



SOUTH SALT LAKE
CITY ON THE
MOVE

CITY COUNCIL

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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, March 28, 2018**, in the City Council Chambers, 220 East Morris Avenue, Suite 200, commencing at **6:00 p.m.**, or as soon thereafter as possible.

Conducting: Mark Kindred, Chair

Opening Ceremonies

1. Roll Call

No Action Comments

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

New Business

1. RDA Board Visioning Session (Continuation from March 14, 2018 Meeting)

Motion for Closed Meeting

Adjourn

Posted March 23, 2018

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

Those needing auxiliary communicative aids or other services for this meeting should contact Craig Burton at 801-483-6027, giving at least 24 hours' notice

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CITY OF SOUTH SALT LAKE REDEVOLEPMENT AGENCY
MINUTES OF MEETING HELD
March 28, 2018

Date/Time/Place	Wednesday, March 28, 2018 6:00 p.m. 220 East Morris Avenue #200 South Salt Lake, Utah 84115
Conducting	Mark Kindred

DIRECTORS PRESENT:

Sharla Beverly, Ray deWolfe, Mark Kindred, Portia Mila, Ben Pender
Shane Siwik and Corey Thomas

Director Mila participated by telephone beginning at 6:29 p.m.

STAFF PRESENT:

Mayor Cherie Wood
Kyle Kershaw, Finance Director
Mike Florence, Community and Economic Development Director
Randy Sant, Economic Development Consultant
Craig Burton, City Recorder
Ariel Andrus, Deputy City Recorder

Others Attending: See Attached

Opening Ceremonies

- 1. Roll Call.**

No Action Comments.

- 1. Bills, Claims, and Communications. None.**
- 2. Report of the Executive Director. None.**

New Business

- 1. RDA Board Visioning Session. (Continuation from March 14, 2018 meeting).**
Economic Development Consultant, Randy Sant, would like to go over some areas of the Economic Development Strategic Plan. A copy is attached to these minutes and incorporated by this reference. He went over the strengths and weakness in the City which are outlined in the attached document. One of the weaknesses is low per capita income.

Board Chair Kindred asked about ideas to boost per capita income.

Mr. Sant said improving the housing stock in the City is significant. The developments coming into the City are mostly market driven apartments and that is a good thing. He suggested on also looking into bringing in higher paying jobs in the City as well. The RDA can look at other cities to see if there is anything that they offer that South Salt Lake doesn't such as revolving loan funds. Surrounding cities have an RDA and offer redevelopment incentives and that could also be a goal.

The Board moved onto the Economic Development Districts section of the Strategic Plan. There are six districts total and two of those districts are in the works now and those are the Granite High District and Buehner Block District. The four remaining areas are the Downtown District, Streetcar District, 3300 South Interchange District and the State Street District. These districts are categorized as urban renewal area (URA), community development area (CDA) or redevelopment area (RDA).

In regards the Downtown area Mr. Sant discussed the history behind the hold harmless clause and how that affected the City. The City passed a resolution giving the City a chance to increase the .02 until 2032 and that money has to be used to increase the economic development opportunities in the City because that is what will help the City increase the tax base. Every year during budget season the Mayor and the finance director take revenue that is generated and look for economic development opportunities. The City used a qualified redevelopment bond to purchase property in the Downtown area and other areas around the City. The payment for this bond comes out of the .02 funds.

The City has built up the Streetcar District by building market rate housing around the area and this goes along with the goal of building up per capita income within the community.

The 3300 South interchange was an area that was highlighted as a project area by the Board. This area sees a high amount of daily traffic, there is good visibility in the area and there is underutilized land.

The State Street District is another area that has been highlighted. The Life on State project is addressing a lot of the upgrades for State Street.

Board Member Siwik added that if a project area is highlighted it does not mean that the City is going to try to take these areas from businesses or residents.

Mr. Sant agreed and added that currently there are no redevelopment districts in these areas. Those redevelopment areas will be identified later on. This document just addresses the areas that could be developed in the future. There is no limitation on the size of a redevelopment area so the area could be very small if needed.

Board Chairman Kindred added that he would like to have an RDA meeting more regularly to address some of these project areas as well as bonds and things like that.

Board Member Pender made a motion to adjourn.

MOTION: Ben Pender

SECOND: Portia Mila

Voice Vote:

Beverly Yes

deWolfe: Yes

Kindred Yes

Mila Yes

Pender Yes

Siwik: Yes

Thomas: Yes

The meeting adjourned at 6:54 p.m.



Mark Kindred, RDA Chair

Craig D. Burton, RDA Secretary

ECONOMIC DEVELOPMENT STRATEGIC PLAN

REDEVELOPMENT AGENCY OF SOUTH SALT LAKE CITY,
UTAH



NOVEMBER, 2016


LEWIS YOUNG
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Section I: Executive Summary

South Salt Lake City is a diverse, centrally located City in the heart of the Salt Lake Valley. Strategically located at the interchange of I-15, I-80 and SR-201 and being a major mass transit corridor, with all three TRAX lines and the S Line running through the Central Point Station, the City is well-situated to attract shoppers and commuters who travel along the major transportation corridors in the area.

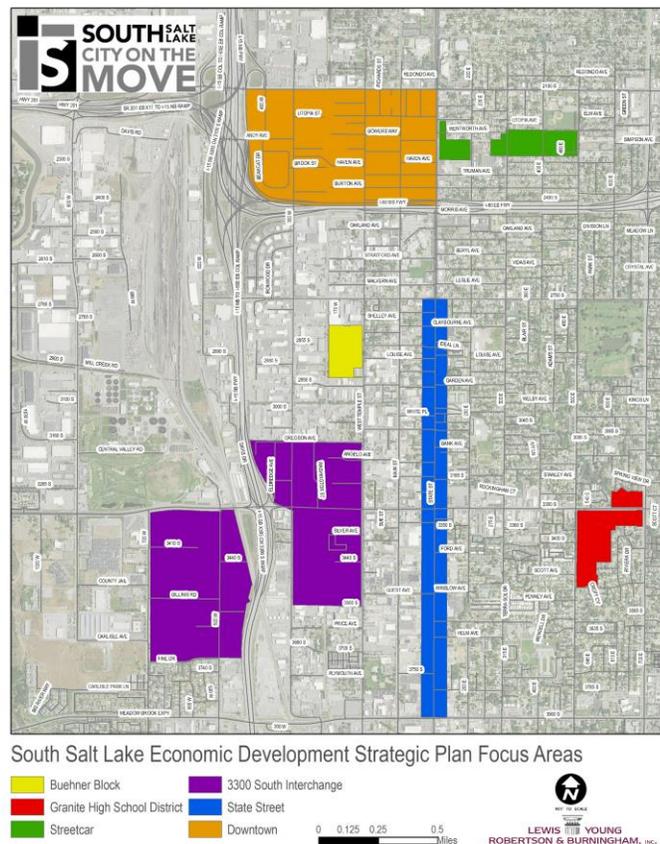
Due to the following factors, South Salt Lake is poised for some great economic development opportunities in the Salt Lake Valley: 1) location along I-15 and I-80, 2) public transit (light rail), 3) exceptional visibility and easy access, and 4) a cost effective alternative for business owners and residents, within close proximity to Salt Lake City.

This report identifies and organizes the City into six key economic development district. Goals, strategies and action plans have been defined for each district as well as for the entire City, followed by the analysis and research that were the impetus for the stated goals and objectives. The economic development districts are:

-  Downtown
-  Streetcar
-  3300 South Interchange
-  State Street
-  Granite High School
-  Buehner Block

Each of these districts serves a unique and important role for the City. One of the purposes of this study is to identify the roles currently played by these district, evaluate how to capitalize on the strengths of each area, and to improve on the identified weaknesses of each district so that the City can develop a more sustainable economic base and securely establish itself as an economic hub within the Salt Lake Valley.

FIGURE I.1: ILLUSTRATION OF ECONOMIC DISTRICTS



Summary of General Economic Findings

Demographics

- ☞ The current project population is 24,788, the City’s population is projected to grow by 10,539 persons by 2060, equaling a projected population of 35,327;
- ☞ South Salt Lake has a diverse population. As of the census of 2010 the racial makeup of the City 69.5% white, 4.4% Black or African American, 2.6% American Indian and Alaska Native, 5.0% Asian, 1.0% Native Hawaiian and Other Pacific Islander, 13.4% Some other Race, and 4.1% from two or more races. 29.1% of the population is identified as Hispanic or Latino of any race;
- ☞ 54.4% of the Population 25 years and older have attended some college, with 30% obtaining an Associate’s degree or higher;
- ☞ There are currently an estimated 9,176 housing units within South Salt Lake City. An additional 1,515 housing units are currently under construction or will be under construction in the next two years.
- ☞ The median household income in South Salt Lake City is \$37,238, which is considerably lower than Salt Lake County and surrounding cities.
- ☞ 34.2% of population is between 20 and 34 years of age. The average household size is 2.66 persons.

Retail Overview

- ☞ A sales gap analysis (“leakage”) suggests that the City is capturing an average 462 percent of all sales categories within the City, this is mainly due to extremely high capture rates of the wholesale trade categories and a high day-time population.
- ☞ Areas of retail strength include: furniture & home furnishings (1,272.09%), building material & garden equipment (970.27%), electronics & appliance stores (846.31%), and miscellaneous retail trade (717.78%).
- ☞ The City is currently leaking sales in three categories: clothing & clothing accessories stores (13.96%), general merchandise stores (28.24%), and accommodation (38.07%).
- ☞ A majority of the City’s retail sales are generated in the retail areas surrounding I-15, I-80, State Street, and 3300 South.
- ☞ The 0.20% Town Option Sales Tax generated an additional \$2.82 million of sales tax revenue for the City in 2014.

Office/Industrial Overview

- ☞ South Salt Lake has a strong industrial/construction footprint within the Salt Lake Valley. 10 of the City’s top 25 employers are within the construction/manufacturing business and they make up 36% of the City’s licensed businesses employees.
- ☞ The accessibility of major transportation corridors helps facilitate the transportation needs of the construction/manufacturing sector.

General Recommendations

- ☞ South Salt Lake is projected to see significant housing and commercial growth over the next decade, and can position itself to take advantage of this growth by identifying and incentivizing key locations for regional retail and office development.
- ☞ The City should continue to promote development of important transportation infrastructure and development. The TRAX and S Line should serve as important economic drivers for the community. Transit oriented development along these lines will help accommodate the increases in future travel demand, create new opportunities for commercial developments, promote job growth, and create unique places for future residents where they can work, stay, and play.

Summary of Economic Development Districts

Downtown

The Downtown District includes all of the parcels between I-15 and State Street, and the land north of I-80 to the City's northern border on 2100 South. The advantages and impediments to economic development include:

- ☞ **Transportation, Accessibility & Mobility** – As discussed above, the Downtown District contains the Central Pointe Station an important mass transit stop for the TRAX system. The S-Line also begins within the Downtown District. In addition to the mass transit services, this District also includes two of the three City interstate access points.
- ☞ **City/RDA Owned Land** – The Agency currently owns over 18 acres of land along the west side of State Street. This is a significant benefit for future economic development within the Downtown District, as the land may be written down or given as an incentive for future development.
- ☞ **Nighttime Population/Activity** – Currently, the Downtown Area suffers from a lack of nighttime population and nighttime activity. The majority of the current land use is commercial, manufacturing, and other daytime uses.
- ☞ **Dilapidated Buildings & Infrastructure** – Some of the buildings within the Downtown District are older and have lacked reinvestment and updates. In addition, the area will require the construction of new roads and infrastructure improvements to facilitate the City's vision for this area.
- ☞ **Underutilized Land** – As the envisioned commercial center of the City, the Downtown District currently has land that is underutilized. Some of the industrial/manufacturing tenants should be relocated to other areas of the City (west of the freeway).

Streetcar

The Streetcar District includes the parcels that run along both sides of the S Line from State Street to 500 East. The advantages and impediments to economic development include:

- ☞ **Transportation** – As discussed above, the Streetcar District is serviced by the S-Line Streetcar and has two S-Line stations.

- ☞ **Location** – The Streetcar District has been identified by the City as an area for transit oriented development, which are mixed-use residential and minor commercial developments that maximize access to public transportation and create walkable communities for its residents. These developments are receiving significant support from Salt Lake County.
- ☞ **Lack of Undeveloped Land** – The Streetcar District has no vacant parcels. The razing of current buildings will be necessary for all future development. This will increase the costs of developing the land.
- ☞ **Nighttime Population/Activity** – A majority of the area currently lacks a strong nighttime population and its associated activity. This is mainly due to the current uses within the Streetcar District.

3300 South Interchange

The 3300 South Interchange District includes the area west and east of I-15, along the north and south sides of 3300 South. The advantages and impediments to economic development include:

- ☞ **Transportation/Accessibility** – The 3300 South District contains the TRAX Millcreek Station and an access point to I-15. The area sees both significant daily traffic and mass-transit riders. The 3300 South District is highly visible, due to its proximity to I-15.
- ☞ **Industrial/Manufacturing Sector** – The areas directly southwest and southeast of I-15 and 3300 South have a strong industrial/manufacturing sector. Each of the areas contains some of the top gross taxable sales producing businesses.
- ☞ **Nighttime Population/Activities** – A majority of the area currently lacks a strong nighttime population and its associated activity. This is mainly due to the current uses within the 3300 South District.
- ☞ **Dilapidated Buildings & Infrastructure** – Some of the buildings within the 3300 South District are older and have lacked reinvestment and updates. In addition, the area southwest of I-15 and 3300 South includes auto junkyards.
- ☞ **Underutilized Land** – With high visibility and great transportation/accessibility, the 3300 South District currently has land that is underutilized. Some of the industrial/manufacturing tenants should be relocated to other areas of the City.
- ☞ **Potential Environmental Issues** – There is the potential of environmental issues caused by the past and current industrial businesses within the 3300 South District. Mitigating these issues can be very costly, and thus hinder redevelopment within the district.

State Street

The State Street District includes parcels along the east and west sides of State Street between 3900 South and 2700 South. The advantages and impediments to economic development include:

- ☞ **Transportation/Accessibility** – State Street receives a large amount of daily traffic, as it is the main alternative from traveling north and south throughout the Salt Lake Valley. The City's main east to west roads all intersect with State Street.

- ☞ **Sales Tax Producer** – There are numerous high gross taxable sales producers within the State Street District. This area has a wide variety of retail and service businesses.
- ☞ **Small Parcel Size** – A majority of the parcels within the State Street District are relatively small. This prevents the development of larger retail uses.
- ☞ **Dilapidated Buildings & Infrastructure** – Many of the buildings within the State Street District are older and have lacked any reinvestment. The area lacks cohesiveness, as there are various uses along State Street.
- ☞ **Residential Proximity** – Some of the commercial property along State Street are backed by residential parcels. These residents would need to be relocated in order to acquire land for larger developments.

Granite High School District

The Granite High School District includes all of the parcels of the old Granite High School Building east of 500 East, along 3300 South. The advantages and impediments to economic development include:

- ☞ **Location** – The Granite High School District is an iconic and historical area for the surrounding community. With its available 26.85 acres of land, this area is primed to serve as a community focal point.
- ☞ **Dilapidated Buildings and Infrastructure** – The Granite High School has lacked any reinvestment and maintenance over the last few years. Most development would require the razing of the current buildings.
- ☞ **Community & Political Sensitive Land Use** – The green space of Granite High School is an important community benefit to many residents of South Salt Lake. Any development that will remove the current green space could result in negative publicity for the City.
- ☞ **Underutilized Land** – The Granite High School District suffers from underutilized land, as the 26.85 acres have largely gone unused over the last few years.

Buehner Block District

The Buehner Block District includes three parcels that currently house the Buehner Block Company. The 19.28 acres are east of the UTA Rail Corridor, along 2800 South. The advantages and impediments to economic development include:

- ☞ **Land Assemblage** – The Buehner Block District is contains 19.28 acres of assembled parcels. This creates numerous possibilities for developments, which is rare within the City.
- ☞ **Visibility** – The Buehner Block District is adjacent to the TRAX line and is in between the Central Pointe and Millcreek TRAX Stations. Connecting a walkway to the development could classify this District as a TOD.
- ☞ **Lack of Undeveloped Land** - The Buehner Block District has no vacant parcels. The razing of current buildings and other site remediation will be necessary for all future development. This will increase the costs of developing the land.

- ☞ **Cost of Land** – The cost to purchase the Buehner Block District will likely be significant, this creates an issue, as developers will likely have to increase the density of any development to offset the purchase price, which may not be feasible in the area.

General Economic Development Goals

- ☞ **Continue to Promote Transit Oriented Development around Mass Transit Stations**
- ☞ **Create or Finish Economic Development Areas in each Identified Economic Development District**
- ☞ **Encourage Specialized Commercial Development**
- ☞ **Promote Best Use of Land around Major Transportation Access Points**
- ☞ **Develop a Progressive Image of South Salt Lake**
- ☞ **Increase Cultural & Arts Activities in the City**
- ☞ **Recapture Lost Sales Tax Leakage in General Merchandise and Clothing Stores**
- ☞ **Increase Sustainability of City's Tax Base**
- ☞ **Promote Best Use of Economic Development Revenues**

Section II: Overview of South Salt Lake City

South Salt Lake City was incorporated in 1938. The City covers an area of approximately 6.9 square miles. The current population is estimated to be 24,788. South Salt Lake benefits from numerous transportation and accessibility options. I-15, I-80, and SR-201 intersect in the northwestern portion of the City. State Street runs north-to-south through the middle of the City. There are three TRAX light rail stations within the City limits, including the Central Pointe Station, where all three TRAX lines stop. The Central Pointe Station is also the starting point for the S-Line, a streetcar line that connects South Salt Lake to the Sugarhouse neighborhood of Salt Lake City. Population growth and demographic characteristics are key factors in assessing economic development strategies. The following provides an analysis of key demographic information (i.e. population projections, household sizes, education levels, income levels, etc.). Supplemental graphs, tables, and maps can be found in **Appendix A**.

Demographic Highlights

Population

The City of South Salt Lake has a current estimated population of 24,788. From 1990 to 2015, the population has grown from 10,219 to 24,788. This is an increase of 144%, or an annual rate of 5.79%. **Figure 2.1**¹ depicts the population growth of South Salt Lake City.

FIGURE 2.1: SOUTH SALT LAKE POPULATION GROWTH

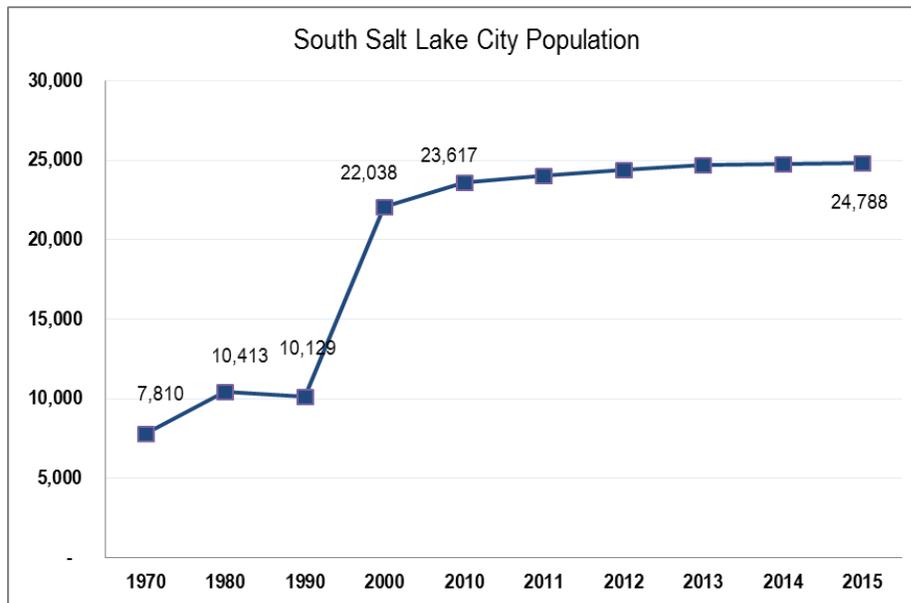
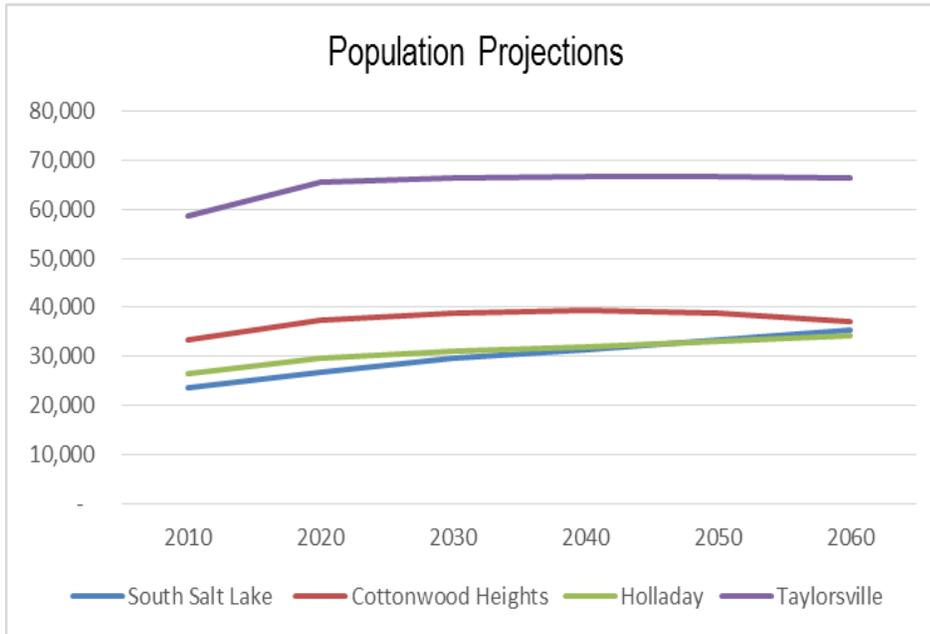


Figure 2.2 shows the Utah Governor’s Office of Planning and Budget (GOPB) population projections through the year 2060. South Salt Lake is projected by GOPB to reach a population of roughly 35,327 in 2060.

¹ The large increase from 1990 to 2000 was largely due to the City annexing a large section of unincorporated County in 1998.

FIGURE 2.2: POPULATION PROJECTIONS



Age and Household Size

South Salt Lake is made up of a higher percentage of individuals and young families between the ages of 20-34 (34.2%) compared to the County overall (25.0%). The City has a slightly higher middle-age (30.6%) population than the County (30.3%) and a slightly lower elderly (9.8%) population than the County (12.6%)². **Table 2.1** depicts the age make-up of South Salt Lake in further detail.

TABLE 2.1: SOUTH SALT LAKE CITY AGE DEMOGRAPHICS

AGE	SOUTH SALT LAKE	SALT LAKE COUNTY
Children (Under 5 Years - 9 Years)	14.2%	17.1%
Youth (10 Years - 19 Years)	11.1%	15.0%
Young Adults (20 Years - 34 Years)	34.2%	25.0%
Middle-Aged (35 Years - 59 Years)	30.6%	30.3%
Elderly (60 Years – 85 Years & Over)	9.9%	12.6%
Total	100%	100%

The median age of South Salt Lake is 29.8, this is slightly lower than both the County’s median age of 31.5 and Utah’s median age of 29.9.

With a lower number of children and youth, South Salt Lake smaller average house hold size (2.66 persons) than the average size in Salt Lake County (3.02 persons) and Utah (3.14 persons).

Housing & Property Value

The housing market has steadily grown over the last two years, with the City more than doubling their highest amount of new dwellings in a year in 2015. 1,515 residential dwellings are currently under

² US Census and American FactFinder

construction or will be constructed by 2018. **Table 2.2** describes the planned residential development within the City.

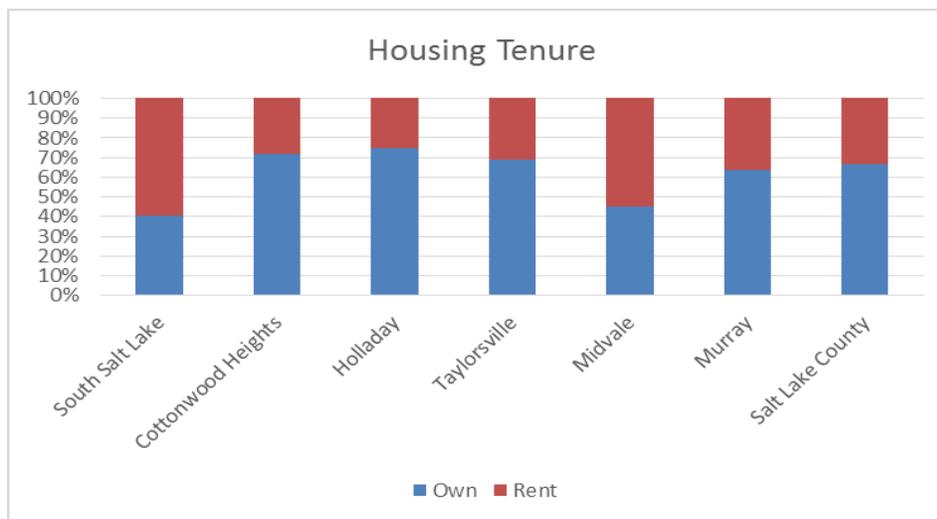
TABLE 2.2: PLANNED RESIDENTIAL DEVELOPMENT

DEVELOPMENT	TYPE	UNITS
3900 S. Riverfront	Single Family Homes	57
3900 S. Riverfront	Apartments	288
Via Apartments	Apartments	132
Zellerbach Apartments	Apartments	292
Ritz Classic	Apartments	287
Liberty on Main	Apartments	120
Liberty Crossing	Apartments	157
S-Line Townhomes	Townhomes	32
3030 Townhomes	Townhomes	8
Harper Lane	Townhomes	2
Nibley Gardens	Single Family Homes	4
2863 S. 300 E.	Single Family Home	1
83 W. Shelley Avenue	Single Family Home	1
Sharon Gardens Senior Housing	Senior	58
Golden Care Assisted Living	Senior	76
Total		1,515

The median home value in South Salt Lake \$166,100 which is lower than both Salt Lake County (\$231,200) and Utah (\$212,500). The median gross rent in South Salt Lake is \$777 compared to Salt Lake County (\$922) and Utah (\$875). The planned residential development outlined in **Table 2.2** should help increase the median home value and median gross rent within the City.

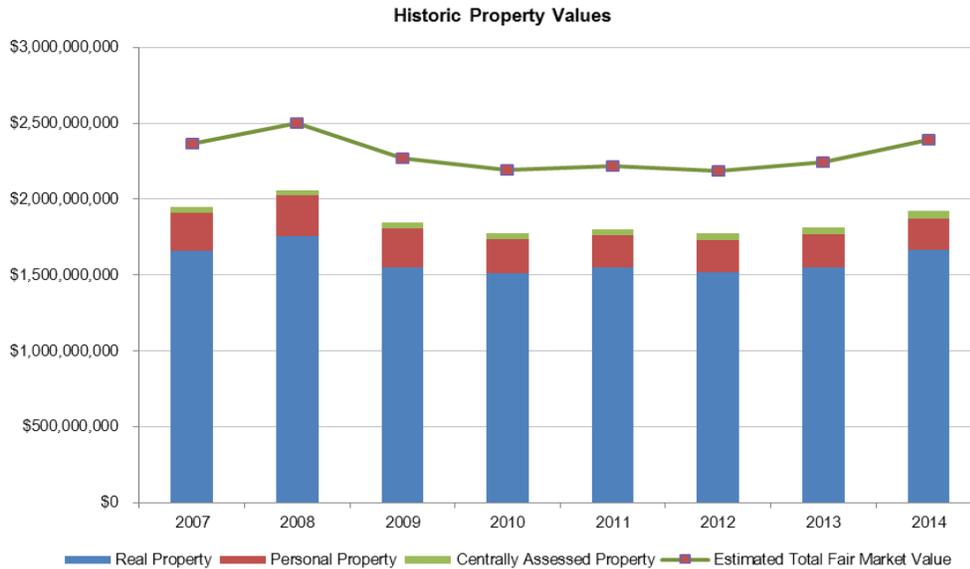
South Salt Lake has a higher renter-occupied portion of occupied housing units (59.2%) than surrounding communities and Salt Lake County. **Figure 2.3** shows the renter-occupied and owner-occupied percentages for South Salt Lake and other surrounding cities.

FIGURE 2.3: OWNER-OCCUPIED VS. RENTER-OCCUPIED HOUSING



South Salt Lake had a total assessed property value of \$1,919,437,596 in 2014. This is the highest value since the economic recession in 2008. The City has experienced three continuous years of assessed property value growth. **Figure 2.4** highlights the historic property value of South Salt Lake City from 2007 to 2014.

FIGURE 2.4: SOUTH SALT LAKE HISTORIC PROPERTY VALUES



Income

South Salt Lake has considerably lower median household income than Salt Lake County and surrounding cities. According to Census data, the median household income in South Salt Lake is 0.61 times lower than that of Salt Lake County -- \$37,238 compared to \$61,446 respectively. This means that there is less buying power in South Salt Lake, which lessens the demand for commercial development in the local area.

TABLE 2.3: ILLUSTRATION OF INCOME DATA

	SALT LAKE COUNTY	SOUTH SALT LAKE	COTTONWOOD HEIGHTS	HOLLADAY	MIDVALE	MURRAY
Median Household Income	\$61,446	\$37,238	\$76,630	\$72,827	\$51,077	\$53,797
Ratio of Salt Lake County to:	1.00	0.61	1.25	1.19	0.83	0.88

Source: US Census

Education

Educational levels in South Salt Lake are lower than in Salt Lake County and the surrounding communities. Over 23.3% of South Salt Lake residents have a bachelor’s degree or higher, compared to 23.8% in Midvale, 30.0% in Murray, 31.3% in Salt Lake County, 46.8% in Cottonwood Heights, and 51.5% in Holladay. **Table 2.4** outlines the educational levels of South Salt Lake and the surrounding community.

TABLE 2.4: EDUCATION LEVELS

	SALT LAKE COUNTY	SOUTH SALT LAKE	COTTONWOOD HEIGHTS	HOLLADAY	MIDVALE	MURRAY
High School Graduate or Higher, Percent of Persons Age 25 Years+	89.2%	78.4%	96.7%	96.5%	85.9%	92.3%
Bachelor's Degree or Higher, Percent of Persons Age 25 Years+	31.3%	23.3%	46.8%	51.5%	23.8%	30.0%

Source: US Census

Traffic

South Salt Lake receives a significant amount of daily traffic. In 2015, the annual average daily traffic (“AADT”) at the I-15, I-80, & SR 171 Interchange was 279,640. On average, 258,252 cars pass the three City access points along I-15 (3300 South, Interchange, & 2100 South). An average of 29,786 cars travel on State Street each day. **Table 2.5** illustrates the AADT counts for the major interstates and roads within South Salt Lake.

TABLE 2.5: 2015 AVERAGE ANNUAL DAILY TRAFFIC COUNTS

ROUTE	2015 AADT
I-15	
3300 South	239,506
I-80 East & SR 201 Interchange	279,640
2100 South	255,611
I-80	
I-15	134,334
State Street	129,805
State Street	
3900 South	27,941
3300 South	24,218
2700 South	34,328
I-80	35,499
2100 South	26,946
2100 South	
900 West Interchange	98,693
900 West via 2100 South	10,046
300 West	22,992
3300 South	
900 West	32,971
I-15	48,652
300 West	41,055

Workforce

The largest industries in South Salt Lake include: 1) trade, transportation and utilities; 2) professional and business services; 3) construction; and 4) manufacturing. **Table 2.6** shows South Salt Lake’s largest employers.

TABLE 2.6: SOUTH SALT LAKE CITY LARGEST EMPLOYERS

EMPLOYER	INDUSTRY	EMPLOYMENT
MVW US Services, LLC	Professional	500
Daily's Premium Meats LLC	Food Manufacturing	396
RC Willey	Retail	372
Bimbo Bakeries USA, Inc.	Food Manufacturing	357
Westech Engineering, Inc.	Professional	334
Mondi Bags USA, Inc.	Manufacturing	300
Taylor Electric, Inc.	Manufacturing	212
Salt Lake Behavioral Health LLC	Professional	200
Total		3,508

Economic Development Project Areas

The Redevelopment Agency of South Salt Lake City currently has nine (9) Economic Redevelopment Project Areas, they are: 1) 300 West Redevelopment Area, 2) Metro Redevelopment Area, 3) Post Office Place Redevelopment Area, 4) Westech Economic Development Area, 5) Market Station Urban Renewal Area, 6) Central Pointe Urban Renewal Area, 7) Granite High Community Development Area, 8) Streetcar Community Development Area, and 9) 3900 South Community Development Area. A map depicting the location of each Economic Redevelopment Project Area can be found in **Appendix A**. Table 2.7 contains a summary of each Project Area.

TABLE 2.7: SOUTH SALT LAKE CITY RDA'S PROJECT AREAS

PROJECT AREA	YEAR ADOPTED	STATUS
300 West RDA	1985	The Project Area will receive tax increment through FY 2016
Metro RDA	1985	The Project Area will receive tax increment through FY 2019
Post Office Place RDA	1984	The Project Area will receive tax increment through FY 2018
WesTech EDA	2010	The Project Area will receive tax increment through FY 2022
Market Station URA	2008	The Project Area Budget is currently being revised
Central Pointe URA	2011	The Project Area Budget is currently being revised
Granite High CDA	2012	The Agency has yet to negotiate the interlocal agreements
Streetcar CDA	2012	The Agency is currently negotiating the interlocal agreements
3900 South CDA	2015	The Agency is currently negotiating the interlocal agreements

Section III: Retail Leakage Analysis

This section provides an analysis of the economic sustainability of the South Salt Lake City (City) in relation to its sales tax revenue stream. Included in this section is an overview of retail sales, a sales leakage and capture analysis, and a buying power analysis. This information will assist the City in attracting businesses to fill service gaps, prepare economic development strategies to keep retail sales in the City, determine overall economic development plans, and provide an overall update of the City's sales tax revenue. A sales gap ("leakage") analysis is conducted in order to identify economic development opportunities for a community by evaluating the total purchases made by residents inside and outside the community (hence, the term "leakage" for sales residents make outside the community and "capture" for sales gained from non-city residents). Supplemental retail leakage study data can be found in **Appendix B**.

Historic Retail Sales

- ☞ South Salt Lake's gross sales have grown at an annual rate of 5.7 percent. This annual average growth rate (AAGR) is surpassed by half of the comparable cities.
- ☞ However, the City's gross sales *per capita* has grown at a quicker rate than other comparable Cities. At 4.6 percent, the City's AAGR is surpassed by only one of the comparable cities. This suggests that gross taxable sales are increasing on pace with population growth. South Salt Lake has the highest gross taxable sales *per capita* than all other comparable cities.
- ☞ The City's greatest retail strength based on total taxable sales is motor vehicle & parts dealers, followed by building materials, miscellaneous retail trade³, and furniture & home furnishings.

Sales Tax Leakage

- ☞ The sales leakage analysis suggests the City captures 462 percent of the income adjusted State spending per capita of \$9,916 (income adjusted based on South Salt Lake's median per capita income).
- ☞ In 2013, the city captured 484 percent which may be attributed to a disproportionate population change compared with the per capita income change.
- ☞ From the sales leakage analysis it is apparent that the following opportunities for development may exist and be well received by City residents:
 - Clothing & Clothing Accessories
 - General Merchandise Stores
 - Accommodation

TABLE 3.1: SALES TAX LEAKAGE

CATEGORY	LEAKAGE REVENUE	ESTIMATED LOST REVENUE	ESTIMATED ADDITIONAL SQUARE FOOTAGE/UNITS
Retail-Clothing & Clothing Accessories Stores	(\$9,245,536)	\$64,719	20,000 Sq. Ft.

³ Miscellaneous retail trade includes florists, office supplies, gift stores, and other miscellaneous stores.

Retail-General Merchandise Stores	(\$28,374,353)	\$198,620	100,000 Sq. Ft.
Accommodation	(\$5,527,108)	\$38,690	150-200 Units
Total	(\$43,146,997)	\$302,029	

Based on the .7 percent point of sales tax rate, the City could collect an additional \$302,029 in tax revenue as shown in **Table 3.1**.

Buying Power Analysis

The buying power of South Salt Lake residents could increase between \$3.47 million based on the State per capita spending and \$16.01 million based on the City’s current per capita spending, annually through 2020, due to a population increase of approximately 2,097 residents. This is a helpful predictor for future sales tax growth potential in South Salt Lake.

Historic Retail sales

The tables below show historic gross sales related to business within South Salt Lake City and comparison cities by year, the average annual growth rate (AAGR) in sales data, as well as taxable sales per capita data. It is important to note that the analysis of historic sales and comparison of taxable sales by community is based on the calendar year taxable sales reports compiled by the Utah State Tax Commission. For privacy reasons, the annual taxable sales by category are often inflated to protect the sales information for groups within a category that do not have a large enough sample of businesses. The figures below are used to provide a trend analysis and allow a comparison to surrounding communities where actual detailed data is not available.

South Salt Lake City’s gross sales have grown at an annual rate of 5.7 percent. This annual average growth rate is surpassed by over half of the comparable cities, as illustrated in **Table 3.2**. The AAGR per capita for South Salt Lake is 4.6 percent, which is only exceeded by one of the comparable cities as shown in **Table 3.3** and **Graph 3.1**. This suggests that while gross taxable sales are increasing, it may not be keeping pace with population growth.

TABLE 3.2: GROSS TAXABLE SALES

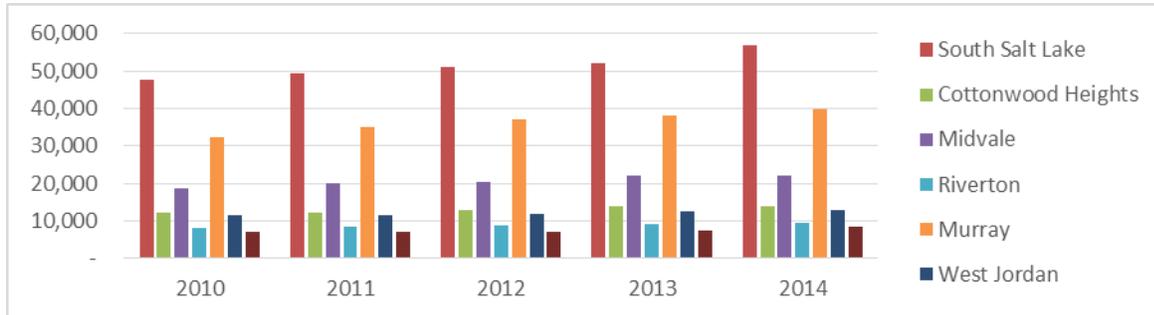
CITY	2010	2011	2012	2013	2014	AAGR
South Salt Lake	\$1,127,865,679	\$1,183,346,824	\$1,246,932,888	\$1,290,468,867	\$1,408,932,036	5.7%
Cottonwood Heights	\$410,769,016	\$406,410,813	\$433,110,483	\$474,515,318	\$467,695,844	3.3%
Midvale	\$530,248,214	\$570,379,373	\$611,951,093	\$678,977,139	\$695,597,515	7.0%
Riverton	\$310,076,638	\$331,874,506	\$352,359,554	\$368,268,721	\$395,577,613	6.3%
Murray	\$1,515,427,839	\$1,649,736,688	\$1,791,828,003	\$1,846,357,391	\$1,949,419,246	6.5%
West Jordan	\$1,180,515,132	\$1,229,449,515	\$1,290,513,275	\$1,357,036,538	\$1,415,668,971	4.6%
Holladay	\$181,801,105	\$186,543,724	\$193,397,282	\$202,420,167	\$223,239,995	5.3%

TABLE 3.3: GROSS TAXABLE SALES PER CAPITA

CITY	2010	2011	2012	2013	2014	AAGR
South Salt Lake	\$47,609	\$49,286	\$51,177	\$52,168	\$56,931	4.6%
Cottonwood Heights	\$12,282	\$12,040	\$12,727	\$13,846	\$13,689	2.7%
Midvale	\$18,735	\$19,899	\$20,206	\$22,025	\$21,926	4.0%
Riverton	\$7,964	\$8,385	\$8,710	\$8,987	\$9,542	4.6%
Murray	\$32,432	\$34,965	\$37,145	\$37,965	\$39,929	5.3%
West Jordan	\$11,337	\$11,536	\$11,908	\$12,316	\$12,763	3.0%

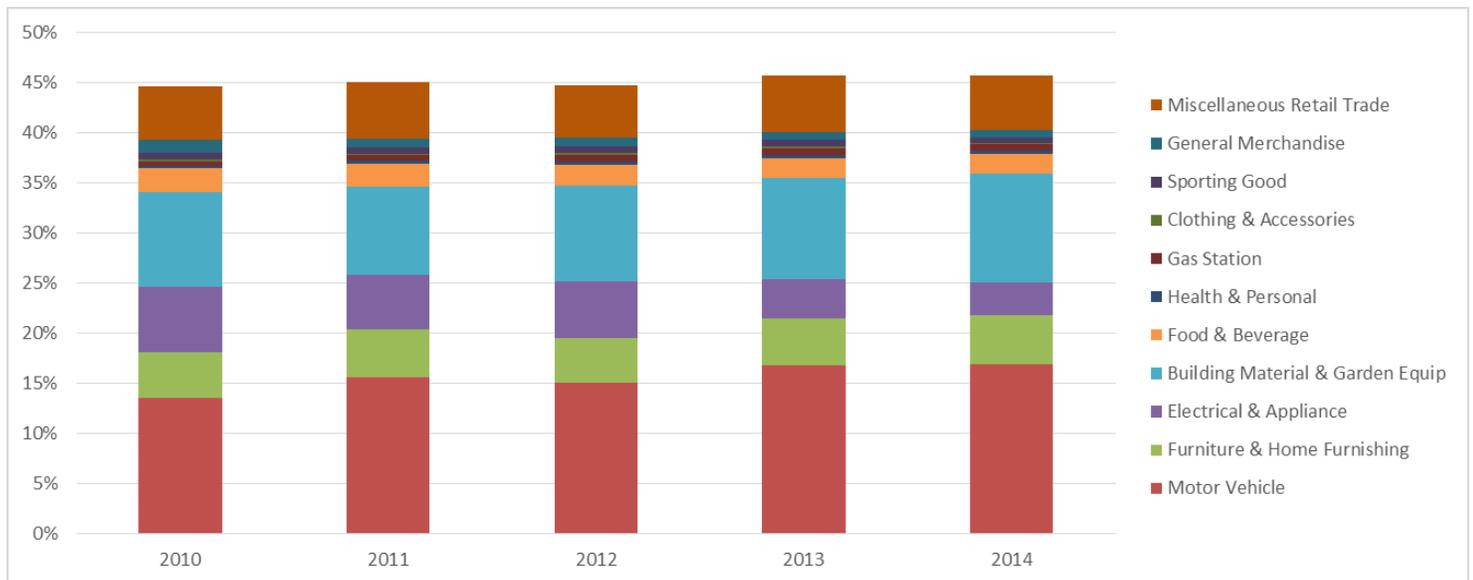
Holladay	\$6,865	\$6,978	\$7,173	\$7,449	\$8,229	4.6%
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FIGURE 3.1: GROSS TAXABLE SALES PER CAPITA



South Salt Lake’s City’s greatest retail strength is motor vehicle, followed by building materials, miscellaneous retail trade, and furniture & home furnishings as detailed in **Graph 3.2**. Clothing & accessories represents the lowest percent of total retail sales for South Salt Lake City.

FIGURE 3.2: SOUTH SALT LAKE RETAIL AS A PERCENT OF TOTAL TAXABLE SALES



Retail Sales Leakage Analysis

The following outlines South Salt Lake’s sales capture by category for 2014. The analysis identifies in which categories South Salt Lake City is experiencing sales leakage and which categories could potentially be developed. Negative income adjusted per capita numbers estimate the approximate amount being spent per person (on average) outside of South Salt Lake City boundaries by all residents. Positive numbers indicate that South Salt Lake is attracting more than its fair share of purchases (shoppers from outside the City are attracted to the area for certain types of purchases).

Overall, South Salt Lake is capturing 462 percent of all sales categories of all sales that occur within the City, based on the income adjusted State spending per capita of \$9,916 (income adjusted based on South Salt Lake’s median per capita income). In order to retain confidentiality, as required by statute, only major categories are included below in **Table 3.4**. The information below is based on the 2014 information for major North American Industry Classification System (NAICS) Codes as collected by the Utah State Tax Commission.

TABLE 3.4: RETAIL SALES CAPTURE

CATEGORY	INCOME ADJUSTED PER CAPITA	TOTAL INCOME ADJUSTED LEAKAGE	2014 CAPTURE RATE	2010 CAPTURE RATE	DIFFERENCE
Wholesale Trade-Durable Goods	\$11,890	\$294,264,696	1,329%	1,592%	-263%
Wholesale Trade-Nondurable Goods	\$1,586	\$39,258,798	879%	620%	258%
Wholesale Trade-Electronic Markets	\$57	\$1,419,406	529%	555%	-26%
Retail-Motor Vehicle & Parts Dealers	\$8,189	\$202,655,874	675%	721%	-46%
Retail-Furniture & Home Furnishings Stores	\$2,576	\$63,740,394	1,272%	1,238%	34%
Retail-Electronics & Appliance Stores	\$1,622	\$40,151,040	846%	1,520%	-674%
Retail-Build. Material, Garden Equip. & Supplies Dealers	\$5,544	\$137,209,202	970%	996%	-25%
Retail-Food & Beverage Stores	\$90	\$2,220,121	109%	128%	-20%
Retail-Health & Personal Care Stores	\$33	\$806,567	126%	145%	-19%
Retail-Gasoline Stations	\$134	\$3,322,453	152%	106%	45%
Retail-Clothing & Clothing Accessories Stores	(\$374)	(\$9,245,536)	14%	20%	-6%
Retail-Sporting Goods, Hobby, Music, & Book Stores	\$52	\$1,298,059	120%	159%	-38%
Retail-General Merchandise Stores	(\$1,147)	(\$28,374,353)	28%	47%	-19%
Retail-Miscellaneous Retail Trade	\$2,654	\$65,680,020	718%	739%	-21%
Non-Store Retailers	\$101	\$2,491,807	168%	228%	-60%
Arts, Entertainment, & Recreation	\$100	\$2,470,904	162%	116%	46%
Accommodation	(\$223)	(\$5,527,108)	39%	45%	-6%
Food Services & Drinking Places	\$686	\$16,985,783	166%	186%	-20%
Other Services-Except Public Administration	\$2,318	\$57,369,021	730%	675%	55%
Total	\$35,890	\$888,197,148	462%	498%	-36%

The decrease in capture rate from 2010 to 2014 may be attributed to a disproportionate population change compared with the per capita income change. From 2010-2014, South Salt Lake’s population experienced an AAGR of 1.10 percent while the per capital income AAGR from 2010-2014 was only 0.11 percent.

Additionally, a comparison of the decline in capture rates to total market share, or the percent of total taxable sales within a community when compared to surrounding communities, illustrates that South Salt Lake has maintained its market share since 2010, as shown in **Table 3.5**. While 2013 showed an increase in capture rates when compared to the previous year, it declined again in 2014 which may suggest that while the City’s total taxable sales have increased since 2010 and there is a net capture of

sales within the community, population growth may be outpacing growth in retail sales. Thus an effort to offer additional retail opportunities may increase the per capital sales variables within the community.

TABLE 3.5 COMPARISON OF MARKET SHARE

	2010	2011	2012	2013	2014	NET CHANGE 2010-2015
South Salt Lake Capture Rate	498%	484%	475%	484%	462%	
Market Share						
South Salt Lake	21%	21%	21%	21%	21%	0.0%
Cottonwood Heights	8%	7%	7%	8%	7%	-0.7%
Midvale	10%	10%	10%	11%	11%	0.5%
Riverton	6%	6%	6%	6%	6%	0.1%
Murray	29%	30%	30%	30%	30%	0.9%
West Jordan	22%	22%	22%	22%	22%	-0.9%
Holladay	3%	3%	3%	3%	3%	-0.1%

Based on the leakage described above, the City is capturing the majority of its sales tax revenue potential. Given a 0.7 percent point of sales tax rate, the City could collect an additional \$302,029 in tax revenue as noted in **Table 3.6**, assuming the City could capture 100 percent of retail sales that currently are being “leaked” to other communities.

TABLE 3.6 ESTIMATED LOST REVENUE

CATEGORY	LEAKAGE REVENUE	ESTIMATED LOST REVENUE
Wholesale Trade-Durable Goods	\$294,264,696	-
Wholesale Trade-Nondurable Goods	\$39,258,798	-
Wholesale Trade-Electronic Markets	\$1,419,406	-
Retail-Motor Vehicle & Parts Dealers	\$202,655,874	-
Retail-Furniture & Home Furnishings Stores	\$63,740,394	-
Retail-Electronics & Appliance Stores	\$40,151,040	-
Retail-Build. Material, Garden Equip. & Supplies Dealers	\$137,209,202	-
Retail-Food & Beverage Stores	\$2,220,121	-
Retail-Health & Personal Care Stores	\$806,567	-
Retail-Gasoline Stations	\$3,322,453	-
Retail-Clothing & Clothing Accessories Stores	(\$9,245,536)	\$64,719
Retail-Sporting Goods, Hobby, Music, & Book Stores	\$1,298,059	-
Retail-General Merchandise Stores	(\$28,374,353)	\$198,620
Retail-Miscellaneous Retail Trade	\$65,680,020	-
Non-Store Retailers	\$2,491,807	-
Arts, Entertainment, & Recreation	\$2,470,904	-
Accommodation	(\$5,527,108)	\$38,690
Food Services & Drinking Places	\$16,985,783	-
Other Services-Except Public Administration	\$57,369,021	-
Total	\$888,197,148	\$302,029

As illustrated in **Table 3.7**, South Salt Lake’s estimated revenue loss is only slightly higher than Midvale and slightly lower than Murray, while the other comparison cities experience a much greater loss.

TABLE 3.7: COMPARABLE CITY ESTIMATED LOST REVENUE

CITY	ESTIMATED LOST
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	REVENUE
South Salt Lake	\$302,029
Cottonwood Heights	\$1,963,141
Midvale	\$235,394
Riverton	\$1,625,131
Murray	\$304,641
West Jordan	\$2,214,858
Holladay	\$2,225,072

Buying Power Analysis

As of 2014, South Salt Lake’s population was 24,748. The population is expected to increase to 26,845 by 2020. The buying power analysis considers a range based on the State adjusted per capita spending of \$9,916 and the South Salt Lake spending per capita of \$45,797. Based on the current State per capita spending, the buying power of South Salt Lake residents could increase by \$3.47 million annually through 2020, due to a population increase of approximately 2,097 residents. However, the current South Salt Lake spending per capita could generate closer to \$16.01 million annually through 2020 assuming spending patterns within the City remain consistent. This is a helpful predictor for future sales tax growth potential in South Salt Lake.

TABLE 3.8: BUYING POWER ANALYSIS

	STATE PER CAPITA	BUYING POWER GROWTH 2014-2020	SOUTH SALT LAKE PER CAPITA	BUYING POWER GROWTH 2014-2020
Wholesale Trade-Durable Goods	\$967	\$2,028,575	\$12,858	\$26,962,718
Wholesale Trade-Nondurable Goods	\$204	\$427,313	\$1,790	\$3,753,848
Wholesale Trade-Electronic Markets	\$13	\$28,014	\$68	\$141,607
Retail-Motor Vehicle & Parts Dealers	\$1,424	\$2,985,572	\$9,612	\$20,157,268
Retail-Furniture & Home Furnishings Stores	\$220	\$460,797	\$2,795	\$5,861,757
Retail-Electronics & Appliance Stores	\$217	\$455,862	\$1,840	\$3,857,998
Retail-Build. Material, Garden Equip. & Supplies Dealers	\$637	\$1,334,934	\$6,181	\$12,962,158
Retail-Food & Beverage Stores	\$1,046	\$2,193,134	\$1,135	\$2,381,128
Retail-Health & Personal Care Stores	\$125	\$262,857	\$158	\$331,186
Retail-Gasoline Stations	\$260	\$544,664	\$392	\$821,762
Retail-Clothing & Clothing Accessories Stores	\$434	\$910,538	\$61	\$127,074
Retail-Sporting Goods, Hobby, Music, & Book Stores	\$258	\$541,373	\$311	\$651,332
Retail-General Merchandise Stores	\$1,598	\$3,350,816	\$451	\$946,347
Retail-Miscellaneous Retail Trade	\$430	\$900,849	\$3,084	\$6,466,136
Non-Store Retailers	\$149	\$311,535	\$249	\$522,659
Arts, Entertainment, & Recreation	\$161	\$337,462	\$261	\$546,813
Accommodation	\$365	\$764,948	\$139	\$291,213
Food Services & Drinking Places	\$1,040	\$2,181,674	\$1,727	\$3,620,824
Other Services-Except Public Administration	\$368	\$771,819	\$2,686	\$5,632,888
Total	\$9,916	\$20,793,737	\$45,797	\$96,036,717
Annual		\$3,465,623		\$16,006,120

Additional retail leakage analysis detail is discussed in greater detail in **Appendix B**.

Section IV: Strengths, Weaknesses, Opportunities, & Threats Analysis

One of the first steps in formulating South Salt Lake City’s economic development goals and strategies is to better understand the current strengths, weaknesses, opportunities, and threats (SWOT) within the City. LYRB conducted two SWOT analysis sessions. The first session was with South Salt Lake City’s Economic Development Committee. The results of this session are outlined in **Table 4.1**.

TABLE 4.1: CITY ECONOMIC DEVELOPMENT COMMITTEE SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ☐ RDA/City Owned Land ☐ Transportation & Accessibility ☐ Value ☐ City Staff ☐ Industrial Sector ☐ Developer Friendly Development Process ☐ Town Option Sales Tax ☐ Value in Housing ☐ Location ☐ Job Base 	<ul style="list-style-type: none"> ☐ Nighttime Population ☐ Land Cost ☐ Lack of Undeveloped Land ☐ Dilapidated Buildings ☐ Lack of Incentives ☐ Underutilized Land ☐ Parcel Size (State Street) ☐ Old Infrastructure ☐ Income Level ☐ Environmental Issues
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ☐ Diversity (Population) ☐ City Image ☐ Development Ready ☐ Town Option Sales Tax ☐ Transportation & Accessibility ☐ State Street ☐ New Development (Rooftops) ☐ Office Potential ☐ Momentum ☐ Creating Downtown Area 	<ul style="list-style-type: none"> ☐ Unfounded Perceptions of South Salt Lake ☐ Surrounding Cities ☐ City Image

The second SWOT session was with South Salt Lake City’s key business owners and stakeholders. The results of this session are outlined in **Table 4.2**.

TABLE 4.2: CITY BUSINESS OWNERS & STAKEHOLDERS SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ☐ Construction Sector ☐ Transportation & Accessibility 	<ul style="list-style-type: none"> ☐ Per Capita Income ☐ Slow Moving Development ☐ Business Expansion Incentives ☐ Blight ☐ Perception (No Good City News) ☐ Lack of Nighttime Activity ☐ Awkward Development Patterns ☐ Walkability Safety (TRAX Stations) ☐ Public Relations
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ☐ New Development (Rooftops) ☐ Transportation & Accessibility 	<ul style="list-style-type: none"> ☐ Misdread Perceptions of South Salt Lake ☐ Potential of Losing Current Businesses

Below are descriptions of some of the SWOT analysis findings:

Strengths

Value

With its close proximity to Salt Lake City, South Salt Lake offers a cost effective alternative to business owners and residents who desire to work and live close to the downtown Salt Lake City area.

Transportation, Accessibility & Mobility

South Salt Lake City enjoys access to I-15 and I-80. There are three interstate exists within City boundaries. State Street also cuts through the heart of the City. In addition to the vehicle access and daily traffic counts, South Salt Lake City is also a major center for the Salt Lake Valley's mass transit system. All three TRAX lines (Blue, Green and Red) stop at the Central Pointe Station. The City also has the S Line, a streetcar line that connects South Salt Lake City to the Sugarhouse neighborhood of Salt Lake City. This combination of accessibility and transportation options is unmatched within the Valley.

Town Option Sales Tax

South Salt Lake City is one of three Utah cities that is able to impose an additional 0.20% Town Option Sales Tax levy. In 2015, this levy equaled an additional \$2.82 million in sales tax revenue for the City.

Industrial & Construction Sector

There is a strong industrial/construction sector within the City. A majority of the City's top sales tax producers are within this sector.

Developer Friendly Process

The City has worked hard to improve their zoning ordinances, business license process, and other development requirements to be more developer friendly.

Job Base

Currently, approximately 46,000 persons work within South Salt Lake City. This equates to a large day time population that would benefit from increased commercial services.

Weaknesses

Nighttime Population

The four identified economic development districts all currently suffer from a lack of nighttime populations and activities. This can create a risk of higher crime and other safety issues for public transit riders and other pedestrians within the City.

Per Capita Income

The City currently has a low per capita income. This means that the City has less buying power than the surrounding communities, which can lessen the demand for commercial development.

Dilapidated Buildings

Certain sections of the City suffer from a lack of reinvestment. This can lead to a dilapidated appearance, which is unbecoming to future developers.

Perception/Public Relations

South Salt Lake suffers from unfounded perceptions. Some key stakeholders noted that usually South Salt Lake appears in negative stories. This can lead to the perception that South Salt Lake is not a good place to live or work. Further, the stakeholders stated that South Salt Lake lacks good public relations.

Business Expansion Incentives

Stakeholders noted that the City currently lacks business expansion incentives for current businesses. If incentives exist, the City needs to be better at sharing the incentive options with current business owners in South Salt Lake.

Lack of Developable Land

The majority of land within the City has already been developed. The razing of current building and other redevelopment expenses increases the costs needed to develop the land into better and higher uses.

Environmental Issues

There is an increased potential of environmental issues, such as ground contamination, within some of the industrial areas in the identified economic development districts. Mitigating these issues can be very costly.

Opportunities

New Development (Rooftops)

As noted in Table 2.2, there will be 1,515 new residential units constructed in the next two years. These new rooftops will help entice new commercial development, as it increases the population of the City and the per capita income.

City Image

In discussions with developers and real estate professionals, South Salt Lake is currently viewed as a City that is on the cusp of substantial development.

Transportation & Accessibility

The City is accessible by both I-15 and I-80, two of the major interstates that run through Utah. All three TRAX lines and the S-Line stop in the City. South Salt Lake is a great option for transit oriented development surrounding the Central Pointe Station and the S-Line.

Creating a Downtown Area

The City has recently gone through the efforts of identifying and creating a downtown masterplan. Selecting a specific downtown area creates the opportunity to focus the City's efforts and capture the vision of the area.

Threats

Unfounded Perceptions of City

As noted in the opportunities, South Salt Lake suffers from some unfounded perceptions. These perceptions may be having a negative effect on potential developers and residents.

Potential of Losing Current Businesses

As with any City, South Salt Lake has the risk of losing current businesses to competing cities that offer relocation incentives and other inducements that would encourage a business to leave South Salt Lake for a competing city.

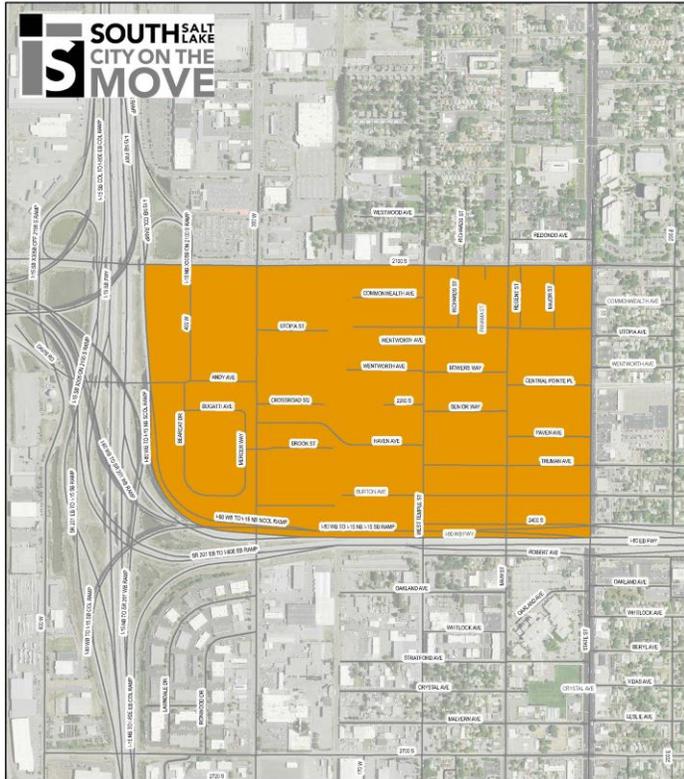
**Surrounding Cities**

South Salt Lake City is within close proximity of Salt Lake City, Cottonwood Heights, Midvale, and Murray, cities that have large holdings on most major retail sectors and office developments.

Section V: Economic Development Districts

This section provides an overview the six identified economic development districts, which are: 1) Downtown District, 2) Streetcar District, 3) 3300 South Interchange District, 4) State Street District, 5) Granite High School District, and 6) Buehner Block District. The pertinent economic development advantages and impediments within each economic district will be discussed, and specific goals and strategies for each district will be identified.

Downtown



South Salt Lake Economic Development Strategic Plan: Downtown

 Downtown

0 0.075 0.15 0.3 Miles



Overview

The Downtown District contains all of the parcels between I-15 & State Street, and I-80 to 2100 South. The parcels within the Downtown District are a combination of mixed-use commercial, industrial, and some residential. This area was selected as it is a focal point of the City. This area has been identified by the Wasatch Front Regional Council (WFRC) as a Station Community. The City has recently created a masterplan for the Downtown Area. The City envisions this area as being one of the principal commercial and residential mixed-use areas of the City. This area has recently been rezoned to a mixed-used form-based zone.

There are currently two urban renewal project areas (“URA”) within the Downtown District, the Central Pointe URA and the Market Station URA. The Redevelopment Agency of South Salt Lake City (the “Agency”) is currently in the process of amending the URA Project Area Plans and Budgets. The 300 West Redevelopment Project Area is

also within the Downtown District. This Project Area will expire after 2016. The City/Agency owns over 18 acres of land within the Downtown District.

The Central Pointe UTA TRAX Station is found in the Downtown District. The S-Line Streetcar also begins within the Downtown District. There are two interstate exits within the Downtown District, I-15 exits at 2100 South and I-80 exits at State Street.

Vision

The City has recently completed significant master planning to create the City’s first downtown district. The new urban walkable downtown district will be built around the S-line Streetcar and will serve as the

city center of the community. The neighborhood will consist of a variety of housing, commercial, cultural and recreational amenities that will help create an environment where people can work, play, stay, and recreate.

The main reasons the Downtown District was selected are: 1) the City’s vision for the area, 2) the presence of two urban renewal project areas in the Downtown area, 3) the key transportation and accessibility access points, and 4) current planned development within the District.

Important businesses within the Downtown District include:

- ☞ RC Willey
- ☞ Best Buy
- ☞ Mountain Land Design
- ☞ US Air Conditioning

New Development within the Downtown District include:

- ☞ Winco
- ☞ Liberty on Main (Residential)
- ☞ Liberty Crossing (Residential)

Advantages

- ☞ **Transportation, Accessibility & Mobility** – As discussed above, the Downtown District contains the Central Pointe Station an important mass transit stop for the TRAX system. The S-Line also begins within the Downtown District. In addition to the mass transit services, this District also includes two of the three City interstate access points.
- ☞ **City/RDA Owned Land** – The Agency currently owns over 18 acres of land along the west side of State Street. This is a significant benefit for future economic development within the Downtown District, as the land may be written down or given as an incentive for future development.

Impediments

- ☞ **Nighttime Population/Activity** – Currently, the Downtown Area suffers from a lack of nighttime population and nighttime activity. The majority of the current land use is commercial, manufacturing, and other daytime uses.
- ☞ **Dilapidated Buildings & Infrastructure** – Some of the buildings within the Downtown District are older and have lacked reinvestment and updates. In addition, the area will require the construction of new roads and infrastructure improvements to facilitate the City’s vision for this area.
- ☞ **Underutilized Land** – As the envisioned commercial center of the City, the Downtown District currently has land that is underutilized. Some of the industrial/manufacturing tenants should be relocated to other areas of the City (west of the freeway).
- ☞ **Potential Environmental Issues** – The City has had to mitigate areas of ground contamination within the Downtown District in order to allow new development. Other environmental issues may exist within the area.

- ☞ **Lack of Land** – The majority of land within the Downtown District has already been developed. The razing of current buildings and other redevelopment activities will be necessary for all future development. This will increase the costs of developing the land.
- ☞ **Cost of Land** – The cost of land within the Downtown District is high, this creates an issue for developers that want to assemble land for larger commercial users.

Downtown District Goal Implementation & Strategy

1. Finalize Project Area Budgets for the Urban Renewal Project Areas

- ☞ Finalize the adoption of the Project Area Budgets for the Market Station URA and Central Pointe URA. Completing the budgets is the final step needed to initiate the tax increment collection period.

2. Promote Best Use of Land around Major Transportation Points

- ☞ Pursue strong retail anchors or office users along State Street, 2100 South, Interstate Interchanges, and the Central Pointe Station.

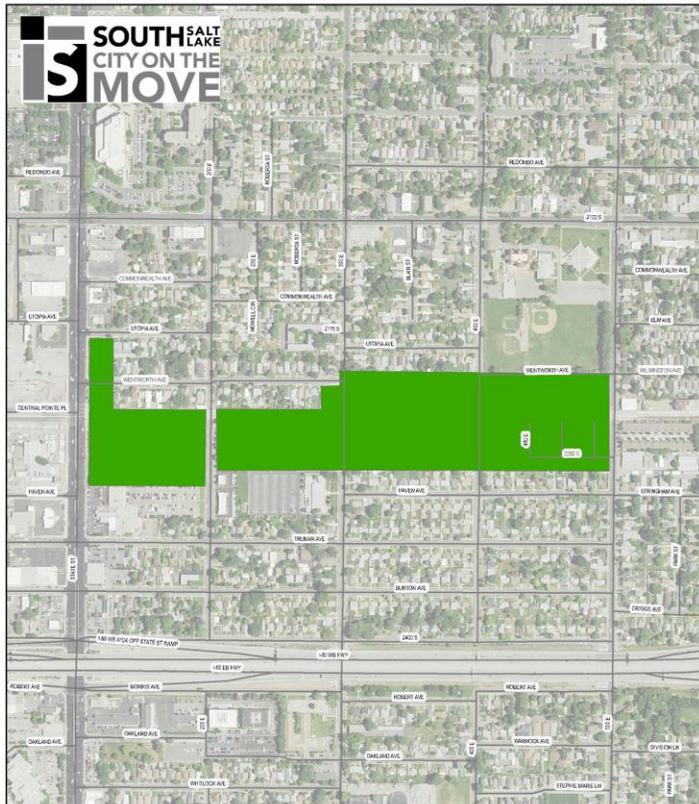
3. Increase Cultural & Arts Activities in the Downtown District

- ☞ Encourage development of a variety of cultural activities in the Downtown District. Creating an arts and entertainment district will increase the nighttime activity in the Downtown Area

4. Continue to Promote the Vision of Creating a Downtown Area, as Outlined in the Downtown Masterplan.

- ☞ Continue to promote the uses outlined in the Downtown Masterplan. Creating a mixed-use residential & commercial downtown area. This will increase the nighttime activity in the area and create a walkable feel to the Downtown District.

Streetcar



South Salt Lake Economic Development Strategic Plan: Streetcar

 Streetcar

0 0.05 0.1 0.2 Miles



Overview

The Streetcar District includes the parcels that run along both sides of the S-Line Streetcar from State Street to 500 East. The majority of the parcels within the Streetcar District are commercial and manufacturing, with a small residential footprint. Being surrounded by the S-Line, and having two S-Line stations within the Streetcar District, this area will be a site for future transit oriented development. Salt Lake County and other regional groups have identified transit oriented development as a key growth strategy for the future.

The Agency has created the Streetcar Community Development Area (“CDA”), which includes all of the parcels within the Streetcar District. The Agency is currently in the process of creating the Streetcar Budget and negotiating the participation terms with the various taxing entities in the CDA.

Vision

The Streetcar District will transform into one of the best transit oriented neighborhood in the valley. The District will be primarily multi-family residential constructed around the S-line Streetcar and Parley’s Trail. New development is oriented towards the S-line Corridor and is complimentary to the surrounding single family residential. The Streetcar neighborhood is positioned perfectly connecting the new Downtown District and the Sugar House neighborhood.

The Streetcar District will transform

The main reasons the Streetcar District was selected are: 1) the transit oriented development potential, 2) the presence of a community development area, and 3) current planned development within the District.

Important Businesses within the Streetcar Area include:

-  Kimball Electronics
-  Advanced Auto Parts
-  Sugarhouse Archives & Shred
-  Salt Lake Culinary Center

New Development within the Downtown District include:

- ☞ Zellerbach Apartments (Residential)
- ☞ Ritz Classic (Residential)
- ☞ S-Line Townhomes (Residential)

Advantages

- ☞ **Transportation** – As discussed above, the Streetcar District is serviced by the S-Line Streetcar and has two S-Line stations.
- ☞ **Location** – The Streetcar District has been identified by the City as an area for transit oriented development, which are mixed-use residential and commercial developments that maximize access to public transportation and create walkable communities for its residents. These developments are receiving significant support from Salt Lake County and the WFRC.

Impediments

- ☞ **Lack of Undeveloped Land** – The Streetcar District currently has one vacant parcel. The razing of current buildings will be necessary for all future development. This will increase the costs of developing the land.
- ☞ **Nighttime Population/Activity** – A majority of the area currently lacks a strong nighttime population and its associated activity. This is mainly due to the current uses within the Streetcar District.

Streetcar District Goal Implementation & Strategy

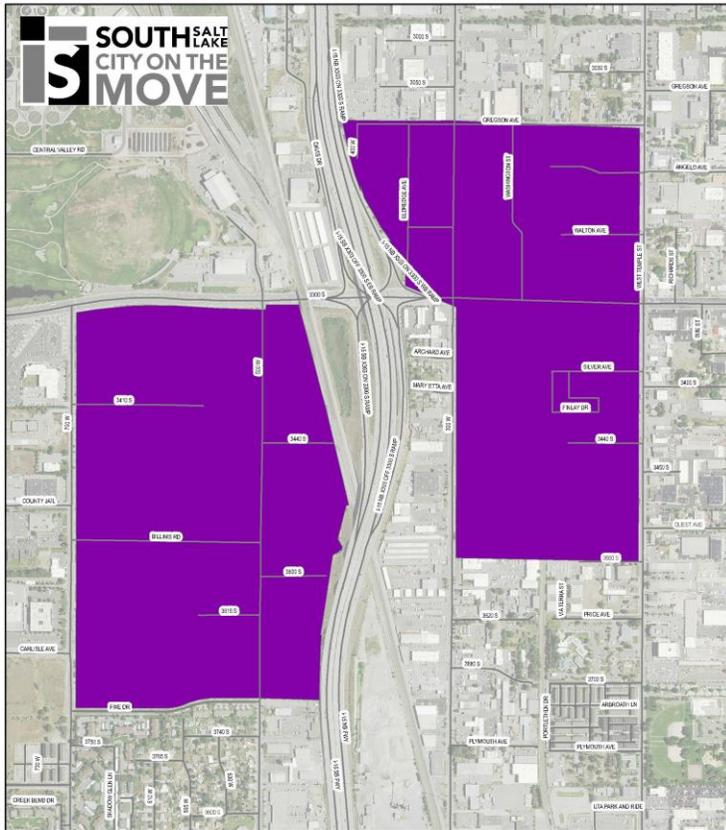
1. Finalize Interlocal Agreements with Taxing Entities

- ☞ The interlocal agreements outline the timeframe and percentage of tax increment participation. This is the final step needed to initiate tax increment financing in the Streetcar CDA.

2. Continue to Promote Transit Oriented Development

- ☞ Transit Oriented Developments will increase the nighttime activity around the mass transit stations.
- ☞ Transit Oriented Development will create a more walkable feel to the Streetcar District.
- ☞ Transit Oriented Development will help increase the City's population.
- ☞ These development receive significant support from Salt Lake County, the WFRC and other regional planning groups.

3300 South Interchange



South Salt Lake Economic Development Strategic Plan: 3300 South Interchange



Overview

The 3300 South Interchange District (the “3300 South District”) includes the area west and east of I-15, along the north and south sides of 3300 South. The majority of the parcels within the 3300 South District are mixed-commercial, industrial and manufacturing uses. This area sees a high amount of daily traffic, as it includes access points to I-15 and the western section of the City. The 3300 South District also includes the TRAX Millcreek Station, which is serviced by the Blue and Red Lines.

There are no redevelopment project areas within the 3300 South District.

Vision

As one of the last remaining interchanges to be redevelopment along I-15, the 3300 South Interchange will take advantage of attracting new large format retail, office and light industrial uses. The traffic counts help promote this area as a necessary district for redevelopment. While there are

significant hurdles in redeveloping the property due to the existing uses, the 3300 South District consists of large, highly visibly parcels that could easily be assembled for development.

The main reasons the 3300 South District was selected include: 1) the high amount of daily traffic, 2) the visibility of the area (located along major interstate), and 3) existence of underutilized land.

Important Businesses within the 3300 South District include:

-  Les Olson Company
-  Roofers Supply Inc
-  Salt Lake Valley Buick GMC
-  Airgas

Advantages

-  **Transportation, Accessibility & Mobility** – The 3300 South District contains the TRAX Millcreek Station and an access point to I-15. The area sees both significant daily traffic and mass-transit riders. The 3300 South District is highly visible, due to its proximity to I-15.

- ☞ **Industrial/Manufacturing Sector** – The areas directly southwest and southeast of I-15 and 3300 South have a strong industrial/manufacturing sector. Each of the areas contains some of the top gross taxable sales producing businesses.

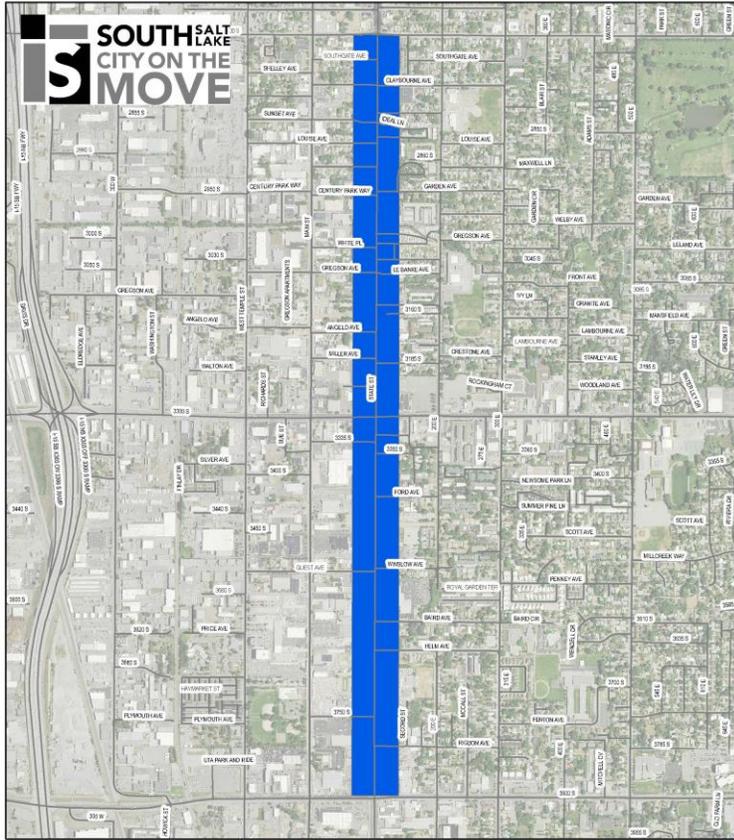
Impediments

- ☞ **Nighttime Population/Activities** – A majority of the area currently lacks a strong nighttime population and its associated activity. This is mainly due to the current uses within the 3300 South District.
- ☞ **Dilapidated Buildings & Infrastructure** – Some of the buildings within the 3300 South District are older and have lacked reinvestment and updates. In addition, the area southwest of I-15 and 3300 South includes auto junkyards.
- ☞ **Underutilized Land** – With high visibility and great transportation/accessibility, the 3300 South District currently has land that is underutilized. Some of the industrial/manufacturing tenants should be relocated to other areas of the City.
- ☞ **Potential Environmental Issues** – There is the potential of environmental issues caused by the past and current industrial businesses within the 3300 South District. Mitigating these issues can be very costly, and thus hinder redevelopment within the district.

3300 South Interchange District Goal Implementation & Strategy

- 1. Create a Community Reinvestment Area within the 3300 South Interchange District**
 - ☞ A community reinvestment area in the 3300 South Interchange District will create an additional financial tool to encourage economic development in the District, to help encourage reinvestment and to offset the potential costs of environmental mitigation.
- 2. Promote Best Use of Land around Major Transportation Points**
 - ☞ Pursue strong retail anchors or flex business/industrial users along 3300 South and the Interstate Interchange.
- 3. Remove Blight and Beautify the High Visibility Areas**
 - ☞ Create a revolving loan fund that incentivizes current business owners to beautify their store fronts.

State Street



South Salt Lake Economic Development Strategic Plan: State Street



Overview

The State Street District includes parcels along the east and west sides of State Street between 3900 South and 2700 South. The majority of the parcels within the State Street District are designated as mixed-use commercial with some residential components. The State Street District sees significant vehicle traffic, as many commuters use it as an alternate to I-15. The majority of the parcels are relatively small in comparison to the other economic districts identified in the strategic plan.

The State Street District currently has no redevelopment project areas. The Amended South State Project Area, which was created to assist with the development of the Harley Davidson property was within the State Street District, and expired in 2015.

Vision

The State Street District allows the City the opportunity to participate in bringing grandeur back to this

important and iconic corridor. The City should encourage property owner reinvestment to make the area more attractive through façade and landscaping improvements. New development should be pursued for targeted areas that will allow for uses that take advantage of the State Street corridor while providing a benefit to the adjacent residential neighborhoods.

The main reasons the State Street District was selected include: 1) the amount of daily traffic and visibility of State Street, 2) the dilapidated appearance of some of the parcels within the District, and 3) the retail opportunities that exist along State Street.

Important Businesses within the State Street District include:

-  Harley Davidson
-  Mark Miller Subaru
-  Reams
-  Century 16 Theater
-  Low Book Sales

Advantages

- ☞ **Transportation/Accessibility** – State Street receives a large amount of daily traffic, as it is the main alternative from traveling north and south throughout the Salt Lake Valley. The City’s main east to west roads all intersect with State Street.
- ☞ **Sales Tax Producer** – There are numerous high gross taxable sales producers within the State Street District. This area has a wide variety of retail and service businesses.

Impediments

- ☞ **Small Parcel Size** – A majority of the parcels within the State Street District are relatively small. This prevents the development of larger retail uses.
- ☞ **Dilapidated Buildings & Infrastructure** – Many of the buildings within the State Street District are older and have lacked any reinvestment. The area lacks cohesiveness, as there are various uses along State Street.
- ☞ **Residential Proximity** – Some of the commercial property along State Street are backed by residential parcels. These residents would need to be relocated in order to acquire land for larger developments. Rezoning would also be required to allow larger lot sizes within the State Street District.
- ☞ **Limited Parking** – The current parcel sizes along State Street would not facilitate the parking requirements of larger commercial users.

State Street Goal Implementation & Strategy

1. Improve Visual & Physical Appearance of State Street

- ☞ Establish a revolving low-interest loan fund for façade renovations and exterior improvements for properties along State Street (General Fund revenues could be used to establish loan fund).
- ☞ Promote the goals and vision outlined in the WFRC Life on State Study.
- ☞ Establish RDA residential loan program that includes:
 - a) Purchase assistance program to provide purchase assistance to residents along State Street for buying a home within specific target residential areas of the City, as identified by City staff and elected officials.
 - b) Housing rehabilitation loan program to provide no-interest or low-interest loans for homeowners that meet certain guidelines.

2. Create a Community Reinvestment Area along State Street

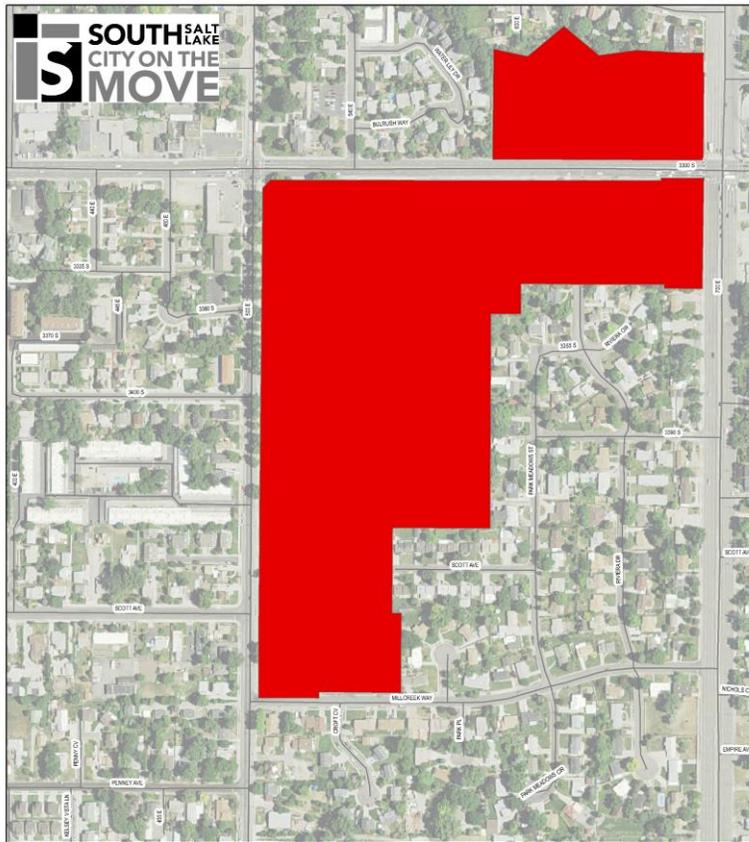
- ☞ Which will allow tax increment financing, which will help fund the business and residential loan funds and create a mechanism for land acquisition.

3. Evaluate Current State Street Lot Depths



- ☞ Changing the allowable lot depths on State Street may assist in attracting different, larger, higher tax generating businesses.

Granite High School



South Salt Lake Economic Development Strategic Plan: Granite High School District

 Granite High School District

0 0.05 0.1 0.2 Miles



Overview

The Granite High School District includes all of the parcels of the old Granite High School Building east of 500 East, along 3300 South. The majority of the parcels within the Granite High School District are zoned for single family residential uses. The Granite High School District sees significant vehicle traffic along 3300 South. All of the 26.85 acres are currently owned by the Granite School District. The Granite High School District has had numerous developers interested in developing the area.

In 2012, the Agency created the Granite High Community Development Area (the “Granite CDA”). All of the parcels within the Granite High School District are within the Granite CDA. The Agency has adopted the Project Area Plan, but is waiting to adopt a Project Area Budget and negotiate the participation terms with the various taxing entities.

Vision

The former Granite High School site is one of South Salt Lake’s last remaining areas for large parcel redevelopment. This opportunity allows the City to create an iconic district that should encompass a mix of neighborhood oriented uses, including: commercial, residential, cultural, and open space. New development should complement the past history of the site while looking to the future redevelopment potential. The site should include a walkable neighborhood design with amenities that will benefit all residents of South Salt Lake.

The main reason the Granite High School District was selected include: 1) the interest in the District shown by developers and South Salt Lake City residents, 2) the potential to be a commercial center for the eastern side of the City, 3) the amount of vehicle traffic along 3300 South, and 4) currently underutilized and blighted

Important Businesses within the Granite High School District Include:

-  Old Granite High School Site



Advantages

- ☞ **Location** – The Granite High School District is an iconic and historical area for the surrounding community. With its available 26.85 acres of land, this area is primed to serve as a community focal point.
- ☞ **Parcel Size** – The 26.85 acres of available land provides the opportunity for many different types of commercial users, including large commercial tenants.

Impediments

- ☞ **Dilapidated Buildings and Infrastructure** – The Granite High School has lacked any reinvestment and maintenance over the last few years. Most development would require the razing of the current buildings.
- ☞ **Community & Political Sensitive Land Use** – The green space of Granite High School is an important community benefit to many residents of South Salt Lake. Any development that will remove the current green space could result in negative publicity for the City.
- ☞ **Underutilized Land** – The Granite High School District suffers from underutilized land, as the 26.85 acres have largely gone unused over the last few years.

Granite High School District Goal Implementation & Strategy

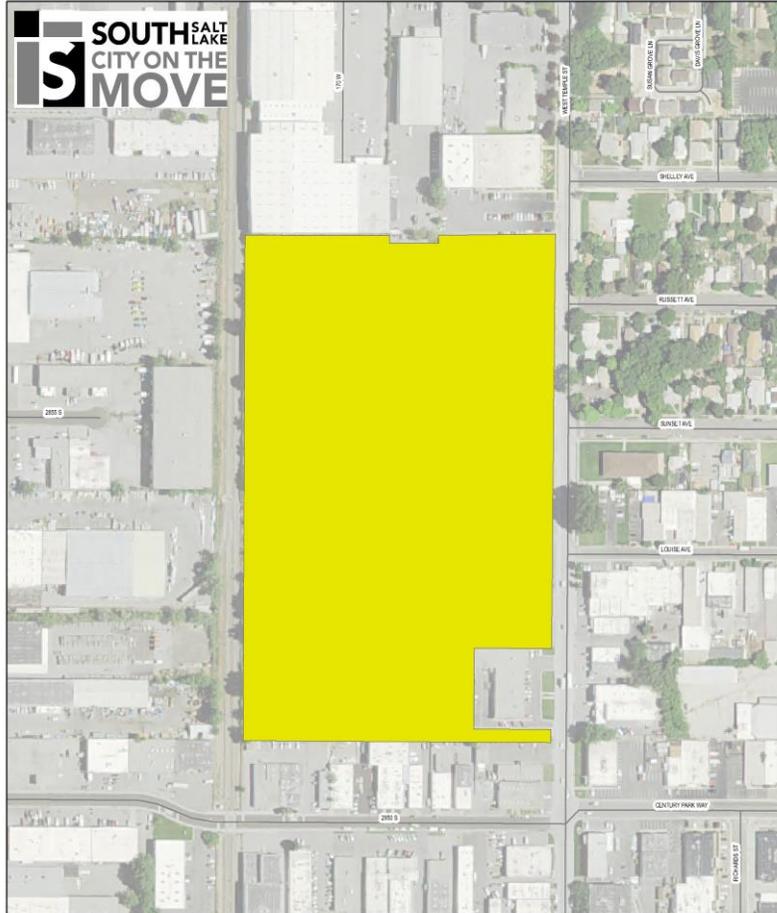
1. Finalize Interlocal Agreements with Taxing Entities

- ☞ The interlocal agreements outline the timeframe and percentage of tax increment participation. This is the final step needed to initiate tax increment financing in the Granite High CDA.

2. Promote Cultural, Arts, or Community Development

- ☞ Encourage development that will include a mixed-use of residential, commercial, and iconic public gathering space within the Granite High School District.

Buehner Block



South Salt Lake Economic Development Strategic Plan: Buehner Block

 Buehner Block

0 0.025 0.05 0.1 Miles



Overview

The Buehner Block District includes three parcels that currently house the Buehner Block Company. The 19.28 acres are east of the UTA Rail Corridor, along 2800 South. It is adjacent to the TRAX line between the Central Pointe and Millcreek TRAX Stations. It is currently zoned for mixed-use. The Buehner Block is currently for sale. All of the parcels within the Buehner Block District are owned by the Buehner Block Company. This area is highly visible to the mass transit users and is in close proximity to 2700 South.

The Buehner Block District currently has no redevelopment project areas. It is in close proximity to the Metro Redevelopment Project Area.

Vision

The 19.28 acre former industrial block plant has opportunity to attract a mix of new residential types and to create a unique and vibrant neighborhood on the west side of the City. Where

opportunities exist, the City should try to incorporate compatible commercial uses into any future development of the site. The development of this site could serve as a catalyst for other large parcels in the area, which could create a unique community neighborhood. The City should continue to work with UTA to evaluate the possibility of adding an additional TRAX station that will further strengthen this important area of the City.

The main reason the Buehner Block District was selected include: 1) the 19.28 acres are currently for sale, 2) the close proximity to the two TRAX stations within the City, 3) large assembled parcels, and 4) high visibility from daily mass transit users.

Important Businesses within the Buehner Block District Include

-  The Buehner Block Company

Advantages

- ☞ **Land Assemblage** – The Buehner Block District contains 19.28 acres of assembled parcels. This creates numerous possibilities for developments, which is rare within the City.
- ☞ **Visibility** – The Buehner Block District is adjacent to the TRAX line and is in between the Central Pointe and Millcreek TRAX Stations. Connecting a walkway to the development could classify this District as a TOD.

Impediments

- ☞ **Lack of Undeveloped Land** - The Buehner Block District has no vacant parcels. The razing of current buildings and other site remediation will be necessary for all future development. This will increase the costs of developing the land.
- ☞ **Cost of Land** – The cost to purchase the Buehner Block District will likely be significant, this creates an issue, as developers will likely have to increase the density of any development to offset the purchase price, which may not be feasible in the area.

Buehner Block District Goal Implementation & Strategy

1. Create a Community Reinvestment Area for the Buehner Block District

- ☞ A community reinvestment area will create an additional financial tool to encourage economic development in the District, this will ensure that the City receives as much benefit from the future development of the Buehner Block.

2. Promote Transit Oriented Development

- ☞ Promoting a Transit Oriented Development will help to increase the nighttime population of that area of the City.
- ☞ A Transit Oriented Development will create more support for the community reinvestment area within the Buehner Block.

Other Identified Economic Development Geographical Areas

One key of successful strategic plans is to ensure that the plan identifies key goals, strategies, and areas of focus. LYRB has determined that this is best achieved by selecting five to six geographical areas to focus future economic development resources. However, in addition to the six Economic Development Districts identified in this Plan, there are other areas within the City that pose potential for economic development. Two of these areas include the 3900 South Corridor and the land around the 3300 S. 900 W. Area.

3900 South Corridor

The 3900 South Corridor serves as the southern gateway into South Salt Lake City and is the southern boundary between the City and newly incorporated Millcreek City. 3900 S. is a strong commercial corridor for the City. The current uses within this area include: retail, office and service uses. The City envisions that pockets of redevelopment will continue to occur along 3900 S. at 700 E., West Temple and 700 W. Future development will be a mix of commercial and residential uses that will bring new development to the area as well as strengthen the existing neighborhoods and commercial development.

3300 S. 900 W. Area

The 3300 S. 900 W. Area serves as the western gateway into the City and rests along the major transit corridor of 3300 South. This area has an opportunity to create a unique identity and neighborhood that acts as an entrance to the City. The economic uses that the City anticipates includes a mix of small scale commercial with low to medium density residential components.

Section VI: Implementation and Strategy

Based on the major findings of this analysis and the recognition of the strengths, weaknesses, opportunities, and threats, the following goals and strategies are fundamental to building on South Salt Lake's strengths and to address weaknesses in economic development.

1. Continue to Promote Transit Oriented Development around Mass Transit Stations:

- ☞ Finalize or create redevelopment project areas around the mass transit stations in the City. This will ensure that the necessary financial tools are in place to encourage transit oriented developments.
- ☞ The commercial and residential uses will increase the nighttime activity around the mass transit stations.
- ☞ Transit Oriented Developments will create a more walkable feel to the Streetcar and Downtown Districts.
- ☞ The City's population will increase, creating additional household and other important factors of commercial development.

2. Encourage Specialized Commercial Development

- ☞ The City should expand on its existing strengths in the manufacturing/construction sector in western portions of the 3300 South District.
- ☞ Create a community reinvestment area within the 3300 South District to help relocate and expand high paying retail businesses to South Salt Lake City.
- ☞ Promote 3300 South as a potential destination for a regional shopping center. The accessibility and location of the 3300 South Interchange District are important factors for developers looking for future shopping center destinations.

3. Promote Best Use of Land around Major Transportation Access Points

- ☞ Pursue strong retail anchors or office users along the major transportation access points of the City. Specifically, the I-80/State Street Interchange, and the I-15/3300 South Interchange.
- ☞ Strategically create community reinvestment areas to clean up blight and make improvements along the major transportation access points. Specifically, the I-80/State Street Interchange, the I-15/3300 South Interchange, and around the mass transit stations and lines in the City.

- ☞ Work closely with brokers such as Coldwell Banker Commercial Advisors to keep current on retail trends.
- ☞ Remove blight and beautify the City's access points and high visibility areas. Specifically, the I-80/State Street Interchange, the I-15/3300 South Interchange, and around the mass transit stations and lines in the City.

4. Develop a Progressive Image of South Salt Lake

- ☞ Increase the reputation and image of South Salt Lake City through a new vibrant marketing strategy and public relations by:
 - a) Hiring a marketing firm to prepare a marketing plan for the City.
 - b) Hire a fulltime public relations specialist to promote the good aspects of the City.
 - c) Increase the marketing efforts of the various programs and special events sponsored by the City.

5. Increase Cultural & Arts Activities in the City

- ☞ Encourage development of a variety of cultural activities in the Downtown District, creating an arts and entertainment district for the City, which will increase the nighttime activity in the Downtown Area.
- ☞ Promote Higher-density housing around the arts district to increase the vitality in the area.
- ☞ Create temporary cultural & arts activities on transitional and underutilized properties.

6. Recapture Lost Sales Tax Leakage in General Merchandise and Clothing Stores

- ☞ Continue to pursue big box users that will generate gross taxable sales in the general merchandise and clothing retail sector.
- ☞ Offer incentives (tax increment or portion of Town Option Sales Tax) to locate within City limits.

7. Increase Sustainability of City's Tax Base

- ☞ Pursue office development in the Downtown District, assist with incentives needed to gain height in order to create a City skyline and sense of a "downtown".
- ☞ If needed, adjust zoning to allow for greater building heights in key economic areas within the Downtown and other Districts.

- ☞ Allocate tax increment funding for high property value uses.

8. Promote Best Use of Economic Development Revenues

- ☞ Ensure that the revenues dedicated for economic development (tax increment and the town option sales tax) are being used for projects that will produce the highest economic benefit to the community, some examples include:
 - a) Incentivizing high gross taxable sales and property tax users to locate within City limits
 - b) Encouraging current business expansion.
 - c) Helping fund the Revolving Loan Fund.
 - d) Removing blight along the I-15 & I-80 Interchanges and the mass transit stations & lines, where visibility is high.

Section VII: Financial Tools & Economic Incentives.

There are a wide variety of tools and incentives available to help the City achieve its economic development goals. This section discusses several of these tools in greater detail.

***Town Option Sales Tax**

The City of South Salt Lake is one of the only municipalities that is currently allowed to levy a 0.2% town option sales tax. This was negotiated with the State Legislature during the 2012 Legislative Session. The City is only allowed to levy this tax for economic development purposes.

***Redevelopment Areas – Tax Increment Financing**

Tax increment financing (“TIF”) is the most widely-used tool for economic development in the State of Utah. The creation of CRA, or historically URA, EDA or CDA, provides a source of financing redevelopment through the creation of tax increment. Redevelopment agencies negotiate with taxing entities to share a portion of the property tax that is generated by new development in a certain area for a specific length of time. South Salt Lake currently has seven redevelopment areas: 1) Metro, 2) 300 West, 3) Upper Millcreek, 4) Post Office Place, 5) WesTech, 6) Market Station, and 7) Central Pointe.

***Revolving Loan Funds and Grants**

A revolving loan fund is a source of money from which loans are made for small business development projects. A loan is made to a business and as repayments are made, fund become available for future loans to other businesses. This tool is mainly used to finance local, expanding, or small businesses within the Community.

The funds used to create a revolving loan fund may have rules governing the program design. For example, the Department of Housing and Urban Development has specified rules for Community Development Block Grants. Matching grants or revolving loan funds have been very successful in various communities throughout Utah.

State Street and other dilapidated areas of the City may benefit from creating a revolving loan fund that would encourage the upgrade of façades and other building renovations. Most businesses see increased traffic from improvements to their properties.

***Community Development Block Grants**

Community Development Block Grants can be used for development in parts of a city that qualify as low and moderate income areas. These funds may also be used for projects that remove impediments of access for elderly and the disabled.

***Business Improvement Districts**

The identified economic districts may benefit from forming business improvement districts with neighboring businesses. These improvement districts include: 1) joint marketing, 2) ad campaigns, 3) events in the district area, and 4) planning for parking and facility improvements

***Sales Tax Incentives**

For strong destination retail anchors, the City may offer a sales tax incentive for a period of time. The City should consider sales tax incentives on a case-by-case basis. This should only be considered for a major tax-generating retailer or to retain a current major tax-generating business.

Special Assessment Bonds

Special Assessment Bonds allow a governmental entity to designate a specific area which will be benefited by public improvements and levy a special assessment, like a tax lien, to finance the public improvements. This assessment is then used to repay the debt service. Usually, only the property owners receiving the benefit from the improvements are assessed the costs.

Special Assessment Bonds may not be created if 50% or more of those liable for the assessment payment protest its creation. These bonds usually have a higher interest rate than the other bonds discussed in this section. All improvements must be owned by the issuer and repayment cannot exceed twenty years. The main advantage to these bonds are: 1) no bond election required, 2) only benefited owners pay for the improvements, and 3) limited risk to the city.

Tax Increment Revenue Bonds

Tax Increment Revenue Bonds allow redevelopment agencies to pledge tax increment funds to repay the debt service. The projected tax increment is often discounted by the bond market, as the tax increment is the only source to repay the bonds, and project areas have little to no tax increment at the beginning of a new project. These bonds are generally difficult to sale, due to the risk of repayment.

Industrial Development Bonds

Industrial Development Bonds have a \$10 million cap per issue for small manufacturing facilities and a \$150 million total annual state allocation cap. These bonds have strict regulations regarding business types that are eligible; a qualified 501(c)(3) can use them for a wider variety of projects.

Municipal Building Authority Lease Revenue Bonds (“MBA”)

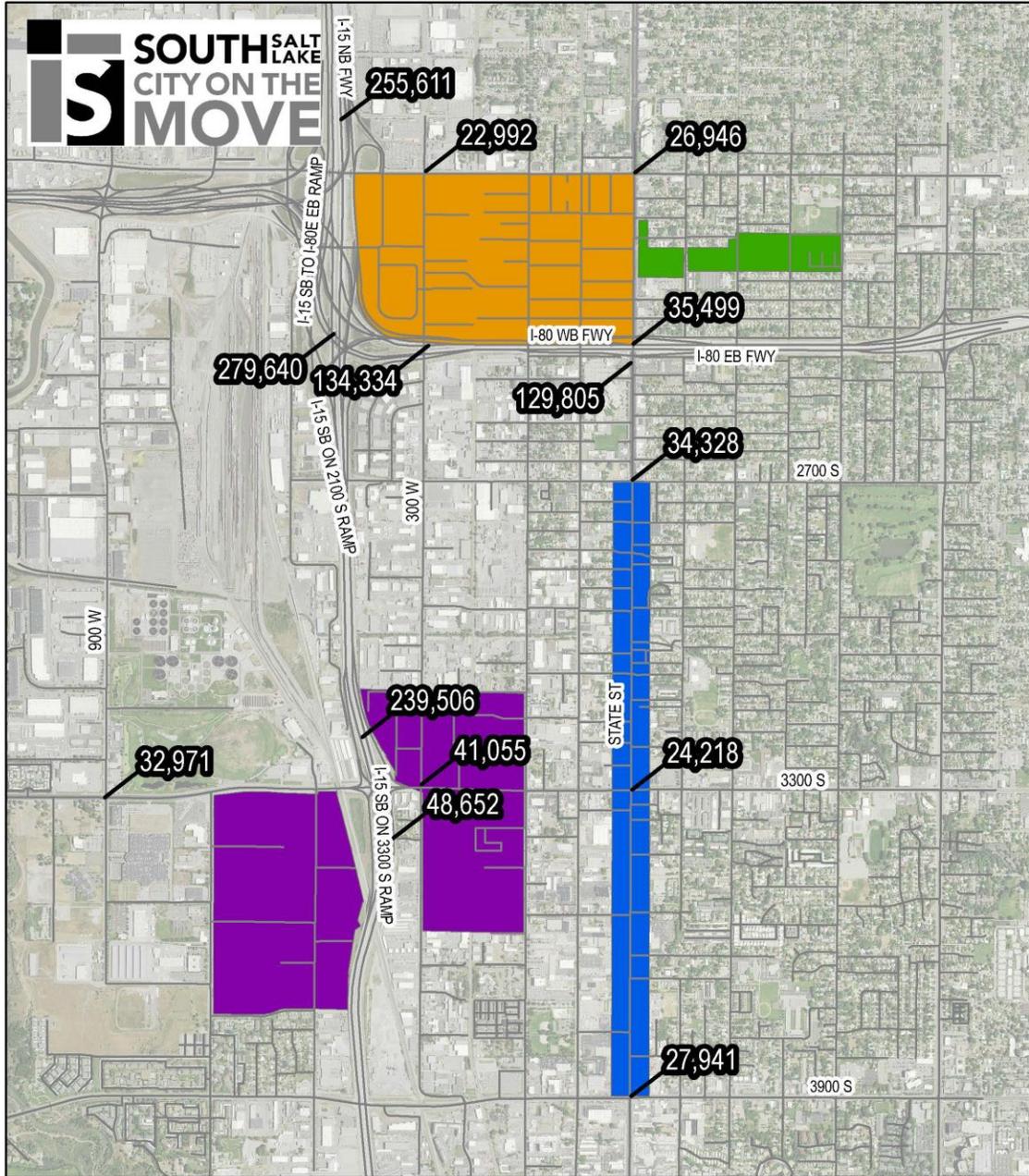
Cities, counties and school district are allowed to create a non-profit organization solely for the purpose of accomplishing the purpose of acquiring, constructing, improving, and financing the cost of a project on behalf of a public body that created it. Normally, MBA bonds are used to construct municipal buildings, however MBA bonds have been used to finance parks and recreation facilities as well. The legal limitation in bonds issued is 40 years.

Sales Tax Revenue Bonds

Sales tax revenues can be utilized as a sole pledge for repayment of debt. These bonds do not require a bond election, and are often used for the acquisition and construction of any capital facility owned by the issuing entity. The bond market usually requires a higher debt service ratio of at least two or three times the revenue to debt.

* - Most beneficial for South Salt Lake

Appendix A: Supplemental Demographic Maps, Tables & Graphs



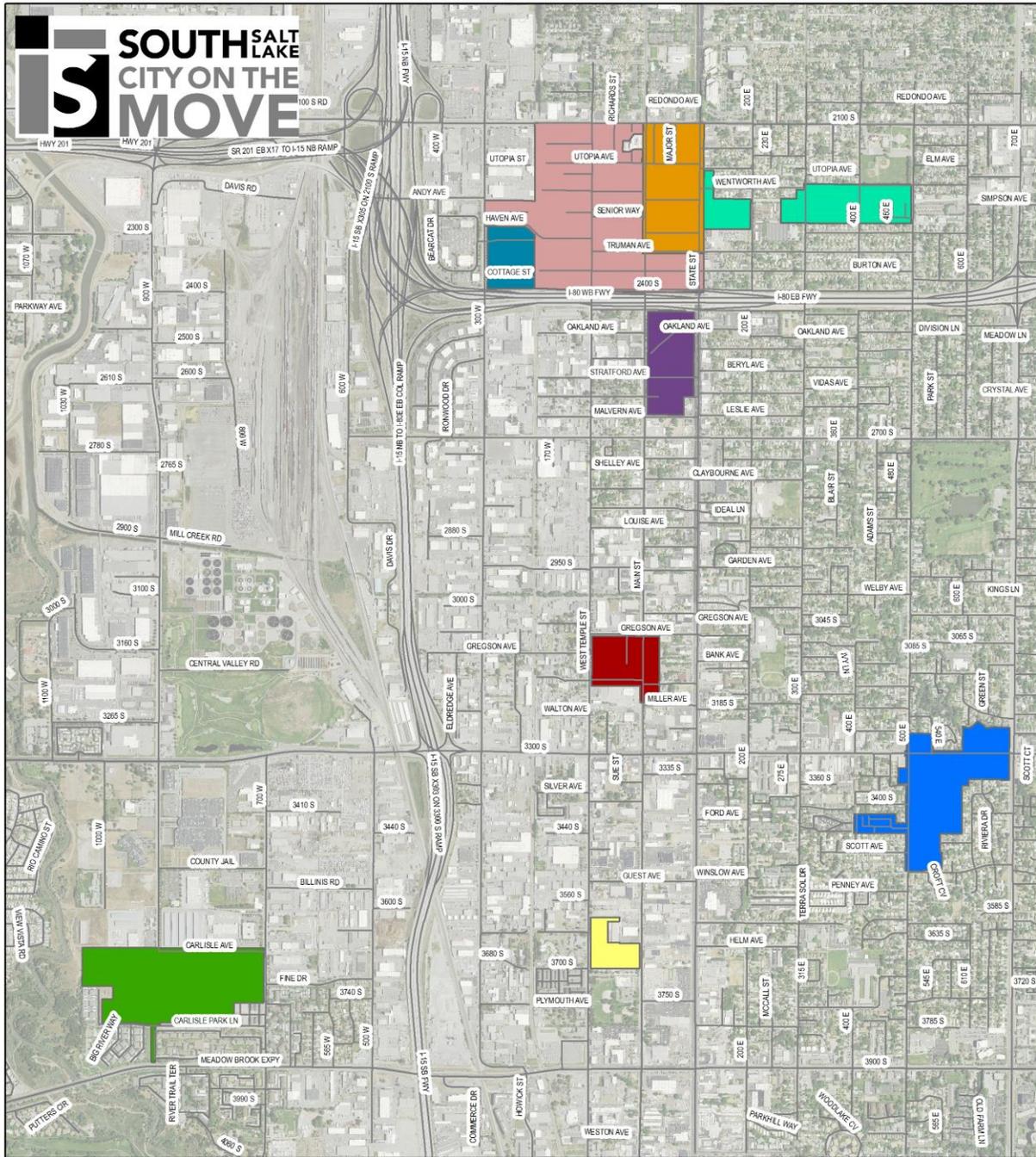
South Salt Lake City Average Daily Traffic

- Streetcar
- 3300 South Interchange
- State Street
- Downtown

0 0.15 0.3 0.6 Miles

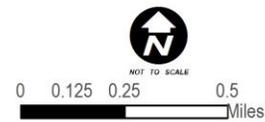


LEWIS & YOUNG
ROBERTSON & BURNINGHAM, INC.



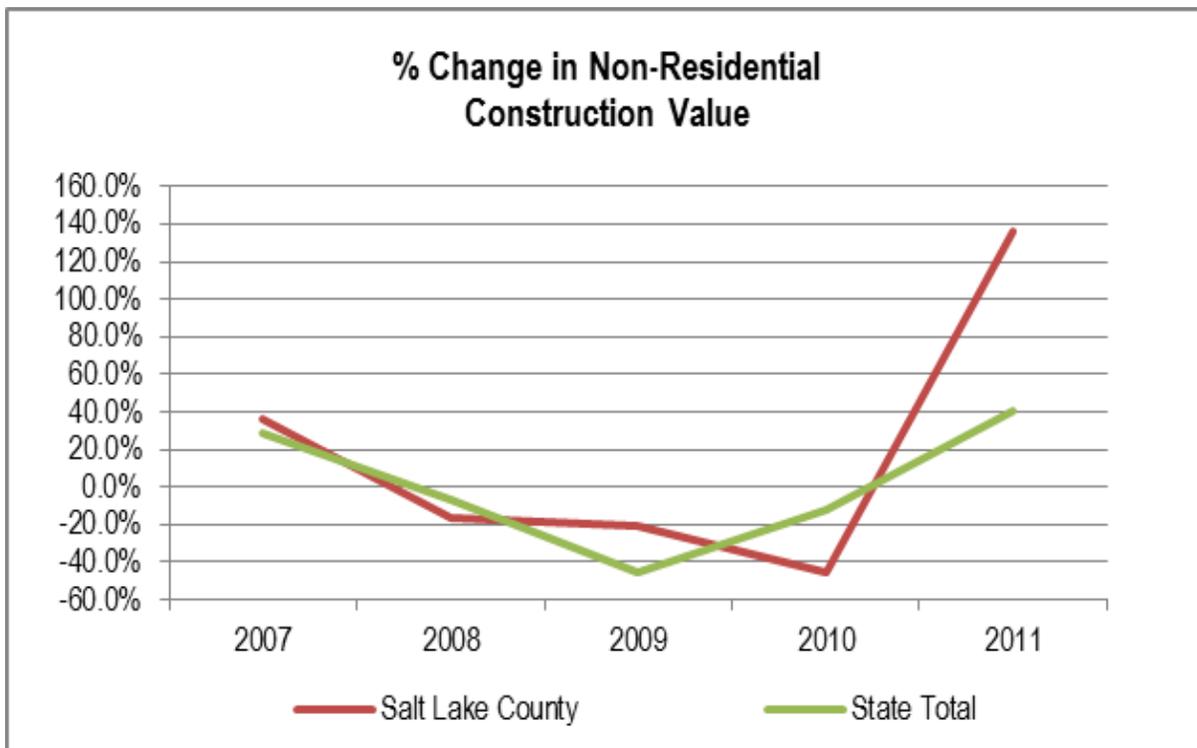
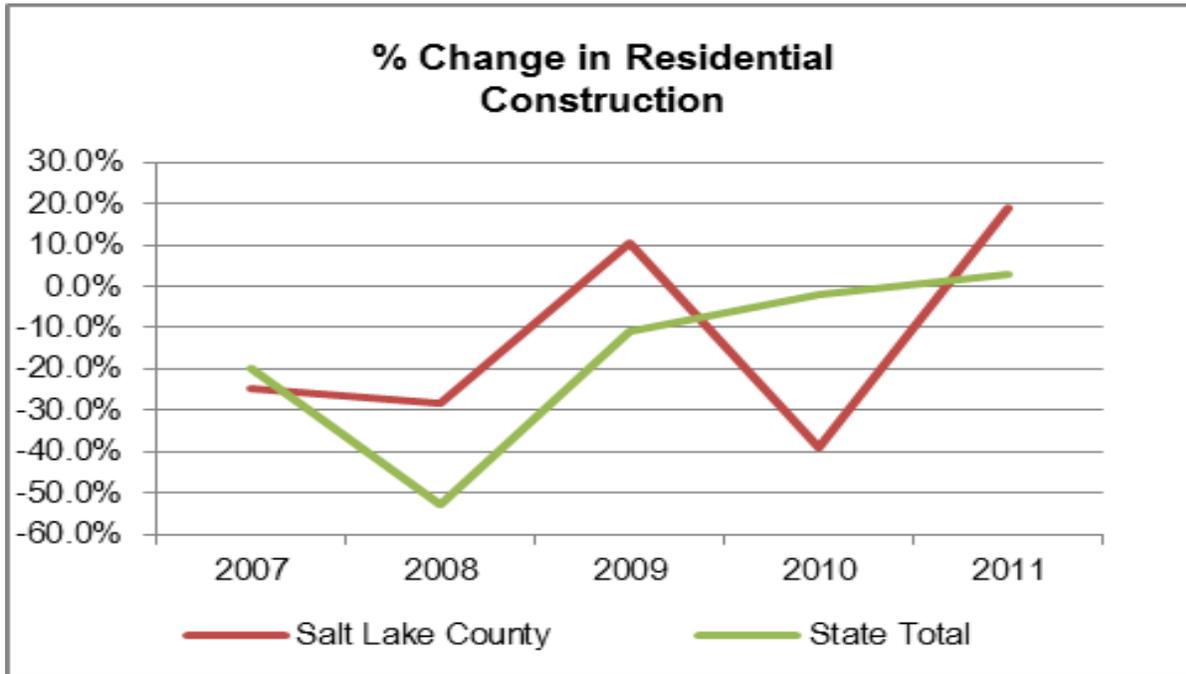
South Salt Lake Economic Development Project Areas

- | | | |
|--|--|---|
|  3900 South CDA |  Central Pointe URA |  Post Office Place RDA |
|  Streetcar CDA |  Market Station URA |  300 West RDA |
|  Granite High CDA |  WesTech EDA |  Metro RDA |



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Construction Trends



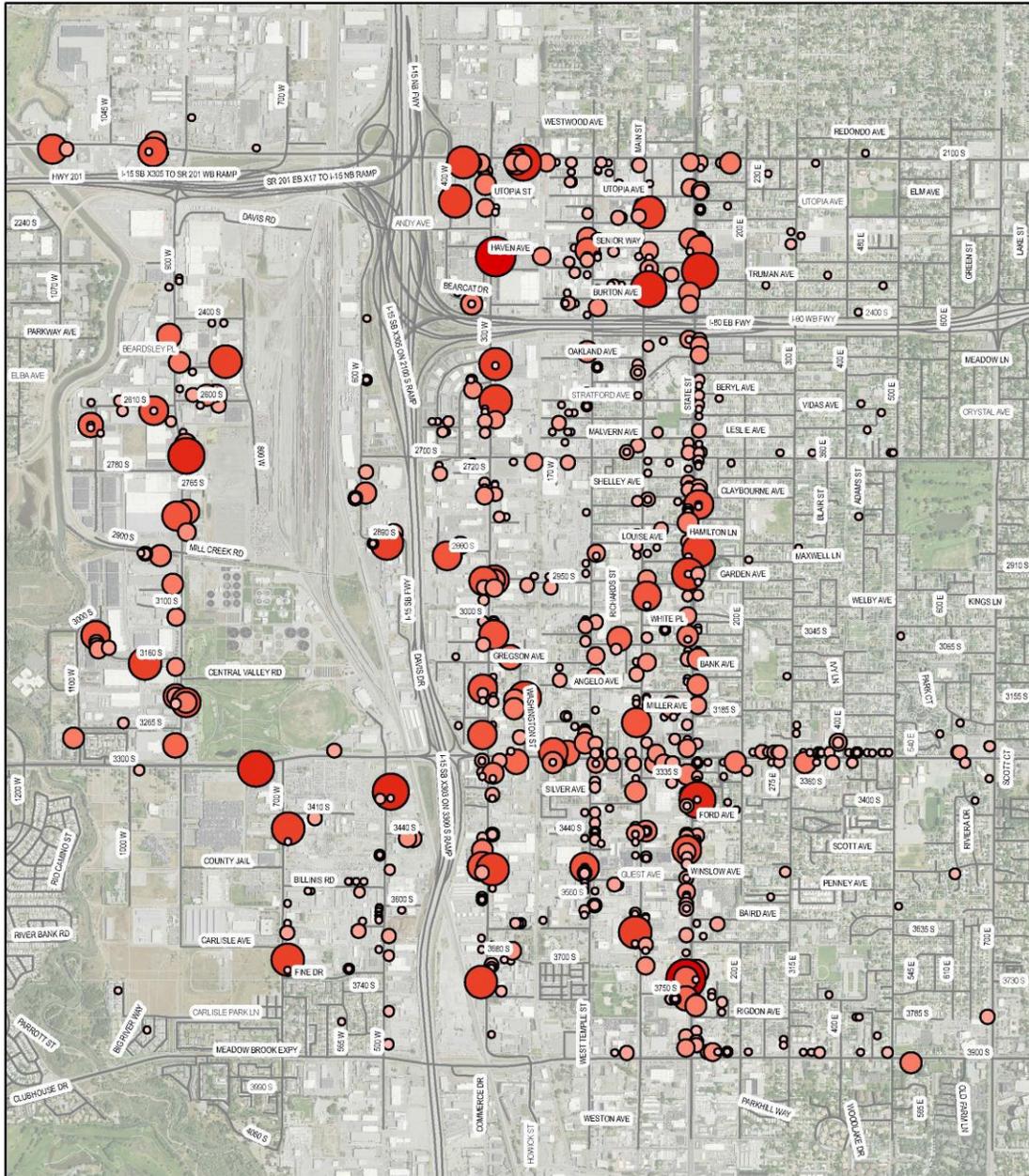
Supplemental Property Value Tables

Assessed Property Value							
Year	Real Property	Personal Property	Centrally Assessed		Total Assessed Value	Estimated Total Fair	% Assessed Value to Market Value
			Property	Property		Market Value	
2007	\$1,661,729,414	\$250,597,130	\$36,492,626	\$36,492,626	\$1,948,819,170	\$2,362,454,632	82.49%
2008	\$1,756,856,323	\$266,199,600	\$33,026,767	\$33,026,767	\$2,056,082,690	\$2,502,885,162	82.15%
2009	\$1,550,438,440	\$255,644,477	\$36,315,042	\$36,315,042	\$1,842,397,959	\$2,267,257,982	81.26%
2010	\$1,509,752,620	\$229,012,198	\$37,802,333	\$37,802,333	\$1,776,567,151	\$2,191,630,726	81.06%
2011	\$1,548,847,979	\$210,144,585	\$42,957,215	\$42,957,215	\$1,801,949,779	\$2,217,185,427	81.27%
2012	\$1,519,414,867	\$207,951,646	\$49,503,364	\$49,503,364	\$1,776,869,877	\$2,187,626,068	81.22%
2013	\$1,552,027,980	\$214,153,157	\$47,556,314	\$47,556,314	\$1,813,737,451	\$2,243,788,291	80.83%
2014	\$1,667,973,044	\$202,763,775	\$48,700,777	\$48,700,777	\$1,919,437,596	\$2,394,462,512	80.16%

Salt Lake County Assessed Value	South Salt Lake as % of County
\$76,440,848,815	2.55%
\$83,180,314,647	2.47%
\$73,790,083,869	2.50%
\$74,075,699,006	2.40%
\$72,675,066,236	2.48%
\$71,282,969,576	2.49%
\$73,935,035,779	2.45%
\$78,818,535,206	2.44%

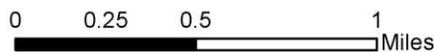
Municipality/County	Own	Rent
South Salt Lake	40.8%	59.2%
Cottonwood Heights	71.7%	28.3%
Holladay	74.9%	25.1%
Taylorsville	69.0%	31.0%
Midvale	45.2%	54.8%
Murray	63.9%	36.1%
Salt Lake County	66.6%	33.4%

Appendix B: Supplemental Retail Leakage Study Information



South Salt Lake Leakage Category Gross Taxable Sales

- Low
- High



LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.
AN INDEPENDENT MUNICIPAL FINANCIAL ADVISORY
AND CONSULTING FIRM

