

MINUTES OF THE SALT LAKE CITY DA-CBIA-19 BOARD OF EQUALIZATION

WEDNESDAY, JANUARY 16, 2019

The Board of Equalization for Salt Lake City, Utah Central Business Improvement Assessment Area (DA-CBIA-19) met on Wednesday, January 16, 2019, at 10:00 a.m. at 349 South 200 East, Salt Lake City (first floor conference room).

As required by law, three persons have been duly appointed to act as the Board of Equalization on the assessments proposed to be levied on the property benefited with the Assessment Area. [View Public Notice](#)

Board of Equalization Members in Attendance: Chris Norlem, Engineering Construction Program Manager; Steven (Brandon) Bagley, Deputy Treasurer; Russell Weeks, Senior Advisor City Council.

Also In Attendance: Jonathan Springmeyer, Bonneville Research Consultant; Will Wright, Department of Economic Development Project Coordinator; and Rachel Molinari, Department of Economic Development Office Facilitator.

The meeting was called to order at 10:00 a.m.

Parcel: 16-06-107-038-0000
LIBERTY CREST ASSOCIATES LLC; ET AL
150 S 200 E
Salt Lake City, Utah 84111

McKenna Tracy, Regional Manager at Cowboy Partners, addressed the Board. Ms. Tracy stated she attended the meeting to observe and to gather information for her employer. She asked the Board how this assessment impacts or creates value for the properties and what the assessed funds would go towards. She also asked if the billed amount was a solid figure. Mr. Springmeyer stated that the amount is for a three-year period; it is not an annual fee and billing will start in March 2019.

Mr. Springmeyer explained that this assessment has been going on for over twenty years in the Central Business District and therefore it is not a new process. The assessment area funds a contract for economic promotional activity and the contract has been awarded to the Downtown Alliance. Mr. Weeks added that Salt Lake City Corporation collects the revenue and then passes it to the Downtown Alliance.

Mr. Springmeyer listed how the Downtown Alliance promotes economic activity through events like the Farmers Market, New

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Year's Eve activities, the ambassador program in downtown, banners on Main and State Street and holiday lights. Mr. Weeks explained the ambassador program downtown helps people who are new to downtown become aware of happenings downtown and it helps homeless people find help.

Ms. Tracy asked how the City or Downtown Alliance advertise to those who do not know about Downtown and if it was similar to the Visit Salt Lake packet. Mr. Springmeyer stated that Visit Salt Lake and the Downtown Alliance are two separate organizations. Mr. Weeks suggested visiting Downtown Alliance's website to find out more about their purpose and specific activities. He also mentioned that the Downtown Alliance sends out an annual statewide survey to determine people's perception of Salt Lake. They base their business model off the responses from this survey. The survey benefits other groups by providing them with people's perception of downtown.

Parcel: 15-01-405-024-0000
G&M HOLDINGS, LLC
243 W 400 S
Salt Lake City, Utah 84101

George Lyhnakis and his father John Lyhnakis, property owners. Mr. Lyhnakis explained that they bought the old Wendy's property in 2018 for \$900,000 and according to the letter from the City, the property would be assessed at the value of \$1,900,000. Mr. Springmeyer and Mr. Norlem checked their data for what valuation amount was recorded to the City. Mr. Springmeyer showed \$807,500 of taxable valuation. He also explained that Salt Lake County does assessments for the entire City and the City uses their data to calculate the CBIA assessment amount. Mr. Lyhnakis stated that he had already contested the County's taxes and it was determined that he would be taxed based on the purchase price of \$900,000. He did not have documentation with him at the meeting but agreed to provide it to the Board of Equalization at a later date, to potentially recalculate the assessment.

Mr. Lyhnakis asked why some similar buildings are assessed at a value lower than what the property is actually worth. Mr. Springmeyer stated that the committee is unable to answer that question Mr. Weeks encouraged Mr. Lyhnakis to speak with the County Assessor's office.

Ms. Tracy asked how often properties are assessed. Mr.

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Springmeyer stated that they are assessed annually for general property tax purposes and every three years for the CBIA Board of Equalization purposes. Therefore, another assessment will be done in 2022 based on the previous years' valuation. Ms. Tracy inquired about the schedule of notices to be sent out three years from now. Mr. Norlem stated that the letters will be sent in August or September and the Board to reconvene in November or December. Mr. Weeks noted that the first indication of the CBIA reassessment process will happen in a City Council Meeting. The City Council has to authorize and adopt a notice of intention to create the area.

Mr. Springmeyer added that the assessment only applies to commercial properties. Residential properties are not to be assessed. For a mixed-use property, only the commercial businesses would be assessed. Mr. Tracy stated that all of Cowboy Partners' buildings are residential, including Liberty Crest, which received an assessment letter. Mr. Springmeyer explained that at the time the assessment was completed, the parcel was vacant property. Ms. Tracey told the Board that Liberty Crest was under construction for almost two years and opened in March 2017. Mr. Springmeyer asked Ms. Tracy to provide a County Assessor's property tax bill to the City to clarify the classification code. This classification code will determine the type of property being assessed. Mr. Springmeyer stated that if the County has reclassified the property as residential, Cowboy Partners would be exempt from this assessment entirely. Ms. Tracy said she would email Mr. Norlem a copy of the County Tax classification.

There were no further comments or concerns. The Board meeting adjourned at 11:00 a.m.

CITY COUNCIL STAFF RUSSELL WEEKS
BOARD OF EQUALIZATION MEMBER

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BOARD OF EQUALIZATION MEMBER

CITY RECORDER

This document is not intended to serve as a full transcript as additional discussion may have been held; please refer to the audio for the entire content.

This document along with the digital recording constitutes the official minutes of the CBIA-19 Board of Equalization meeting held January 16, 2019.