



# CITY OF NORTH SALT LAKE

---

## REDEVELOPMENT AGENCY (RDA) NOTICE & AGENDA JANUARY 21, 2025

Notice is given that the City of North Salt Lake Redevelopment Agency will hold a meeting on Tuesday, January 21, 2025 at 8:00 p.m. or as soon thereafter as possible immediately following the 7:00 p.m. City Council meeting. The RDA meeting will be held in the City Council Chambers at City Hall located at 10 East Center Street, North Salt Lake, Utah. Some members may participate electronically.

The following items of business will be discussed; the order of business may be changed as time permits.

### **REGULAR SESSION – 8:00 p.m.**

1. Introduction by Chair Brian Horrocks
2. Election of Chair and Vice Chair for the Redevelopment Agency for Calendar Year 2025
3. Moderate Income Housing Funds-
  - a. Request by DBP, LLC for RDA participation to support a proposed moderate income housing project for seniors 55 and older at 465 N Redwood Road
  - b. Discussion of programing housing funds
4. Approval of Redevelopment Agency Meeting Minutes of June 18, 2024
5. Adjourn

Redevelopment Agency meetings are open to the public. If you need special accommodation to participate in the meeting, call (801) 335-8709 with at least 24 hours' notice. This meeting will be broadcasted live on the City's YouTube channel: <https://www.youtube.com/@nslutah4909/streams>.

#### **Notice of Posting:**

I, the duly appointed City Recorder for the City of North Salt Lake, certify that copies of the agenda for the Redevelopment Agency meeting to be held January 21, 2025 were posted on the Utah Public Notice Website: <https://www.utah.gov/pmn/>, City's Website: <https://www.nslcity.org>, and at City Hall: 10 E. Center St. North Salt Lake.

Date Posted: January 16, 2025

  
\_\_\_\_\_  
Sherrie Pace, Deputy City Recorder



# CITY OF NORTH SALT LAKE COMMUNITY & ECONOMIC DEVELOPMENT

---

10 East Center Street, North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

## MEMORANDUM

**TO:** Redevelopment Agency Board  
**FROM:** Sherrie Pace, Community Development Director  
**DATE:** January 21, 2025  
**SUBJECT:** Consideration of participation request for funding for Moderate Income Housing Projects

---

### RECOMMENDATION

Staff is requesting direction of the Redevelopment Agency for the use of the affordable housing funding that is being set aside for the use in support of income targeted housing. The report below outlines options for consideration that staff will pursue upon direction of the Board. Official funding and budget allocation will be considered on a future agenda pursuant to the Board direction.

### BACKGROUND

Pursuant to UCA 17C-1-307 community reinvestment project areas require the allocation of at least 10% of the project area funds for housing to be utilized in accordance with UCA 17C-1-412. The funds must be used as follows:

1. Cost of land or construction for income targeted housing
2. Cost of rehabilitation of income targeted housing
3. Lend, grant, or contribute to a person or entity for income targeted housing
4. Plan or promote income targeted housing
5. Cost of land, installation, construction, or rehabilitation of any building, facility, structure or other housing improvement, including infrastructure, for income targeted housing, where a development impediment exists
6. Replace housing lost by project area development
7. Make payments or establish a reserve fund for bonds for an agency that provides income targeted housing
8. Relocate mobile home park residents displaced by project area development
9. Contribute to another entity that provides income targeted housing in the same county
10. Contribute to a housing authority that provides housing, supportive housing, transitional facilities, homeless assistance

Staff has been tasked with researching options for the board in relation to the use of the redevelopment area funds that are being set aside in support of income targeted housing. Recently the RDA has received a request by DBP, LLC for participation in a proposed affordable housing project to construct apartments for low-income seniors (62+ years) with an income of 60% of the area median income or less. During the evaluation of this request City staff reached out to the Davis Housing Authority, Neighbor Works and the Department of Workforce Services in order to understand better what types of

programs and partnerships we could enter into using the City's housing funds. The review below outlines the DBP request as well as those other funding opportunities that the Board may wish to consider.

## **REVIEW**

### 1. Project Specific

DBP, LLC is proposing to develop 120-156 affordable apartments for senior aged 62 or older at 465 North Redwood Road. The residents would have an income that did not exceed 60% of the area median income (AMI). The 2024 HUD AMI for our area at 60% is \$46,380 for a single person household and \$61,850 for a two-person household. The project will be financed with a combination of a HUD loan from the Private Activity Bonds, Federal Low Income Housing Tax Credits, state tax credits and any gap financing available. The state and federal tax credits require the project to remain affordable for a minimum of 40 years. The project will be leasing the property from the current owner (Haddad family) for a term of 50 years with the same stipulation. The Haddad family has expressed a desire to utilize the property for a more community project as a family legacy, rather than sell the property for commercial purposes.

The project is estimated to cost between \$35-40 million to construct. Due to the rise of interest rates and construction cost they are seeking a \$580,000 contribution from the city to help fund pre-development costs. City participation should help their scoring with the approval of the Private Activity Bond allocation. They are targeting application to the PAB for October 2025 for allocation, with an application due by August 14, 2025. Additional details regarding the proposed architectural style and site specifics for the project are attached to this memo. The property would have to be rezoned to a P-District with a development agreement for the project to be constructed.

Staff has concerns regarding the request for front-loaded costs and associated risk if the project should not be constructed. The City has been advised by the Department of Workforce Services, division of Housing and Community Development that any participation should be part of the capital stack for the project and be a reimbursement upon completion of the project. Past agreements have provided funding as the tax increment is collected and after the project has been constructed. One option, should the RDA choose to participate, would be for the city to create a revolving loan fund that would offer low interest loans to help with gap financing for projects. Another option for participation could be in the form of fee waivers for impact fees or permitting fees.

### 2. Davis Housing Authority

The Davis Housing Authority will be meeting with us in a follow-up meeting, but indicated generally that they concentrate mostly on the acquisition of physical housing for low and moderate income residents. Then, they rent those units out to members of the community and provide monetary subsidy for those rents. They use Federal, State and local funds and have partnered with several local cities in acquiring or purchasing these types of housing units. Davis Housing Authority reported to us they own sixteen units in North Salt Lake and would love to partner with the City in acquiring additional units that could then be provided to qualifying residents.

### 3. Private Non-Profit

Neighbor Works is a private housing agency that uses a combination of private philanthropic and charitable contributions as well as public funds similar to the housing funds we have accumulated in our Redevelopment Agency. In a meeting with this group, they indicated they partner with several cities by assisting first time homeowners to qualify for purchase of homes through downpayment assistance, assistance at closing to buy down interest rates, housing repair funds and many other housing related costs on behalf of low and moderate income individuals. Their model is simple and straightforward where they retain a 10% administrative fee to manage their costs in exchange for managing a program on our behalf. City staff would be supportive of this type of approach by providing downpayment assistance for existing homes in North Salt Lake since the State's first-time homebuyer program excludes existing housing stock and is only available for the purchase of new construction.

### 4. Department of Workforce Services

Staff met with the Division of Housing and Community Development, DWS to discuss possible options for use of the funds and directions on establishing a program for the City. We received the following advice:

- a. Participation on specific projects the funds should be used as part of the capital stack and not front-loaded;
- b. Funding can be either a grant or loan, but advises that most agencies set up a revolving funds to maximize the impact of limited funds with low interest loans;
- c. Funding allocation agreements can begin with a Letter of Interest (LOI) for participation with a time limit that would expire if the developer did not perform or obtain their other funding sources, generally 12-18 months;
- d. Funding should be to address financial gaps and not to ensure other financing;
- e. The City can establish a first-time homebuyer down payment assistance fund that can be used on existing housing stock (existing state program targets new construction only);
- f. Downpayment programs can be grants or loans with low interest and no payments except upon sale of the home;
- g. The Division has offered to provide the City the contact information for other Cities or County organizations that can mentor us in the development of a program.

It is also noteworthy that the City can once again apply for CDBG funding for the home repair grant program that we previously administered successfully, as the use of the agency funds were not advisable. Staff will need the consent of the City Council to make application for the next round of CDBG funding.

### **SUMMARY & POSSIBLE ACTION**

Staff is requesting direction from the Board on the type of program(s) that staff should pursue implementation to utilize the existing and future housing funds. Specifically the following:

1. Is the Board supportive of pursuing a participation agreement with DBP, LLC, what level of funding and type of funding would be considered and is the City willing to entertain a rezone request for such a project? If the Board is supportive the next step would be for the applicant to apply for a P-District rezone during which time the staff will begin the process of drafting the agreements and formally reviewing the project proforma.

2. Is the Board supportive of pursuing a first time homebuyer down payment assistance program, administered by a third party such as Neighbor Works or alternatively administered by City staff? If the Board is supportive staff will prepare of draft for a specific program to be adopted by the Board.

#### Attachments

- 1) Letter of request
- 2) Site Overview Map
- 3) Private Activity Bond Application Scoring (estimated scoring)
- 4) Pre-Development Budget
- 5) Example Capital Stack
- 6) Site Plan-Option 1
- 7) Site Plan- Option 2
- 8) Examples of Exterior Rendering/Materials

Affordable Senior Housing Development  
465 North Redwood Road  
North Salt Lake, UT 84054

DBP, LLC is attempting to develop 120 to 156 affordable apartments at 465 North Redwood Road. This development will be for seniors aged 62 and over who have an income of 60% of the Area Median Income or less. The financing will consist of a combination of a HUD Loan and Private Activity Bonds, federal Low Income Housing Tax Credits, state tax credits, and any gap financing that is available. The state and federal regulations governing this type of financing mandate the project remains affordable for a minimum of 40 years. The ground lease will further stipulate that the project remains affordable for the entire term of the lease, which is 50 years.

We are projecting total project costs to be between \$35MM and \$40MM. Because of the increase in interest rates and construction costs, financing this type of project has become very difficult. We are seeking a \$580,000 contribution from the city to help fund pre-development costs. Usually, such contributions are funded during construction. We are asking for a contribution ahead of the 'normal' time to allow us to front-load more of the pre-development work, such as plans, specifications, and engineering, which is usually spread over a longer period of time. Doing so will increase the project's bond application scoring which, in turn, will increase the likelihood of a being awarded the Private Activity Bond allocation.

We are targeting the Private Activity Bond board's meeting on October 8, 2025, for our project's allocation. The application deadline for this meeting is August 14, 2025. Construction would begin in the Spring of 2026.

# Appendix A Site Overview



Appendix B  
Private Activity Bond Application Scoring

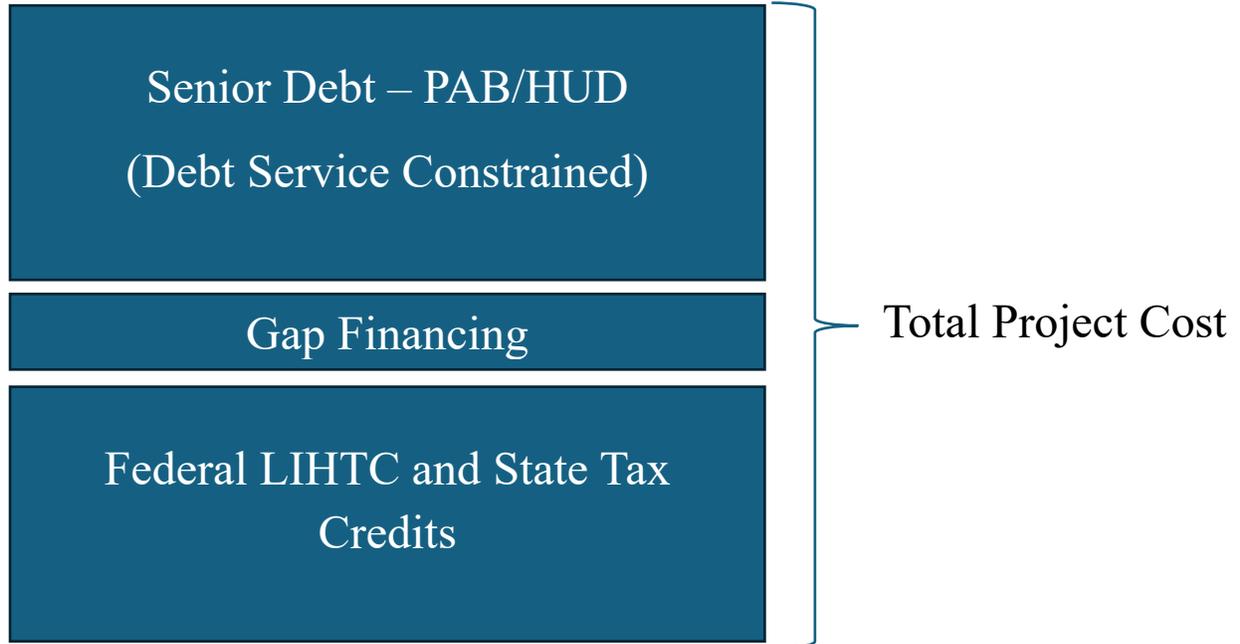
**PAB Multi-Family Scoring - 465 North Redwood Road, North Salt Lake, UT**

Criteria	Points Available	Scored Points	Notes
<b>1. Efficiency</b>	<b>60</b>		
a. Bonds/Individual			
i. 1st Lowest	100		Comparative against competitive set
ii. 2nd Lowest	90		Comparative against competitive set
iii. 3rd Lowest	80		Comparative against competitive set
iv. 4th Lowest	70		Comparative against competitive set
v. 5th Lowest	60	60	Comparative against competitive set
vi. 6th Lowest	50		Comparative against competitive set
vii. 7th Lowest	40		Comparative against competitive set
viii. 8th Lowest	30		Comparative against competitive set
ix. 9th Lowest	20		Comparative against competitive set
x. 10th Lowest	10		Comparative against competitive set
b. Project Costs Efficiency			
i. Hard Costs (HC) per unit	5		Need to finalize budget
ii. HC per Net Residential Square Footage (NRSF)	5		Need to finalize budget
iii. Total Development Costs (TDC) per unit	5		Need to finalize budget
iv. TDC per NRSF	5		Need to finalize budget
<b>2. Location</b>	<b>25</b>		
a. Counties Classification			
i. 2nd Class	7	7	Davis County
ii. 3rd Class	10	0	
iii. 4-6 Class	15	0	
b. 1/2 mile of transit	10	0	No transit within 1/2 mile
<b>3. Readiness</b>	<b>210</b>		
a. Architect Services			
i. Contract/In-House Architect	5	5	
ii. Architectural Plan Set	30	30	
b. Building Readiness			
i. Purchase/Lease*	5	5	
ii. Final Density Approved*	5	5	Part of re-zoning
iii. Signed Contract with GC	10	10	Completed Prior to PAB Submission
iv. Applied for Building Permit	50	50	Completed Prior to PAB Submission
v. Plan Sets: Structural, Civil, Mechanical/Electrical/Plumbing (30 points/each)	90	90	Completed Prior to PAB Submission
c. Financial Readiness			
i. LOI from lender	5	5	
ii. LOI from investor	5	5	
iii. Accepted LOIs	5	5	
<b>4. Experience</b>	<b>200</b>		<b>a, b, c and d OR e</b>
a. Previous MF Outside of Utah	25	25	
b. Previous MF Utah	50	50	
c. Previous MF PAB	50	50	
d. Extensive PAB Experience	25	25	
e. Good Standing	200		
<b>5. Mixed-Income Project</b>	<b>10</b>		
a. Qualified Mixed-Income Project	10		
b. Income Averaging Project	10	10	
<b>6. Community Involvement</b>	<b>20</b>		
a. Municipal Affordable Housing Plan	10	10	If existing plan, we likely qualify
b. Community Concession	10	10	
<b>7. Site Details</b>	<b>32</b>		
a. Environmental Site Mitigation	2		
b. Correction of Environmental Site	5		
c. Energy Star Requirements*	5	5	
d. Enterprise Green Communities Certification	5	5	
e. Other Sustainable Initiatives (5 points/source, max 3 sources)	15	15	
<b>8. Project Details</b>	<b>24</b>		
a. Historic Designation Building	2		N/A
b. Historic Tax Credit Use	2		N/A
c. Fully accessible units above 5% minimum requirement (2 points/unit, max 5 units)	10	10	
d. Provides 100+ newly constructed units	10	10	
e. Cost of Rehab Threshold*	10		N/A
f. Maintain or reduce rents for rehab project	5		N/A
g. Meets QAP threshold	5	5	N/A
<b>TOTAL POINTS</b>	<b>583</b>	<b>507</b>	

Appendix C  
Pre-Development Budget

Projected Pre-Development Budget	
Appraisal	\$ 7,500.00
Market Study	\$ 7,500.00
Phase I Environmental	\$ 5,000.00
ALTA Survey	\$ 5,000.00
Geotechnical Report	\$ 5,000.00
Underwriting	\$ 25,000.00
Plans/Specs/Engineering	\$500,000.00
PAB/LIHTC Application	\$ 25,000.00
<b>Total</b>	<b>\$580,000.00</b>

Appendix D  
Example Capital Stack



# SENIOR AFFORDABLE HOUSING – OPTION #1



465 N. REDWOOD ROAD, NORTH SALT LAKE, UTAH 84054

Project objective is to develop 120 to 150 units of senior housing w/ some flexibility to expand parking on adjacent parcel to the west.

## Option #1 Metrics:

Site Area (approx.):	81,721 SF
Building Footprint:	25,116 SF
Gross Building Area:	100,464 SF
Gross Rentable Area:	90,418 SF
Efficiency Factor:	0.90
Number of Units:	156

## Unit Distribution:

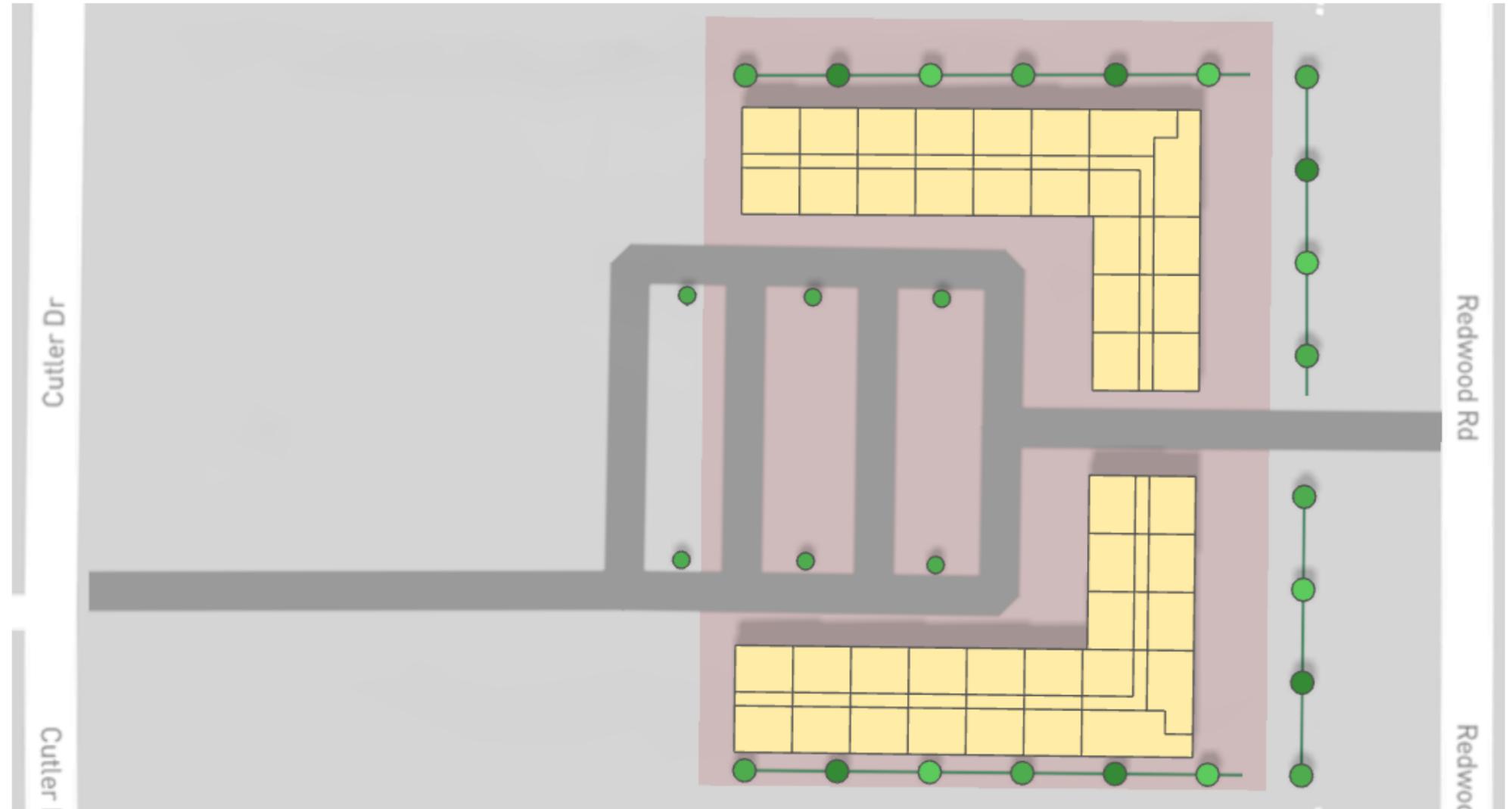
- 1 bedroom (400 SF – 600 SF)	140
- 2 bedroom (600 SF – 800 SF)	8
- 2 bedroom (800 SF – 950 SF)	8

## Amenities:

- Community Room
- Business Center
- Fitness Room

## Chapter 6 Off Street Parking Requirements:

- 2 parking spaces per unit
- ¼ parking spaces per unit for guest parking
- Accessible spaces provided in accordance ADAAG requirements, including 1 van space
- Maximum driveway width at property line = 40'
- Minimum distance from side yard property Line = 8'
- One driveway for up to 200' of frontage, more than 200' of frontage may have 2 driveways



OPTION #1 TYPICAL FLOOR PLAN

NOT TO SCALE

# SENIOR AFFORDABLE HOUSING – OPTION #2

465 N. REDWOOD ROAD, NORTH SALT LAKE, UTAH 84054

Project objective is to develop 120 to 150 units of senior housing w/ some flexibility to expand parking on adjacent parcel to the west.

## Option #1 Metrics:

Site Area (approx.): 81,721 SF

Building Footprint: 22,632 SF

Gross Building Area: 90,528 SF

Gross Rentable Area: 81,475 SF

Efficiency Factor: 0.90

Number of Units: 128

## Unit Distribution:

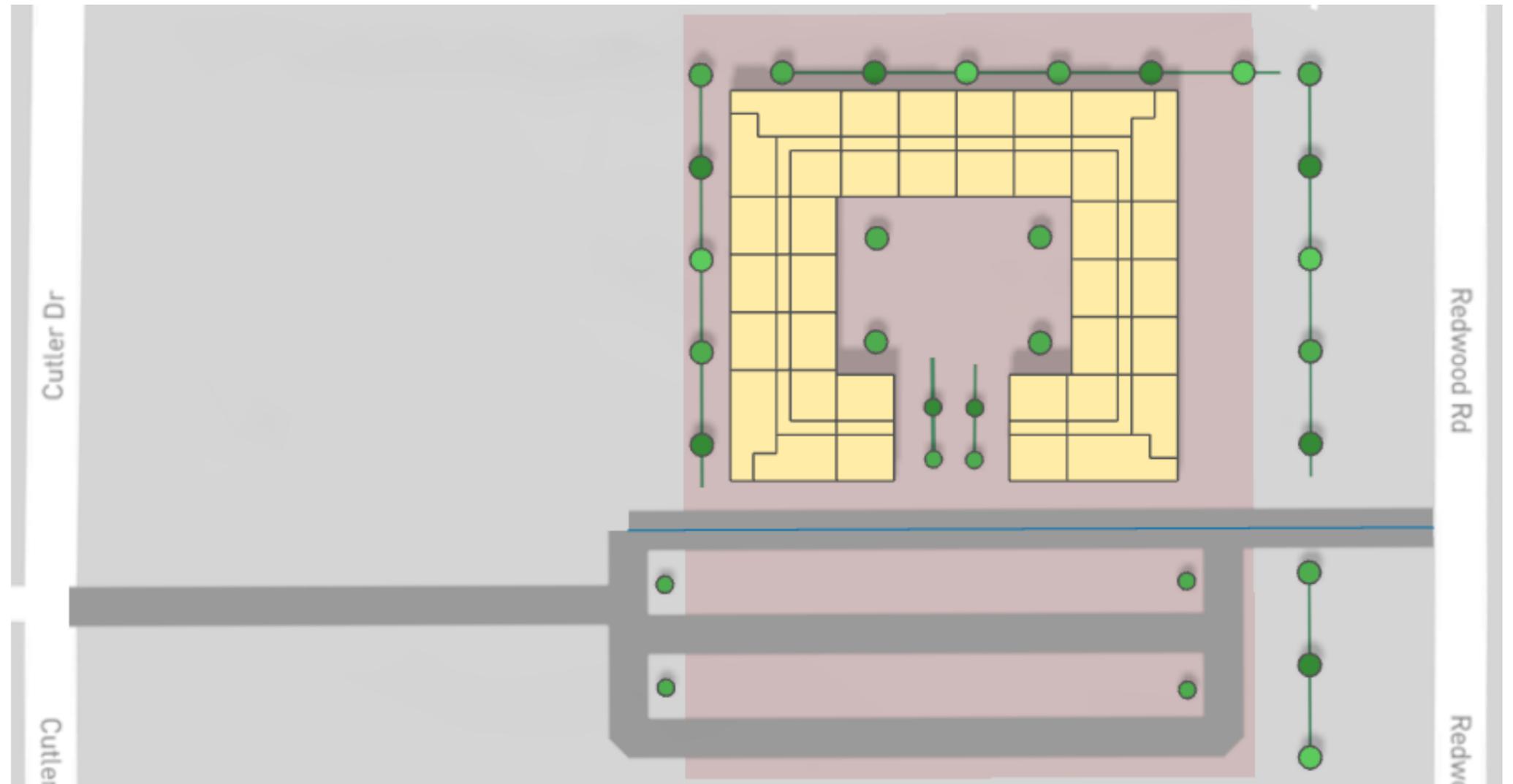
- |                               |    |
|-------------------------------|----|
| - 1 bedroom (400 SF – 600 SF) | 96 |
| - 2 bedroom (600 SF – 800 SF) | 16 |
| - 2 bedroom (800 SF – 950 SF) | 16 |

## Amenities:

- Community Room
- Business Center
- Fitness Room

## Chapter 6 Off Street Parking Requirements:

- 2 parking spaces per unit
- ¼ parking spaces per unit for guest parking
- Accessible spaces provided in accordance ADAAG requirements, including 1 van space
- Maximum driveway width at property line = 40'
- Minimum distance from side yard property Line = 8'
- One driveway for up to 200' of frontage, more than 200' of frontage may have 2 driveways



OPTION #2 TYPICAL FLOOR PLAN  
NOT TO SCALE



Exterior Rendering Example 1





## Exterior Rendering Example 3

1 CITY OF NORTH SALT LAKE  
2 REDEVELOPMENT AGENCY MEETING  
3 ANCHOR LOCATION: CITY HALL  
4 10 EAST CENTER STREET, NORTH SALT LAKE  
5 JUNE 18, 2024

6  
7 **DRAFT**  
8

9 Chair Brian Horrocks called the meeting to order at 9:26 p.m.

10  
11 PRESENT: Chair Brian Horrocks  
12 Board Member Lisa Watts Baskin  
13 Board Member Tammy Clayton  
14 Board Member Suzette Jackson  
15 Board Member Ted Knowlton  
16 Board Member Alisa Van Langeveld  
17

18 STAFF PRESENT: Ken Leetham, City Manager; David Frandsen, Assistant City Manager; Jon  
19 Rueckert, Public Works Director; Craig Black, Police Chief; Karyn Baxter, City Engineer; Todd  
20 Godfrey, City Attorney; Sherrie Pace, Community Development Director; Heidi Voordeckers,  
21 Finance Director; Wendy Page, City Recorder.  
22

23 OTHERS PRESENT: Dee Lalliss, resident.  
24

25 1. PUBLIC HEARING AND CONSIDERATION OF RESOLUTION RDA 2024-01R: A  
26 RESOLUTION ADOPTING AMENDMENTS TO THE FISCAL YEAR 2023-2024  
27 REDEVELOPMENT AGENCY BUDGETS  
28

29 Heidi Voordeckers reported on fiscal year 2024 budget amendments to the Eaglewood Village  
30 project area with an adjustment of \$97,000 in revenues from \$630,000 to \$727,000. She said as a  
31 result there was a matching developer reimbursement of \$91,600 from \$598,500 to \$690,100.  
32 She explained that these adjustments were due to an increase for actual collections received. She  
33 reviewed the Redwood Road RDA with a \$60,000 increase transfer to debt service to offset a  
34 possible RAP Tax shortfall.  
35

36 The Board discussed the RDA funds available for Hatch Park, signage, and beautification.  
37

38 **Chair Horrocks opened the public hearing at 9:39 p.m.**  
39

40 Dee Lalliss, resident, commented that the RDA fund was a good entity and should be used for  
41 beautifying other areas such as parks.  
42

43 **Chair Horrocks closed the public hearing at 9:40 p.m.**

44 **Board Member Baskin moved the Board approve Resolution RDA 2024-01R: A Resolution**  
45 **adopting amendments to the fiscal year 2023-2024 Redevelopment Agency budgets. Board**  
46 **Member Jackson seconded the motion. The motion was approved by Board Members**  
47 **Baskin, Clayton, Horrocks, Jackson, Knowlton, and Van Langeveld.**

48

49 2. PUBLIC HEARING AND CONSIDERATION OF RESOLUTION RDA 2024-02R: A  
50 RESOLUTION ADOPTING THE FISCAL YEAR 2024-2025 REDEVELOPMENT  
51 AGENCY FUNDS BUDGETS

52

53 Heidi Voordeckers reported on the current year Redevelopment Agency (RDA) Budget and said  
54 the remaining funds would be used towards beautification. She said there were no changes from  
55 the originally presented budget. She explained that expenditures included the completion of the  
56 Foxboro Wetlands Park project, contributions of \$400,000 to the debt Service on the Hatch Park  
57 Project, and \$1,430,000 in developer agreements.

58

59 Chair Horrocks suggested requesting congressional or lobbyist assistance to receive approval  
60 from the Army Corps on the Foxboro Wetlands Park project.

61

62 **Chair Horrocks opened the public hearing at 9:43 p.m.**

63

64 There were no comments.

65

66 **Chair Horrocks closed the public hearing at 9:44 p.m.**

67

68 **Board Member Clayton moved the Board approve Resolution RDA 2024-02R: A Resolution**  
69 **adopting the fiscal year 2024-2025 Redevelopment Agency funds budgets. Board Member**  
70 **Jackson seconded the motion. The motion was approved by Board Members Baskin,**  
71 **Clayton, Horrocks, Jackson, Knowlton, and Van Langeveld.**

72

73 3. CONSIDERATION OF RESOLUTION RDA 2024-03R: A RESOLUTION AMENDING  
74 THE REDEVELOPMENT AGENCY'S BY LAWS

75

76 Ken Leetham reported on several minor changes in the RDA By Laws including updating the  
77 City's official name and clarifying the election of the chair and vice chair. He said historically the  
78 Chair of the Board has always been the Mayor but the Board could change this practice if they  
79 desired.

80

81 **Board Member Van Langeveld moved that the Board approve Resolution RDA 2024-03R:**  
82 **a resolution amending the Redevelopment Agency's By Laws. Board Member Knowlton**  
83 **seconded the motion. The motion was approved by Board Members Baskin, Clayton,**  
84 **Horrocks, Jackson, Knowlton, and Van Langeveld.**

85

86 4. APPROVAL OF REDEVELOPMENT AGENCY MINUTES

87  
88 The Redevelopment Agency meeting minutes of June 20, 2023 were reviewed and approved.

89  
90 **Board Member Van Langeveld moved to approve the June 20, 2023 RDA minutes, as**  
91 **written. Board Member Knowlton seconded the motion. The motion was approved by**  
92 **Board Members Baskin, Clayton, Horrocks, Jackson, Knowlton, and Van Langeveld.**

93  
94 5. ADJOURN

95  
96 Chair Horrocks adjourned the meeting at 9:47 p.m.

97  
98 *The foregoing was approved by the Board of the City of North Salt Lake Redevelopment Agency*  
99 *on Tuesday, January 21, 2025 by unanimous vote of all members present.*

100

101

102

---

*Chair*

---

*Recorder*