

**THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

**RESOLUTION NO. 2021-13RDA**

**A RESOLUTION AUTHORIZING THE IMPLEMENTATION  
OF THE NEIGHBORHOOD HOUSING IMPROVEMENT PROGRAM  
BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

**WHEREAS**, the Redevelopment Agency of Midvale City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

**WHEREAS**, twenty percent of tax increment generated in the project areas are required to fund affordable housing; and

**WHEREAS**, the Board of Directors of the Agency has established the City-Wide Housing Fund to support the development and retention of affordable housing in Midvale; and

**WHEREAS**, the Redevelopment Agency of Midvale City has committed to provide affordable housing opportunities for Midvale residents; and

**WHEREAS**, the Redevelopment Agency of Midvale City seeks to establish the Neighborhood Housing Improvement Program to provide affordable housing, remove blighted buildings, and improve the condition of the City’s housing stock.

**NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY**, that the Board of Directors does hereby authorize the Chief Administrative Officer and Executive Director to implement the Neighborhood Housing Improvement Program and execute all necessary documents, subject to the Neighborhood Housing Improvement Program Term Sheet and such other terms and conditions as recommended by Agency’s legal counsel.

**Passed and Adopted by the Board of Directors of the Redevelopment Agency of Midvale City, State of Utah, this 24<sup>th</sup> day of August 2021.**



Robert Hale  
Chief Administrative Officer

ATTEST:



Rori L. Andreason, MMC  
Secretary



Matt Dahl  
Executive Director



**Voting by the Board:**

Dustin Gettel  
Paul Glover  
Quinn Sperry  
Heidi Robinson  
Bryant Brown

**“Aye”**

✓  
✓  
✓  
✓  
✓

**“Nay”**

## AMENDED PROJECT TERM SHEET

<b>Program Budget</b>	\$500,000
<b>Funding Source</b>	City-wide Housing Fund
<b>Purpose</b>	The Neighborhood Housing Improvement Program (NHIP) is an Agency-led effort to strategically invest in neighborhoods throughout Midvale, by acquiring and redeveloping properties that pose a significant negative impact on the overall quality of housing stock.
<b>Property Selection Criteria</b>	<p>A property must be considered a blight on the neighborhood to be considered for this program.</p> <p>Eligible properties with a structure on site must meet two of the following criteria:</p> <ul style="list-style-type: none"> <li>• Closed to occupancy by Salt Lake County Health Department</li> <li>• Associated with criminal activity or domestic disturbances (frequent law enforcement visits)</li> <li>• Vacant</li> <li>• Run-down condition, negatively impacting the overall character and quality of the neighborhood</li> </ul> <p>Properties that are vacant lots with no major structures capable of human occupancy are eligible without needing to meet any of the other above criteria.</p> <p>Staff will submit a list of properties in closed session for pre-approval by the Board. Staff also seeks approval from the Board to engage with non-approved property owners prior to approval by the Board. Once discussions have begun, staff will notify the Board to discuss property and get their approval.</p>
<b>Affordability Criteria</b>	<p>The property is to be marketed for households with earnings 60% of the Area Median Income (AMI)</p> <p>The property is targeted at families, and the price will reflect the 60% AMI rate adjusted for a family of four.</p>
<b>Property Acquisition</b>	<p>Offers on property contingent on Board approval.</p> <p>Staff will provide Board the following for consideration:</p> <ul style="list-style-type: none"> <li>• Purchase price and contract terms</li> <li>• Site preparation and demolition estimate where necessary. <ul style="list-style-type: none"> <li>- All other properties will be assessed to determine if renovation or demolition is the more appropriate option.</li> </ul> </li> <li>• Construction estimate</li> <li>• Available Property Reports</li> </ul>

	<ul style="list-style-type: none"> <li>- Title report</li> <li>- Appraisal</li> <li>- Survey</li> <li>- Phase I ESA</li> <li>• Close on property</li> </ul>
<b>Project Specific Costs</b>	<p>The costs associated with the acquisition, redevelopment and disposition of the property are:</p> <ul style="list-style-type: none"> <li>• Agent fee</li> <li>• Property acquisition</li> <li>• Demolition and/or site clearance</li> <li>• Design/Engineering</li> <li>• Construction</li> <li>• Marketing</li> <li>• Closing costs</li> <li>• Site maintenance</li> </ul>
<b>Land Maintenance</b>	<p>All properties must be assessed to determine if demolition or renovation is the best option for the property.</p> <p>Each property shall have all items left on the land removed from the land in preparation for construction. In the case of demolition, the vacant land shall have a soft landscaping (wood chipping) applied to it until construction can begin, to minimize any negative impacts to the neighborhood.</p> <p>Properties that are not demolished and are to be renovated shall be secured in the most appropriate manner. This may involve the bolting of doors and covering of all windows and entryways with a secure material to deter any unlawful entry or occupation of a premises.</p>
<b>Project Scope and Design</b>	<p>The Agency shall act as developer of the property.</p> <p>The following shall be considered the minimum design standards and should be noted for redevelopment:</p> <ul style="list-style-type: none"> <li>• Minimum 3-bedroom home with a minimum of 1 bathroom</li> <li>• Garage on property</li> <li>• Energy star rating</li> <li>• Low maintenance landscape</li> <li>• Accessory dwelling unit where possible and if allowed</li> </ul> <p>The design should be adaptable, in that it may be reused in future NHIP projects.</p> <p>Final design to be approved by the RDA Board.</p>

<b>Construction</b>	<p>In the case of redevelopment, or significant renovation, the contractor will be selected through a competitive RFP. This may be done on a site-by-site basis or for a selected number of sites.</p> <p>At the Agency's sole discretion, the property may be placed on market with a deed restriction for 80% AMI, should redevelopment not be a feasible option. If there is interest in the property from a developer, the Agency may negotiate a price that makes the property economically viable for a developer to acquire with the deed restriction.</p>
<b>Land Ownership and Security of Affordability</b>	<p>The land shall be owned by the Redevelopment Agency to ensure the affordability of the property is maintained. The land-ownership model shall be similar to that of a community land trust, which allows for the property to be purchased for the cost of the improvements upon the land.</p> <p>The ground lease allows the homeowner secure, long-term rights to use the land. Homeowners have exclusive use of the land, and they have full responsibility for the property.</p> <p>Midvale RDA will charge \$0.01 per square foot of land on the lot as a lease fee to all lease-holders. The lease fee gives the homeowner full use of the land, and all maintenance responsibilities lie with the lease-holder.</p>
<b>Fees</b>	<p>The leasing fee shall be based on the overall square footage of the lot. It is proposed that a fee of \$0.01 per square, per month will be charged.</p> <p>Fees shall be payable to the City on a monthly basis.</p>
<b>Management</b>	<p>The NHIP shall be managed by the Housing Manager with support from other Agency staff.</p>
<b>Sale of Improvement</b>	<ul style="list-style-type: none"> <li>• The improvement will be publicly marketed.</li> <li>• Agency shall/may proceed with disposition without Board approval to the first qualified buyer, provided the buyer meets the following criteria: <ul style="list-style-type: none"> <li>- Household income is 60% or less of AMI</li> <li>- Pays the established sales price</li> </ul> </li> </ul>

## ORIGINAL ADOPTED PROJECT TERM SHEET

<b>Program Budget</b>	\$400,000
<b>Funding Source</b>	City-wide Housing Fund
<b>Purpose</b>	The Neighborhood Housing Improvement Program (NHIP) is a City-led effort to strategically invest in neighborhoods throughout Midvale, by acquiring and redeveloping properties that pose a significant negative impact on the overall quality of housing stock
<b>Property Selection Criteria</b>	<p>A property must be considered a blight on the neighborhood to be considered for this program.</p> <p>Eligible properties must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Closed to occupancy by Salt Lake County Health Department</li> <li>• Associated with criminal activity or domestic disturbances (frequent law enforcement visits)</li> <li>• vacant</li> <li>• Run-down condition, negatively impacting the overall character and quality of the neighborhood</li> </ul> <p>Staff will submit a ranked list of properties in closed session for approval by the Board.</p>
<b>Affordability Criteria</b>	<p>The property is to be marketed for households with earnings 60% of the Area Median Income (AMI)</p> <p>The property is targeted at families, and the price will reflect the 60% AMI rate adjusted for a family of four.</p>
<b>Property Acquisition</b>	<p>Offers on property contingent on Board approval.</p> <p>Staff will provide Board the following for consideration:</p> <ul style="list-style-type: none"> <li>• Purchase price and contract terms</li> <li>• Site preparation and demolition estimate where necessary <ul style="list-style-type: none"> <li>- All properties closed to occupancy will require demolition. All other properties will be assessed to determine if renovation or demolition is the more appropriate option.</li> </ul> </li> <li>• Construction estimate</li> <li>• Available Property Reports <ul style="list-style-type: none"> <li>- Title report</li> <li>- Appraisal</li> <li>- Survey</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>- Phase I ESA</li> <li>• Close on property</li> </ul>
<b>Project Specific Costs</b>	<p>The costs associated with the acquisition, redevelopment and disposition of the property are:</p> <ul style="list-style-type: none"> <li>• Property acquisition</li> <li>• Demolition and/or site clearance</li> <li>• Design/Engineering</li> <li>• Construction</li> <li>• Marketing</li> <li>• Closing costs</li> <li>• Site maintenance</li> </ul>
<b>Land Maintenance</b>	<p>All properties which have been closed to occupancy by the County Health Department shall be demolished within 90 days of when the Agency takes ownership of the property.</p> <p>All other properties must be assessed to determine if demolition or renovation is the best option for the property.</p> <p>Each property shall have all items left on the land removed from the land in preparation for construction. In the case of demolition, the vacant land shall have a soft landscaping (wood chipping) applied to it until construction can begin, to minimize any negative impacts to the neighborhood.</p> <p>Properties that are not demolished and are to be renovated shall be secured in the most appropriate manner. This may involve the bolting of doors and covering of all windows and entryways with a secure material to deter any unlawful entry or occupation of a premises.</p>
<b>Project Scope and Design</b>	<p>The Agency shall act as developer of the property.</p> <p>The following design requirement shall be adhered to:</p> <ul style="list-style-type: none"> <li>• Minimum 3-bedroom home with a minimum of 1 bathroom</li> <li>• Garage on property</li> <li>• Energy star rating</li> <li>• Low maintenance landscape</li> <li>• Accessory dwelling unit where possible and if allowed</li> </ul> <p>The design should be adaptable, in that it may be reused in future NHIP projects.</p> <p>Final design to be approved by the RDA Board.</p>
<b>Construction</b>	<p>The contractor will be selected through a competitive RFP. This may be done on a site by site basis or for a selected number of sites.</p>

	<p>Upon acquisition of the Property, if the Agency is unable to enter into an agreement to commence construction within 270 days of acquisition, the property will be placed on market with a deed restriction for 80% AMI. If there is interest in the property from a developer, the Agency may negotiate a price that makes the property economically viable for a developer to acquire with the deed restriction.</p>
<b>Land Ownership and Security of Affordability</b>	<p>The land shall be owned by the Redevelopment Agency to ensure the affordability of the property is maintained. The land-ownership model shall be similar to that of a community land trust, which allows for the property to be purchased for the cost of the improvements upon the land.</p> <p>The ground lease allows the homeowner secure, long-term rights to use the land. Homeowners have exclusive use of the land, and they have full responsibility for the property.</p> <p>Midvale RDA will charge \$0.01 per square foot of land on the lot as a lease fee to all lease-holders. The lease fee gives the homeowner full use of the land, and all maintenance responsibilities lie with the lease-holder.</p>
<b>Fees</b>	<p>The leasing fee shall be based on the overall square footage of the lot. It is proposed that a fee of \$0.01 per square, per month will be charged.</p> <p>Fees shall be payable to the City on a monthly basis.</p>
<b>Management</b>	<p>The NHIP shall be managed by the Agency.</p>
<b>Sale of Improvement</b>	<ul style="list-style-type: none"> <li>• The improvement will be publicly marketed.</li> <li>• Agency shall/may proceed with disposition without Board approval to the first qualified buyer, provided the buyer meets the following criteria: <ul style="list-style-type: none"> <li>- Household income is 60% or less of AMI</li> <li>- Pays the established sales price</li> </ul> </li> </ul>