



August 27, 2019

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Associate Deputy Mayor,
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Mike Reberg
Associate Deputy Mayor,
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Dear Salt Lake County Council,

After conducting a due diligence review in coordination with the Community Reinvestment Area ("CRA") ad hoc committee, I recommend Salt Lake County's ("County") participation in the Block 67 North CRA ("Proposed Project Area"). The Proposed Project Area will facilitate a mixed-use entertainment and retail development in Salt Lake City's downtown core, which is also the home to Salt Lake's remaining Japantown. Additionally, the Proposed Project Area is expected to include 354 underground stalls of public and private parking.

The proposed Interlocal Agreement between the County and the Redevelopment Agency of Salt Lake City ("Agency") for a contribution of \$15 million ("Transportation Funds") includes the following favorable terms:

- The Transportation Funds contributed to the Agency will be used to facilitate the construction of an underground parking structure, and upon completion of Developer requirements, the Agency will convey the Transportation Funds to the Developer as provided in a Tax Increment reimbursement agreement to construct the Development.
- The County will receive 75% of the participating entities' Tax Increment generated in the Proposed Project Area from the Agency for a 20-year period with a repayment cap of \$15 million.
- The Agency will retain 10% of the Tax Increment for projects that benefit the Japantown neighborhood in and adjacent to the Proposed Project Area.
- The Agency will also retain 10% of the Tax Increment for affordable housing in compliance with Utah Code 17C.
- The Tax Increment repayment to the County will be used for a revolving loan program dedicated to regionally significant parking structures.

On August 20, 2019, Office of Regional Development staff briefed the Council on this plan and will be available to address any questions, comments, or concerns you might have at the Public Hearing on August 27, 2019. If you would like to discuss this Project Area further, please do not hesitate to contact me.

Sincerely,

Catherine Kanter
Deputy Mayor of Regional Operations
Salt Lake County