

Housing and Transit Reinvestment Zone Committee
Capital City Convention Center Reinvestment Zone Proposal
Virtual Meeting

April 4, 2025 • 2:00 PM – 3:30 PM

Minutes

Committee Members Attending: Senator Wayne Harper, Senator Kirk Cullimore, Representative Stephen Whyte, Representative Jim Dunnigan, Chairman Ryan Starks (GOEO), Blake Thomas (SLC), Jim Evans (Transportation Commission), Kirt Slaugh (State Treasurer's Office), Beth Holbrook (UTA Board of Trustees), Darrin Casper (SL County), Alan Kearsley (SLCSD), Ashley Anderson (SLCSD), Noah Baskett (City Library)

GOEO Staff Attending: Jim Grover, Allison James-Garcia

Guests Attending: Susie Becker (ZPFI), Todd Jenson (AG's Office), Jason Gardner (Utah Tax Commission)

SL County representatives: Mayor Jenny Wilson, Catherine Kanter, Chris Harding (Auditor), Stuart Tsai, Brandon Grable, Amy Bender, Tim Bodily, Katy Fleury, Richard Jaussi, Ralph Chamness, and others

SLC representatives: Dan Dugan (SLC Council), Cara Lindsay (SLC CRA), Jennifer Bruno, MPO representatives: Miranda Jones Cox

Other guests: State Senator Daniel McCay, Carter Williams (KSL), Tony Semerad (SL Tribune), Jacob Scholl (Building Salt Lake), Mike Maughan (SEG), Ryan Ritchie (Ritchie Group), Lincoln Shurtz (consultant), Brennen Brown (DA Davidson), Ryan Mack (Visit Salt Lake), Daniel Hemmert, Greg Curtis, Randy Larsen, Wade Budge, Amy Young, Alex Morrison, and others

1. Welcome

Mr. Ryan Starks of the Governor's Office of Economic Opportunity welcomed all to the HTRZ meeting. This meeting is occurring because the Governor's Office of Economic Opportunity submitted an application for the creation of an CCRZ.

2. Oath of Office

No oaths of office were completed during this meeting due to it being virtual.

*Tanner Anderson, GOEO staff, performed the oath of office swearing in for new committee members Blake Thomas (SLC) and Darrin Casper (SL County) in-person on April 3, 2025 as this meeting is virtual.

Ryan Starks, Jim Evans, Kirt Slauch, Senator Wayne Harper, Senator Kirk Cullimore, Representative Whyte, Representative Dunnigan, Beth Holbrook, Alan Kearsley, Ashley Anderson, and Noah Baskett all performed their oath of office at an earlier date. Because of this, they did not need to be sworn in again.

3. Approval of Minutes

The minutes from the last HTRZ Committee (SL Central), which took place on January 13, 2025, were approved. The motion to approve was made by Ms. Beth Holbrook and seconded by Mr. Jim Evans.

4. Overview of Proposal

Mr. Jim Grover, GOEO Managing Director and submitter of the Capital City CCRZ proposal, provided an overview of the proposal to the committee. Mr. Grover presented the purpose, parameters and objectives of the CCRZ, including how a CCRZ differs from a HTRZ. He reviewed the quick timeline of the proposal - March 7 (passage of SB26) thru today, April 4 (committee meeting).

Mr. Grover provided a map of the land and parcels included in the proposal and reviewed the estimated sources of increment (sales tax, property tax, and additional sources), totaling \$1,808.3mm. Finally, Mr. Grover reviewed the proposed base years and anticipated start dates for the tax increment collection.

Mayor Jenny Wilson provided additional comments about the project and the impact the revitalization of the convention center will have on downtown. She urged the committee to support the proposal. Mayor Wilson also acknowledged that one of the partners may have questions and understands how this proposal has moved quickly causing additional questions, though she hopes to see the project continue to move forward.

5. Deliberation

Mr. Alan Kearsley with SLCSO opened up deliberations with a concern about the district not benefiting from the sales and use tax that hotel and tourism will bring. Since the CCRZ has no housing, the benefit from the property tax for the school district is not there. There is no investment in education for 30 years with this project.

Senator Harper asked for clarification regarding Block 67 and the overlapping RDA present in that area. He highlighted the uniqueness of the roads being excluded and while he doesn't think this is an issue, he wanted this pointed out. Senator Harper also asked for additional detail from the County for what the funds will be used for and wants some protection for the funds for the private parking structure planned for Block 67.

Mr. Jason Gardner from the State Tax Commission acknowledged that due to the aggressive timeline the tax commission has not had time to complete a full review but knows there is some overlap that would need to be addressed with existing RDAs.

Mr. Blake Thomas from SLC recognized the partners in the room and acknowledged SLC's gratitude for the willingness to invest in the capital city. Mr. Thomas highlighted SLC's sales tax increase last year to help fund the renovations of the Delta Center and the surrounding area and acknowledged the state and county also contributing to this area through this project. Mr. Thomas provided context to the proposed base year having an impact on previously budgeted funds from last year's budget. He expressed concerns about the timelines of receiving the updated information yesterday and today including the updated boundary. SLC would also like to see details for the uses, especially with the increased increment number. Mr. Thomas requested that they have more time to review the updates until next week.

Ms. Beth Holbrook commented on the location and the Trax stops located on the north boundary, and while not the big issue, wanted to put out there that the stops could use some improvements alongside the CCRZ.

Councilman Dan Dugan from the SLC Council expressed concerns about SLC being informed and not consulted. He expressed support for the narrative but would like more time to assess the impact to SLC with the changes to the boundary and increased increment.

Representative Jim Dunnigan asked for clarification to Block 67 and why the roads are not being counted.

Mr. Darrin Casper with SL County addressed some of the questions and concerns. Mr. Casper provided context to how the cost for the convention center was determined and why they would like to include Block 67. From their perspective it increases parking but also a big advantage is increasing the amount of revenues that goes into the PID. He stated he understands the perspective from SLC in wanting to have more detail. Mr. Casper addressed the middle of the road issue that was brought up earlier.

Senate Cullimore stated he is in support of the inclusion of Block 67 for the additional revenue and he also acknowledged the concerns of the city and the school district.

Mayor Wilson provided additional context to Mr. Casper's comments and added information about Abravenal Hall plans. Mayor Wilson reiterated that there are a lot of moving parts and the county is very cognizant of the number and what needs to be done.

Ms. Ashley Anderson with the SLCSO restated the concern from the school district. She highlighted how most projects like this have some benefit to the district's families but the CCRZ does not provide this benefit. She agreed more time to assess the real impacts to students over the lifetime of the CCRZ would be preferred.

Mr. Ryan Ritchie with the Ritchie Group provided context to Block 67 and the intent is to provide infrastructure and parking for the area.

Senator Harper asked for additional information about taxing entities. Mr. Jim Grover indicated that the Basic School Levy and the Salt Lake City Library are both to be held harmless. Senator Harper also had questions about parking structures. The county indicated they are still early in the architecture planning process so they don't have an answer of how the 400 stalls would be laid out but they are intrigued by the possibility of a parking structure on Block 67.

Mr. Mike Maughan with SEG stated the Delta Center renovations are set to begin in a few weeks. He also indicated that the economic growth in this area will be a big benefit to the taxing entities.

Councilman Dugan reiterated that the increase in the sales tax revenue does impact SLC tax payers which should be a consideration. He also had a question about parking on Block 67.

Motion1: Delay action until next week, April 11, when PID has been created and allows time for assessment of the updated sources, uses and pro forma on .

Motion was made by Mr. Blake Thomas and seconded by Mr. Darrin Casper.

Motion failed with a vote of 5 yeas (Blake, Darrin, Alan, Ashley, Noah) and 8 nays (Jim E., Beth, Kirt, Wayne, Kirk, Stephen, Jim D., Ryan).

Senator Harper asked for the motion presented in the presentation to be revised to include clarification for Block 67 and inclusion of the land owned by the Ritchie Group. (revision addition in red)

Motion2: The Committee, contingent on the Utah State Tax Commission providing

a letter to the committee describing any challenges and feasibility of administering the proposal, approves the project, as presented to the committee, located within the map and parcels presented, for the duration of 30 years, 100% of property tax and full amount of sales and use tax increment, as allowed by code, for use under UCA 63N-3 and other applicable code. Salt Lake County and The Ritchie Group are to enter into a site plan and revenue sharing agreement prior to the The Ritchie Group receiving funds for use under UCA 63N-3 and other applicable code.

The applicable base years established in the application will be used for the purposes of both sales and use tax and property tax calculations. All parcels included in the map are considered to be tax increment collection areas for the purposes of this application and are only restricted to the extent that increment has been used to secure previously authorized and issued debt. Any increment that is not obligated to outstanding debt is subject to collection under this project.

Motion was made by Senator Cullimore and seconded by Mr. Jim Evans.

Motion passed with a vote of 9 yeas (Kirt, Jim E., Beth, Kirt, Wayne, Stephen, Jim D., Darrin, Ryan) and 4 nays (Blake, Alan, Ashley, Noah).

6. Adjourn