



SALT LAKE CITY'S

STATE STREET COMMUNITY REINVESTMENT AREA**SALT LAKE COUNTY PARTICIPATION REQUEST SUMMARY**

The Redevelopment Agency of Salt Lake City ("RDA") appreciates the opportunity to request participation from Salt Lake County ("SLCO") in the State Street Community Reinvestment Area ("State Street CRA").

The State Street CRA is located adjacent (south) of downtown Salt Lake City, spanning an area from approximately 300 South to 2100 South, between 200 East and Interstate 15. The area comprises a range of districts and neighborhoods with differing land uses, urban design characteristics, and transportation infrastructure. This includes sections of TRAX along 200 West and the Route 200 bus line that runs along State Street from Murray to the Capitol Building and currently has the highest ridership in the state. The State Street CRA also incorporates major employment centers including Salt Lake Community College, OC Tanner, and the Salt Lake County Government Center. The project area boundaries were adjusted slightly from the Life on State implementation plan area boundaries to **make the most of these existing - yet extremely underutilized assets** - and facilitate quality, transit-oriented development around neighborhood and regional nodes to bring life and vitality back to State Street. The Plan states:

"State Street should regain its stature as a signature street. It should inspire us and reflect our highest aspirations. It should be a premier address for businesses as well as public institutions. It should be an example of the future of transportation, as it was with first the oxen teams, ushering in the automobile age, and soon, the first automated vehicles and shared transportation systems. It should be a "can't miss" place for visitors to the capital city and leave them wanting to visit again."

Despite having many strengths, State Street has experienced significant neglect over the years that prevent it from being the destination it once was. **Community engagement efforts show that many residents and business owners believe State Street's auto-centric focus, auto-oriented infrastructure, and excess commercial capacity have promoted high crime rates, vacant commercial buildings, and an abundance of underutilized land.** A 2014 Fair Housing Equity Assessment completed by SLCO in partnership with the Kem C. Gardner Policy Institute, concluded that the area is considered "low or moderately-low opportunity" on the opportunity index, meaning that it contains a lower proportion of resources that increase a person or family's likelihood for social and economic mobility. The RDA established the State Street CRA to **strategically target investment to address these disparities and promote opportunity for growing businesses, housing, multi-modal transportation and public space.**

SLCO PARTICIPATION REQUEST

Term	20 years
Participation	75%
Base Year	2016
Base Year Value	\$889,305,536
First Tax Year	2022

BUDGET SUMMARY

Activity	Total Budget	County Request
Project Area Development	\$84,501,600	\$15,518,080
Housing (17C)	\$10,562,700	\$2,112,540
Admin & Operations	\$10,562,700	\$911,153
Total	\$105,627,000	\$18,224,000

OUTCOME ESTIMATES

**+4,004,000 sq ft
New Development**

**+8,108
New Jobs**

**+3,126
New Housing Units**

**\$1,098,609,972
Added Value**

**\$140,836,079
Total Tax Increment**

STATE STREET CRA - SALT LAKE COUNTY PARTICIPATION REQUEST SUMMARY

POLICY OBJECTIVES

Tax increment will be utilized to encourage and elevate real estate development projects to have beneficial impacts on people, including low-income and vulnerable populations, in order to promote equity, create economic opportunities, improve health outcomes, and beneficially influence the physical and socioeconomic landscape of the area.

1

REVITALIZATION

Redevelop strategic properties that are either distressed, vacant, and/or underutilized to reduce the number of vacant buildings/lots, lower crime, and improve the physical environment of the neighborhood.

2

COMMERCIAL VIBRANCY

Integrate new and revitalized commercial space that supports thriving stores and restaurants along pedestrian-friendly commercial corridors. Efforts would support existing locally-owned businesses and attract new retail, offices and services to the area to serve local and regional needs.

3

EMPLOYMENT VITALITY

Within commercial zones, promote employment centers to support the recruitment and expansion of businesses to provide living-wage jobs and economic prosperity. Ensure appropriate levels of office and retail spaces are integrated into redevelopment projects to create synergies between uses and encourage a critical mass of people.

4

HOUSING OPPORTUNITIES

Foster high-quality housing along transit corridors to provide housing stability for current residents and options for the region's growing population including live-work opportunities. Housing activities will preserve existing affordable units and add new affordable units to the overall housing stock.

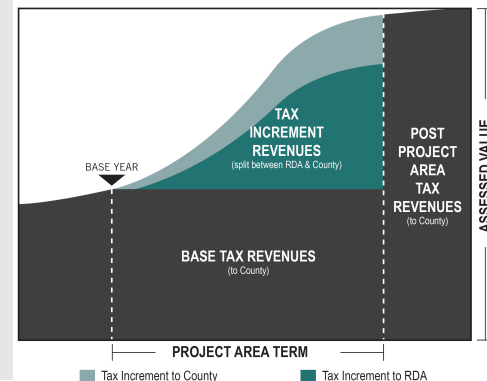
5

PUBLIC SPACE & MOBILITY

Encourage a healthy and sustainable neighborhood with regional green infrastructure, a unique identity, access to recreation opportunities, safe streets, accessibility to adjacent neighborhoods, and multimodal transportation.

Utah's Certified Tax Rate: In the State of Utah, a taxing entity's property tax revenue does not increase as property values appreciate due to the certified tax rate (CTR). When property values increase, the certified tax rate decreases in order to stay "revenue neutral" or collect a similar amount of tax revenue from existing properties every year. The only way to increase property tax revenue is with new development or by going through the Truth in Taxation process. Participation in an RDA project area is an investment in new development to grow the tax base and does not take away from a taxing entity's general fund.

County Mitigation Fee: Because the County initially passes 100% of tax increment to the RDA, the percentage of increment they receive back from the RDA can be used however the County sees fit as opposed to going into the general fund where the CTR is then applied annually.



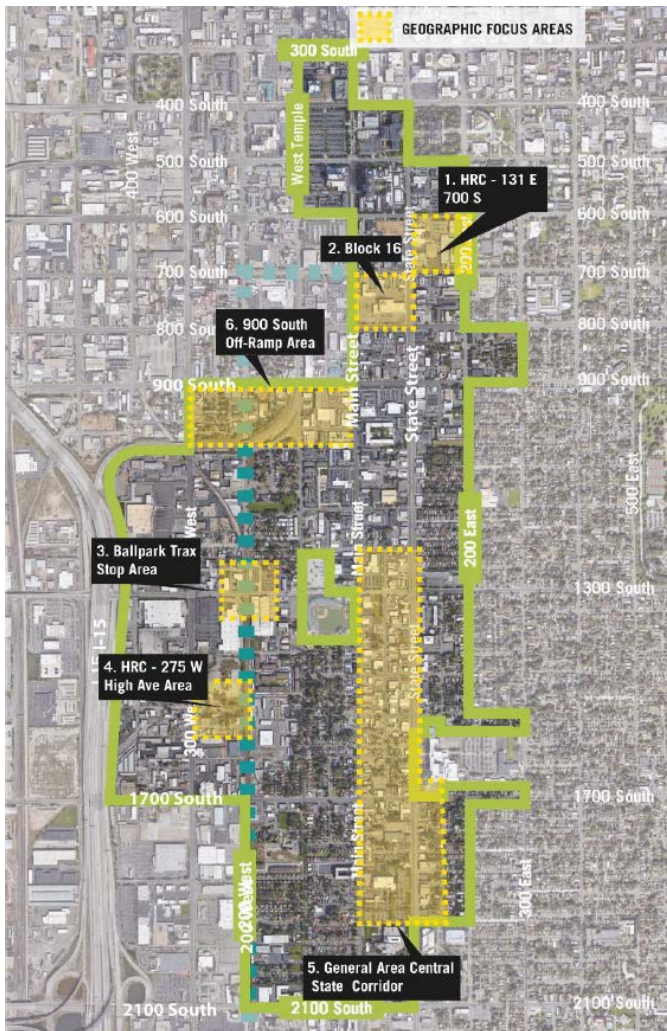
Homeless Resource Centers in the State Street CRA

Salt Lake City's State Street CRA encompasses two of the three recently constructed homeless resource centers (HRCs) in the County at 131 E. 700 South and 242 W. Paramount Avenue. Together, the centers can accommodate up to 400 individuals. RDA tools and resources will be used to incentivize compatible development around these centers that incorporate crime prevention through environmental design (CPTED) principals. Without RDA resources and guidance, valuable real estate around the HRCs may be left underutilized and potentially less safe. Public infrastructure improvements may also be necessary around the HRCs.

Impact of COVID-19

Many brick and mortar businesses in the State Street CRA are struggling due to the impact of COVID-19. Not only do these businesses generate sales tax revenue for the region, they shape the area's unique character and provide a sense of place. Now more than ever, it's important to support these businesses as well as future businesses that may be facing significant barriers to entry due to the pandemic. Public and private investment in State Street could provide business owners the assurance they need to either remain in the area or open up a new business – pushing development momentum forward, increasing the County's tax base, and bringing life back to State.

STATE STREET CRA - SALT LAKE COUNTY PARTICIPATION REQUEST SUMMARY



STATE STREET TARGET AREAS

HRC - 131 E 700 South - Seamless integration of the proposed homeless resource center (HRC) into the surrounding neighborhood and to support development that may occur around the HRC.

Block 16: Improvements to urban land use and support opportunity for increased economic development within the Main Streets USA designated area.

Ballpark TRAX Station Area: High quality transit-oriented development near a key transit stop location.

HRC - 275 W High Ave: Seamless integration of the proposed homeless resource center (HRC) into the surrounding neighborhood and to support development that may occur around the HRC.

Central State Corridor: Encourage economic development and neighborhood shopping opportunities at key commercial nodes and surrounding areas.

900 South Off-Ramp Area: Improve connectivity and encourage revitalization if future changes are made to the existing orientation of the 900 South freeway off-ramp.

STATE STREET BOUNDARY CHARACTERISTICS

The State Street project area boundaries were formed in such a way to capitalize on existing public infrastructure such as TRAX and maximize the impact of future RDA investment. While larger than other community CRAs, these boundaries closely align with the Life on State study area boundaries and reflect Salt Lake City's overarching goal of community building and placemaking as opposed to investing in a single project. The area west of 200 West was included to support the 900 South Off-Ramp and much-needed infrastructure improvements. There is also significant community interest in a TRAX stop at 17th South to connect to Salt Lake Community College.

With regional support and RDA assistance, the State Street project area can accommodate a substantial amount of new housing, vibrant commercial uses and unique public experiences. This will benefit the region and increase the County tax base. The RDA will capture tax increment from new development in the project area. Thus, limiting the project area's size is not likely to reduce the amount of tax increment generated if development efforts shift to a smaller area, but it would reduce the impact of the funds.

INCREMENTAL TAX ANALYSIS:		Payment Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			
		Tax Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2036	2037	2038	2039	TOTALS	NPV
Cumulative Taxable Value		Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20			
Tax District 13																									
Commercial			\$6,287,261	\$14,963,682	\$26,036,806	\$41,823,063	\$58,014,006	\$76,842,649	\$96,094,143	\$115,730,667	\$135,759,921	\$156,189,761	\$182,137,621	\$213,918,240	\$246,438,703	\$251,367,477	\$256,394,827	\$261,522,724	\$266,753,178	\$272,088,242	\$277,530,006	\$283,080,607			
Office			\$10,479,930	\$24,942,235	\$43,399,488	\$69,712,833	\$96,700,730	\$128,085,281	\$160,174,662	\$192,905,830	\$226,291,621	\$260,345,128	\$303,596,357	\$356,569,927	\$410,776,708	\$418,992,243	\$427,372,087	\$435,919,529	\$444,637,920	\$453,530,678	\$462,601,292	\$471,853,318			
Industrial			\$1,266,322	\$3,013,846	\$5,244,091	\$8,423,612	\$11,684,641	\$15,476,931	\$19,354,388	\$23,309,394	\$27,343,500	\$31,458,288	\$36,684,465	\$43,085,422	\$49,635,391	\$50,628,099	\$51,640,660	\$52,673,474	\$53,726,943	\$54,801,482	\$55,897,512	\$57,015,462			
Residential			\$6,366,773	\$15,152,920	\$26,366,081	\$42,351,978	\$58,747,680	\$77,814,440	\$97,309,398	\$117,194,255	\$137,476,810	\$158,165,015	\$184,441,025	\$216,623,558	\$249,555,291	\$254,546,397	\$259,637,325	\$264,830,071	\$270,126,673	\$275,529,206	\$281,039,790	\$286,660,586			
Total Assessed Value:			\$24,400,286	\$58,072,682	\$101,046,466	\$162,311,486	\$225,147,057	\$298,219,302	\$372,932,591	\$449,140,146	\$526,871,852	\$606,158,192	\$706,859,468	\$830,197,146	\$956,406,094	\$975,534,215	\$995,044,900	\$1,014,945,798	\$1,035,244,714	\$1,055,949,608	\$1,077,068,600	\$1,098,609,972			
Value of Current Property			\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536	\$889,305,536			
Less Base Year Value			(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)	(\$889,305,536)			
TOTAL INCREMENTAL VALUE:			\$24,400,286	\$58,072,682	\$101,046,466	\$162,311,486	\$225,147,057	\$298,219,302	\$372,932,591	\$449,140,146	\$526,871,852	\$606,158,192	\$706,859,468	\$830,197,146	\$956,406,094	\$975,534,215	\$995,044,900	\$1,014,945,798	\$1,035,244,714	\$1,055,949,608	\$1,077,068,600	\$1,098,609,972			
TAX RATE & INCREMENT ANALYSIS:		2019 Rates																							
Salt Lake County	0.001933		47,166	112,254	195,323	313,748	435,209	576,458	720,879	868,188	1,018,443	1,171,704	1,366,359	1,604,771	1,848,733	1,885,708	1,923,422	1,961,890	2,001,128	2,041,151	2,081,974	2,123,613	24,298,120	14,290,457	
Salt Lake City School District	0.005393		131,591	313,186	544,944	875,346	1,214,218	1,608,297	2,011,225	2,422,213	2,841,420	3,269,011	3,812,093	4,477,253	5,157,898	5,261,056	5,366,277	5,473,603	5,583,075	5,694,736	5,808,631	5,924,804	67,790,876	39,869,857	
Salt Lake City	0.003878		94,624	225,206	391,858	629,444	873,120	1,156,494	1,446,233	1,741,765	2,043,209	2,350,681	2,741,201	3,219,505	3,708,943	3,783,122	3,858,784	3,935,960	4,014,679	4,094,973	4,176,872	4,260,409	48,747,083	28,669,628	
Salt Lake City Library	0.000745		18,178	43,264	75,280	120,922	167,735	222,173	277,835	334,609	392,520	451,588	526,610	618,497	712,523	726,773	741,308	756,135	771,257	786,682	802,416	818,464	9,364,770	5,507,703	
Salt Lake Metropolitan Water District	0.000289		7,052	16,783	29,202	46,908	65,067	86,185	107,778	129,802	152,266	175,180	204,282	239,927	276,401	281,929	287,568	293,319	299,186	305,169	311,273	317,498	3,632,776	2,136,545	
Salt Lake City Mosquito Abatement District	0.000133		3,245	7,724	13,439	21,587	29,945	39,663	49,600	59,736	70,074	80,619	94,012	110,416	127,202	129,746	132,341	134,988	137,688	140,441	143,250	146,115	1,671,831	983,254	
Central Utah Water Conservancy District	0.000400		9,760	23,229	40,419	64,925	90,059	119,288	149,173	179,656	210,749	242,463	282,744	332,079	382,562	390,214	398,018	405,978	414,098	422,380	430,827	439,444	5,028,064	2,957,156	
Totals:	0.012771		311,616	741,646	1,290,464	2,072,880	2,875,353	3,808,559	4,762,722	5,735,969	6,728,680	7,741,246	9,027,302	10,602,448	12,214,262	12,458,547	12,707,718	12,961,873	13,221,110	13,485,532	13,755,243	14,030,348	160,533,521	94,414,601	
TOTAL INCREMENTAL REVENUE IN PROJECT AREA:			\$311,616	\$741,646	\$1,290,464	\$2,072,880	\$2,875,353	\$3,808,559	\$4,762,722	\$5,735,969	\$6,728,680	\$7,741,246	\$9,027,302	\$10,602,448	\$12,214,262	\$12,458,547	\$12,707,718	\$12,961,873	\$13,221,110	\$13,485,532	\$13,755,243	\$14,030,348	\$160,533,521	\$94,414,601	
PROJECT AREA BUDGET			2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			
Sources of Funds:			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2036	2037	2038	2039	TOTALS	NPV
Property Tax Participation Rate for Budget																									
Salt Lake County			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%			
Salt Lake City School District			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%			
Salt Lake City			75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%			
Salt Lake City Library			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Salt Lake Metropolitan Water District			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Salt Lake City Mosquito Abatement District			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Central Utah Water Conservancy District			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Property Tax Increment for Budget																									
Salt Lake County			\$35,374	\$84,191	\$146,492	\$235,311	\$326,407	\$432,343	\$540,659	\$651,141	\$763,832	\$878,778	\$1,024,770	\$1,203,578	\$1,386,550	\$1,414,281	\$1,442,566	\$1,471,418	\$1,500,846	\$1,530,863	\$1,561,480	\$1,592,710	\$18,223,590	\$10,717,843	
Salt Lake City School District			\$98,693	\$234,889	\$408,708	\$656,509	\$910,664	\$1,206,223	\$1,508,419	\$1,816,660	\$2,131,065	\$2,451,758	\$2,859,070	\$3,357,940	\$3,868,424	\$3,945,792	\$4,024,708	\$4,105,202	\$4,187,306	\$4,271,052	\$4,356,473	\$4,443,603	\$50,843,157	\$29,902,393	
Salt Lake City			\$70,968	\$168,904	\$293,894	\$472,083	\$654,840	\$867,371	\$1,084,674	\$1,306,324	\$1,532,407	\$1,763,011	\$2,055,901	\$2,414,628	\$2,781,707	\$2,837,341	\$2,894,088	\$2,951,970	\$3,011,009	\$3,071,229	\$3,132,654	\$3,195,307	\$36,560,312	\$21,502,221	
Salt Lake City Library			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Salt Lake Metropolitan Water District			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Salt Lake City Mosquito Abatement District			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Central Utah Water Conservancy District			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Property Tax Increment for Budget:			\$205,036	\$487,985	\$849,093	\$1,363,903	\$1,891,911	\$2,505,937	\$3,133,753	\$3,774,125	\$4,427,304	\$5,093,547	\$5,939,740	\$6,976,147	\$8,036,680	\$8,197,414	\$8,361,362	\$8,528,590	\$8,699,161	\$8,873,145	\$9,050,607	\$9,231,620	\$105,627,059	\$62,122,456	
Uses of Tax Increment Funds:			2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	TOTALS	NPV	
Redevelopment Activities (Infrastructure, Relocation, Incentives, etc.)	80.0%		\$164,02																						

ATTACHMENT B: SALT LAKE COUNTY POLICY ALIGNMENT

STATE STREET COMMUNITY REINVESTMENT AREA

4.1 FAVORABLE PROJECT AREA CONSIDERATIONS

Tax increment financed projects within Project areas meeting the following criteria will be viewed favorably by the County:

SECTION	DESCRIPTION	STATE STREET APPLICABILITY
4.1.1	Project Areas that quantitatively demonstrate various outcome scenarios, based on different County participation levels, that would or would not occur “but for” the creation of the Project Area and the use of tax increment.	<p>Yes – Project area development is necessary to mitigate the effects of decades of lack of investment in the area. While property values have recently been increasing city-wide, the State Street CRA in particular has experienced some important disparities from the City as whole with a higher rate of poverty, a lower median household income and higher rates of criminal activity in certain parts of the Project Area. Denser, walkable, and “smarter” growth that supports existing transit may never be fully realized without tax increment assistance.</p> <p>Tax increment will be leveraged to stimulate private sector investment that will expand economic opportunity, increase housing choice, and improve neighborhood livability. The tax increment available to reinvest in the area would be significantly reduced by over \$18,000,000 without the County’s participation.</p>
4.1.2	Project Areas for which the proposed tax increment collection period is triggered on a specific date and for which the County’s tax increment participation is capped at a specified dollar amount, is limited to a period of 20 years or less, and is conditioned upon meeting certain project specific benchmarks.	Yes – The Agency is requesting a 20-year participation term from the County with a \$18,224,000 cap. County contributions contingent on the Agency reaching specific benchmarks may be negotiated and made part of the final interlocal agreement.
4.1.3	Project Areas for which the County’s tax increment dollars will be used primarily to pay for or reimburse the cost of “publicly owned infrastructure and improvements,” as defined under Utah law, environmental remediation, and/or site preparation that extends beyond basic municipal responsibilities or is outside of typical municipal functions and need for participants. Such need should be justified in the Project Area Plan and the Budget.	Yes – Tax increment can be used for publicly owned infrastructure improvements within the Project Area to facilitate the development of vacant and underutilized land and to promote neighborhood safety and accessibility. Public streetscape improvements are necessary to increase walkability in the area and promote a sense of place for residents and visitors alike.
4.1.4	Project Areas that promote economic prosperity among a range of income levels and (i) will create a net increase of new high-wage jobs within the County and/or (ii) include opportunities for small business expansion, apprenticeships and/or skills development programs.	Yes – Tax increment will be utilized to support employment centers in the downtown-adjacent neighborhoods along State and Main Street. The Project Area Plan also identifies major employers within the area capable of providing high-wage jobs that the Agency could partner with in the future.
4.1.5	Project Areas that do not include an unreasonable amount of excess land for	Yes - The Project Area includes a reasonable amount of land area, permitted by Utah Title 17C, necessary to facilitate future project area development activities that will promote economic growth,

	<p>yet-to-be defined future projects or project expansion.</p>	<p>housing opportunities, and neighborhood livability. Though larger than most project areas, the Salt Lake City RDA takes a neighborhood-based approach to redevelopment as a means of placemaking, opposed to the redevelopment of individual sites.</p> <p>The State Street's 20-year tax increment (TI) projection is conservative given the development assumptions used and the RDA's goal of encouraging denser TOD. TI from new growth is likely to exceed the projection. Additionally, the RDA only captures TI from new development in the project area – NOT every single property. Therefore, limiting the project area's size is not likely to reduce the amount of TI generated and available to the RDA, but having a cap in place would ensure the County's Contribution wouldn't exceed \$18 million.</p>
<p>4.1.6</p>	<p>Project Areas that: (i) include transit-oriented development, as defined by the Federal Transit Authority (a "TOD", and/or utilize a Shared Mobility component, as defined by the Federal Transit Authority ("Shared Mobility"). TODs are intended to include a mix of commercial, residential, office, and entertainment uses centered around or located within a mile of a fixed guideway transit station. Shared Mobility components are intended to include transportation resources shared among users either concurrently or one after another, including but not limited to carsharing, fixed route systems, microtransit, ridesourcing, ride-splitting and mobility on demand.</p>	<p>Yes – The primary north-south corridor in the Project Area is State Street (U.S. Highway 89), which currently has the highest ridership bus line (the 200) in Salt Lake City, and which is identified in the Wasatch Front Regional Council (WFRC) 2019-2050 Regional Transportation Plan as a future bus rapid transit (BRT) corridor. BRT is also identified for this corridor in the Salt Lake City Transit Master Plan. In addition, the Project Area contains sections of TRAX light rail and the existing TRAX station at 1300 South, which is a current opportunity for TOD projects.</p> <p>Projects with a mix of uses including commercial, residential, office and entertainment uses that serve the needs of both the surrounding area as well as the regional area will be targeted for TOD projects.</p>
<p>4.1.6.1</p>	<p>If the project includes a residential component, housing units are affordable to residents at various income levels, including 80 percent, 50 percent, and 30 percent Area Median Income for Salt Lake County, as defined by the Department of Housing and Urban Development.</p>	<p>Yes – Tax increment will be used to support affordable housing units around frequent transit networks and throughout the entire project area. Facilitating the construction of affordable housing as defined by HUD is something the RDA prioritizes and has carried out successfully in the past. Over the past 10 years, the RDA has facilitated the construction of approximately 2,489 new units, 1,321 of which are affordable.</p> <p>A Notice of Funding Availability is issued by the RDA on an annual basis specifically for affordable housing developments where at least 20% of the units are affordable at 60% AMI or less.</p>
<p>4.1.7</p>	<p>Project Areas that are located in (i) an Opportunity Zone, (ii) a strategic growth area as defined in the Wasatch Choice 2050 plan, and/or (iii) any area governed by plans, policies, regulations and procedures that encourage and facilitate smart growth outcomes (generally accepted principles defined by the American Planning Association, the EPA and Smart Growth America).</p>	<p>Yes – Wasatch Choice 2050 identifies much of the State Street Project Area, including the entire State Street corridor as a City Center area. In addition, State Street is identified as a future bus rapid transit corridor.</p> <p>Policy objectives identified for the State Street CRA also align with the goals of the County's Land Use Connection Program Goals including:</p> <ul style="list-style-type: none"> • Maximizing the value of investment and public infrastructure • Enhancing access to opportunities • Increasing travel options to optimize mobility • Creating communities with opportunities to live work and

		play.
4.1.8	Project Areas that redevelop and (re)activate impeded development areas, contaminated, or underutilized properties in an already developed area, including, without limitation, the following: infill development, renovation, pedestrian and active transportation infrastructure improvements, and/or development of community assets.	Yes – State Street’s historically auto-centric focus has promoted an abundance of underutilized land that exists throughout the Project Area. The Agency will promote the reinvestment and redevelopment of these underutilized properties through the renovation of existing commercial buildings and improvements to public infrastructure within the Project Area.
4.1.9	Project Areas that include at least \$500 million of capital investment within a small geographic footprint—for instance, from taxable personal property or equipment (e.g., robotic machinery, electronic equipment, computing devices)—without materially increasing the cost of services provided by the County or other taxing entities.	<p>Yes – In 2016, the total assessed value of the Project Area was \$889,305,536. In 20 years with the utilization of tax increment, the estimated total assessed value will be \$1,987,915,508. This equates to \$1,098,609,972 in incremental assessed value not possible without the creation of this CRA and reinvestment of tax increment.</p> <p>Targeted efforts will be made by the RDA to capitalize on private investment and personal property through the RDA loan program, tax increment reimbursement and property disposition. The Project Area is well established with adequate public infrastructure and growth of the area should not significantly increase the cost of services provided by the County or other taxing entities.</p>
4.1.10	Project Areas that include an articulated plan and timeline for the deployment of affordable housing funds that meet the requirements outlined under Utah law.	Yes – 10% of tax increment revenue will be utilized for housing pursuant to Utah Title 17C. A Notice of Funding Availability is issued by the RDA on an annual basis specifically for affordable housing developments where at least 20% of the units are affordable at 60% AMI or less.
4.1.11	Project Areas in which the municipality of the proposing agency participates at the same dollar amount that is contributed by the County from all sources, inclusive of any library contributions, either upfront or over the life of the proposed County contribution.	Yes – Salt Lake City will participate in the State Street CRA at a rate of 75% and will contribute up to \$36,560,312 or double the amount of tax increment than the requested County contribution.
4.1.12	Project Areas in which all new or renovated buildings are Leadership in Energy and Environmental Design certified at a Gold level certification standard or higher.	Yes – the RDA has a sustainable development policy in place that requires all new developments and rehabs requesting over \$200,000 to obtain a ENERGY STAR score of at least 90, be all electric (operate without natural gas), and participate in the city’s energy benchmarking program. Projects that receive larger incentives must be certified as net zero utilizing on or offsite renewables.
4.1.13	Project Areas for which a portion of increment is provided to Salt Lake County on an annual or one-time basis to cover programmatic expenses including, but not limited to, tax increment analysis, legal overhead, and project reporting costs.	Yes – Though it is not anticipated that the Agency will provide funds to the County on an annual basis, a one-time payment may be negotiated based upon financial documentation detailing administrative costs incurred by the County from participating in the State Street CRA.

4.2 Unfavorable Project Area Considerations

Project Areas and Projects meeting the following additional criteria may be viewed unfavorably by the County:

SECTION	DESCRIPTION	STATE STREET APPLICABILITY
4.2.1	Project Areas that fail to meet Favorable Project Considerations as outlined in section 4.1.	No – The Project Area meets all Favorable Project Considerations as outlined in section 4.1.
4.2.2	Project Areas that are predominately housing, include detached single-family dwellings, or include housing units that are predominately market rate.	No – Housing makes up approximately 30% of the land use in the Project Area. The goals of the Project Area are not predominately focused on standalone single-family dwellings, but instead, are multifaceted and include stabilizing neighborhoods through housing options, economic development and commercial opportunities.
4.2.3	Project Areas that are predominately retail, unless there is a material justification to do so (e.g., sales tax leakage report for the community in which the Project Area is proposed quantifying that leakage occurs above a threshold of 90 percent); it being understood that any such determination shall be evaluated on a case-by-case basis.	No – The goals of the Project Area are not predominately focused on retail, but instead, are multifaceted and include stabilizing neighborhoods through housing options, economic development and commercial opportunities.
4.2.4	Project Areas that would merely cause a relocation of jobs or retail sales from one area in the County to another area in the County.	No – A goal of the Project Area is to bring new jobs and services to the area. The city lacks office space for new and expanding businesses and the Agency will target projects to support their space needs.
4.2.5	Project Areas that would involve development on sensitive land designated as open space, foothill, canyon, or other designated preservation areas.	No – Development on sensitive lands is not considered through the Project Area Plan.
4.2.6	Project Areas that request a contribution of the County's sales tax revenues.	No – Sales tax revenue is not being requested.

ATTACHMENT C: BUDGET & FINANCIAL GAP SUMMARY

Salt Lake City's RDA is requesting a total of \$18.2 million in tax increment funds over a 20-year term from Salt Lake County to support:



Affordable Housing



Public Infrastructure



Distressed Property Revitalization

REDEVELOPMENT ACTIVITY	FUNDING GAP	COUNTY PARTICIPATION REQUEST
State Street Affordable Housing	\$31,688,100	\$6,337,620
Public Infrastructure	\$23,274,300	\$4,337,087
Distressed Property Revitalization	\$22,628,000	\$4,525,600
Other Development Activities	\$6,911,200	\$0
Citywide Affordable Housing (17C)	10,562,700	2,112,540
RDA Administration	10,562,700	\$911,153
TOTAL:	\$105,627,000	\$18,224,000

LIFE ON STATE IMPLEMENTATION - Without the requested investment from Salt Lake County, the State Street CRA's great potential may never be fully realized. Reaching State Street's full potential or *Scenario 4 - Full Implementation* equates to more jobs, more housing units, increased sales tax revenue and decreased carbon emissions as detailed in the table from the Life on State implementation plan below. An investment in the State Street CRA is an investment in a happier, healthier, more equitable region.

Goal	Envision Tomorrow Indicators	Business as Usual Scenario 1:	Streetscape Upgrades Scenario 2:	Moderate Investment Scenario 3:	Full Implementation Scenario 4:
OPTIMIZE MOBILITY 	Change in Daily Walk Trips (in %)	+16	+21	+41	+76
	Change in Transit Trips (in %)	+10	+12	+23	+43
	Change in Transportation Costs per Household (in %)	-5	-7	-12	-14
	Change in Vehicle Miles Traveled per Capita (in %)	-5	-7	-13	-15
DRIVE ECONOMIC PROSPERITY 	Increased number of jobs near State Street	10,700	11,000	13,000	30,500
	Annual Sales Tax Revenue (in Millions)	\$13	\$15	\$23	\$59
	Annual Property Tax Revenue (in Millions)	\$12	\$12	\$18	\$43
	Total Value of New Development (in Billions)	\$1.2	\$1.3	\$1.9	\$4.4
SUPPORT EQUITABLE LIVING OPPORTUNITIES 	New Housing Units	1,700	2,300	4,600	8,000
	New Retail Square Footage (in Thousands)	650	700	1,100	2,800
	New Office Square Footage (in Thousands)	3,870	3,960	4,550	11,800
	Housing affordability Cost / Month	\$890	\$920	\$1,040	\$1,240
ENCOURAGE HEALTHY & SUSTAINABLE DESIGN 	Change in Energy Use per Household (in %)	-1	-2	-3	-4
	Change in Internal Water Use per Household (in %)	-7	-10	-15	-21

Life on State, 2018

RDA State Street Budget = \$31,688,100

County Participation Request: \$6,337,620

Of the 3,126 housing units anticipated to be constructed over the 20-year term, the RDA estimates that approximately 30% of these units will be deed-restricted affordable ranging between 30% and 80% of the area median income ("AMI"), resulting in 940 units. Apartment units subject to rent restrictions have less value relative to comparable market-rate units. The result is an income differential that can be quantified by calculating the differences in capitalized value between non-restricted and affordable units as a result of differences in net operating income ("NOI") arising from rent restrictions. The table below illustrates the value of the differential between average Salt Lake City Downtown market rents and affordable rents at an average of 50% AMI. The value differential equates to \$128,906 per unit and \$121,172,016 for 940 units.

Market Rate	Per Unit	Total - 940 Units
Annual Rent Income	\$17,294	\$16,256,172
NOI	\$11,834	\$11,123,772
Capitalized Value	\$236,676	\$222,475,440
50% AMI	Per Unit	Total - 940 Units
Annual Rent Income	\$10,848	\$10,197,571
NOI	\$5,388	\$5,065,171
Capitalized Value	\$107,770	\$101,303,424
Value Differential	Per Unit	Total - 940 Units
Rent Income Differential	\$6,445	\$6,058,601
NOI Differential	\$6,445	\$6,058,601
Capitalized Value Differential	\$128,906	\$121,172,016

Note: Assumed cap rate is 5%.

Note: Assumed vacancy is 3% for affordable units and 5% for market rate.

Note: Operating expenses are assumed to be the same for affordable and market rate units.

Source: To calculate the average rent income and NOI, market rates are based on the CBRE Greater Salt Lake Area Multifamily Market: 2019 Review/2020 Outlook, average 2019 Downtown Rent. 50% AMI rents are based on 2020 HUD income limits averaged between studio, 1 bedroom, 2 bedroom, and 3 bedroom maximum rents

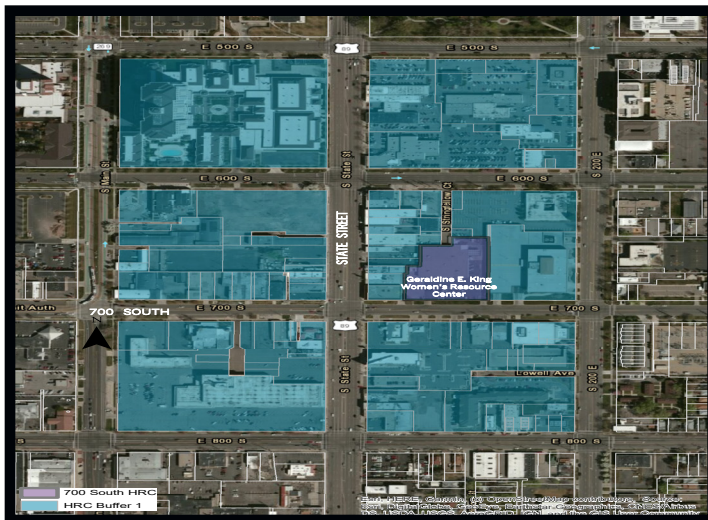
The capitalized value differential represents the difference in equity and financing the affordable units are able to attract. This gap will be filled with multiple sources, all of which are limited in availability including the Low Income Housing Tax Credit ("LIHTC") Program, Olene Walker Loan Program and tax increment financing. The RDA anticipates allocating approximately 30% of the project area budget to affordable housing within the State Street CRA, above and beyond the required 10% to city-wide affordable housing. This equates to approximately \$31,688,100 of the budget. The RDA is requesting approximately \$6,337,620 from the County to go towards the affordable housing gap within the State Street CRA.

RDA State Street Budget: \$23,274,300

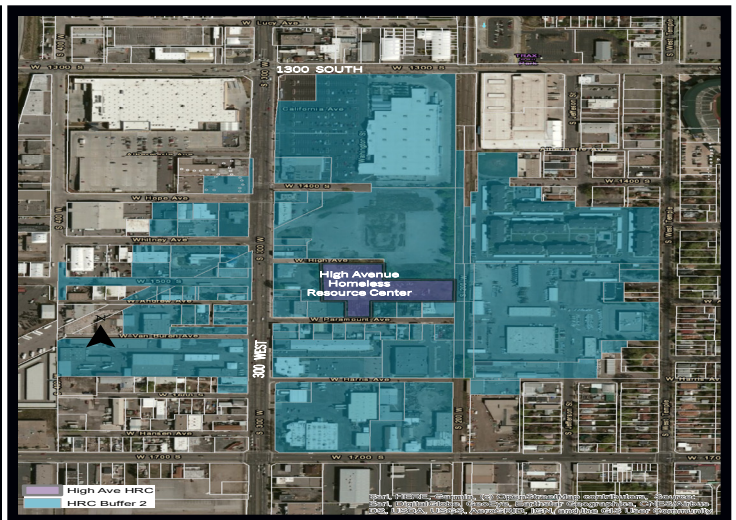
County Participation Request: \$4,337,087

Infrastructure improvements are vital to increase pedestrian safety, preserve existing buildings and bring a sense of place to one of the most prominent streets in all of Utah. State Street has one of the highest rates of pedestrian-involved crashes in the city due to the lack of connectivity. There are very few protected crossings and those that do exist are long and risky. These unfriendly conditions for pedestrians are an obstacle to economic development in the area.

The Life on State implementation plan calls for numerous streetscape improvements and traffic calming measures to both connect and protect pedestrians and, in turn, bring life back to State. These improvements include pedestrian crossings with hawk beacons, pedestrian refuges, pocket parks, enlarged sidewalks, enhanced medians and curb bulb outs to name a few. The Plan also states that the area must become more bike friendly and conducive to alternative modes of transportation. Improvements are currently being planned for the first two blocks of State between 6th and 8th South; however, an entire block was removed from this first phase due to this lack of funding or a gap of \$1.5 million. As two homeless resource centers (HRCs) are located in the State Street project area, the RDA is also committed to funding infrastructure improvements including enhanced lighting, fencing, and pedestrian enhancements to increase public safety around these areas. Funds will be targeted within a block radius around each HRC as show on the maps below.



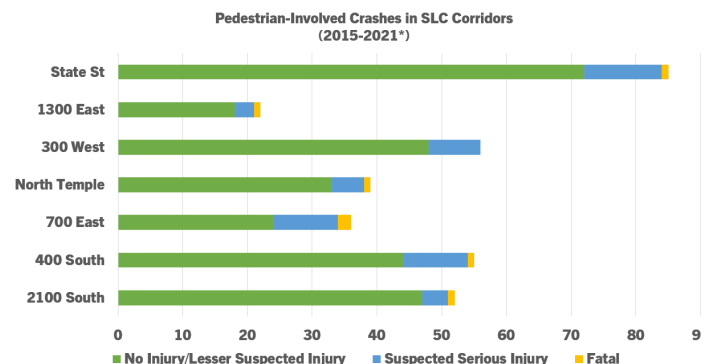
Women's Resource Center



High Avenue HRC

Finally, exorbitant costs associated with utility upgrades including sewer, water and power are a large reason why many existing buildings remain vacant and inactivated along State Street and Main Street. Small businesses looking to rent along State are often required to upgrade sewer and water lines with a combined costs upwards of \$12,000. These costs dip into a business's NOI making it difficult to obtain a private loan. The RDA could subsidize these costs to both kickstart small businesses and preserve historic buildings.

INFRASTRUCTURE BUDGET CATEGORY	TOTAL BUDGET/GAP
Life on State Improvements	\$9,765,100
Homeless Resource Center - Area Assistance	\$2,709,200
Utility Upgrade Assistance	\$9,800,000
Renewable Energy Infrastructure	\$1,000,000
TOTAL:	\$23,274,300



Distressed Property Gap

RDA State Street Budget: \$22,628,000

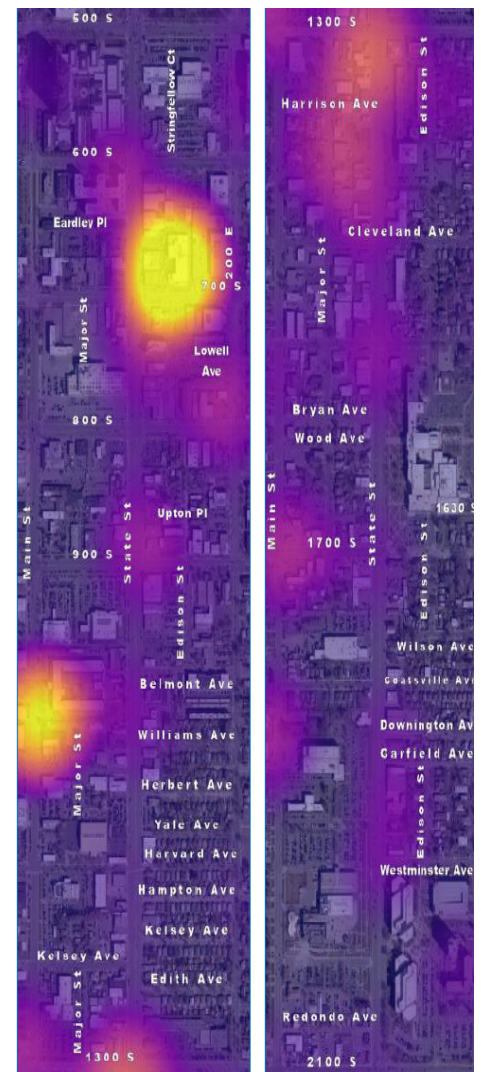
County Participation Request: \$4,525,600

One of the largest tools in the RDA's toolbox is strategic property acquisition. A tactic described in the State Street CRA plan, the RDA will work to acquire distressed properties with high rates of crime. Because these properties are often home to lucrative cash businesses such as hourly motels, purchase prices are inflated and difficult for a private developer to afford without public subsidy. The RDA recently assisted the Housing Authority of Salt Lake City to purchase the Capitol Motel property at 1749 S. State to develop a mixed-use building.



Due to the State Street's auto centric past, there are also numerous former gas stations, autobody shops, etc., in need of environmental remediation if they are to be redeveloped. Remediation costs as dictated by Utah's Division of Environmental Response and Remediation can cost between \$41,000 to \$346,500 for a mid-size commercial property.

PRIMARY OFFENSE	# IN AREA
ALCOHOL IN VEH	1
ARSON	3
ASSAULT	382
BURGLARY	68
COMMERCIAL SEX	25
CONSERVATION	1
COUNTERFEITING	8
DAMAGED PROP	181
DRUGS	254
EMBEZZLEMENT	2
ENTICEMENT	1
ESCAPE	313
EXTORTION	3
FAMILY OFFENSES	155
FLEEING	19
FORGERY	55
FRAUD	99
HIT AND RUN	87
HOMICIDE	2
IMP/ABAND VEH	14
INV OF PRIVACY	230
JUVENILE OFF	4
KIDNAP	3
LARCENY	559
LIQUOR	3
MORALS-ANML CR	1
MORALS-DECENCY	20
MOV TRAF VIOL	11
NON MOV TRAF	12
OBST JUDICIAL	2
OBST POLICE	52
PORNOGRAPHY	1
PUBLIC ORDER	593
PUBLIC PEACE	353
ROBBERY	66
SEX OFFENSES	4
SEXUAL ASSAULT	44
SEXUAL OFFENSE	13
STOLEN PROP	25
STOLEN VEHICLE	171
THREATS	1
TRAFFIC	7
WEAPON OFFENSE	36
DUI	29
TRAFFIC ACCIDENT	257
Total	4170



State Street Crime Map, Nov. 2020

In addition to utility upgrades, historic buildings often require expensive interior upgrades such as structural improvements, additional ADA and egress and fire sprinklers in order to be rehabbed and repurposed. The RDA currently offers forgivable loans in the Granary project area and would look to implement something similar in the State Street project area.

DISTRESSED PROPERTY BUDGET CATEGORY	TOTAL BUDGET/GAP
Property Acquisition	\$14,000,000
Environmental Remediation	\$1,128,000
Adaptive Reuse – Building Code Upgrades	\$7,500,000
TOTAL:	\$22,628,000

ATTACHMENT D: STATE STREET LEVERAGING TOOLS/RESOURCES

Annual State Street tax increment revenues will be leveraged with various other funds and tools administered by the RDA, SLC Department of Community and Neighborhoods, and SLC Department of Economic Development. Leveraging funds and tools will allow the RDA to maximize the reach and impact of project area development activities by focusing resources in a coordinated manner. Resources available to leverage include:

- **Salt Lake City Housing Development Loan Program:** Salt Lake City's Housing Development Loan Program addresses the health, safety and welfare of the City's citizens by providing below-market financing for affordable and special needs housing within municipal boundaries. The program provides a centrally located and uniform application process across all funding sources, providing a one-stop-shop to apply for funds for the development, rehabilitation, and preservation of affordable housing.
- **Salt Lake City Community Land Trust:** Salt Lake City's Community Land Trust (CLT) provides low-to-moderate income families the opportunity to become homeowners. By placing city-owned property into the CLT, homebuyers purchase the home and the improvements. From there, they lease the land the home is built on from the City thereby facilitating a lower monthly mortgage payment. This allows Salt Lake City to preserve the home's affordability into the future while still allowing the buyer to build equity in their home.
- **Salt Lake City Home Repair Program:** Salt Lake City's Home Repair Program allows owner-occupied households with low-to-moderate income to obtain either a no-interest or low-interest loan to address health, safety, and structural issues in their homes.
- **Salt Lake City Home Buyer Program:** Salt Lake City's Home Buyer Program allows households with low-to-moderate income to obtain competitive-rate mortgages to expand homeownership opportunities to those who may not qualify for traditional financing.
- **Salt Lake City Economic Development Loan Fund:** The Economic Development Loan Fund (EDLF) provides loans to small businesses located in the City for the purpose of stimulating economic development by enhancing business opportunities, providing employment, and promoting neighborhood revitalization.
- **Salt Lake City Neighborhood Building Improvement Program:** The Neighborhood Building Improvement Program (NBIP) provides grants up to \$25,000 for facade improvement projects to revitalize neighborhood commercial areas, enhance the livability of adjacent communities, and support local businesses. The NBIP targets resources to the State Street CRA neighborhoods.
- **EPA Brownfields Revolving Loan Fund:** Salt Lake County's EPA Revolving Loan Fund offers loans from \$10,000 to \$500,000 to entities redeveloping qualified brownfield sites.