

Redevelopment Agency OF SALT LAKE CITY

CBD Area Project Extension

In 2004, the Redevelopment Agency of Salt Lake City pursued the extension of the Central Business Project Area. To continue to address the perpetually changing needs of downtown, the Agency's Board and the Taxing Entity Committee determined the extension was necessary to address critical housing and revitalization needs in downtown Salt Lake City. The Agency's substantial contribution to downtown in the past also warrants continued redevelopment efforts.

The Redevelopment Agency of Salt Lake City (the "Agency") Central Business District Neighborhood Development Project Area (the "CBD") was created in 1971 and included two blocks downtown. By 1983, the CBD had expanded to include 262 acres of which tax increment revenues were paid to the Agency on 100 acres (the "Collection Area"). Over the past 21 years, the Agency has been a partner in retail, housing, office, open space, arts, cultural, and infrastructure developments. Projects include the Salt Palace, the Delta Center, Symphony Hall, light rail, the Gallivan Utah Center and the American Towers building.

The Agency did not request an extension of the CBD Project Area without a great deal of consideration. The struggle to maintain and promote a vibrant and active downtown has been a priority of every administration for the past twenty years. Like many other cities, Salt Lake City has seen a substantial shift in the types of uses and users for its downtown. The change to broaden downtown's market to create a place for the office market and convention center continues to grow and is successful. Creation of a cultural center with facilities such as the Capitol Theater and Rose Wagner Performing Arts Center adds another facet to the downtown vitality. Salt Lake City is just beginning to see housing development, both warehouse conversions and new construction, in the downtown. All of these developments are key to maintaining Utah's capitol city.

On October 12, 2004 the Redevelopment Agency of Salt Lake City's Taxing Entity Committee met to vote on the extension of the Central Business District Project Area. As required by State law, the Committee was made up of two representatives each from the Salt Lake City School District, Salt Lake County, and Salt Lake City, and one representative each from the State Board of Education and the small taxing entities. Ultimately, the Committee, by a 7 to 1 margin, agreed to extend the project and to share the tax increment revenues.



The Gallivan Utah Center, in the Central Business District

CBD Area Project Extension

TERMS

The Agency will request and receive 100% of the tax increment revenues from the Collection Area of CBD through the 2040 tax year. The Agency will retain 40% of the tax increment and distribute 60% of the tax increment to the taxing entities.

In the year 2025, the Agency will evaluate the property tax growth rate. If growth is less than 175% of the City's overall growth rate either the Agency or a majority of the members of the Committee will call a Committee meeting to consider the redistribution of tax increment to taxing entities levying taxes within the CBD.

BENEFITS

The extension terms address many of the concerns of the taxing entities while providing the Agency the time and resources to continue to revitalize and rejuvenate the CBD.

The CBD property tax growth rate has historically been nearly twice that of the City as a whole and should continue with the Agency's assistance.

The proposal assures that the taxing entities will receive a favorable portion of the CBD property tax increment while still allowing for the Agency to redevelop the CBD.

The extension will promote better communication between the taxing entities and the Agency.

Redevelopment is one of the few economic development tools available to attract new and retain existing businesses which will both stabilize and increase property tax revenues.

The Paver Replacement Project in the Sugar House Project Area



Loans for 2005

To assist property owners with building renovation, the Redevelopment Agency provides a variety of low-interest loans. Here is a sampling of loans the Agency provided to property owners in various RDA project areas during 2004. For more information on RDA loan programs, please visit our website at www.slcrda.com.

CENTRAL CITY Project Area LIBRARY SQUARE CONDOMINIUMS

In 2004, the Agency provided Community Development Corporation (CDC) a \$2,350,000 construction loan for the four-story, 29 unit Library Square Condominiums development located on 226 East 500 South. The Agency contribution is 66% of the estimated \$3,496,000 development costs for this project. This project includes a ground level parking garage with private storage for residents, four live/work units, one town-home, and an elevator accessing the upper levels. The second, third and fourth levels are studio, one and two-bedroom condominium units. Prior to completion of construction, the developer sold 15 units.



The Gallivan Utah Center's ice skating rink in the Central Business District

CENTRAL BUSINESS DISTRICT Project Area SALT LAKE COMMUNITY COLLEGE

In spring 2004, the Agency gave Salt Lake Community College a \$2,487,500 bridge loan to assist in the acquisition of a building located at 115 South Main Street for their Metro Campus. SLCC will seek permanent financing for the building within the next two years. The college provides modern classrooms, high-tech conference rooms and a sixth-floor dining area.

WEST TEMPLE Project Area GREEN STREET PARTNERS

The Agency provided a \$60,000 land writedown to Green Street Partners to construct a six-story, 25 unit tax credit apartment complex, which was completed in the spring of 2004. In addition to the apartments, 2,000 square feet of retail space was constructed on the first floor for lease to neighborhood commercial services. The financing for the \$3,100,000 project was provided by a combination of Low Income Housing Tax Credits, loans from Salt Lake City's Housing Trust Fund and the Utah Community Reinvestment Corporation and grants from the Federal Home Loan Bank and Department of Housing and Urban Development. Apartments will be rented to households whose incomes range between 36% and 50% of area median income.

SUGAR HOUSE Project Area PUBLIC ART AND IMPROVEMENTS

In 2004, the Agency budgeted approximately \$880,000 to install public/street improvements and public art in the Sugar House Project Area. The art project for 2004 consists of sidewalk pavers with anagrams and crossword puzzles designed by Bernardo Flores-Sahagun and William Littig. The public can view these on the north and south side of 2100 South between 1100 East and 900 East.

The Agency also earmarked funds to replace old brick pavers within the Sugar House RDA Project Area with the exception of the monument plaza island. The pavers give a nicer look to the sidewalks and also provide a safer surface when wet. The sidewalk

ramp areas were also reconstructed to meet current ADA standards.

The Street Light Installation Project required the removal of existing streetlights and installation of underground wiring with new light poles along 2100 South, Highland Drive and Wilmington Avenue. The Sugar House Lighting Plan complies with the recommendations proposed in the draft citywide lighting master plan which includes policy recommendations to remove overhead power transmission lines along streets in gateway and vista areas, and to unify street lighting fixtures and equipment into a consistent design theme.

Main Street Grant PROGRAM

In an effort to revitalize Main Street, The Redevelopment Agency of Salt Lake City allocated grant money to new and existing Main Street business owners. Here is a list of Main Street grant recipients for 2004:

New Main Street Businesses:

The Coffee Garden, Metro Day Spa, DocuPrep, Wilson Davis and Vienna Bistro.

Existing Main Street Businesses:

Lambs Grill, Cheers to You, House of Kabobs, Royal Eatery, AJ's Quikmart, Atlantic Café and Shogun Restaurant.



Detail of street lighting fixture in the Sugar House Project Area

DEPOT DISTRICT Project Area FULLER PAINT BUILDING

In January of 2004, the Agency Board approved a loan to Big D Construction Company for the renovation of the former Fuller Paint Building located at 404 West 400 South. The \$2.5 million loan, in conjunction with financing provided by Zions First National Bank, constitutes the long term financing for the project. This is a fine example of a historic renovation project and will be a landmark project for years to come.



Big D Construction's renovated Fuller Paint Building

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OF SALT LAKE CITY

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