



***DEPOT DISTRICT
REDEVELOPMENT PROJECT
AREA***

(Formerly Known as the North Gateway Redevelopment Project Area)

Redevelopment Plan

Report on Redevelopment Plan

Project Area Budget

Planning Commission Report

**Rules Governing Participation and Preferences by
Owners, Operators of Businesses and Tenants**

Rules Governing Relocation Assistance

October 15, 1998



DEPOT DISTRICT REDEVELOPMENT PROJECT AREA PLAN

RECITALS

1. Pursuant to the provisions of Section 1204 of the Utah Neighborhood Development Act ("Act"), the governing body of the Redevelopment Agency of Salt Lake City ("Agency") designated by Resolution # 461.03 dated April 17, 1997 a redevelopment survey area which found that the area required study to determine whether or not one or more redevelopment project areas are feasible and contained a description or map of the boundaries of the redevelopment survey area as more fully shown on Exhibit "A"; and
2. Pursuant to the provisions of Section 1205 of the Act, Salt Lake City ("City") has a planning commission and a general plan as required by law; and
3. Pursuant to Section 1204 and 1208 of the Act, the Agency authorized by Resolution # 461.03 dated April 17, 1997, a blight study of the survey area and the blight study was received by the Board of Directors on April 14, 1998 which was within one (1) year from the date of authorization; and
4. Pursuant to the provisions of Section 1206 of the Act, the governing body of the Agency approved by Resolution # 480.06 dated June 11, 1998 the designation of a proposed project area known as the North Gateway Redevelopment Project Area as shown on Exhibit "B" the setting of dates for public hearings pursuant to Section 17A-2-1206(2); and the combining of the public hearings required by Section 17A-2-1206(2) and Section 17A-2-1206(4) as authorized by Section 17A-2-1206(5); and
5. Pursuant to the provisions of Section 1206 of the Act, the Agency conducted a public hearing on July 16, 1998 within 45 days after designation of the North Gateway Redevelopment Project Area for the purpose of allowing input into the Agency deliberations concerning the proposed North Gateway Redevelopment Project Area; and
6. Pursuant to the provisions of Section 1206 of the Act, the Agency conducted a public hearing on August 13, 1998 for the purpose of allowing input into the Agency's deliberations concerning the proposed North Gateway Project Area and presenting evidence of the elements of blight, allowed property owners a reasonable opportunity to prepare for the blight hearing and permitted examination and cross examination by the property owners or their representatives of the Agency's evidence or experts and heard and considered evidence and expert testimony concerning the elements of blight present; and
7. Pursuant to the provisions of Section 1208 of the Act and prior to adopting a redevelopment plan, the Agency conducted a public hearing on August 13, 1998 and found that the proposed Redevelopment Project Area was a blighted area; and
8. Pursuant to the provisions of the Act, a redevelopment plan has been prepared after April 1, 1993 and the completion of the Agency's blight study and the commencement of the Agency's public hearings have commenced after July 1, 1993, and, if adopted, the Redevelopment Plan shall be adopted after January 1, 1997.

Section 1 - Definitions: used in this Depot District Redevelopment Project Area Plan:

- A. The term "**Act**" shall mean the Utah Neighborhood Development Act as found in Title 17A, Part 12, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor law or act.
- B. The term "**affordable housing**" shall mean housing to be owned or occupied by persons and families of low or moderate income as determined by resolution of the Agency.
- C. The term "**Agency**" shall mean the Redevelopment Agency of Salt Lake City as designated by the City to act as a redevelopment agency.
- D. The term "**base tax amount**" shall mean that portion of taxes that would be produced by the rate upon which the tax is levied each year by or for all taxing agencies upon the total sum of the taxable value of the taxable property within the tax increment collection area in the Redevelopment Project Area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agencies, last equalized before the effective date of the first approved Project Area Budget, as adjusted by Sections 17A-2-1250.5, 17A-2-1251, 17A-2-1252, and 17A-2-1253, of the Act.
- E. The term "**blight**," "**blighted**" or "**blighted area**" shall mean "an area with buildings or improvements, used or intended to be used for residential, commercial, industrial, or other purposes or other urban purposes or any combination of these uses, which:
- (1) contains buildings and improvements, not including out-buildings, on at least 50% of the number of parcels and the area of those parcels is at least 50% of the project area; and
 - (2) is unfit or unsafe to occupy or may be conducive to ill health, transmission of diseases, infant mortality, juvenile delinquency, or crime because of any three or more of the following factors:
 - (i) defective character of physical construction;
 - (ii) high density of population and overcrowding;
 - (iii) inadequate provision for ventilation, light, sanitation and open spaces;
 - (iv) mixed character and shifting of uses which results in obsolescence, deterioration, or dilapidation;
 - (v) economic deterioration or continued disuse;
 - (vi) lots of irregular form and shape and inadequate size for proper usefulness and development, or laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions;
 - (vii) existence of inadequate streets, open spaces, and utilities;
 - (viii) existence of lots or other areas which are subject to being submerged by water; and
 - (ix) existence of any hazardous or solid waste defined as any substance defined, regulated, or listed as "hazardous substances," "hazardous materials," "hazardous

wastes," "toxic waste," "pollutant," "contaminant," or "toxic substances," or identified as hazardous to human health or the environment under state or federal law or regulation."

- E. The term "**Board**" means the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund.
- F. The term "**bond**" shall mean any bonds, notes, interim certificates, debentures, or other obligations issued by the Agency.
- G. The term "**City**" shall mean the City of Salt Lake City.
- H. The term "**community**" shall mean a city, county, town or any combination of these.
- I. The term "**Gateway Master Plan**" shall mean the master plan adopted by Salt Lake City on August 11, 1998 which includes documents entitled Creating an Urban Neighborhood, Gateway District Land Use & Development Master Plan and The Gateway Specific Plan as they may be amended from time to time.
- J. The term "**governing body**" shall mean the Board of Directors of the Redevelopment Agency of Salt Lake City.
- K. The term "**housing funds**" shall mean the funds allocated in the Project Area Budget under Section 17A-2-1264.
- L. The term "**income targeted housing**" means housing to be owned or occupied by a family whose annual income is at or below 80% of the median annual income for the county in which the housing is located.
- M. The term "**legislative body**" shall mean the Salt Lake City Council which is the legislative body of the City.
- N. The term "**owner participation**" shall mean the rules adopted by the Agency and the City as may be amended from time to time and as required by the Act.
- O. The term "**planning commission**" shall mean the planning commission of the City established pursuant to law or charter.
- P. The term "**project area**" or "**redevelopment project area**" shall mean an area of a community within a designated redevelopment survey area, the redevelopment of which is necessary to eliminate blight or provide economic development and which is selected by the Agency. The term "**Project Area**" or "**Redevelopment Project Area**" refers specifically to the Depot District Redevelopment Project Area.
- Q. The term "**project area budget**" shall mean a multi-year budget for the redevelopment plan prepared by the Agency containing the information required by Section 17A-2-1202(11), of the Act. The term "**Project Area Budget**" shall mean the multi-year budget for the Depot District Redevelopment Project Area.
- R. The term "**redevelopment**" shall mean the "planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, of all or part of a project area, and the provisions of residential, commercial, industrial, public, or other structures or spaces

that are appropriate or necessary to eliminate blight in the interest of the general welfare, including recreational and other facilities incidental or appurtenant to them," as defined in Section 17A-2-1202(13), of the Act.

- S. The term "**redevelopment plan**" shall mean a redevelopment plan developed by the Agency and adopted by ordinance of the governing body of the City to guide and control redevelopment and economic development undertakings in a specific project area. The term "**Redevelopment Plan**" shall refer to the specific Depot District Redevelopment Project Area Plan.
- T. The term "**redevelopment survey area**" or "**survey area**" shall mean an area of a community designated by resolution of the legislative body or the governing body of the Agency for study by the Agency to determine if blight exists and if a redevelopment project or projects within the area are feasible.
- U. The term "**Relocation Plan**" shall mean the rules adopted by the Agency to provide for uniform rules for persons and businesses displaced because of redevelopment project activities as may be amended from time to time and required by the Act.
- V. The term "**taxes**" shall include all levies on an ad valorem basis upon land, real property, personal property, or any other property, tangible or intangible.
- W. The term "**taxing agencies**" shall mean the public entities, including the state, any city, county, city and county, any school district, special district, or other public corporation, which levy property taxes within the Project Area.
- X. The term "**tax increment**" will mean that portion of the levied taxes in the tax increment collection area within the Project Area each year in excess of the base tax amount which excess amount is to be paid into a special fund of an Agency as more fully described in Section 17A-2-1247.
- Y. The term "**tax increment collection area**" shall mean the area legally described as all of blocks 46, 47, 62, 63, 64, 65, 80, 81, 83 of Plat "A," Salt Lake City Survey, all of Blocks 48 and 60 of Plat "C," Salt Lake City Survey containing approximately 95.85 acres of private owned property excluding public streets as shown on the map in Exhibit "C," in which the Agency is entitled to collect tax increment pursuant to this Redevelopment Plan and the Project Area Budget.

Section 2 - Description of the Depot District Redevelopment Project Area

The Depot District Redevelopment Project Area, hereinafter referred to as the Redevelopment Project Area, is enclosed within the following boundaries:

Beginning at the Southwest Corner of the Intersection of 400 South Street and 400 West Street, Salt Lake City, Utah; thence North along the West right of way line of 400 West Street to the Northwest Corner of the Intersection of North Temple Street and 400 West Street; thence West along the North right of way line of North Temple Street to a point where the North right of way line of North Temple Street intersects with the East right of way line of the Interstate Highway I-15; thence Southwesterly along an irregular course following the East right of way line of Interstate Highway I-15 to a point where the East right of way line of Interstate Highway I-15 intersects with the South right of way line of 400 South Street; thence East along the South right of way line of 400 South Street to the point of beginning.

The proposed survey area contains all of Blocks 46, 47, 62, 63, 64, 65, 80, 81, 82, 83 of Plat "A," Salt Lake City Survey, all of Blocks 35, 36, 37, 48, 49 of Plat "C," Salt Lake City Survey; and part of Blocks 38,

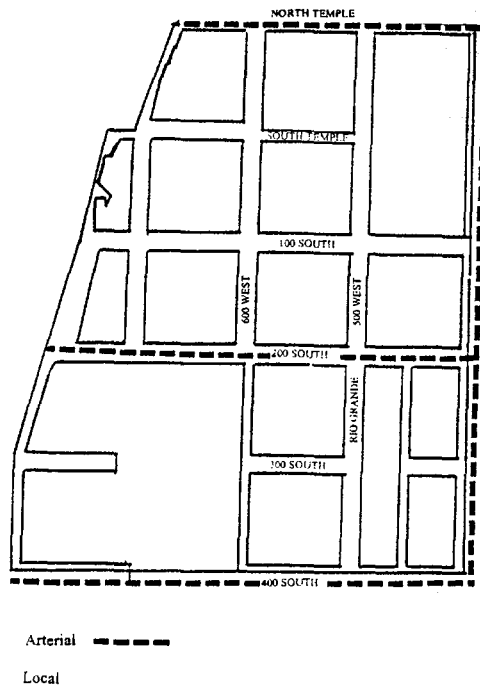
47, 50, and 60 Plat "C," Salt Lake City Survey containing approximately 169.12 acres of property excluding public streets.

A map of the Project Area is included as Exhibit "B." The Blight Survey conducted by Landmark Design, dated April 1998, lists each ownership parcel together with both the name and address of the owner of each parcel based upon the 1997 assessment.

Section 3 - General Statement of Current Land Uses

- A. Blight Finding. The Agency and the City found the Depot District Redevelopment Project Area to be a blighted area in accordance with the Act on August 13, 1998.
- B. The Layout of Principal Streets
 - 1. **Arterial Streets** are intended to provide a high degree of mobility and serve long trips. Arterial streets connect major generators of traffic and include ties to the interstate system. Arterial streets are subdivided in this analysis to State Arterial streets include North Temple and 400 South from 400 West to I-15 (those under the jurisdiction of the Utah Department of Transportation) and City Arterial streets include 200 South Street and 400 South Street from 400 West Street to I-15 (those under the jurisdiction of Salt Lake City).
 - 2. **Collectors** serve to collect traffic from arterial streets and distribute this traffic to local and residential neighborhoods. The Depot District Project Area does not include Collector Streets.
 - 3. **Local Roads or Streets** serve to provide land access and to distribute traffic to individual dwelling units, including homes, shops, businesses, etc. Local street networks should discourage through-traffic and provide for a safe and efficient transition. All remaining streets are local streets.

The layout of the principal streets in the Redevelopment Project Area boundary is shown on the Principal Street Layout Map.



C. Population Densities

Existing residential population densities have been calculated as of August 1998 for each of the ten acre blocks within the Redevelopment Project Area, Salt Lake City Survey. The block level densities are shown on the Population Density Map. Densities are depicted as the number of dwelling units per acre calculated for residential land use area only. (Number of units divided by the number of acres within the block.) Each block density represents the average of all residential uses for the block.

RESIDENTIAL DENSITY Dwelling Units per Acre



D. Building Intensities

The Depot District Redevelopment Project Area is primarily a built environment. The area of parcels with improvements is 165.01 acres or 97.6 percent of the land area within the Project Area. The building intensity requirement of Section 17A-2-1202(3)(b)(i) of the Act, which states that the area must contain building and improvements on at least 50 percent of its parcels, has been met.

E. Land Use Map

The "Future Land Use Map," shown on Exhibit "D," is taken from the Gateway Master Plan of the City and made part of this Redevelopment Plan. The Future Land Use Map may be amended from time to time by amending the Gateway Master Plan. This map shows the type and location of land uses proposed for the Redevelopment Project Area.

F. Permitted Land Uses

The permitted land uses within the Redevelopment Project Area shall be those uses permitted by the officially adopted zoning ordinances of the City, as those ordinances may be amended from time to time.

Section 4 - How the Purposes of State Law Would Be Attained by the Redevelopment

It is the intent of the Agency, with the assistance and participation of private owners, to remove blighting influences from the Project Area by the removal or clearance of buildings, structures, or improvements, or through the renovation or rehabilitation of buildings, structures or improvements and encouraging new development. With the clearance of land or the rehabilitation of buildings and structures, private development can undertake new development or redevelopment which will strengthen the tax base of the community in furtherance of the objectives set forth in the Act.

Section 5 - How the Proposed Redevelopment Conforms to the Master Plan or General Community Plan

The Gateway Master Plan adopted by the City Council on August 11, 1998 is the current master plan for the Redevelopment Project Area. The Gateway Master Plan may be amended from time to time by the City. The Redevelopment Plan is consistent with the goals and objectives of the Gateway Master Plan in that the Redevelopment Plan proposes redevelopment which will implement the planning and zoning goals of the City. The construction of all new buildings and improvements and the rehabilitation of any existing buildings or improvements will be done in accordance with the standards set forth in the Gateway Master Plan, in accordance with the City zoning ordinance, and in accordance with the Uniform Building Code adopted by the City. All building permits for construction or rehabilitation will be issued by the City in order to assure that new development or redevelopment is consistent with the Gateway Master Plan and City ordinances.

The provisions of this Redevelopment Plan were reviewed by the Planning Commission of the City on October 1, 1998. "The proposed Plan was found to be consistent with the City's general plan, master plan and other plans of the city for the development of the area described in the Plan. It was the recommendation of the Planning Commission that the City Council adopt the North Gateway Redevelopment Project Area Redevelopment Plan." A copy of the letter is attached as Attachment No. 3 to this Redevelopment Plan.

Section 6 - Description of the Way in Which the Redevelopment will Reduce or Eliminate any Findings of Blight

The City and the Agency have found that the Project Area is a blighted area. It is a purpose of the Redevelopment Plan to provide ways to remove the factors of blight within the Project Area. Through the process of owner participation, owners of real property located within the Project Area who desire to participate in the redevelopment of the Project Area will be given a preference in entering into one or more participation agreements with the Agency which will result in the removal of blight from the Project Area and the redevelopment of the Project Area in accordance with the Gateway Master Plan, as it may be amended from time to time, and this Redevelopment Plan. If owners of real property located within the Project Area do not wish to participate, the Agency may select non-owners to participate.

The Agency found: Defective character of physical construction.

How the redevelopment plan intends to correct this problem: The Gateway Master Plan provides updated land use development guidelines to direct reinvestment in the area and to encourage future development to occur in a pattern compatible with the goals and objectives of the Gateway Master Plan for the Redevelopment Area. In accordance with the Agency's budgets, and the Act, the Agency will undertake a variety of programs and projects to assist property owners with rehabilitation and new construction within the Depot District Redevelopment Project Area. These programs and projects may include loan or grant programs; tax incentive programs; acquisition programs which, among others things, will encourage refurbishment and reuse of historically significant buildings; encourage adaptive reuse of structurally sound buildings demonstrating potential economic viability; rehabilitate buildings to assure sound long-term housing and economic activity in the neighborhood; eliminate physical and economic blight by removing deteriorated and functionally obsolete structures; encourage infill development compatible with neighborhood characteristics; encourage new housing and commercial development to strengthen the area; incorporate adequate landscaping into all infill and new development proposals; structurally reinforce buildings to accommodate new uses; incorporate adequate off-street parking into development proposals with safe access, proper buffering and landscaping. These programs and projects, coupled with the market demand for affordable housing and locations for new businesses, will create an atmosphere where reinvestment can occur.

The Agency found: Mixed character and shifting of uses which results in obsolescence, deterioration, or dilapidation.

How the redevelopment plan intends to correct this problem: The growth of the railroads in the early 1900's changed the land uses throughout the area. The ethnic residential neighborhoods have slowly been replaced by industrial, warehousing, and transportation uses. However, high land costs, renewed interest in residential uses, and proximity to the City's Central Business District have made continuation of the industrial uses expensive. The City is in the process of establishing new zoning for the area. This zoning will permit uses that implement the Gateway Master Plan.

Once the zoning tools are in place, the Agency will undertake programs and projects to encourage development that will implement the Gateway Master Plan, as it may be amended from time to time. The programs will encourage the existing businesses to expand and create new economic development opportunities. In accordance with the Agency's annual budget and the Act, these programs and projects may include loan and grant programs, tax incentive programs, and acquisition programs, among others, which encourage adaptive reuse of buildings for housing, office, retail, and hotel uses; remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels; assist in environmental assessment and cleanup; replace structurally substandard buildings in order to return properties to a viable housing or economic use; promote and market sites for

development or redevelopment that is complementary to existing business and residential uses or will enhance the economic base through diversification; and strengthen the tax base and economic health of the community.

The Agency found: **Economic deterioration or continued disuse.**

How the redevelopment plan intends to correct this problem: The land uses proposed for the Redevelopment Project Area within the Gateway Master Plan, will expand the types of uses permitted and allow the development of mixed use areas, including residential uses that were not previously permitted, and more intensive commercial land uses. The proposed zoning is intended to be flexible, to encourage existing businesses to improve and expand their facilities, and to provide a variety of opportunities for new commercial, industrial, and residential development. The Agency will undertake programs and projects to assist property owners in the rehabilitation and redevelopment of residential, commercial, and industrial properties. In accordance with the Agency's budgets and the Act, these programs and projects may include loan and grant programs, tax incentive programs, and acquisition programs, among others, which encourage new retail, office, housing, and commercial development; work with other governmental agencies to improve the public infrastructure in the community; encourage the location of appropriately placed public transit stops; rehabilitate economically obsolete building where economically feasible; provide incentives to encourage private investment; assist in the assessment and remediation, if necessary, of properties; assist in the rehabilitation of existing structures.

The Agency found: **Existence of inadequate streets, open spaces, and utilities.**

How the redevelopment plan intends to correct this problem: The Agency will work with the City and the State of Utah to improve deteriorated public infrastructure (streets, curbs, gutters, sidewalks, planting areas, and public and private utilities) and to provide additional public and private infrastructure as described in the Gateway Master Plan as it may be amended from time to time. Additional infrastructure may include the 500 West linear park, additional open space uses along the I-15 frontage, additional mid-block streets and walkways, and public plazas and parks. In accordance with the Agency's budgets and the Act, these programs and projects may include loans and grant programs and tax incentive programs, among others, which provide public infrastructure improvements that are pedestrian friendly and give the area an urban neighborhood environment; provide well-designed, publicly accessible plazas and walkways on private property; improve the streetscape environment with features such as, landscaped parking strips with street trees, adequate curb gutter and sidewalks, street center island medians, 500 West linear park, pedestrian scale street lighting, and entrance features; coordinate and improve the transportation system with improved public streets, public transit opportunities, and bikeways; provide for improved pedestrian circulation through the development of mid-block streets and walkways; provide a comprehensive system of street and neighborhood identification graphics and signage.

Section 7 - Description of the Specific Projects that are the Objects of the Proposed Redevelopment

At the time of adoption of this Redevelopment Plan, the Agency has been contacted by persons or businesses who are interested in redeveloping portions of the Project Area. These individuals and companies include:

1. Artspace has requested a \$1.5 million grant to be used to subsidize the construction of income-targeted and market rate housing units in the Bridges mixed-use development located at 500 West and 200 South Streets. The development includes 89 tax-credit and market-rate rental housing units; 71 condominiums; and locations for nonprofit and for-profit commercial businesses built over an underground parking structure. The Bridges Project is a limited liability company established by

Artspace for the development. The Agency has budgeted \$800,000 in its City-Wide Housing Fund and \$500,000 in its Project Area Housing Fund both of which could be used to assist this project. The type and amount of assistance are open to negotiations. (Block 63A)

2. The southwest corner of 600 West and 200 South intersection is currently being developed as the Amtrak station for Salt Lake City and may become an intermodal transportation hub. (Block 37B)
3. Intermountain Furniture Company has requested that the RDA supply them with the names of companies or individuals who would be interested in joint venturing on a development plan for their properties. (Block 63A)
4. Westside Development has expressed interest in converting an existing office building into six residential units. (Block 47A)
5. Mark Steel represented by Bruce Markosian has indicated that it would like to continue to use property adjacent to I-15 as an industrial manufacturing site. (Block 35B)
6. Traveler's Aid represented by Maun Alston has indicated that they are planning to construct interior space for queuing to get into the men's shelter and to do some work on the exterior of the existing shelter building to improve its appearance. (Block 62A)
7. Owners of the Fuller Paint Building located at 404 West 400 South have plans to convert the building to commercial, restaurant and loft condominium space. (Block 47A)
8. Gastronomy has purchased and is currently renovating the Ford Motor Company Building into commercial space. (Block 62A)
9. The Boyer Company has requested 50% of the Agency's portion of the tax increment (which is estimated to be \$13,825,250 plus interest on the outstanding balance) to be generated by the Union Pacific rail yard development. The tax increment would reimburse to the developer a portion of the cost of public infrastructure installed by the developer, a donation of land for Rio Grande and a portion of 500 West Street, the construction of a large, publicly accessible plaza within the development, and rehabilitation and structural costs associated with reusing the Union Pacific Railroad Depot. The Agency has not yet acted upon this request. The Agency has committed \$50,000 of federal Brownfields funds for environmental site assessment of the rail yards. (Blocks 65A, 80A, and 83A)
10. Benchmark Media Housing, LC, has requested a \$1.5 million land acquisition loan from the Agency and Salt Lake City to acquire the SeRancho Lanes property in Block 60B for future development of a 184-unit apartment complex with a minor amount of commercial space on the first floor on the corner of North Temple and 600 West Street as Olympic media housing. After the Olympics, at least 20% of the housing units would be income targeted, rental units. The Agency's share of the loan would be \$750,000 and would be advanced from the Agency's City-Wide Housing Fund. The loan would be for a period of 18 months and accrue interest at 5% per annum. The loan principal and accrued interest would be due at the end of the term. This loan is scheduled to be discussed by the Agency's governing board at its meeting on September 17, 1998. Benchmark is a special purpose development entity owned by Prowswood, a local housing developer, and Boston Financial. (Block 60B)

In accordance with the Agency's budgets and the Act, the Agency may undertake projects which will assist with implementation of these redevelopment proposals.

Section 8 - Way in which Private Developers, if any, will be Selected and Identification of Developers Currently Involved in the Proposed Redevelopment

The Agency has adopted Owner Participation Rules, as may be amended from time to time, for all redevelopment projects within the City. The Owner Participation Rules permit owners of real property or tenants having the rights of ownership of real property a preference in undertaking redevelopment within a designated Project Area. The Agency contemplates that owners of real property within the Project Area will exercise their rights to this opportunity. In the event that owners do not wish to participate in the development of their individually owned parcels, the Agency reserves the right, pursuant to the Act, to select nonowner participants by private negotiation or public advertisement and bidding.

Section 9 - Redevelopment Restrictions

A. Continued Use of Existing Buildings

Redevelopment shall include and encourage the continuance of existing buildings or uses so long as blight conditions, if any, are removed and the buildings have an economic life after rehabilitation of at least twenty (20) years.

B. Retail Sales

Because blight has been found in the Depot District Redevelopment Project Area, the development of retail sales may be, and is, an objective of the Project Area in order to strengthen the tax base of the community and the State.

C. Historic Preservation

Before expending any funds, the Agency will take into account the effect of the undertaking on any site, building, structure, or specimen that is included in or eligible for inclusion in the National Register of Historic Places, or the State Register and allow the state historic preservation officer a reasonable opportunity to comment with regard to the undertaking or expenditure.

Section 10 - Provisions of the Redevelopment Plan to meet State or Local Law

Pursuant to the provisions of Sections 1210 and 1247.5 of the Act, the Redevelopment Plan provides as follows:

A. 100 Acre Limitation

The Redevelopment Project Area described in the Depot District Redevelopment Project Area Plan exceeds 100 acres of privately-owned property. At a meeting held on June 1, 1998 the Gateway Taxing Agency Committee, made up of appointees from the governing bodies of each local taxing agency that levies taxes upon property within the proposed Redevelopment Project Area, consented in writing to exceeding the limit of 100 acres of privately owned property in the Redevelopment Project Area so long as the tax increment collection area designated at the time of the Depot District Redevelopment Project Area Plan adoption is 100 acres or less within the blocks specified in the resolution (adopted resolution attached as Exhibit "E").

B. Housing Funds

Pursuant to Section 17A-2-1264, the Agency will adopt a project area budget for a redevelopment plan which allocates 20% of the tax increment funds payable to the Agency for the life of the redevelopment plan to (1) pay part or all of the cost of land or construction of income targeted housing within the community that created the Agency, if practicable in a mixed income development or area; (2) pay part or all of the cost of rehabilitation of income targeted housing within the community that created the Agency; (3) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvements, including infrastructure improvements, related to housing located in a redevelopment project area where blight has been found to exist; (4) replace housing units lost as a result of the redevelopment or economic development; or (5) make payments on or establish a reserve fund for bonds. As an alternative to the above listed eligible activities, the Agency may pay all housing funds to (1) the community for use as provided above; (2) the housing authority that provides income targeted housing within the community for use in providing income targeted housing within the community; or (3) the Olene Walker Housing Trust Fund, for use in providing income targeted housing within the community.

Before the Agency may adopt the Project Area Budget that allocates 20% of tax increment funds under Section 17A-2-1264, the Olene Walker Housing Trust Fund shall certify the Project Area Budget to be in compliance with Section 17A-2-1264. In addition, the Agency must approve and adopt the Project Area Budget by a 2/3 vote.

Section 17A-2-1263 of the Act permits the Agency to use any tax increment from one project area to undertake housing activities within any redevelopment project area created by the Agency. The Agency may use tax increment from other project areas to undertake housing within the Depot District Redevelopment Project Area. The Agency may also use tax increment from the Depot District Redevelopment Project Area to undertake housing activities within other redevelopment project areas.

The Agency has included a minimum of 20% of the tax increment as Section 1264 Housing Funds in the Project Area Budget. In accordance with the Agency's budgets and the Act, the Agency will undertake housing programs and projects.

C. Incremental Value Limitations

The Agency may not obtain approval of a redevelopment project area budget pursuant to Section 17A-2-1210 of the Act if the allocated incremental value of all existing redevelopment project areas, as defined in the Act, exceeds 10% of the total taxable value of the community, or if the projected allocated incremental value of the redevelopment project area as described in the proposed redevelopment project area budget, exceeds 12% of the total taxable value of the City unless the Agency obtains the majority consent of the taxing agency committee. The taxable value of the City is the total taxable value for the City as shown on the last equalized assessment role as certified by the county assessor. The allocated tax incremental value shall be calculated as follows:

1. the taxable value in excess of the adjusted base-year taxable value in the tax increment collection area, multiplied by the applicable percentage of tax increment to be paid to the agency pursuant to Subsection 17A-2-1247(2)(f) of the Act; and
2. the taxable value in excess of the adjusted base-year taxable value in the Agency's tax increment collection areas, multiplied by the applicable percentage of tax increment to be paid to the Agency in accordance with the approved and proposed redevelopment project area budgets to pursuant to Subsection 17A-2-1247.5(3), (4) and (5) of the Act.

10% Calculation. The Agency's 1997 incremental value for the Central Business District, Sugar House, West Temple Gateway, and West Capitol Hill Project Areas is \$1,188,022,076, less statutory reductions of \$284,527,188, for an allocated incremental value of \$903,494,888.

Salt Lake City - Community Taxable Value: \$11,058,957,404

Agency Project Areas as Percent of the City: 8.17%

The Agency's current project areas do not exceed 10% of the total taxable value of the community. Therefore, the prohibition for creating new project areas as described in Section 17A-2-1210 of the Act does not apply.

12% Calculation. The Agency's 1997 incremental value for the Central Business District, Sugar House, West Temple Gateway, and West Capitol Hill Project Areas is \$1,188,022,076, less statutory reductions of \$284,527,188, for an allocated incremental value of \$903,494,888. The Agency is requesting a Project Area Budget of \$125,000,000 for the Depot District Redevelopment Project Area.

Salt Lake City - Community Taxable Value: \$11,058,957,404

Current plus Collection Area of
projected Project Areas as a Percent of City: \$ 1,028,494,888 or 9.3%

The incremental value of the Agency's current project areas plus the value which must be created to achieve the Depot District Project Area Budget does not exceed 12% of the total taxable value of the community. Therefore, the prohibition for creating new project areas as described in Section 17A-2-1210 does not apply.

D. Plan Limitations

The Redevelopment Plan contains the following limitations on the power of the Agency in accordance with Section 17A-2-1210.5 of the Act:

1. A time limit not to exceed **three** years after the date of the Redevelopment Plan adoption during which the Agency must commence implementation of the Redevelopment Plan unless the Redevelopment Plan is re-adopted as if it were a modified plan in accordance with Section 17A-2-1229 of the Act.
2. A time limit not to exceed **five** years from the date of the Redevelopment Plan adoption after which the Agency shall not commence acquisition of property through **eminent domain**.
3. A time limit of **twenty-five** years from the date of the Redevelopment Plan adoption after which no tax increment from the Redevelopment Project Area may be allocated to or paid to the Agency without the Agency obtaining the majority consent of the taxing agency committee in accordance with Section 17A-2-1247.5 of the Act for a longer time period for the collection of tax increment.

E. Owner Participation

Pursuant to Section 17A-2-1214 of the Act, the Depot District Redevelopment Project Area Plan provides for reasonable opportunities to participate in the redevelopment of property in the Depot District Redevelopment Project Area by the owners of property in the Redevelopment Project Area if the owners (and certain tenants having the right to become owners) enter into a participation agreement with the

Agency agreeable to the Agency. The Agency has adopted Owner Participation Rules, which may be amended from time to time, copies of which may be obtained from the office of the Agency upon request. The Owner Participation Rules permits owners within the Redevelopment Project Area reasonable opportunities to participate in the redevelopment of the Project Area by executing a participation agreement with the Agency. The Owner Participation Rules include the following kinds of possible participation:

1. Owners retaining, maintaining, and if necessary rehabilitating, all or portions of their properties;
2. Owners acquiring adjacent or other properties in the Project Area;
3. Owners selling all or portions of their improvements to the Agency, retaining the land, and developing their properties;
4. Owners selling all or portions of their properties to the Agency and purchasing other properties in the Project Area;
5. Owners selling all or portions of their properties to the Agency and obtaining preferences to re-enter the Project Area;
6. Tenants having opportunities to become owners of property in the Project Area, subject to the opportunities of owners of property in the Project Area; or
7. Other methods as may be approved by the Agency.

The form of participation which may be appropriate shall be determined for each project and program by the governing board of the Agency.

The Agency shall extend reasonable preferential opportunities to owners within the Redevelopment Project Area ahead of persons and entities outside the Redevelopment Project Area, to participate in the Redevelopment Project Area pursuant to the Owner Participation Rules.

A copy of the adopted Owner Participation Rules as approved by the Agency is incorporated herein by reference and made a part hereof and copies can be obtained upon request at the office of the Redevelopment Agency during regular business hours.

Section 11 -Redevelopment Activities

A. Master Plan Objectives

The Gateway Specific Plan of the Gateway Master Plan includes the following objectives for the Union Pacific, Rio Grande, and I-15 Railroad Sub-Districts which overlap with the Depot District Redevelopment Project Area:

1. LAND USE

- | | |
|--------------|--|
| Objective 1: | Provide for the continuation of existing uses within the Gateway District. |
| Objective 2: | Organize the Gateway District in a pattern of streets, blocks and pedestrian ways that extend the original grid pattern. |
| Objective 3: | Encourage transit-oriented development. |

- Objective 4: Provide for the development of a diverse mixture of uses that complement downtown, encourage a variety of housing opportunities, and facilitate the enhancement and revitalization of the Gateway District.
- Objective 5: Provide opportunities for housing within the Gateway District to reinforce the downtown area as a place to live, work and shop.
- Objective 6: Maintain and improve retail services in the Gateway District.
- Objective 7: Strengthen the character and livability of the Gateway District by developing a system of public recreation facilities, open spaces, pedestrian ways, and waterways.
- Objective 8: Encourage adaptive reuse of historic buildings within the Gateway.

2. HOUSING

- Objective 1: Create strong neighborhoods with diversity in housing type, tenure, and cost.
- Objective 2: Create attractive neighborhood environments that will reinforce the sense of community.
- Objective 3: Maximize housing opportunities for residents who desire an urban neighborhood environment.
- Objective 4: Provide on-site common areas and private and/or non-traditional open space facilities to meet the needs of residents.
- Objective 5: Require active, friendly and public-oriented ground-level uses that contribute to the pedestrian environment and serve the neighborhood.
- Objective 6: Provide parking and service facilities that do not detract from the neighborhood character of the area.

3. COMMERCIAL

- Objective 1: Strengthen the Downtown Central Business District (CBD) as the region's principal employment center.
- Objective 2: Provide a broad mixture of small and medium commercial tenants representing a variety of uses.
- Objective 3: Promote commercial development on a neighborhood scale with an emphasis on specialty stores and neighborhood services.

4. COMMUNITY FACILITIES

- Objective 1: Parks and Open Spaces: Provide a system of parks, recreational facilities, and open spaces that serve the needs of residents and employees.
- Objective 2: Parks and Open Spaces: Integrate Gateway's open space into the larger open space network.
- Objective 3: Parks and Open Spaces: Establish Gateway Commons Park next to I-15.
- Objective 4: Parks and Open Spaces: Establish a greenway on 500 West that will provide an area for enjoyment for all people within the Gateway.
- Objective 5: Parks and Open Spaces: Encourage the use of Pioneer Park as a focal point in the Gateway District.
- Objective 6: Public Safety: Provide for the expansion of public safety facilities in the Gateway District, including fire and police protection.
- Objective 7: Social Services: Develop strategies that will help integrate social service facilities into the social fabric of the Gateway District.
- Objective 8: Schools: Provide educational facilities and opportunities within the Gateway District.

Objective 9: Churches: Encourage churches and other religious buildings to locate within the Gateway District.

5. TRANSPORTATION

- Objective 1: Public Transit: Reinforce downtown as the regional transportation hub with light rail, commuter rail, inter-city and local bus service.
- Objective 2: Freeway Access: Improve and enhance freeway access to the Gateway District.
- Objective 3: Arterial Roadway Systems: Complete the arterial street system in a manner that relieves existing congestion and serves future land use needs.
- Objective 4: Collector Roadway System: Complete the collector street system in a fashion that relieves congestion and serves the residents in the Gateway District.
- Objective 5: Local Roadway System: Complete the local street system in a manner that is more pedestrian friendly and encourages slower traffic speeds.
- Objective 6: Roadway Design: Reconstruct the streets to accommodate landscaping and traffic calming techniques.
- Objective 7: Pedestrian and Bicyclist Circulation: Provide access with an emphasis on a friendly and safe environment for bicycles and pedestrians.

6. ENVIRONMENTAL

- Objective 1: Promote environmental justice in the Gateway District.
- Objective 2: Provide references to information on issues of environmental contamination.
- Objective 3: Minimize the cost to reuse and cleanup properties in the Gateway District.

7. URBAN DESIGN

- Objective 1: Create a pedestrian friendly streetscape that will establish a sense of neighborhood.
- Objective 2: Minimize the negative visual appearances of new and existing automobile parking lots, storage yards, loading and truck staging areas.
- Objective 3: Design 500 West as a "greenway" through the Gateway District.
- Objective 4: Improve the appearance of the major vehicle entries into the city.
- Objective 5: Protect and enhance the view corridors and major vistas.
- Objective 6: Require new signage to conform to standards set forth in a sign ordinance for the Gateway District.
- Objective 7: New development should reinforce and complement the urban form and character of the Gateway District.
- Objective 8: Improve the economic, social, and environmental benefits of strategic tree planting and light-colored buildings and street surfaces in order to enhance the health and welfare of residents in the Gateway District.

8. UTILITIES

- Objective 1: Water System: Provide adequate water facilities to serve the needs of new development, and apply water conservation techniques that will reduce overall demand.
- Objective 2: Sanitary Sewer: Provide for the sanitary sewage needs of the project while complying with established standards.
- Objective 3: Storm Drainage: Provide storm water control to protect improvements and neighboring property, to convey surface and ground water off the site for

- appropriate discharge in a way that minimizes flooding and complies with water quality objectives.
- Objective 4: Electric Power: Develop a public utilities master plan for the Gateway District.
- Objective 5: Natural Gas, Telephone, & Cable TV: Provide service to support new developments in the Gateway District.

9. IMPLEMENTATION

- Objective 1: Establish the regulatory mechanisms necessary to implement the Gateway Development Plan.
- Objective 2: Provide for an orderly transition of land use changes.
- Objective 3: Allow for the continuation of existing uses in the Gateway District while promoting opportunities for establishing new retail, office, and residential development.
- Objective 4: Provide for new residential development in a manner that minimizes conflicts between new and existing uses.
- Objective 5: Provide for the implementation of parks, public safety, social service, and public utility improvements.
- Objective 6: Establish one or more redevelopment project areas to provide an additional means for direct public investment.
- Objective 7: Provide for the public use and enjoyment of historic buildings within the area.
- Objective 8: Develop a five-year Plan for public investment in the Gateway District.
- Objective 9: Use a wide variety of financing techniques in funding public infrastructure improvements in the Gateway District.

B. The Agency will work with Salt Lake City to implement the Gateway Specific Plan objectives by:

- Providing administration, management, public education, and coordination of redevelopment activities within the Depot District Redevelopment Project Area.
- Annually budgeting funds to implement the Redevelopment Plan and the Gateway Master Plan in accordance with the Project Area Budget.
- Implementing specific projects and programs to facilitate and encourage investment and redevelopment.

C. Standards for Redevelopment

In order to provide owners and developers maximum flexibility in the redevelopment of land located within the redevelopment project area and to encourage and obtain the highest quality design and development, specific development controls for the land uses identified above are not set forth herein. However, guidelines are established in the City's Gateway Master Plan and may be included in the zoning ordinances adopted by the City for the area covered by the Gateway Master Plan. Adherence to the general guidelines will assure development compatibility with the variety of land uses in the area and implement the goals and objectives of the City's Gateway Master Plan. Each redevelopment proposal may be considered subject to: (1) appropriate elements of the City's Gateway Master Plan; (2) the subdivision and zoning codes of the City; (3) other applicable building codes and ordinances of the City; and (4) approval by the Agency to ensure that the redevelopment is consistent with the Redevelopment Plan.

D. Redevelopment Proposals

Each redevelopment proposal by an owner or a developer shall be accompanied by site plans, development data and other appropriate material that clearly describes the extent of redevelopment proposed, including land coverage, setbacks, heights and bulk proposed, off-street parking and loading to be provided, use of public transportation, and any other data determined to be necessary or requested by the City or the Agency. A review of redevelopment proposals may be made by the staff, the governing body and/or an advisory design review committee established by and advisory to the governing body and the chief administrative officer of the Agency.

E. Techniques to Achieve Plan Objectives

Redevelopment programs and projects may be undertaken and carried out as provided in the Act. Funding for redevelopment programs and projects shall be included within the Project Area Budget as certified by the Olene Walker Housing Trust Fund and adopted by the Board of Directors of the Agency or the Taxing Agency Committee as provided in the Act. The Agency shall adopt annual implementation budgets in addition to the Project Area Budget. The Agency may issue bonds from time to time to pay for all or a part of redevelopment activities within the Depot District Project Area. The programs and projects may incorporate the following redevelopment activities:

1. Environmental Assessment and Remediation. The Agency may encourage and provide funding to property owners, tenants, public bodies, special districts and the Agency to make environmental assessments of property within the Project Area and to remediate hazardous and solid wastes to appropriate standards as determined by experts, the Utah Department of Environmental Quality, or the federal Environmental Protection Agency.
2. Rehabilitation of Property. The Agency may encourage and provide funding to property owners, tenants, public bodies, special districts and the Agency to purchase, rehabilitate, reconstruct, structurally reinforce, make alterations to, make additions to, and otherwise improve existing property within the Project Area to insure a remaining economic life of 20 years.
3. Historic Preservation. The Agency may encourage and provide funding to property owners, tenants, public bodies, special districts and the Agency to purchase, restore, rehabilitate, reconstruct, structurally reinforce, make alterations to, make additions to, and otherwise improve property which is historically or architecturally significant within the Project Area.
4. New Construction. The Agency may encourage and provide funding to property owners, tenants, public bodies, special districts, and the Agency to purchase property and undertake the construction of new buildings, additions to existing buildings, parking and site improvements to assure the economic use of the properties in the Project Area.
5. Public Infrastructure, Public Facilities, and Public Amenities. The Agency may encourage and provide funding to public bodies, special districts, and the Agency to purchase property, install or construct buildings, facilities, structures, or other improvements which are publicly owned within the Project Area, excepting the construction of municipal buildings, courts, other judicial buildings, and fire stations, upon a determination by resolution of the Agency and the local legislative body that such buildings, facilities, structures, or other improvements are of benefit to the Project Area. Such improvements may include public streets, pedestrian walkways, sidewalks, bikeways, lighting, transit facilities, schools, utilities, open spaces, public parking, and other public facilities.

The Agency may encourage and provide funding to property owners, tenants, public bodies, special districts, and the Agency to purchase, install and construct publicly accessible improvements on privately owned property within the Project Area including streets, pedestrian walkways, sidewalks, bikeways, lighting, transit facilities, schools, utilities, open spaces, parking, and other publicly accessible facilities.

6. Housing. The Agency may encourage and provide funding for housing activities permitted by Sections 17A-2-1263 and 17A-2-1264 of the Act.
7. Acquisition of Real Property. The Agency may acquire, but is not required to acquire, real property located in the Redevelopment Project Area, by gift, devise, exchange, purchase, eminent domain or condemnation, or any other lawful method. At its option, the Agency is authorized to acquire other interests in real property less than fee title such as use restrictions, leasehold interests, easements, rights of way, etc. The Agency may acquire interests in entities that own real property, partnership interests, stocks, participations, etc. The Agency may own real property in conjunction with others. The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless, in the Agency's judgment, (1) such building requires structural alteration, improvement, modernization, or rehabilitation, or (2) the site or lot on which the building is situated requires modification in size, shape, or use, or (3) it is necessary to impose upon such property any of the standards, restrictions and controls of the Redevelopment Plan.
8. Acquisition of Personal Property. Generally personal property shall not be acquired. However, where necessary to the execution of this Plan, the Agency is authorized to acquire personal property in the Redevelopment Project Area by any lawful means.
9. Property Management. During such time that property, if any, in the Redevelopment Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment.
10. Property Disposition and Development. The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Redevelopment Project Area as necessary to carry out the purposes of this Redevelopment Plan. The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Redevelopment Project Area.

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property, in conformance with the Agency's disposition policy, by leases or sales by negotiation with or without public bidding. All real property acquired by the Agency in the Redevelopment Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the plan. Real property may be conveyed by the Agency to the City or any other public body without charge. The Agency shall reserve such controls in the disposition and development documents as necessary to prevent transfer, retention or use of property for speculative purposes and to insure that the development is carried out pursuant to this Redevelopment Plan. All purchasers or lessees of property shall be made obligated to use the property for the purposes designated in this Redevelopment Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

11. Development. To the maximum extent possible, the objectives of the Redevelopment Plan are to be accomplished through Agency encouragement of, and assistance to, private enterprise in carrying out development activities. To provide adequate safeguards to ensure that the provisions of this Redevelopment Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Redevelopment Plan by leases, deeds, contracts, agreements, declarations of restrictions, provision of the City ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the County Recorder. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Redevelopment Plan.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or without the Redevelopment Project Area for itself or for any public body or public entity to the extent that such improvement would be of benefit to the Redevelopment Project Area and in conformance with the Neighborhood Development Act. During the period of development in the Redevelopment Project Area, the Agency shall insure that the provisions of this Redevelopment Plan and of other documents formulated pursuant to this Redevelopment Plan are being observed, and that development in the Redevelopment Project Area is proceeding in accordance with the development documents and time schedules. Plans for development or redevelopment undertaken with the assistance of the Agency by owners or developers, both public and private, shall be submitted to the Agency for approval and architectural review. All development or redevelopment undertaken with the assistance of the Agency must conform to this Redevelopment Plan and all applicable federal, state, and local laws. For the purpose of this Redevelopment Plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

12. Cooperation with the Community and Public Bodies. The community and certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking construction, or operation of this project. The Agency shall seek the aid and cooperation of such public bodies in order to accomplish the purposes of the redevelopment plan and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Redevelopment Project Area. The Agency shall impose on all public bodies the planning and design controls contained in the plan to insure that present uses and any future development by public bodies will conform to the requirements of the Plan.

13. The Agency may undertake any other redevelopment activities not enumerated herein which would implement this Redevelopment Plan as permitted by the Act.

Section 12 - Taxing Agency Committee

Section 17A-2-1247.5 of the Act, which may be amended from time to time, provides for the establishment of a taxing agency committee which will have the following powers and perform the following functions:

- (2) (a) A taxing agency committee shall be created for each redevelopment or economic development project. The committee membership shall be selected as follows:
- (i) two representatives appointed by the school district in the project area;
 - (ii) two representatives appointed by resolution of the county commission or county council for the county in which the project area is located;
 - (iii) two representatives appointed by resolution of the City's legislative body in which the project area;
 - (iv) a representative approved by the State School Board; and
 - (v) one representative who shall represent all of the remaining governing bodies of the other local taxing agencies that levy taxes upon the property within the proposed project area to serve as a voting member of the committee. The representative shall be selected by resolution of each of the governing bodies of those taxing agencies.
- (b) A taxing agency committee formed in accordance with this section has the authority to:
- (i) represent all taxing entities in a project area and cast votes that will be binding on the governing boards of all taxing entities in a project area;
 - (ii) negotiate with the Agency concerning the redevelopment plan;
 - (iii) approve or disapprove project area budgets which do not allocate 20% of the tax increment for housing as provided in Section 17A-2-1264 of the Act; and
 - (iv) approve an exception to the limits on the value and size of project areas imposed by Section 17A-2-1210, or the time and amount of tax increment financing under this section.

The Agency has created a taxing agency committee as required by Section 17A-2-1247.5 of the Act. On June 1, 1998, the taxing agency committee approved the Depot District Project Area exceeding the size limitation of 100-acres of privately owned property so long as the Agency identifies an area with 100 acres or less of privately owned property from which tax increment will be collected in accordance with the resolution adopted by the taxing agency committee. The Agency will use 20% of the tax increment allocated to the Agency for housing purposes, therefore taxing agency committee approval of the Project Area Budget is not required.

Section 13 - Project Area Budget

The Agency has prepared a Project Area Budget to be adopted in conjunction with the Redevelopment Plan. The Depot District Project Area Budget allocates 20% of the tax increment for housing as provided in Subsection 17A-2-1264. The Agency may not collect tax increment from all or part of a Project Area until after: (i) the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund, has certified the Project Area Budget as complying with the requirements of Section 17A-2-1264; and (ii) the Agency's governing body has approved and adopted the Project Area Budget by a 2/3 vote.

The Depot District Project Area Budget may be amended, from time to time, if: (i) the Olene Walker Housing Trust Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Trust Fund, certifies the amendment as complying with the requirements of Section 17A-2-1264; and (ii) the agency's governing body approves and adopts the amendment by a 2/3 vote.

Section 14 -Tax Increment Provisions in the Redevelopment Plan

A. Tax Increment Provisions

The Redevelopment Plan specifically incorporates the provisions of tax increment financing permitted by Section 17A-2-1247.5, of the Act, which may be amended from time to time. In accordance with the June 1, approval at the Gateway Taxing Agency Committee, the Agency designates the tax increment collection area to be all of Blocks 46, 47, 62, 63, 64, 65, 80, 81, 83 of Plat "A," Salt Lake City Survey, all of Blocks 48 and 60 of Plat "C," Salt Lake City Survey containing approximately 95.85 acres of privately owned property excluding public streets as shown on Exhibit "C." The Agency may invest tax increment throughout the Depot District Redevelopment Project Area for redevelopment activities. The Agency has elected to receive up to 75% of the annual tax increment for a period of 24 years.

The Agency has elected to use 20% of the tax increment to be allocated for housing pursuant to Section 17A-2-1264 of the Act and will obtain the certification of the Olene Walker Housing Trust Fund.

B. Other Provisions Required by Law

The redevelopment plan specifically incorporates the following provisions of Section 17A-2-1247.5:

- (5) (a) The redevelopment plan shall contain a provision that provides that the portion of the taxes, if any, due to an increase in the tax rate by a taxing agency after the date the project area budget is approved by the taxing agency committee may not be allocated to and when collected paid into a special fund of the redevelopment agency according to the provisions of Subsection (4) unless the taxing agency committee approves the inclusion of the increase in the tax rate at the time the project area budget is approved. If approval of the inclusion of the increase in the tax rate is not obtained, the portion of the taxes attributable to the increase in the rate shall be distributed by the county to the taxing agency imposing the tax rate increase in the same manner as other property taxes.
- (b) In each year in which there are increases or decreases in the tax rate of a taxing agency as described in Subsection (a) as a result of (i) statutes enacted by the Legislature, a judicial decision, or an order from the State Tax Commission to a county to adjust or factor its assessment rate pursuant to Subsection 59-2-704(2), (ii) changes in exemptions provided in Article XIII, Sec. 2, Utah Constitution, or Section 59-2-103, (iii) an increase or decrease in the percentage of fair market value, as defined under Section 59-2-102, and (iv) a decrease in the certified tax rate under Subsection 59-2-924(2)(c) or (2)(d)(i), the amount of the tax rate to be used in determining tax increment shall be increased or decreased by the amount of the increases or decreases as a result of the applicable action described in (i), (ii), (iii), or (iv).
- (c)(i) Notwithstanding the increase or decrease resulting from Subsection (b), the amount of money allocated to, and when collected paid to the agency each year for payment of bonds or other indebtedness may not be less than would have been allocated to and when collected paid to the agency each year if there had been no increase or decrease under Subsection (b).

(ii) For a decrease resulting from Subsection (5)(b)(iv), the taxable value for the base year under Subsection 17A-2-1202(2) shall be reduced for any year to the extent necessary, including below zero, to provide an agency with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate if: (A) in that year there is a decrease in the certified tax rate under Subsection 59-2-924(2)(c) or (2)(d)(i); (B) the amount of the decrease is more than 20% of the county's certified tax rate of the pervious year; and (C) the decrease results in a reduction of the amount to be paid to the agency under Section 17A-2-1247 or 17A-2-1247.5.

Section 15 -Relocation Plan

The Agency has adopted a Relocation Plan entitled "Rules Governing Relocation Assistance For the Redevelopment Agency of Salt Lake City," which may be amended from time to time. Pursuant to the Relocation Plan, the Agency shall provide relocation assistance to persons who are displaced as a result of the acquisition of real property by the Agency or written request by the Agency to vacate real property for a program of purchase undertaken by the Agency, or as a direct result of redevelopment activities conducted by the Agency in accordance with the Relocation Plan adopted by the Agency.

A copy of the adopted Relocation Plan as approved by the Agency is incorporated herein by reference and made a part hereof and copies can be obtained upon request at the office of the Redevelopment Agency during regular business hours.

Section 16 -Provisions For Amending The Redevelopment Plan

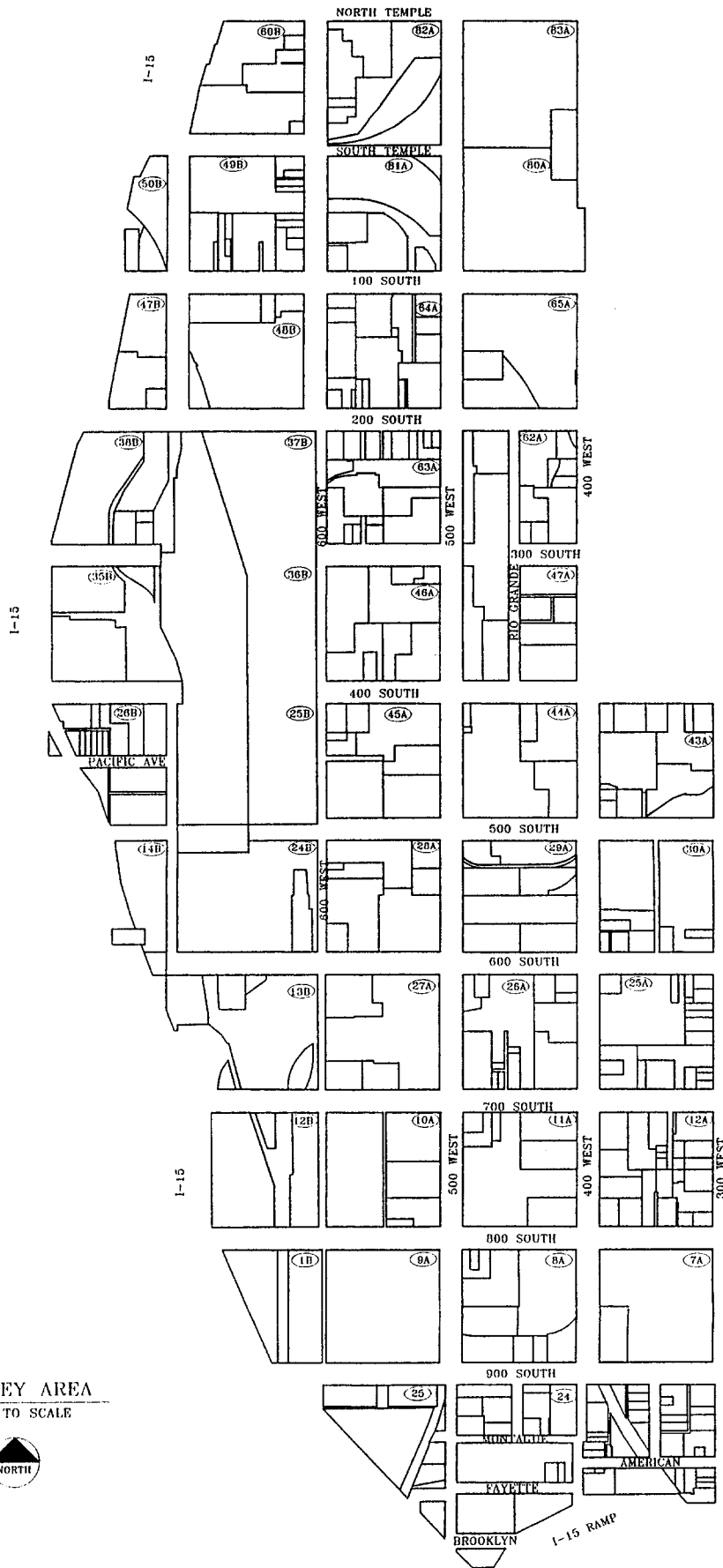
The Redevelopment Plan may be amended or modified any time by the Agency in the same manner as if the amendment or modification constituted a redevelopment plan being originally proposed or as provided in Section 17A-2-1229, of the Act.

Supporting Documents

The following documents are part of the Depot District Redevelopment Project Area Plan dated September 10, 1998 and are incorporated by reference. The documents support the statements and findings incorporated in the Depot District Redevelopment Project Area Plan.

1. Gateway Blight Analysis by Landmark Design, April 1998, as amended on August 13, 1998.
2. Creating an Urban Neighborhood, Gateway District Land Use & Development Master Plan and The Gateway Specific Plan, adopted August 11, 1998, as said plan may be amended by the City from time to time.
3. Salt Lake City Zoning Maps, April 5, 1995, as said maps may be amended by the City from time to time.
4. Salt Lake City Street Maps, as said maps may be amended by the City from time to time.
5. Exhibit "A" - Gateway Survey Area
6. Exhibit "B" - Depot District Project Area
7. Exhibit "C" - Tax Increment Collection Area for the Depot District Redevelopment Project Area
8. Exhibit "D" - Future Land Use Map
9. Exhibit "E" - Taxing Agency Committee Resolution #98-1 dated June 1, 1998
10. Rules Governing Participation and Preferences by Owners, Operators of Businesses, and Tenants in Redevelopment Project Areas adopted by the Redevelopment Agency of Salt Lake City and Salt Lake City Council, as said Rules may be amended from time to time by the City and the Agency.
11. Rules Governing Relocation Assistance for the Redevelopment Agency of Salt Lake City adopted by the Redevelopment Agency of Salt Lake City and Salt Lake City Council, as said Rules may be amended from time to time by the City and the Agency.

Exhibit "A"



SURVEY AREA

NOT TO SCALE



Exhibit "B"



DEPOT DISTRICT
← REDEVELOPMENT
PROJECT AREA

SURVEY AREA #1
NOT TO SCALE
7/20/98



Proposed Mixed Land Use Patterns

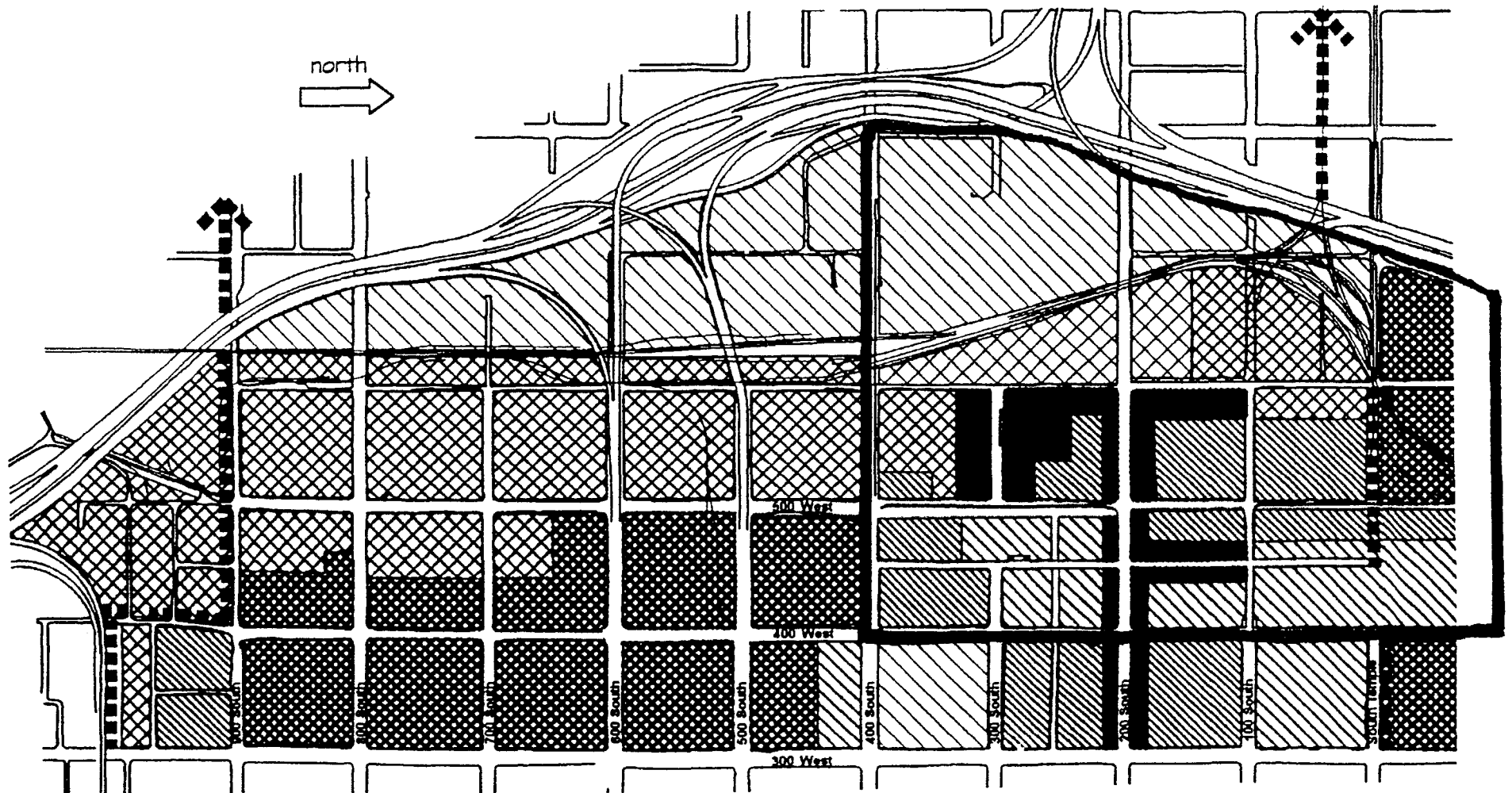
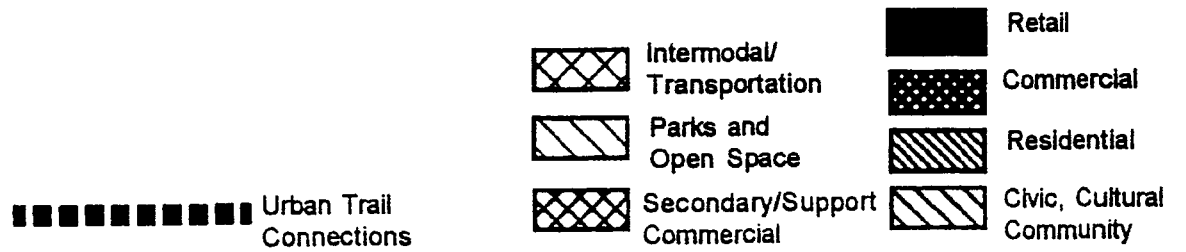


Exhibit "D"

RESOLUTION NO. 98-1

JUNE 1, 1998

RESOLUTION OF THE NORTH GATEWAY TAXING AGENCY COMMITTEE
CONSENTING TO THE NORTH GATEWAY NEIGHBORHOOD DEVELOPMENT
PROJECT AREA CONTAINING MORE THAN 100 ACRES OF PRIVATELY OWNED
PROPERTY, BUT RESTRICTING THE TAX INCREMENT COLLECTION AREA TO AN
AREA WITH 100 ACRES OR LESS OF PRIVATELY OWNED PROPERTY AT THE TIME
THE NORTH GATEWAY NEIGHBORHOOD DEVELOPMENT PROJECT AREA
REDEVELOPMENT PLAN IS ADOPTED

WHEREAS, the Redevelopment Agency of Salt Lake City (the "Redevelopment Agency") adopted a survey area resolution designating the Gateway Area Survey Area pursuant to the provisions of Section 17A-2-1204 of the Utah Neighborhood Development Act (the "Act"); and

WHEREAS, Section 17A-2-1247.5 of the Act provides that a taxing agency committee (the "Taxing Agency Committee") shall be created for each redevelopment project; and

WHEREAS, a Taxing Agency Committee has been created for the proposed North Gateway Neighborhood Development Project Area (the "Project Area") pursuant to the provisions of Section 17A-2-1247.5 of the Act; and

WHEREAS, pursuant to Section 17A-2-1247.5 of the Act, the Taxing Agency Committee has the authority to approve an exception of the limits on the size of a project area imposed by Section 17A-2-1210 of the Act and to represent all taxing entities in a project area and cast votes that will be binding on the governing boards of all taxing entities in a project area; and

WHEREAS, Section 17A-2-1247.5 of the Act provides that the Redevelopment Agency must obtain the majority consent of the Taxing Agency Committee if it desires to exceed the limitation of 100 acres of privately owned property within a project area set forth in Section 17A-2-1210, Utah Code Annotated 1953, as amended; and

WHEREAS, the Redevelopment Agency and the City Council of Salt Lake City are prepared to commence the holding of public hearings as required by Section 17A-2-1206, 17A-2-1211 and 17A-2-1222 of the Act in respect to the proposed Project Area which contains more than 100 acres of privately owned property which Project Area may include all or a part of the area as shown and described on Exhibit "A"; and

WHEREAS, Section 17A-2-1247.5 of the Act permits the Redevelopment Agency to collect tax increment from all or a part of a project area. The Redevelopment Agency proposes to collect tax increment from all or a part of the portion of the proposed Project Area as shown and described in Exhibit "B" which portion may include more than 100 acres of property but

RESOLUTION NO. 98-1

JUNE 1, 1998

shall not include more than 100 acres of privately owned property at the time the Project Area redevelopment plan is adopted; and

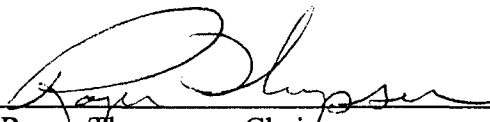
WHEREAS, the Taxing Agency Committee has reviewed the proposed Project Area and finds that it is necessary, desirable and in the best interest of the community to allow the Project Area to exceed the 100 acre limitation of privately owned property within a project area.

NOW, THEREFORE, be it resolved by a majority vote of the members of the Taxing Agency Committee that:

1. The Taxing Agency Committee representing the governing body of each local taxing agency which levies taxes upon the real and personal property within the proposed Project Area consents in writing that the proposed Project Area may exceed the 100 acre limitation of privately owned property within a project area which Project Area may include all or a part of the area as shown and described in Exhibit "A" attached hereto and incorporated herein.

2. The Taxing Agency Committee representing the governing body of each local taxing agency which levies taxes upon the real and personal property within the proposed Project Area consents in writing that the Redevelopment Agency may collect tax increment from a portion of the proposed Project Area (the "Collection Area"), which Collection Area shall, at the Redevelopment Agency's discretion, include all or part of the area shown and described in Exhibit "B" attached hereto and incorporated herein, but the Collection Area shall not include more than 100 acres of privately owned property at the time the Project Area redevelopment plan is first adopted.

DATED this 1st day of June, 1998.



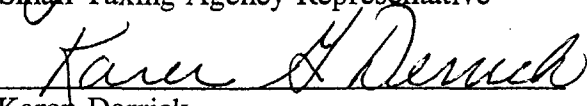
Roger Thompson, Chairperson
Gateway Taxing Agency Committee

Yea Nay



John Becker
Small Taxing Agency Representative

Yea Nay



Karen Derrick
Salt Lake City School District Representative

Yea Nay

RESOLUTION NO. 98-1

JUNE 1, 1998

Gary Harmer
Gary Harmer
Salt Lake City School District Representative

X
Yea
Nay

Bryce Jolley
Bryce Jolley, Chairperson,
Salt Lake City Council

X
Yea
Nay

David Marshall
Salt Lake County Representative

Yea
Nay

Larry Newton
Larry Newton
Utah Board of Education Representative

A
Yea
Nay

Mike Reberg
Salt Lake County Representative

Yea
Nay

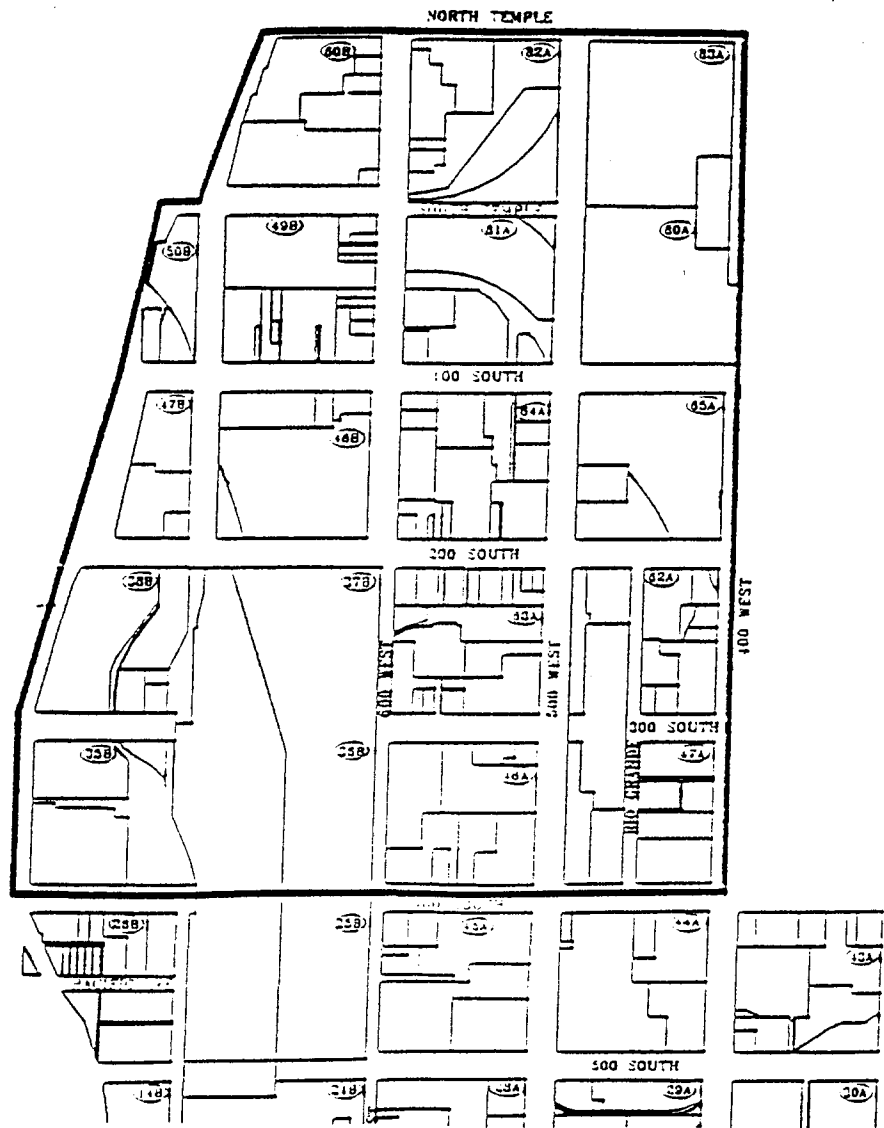
ATTEST:

Alice Larkin Steiner
Alice Larkin Steiner
Executive Director

EXHIBIT "A"

PROPOSED NORTH GATEWAY NEIGHBORHOOD DEVELOPMENT
PROJECT AREA
(CONTAINING MORE THAN 100 ACRES OF PRIVATELY OWNED PROPERTY)

THE FINAL NORTH GATEWAY NEIGHBORHOOD DEVELOPMENT PROJECT AREA
MAY INCLUDE ALL OR A PORTION OF THE PROPOSED NORTH GATEWAY
NEIGHBORHOOD DEVELOPMENT PROJECT AREA.



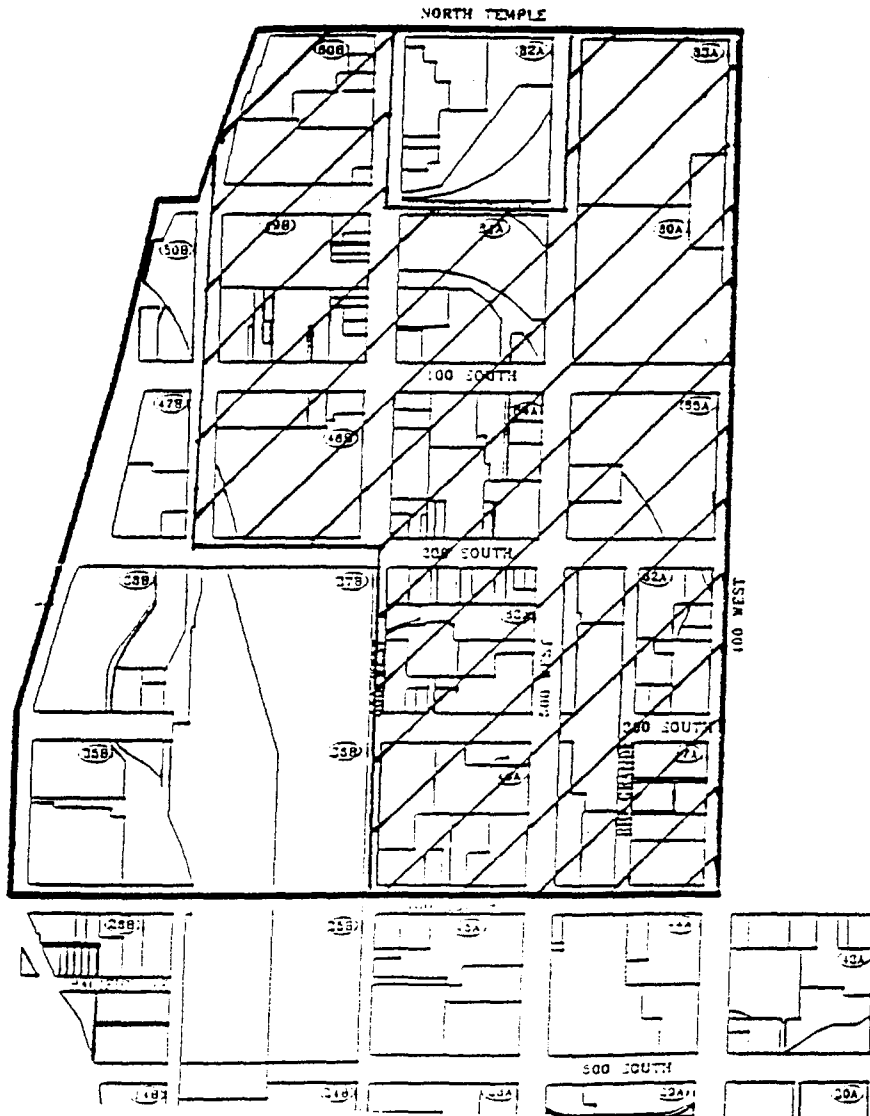
**LEGAL DESCRIPTION
GATEWAY NORTH PROJECT AREA**

Beginning at the Southwest Corner of the Intersection of 400 South Street and 400 West Street, Salt Lake City, Utah; thence North along the West right of way line of 400 West Street to the Southwest Corner of the Intersection of North Temple Street and 400 West Street; thence West along the South right of way line of North Temple Street to a point where the South right of way of North Temple Street intersects with the East right of way line of the Interstate Highway I-15; thence Southerly along the East right of way line of Interstate Highway I-15 to a point where the East right of way line of Interstate Highway I-15 meets the South right of way line of 400 South Street; thence East along the South right of way line of 400 South Street to the point of beginning.

Included within the Project Area are all of Blocks 46, 47, 62, 63, 64, 65, 80, 81, 82 and 83 of Plat "A", Salt Lake City Survey; all of Block 36, 37, 48 and 49 of Plat "C", Salt Lake City Survey; and part of Blocks 35, 38, 47, 50 and 60 of Plat "C", Salt Lake City Survey as shown in the official records.

EXHIBIT "B"
PROPOSED NORTH GATEWAY NEIGHBORHOOD DEVELOPMENT PROJECT AREA
TAX INCREMENT COLLECTION SELECTION AREA

(SHOWING THE AREA FROM WHICH THE REDEVELOPMENT AGENCY MAY SELECT
A TAX INCREMENT COLLECTION AREA WHICH TAX INCREMENT COLLECTION
AREA MAY INCLUDE MORE THAN 100 ACRES OR PROPERTY BUT SHALL NOT
INCLUDE MORE THAN 100 ACRES OF PRIVATELY OWNED PROPERTY)



**Report on
Redevelopment plan**

REPORT ON REDEVELOPMENT PLAN
ENTITLED
"DEPOT DISTRICT REDEVELOPMENT PROJECT AREA PLAN"

October 15, 1998

Redevelopment Agency of Salt Lake City
Room 418 City and County Building
451 South State Street
Salt Lake City, Utah 84111

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REPORT ON REDEVELOPMENT PLAN

ENTITLED

"DEPOT DISTRICT NEIGHBORHOOD REDEVELOPMENT PLAN"

The following report (the "Report") on the Project Area Redevelopment Plan entitled "Depot District Redevelopment Project Area Plan" dated October 15, 1998, is submitted by the Redevelopment Agency of Salt Lake City (the "Agency") in accordance with the provisions of Section 1220 of the Utah Neighborhood Development Act (the "Act"). The terms used in this Report shall have the same meaning as the terms defined in the "Depot District Redevelopment Project Area Plan."

1. The Reasons for the Selection of the Project Area

The Redevelopment Project Area was selected because it is a blighted area within Salt Lake City where investment of tax increment and redevelopment programs and projects will eliminate blight, stabilize and expand the residential neighborhood, and strengthen the commercial business and economic base of the community. The project area (the "Depot District Redevelopment Project Area" or "Project Area") is desirable for redevelopment at the present time because of its proximity to downtown, the need for expansion of the commercial and industrial economic base of the community, and the increased demand for affordable housing. Planned treatment of this Project Area will be to prevent and eliminate blight and to stimulate new development and upgrade this area of the community for sound long-range growth. Specific boundaries were arrived at by the Agency based on a review of the area by the Agency's volunteer Redevelopment Advisory Committee, the Agency's governing body, City Planning staff, redevelopment consultants, and other technical and legal consultants.

2. The Description of the Physical, Social, and Economic Conditions Existing in the Area

A. Physical Conditions

The Project Area includes approximately 170 acres of privately owned land excluding public streets. The Depot District Redevelopment Project Area has a substantial amount of land used for railroad tracks and irregular vacant parcels where railroad spurs have been removed. Because of the railroad and manufacturing uses, 43 out of the 128 parcels (33% of the parcels) were deemed to be of irregular shape and size by the blight consultant. There are 23 parcels in primarily single-family residential uses with the balance of the property being used for commercial, distribution, or industrial uses. The Project Area contains both the Union Pacific and Rio Grande Railroad Depots as well as other architecturally significant buildings. It is also significant that 20.3% of the parcels have been identified as having or potentially having environmental clean-up concerns.

According to the blight survey, 85.9% of the parcels in the Project Area contain buildings and improvements which represent 97.6% of the square footage of land area within the Project Area, excluding public streets.

At the time of the blight finding by the Agency pursuant to Section 1208 of the Act, the Agency determined that the Project Area was unfit or unsafe to occupy or may be conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of four of the factors listed below and was determined to be a "blighted area" for the following reasons:

(1) Defective Character of physical construction.

The condition of the structures in the Survey Area was based on a visual survey by Brixen & Christopher that evaluated each structure on its condition, building code compliance, fire safety, and environmental measures. The survey team assigned an "A" to a parcel if "Condition of Building" or "Condition of Parcel" was noted in any "poor" category on the field survey. The "A" is the paragraph letter associated with this factor of blight in the Act, 17A-2-1202(3)(b)(ii). Items considered under "Condition of Parcel" were yard maintenance, driveway-sidewalk, open storage, drainage, fencing and site improvements. Items considered under "Condition of Building" were roofing/flashing, chimney, exterior walls, windows, entry steps, porch, and foundation. "Poor" condition refers to collection of debris and garbage in the yard area, major damage to or a nonexistent driveway or sidewalk, visible open storage, unsuccessful drainage over the site leading to unwanted water collection, damage to fencing inviting unwanted entry, lack of necessary site improvements, noticeable damage to roofing and flashing, structural damage to chimneys and/or exterior walls, broken or missing windows, unsafe entry steps and porch with structural problems, and/or major cracking or settling in the foundation.

The area exhibits a number of substandard structures indicating defective character of physical construction. Of the 128 parcels in the Survey Area, 72 of them (56%) were found to be in substandard condition.

(2) Mixed character and shifting of uses which results in obsolescence, deterioration or dilapidation.

Assignment of this factor was determined by Brixen & Christopher, Architects, and Wikstrom Economic Planning Consultants. The survey team assigned a "D" to a parcel if "compatibility" falls into a severe conflict category based on a field survey and economic evaluation. "Conflict" would be described as in opposition with the surrounding area. Items were considered severe conflict when the uses were unknown or incompatible as compared with the community, compared to the adjacent property or compared to the local area and a lack of zoning conformance, as defined by the Salt Lake City Zoning Ordinance, Title 21A of the Salt Lake City Code, adopted April 12, 1995.

Properties were reviewed within the context of the immediate neighborhood and the context of the larger Gateway District. The neighborhood and district are experiencing shifts of use from older, industrial properties to uses more consistent with the area's proximity to the downtown and other surrounding neighborhoods (such as the residential neighborhoods located on the fringes of the Gateway). To the extent that an individual parcel's use is not in conformance with the overall trends of the area, it was determined to be more affected by mixed character and subject to shifting use and therefore received this designation.

Of the 128 parcels in the area 107 or 83% of the parcels exhibited characteristics which were indicative of mixed character and shifting of uses.

(3) Economic deterioration or continued disuse.

Assignment of this factor was determined by Brixen & Christopher, Architects and Wikstrom Economic Planning Consultants. The survey team defined economic deterioration as parcels showing visible signs of disinvestment or lack of reinvestment in recent years (e.g., peeling paint, poor roof repair, poorly maintained landscape or structure, visible debris). A visual inspection of each site was conducted to determine if there was evidence of disinvestment or lack of reinvestment in recent years. In addition, consideration was given to the decline in economic activity of an industry (the decline in rail-served industries in the area, for example) and uses that are not consistent with the surrounding development (e.g., single family homes surrounded by heavy industrial uses). Factor "E" was assigned if a parcel falls in the "yes" category of economic deterioration.

The survey team also assigned an "E" to a parcel if "Utilization of Parcel" falls in any "yes" category or "Condition" falls in any "poor" category based on the field survey and economic evaluation. Items considered under "Utilization of Parcel" were underutilized building, vacant building, uninhabitable building, and vacant land. Items considered under "Condition" were site condition, site maintenance, building condition, and building maintenance. This letter was assigned if the building was perceived as not being used to its full potential, the building appeared to be unuseable due to structural damage, health risks, poor building or site maintenance, or the land was vacant.

Eighty of the 128 parcels or 62% of the parcels exhibited the attributes described.

(4) Existence of inadequate streets, open space, and utilities.

The survey team assigned a "G" to a parcel if "Condition of Site - Infrastructure" falls in any "poor" category based on the field survey. Items considered under "Condition of Site - Infrastructure" were streets, storm sewers, fire hydrants, sidewalks, street lighting, and utilities. This letter was also assigned if the above were in unusable condition. Curb and gutter existence was noted but did not play a determining factor in and of itself as long as drainage appeared to be adequate. It was determined by the survey team that 97 parcels (or 76.6% of the parcels) did not have adequate streets, open space, and utilities.

B. Social Conditions

Beginning in 1988, a number of public and private social service organizations began locating in the Depot District Redevelopment Project Area. The Travelers Aid Homeless Shelter, the St. Vincent DePaul Center and the Salvation Army Thrift Shop and kitchen are located in the area. These facilities provide food and shelter to homeless and transient individuals and families. These facilities have attracted both a transient and criminal population to the area, which has resulted in numerous police calls for service. As part of the blight survey report, the survey team gathered information on the number and types of crimes occurring in the area. The Police Department reported more than 3,300 calls for service in the vicinity of the three service organizations (Shelter the Homeless, St. Vincent DePaul, and the Salvation Army). This indicates a very high level of police service compared to an average call for service to businesses throughout the City of 10.56 each.

The Depot District Project Area includes Traffic Zones 1166, 1167, 1178, and 1179 in Census Tract 1025. These Zones include the area from North Temple to 400 South Street and from 300 West Street to I-15. The following table contains employment and income information about the area as well as similar data for all of Salt Lake City from the Surveillance of Socio-Economic Characters, 1996 Supplement, prepared by the Wasatch Front Regional Council.

Traffic Zone	Total Non-Agricultural Non-Construction Employment	Retail Employment	Industrial Employment	Average Household Income
1166	3,059	128	849	NR
1167	566	41	371	\$9,044
1178	1,053	4	833	NR
1179	1,119	108	311	\$20,439
Totals	5,797	281	2,364	
Salt Lake City	226,058	28,050	52,405	\$26,112

This is a substantial change from the early 1900's when the Gateway area was a thriving residential area with a number of ethnic neighborhoods. The ethnic neighborhoods began to disappear after World War I and were replaced with industrial, warehouse, manufacturing, and railroad uses. The area continues to be a location for many of the industrial, distribution, and manufacturing firms including EIMCO, Intermountain Furniture, SDI, Serta Mattress, Nicholas Foods, and Salt Lake Brick.

C. Economic Conditions

The Project Area is currently zoned CG - General Commercial District. This zoning classification is intended to provide an environment for a variety of commercial uses, some of which involve the outdoor display/storage of merchandise or materials. Employment information for the area is shown in the table above. As of 1996, the Wasatch Front Regional Council estimated employment in the area at 5,800.

Substantial private investment in the area has not occurred in the Depot District Area for several reasons:

1. Much of the land had relatively poor access. The freeway exits were elevated to pass over the area and several streets had railroad tracks in the middle. By shortening the viaducts and removing the rails in 400 West and 500 West Streets from North Temple to 400 South, the access to the area will be significantly improved.
2. The rail yards were not available for real estate development. Approximately 30 acres of rail-owned property have now become available for development within the Depot District Area. A well-planned development on this site has the opportunity of changing the image of the area.
3. Infrastructure improvements in the area have not been well maintained. Salt Lake City's master planning process has identified a number of public investments in the area including street improvements and open space that will make the area less risky for private investors.
4. The area was perceived as being distant from both downtown and north and west residential neighborhoods. The proposed location of an intermodal transportation hub within the area and the proposed light rail transit on the eastern and northern edges of the area will make the area suitable for development that is transit oriented.
5. The area has been perceived as having potential contamination from a variety of past industrial uses. A federal Brownfields site assessment grant was obtained by Salt Lake City and the Agency to provide data on contaminants and to develop processes for site remediation to minimize the risks associated with this as part of redevelopment.

The Redevelopment Plan addresses these issues by providing for programs and projects that will be designed to eliminate blight and land use conflicts, increase commercial and residential land uses, and direct future growth.

3. Financial Analysis Describing the Proposed Method of Financing Redevelopment of the Project Area

The Agency is a separate government entity established pursuant to the provisions of the Act. Its purpose is to prepare and carry out plans for the redevelopment and economic development of project areas within the territorial limits of Salt Lake City. To accomplish this objective, state law permits the

Agency to undertake redevelopment projects and programs in specifically designated and adopted project areas which meet certain standards and criteria.

The Act provides a means for financing redevelopment projects based upon an allocation of taxes collected within a project area.

Most of the Agency's activities are funded by "tax increment" financing. The Act defines tax increment in Section 17A-2-1202(18) as follows:

Tax increment means that portion of the levied taxes each year in excess of the base tax amount which excess amount is to be paid into a special fund of an agency.

Under tax increment financing, the assessed value of all personal and real property within the redevelopment project area in the year prior to the adoption of the redevelopment plan becomes the base year or "base tax amount." In years following the base year, the local taxing units (such as the county, the City, the local school district, etc.) receive the taxes generated by applying the current year tax levy to the base tax amount assessed valuation. The taxing agencies having the right to levy general ad valorem property taxes on the real and personal property located in the Project Area thereafter receive the taxes produced by the levy of the current tax rate upon the base tax amount. The Agency may receive taxes collected due to an increase in the assessed value of the project area over that of the base year or "base tax amount." Taxes collected upon an increase in assessed valuation over the "base tax amount" are to be paid to the Agency for the payment of costs associated with financing or refinancing a redevelopment project. The Agency has no authority to levy taxes and must look specifically to the allocation of tax increment produced as above described.

In determining the feasibility of the Redevelopment Plan, the Agency has considered the present "base tax amount" within the Project Area and estimated future increments in assessed valuation and resulting "tax increment" tax revenues. The Agency reviewed the assessed value of the property within the Project Area as determined by the office of the County Assessor. The "base tax amount" for the Project Area is equal to the sum of the assessed values of real property, personal property and any State-assessed property within the Project Area for the tax year preceding the year in which the Project Area Plan is officially adopted.

Based upon the data obtained, the Agency has calculated the "base tax amount" of the Project Area as of January 1, 1997, as finalized on or before November 1, 1997, in order to estimate the amount of tax increment which may be available within the Project Area. The base tax amount for the privately-owned property is estimated to be \$29,334.590, but the County Assessor, County Auditor and State Tax Commission may determine a different base tax amount after a review of the data.

It is the intent of the Agency to implement the Redevelopment Plan as tax increment becomes available from the investment of public and private capital within the Project Area, and using other sources of revenue which may be available to the Agency such as loans, grants, gifts, and bonds, as authorized by law.

The implementation of redevelopment projects in the Project Area is economically feasible because as redevelopment occurs, the Project Area will generate additional tax increment resulting from the increased value of land and improvements which will be used to further additional development within the Project Area.

A. The Project Area Budget

The Agency has created a taxing agency committee as required by Section 17A-2-1247.5 of the Act. The taxing agency committee represents the public entities having the right to levy taxes on the property

located in the Project Area. The taxing agency committee has approved the Depot District Project Area exceeding the size limitation of 100 acres of privately owned property so long as the Agency identifies an area with 100 acres or less of privately owned property from which tax increment will be collected to implement the Redevelopment Plan.

The Agency intends to allocate 20% of the tax increment generated in the Depot District Redevelopment Project Area for housing purposes as allowed in Section 17A-2-1264 of the Act.

Expenditures by the Agency in the Project Area as established in the approved or amended project area budget (the "Project Area Budget") will not exceed anticipated revenues over the time period that the Agency has the right to receive tax increment from the Project Area.

The Project Area Budget is a multi-year budget for the Redevelopment Plan prepared by the Agency. The Agency is obtaining the Olene Walker Housing Trust Fund Board certification required prior to Agency approval. The Project Area Budget shows the following:

- (1) The 1997 base year taxable value of the Project Area is \$29,334,590 as of January 1, 1997, and finalized as of November 1, 1997 as shown on Attachment No. 1 hereto;
- (2) The projected tax increment of the Project Area is \$166,666,667 over a 24-year period;
- (3) Of this amount, no tax increment is proposed to be shared with other taxing districts, however, 25% of the new taxes generated by the redevelopment, or approximately \$41.6 million, will be paid directly to the taxing entities;
- (4) The amount of tax increment expected to be used to implement the Redevelopment Plan is \$125,000,000. Any amount of tax increment which will be used for redevelopment projects and programs, land acquisition, public and infrastructure improvements, loans, grants or tax incentives to private and public entities will be included in the annual implementation budget of the Project Area in the years in which tax increment will be budgeted for these purposes.
- (5) It is unknown at this time the amount of bonds expected to be issued by the Agency.
- (6) The tax increment expected to be used to cover the cost of administering the Project Area is estimated to be 15% and is included in the Project Area Budget.
- (7) The legal description for the portion of the Project Area from which tax increment will be collected pursuant to Section 1247.5 of the Act is: All of Blocks 46, 47, 62, 63, 64, 65, 80, 81, 83 of Plat "A," Salt Lake City Survey, all of Blocks 48 and 60 of Plat "C," Salt Lake City Survey containing approximately 95.85 acres of privately owned property excluding public streets.
- (8) The Agency does not currently own any property within the Project Area although it may acquire property in the future to implement the Redevelopment Plan. Therefore, cost of property to be sold by the Agency and the sales price to be paid by purchasers is not known.
- (9) The Agency may, but need not, acquire real property by eminent domain for a period of five (5) years following the date of the adoption of the Plan to implement the Depot District Redevelopment Project Area Plan. The Agency may acquire real property by negotiation during the life of the Project Area.

B. A Description of Any Tax Incentives Offered Private Entities for Facilities Located in the Project Area

Agency staff has had numerous discussions with property owners and developers about the Project Area and possible redevelopment projects and programs. Many of the property owners presented ideas on potential assistance the Agency could offer to them at the North Gateway public hearing held on July 16, 1998. A copy of the public hearing record identifying the name and address of those appearing at the public hearing is available in the office of the Agency and may be reviewed and copied as a public record. The Agency has also received three specific requests for assistance with a proposed development. These three requests are:

- (1) Artspace has requested a \$1.5 million grant to be used to subsidize the construction of income-restricted and market rate housing units in the Bridges mixed-use development located at 500 West and 200 South Streets. The development includes 89 tax-credit and market-rate rental housing units, 71 condominiums; and locations for nonprofit and for-profit commercial businesses built over an underground parking structure. The Bridges Project is a limited liability company established by Artspace for the development. The Agency has budgeted \$800,000 in its City-Wide Housing Fund and \$500,000 in its Project Area Housing Fund both of which could be used to assist this project. The type and amount of assistance is under negotiation. (Block 63A)
- (2) The Boyer Company has requested 50% of the Agency's portion of tax increment (which is estimated to be \$13,825,250 plus interest on the outstanding balance) to be generated by the Union Pacific rail yard development. The tax increment would reimburse to the developer a portion of the cost of public infrastructure installed by the developer, a donation of land for Rio Grande and a portion of 500 West Street, the construction of a large, publicly accessible plaza within the development, and rehabilitation and structural costs associated with reusing the Union Pacific Railroad Depot. The Agency has not yet acted upon this request. The Agency has committed \$50,000 of federal Brownfields funds for environmental site assessment of the rail yards. (Blocks 65A, 80A, and 83A)
- (3) Benchmark Media Housing, LC, has requested a \$1.5 million land acquisition loan from the Agency and Salt Lake City to acquire the SeRancho Lanes property in Block 60B for future development 184-unit apartment complex with a minor amount of commercial space on the first floor on the corner of North Temple and 600 West Street as Olympic media housing. After the Olympics, at least 20% of the housing units would be income targeted, rental units. The Agency's share of the loan would be \$750,000 and would be advanced from the Agency's City-Wide Housing Fund. The loan would be for a period of 18 months and accrue interest at 5% per annum. The loan principal and accrued interest would be due at the end of the term. This loan is scheduled to be discussed by the Agency's governing board at its meeting on September 17, 1998. Benchmark is a special purpose development entity owned by Prowswood, a local housing developer, and Boston Financial.

4. Analysis of the Preliminary Plan Showing That The Adoption of the Plan is Necessary and Appropriate to Reduce or Eliminate Blight

The benefits projected to accrue to the tax base of the community from the proposed development include: increases in local option sales tax revenue, increases in real property tax revenue, increases in personal property tax revenue and increases in franchise tax revenue. The schedule entitled "Project Area Budget," Attachment No. 2" indicates the estimated increase in property tax revenue to be derived from the redevelopment of the Project Area over a period not to exceed twenty-five years. The Agency has elected to receive 75% of the property tax increment from the Project Area for a period of 24 years. Therefore, 25% of the tax increment will be paid to the taxing entities over the 24-year period from within the tax increment collection area and 100% of the tax increment from the area in the noncollection area.

All of the local option sales tax revenue and franchise tax revenues will be paid to the local taxing entities.

All of the land uses determined to be appropriate for redevelopment within the Project Area pursuant to the provisions of the Depot District Redevelopment Project Area Plan are in accord with the general guidelines of the master plan or general plan of the City and its applicable planning and zoning codes, rules or regulations.

Planning criteria in the Redevelopment Plan relative to land uses, densities, characteristics of transportation systems, and need and type of public infrastructure improvements are consistent with the long-range plans of the Gateway Master Plan. These public improvements need to be made if the redevelopment of the Project Area is to be successful.

The Redevelopment Plan relates directly to the local objectives of promoting and retaining an economically healthy and growing community by not only providing desirable opportunities for redevelopment but to direct future development in a manner consistent with the Gateway Master Plan. The Agency believes that the strengths of the Project Area include:

- (A) Existing property owner interest in being involved in redevelopment.
- (B) Proximity to downtown Salt Lake City and the inclusion of the Union Pacific and Rio Grande Railroad Depots, two significant City landmarks within the Project Area.
- (C) Vacant and underutilized parcels provide opportunity for redevelopment.
- (D) Significantly improved access to I-15 and US Highway I-89/91.

The Agency believes that the weaknesses of the Project Area include:

- (A) Some blocks contain interior parcels that are deteriorating or not utilized fully and would have to be assembled with other parcels for maximum development.
- (B) Perceived and actual environmental contamination which will need to be addressed before development will occur.
- (C) Incompatible land uses and zoning conflicts.
- (D) Area blight and deterioration have served as a deterrent for reinvestment and new development.
- (E) The area is perceived by the public as dangerous due to the high incidence of police calls in certain parts of the Project Area.

A. Analysis of Necessary and Appropriate In the Case of Blight

Salt Lake City Corporation retained the firm of Landmark Design to prepare a master plan for the Gateway District. Landmark Design put together a multi-disciplinary team of architects, planners, economic analysts, economists and other technicians to prepare the master plan and to analyze the conditions found in the Gateway Blight Survey Area. This team prepared an initial report entitled "Blight Survey, Gateway District Survey Area" (the "Blight Analysis") dated April 1998, a copy of which is incorporated into the original copy of the Redevelopment Plan and incorporated herein by reference, which report was updated as of August 12, 1998, to analyze and confirm the current conditions found in the Project Area.

The benefits derived from the financial assistance proposed to be provided by the Agency include those enumerated in the Redevelopment Plan and this report. The financial assistance proposed to be provided by the Agency will:

1. Serve to help with the removal of blight and blighting influences from the Redevelopment Project Area.
2. Remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for future development.
3. Assist in dealing with the perceived and real environmental contamination issues.
4. Provide utilities, streets, curbs, sidewalks, parking areas, landscape areas and other public improvements to give the area a new look and to attract development. The infrastructure improvements will most likely attract additional development by providing an improved level of service delivery to the Project Area.
5. Provide for the strengthening of the property and income tax base and economic health of the entire community and the State of Utah by increasing the assessed valuation of the Project Area as well as, increase the State's and community's employment base through future commercial development.
6. Provide improved transportation to the Project Area by upgrading public streets and road access to and within the Project Area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality and reduce congestion.
7. Encourage and assist development of new and existing commercial business to strengthen the tax base of the community to provide jobs and to provide services needed to the new residential units.
8. Create a mixed use zoning area to permit residential and nonresidential development to be compatible.
9. Create new housing development opportunities.

(1) Evaluation of the Reasonableness of Redevelopment Costs

The cost estimates proposed at the time of adoption of the Redevelopment Plan are shown in the Project Area Budget, Attachment No. 2. The tax increment projections assume a tax rate of 0.014616. To achieve the tax increment projections, private investment and appreciation in property values of more than \$785,000,000 must occur over the 24-year project period. The Agency's investment of \$125 million would therefore have to be matched by a private investment of \$660,000,000 to \$785,000,000.

(2) Efforts To Maximize Private Investment

It is the intent of the Agency to maximize private investment to the highest extent possible. The Agency recognizes that its role is to stimulate and direct development within the area by making the Project Area attractive for private investment.

(3) Rationale For Use of Tax Increment Financing

The use of tax increment financing serves as a catalyst to trigger private sector investment to construct fixed assets in the community. Simply, if there is no private sector investment, there will be no tax increment against which private sector dollars can be leveraged. The community is in need of improvements and the use of tax increment is necessary to stimulate development within the Project Area and achieve the goals of the Redevelopment Plan.

(4) Analysis of Whether the Proposed Development Might Occur In The Foreseeable Future Solely Through Private Investment

Based on the condition and history of the Project Area, it cannot be reasonably expected that development will occur in the foreseeable future solely through private investment. The neighborhood is blighted and deteriorating and currently not attractive for development. The developers and property owners who have made specific requests for redevelopment assistance have indicated that some level of assistance is necessary for their projects to proceed. One of the developers stated that they will not proceed unless the adjacent public infrastructure is built.

(5) Estimate of the Total Amount and Length of Time that Tax Increment Financing Will Be Expended In Undertaking Redevelopment

It is anticipated that the length of time that tax increment financing will be used within the Project Area will be twenty-four years. The length of the time for the Project Area Budget is authorized by Section 17A-2-1247.5(4)(c) of the Act. The Project Area Budget will be certified by the Olene Walker Housing Trust Fund Board and adopted by a 2/3 vote of the governing body of the Redevelopment Agency of Salt Lake City.

B. Description of Anticipated Public Benefit to Be Derived From The Redevelopment Project

It is anticipated that the public benefit to be derived from the proposed development will include the following:

(1) Number of Jobs or Employment Anticipated As A Result of the Redevelopment Project

It is unknown at this time the number of full time jobs which may be created as a result of the redevelopment project. The proposed rehabilitation and new business development programs should help to stabilize the existing business as well as provide an environment which will encourage the location of additional residential and commercial developments in the area. The following table shows the projected new employment in the Bridges, Benchmark and Union Pacific Railroad development projects:

Developer/ Type of Development	Development Proposal	Employees per	Total Employment
Boyer Hotel Office Retail	250 Rooms 750,000 Square Feet 810,000 Square Feet	1/Room 1/250 Square Feet 1/200 Square Feet	250 3,000 4,050
Bridges Office/Retail	32,175 square Feet	1/225 Square Feet	143
Benchmark Retail	7,300	1/200 Square Feet	37

(2) Associated Business and Economic Activity Likely to Be Stimulated By the Redevelopment Project

With the adoption of the new zoning guidelines, it is anticipated that there will be an increase in business and economic activity within the area. The focus of future commercial development is to encourage existing businesses to remain and improve their physical facilities and to provide an environment where new residential and business development will occur. It is anticipated that the proposed mixed-use concept for residential and commercial development will strengthen the area's ties to both the Central Business District to the east and the residential neighborhoods to the north and west.

(3) Beneficial Influences upon the Tax Base of the Community as a Result of the Redevelopment Project

The following benefits are projected to accrue to the tax base of Salt Lake City and the community as a result of the proposed development: (1) increased local option sales tax revenue; (2) increased real property tax revenue; (3) increased personal property tax revenue; (4) increased personal and corporate income tax revenue; (5) increased revenue from franchise taxes; and (6) increased room taxes from the hospitality industry.

5. Relocation Plan

The Redevelopment Plan for the Project Area incorporates by reference the provisions of the Utah Relocation Assistance Act as found in Section 57-12-1, et seq., Utah Code Annotated 1953, as amended, and the Rules Governing Relocation Assistance For The Redevelopment Agency Of Salt Lake City, as previously adopted by the Agency's governing board and as may be amended from time to time, a copy of which is incorporated by reference as part of the Redevelopment Plan and Report. These documents describe how relocation assistance will be offered to displaced persons or businesses in the event any real property is acquired by the Agency within the Project Area.

The Agency intends that all property needed to be acquired for private developments within the Project Area will be acquired, if possible, by private owners wishing to undertake redevelopment. The Agency may, however, acquire real property or interests in real property by negotiation or eminent domain in order to further the proposed redevelopment within the Project Area and to remove blight from the Project Area.

6. The Report and Recommendation of the Planning Commission

The letter report and recommendation from the Salt Lake City Planning Commission will be incorporated as Attachment No. 3.

ATTACHMENT NO. 1

**1997 TOTAL TAXABLE VALUE
DEPOT DISTRICT REDEVELOPMENT PROJECT AREA**

Block No. 1997 Privately Taxable Values

46A	\$ 2,919,515
47/62A	\$ 8,191,945
48B	\$ 1,287,765
60B	\$ 1,902,970
63A	\$ 5,088,175
64A	\$ 4,410,400
65A	\$ 637,080
80/83A	\$ 2,528,940
81A	<u>\$ 2,367,800</u>
Total	\$29,334,590

ATTACHMENT NO. 2

**Depot District REDEVELOPMENT PROJECT AREA
PROJECT AREA BUDGET**

	<u>Project Area Budget</u>
<u>Sources:</u>	
Tax Increment Projection (1998-2022)	\$166,666,667
Allocation to Agency 75%	\$125,000,000
<u>Uses:</u>	
Section 17A-2-1264 Housing Funds 20% of the tax increment allocated to the Agency up to	\$ 25,000,000
Redevelopment Activities 65% to 75%	\$ 81,250,000-\$93,750,000
Administrative Expenses 15% to 5%	<u>\$ 18,750,000- \$ 6,250,000</u>
Total	\$125,000,000

All terms and definitions are as defined in the Depot District Redevelopment Project Area Plan dated October 15, 1998

Pursuant to Section 17A-2-1264 of the Act, 20% of the tax increment allocated to be Agency shall be used to (1) pay part or all of the cost of land or construction of income targeted housing within the community that created the agency, if practicable in a mixed income development or area; (2) pay part or all of the cost of rehabilitation of income targeted housing within the community that created the agency; (3) pay part or all of the cost of land or installation, construction, or rehabilitation of any building, facility, structure, or other housing improvements, including infrastructure improvements, related to housing located in a redevelopment project area where blight has been found to exist; (4) replace housing units lost as a result of the redevelopment or economic development; or (5) make payments on or establish a reserve fund for bonds. The Agency may use the 1264 Housing Funds as tax increment is paid to the Agency or the Agency may adopt annual budgets in selected budget years to equal 20% of the tax increment allocated to the Agency over the 24-year budget period, as determined by the Agency.

The annual budgets shall show:

- (a) The amount of tax increment to be shared with other taxing districts;
- (b) The amount of tax increment to be used for:
 - (1) 1263 and 1264 housing activities,
 - (2) land acquisition,
 - (3) infrastructure improvements,
 - (4) loans and grants,
 - (5) tax incentives,
 - (6) principal and interest on bonds to be issued by the Agency,
 - (7) other programs and projects to be undertaken by the Agency.
- (c) Administrative costs

The Project Area Budget does not include an increase in tax increment due to an increase over the 1997 tax rates of any of the taxing agencies, except as permitted in the Act.

**Planning Commission
Report**

WILLIAM T. WRIGHT, AICP
PLANNING DIRECTOR
BRENT B. WILDE
DEPUTY PLANNING DIRECTOR

SALT LAKE CITY CORPORATION
COMMUNITY AND ECONOMIC DEVELOPMENT
PLANNING DIVISION

DEEDEE CORRADINI
MAYOR

October 1, 1998

Mr. Roger Thompson, Chairperson
Redevelopment Agency of Salt Lake City
Room 418, City and County Building
451 South State Street
Salt Lake City, Utah 84111

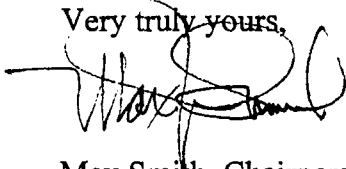
Dear Chairperson Thompson:

At its regular meeting held October 1, 1998, the Planning Commission held a public hearing to consider the proposed Redevelopment Plan entitled, "North Gateway Redevelopment Project Area Plan," dated September 10, 1998. The Agency and its staff consulted with the Planning Commission and its staff regarding the contents of the Redevelopment Plan.

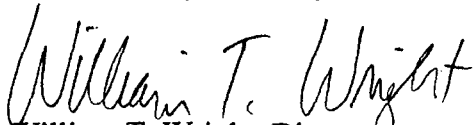
The proposed Plan was found to be consistent with the City's general plan, master plan and other plans of the city for the development of the area described in the Plan. It is the recommendation of the Planning Commission that the City Council adopt the North Gateway Redevelopment Project Area Redevelopment Plan.

The Planning Commission looks forward to working with the Redevelopment Agency in implementing redevelopment projects in the Gateway District.

Very truly yours,



Max Smith, Chairperson
Salt Lake City Planning Commission



William T. Wright, Director
Salt Lake City Planning Division

**RULES GOVERNING PARTICIPATION AND PREFERENCES
BY OWNERS, OPERATORS OF BUSINESSES, AND TENANTS
IN REDEVELOPMENT PROJECT AREAS ADOPTED BY THE AGENCY**

Adopted by Agency Board on the 13th day of April, 1993.

PARTICIPATION RULES

I. [§ 100] GENERAL

A. [§ 101] Purpose. These rules are promulgated by the Redevelopment Agency of Salt Lake City (hereinafter the "Agency") to provide for reasonable participation in the redevelopment of property in Project Areas adopted by the Agency (hereinafter the "Project Area") by owners, operators of businesses, tenants, and other persons and entities holding interests in property within the Project Area, and to set forth the procedures governing such participation and preferences.

B. [§ 102] Participants. Persons or entities holding interests in property within the Project Area shall have a reasonable opportunity to become "participants" in the Plan, in contrast to "developers," whose interests in the Project Area are acquired solely from the Agency without having held other interests in the Project Area.

C. [§ 103] Priorities and Preferences. The Agency shall extend priorities to persons or entities holding interests in property in the Project Area, to have the opportunity to continue in, or, if the Agency acquires the land of the owner or the land with which the person or entity's interest is associated, to re-enter the Project Area if such persons or entities otherwise meet the requirements for participation in the Redevelopment Project (hereinafter the "Redevelopment Project") prescribed in a Redevelopment Plan adopted by the Agency (hereinafter the "Redevelopment Plan") and in these Rules. Priorities are opportunities conferred on participants to be given reasonable priority over developers with respect to any aspect of the redevelopment of the Project Area under the Redevelopment Plan.

II. [§ 200] TYPES OF PARTICIPATION AVAILABLE

A. [§ 201] General. The Agency shall permit owners and tenants within the Project Area to be given the opportunity to participate in the redevelopment of the Project Area by:

1. Owners retaining, maintaining, and, if necessary, rehabilitating all or portions of their properties;
2. Owners acquiring adjacent or other properties in the project area;
3. Owners selling all or portions of their improvements to the Agency, retaining the land, and developing their properties;
4. Owners selling all or portions of their properties to the Agency and purchasing other properties in the project area;

5. Owners selling all of portions of their properties to the Agency and obtaining preferences to re-enter the project area;

6. Tenants having opportunities to become owners of property in the project area, subject to the opportunities of owners of property in the project area; or

7. Other methods approved by the Agency.

B. [§ 202] Remaining in Substantially the Same Location. Participation may consist of persons or entities with property interest in the Project Area remaining in substantially the same location either by retaining all or portions of the property, or by purchasing all or portions of the property and purchasing adjacent property from the Agency. Persons or entities which participate in the same location may be required to rehabilitate or demolish all or part of their existing buildings or the Agency may acquire improvements only, then remove or demolish the improvements, and permit the participants to develop the land.

C. [§ 203] Exchanges. Participation may consist of the Agency buying land and improvements from existing owners, and offering other parcels for purchase by such participants.

D. [§ 204] Preferences. Participation may consist of obtaining participants' preferences to re-enter the Project Area.

E. [§ 205] Other Forms of Participation. The Agency may allow such other forms of participation by persons or entities holding interests in property within the Project Area as are necessary and appropriate to advance the purposes of the Redevelopment Plan and are consonant with Utah laws.

III. [§ 300] PRIORITIES AND PREFERENCES

A. [§ 301] Priorities and Preferences. The Agency shall extend reasonable preferences to persons or entities holding interests within the Project Area to participate in the Redevelopment Project, subject to the requirements prescribed in the Redevelopment Plan and these Rules. The Agency may structure priorities and preferences in any manner it deems necessary to further the ends of the Redevelopment Plan and which is consonant with its obligation to extend reasonable priorities and preferences to participants.

B. [§ 302] Participants and Developers. In view of the priorities and preferences the Agency is obligated to extend to participants over developers, participants shall have first claim to opportunities to participate in any and all phases of the Redevelopment Project, and shall be given priority over developers unless the Agency determines that the interested participants are not capable or qualified to undertake the aspect of the Redevelopment Project in question. If no participants are interested in undertaking a particular aspect of the

Redevelopment Project, the Agency is free to allow developers to take advantage of the opportunity.

C. [§ 303] Factors Limiting Participation Opportunities in General.
Participation in the redevelopment of the Project Area by as many owners, tenants and other interest holders as possible is desired. However, participation opportunities shall necessarily be subject to and limited by such factors as the following:

1. Removal, relocation and/or installation of public utilities and public facilities.
2. The elimination and changing of some land uses.
3. The realignment, abandonment, widening or opening of public streets and rights-of-way.
4. The ability of participants to finance acquisition and development in accordance with the Redevelopment Plan.
5. Reduction in the total number of individual parcels in the Project Area.
6. The assembly and development of areas for public and/or private development in accordance with the Redevelopment Plan.
7. Change in orientation and character of the Project Area.

D. [§ 304] Factors Affecting Priorities and Preferences of Participants. If conflicts develop among participants desiring to participate in the Redevelopment Plan with respect to particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the parties and to determine a solution by consideration of such factors as:

1. Length of time in the area.
2. Accommodation of as many participants as possible.
3. Ability to perform.
4. Similar land use to similar land uses.
5. Conformity with intent and purposes of the Redevelopment Plan.
6. Any other factors the Agency deems relevant in the particular circumstances.

E. [§ 305] Participation by Joint Entities. To the extent feasible, opportunities to participate may be exercised by entities formed by two or more persons, or entities which join together in partnerships, corporations, or other joint entities for the purpose of participating in the Redevelopment Project. So long as one of the persons or entities joining in the joint entity is a participant, the joint entity may be treated as a participant.

IV. [§ 400] PARTICIPATION PROCEDURE

A. [§ 401] Participation Agreements. The Agency is authorized to enter into participation agreements with all participants in the Redevelopment Project. Such agreements may relate to properties not purchased or not to be purchased by the Agency. Each agreement will contain provisions necessary to insure that the participation proposal will be carried out, and that the subject property will be developed or used in accordance with the conditions, restrictions, rules and regulations of the Redevelopment Plan and the agreement. Each agreement will require the participant to join in the recordation of such documents as the Agency may require in order to insure such development and use. Participation agreements will be effective only if approved by the Agency.

B. [§ 402] Statements of Interest. Before making offers to purchase property in the Project Area, the Agency shall notify the persons or entities holding interests in any such properties by certified mail, return receipt requested, that the Agency is considering the acquisition of such property. The Agency shall include a form entitled "Statement of Interest in Participating" with the notification. Within 30 days of receipt of such notification, any owner interested in participating in the Redevelopment Project shall file a "Statement of Interest in Participating" with the Executive Director of the Agency. Any person or entity holding an interest in property within the Project Area may also submit such a statement at any time before such notification.

The notice letter shall inform the party to whom it is directed that failure to file a written Statement of Interest will result in waiver of the party's opportunity to participate on a priority or preferred basis in the Redevelopment Project. The Agency may disregard any Statements of Interest received after the expiration of the 30-day period.

The Agency shall consider such Statements as are submitted on time and seek to develop reasonable participation for those submitting such Statements whether to stay in place, to move to another location, to obtain priorities and preference to re-enter the Project Area, etc.

V. [§ 500] ENFORCEMENT

In the event property is not developed, maintained, rehabilitated, or used in conformance with the Redevelopment Plan or a Participation Agreement, the Agency is authorized to (1) purchase the property, (2) purchase any interest in the property sufficient to obtain conformance, or (3) take any other appropriate action sufficient to obtain such conformance.

VI. [§ 600] AMENDMENTS OF OWNER PARTICIPATION RULES

The Agency may amend these rules at any meeting two weeks after publication of one notice in a newspaper of general circulation in the City of Salt Lake at least seven days after written notice has been given to all members of the Agency's Governing Board. The effective date of any amendment shall be the date on which it is approved by the Agency or on such other date as the Agency may specify in approving the Amendment.

VII. [§ 700] EFFECTIVE DATE

These participation rules shall take effect on the date of adoption of an Ordinance by the City Council of Salt Lake City adopting Redevelopment Plan for the Project Area as defined in the Section 103 herein.

RULES GOVERNING RELOCATION ASSISTANCE
FOR THE REDEVELOPMENT AGENCY OF SALT LAKE CITY

Adopted by the Agency Board on the 17th day of September, 1998.

RELOCATION ASSISTANCE RULES

I. [§ 100] GENERAL

- A. [§ 101] Purposes. These rules are promulgated by the Redevelopment Agency of Salt Lake City (hereinafter the “Agency”) to provide for uniform relocation rules for persons, businesses and farms directly displaced because of redevelopment project activities in an officially adopted redevelopment project area.
- B. [§ 102] Declaration of Policy. It is hereby declared to be the policy of the Redevelopment Agency of Salt Lake City:
1. That it is sometimes necessary for the Agency to acquire land by condemnation;
 2. That persons, businesses, and farms are often uprooted and displaced by such action while being recompensed only for the value of land taken;
 3. That such displacement may work an economic hardship on those persons or businesses required to move or relocate ;
 4. That certain added expenses should be included as a part of the project cost and paid to those displaced;
 5. That the State of Utah has established uniform policies for land acquisition under the Utah Relocation Assistance Act, to assist the Agency in assuring that displaced persons are treated fairly;
 6. That it is in the public interest for the Agency to provide for such payments and to establish such land acquisition policies.

Therefore, the purpose of these rules is to establish a uniform policy for the fair and equitable treatment of persons displaced by the acquisition of real property by the Agency land acquisition programs and projects.

All of the provisions of the Act shall be liberally construed to put into effect the foregoing policies and purposes.

C. [§ 103] Definition of Terms. As used in these rules :

1. “Act” means the Utah Relocation Assistance Act, as it may be amended from time.

2. "Agency" means the Redevelopment Agency of Salt Lake City.
3. "Business" means any lawful activity, excepting a farm operation, conducted primarily:
 - a. for the purchase, sale, lease, or rental of personal or real property, and for the manufacture, processing, or marketing of products, commodities, or any other personal property;
 - b. for the sale of services to the public;
 - c. by a nonprofit organization; or
 - d. for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property, or services by the erection and maintenance of an outdoor advertising display or displays, whether or not such display or displays are located on the premises on which any of the above activities are conducted.
4. "Displaced person" means any person who moves from real property, or who moves his personal property from real property, or moves or discontinues his business, or moves his dwelling as a result of the acquisition of the real property, in whole or in part, or who as a result of a written order of the Agency to vacate real property for a program of purchase undertaken by the Agency or as a direct result of code enforcement activities or a program of rehabilitation of buildings conducted pursuant to a federal or state assisted program.
5. "Family farm" means a farm operation which is conducted:
 - a. on two sections (1280 acres) or less; or
 - b. as a sole proprietorship or through an entity which is wholly owned by members of the same immediate family.
6. "Farm operation" means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.
7. "Non-profit organization" means all corporations, societies, and associations whose object is not pecuniary profit, but is to promote the general interest and welfare of the members, whether temporal, social, or spiritual.

8. "Person" means any individual, partnership, corporation, or association.
9. "Small business" means a business which has a gross annual income of less than \$1,500,000.

II. [§ 200] ADVISORY PROGRAM

- A. [§ 201] Whenever the acquisition of real property for a program or project undertaken by the Agency will result in the displacement of any person, the Agency shall provide a relocation assistance advisory program for displaced persons which shall offer the following services:
 1. Determine the needs of displaced persons, business concerns, and nonprofit organizations for relocation assistance;
 2. Assist owners of displaced businesses and farm operations in obtaining and becoming established in suitable business locations or replacement farms;
 3. Supply information concerning programs of the federal, state, and local governments offering assistance to displaced persons and business concerns;
 4. Assist in minimizing hardships to displaced persons in adjusting to relocation; and
 5. Secure, to the greatest extent practicable, the coordination of relocation activities with other project activities and other planned or proposed governmental actions in the community or nearby areas which may affect the carrying out of the relocation program.
- B. [§ 202] The Agency shall assist owners of small businesses and family farms in identifying replacement properties available on the private market, located within the jurisdiction of the Agency.
- C. [§ 203] If the Agency determines that any person occupying property immediately adjacent to the real property acquired is caused substantial economic injury because of the acquisition, it may offer this person relocation advisory services under such program.
- D. [§ 204] To prevent unnecessary expense and duplication of functions and to promote uniform and effective administration of relocation assistance programs for displaced persons, the Agency may enter into contracts with any person for

services in connection with these programs or may carry out its functions under the Act through any person, firm or other agency.

III. [§ 300] FEDERAL FUNDS -- DIRECT ASSISTANCE.

- A. [§ 301] When federal funds are available for payment of direct financial assistance to displaced persons by acquisition of real property by the Agency, the Agency is authorized to use such federal funds with state or local funds to the extent provided by federal law and may provide such direct financial assistance in the instances and on the conditions set forth by federal law and regulations.
- B. [§ 302] When federal funds are not available or used for payment of direct financial assistance to displaced persons by the acquisition of real property by the Agency, the Agency may provide direct financial assistance to such persons. Financial assistance authorized by this Subsection (B) shall not exceed the total amount that would have been payable under Subsection (A) of this section if federal funds had been available or used.

IV. [§ 400] RULES

- A. [§ 401] The following rules of the Agency are hereby adopted:
1. Reasonable effort shall be made by the Agency to acquire expeditiously real property by negotiation;
 2. Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property;
 3. Before the initiation of negotiations for real property, an amount shall be established which is reasonably believed to be just compensation therefor, and such amount shall be offered for the property. In no event shall such amount be less than the lowest approved appraisal of the fair market value of the property. Any decrease or increase of the fair market value of real property prior to the date of valuation caused by the redevelopment project improvement for which such property is acquired or by the likelihood that the property would be acquired for such redevelopment improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property. The owner of the real property to be acquired shall be provided with a written statement of, and summary of the basis for, the amount

established as just compensation. Where appropriate, the just compensation for real property acquired and for damages to remaining real property shall be separately stated.

4. Where any interest in real property is acquired, an equal interest in all buildings, structures, or other improvements located upon the real property so acquired and which is required to be removed from the real property or which is determined to be adversely affected by the use to which the real property will be put, shall be acquired.
5. For the purpose of determining the just compensation to be paid for any building, structure, or other improvement required to be acquired, the building, structure, or other improvement shall be deemed to be a part of the real property to be acquired, notwithstanding the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove the building, structure, or improvement at the expiration of his term; and the fair market value which the building, structure, or improvement contributes to the fair market value of the property to be acquired, or the fair market value of the building, structure, or improvement for removal from the real property, whichever is the greater, shall be paid to the tenant therefor.
6. Payment for the buildings, structures, or improvements as set forth in Subsection 5 shall not result in duplication of any payments otherwise authorized by state law. No payment shall be made unless the owner of the land involved disclaims all interest in the improvements of the tenant. In consideration for any payment, the tenant shall assign, transfer, and release all his right, title and interest in and to the improvements. Nothing with regard to this acquisition of buildings, structures, or other improvements shall be construed to deprive the tenants of any rights to reject payment and to obtain payment for these property interests in accordance with other laws of this state.
7. No owner shall be required to surrender possession of real property acquired before the agreed purchase price is paid or there is deposited with a court having jurisdiction of condemnation of such property, in accordance with applicable law, for the benefit of the owner an amount not less than the lowest approved appraisal of the fair market value of such property or the amount of the award of compensation in the condemnation proceeding of such property.
8. The construction or development of a redevelopment improvement shall be so scheduled that, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from a dwelling (assuming a replacement dwelling will be available) or to move his business or farm operation without at least 90 days' written notice from the date by which such move is required.

9. If an owner or tenant is permitted to occupy the real property acquired on a rental basis for a short term or for a period subject to termination on short notice, the amount of rent required shall not exceed the fair rental value of the property to a short-term occupier.
10. In no event shall the time of condemnation be advanced, or negotiations on condemnation, and the deposit of funds into court for the use of the owner be deferred, or any other coercive action be taken to compel an agreement on the price to be paid for the property.
11. If an interest in real property is to be acquired by the Agency by the exercise of the power of eminent domain, formal condemnation proceedings shall be instituted only after a majority vote in an open, public meeting by the Agency's board of directors. The Agency shall not intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his real property.
12. If the acquisition of only part of the property would leave its owner with an uneconomic remnant, an offer to acquire the entire property shall be made.
13. No person shall be required to move or be relocated from land used as his residence and acquired under any of the condemnation or eminent domain laws until the person has been offered a comparable replacement dwelling, including the curtilage, which is a decent, safe, clean, and sanitary dwelling, including the curtilage, adequate to accommodate the occupants, reasonably accessible to public services and places of employment, and available on the private market.
14. If a program or project cannot proceed to actual construction because comparable sale or rental housing is not available and cannot otherwise be made available, such action shall be taken as is necessary or appropriate to provide this housing by use of funds authorized for the project.
15. No person shall be required to move from his dwelling, including the curtilage, on account of any project of the Agency, unless replacement housing is available to , and offered to the property owner.
16. When the Agency acquires real property by condemnation, it shall as soon as practicable after the date of payment of the purchase price or the date of deposit into court of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, reimburse the owner for expenses the owner necessarily incurred for:

- a. Recording fees, transfer taxes, and similar expenses incidental to conveying the real property to the Agency;
 - b. Penalty costs for prepayment for any preexisting recorded mortgage entered into in good faith encumbering the real property;
 - c. The pro rata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting title in the Agency, or the effective date of possession of such real property by the Agency, whichever is the earlier; and
 - d. relocation costs.
- 17. The payments and assistance authorized by the Agency shall be administered in a manner which is fair, reasonable, and as uniform as practicable;
 - 18. A displaced person who makes proper application to the Agency for a payment authorized for him by these rules and the Act shall be paid promptly after a move or, in hardship cases, be paid in advance; and
 - 19. Any person aggrieved by a determination as to eligibility for a payment authorized by these rules and the Act, or the amount of a payment, may have his application reviewed by the Board of Directors of the Agency .
 - 20. The Agency may adopt such other regulations and procedures, consistent with the provisions of these rules and the Act as it deems necessary or appropriate to carry out this Relocation Assistance Plan.

V. [§ 500] DISPUTE RESOLUTION -- ADDITIONAL APPRAISAL

- A. [§ 501] If the Agency and the private property owner or displaced person disagree on any issue arising out of the Act, the private property owner may submit the dispute for mediation or arbitration.
- B. [§ 502]
 - 1. The private property owner or displaced person may request that the mediator or arbitrator authorize an additional appraisal.
 - 2. If the mediator or arbitrator determines that an additional appraisal is reasonably necessary to reach a resolution of the case, the mediator or arbitrator may:

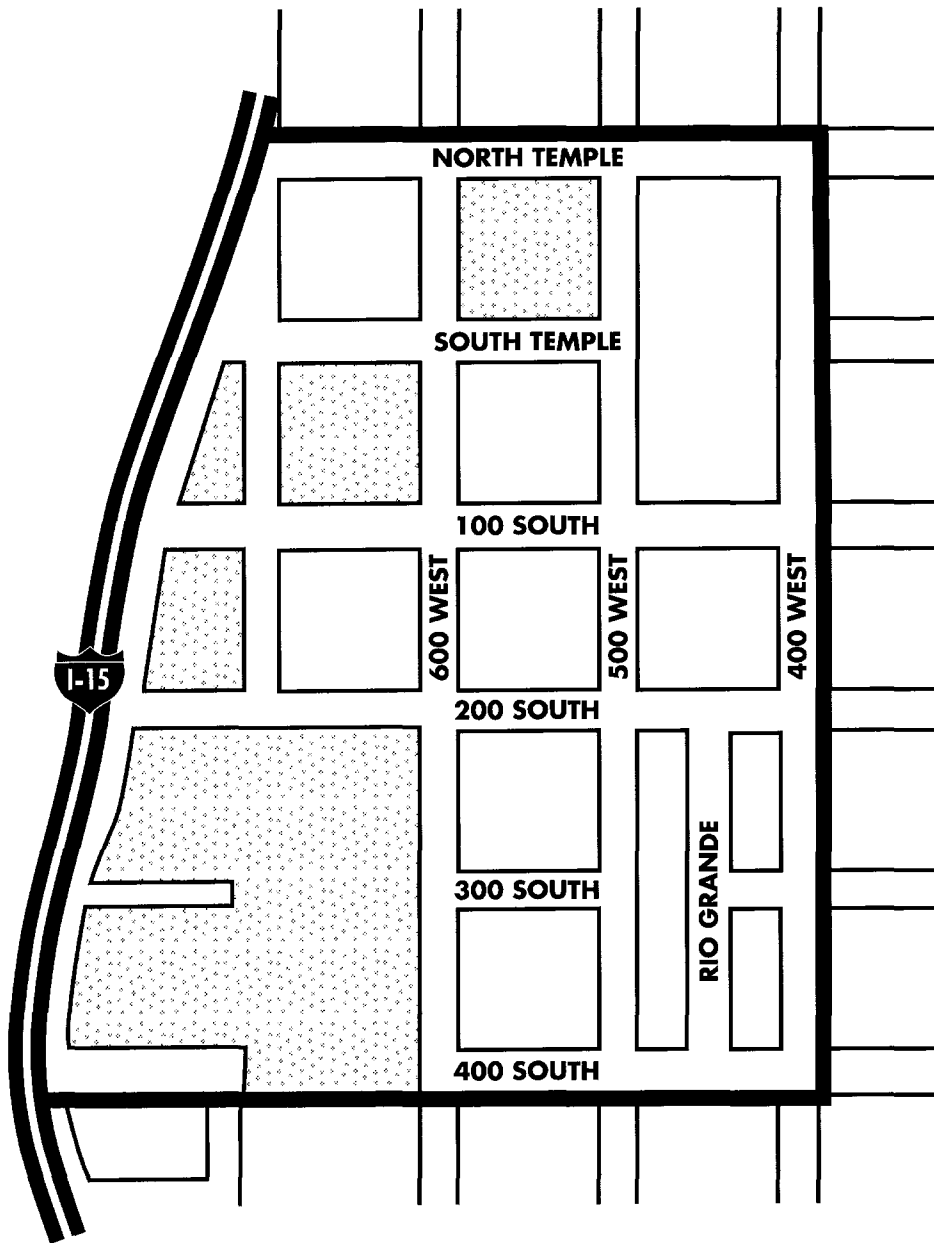
- i. have an additional appraisal of the property prepared by an independent appraiser; and
- ii. require the Agency to pay the costs of the first additional appraisal.

VI. [§ 600] JUDICIAL REVIEW

- A. [§ 601] Any person aggrieved by an order concerning relocation assistance may obtain judicial review.
- B. [§ 602] Venue for judicial review of informal adjudicative proceedings is in the district court of Salt Lake County.

VII. [§ 700] EFFECTIVE DATE

These Relocation Assistance Rules shall take effect on the date of adoption by the Agency.



**DEPOT DISTRICT
PROJECT AREA**

 NON-COLLECTION AREAS

