

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 Rodgers
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. Rodgers seconded the motion. Roll Call Vote:

Roll Call Vote:

Y Diane Turner

Y Garry Hrechkosy

Y Pam Cotter

Y Rosalba Dominguez

Y David Rodgers

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 any reason not to do so. 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 Rodgers 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 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