeting packet. He has been in discussion with Murray City regarding a property they own in the city, a development where they are building 12 homes called the Tripp Lane Project. They have discussed possibly taking four of those properties and putting them into a community land trust to help with the affordability of homes in the City of Murray. They then discussed, rather than doing a community land trust, they would maybe do a 60/40 loan. That means that instead of putting those properties into the trust where they have a lease on that property for 99 years, doing the same amount of funds where the city would provide a 40% down payment to four home buyers for over a possibly 15-year period. It would be a loan, not a grant, that would be similar to the down payment assistance programs they already administer for the city. The loan would be for up to 15 years, depending on what the city decides. There would be an interest rate, and the homeowner would make payments every month. If they refinance or sell the home within that 15-year period they would owe that money back to the city. This would be a second loan with a first mortgage. They have already spoken to a bank that would be willing to administer the first mortgage in this type of program. They have a similar program where they provide a 20% down payment out of their funds, doing an 80/20 type of loan, and Washington Federal has agreed to do the 60% mortgage with the city providing the down payment.

Mr. Hales asked if the PMI is over a period of time, or if that's for the life of the loan.

Mr. Simone explained that PMI is private mortgage insurance, required when a homebuyer is putting less than 20% down on a loan. Once the equity in the property reaches an 80% loan to value the homebuyer can call their servicer and request that PMI be removed. This is being proposed such that the 40% down payment is not a grant, it is a loan at a lower interest rate, which combined with the 60% mortgage loan would save the amounts listed in the paperwork.

Vice Chair Cotter asked if they could do a VA loan.

Mr. Simone responded yes. The VA will allow you to do 100% financing, and in this situation the person may not even need that VA loan since they can get 100% financing without a down payment.

Chair Turner asked if there is a number yet for how many homes will be built in Tripp Lane.

Mr. Simone responded 12 homes, and it will be a cul-de-sac.

Board Member Dominguez asked why it would only be four homes, would NeighborWorks be open to less or more.

Mr. Simone responded they would be open to as much money as the city wanted to provide. One of their missions is affordable housing throughout Salt Lake County and they have a great relationship with the City of Murray. During the previous land trust discussion, they talked about \$1 million which worked out to \$250,000 per lot. Instead of doing the land trust, that amount would be used for loans.

Board Member Dominguez asked if with the land trust option, the homeowner wouldn't then own the home. The city would then be able to decide later if they wanted to use the land for something else. This instead gives the homeowner the option to buy their home and then sell it later. Do they have to be in the home for a minimum amount of time for this loan program.

Mr. Semone said they wouldn't have to with this program because it's a loan, not a grant. They are paying that money back, so if they have to leave before the city's loan is up the city will get that money back when they sell. This money will be coming from the RDA, not the city.

UPDATES

60/40 Loan Program

Mr. Hill noted that regarding the 60/40 loan program discussion, he will have a discussion with the Chair, Vice Chair and staff to determine if they want to move forward, recommend bringing it back to the RDA or not, etc.

Downtown Small Area Plan

Mr. Hill noted there was a meeting held yesterday for the Downtown Small Area Plan, he believes the second meeting with the committee. The consultants are taking the lead on that project. Yesterday the discussion primarily focused around public involvement going forward and there are some tentative dates that have been set by the committee to get public involvement in the downtown area. The first meeting is tentatively scheduled for August 7, the second meeting on September 6; those will be an opportunity for the public to come and view diagrams, pictures, ideas and various concepts of what downtown might look like. There will

also be a survey developed by the consultant for the public so they can get input on how residents want to see the downtown. The plan is still to complete the final report by the end of September, which would be brought back to the RDA to discuss moving forward.

Board Member Dominguez asked who chose the consultant.

Mr. Hill responded that the RDA gave staff the directions to work with Ben, after the RDP process.

Vice Chair Cotter asked why they are doing another survey.

Mr. Hill responded that the committee is talking about doing a survey. The committee corresponds of citizens, several stakeholders, staff, etc. He named some of the specific people who are on the committee and who they represent or what properties they own

Mr. Smallwood explained that the want/need for another survey is to fill in some missing gaps that Ben felt are missing from the original survey.

5025 S. State Property Sale

Mr. Hill explained the mayor is working with staff, as well as the chair and vice chair of the RDA to continue vetting the proposals that have come in. They are still working through that process and questions that have come up have been directed to a short list of developers. The plan will be eventually to bring something back to the RDA Board to take action on, but they are not ready to recommend or bring anything back at this point.

Mayor Hales is hoping to have that decision made by next week some time.

Murray Transportation Assistance Program

Mr. Hill noted they are ready to go on this program and gave a brief review of the program. They are working with a debit card company to preload funds on the card to be used for riding TRAX, busses, rideshare and scooters around. The city will monitor those cards to ensure they are being used appropriately and they will see how this pilot program works.

Vice Chair Cotter asked for any limitation on the distances allowed.

Mr. Smallwood was unsure, but from what he understands it's coded to certain payers and can only be used for certain things. There was a discussion on the amount allotted from the RDA and he will check on that and get back to the board.

Townsend House Relocation

Mr. Hill shared there has been no progress on that project with staff changes, and they will need to regroup and start moving that project forward again. There have been conversations with NeighborWorks and their interest in wanting to stay in the city, and the city's interest in wanting them to stay in the city. If there is interest on both sides, which he believes there is, the city will try to find another location for them. One idea discussed was the Murray Mansion since it will have several rooms. However, the challenge there is that there is no ADA access into those upper rooms. They have to see if that works for NeighborWorks, and whether a reasonable

accommodation could be provided besides installing an elevator or something like that into the Murray Mansion.

Chair Turner added that Jennifer gave her some clarification on the funding for the transportation, \$250,000 was allocated for the program but they are only going to give the company that issues the passes \$80,000; that's why many of them were thinking the amount had been lessened. Once the money is given they can't get it back, so they want to be cautious.

ADJOURNMENT

Chair Turner adjourned the July 18, 2023 RDA board meeting adjourned at 5:17 P.M.

A handwritten signature in black ink, reading "Philip J. Markham". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Philip J. Markham, Director
Community & Economic Development Department

~DRAFT~

The Redevelopment Agency (RDA) of Murray City met on Tuesday, August 22, 2023 at 5:45 p.m. in the Murray City Council Chambers, 10 East 4800 South, 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 in person or by submitting comments via email at: rda@murray.utah.gov. Comments were limited to three minutes or less, and written comments were read into the meeting record.

In attendance:

RDA Board Members

Diane Turner, Chair
Pam Cotter, Vice Chair
Rosalba Dominguez
David Roberts
Garry Hrechkosy

Others in Attendance

Brett Hales, Executive Director
Doug Hill, Mayor's Office
Joey Mittelman, Fire Department
G.L. Critchfield, City Attorney
Phil Markham, CED
Brenda Moore, Finance
Zachary Smallwood, CED
Elvon Farrell, CED
Robert White, IT
Ben Gray, IT
Pattie Johnson, Council Office
Jennifer Kennedy, Council Office
Laura Bown, City Recorder
Members of the public, per sign-in sheet

CALL MEETING TO ORDER

Chair Turner called the meeting to order.

APPROVAL OF MINUTES

Board Member Hrechkosy made a motion to approve the minutes from the May 16, 2023 and August 1, 2023 meetings. Seconded by Vice Chair Cotter. A voice vote was made, and the motion passed.

CITIZEN COMMENTS

Chair Turner opened the period for public comment.

Delyn Barney spoke regarding agenda item number three. He's concerned about the development of the property. He's concerned about contamination getting into his home, which is just a couple of parcels away from that property. He also wants property boundaries and lines addressed. He sent an email to Phil Markham, who sent a reply showing where the different property lines were that affected parcels 043042 and 339. There are other properties, 0440, which is his neighbor, and 019 is a partial going down my driveway, which is on his tax

record. It shows somebody else owning that property, but for the last 60 years, that's where his family has had a driveway and a home in 009. It's not shown on the map. He is concerned about anything moving into that neighborhood, especially now that the City Hall is here, the fire station, and any future development (including on State Street). He says he's been involved with these RDA meetings for quite a long time. He's concerned about what's happening in his neighborhood, specifically next door to his property. He thanked the board for their time.

Chair Turner thanked Mr. Barney for his comments and closed the period of public comment.

ACTION ITEMS

Consideration of a resolution authorizing the marketing and sale of real properties within the central business district located at approximately 4868, 4878, and 4872 South Box Elder Street, Murray Utah

Phil Markham presented this agenda item. He stated these are the parcels that Mr. Barney was referring to. They are directly west of City Hall. Previously, the RDA approved a resolution to move forward with selling these parcels. Staff is asking the RDA board to go through with this and put these up for sale. They are being sold as-is and as buyer beware. Staff is aware that there is some level of contamination on the properties but is not aware of the severity. There has been some speculative interest in the parcels but are not sure how serious the inquiries are.

Board Member Dominguez asked what the area is it currently zoned as.

Mr. Markham indicated that the parcels are in the MCCD zone.

Vice Chair Cotter asked when the properties are sold, with such contaminants in the soil, will they be subject to strict laws, like the bullion project.

Mr. Markham said they would be an EPA project or have state oversight. Murray City won't be involved in enforcing that. There are very strict regulations that govern the cleanup of these materials, either have to be hauled offsite or properly mitigated onsite. Depending on the level of contamination there are various mitigation methods that they would use.

Board Member Dominguez asked if once the property is sold, could the buyer come back and ask for assistance from the RDA to help with the cleanup.

Mr. Markham said that's possible and that would be part of the terms of the sale and would have to be worked out between the RDA and the buyer.

Board Member Dominguez asked if there is a reason why Murray City isn't not keeping the property.

Mr. Markham stated it was explained to him that the city doesn't want to deal with the contamination. Also, It's an odd-shaped parcel and too small to be useful, even with all three parcels combined. It's something that an experienced developer might want to try their hand at.

Chair Turner confirmed that it's not something the city wants to develop.

Phil Markham said that at one time, there was speculation of putting a fire department training facility there, but there's no longer interest in doing that.

Board Member Dominguez asked if anyone knows who owns the parcel to the west of those parcels, wondering if it is part of Union Pacific.

Mr. Markham said the land belongs to UTA, using it as storage for surplus train cars.

Vice Chair Cotter asked if Mr. Markham will let them know when these parcels are sold.

Mr. Markham that he absolutely would. As the RDA board, it's money they are responsible for.

Chair Turner asked Mr. Markham if he would like the RDA to consider a resolution.

Mr. Markham said he would. Then a resolution number can be assigned.

Board Member Hrechkosy made a motion to adopt a resolution authorizing the marketing and sale of real property within the central business district located at approximately 4868, 4878 and 4872 South Box Elder Street, Murray, Utah.

Mr. Rogers seconded the motion. Roll Call Vote:

Roll Call Vote:

Y Diane Turner

Y Garry Hrechkosy

Y Pam Cotter

Y Rosalba Dominguez

Y David Rogers

Motion passed 5-0.

DISCUSSION ITEMS

Providing additional funding to NeighborWorks of Salt Lake for use in their down payment assistance program

Zachary Smallwood presented this agenda item. He said that there is some additional set-aside for the moderate-income housing. Mr. Smallwood indicated that NeighborWorks has already committed their existing \$200,000 for this year, and the program only started in July. Staff is

requesting an additional \$200,000 for the down payment assistance program. If the RDA agrees, staff will work on drafting a resolution. Mr. Smallwood said it would be exactly like the annual funding of \$200,000 that they give to NeighborWorks. This would be city wide for any residents who meet the criteria for low and moderate income and are first-time homebuyers.

Mayor Hales asked how much each applicant receives, thinking it was \$30,000. Mr. Smallwood confirmed that is correct.

Board Member Hrechkosy asked if it is \$30,000 maximum.

Mr. Smallwood said yes.

Board Member Hrechkosy asked if there is a waitlist. If so, is \$200,000 sufficient. His concern is that the board will have to revisit this issue in the future and have to do another resolution.

Zachary Smallwood said it's up to the board to decide how much to allocate. Providing \$200,000 is just an easy way for the city to provide for some additional affordable housing options but doesn't mean you have to give them the \$200,000. Mr. Smallwood doesn't think they have a waiting list. He thinks it's a first-come first-served and if there are no funds, applicants are just told that's it.

Board Member Hrechkosy said the reason he's asking is because if the RDA have the funds set aside already and it's money they need to spend towards a project like this to overfund. He feels safe doing that, knowing that there's a qualification process and that those funds are also not just going to disappear.

Board Member Dominguez asked this additional \$200,000 is open for residents and employees.

Mr. Smallwood said he doesn't think it restricts employees from applying.

Board Member Dominguez asked if the first \$200,000 was open only to employees. She said she is confused between the down payment program and the employee assistance program.

Zachary Smallwood said he'd go through it. He explained that every year for at least the past five years, the Redevelopment Agency has provided \$200,000 to NeighborWorks. Recently, he asked to set up a pilot program for the employee downpayment assistance. That is a separate program. This would be an additional \$200,000 on top of the original \$200,000 that has been done yearly.

Board Member Dominguez asked what NeighborWorks does in other cities and what metrics they use to determine how much funding to provide.

Mr. Smallwood said that's a question for NeighborWorks, and they can be invited back to explain that process, if desired.

Board Member Hrechkosy asked what it would hurt to put more money into the program. His concern is if they don't fund it enough, and they get an applicant that comes to them asking for the assistance and they are told no, that person may not come back. Then they've lost out on a good opportunity to bring someone into the city that may be needed to use this program. He'd rather have sufficient money. It has to be used for this program, and its already money the RDA has.

Vice Chair Cotter asked what's to stop someone from applying for both this program and the 60/40 program, thus double dipping.

Mr. Smallwood doesn't think there's anything stopping them. NeighborWorks may have a clause that you can only receive one of their benefits.

Board Member Dominguez feels they could include that into our agreements with them that they can't do that.

Mr. Smallwood said they can get a more solid answer on that.

Chair Turner commented why wouldn't they increase the funding, asking if there are any contradictions to consider. She wants to allow as many people as possible access to those funds.

Mr. Markham said he would get some additional information from Tony Semone. Mr. Simone previously indicated that in 2022, NeighborWorks, distributed \$649,000 in Murray, indicating that the account was growing. NeighborWorks is just looking to re-establish this account. The first \$200,000 is completely done. If the RDA doesn't give them more funds, the program would sit idle for the rest of the year. Staff is asking to match that again. Any more than that is up the RDA board.

Chair Turner asked if there was any reason that we should not provide more funding.

Mr. Markham said that as long as there's money in the budget, it is just up to the RDA board.

Mr. Smallwood offered his opinion that he would do more funding but do keep some funding in there in case something else comes up, like another program that interests the board.

Board Member Dominguez said they can also implement a cap for program amounts.

Mayor Hales asked Mr. Smallwood to clarify whether the money could only be used for this program or can it be used for any low-income housing program.

Mr. Smallwood said this money isn't specifically set aside for NeighborWorks, that it is set aside for affordable housing in general. How the RDA chooses to use it towards affordable housing is up to them.

Garry Hrechkosy asked if the RDA needs to continue to put money in this.

Board Member Dominguez asked where the money comes from to continue the program.

Mr. Smallwood it comes from tax increments.

Board Member Hrechkosy asked if it will continue to grow. He said that NeighborWorks meets one of the RDA's missions and that there aren't a lot of other good options for the funding. He's concerned with capping it and ending up sitting on money and wondering what to do with it, because he doesn't see other viable options.

Mr. Smallwood stated that the next agenda item may help address that.

Zachary Smallwood asked the RDA board to confirm that it wants to move forward with the resolution for \$200,000 or choose a different amount.

Board Member Dominguez that would be a total of \$400,000 for the current fiscal year?

Mr. Critchfield said what they would probably do is come back with the \$200,000.

Neighborworks 60/40 Loan Program

Mr. Smallwood presented this agenda item. He stated this is just a discussion item and he's only looking for feedback on whether staff should proceed or how they should proceed. He reminded the board of a previous presentation from Mr. Semone about the 60/40 loan program. Mr. Smallwood stated that it is meant to be used for properties on Tripp Lane, to provide financing. He said that staff would like direction on whether or not to pursue it. Mr. Smallwood stated that he thinks it's close to a million dollars. It is a non-forgivable loan. It would be paid back and could possibly be reinvested into something else in the future.

Mr. Markham stated that it will not go back into the RDA. It continues to stay in a revolving account that NeighborWorks will continue to administer.

Board Member Dominguez stated that it's like a pot of money with NeighborWorks that just keeps growing.

Vice Chair Cotter asked when they are done with Tripp Lane, could they use that pot of money for the same program in another part of Murray City.

Mr. Smallwood they could very well do something like that.

Board Member Dominguez said that it prolongs the City's relationship with NeighborWorks, so that the board is meeting those metrics within the city.

Vice Chair Cotter asked Mr. Smallwood if NeighborWorks would be looking for another project when Tripp Lane is over with or are they going to be done.

Elvon Farrell commented on the topic stating that it's constrained to be used in Murray City. Although they aren't sure on those uses, specifically, if they're going to be buying another property or if they can just use it to continue to offer better loans to low-income individuals.

Chair Turner asked if Mr. Smallwood has the information he needs to proceed with the program.

Mr. Smallwood said that he does for now.

INFORMATION ITEM

Public Works to utilize funds from the Fireclay RDA area to install safety bollards on Main Street

Mr. Smallwood presented this item. Over the past a year, there have been two traffic accidents on the corner of Fireclay and Main Street, that have impacted a building on Main Street. Luckily, these were during off hours. Nobody besides the person in the vehicle was hurt, but there was significant damage to the building, both times that the accidents happened. The property owner approached the city about opportunities to work together to providing better safety for that area. The owner has been working with Public Works, Community & Economic Development, and the Mayor's office. They came up with safety bollards that are stronger than the current decorative bollards that are currently located on the corner. These will be able to stop a car going up to 25 miles per hour and would slow a car going faster than that. They will be poured into the ground and covered with a decorative cover. Staff will be using funding already available and was discussed with Brenda. Staff found a decorative cover that meets the intent of the Fireclay district, instead of big bright yellow plastic tubes.

Chair Turner asked what the cost is.

Mr. Smallwood said it's approximately \$57,000.

Chair Turner said she feels this is a great idea from a safety perspective and that it is the City's responsibility to keep residents safe.

Vice Chair Cotter said her concern is if they are going to be high enough that people are not going to be sitting on them and injuring themselves.

Mr. Smallwood said he believes they are taller, about 36 inches, so it would be difficult for people to sit on them.

Vice Chair Cotter expressed a concern about removing graffiti off them.

Mr. Smallwood said they are plastic covers and may not be able to have graffiti removed.

UPDATES

Mr. Markham provided updates on previous discussion matters and programs that have been talked about the downtown area plan. They had an excellent open house on August 14, with approximately 50 different individuals in attendance throughout the evening. They got some excellent feedback from folks on a variety of issues. The department's consultant, was there to answer questions, in addition to staff, who are currently putting together the information that was gathered. The information will be presented at the next open house on September 6th from 6 p.m. to 8 p.m.

Board Member Hrechkosy said that he and Councilman Rogers attended. He was pleased that it was a robust discussion. He liked seeing the citizens engaging with each other.

Mr. Markham provided an update on the Murray Transportation Assistance Program (MTAP). The program was supposed to have been rolled out by now. The attorney's office has found that the contract with the organization administering the cards (ESTHER) was not sufficient. The attorney's office is working on drafting an amended contract. ESTHER is working on an application process, which they will manage. Murray City will not have to maintain the information. As soon as that application is done, which should be in a week or two, he anticipates that the contract will be ready for both parties to sign. The initial funding will be \$80,000. They will see how see what the response is from residents before inserting more funds.

Vice Chair Cotter asked how residents find out about the program.

Mr. Markham said The City will advertise as much as they can, including on the website and through UTA.

Mr. Markham then spoke about the Townsend House relocation. He said that he received the structural evaluation of the house. He is pleased to report that it's in great shape. He said that the walls are in great shape, the roof is not sagging, the floors are level, as level as a house that age can be, and other than the back porch, the house can be moved relatively safely in his opinion, some of the brick may have to be repainted, which would be addressing some of the mortar to secure some of the bricks and that the house mover would do that. Mr. Markham spoke with Val Garson and Sons. They moved the chapel for the City. The plan is to have them come do a site visit. He doesn't know how specialized house moving is and if there are other companies who offer this service. Initially Mr. Markham was told this could cost as much as \$100,000 to move the house. Then there will need to be site improvements done on the parcel.

Chair Turner said that's what she expected.

Mr. Markham provided a quick update on the down payment assistance program, stating that it is ready to roll out. Mr. Smallwood was working on a flyer for city employees this afternoon.

Mr. Markham spoke briefly about the Cherry Street sidewalk project. After consulting with the City Engineer, he feels that we are better spending the money on improving the road surface, which will take almost all of the \$200,000. There are too many issues with doing sidewalk on that street. There are a lot of rights-of-way that would have to be purchased. There are utilities that would have to be moved. It would also take a considerable amount of time. This RDA terminates at the end of this year. The road resurface will utilize these funds in a more positive manner.

Mr. Markham wanted to inform the board that they have been reviewing the RDA and their lifespans. There are two RDA that are due to expire the end of 2023 -- one is Cherry Street and the other is the smelter site. The smelter site RDA encompasses the IHC campus and Costco, so it's primarily fully contained. The issue there is that there's a significant amount of money left in that RDA, because of the revenue that Costco has generated. There's about \$4.6 million in there. It's a high priority that we utilize those funds for a worthwhile project. They have been brainstorming and have been talking to other experts in the field about what we can do. Some of the options on the table include seeking an extension, which is possible. It's called taking a haircut, which means not taking the full tax increment. Another option is to potentially see about reimbursing the city for the money spent on Cottonwood Street behind the hospital. The City spent approximately a million dollars on that road this past year and improving the road. The \$200,000 additional money could come to NeighborWorks from this fund as well. They would like to do another station area plan the Central Station area plan \$100,000 would enable them to seek a match for a grant to do a complete study of the Central Station area plan there and that's something that they would really like to see especially where it's situated next to the downtown, they think that's crucial. The 60/40 loan program could also come from this RDA, that would be a million dollars. This would all add up to ways to chip away at the funds. It's difficult to come up with a single project that would utilize all those funds, just because of the complexity of that price.

Board Member Dominguez asked if the hospital is interested in the funding, or could they do anything with it for part of their facility.

Mr. Markham said that would take a lot of advanced planning and that there isn't time for. He said there are probably plenty of things that could be done but our backs are against the wall at this point.

Board Member Hrechkosy mentioned that police training centers over there need upgrades and asked if that was permitted.

Mr. Markham said you have to show a beneficial use to the RDA area.

Chair Turner asked if Community & Economic Development could come up with a list of possibilities.

Mr. Markham they've started working on that. One suggestion included installing protected bike lanes on Cottonwood Street. something we'd like to explore.

ADJOURNMENT

Chair Turner adjourned the August 22, 2023 RDA board meeting adjourned at 6:45 P.M.

A handwritten signature in black ink, reading "Philip J. Markham". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Philip J. Markham, Director
Community & Economic Development Department



THE REDEVELOPMENT AGENCY
OF MURRAY CITY

TO: RDA Board

THROUGH: Mayor Brett Hales, RDA Executive Director

FROM: Phil Markham, Community and Economic Development Director

MEETING DATE: September 19, 2023

RE: Agenda Item #3 – Consideration of a resolution to utilize affordable housing set aside funds to provide additional funding to NeighborWorks Salt Lake for down payment assistance.

RDA Staff is requesting consideration of a resolution to provide an additional \$200,000 to Neighborworks of Salt Lake. There has been a large increase in requests for assistance. Staff believes this would provide additional Murray residents the opportunity to purchase a home.

This would allow Neighborworks to build up additional funds for this program and help people purchase a home in Murray. Staff has recommended \$200,000, but is open to modification if the board would like to amend the resolution.

Recommended Motion

Staff recommends that the board approve the approving an agreement between the redevelopment agency of Murray City and Salt Lake Neighborhood Housing Services dba Neighborworks Salt Lake for a contribution of funds to be used for down payment assistance and home improvement loans for qualifying households.

Attachments:

1. Resolution

RESOLUTION NO. R23-

A RESOLUTION APPROVING AN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MURRAY CITY AND SALT LAKE NEIGHBORHOOD HOUSING SERVICES DBA NEIGHBORWORKS SALT LAKE FOR A CONTRIBUTION OF FUNDS TO BE USED FOR DOWN PAYMENT ASSISTANCE AND HOME IMPROVEMENT LOANS FOR QUALIFYING HOUSEHOLDS

WHEREAS, the RDA and Salt Lake Neighborhood Housing Services dba NeighborWorks© Salt Lake (“NeighborWorks”) have a common interest in addressing the City’s housing goals and in facilitating neighborhood revitalization and development through increased home ownership in the community; and

WHEREAS, the RDA and NeighborWorks have had an existing relationship and have engaged in collaborative efforts since at least May, 2011; and

WHEREAS, the RDA, NeighborWorks and Murray City Corporation (the “City”) are parties to an agreement outlining a mutual process and commitments for lending and for future development of NeighborWorks to assist the RDA and City to meet housing goals and objectives (the “Joint Agreement”); and

WHEREAS, Title 17C Chapter 1 of the Utah Code authorizes the RDA to use agency funds to support the financing for housing-related expenditures or programs, including the payment of all or part of the value of the land, housing or housing improvements; and

WHEREAS, on July 18, the RDA approved by resolution an agreement between the RDA and Neighborworks Salt Lake for a contribution of \$200,000.00 to be used for down payment assistance and home improvement loans for qualifying households; and

WHEREAS, most of the \$200,000.00 has been applied for the intended use; and

WHEREAS, the RDA desires, subject to the terms and conditions of an agreement, to contribute an additional \$200,000.00 (the “Funds”) to NeighborWorks from the RDA’s affordable housing set-aside funds to be used for down payment assistance and home improvement loans for qualifying households; and

WHEREAS, this contribution was not contemplated or included in the Joint Agreement; and

WHEREAS, NeighborWorks is willing to accept the Funds solely to be used for the purposes stated and is willing to report back on the use of the Funds; and

WHEREAS, the RDA believes it is in the best interest of the RDA to enter into an agreement with NeighborWorks to govern a contribution of \$200,000.00 to be used for down payment assistance and home improvement loans for qualifying households, a copy of which is attached as Exhibit "A."

NOW THEREFORE, BE IT RESOLVED by the Redevelopment Agency of Murray City as follows:

1. It hereby approves an Agreement between the Redevelopment Agency of Murray City and Neighborhood Housing Services dba NeighborWorks© Salt Lake, in substantially the form attached as Exhibit "A"; and
2. The Agreement is in the best interest of the RDA; and
2. Brett A. Hales, as executive director of the RDA Board, is authorized on behalf of the RDA to sign the Interlocal Cooperation Agreement.

PASSED, APPROVED AND ADOPTED by the Redevelopment Agency of Murray City on this day of , 2023.

Redevelopment Agency of Murray City

Diane Turner, Chair

ATTEST:

Brett A. Hales, Executive Director