

**DATE:** March 17, 2015

**ITEM#:** 6.B. 2)

**RE:** CONSIDERATION AND ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY APPROVING A BUILDING RENOVATION LOAN AND GRANT PROGRAM FOR BLOCK 70.

**PROJECT AREA:** All

**PREPARED BY:** Justin Belliveau

**EXECUTIVE SUMMARY:** The RDA Board of Directors is asked to consider approval of modifications to its Building Renovation Loan Program and the launch of a façade improvement grant program tailored to unique opportunities surrounding construction of the George S. and Delores Doré Eccles Theater and related mid-block improvements. These projects provide compelling opportunities to engage with and activate public amenities, including the addition of business entrances to the Regent Street plaza, and aesthetic improvements that will be highly visible from public spaces. Outreach to stakeholders on the block has confirmed that a loan and grant program could be a useful tool to incentivize this type of investment on a concurrent timeline with the completion of public improvements and opening of the Eccles Theater in 2016.

**FUNDING:** \$1,400,000 allocated from the Agency's Central Business District Loan Funds and Revolving Loan Fund, plus \$160,000 allocated from the Agency's Central Business District accounts for the Regent Street project.

**ALTERNATIVES:**

1. Adopt the resolution.
2. Adopt the resolution with modifications.
3. Do not adopt the resolution.

**ANALYSIS AND ISSUES:** The RDA's investment in the Eccles Theater and Regent Street project will set the stage for a vibrant pedestrian environment and gathering places, including the mid-block connection to Main Street and public plaza adjacent to the theater's loading dock. These elements will transform the existing condition of this block by placing what had historically been a deteriorating service alley and the back entrances to buildings that face Main Street in highly visible and accessible locations from Regent Street. Many of these property owners have expressed interest in activating or adding rear entrances to their buildings to new retail development that would strengthen the establishment of a district and increase utilization of the surrounding public amenities.

Property owners on Block 70 have indicated that a short-term financial incentive by the RDA would encourage them to undertake this work on a concurrent timeline with the Regent Street and Eccles Theater projects. Otherwise, if left to market dynamics, the existing condition of the surrounding properties could continue beyond the opening of these improvements in 2016. We have therefore proposed a loan and grant program that would be available and marketed to property owners for a period of six months to fund building improvements in the vicinity of the mid-block walkway and plaza. Participation in the loan and grant program would require the recipient to participate in a management plan that will address issues such as garbage and snow removal, cleaning, maintenance, and security, and to conform improvements with overall design objectives as outlined in the Regent Street schematic design materials approved by the Board in February 2015.

Specific parameters of the loan program would include:

- **Interest Rate:** 0% interest
- **Maximum Loan Size:** \$200,000
- **Loan to Cost:** 75%
- **Maturity:** 5 years from opening of the Eccles Theater
- **Eligible Expenses:** Improvements to address aesthetics of buildings facing the Regent Street Plaza or Mid-Block Walkway, such as the addition of windows, business entrances, tenant improvements, dining areas, signage, and lighting.
- **Timing of Improvements:** Requirement to complete improvements by 11/1/16 (interest rate to increase to 5% if improvements are not completed by 11/1/16)
- **District Management Plan:** Agreement by borrower to participate in creation and funding of a cohesive management plan for Block 70, addressing issues such as garbage and snow removal, maintenance, and security.

Specific parameters of the grant program would include:

- **Maximum Grant:** \$20,000
- **Matching Funds:** Requirement that recipient fund 25% of the cost of improvements
- **Eligible Expenses:** Improvements to address aesthetics of buildings facing the Regent Street Plaza or Mid-Block Walkway, such as painting, hardscape or landscape improvements, the addition of windows, business entrances, dining areas, signage, and lighting.
- **Timing of Improvements:** Requirement to complete improvements by 11/1/16 (unspent grant funds as of 11/1/16 returned to RDA)

- **District Management Plan:** Agreement by borrower to participate in creation and funding of a cohesive management plan for Block 70, addressing issues such as garbage and snow removal, maintenance, and security.

**ATTACHMENTS:**

- 1) Draft Resolution
- 2) Map of Block 70
- 3) Photos of Existing Conditions

RESOLUTION NO. 755.\_\_\_\_\_

March 17, 2015

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY APPROVING A BUILDING RENOVATION LOAN AND GRANT PROGRAM FOR BLOCK 70.**

WHEREAS, the Redevelopment Agency of Salt Lake City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Community Development and Renewal Agencies Act; and

WHEREAS, the Agency is proceeding with construction of the George S. and Delores Doré Eccles Theater (“Eccles Theater”) and mid-block improvements to Block 70 that will provide public amenities, including a pedestrian connection between Main and Regent Streets accessing a public plaza (“Regent Street project”); and

WHEREAS, the Agency seeks catalyze redevelopment on Block 70 that will activate these amenities and contribute to a thriving pedestrian and retain environment; and

WHEREAS, the Agency desires to incentivize improvements to existing buildings on Block 70 that will activate public amenities associated with the Regent Street and Eccles Theater projects through the development and funding of a loan and grant program.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY, that we do hereby authorize the Chief Administrative Officer and the Executive Director to develop and administer the policies and procedures for a loan and grant program in accordance with the terms outlined in the memo attached hereto. The policies and procedures shall also incorporate such other terms as recommended by the Agency’s legal counsel.

BE IT FURTHER RESOLVED, that we do hereby authorize the Chief Administrative Officer and the Executive Director to utilize the Central Business District and Revolving Loan Fund to fund the loan and grant program.

Passed by the Board of Directors of the Redevelopment Agency of Salt Lake City, Utah this 17th day of March, 2015.

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Stan Penfold, Chair RDA Board of Directors

ATTEST:

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D.J. Baxter, Executive Director

Transmitted to the Chief Administrative Officer on \_\_\_\_\_. The Chief Administrative Officer

\_\_\_\_\_ does not request reconsideration  
\_\_\_\_\_ requests reconsideration

at the next regular Agency meeting.

\_\_\_\_\_  
Ralph Becker, Chief Administrative Officer

ATTEST:

\_\_\_\_\_  
D.J. Baxter, Executive Director

Approved as to form: \_\_\_\_\_  
Damon Georgelas

MAP OF BLOCK 70



