

CITY OF NORTH SALT LAKE REDEVELOPMENT AGENCY



RESOLUTION RDA 2023-03R



OVERVIEW



- 17C-1-409(iii)(E) establishes the ability of the Redevelopment Agency and legislative body to use Project Area Funds, including tax increment to finance public infrastructure even to the extent the public infrastructure is outside the defined Project Areas.
- ❑ Must satisfy the following considerations
 - Meets standards outlined in 17C
 - Conforms with the objectives of the Project Area Plan and Budget documents
 - Consistent with the objectives identified in the Interlocal Agreements with other participating taxing entities

Qualified Public Infrastructure and Benefits Analysis



CITY OF NORTH SALT LAKE

COMMUNITY BENEFITS ANALYSIS AND USE OF TAX INCREMENT FINANCING
TO SUPPORT IMPROVEMENTS TO HATCH PARK

June 20, 2023

INTRODUCTION

In accordance with certain provisions and allowances promulgated under Title 17C of Utah Code Annotated (UCA 17C), the Redevelopment Agency of the City of North Salt Lake (the "Agency") has the ability and right to determine if there are "beneficial" public infrastructure improvements, amenities or structures that would contribute to the Agency's ability to meet the objectives outlined in certain Agency created Project Area Plans and Budgets, even though said improvements would be constructed and built outside of the Project Area boundaries. The purpose of the following written analysis is to determine if there is adequate evidence of community benefit and more particularly does using tax increment resources to fund Hatch Park Improvements (the "Project") further the objectives of the Redwood Road Community Development Area Plan and Budget ("Redwood Road CDA") and the Highway 89 Community Development Project Area Plan and Budget ("Highway 89 CDA"). To the extent it is determined that justification exists for tax increment utilization for the Project, the Agency has the right and opportunity to adopt a resolution of finding and permitting tax increment from Redwood Road CDA and Highway 89 CDA to be used for said purposes.

The Agency following certain statutory procedures outline in UCA 17C has requested Lewis Young Robertson & Burningham, Inc. (LYRB), a duly qualified firm with expertise in these matters to conduct a benefits analysis of the justification for tax increment support for the Project. Specifically, the following analysis addresses, "Does the utilization of tax increment to finance the Project":

- ☐ Meet the requirements and standards outlined under UCA 17C,
- ☐ Conform to the objectives of the Redwood Road CDA and Highway 89 CDA, and
- ☐ Consistent with the objectives of the interlocal agreements with other taxing entities.

PROJECT OVERVIEW

The City of North Salt Lake (the "City"), in partnership with Woods Cross City and the South Davis Recreation District, desires to provide improvements at Hatch Park located at 50 West Center Street in North Salt Lake (the "Project"). In 2013 the City completed a community planning process that culminated in the adoption of the 2013 General Plan with overwhelming support from residents. A major goal of the plan was to create a sustainable and economically vibrant town center with pedestrian amenities, plazas, shopping, and increase residential opportunities. The effort led to the subsequent adoption of the Town Center Master Plan in 2015 focused specifically on creating that Town Center for the community. The Town Center Master Plan identifies the area surrounding the intersection of Center and Main Streets as the central focus point for the Town Center. With City Hall and Hatch Park occupying two corners of that intersection, they are essential components for the implementation of the plan's goals and objectives.

- **Highway 89 Community Development Area (CDA)**
 - Gateway and extension of Town Center concept and master plan;
 - Promote gathering places, walkability, recreation and cultural arts and economic expansion
- **Redwood Road Community Reinvestment Area (CRA)**
 - Revitalization and connectivity to the surrounding community and economic core of the City
 - Increase number of commercial, retail, office and industrial uses within the community through supportive quality of life enhancements and other amenities

Hatch Park Concept Plan and Plan of Finance



Figure 1: Preliminary Concept Plan for Hatch Park

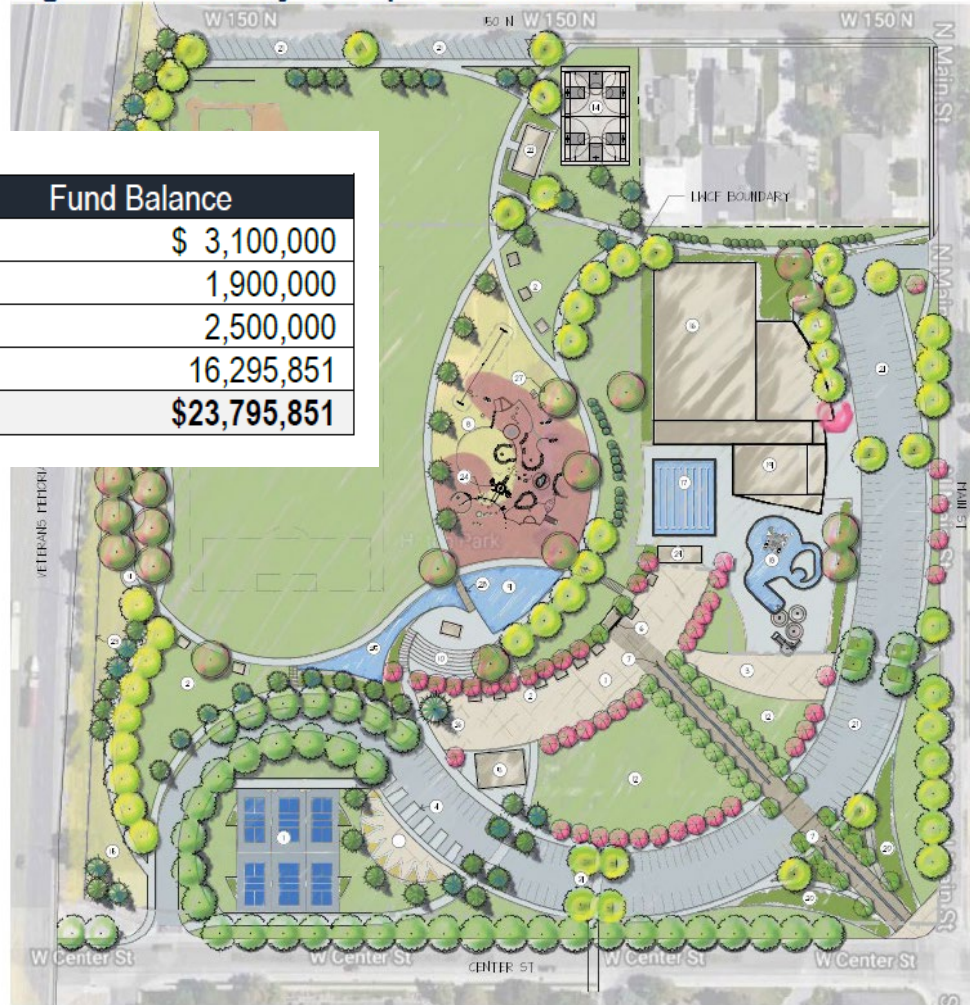


Table 1: Park Development Funding Sources

Funding Source	Fund Balance
Redwood Road CDA Tax Increment	\$ 3,100,000
Highway 89 CDA Tax Increment	1,900,000
Park Impact Fees	2,500,000
RAP Tax Revenues	16,295,851
Total	\$23,795,851



Quality of Life Measurements

Quality of Life

A major component of the Town Center masterplan calls for the transformation of Hatch Park into a city-wide community gathering place and heart of the new Civic and Cultural Arts District. Community gathering places are of vital importance to the strength of a community. An article published by MIT's Department of Urban Studies and Planning entitled "Places in the Making" explains that the process of planning, building, using, and maintaining public spaces creates relationships between community members and generates social capital with a diversity of groups and individuals.¹

Additionally, community gathering places create a sense of attachment to the community and foster economic growth. A three-year study conducted by Gallup focused on communities across the United States to determine the factors that created attachment between residents and their communities.² Three key factors were found as the primary drivers for community attachment: 1) social offerings, 2) openness and 3) beauty. These are all factors that the Hatch Park Town Center is intended to provide. The Gallup study also found a positive correlation between resident attachment and local economic activity.

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- A red arrow originates from the right side of the text block above and points downwards towards the list of bullet points.
- **Conformance to General Plan**
 - **Recreational, cultural, open spaces and gathering place for residents and visitors**
 - **High correlation between resident attachment and local economic activity**

Economic Benefit and Enhancement



		Low Estimate	Mid-Estimate
Annual Visitation Related to Hatch Park Improvements		10,000	15,000
Direct Economic Output		.	
Recreation	\$ 9.00	\$ 90,000.00	\$ 135,000.00
Restaurant	15.00	150,000.00	225,000.00
Cultural	15.00	150,000.00	225,000.00
Retail	20.00	200,000.00	300,000.00
Other	5.00	50,000.00	75,000.00
		\$ 640,000.00	\$ 960,000.00
Indirect Economic Output			
Multiplier Effect of Recreation and Gathering Places	3.75	\$ 2,400,000.00	3,600,000.00
Total Economic Output Generated by Hatch Park		\$ 3,040,000.00	\$ 4,560,000.00