



**SOUTH SALT LAKE
CITY ON THE
MOVE**

**REDEVELOPMENT
AGENCY**

MEMBERS:

LEANNE HUFF
COREY THOMAS
SHARLA BYNUM
PORTIA MILA
PAUL SANCHEZ
NATALIE PINKNEY
CLARISSA WILLIAMS

**EXECUTIVE
DIRECTOR**

CHERIE WOOD

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**City of South Salt Lake Redevelopment Agency
AGENDA**

Public notice is hereby given that the City of South Salt Lake Redevelopment Agency will hold a meeting on **Wednesday, November 15, 2023**, in the City Council Chambers, 220 East Morris Avenue, Suite 200, commencing at **6:15 p.m.**, or as soon thereafter as possible.

To watch the meeting live click the link below to join:

<https://zoom.us/j/93438486912>

Watch recorded City Council meetings at: [youtube.com/@SouthSaltLakeCity](https://www.youtube.com/@SouthSaltLakeCity)

Conducting: Portia Mila, RDA Chair

Opening Ceremonies

1. Roll Call

No Action Comments

1. Bills, Claims, and Communications
2. Report of the Executive Director

Approval of Minutes

October 25th, RDA Minutes

New Business

1. **Housing and Transit Reinvestment Zones (HTRZ) Update**

Jonathan Weidenhamer

Motion for Closed Meeting

Adjourn

Posted November 9, 2023

Those needing auxiliary communicative aids or other services for this meeting should contact Ariel Andrus at 801-483-6019, giving at least 24 hours' notice.

In accordance with State Statute and RDA Board policy, one or more Board Members may be participating electronically.

Have a question or concern? Call the connect line 801-464-6757 or email connect@sslc.gov

Date/Time/Place	Wednesday, November 15, 2023 6:15 p.m. 220 East Morris Avenue South Salt Lake, Utah 84115
Conducting:	RDA Chair Portia Mila

DIRECTORS EXCUSED:
Corey Thomas

Others Attending: See Attached

1. Roll Call. Six Board Members were present. Director Thomas was excused.

1. Bills, Claims, and Communications. None.

1. Report of the Executive Director. None.

October 25, 2023. Director Williams moved to approve these minutes.

1

Voice Vote:

Bynum	Yes
Huff	Yes
Mila	Yes
Pinkney	Yes
Thomas	Absent
Williams	Yes

New Business**1. Housing and Transit Reinvestment Zones (HTRZ) Update**

Community and Economic Development Director, Jonathan Weidenhamer, gave a quick summary of what this latest HTRZ update brings. Senior Vice President of Public Finance for D.A. Davidson, Sam Hartman, was also present via Zoom to speak to the RDA Board.

Mr. Weidenhamer started out by sharing that the City has been working with Mr. Hartman on the application for a HTRZ during the last nine months. They have now submitted the application to the State and expect an answer within the next 45 days.

An acceptance for a HTRZ would allow the City to repurpose property tax increments back into the Downtown District, which is roughly 200 acres total, and of which the HTRZ would make up around 100 acres within the Downtown District.

Mr. Hartman then spoke about some of the next steps in advancing the City's vision for the Downtown Zone. The presentation, a copy of which is attached and incorporated by this reference, is divided into three main sections that will be covered at tonight's meeting. The first section explains what an HTRZ is. The second section explains why the City should want an HTRZ. The third section gives a rundown of their approach to winning the bid from the designated committee and to have them select the Central Pointe Station as one of the eight HTRZ's that are allowed in Salt Lake County.

The purpose of HTRZ's is to incentivize transit-oriented development around public transit stops. If accepted, the City would be able to collect 80%, or whatever percentage is agreed upon, of incremental taxes per parcel that is generated in the zone for 15 years.

In a sample of a multi-family unit that averages around \$350,000 that would generate a taxable value per unit of \$192,000 and which times the tax rate would generate \$2,143 per year, he showed how that the City would be able to capture 80% of that amount annually (roughly \$1,714) and with the number of estimated units in the zone (5,125), it would total to 8.7 million dollars per year over 15 years, totaling 131 million dollars. This would allow the City to pursue, enhance public infrastructure, and get new developments off the ground.

In order to receive the funds, there are certain objectives that must be met, but he shared that they also cover a wide area of options like: horizontal construction costs (bridges, roads, highways, etc.), vertical construction costs (skyscrapers, high rises, etc.), enhanced infrastructure, enhanced development, structured parking, acquisition of land, and debt service on bonds. Other objectives include committing 10% of units as affordable housing. The City, however, has elected to make 12.5% of units affordable. Another requirement is that they also must be dense, which means it must exceed 50 units to the acre, and the radius around the

station can only be ¼ mile. By following these requirements, the City will be able to get the full 80% of the tax increment that will be generated by the new uses in the zone.

Mr. Hartman shared how the HTRZ committee is highly focused on increasing the availability of affordable and attainable housing, promoting greater utilization of public transit by getting cars off streets and pollution out of the air, and promoting transformative, mixed-use developments.

Board Member Sanchez asked if 'multifamily housing' meant apartment complexes.

Mr. Weidenhamer affirmed that it did and that it generally referred to two stories of podium parking with six stories of residential above it.

Mr. Hartman said that the way the City is ultimately satisfying the requirements of the HTRZ is by creating a downtown where people can live, move, work, and play. He thanked the RDA for the chance to talk about where they are at in the process as they wait for approval from the State.

No action is needed on this matter tonight as it is an informational update to the RDA Board.

A copy of the PowerPoint presentation is attached and incorporated by this reference.

Director Huff made a motion to adjourn.

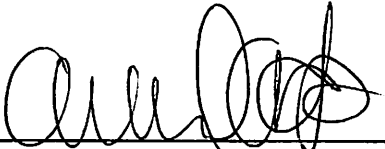
MOTION: LeAnne Huff

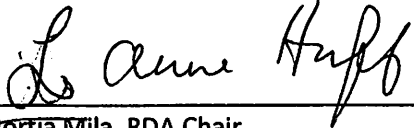
SECOND: Sharla Bynum

Voice Vote:

Bynum	Yes
Huff	Yes
Mila	Yes
Pinkney	Yes
Thomas	Absent
Williams	Yes

The meeting adjourned at 6:49 p.m.


Ariel Andrus, RDA Secretary


Portia Mila, RDA Chair
LeAnne Huff Vice

15-Nov-23

**REDEVELOPMENT AGENCY MEETING
LIST OF ATTENDEES**

NAME

CITY/TOWN

REPRESENTING

only staff present.

DOWNTOWN SSL HTRZ Review



**SOUTH
SALT LAKE**

WHAT IS A HOUSING AND TRANSIT REINVESTMENT ZONE (HTRZ)?

DEFINITION:

- HTRZs are an economic development tool created by the State of Utah to incentivize transit-oriented development.
- HTRZs were enabled by S.B. 217 and S.B. 140 enacted by the Utah Legislature in 2021 and 2022.
- Allows the City RDA to collect 80% of incremental taxes generated in the zone for 15 years
- TIF is not individually negotiated with each taxing entity



HTRZ OBJECTIVES (as defined in S.B. 140)

- Increase availability of housing, including affordable housing
- Promote greater utilization of public transit
- Encourage transformative mixed-use development and investment in transportation and public transit infrastructure in strategic areas
- Conserve water resources through efficient land use
- Improve air quality by reducing fuel consumption and motor vehicle trips
- Strategic land use and municipal planning in major transit investment corridors
- Increase access to employment and educational opportunities

POTENTIAL OF HTRZ TIF COLLECTION TO SSL

	Downtown SSL Phase 1 Units
Assessed Value Per Unit	350,000
x Primary Exemption	45%
Taxable Value Per Unit	192,500
x Tax Rate	1.113%
Tax Per Unit	2,143
x TIF to SSL HTRZ (%)	80%
TIF to SSL HTRZ / Unit	1,714
x Units	5,125
Future Annual Dollars to SSL HTRZ	8,784,353
x Collection Years (max)	15
Potential Dollars to SSL HTRZ	131,765,288
<i>Estimated Net Value to SSL HTRZ (Today's Dollars)</i>	<i>50,000,000</i>

ELIGIBLE USES OF HTRZ FUNDS

- Horizontal construction costs
- Vertical construction costs
- Enhanced development costs
- Income targeted housing costs
- Structured parking within the HTRZ
- Land purchase costs within the HTRZ
- Costs of the municipality to create and administer the HTRZ
- Debt service on bonds issued to pay for improvements

HTRZ REQUIREMENTS

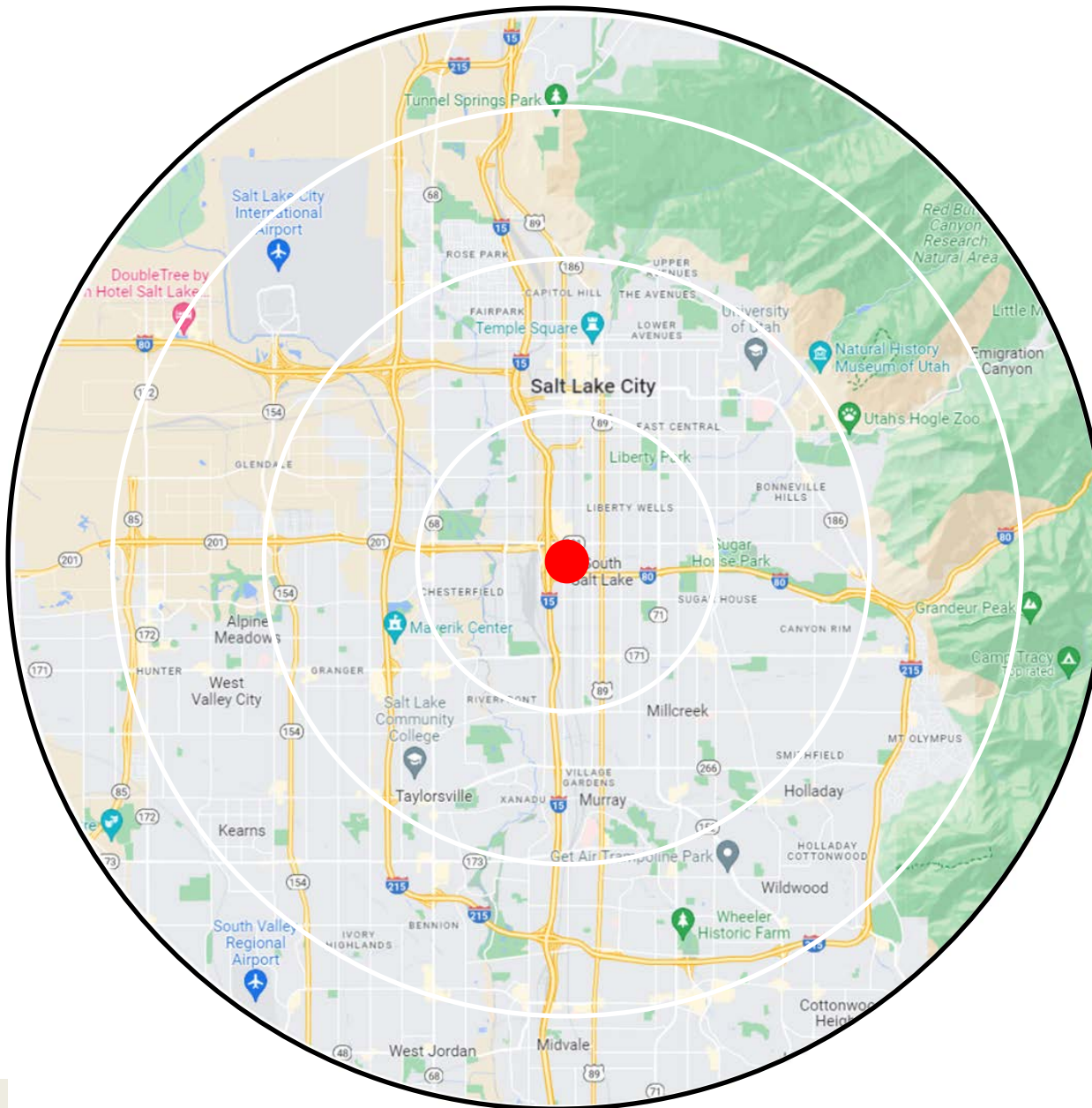
	HTRZ at a Light Rail
% affordable housing requirement	10%*
Residential % of developable land	51%
# of DUs per acre	>=50
Mixed-use development required	Yes
Reasonable % of DUs > 1 bedroom required	Yes
Radius from station	<=1/4 mile
Maximum acres (non-contiguous)	100
Maximum # of HTRZs	Light Rail – 8 per County
Property tax increment capture	80%, 15 yrs max per parcel, 30-yr period

*No housing requirement if municipality or public transit county meets the HUD requirements of <60% AMI

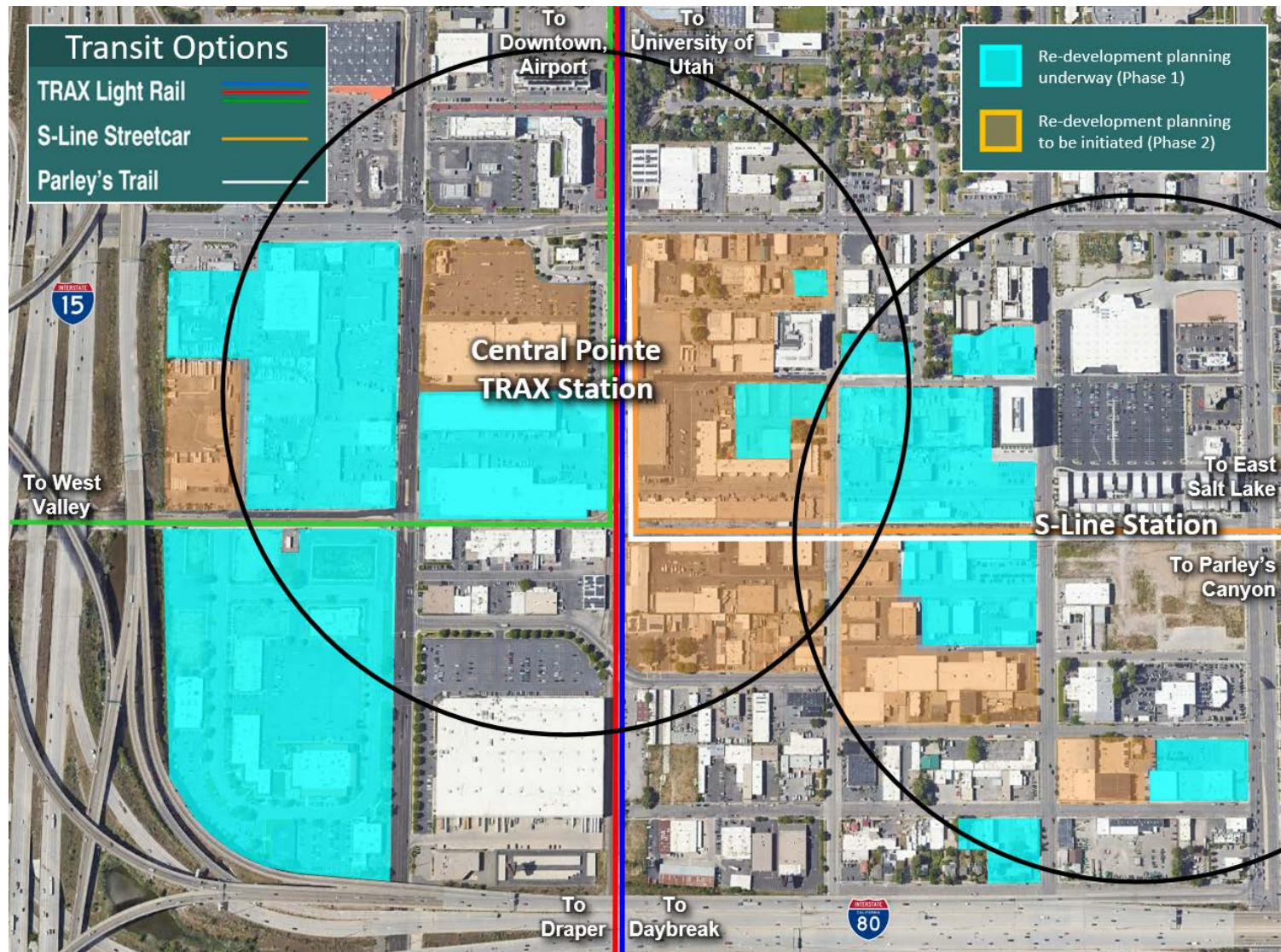
HOW CAN SSL GET AN HTRZ?

1. A municipality prepares a detailed proposal to the Governor's Office of Economic Opportunity (GOEO).
2. GOEO then contracts with a third party (e.g., Zions Public Finance) to conduct a gap analysis to verify the amount of public funding needed to achieve the HTRZ objectives
3. GOEO forms selection committee comprised of representatives from the following: GOEO (committee chair), Utah Senate, House of Representatives, SSL, UDOT, Public transit district, State Treasurer, Tax Commission, County, School District, Largest participating local taxing entity after the school district, city, and county
4. Committee chair convenes a public meeting to consider creation of HTRZ in which petitioning City presents the HTRZ proposal
5. Committee votes to approve the HTRZ; within 30 days the HTRZ is recorded with the County Recorder
6. The HTRZ is ultimately governed by the Municipality's Redevelopment Agency

SSL HTRZ: Transforming The Epicenter of Salt Lake Metro



Proposed Downtown SSL HTRZ



The HTRZ is vital in helping SSL create a robust vibrant, mixed-use environment, far exceeding what we can achieve without it

Development	Market Plan	HTRZ Plan	Increase Over Market Plan
Multi-Family Units	1,235	5,125	3,890
<i>of which Affordable</i>	-	640	640
Office Square Feet	93,000	268,000	175,000
Retail Square Feet	25,135	64,564	39,429
Hotel Keys	-	130	130
Multi-Family Assessed Value	\$237,950,882	\$983,941,577	\$745,990,694
Office Assessed Value	\$24,220,239	\$83,574,560	\$59,354,320
Retail Assessed Value	\$5,655,375	\$14,526,900	\$8,871,525
Hotel Assessed Value	-	\$19,889,132	\$19,889,132
Total Assessed Value	\$267,826,497	\$1,101,932,168	\$834,324,761

The Future of Downtown South Salt Lake

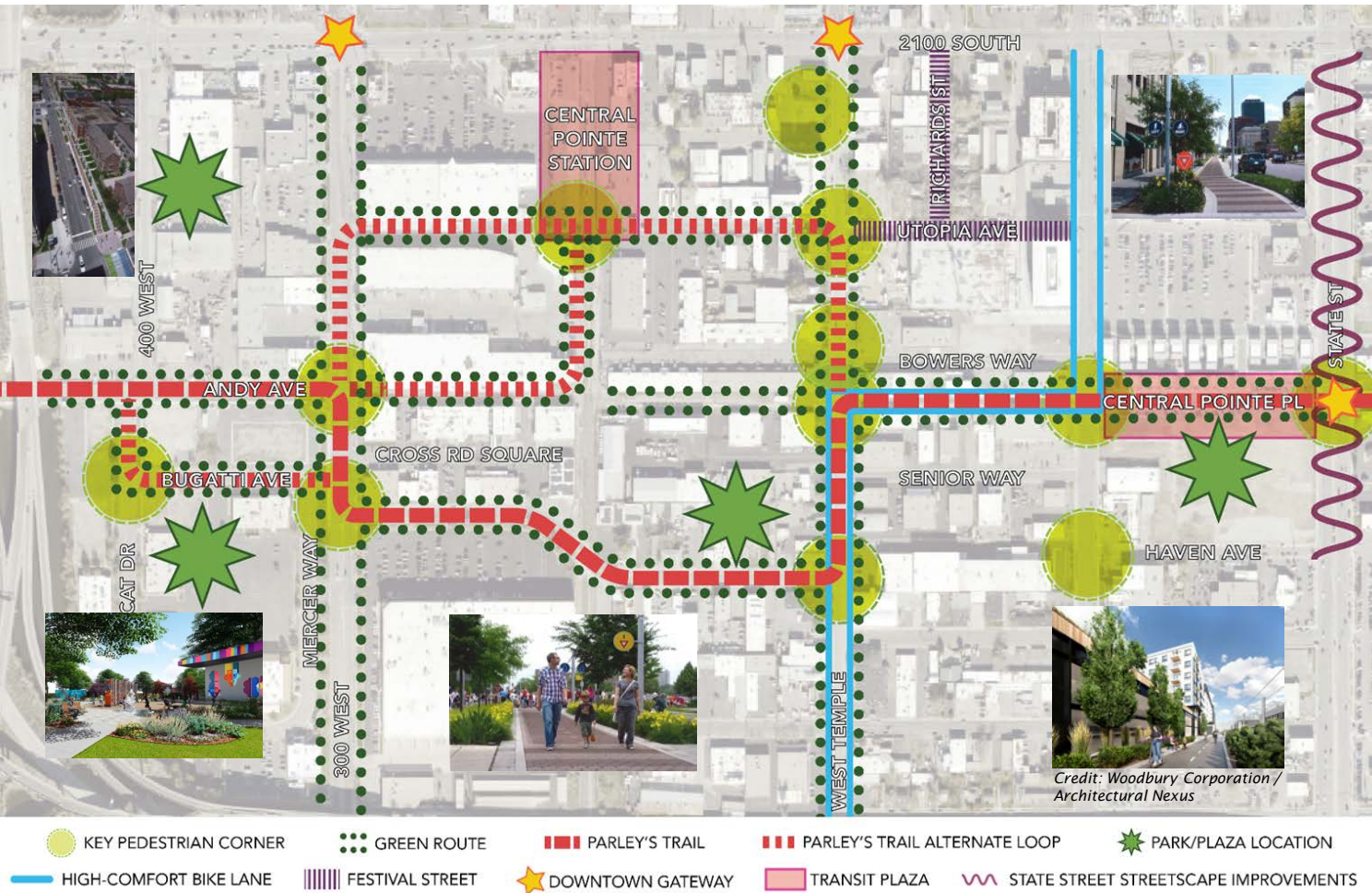
With the assistance of an HTRZ Downtown SSL will transform into a unique urban destination where people can LIVE, MOVE, WORK, AND PLAY



South Salt Lake was long known as the City of Industry because of the many manufacturing and light-industrial businesses that grew up along the rail lines and highways. Today, buildings housing those uses have reached the end of their useful life and are well-suited for redevelopment. We have a historic opportunity to unlock and revitalize this critically located real estate.

Downtown SSL: The Place to LIVE

Laying the foundation for a cohesive and vibrant community



Downtown SSL Public Improvements

Select public enhancements in or adjacent to the Downtown SSL HTRZ, directly benefiting the HTRZ, include:

- Sidewalks with benches, bike racks, and streetlights
- Park strips and trees lining the streets
- Approximately 6 acres of parks
- High-comfort bike routes
- Improvements to Parley's Trail and S-Line Greenway
- Public Art
- Wayfinding, signage, and gateways
- Transit access upgrades
- Roadway improvements

Our Partners

A major project like Downtown SSL requires strong partnerships. Our HTRZ Application enjoys the support and commitment of the following companies.



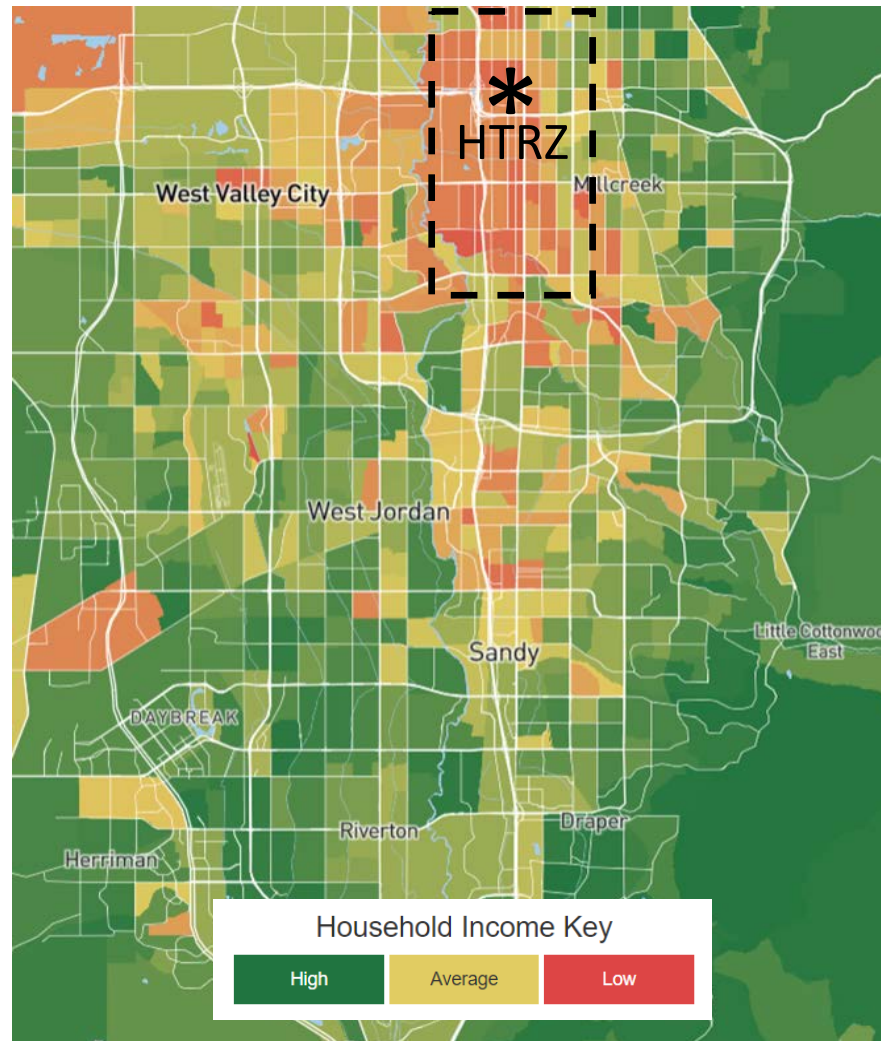
Downtown SSL: The Place to **LIVE**



- Planning is underway for over 5,000 units averaging over 100 units per acre, providing density to support a lively, thriving neighborhood.
- Our design standards require high-grade materials and finishes that will help us transform this area of outdated industrial buildings into an attractive and inviting community.
- We encourage every developer to develop podium housing products to help create density and encourage ground-floor uses that support a walkable community built to a human scale that will endure over time.



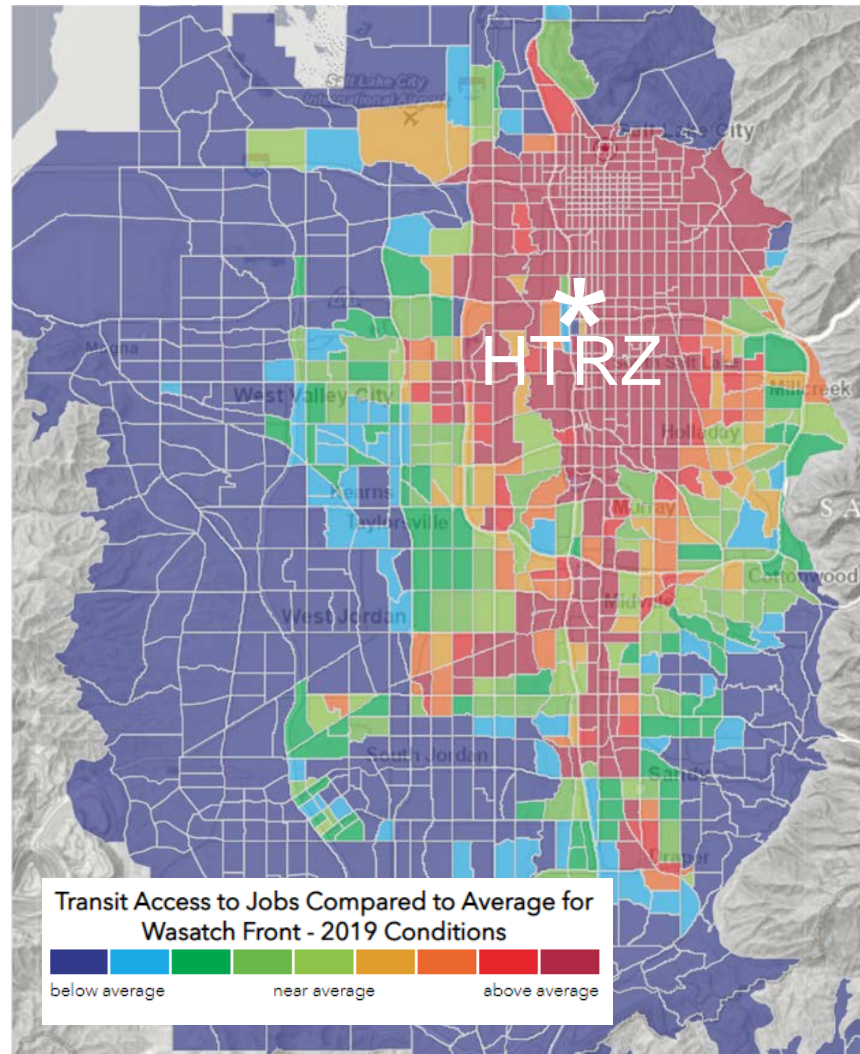
Downtown SSL: The Place to **Live** at a Range of Incomes



The proposed HTRZ maximizes Downtown SSL's unparalleled transportation network

Downtown SSL: The Place to **WORK**

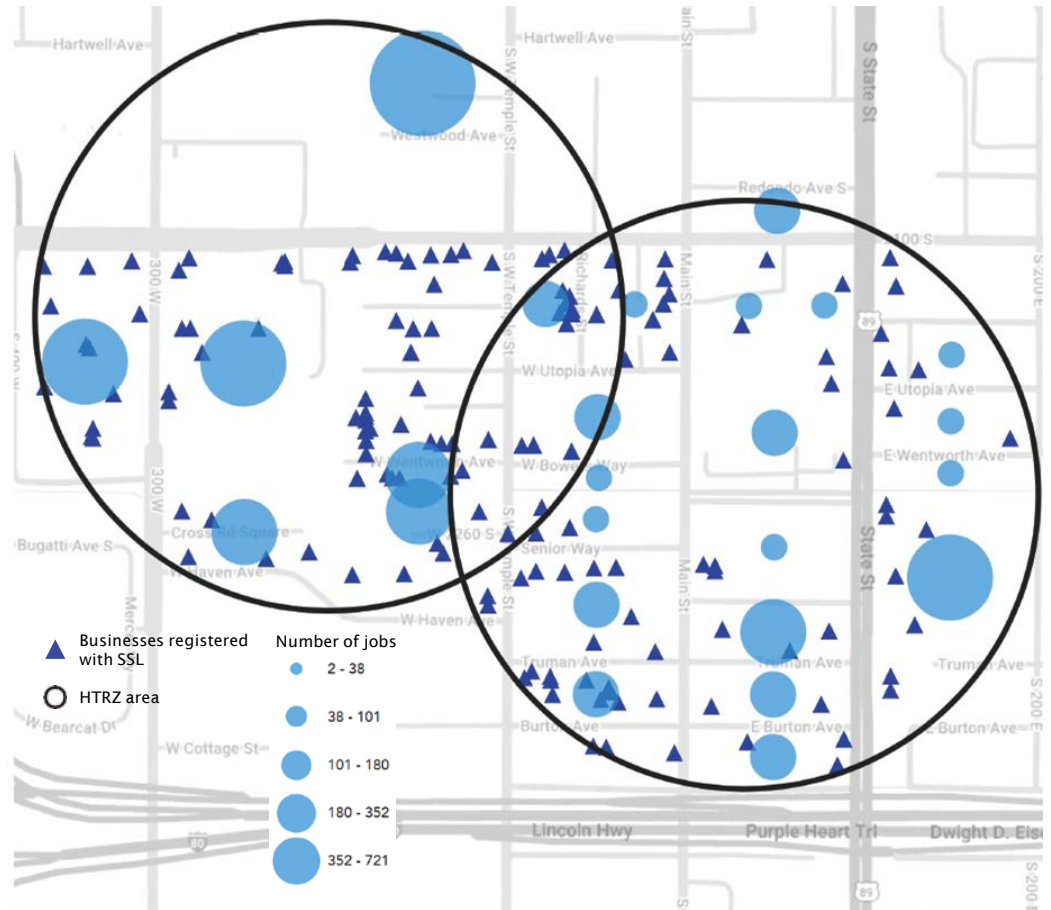
Transit allows HRTZ residents a 15-minute commute to jobs anywhere in the Valley



Downtown SSL: The Place to **WORK**

Ample employment, existing and new, will be available to residents in the HTRZ within a short walk

- The Downtown SSL HTRZ will allow employees of the 3,200 businesses located in our city the opportunity to live closer to where they work, improving productivity and quality of life.
- Plentiful jobs – both new and existing in a diverse assortment of small, medium, and large employers – are within walking distance from anywhere in the proposed HTRZ.
- **196 South Salt Lake businesses** fall within the HTRZ. These businesses, plus those immediately around the HTRZ, employ **2,929 workers**.



**Major
Employers
(distance
from HRTZ)**



SLC Govt Center
(100 ft)



OC Tanner
(0.1 mi) 1930 SOUTH STATE



SLCC South City Campus
(0.5 mi)



GBS Benefits (in HRTZ)



Westminster
(3.0 mi)

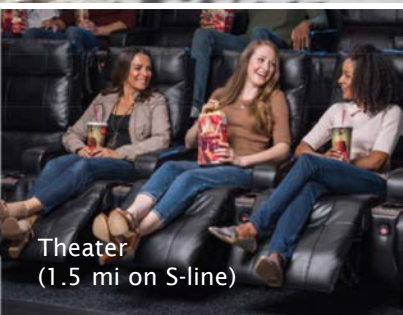
Downtown SSL: The Place to **PLAY**

South Salt Lake offers many opportunities for residents of Downtown SSL to relax, play, and have fun



Proposed park in HTRZ

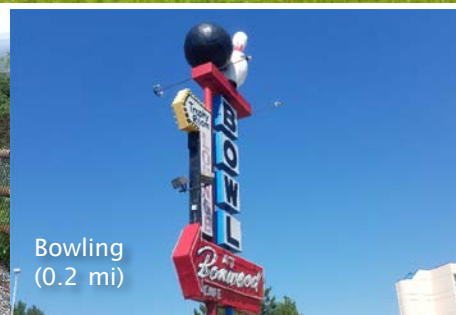
We are focused on increasing recreation and leisure opportunities in Downtown SSL, including adding ground-floor dining and shopping opportunities to energize the street scene and creating one or more public parks in the HTRZ.



Theater
(1.5 mi on S-line)



Greenway / Parley's Trail
(In HTRZ)



Bowling
(0.2 mi)



Promise Park
(0.5 mi on S-Line)

**Local
Recreation
(Distance from
HTRZ)**

Projected Total Gap for the HTRZ

Development Impediment Impact (structured parking, construction cost, upgrading infrastructure, and land cost)

Total Units in HTRZ	5,125
X TIF Incentive per Unit	<u>\$146,000</u>
= Min. Amount of TIF for Development	\$748,250,000

Affordable Housing Development Impediment Impact

Total Units in HTRZ	5,125
% Affordable	12.5%
Affordable Units	640
X TIF Incentive per Unit	<u>\$41,300</u>
= Min. Amount of TIF for Subsidizing Rent	\$26,432,000

Combined Total Initial Gap *	\$774,682,000
HTRZ Budget **	\$176,983,123
Remaining GAP to be Funded by Non-HTRZ Sources	(\$597,698,877)