

SALT LAKE COUNTY

2001 S State Street, N2-800

Salt Lake City, UT 84114



Meeting Minutes

Wednesday, March 26, 2025

2:00 PM

AMENDED AGENDA

Room N2-800

Debt Review Committee

1. Call to Order

Present: Committee Member Sheila Srivastava
Committee Member Richard Jaussi

Excused: Chair Chris Harding

Call In: Committee Member Darrin Casper
Committee Member Ralph Chamness
Committee Member David Delquadro
Committee Member Greg Foltz
Committee Member Mitchell Park
Ex-Officio Member Johnathan Ward

Sitting in as Chair, **Mr. Richard Jaussi**, Chief Deputy, Auditor's Office, called the meeting to order.

2. Public Comment**3. Approval of Minutes****3.1 Approval of January 29, 2025 Debt Review Committee Meeting Minutes** 25-2723

Attachments: 012925 Debt Review Minutes

A motion was made by Committee Member Srivastava, seconded by Committee Member Chamness, that this agenda item be approved. The motion carried by a unanimous vote.

4. Discussion Items**4.1 Update on Downtown Project** 25-2724

Presenter: Darrin Casper, SLCo Deputy Mayor of Finance & Admin. CFO.
(5 Min.)
Informational

Committee Member Casper delivered a summary of what took place during the most recent legislative session regarding the Delta Center/Salt Palace Convention Center renovation.

Mayor Jennifer Wilson, subject to Council approval, has committed to providing:

- \$50 million, which is currently available in the Fourth Quarter Transportation Fund balance and
- \$150 million of debt in transient room tax (TRT) sources.

The project will renovate the Delta Center and open space from the Delta Center straight eastward toward what will be a remodeled Salt Palace Convention Center. The convention center will have an egress onto what will be an entertainment plaza. This plaza will have housing, restaurants, activities, a hotel, etc. The cost of renovating the Salt Palace Convention Center is estimated to be \$1.5 billion. Therefore, in addition to the County's commitment of \$200 million, Salt Lake City will use a Public Infrastructure District (PID) to finance the balance of the costs for the renovations and the plaza. The city will also assign its portion of the "fifth fifth" passed by the County, and approximately 68 percent of the ongoing fourth quarter taxes. The bankers who have been working with the Smith Entertainment Group (SEG) believe this will be sufficient to finance everything. Mr. Casper stated the County will want to establish terms for the \$150 million fairly quickly. There is a clause in state law that allows the County to continue to use a \$3 million levy in the general obligation (GO) tax rate. As long as there is outstanding debt on the Salt Palace, the County can continue with that, but there may be ramifications later this year with Truth in Taxation. The levy will be important to get to the \$150 million that the County will contribute.

Mr. Greg Folta asked Committee Member Casper to speak about the Visitor Promotion Fund relating to the County's \$150 million contribution.

Committee Member Casper stated in the past, a 15 percent diversion of the Transient Room Tax (TRT) was diverted to Sandy City for the America First Field aka the Real Salt Lake stadium. It was assumed this would drop off completely in 2027, but this year, the legislature halved the 15 percent to 7.5 percent instead. Mr. Casper felt this was problematic for the calculation for issuing the debt for the TRT. Because of this, Greg Curtis lobbied to get House Bill 502 passed, which diverted a portion of the County of the First Class Highway Projects Fund back to the County. This should make up for the difference.

From the County's perspective, it will get a \$1.5 billion renovation for the cost of about \$500 million from County funds. It seems like a fair deal.

**4.2 Recommend County Council to Hold a TEFRA Hearing on [25-2726](#)
the Library Square Student Housing Project**

Attachments: [Staff Report](#)
[County TEFRA Notice \(Library Square\)](#)
[Public Approval Certificate \(SL County\) - Library Square](#)
[County TEFRA Notice \(Library Square\)](#)

Presenter: Craig Wangsgard, SLCo Senior Civil Attorney, DA's Office.
(5 Min.)
Discussion/Direction

Mr. Peter Corroon, Library Square Development, stated his group provided development services for a student housing project downtown at 231 East 400 South, just north of the Salt Lake City Public Library. The group is looking to tear the building down and rebuild housing for first generation college students containing 500 beds. Only about 16 percent first generation college students successfully complete a four-year degree. The development would be on a TRAX line and would allow student residents a quick ride to the University. Library Square Development is not asking the County for any money. Rather, it is requesting that the County, as a governmental agency, host a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing to assist in filling the legal requirement. To finance the purchase of the project, Library Square Development intends to issue a tax exempt bond anticipation note. This will be issued by the Public Finance Authority. Hosting the hearing would not affect the County's credit rating in any way.

Mr. Tom Pitcher, Library Square Development, stated this project would be a significant benefit not just to the community, but to families trying to help young people through college. This would be an on-campus housing environment that is located off-campus. Intended to attract first generation students, it would benefit all institutions of higher education within a seven mile radius.

Mr. Craig Wangsgard, Deputy District Attorney, stated a TEFRA hearing is just a public hearing. Gillmore Bell would take care of any notices required. This would have to be set on a Council agenda, but there would be no financial obligation.

Committee Member Srivastava stated as a first generation college student, she would have benefited from something like this. She moved to approve this request.

Committee Member Delquadro asked if the City could also hold the hearing. He also asked if Library Square Development had already paid any filing fees associated with the building.

Mr. Corroon stated he had already met with the planning group at the city and the fire department and there were no issues here. He has met with as many people as possible to get through the planning side. He thought this project could work.

Mr. Delquadro stated he would second the motion if he could add a friendly amendment, or subsequent motion, stating that going forward, as the County moves toward a city-based approach to government, the cities be asked first to hold these hearings and the County be considered a last resort. Additionally, he suggested imposing a fee similar to what the County charges for conduit hearings.

Mr. Wangsgard stated this discussion would need to be properly noticed on a Council agenda.

Mr. Delquadro stated he would be happy to put this on a future agenda for a vote.

A motion was made by Committee Member Srivastava, seconded by Committee Member Delquadro, to forward the documents to the County Council and recommend that it hold a TEFRA hearing. The motion carried by a unanimous vote.

4.3 Open and Public Meetings Act Training

25-2738

Presenter: Craig Wangsgard, SLCo Senior Civil Attorney, DA's Office.
(5 Min.)
Informational

Mr. Craig Wangsgard, Deputy District Attorney, asked if there were any committee members who had not received the Open and Public Meetings

Act Training for 2025.

Committee Member Srivastava stated she had not yet received the training.

Mr. Wangsgard explained the idea behind the Open and Public Meetings Act was that public business should be performed in public. There are a few allowable reasons for closing a meeting, but he had never seen any of these apply to the Debt Review Committee. When a meeting is held in a closed session, the reason(s) must be stated, and the body must take a roll call vote that must pass by at least a two-third majority. The closed session also needs to be posted on the Public Notice Website. If these criteria are not met, the final action can be voided. However, the voided action can be cured through remedial action in a subsequent meeting that has been publicly noticed. Failure to adhere to the requirements of the Open and Public Meetings Act can be a Class B misdemeanor.

Mr. Wangsgard stated he would send a link to the State Auditor's website so Ms. Srivastava could take the official training at her convenience.

5. Other Committee Business

Mr. Japheth McGee, Vice President, Zion's Public Finance, distributed a handout of the most recent update. He did not review the document.

Mr. Richard Jaussi, Chief Deputy, Auditor's Office, asked if anyone else had business.

Committee Member Ward asked if anyone in attendance had been privy to congressional discussions about elimination of the tax exemption as part of the upcoming tax reform bill. He recently read an article in the Bond Buyer stating one of the methods being explored was the elimination of tax exemption, which would pay the Federal Government additional dollars to operate, but would also increase costs to the residents of Salt Lake County. In his mind, there was never a convincing argument that this would be justified. The Congressional Budget Office estimates it would save the Federal Government \$280 billion, but it would cost local governments \$1.8 trillion over a ten-year period.

Committee Member Delquadro asked what would cause the loss to the states.

Committee Member Ward stated the states would be required to issue bonds that were taxable and had higher interest rates.

Mr. Greg Folta, Director of Finance and Payroll, Mayor Finance, stated he has been hearing these warnings for years, and had not really taken this most recent one seriously.

Mr. Wangsgard asked if this could increase the risk to bondholders.

Committee Member Ward stated it could. Bondholders might end up trying to sue the County or Federal Government for reimbursement.

Mr. McGee stated bond documents usually have a provision that if there is a determination of taxability, the bondholders will get a higher taxable rate.

Mr. Wangsgard stated the covenants state the County will not do anything to make the bonds taxable.

6. Adjournment

The meeting was adjourned at 2:47 PM.

LANNIE CHAPMAN, COUNTY CLERK

By _____
DEPUTY CLERK

By _____
CHAIR, DEBT REVIEW COMMITTEE

