

# REDEVELOPMENT AGENCY

## OF SALT LAKE CITY

The Redevelopment Agency of Salt Lake City (RDA) was formed in 1969 to stimulate private investment in blighted areas of the City and to assist in the development of affordable housing throughout the City. The RDA does this by providing grants, loans, and tax-increment rebate funds for targeted development projects that advance the Agency's goals for the area. Since its inception, the RDA of Salt Lake City has invested in six project areas in various areas of the city and has stimulated private investment in office, retail, and housing within those project areas. This report provides an overview of the RDA's activities for calendar year 2007.

### THE SUMMIT GROUP

The Redevelopment Agency provided a \$1.6 million renovation loan to The Summit Group, a multi-service marketing firm, to finance a portion of the renovation of a vacant 21,000 square foot warehouse, formerly the United Electric Building, located at 117 West 400 South. This building renovation included major interior and exterior remodeling that maintained the building's vintage appearance while accenting it with a modern flare. The end result of the renovation was the successful conversion of the warehouse into a high-end office building, which The Summit Group now uses as its company headquarters.



## 2007

annual report

# REDEVELOPMENT AGENCY OF SALT LAKE CITY

## GATEWAY OFFICE 5 LC

In the spring 2006, the Agency sold a  $\frac{3}{4}$ -acre parcel to Gateway Associates on the northeast corner of the intersection of 500 West and 200 South. Shortly thereafter, Gateway Associates began construction on that parcel of a 60,000 square foot office building, a 3,000 square foot retail building, and associated parking. The buildings will be ready for occupancy in the first quarter of 2008.



## MARMALADE GROUNDBREAKING

In April 2007, HOWA Capital officially broke ground on Marmalade, Salt Lake City's newest urban community. Marmalade will be a \$47 million mixed-use development featuring 50,000 square feet of commercial space and 91 condominiums, town homes, and penthouses. Preparation for this unique development began in 1996 when the Agency purchased property located on the corner of 500 North and 300 West in the West Capitol Hill Project Area. The Agency has continued to purchase adjacent parcels, accumulating a total of 4.95 acres on both sides of 300 West between 500 and 600 North, for a mixed-use or retail and housing development. In an effort to increase the size of the development, HOWA Capital also purchased an additional 0.70 acres for a total developable area of 5.65 acres. Site work began on the site in June 2007 and will continue with an anticipated completion of the entire project in late 2009 or early 2010. For more information on this project, please visit [www.liveatmarmalade.com](http://www.liveatmarmalade.com).



## WILLOW HEIGHTS

In June 2002, the Agency purchased parcels of land located at 701 North 300 West and 314 West 700 North. The Agency marketed the property for a mixed-use development in accordance with underlying zoning requirements and, in April 2005, West Capitol Hill, LLC was selected to design, construct, and sell eight residential live/work units. Each of the units was to be sold at market rate prices and lived in exclusively by owner-occupants, rather than held as rental properties. Additionally, the Agency required that three of the units be constructed as ADA-visitable. In November of 2007, West Capitol Hill, LLC closed on the sale of five of the completed live/work units and the remaining three units were completed in December of 2007.

## 900 SOUTH STREET IMPROVEMENTS

The Redevelopment Agency provided \$255,000 to partially fund the installation of decorative street lighting on 900 South from Main Street to I-15. Seven street lights were installed per block. All additional lighting costs, which included the street lights installed on 900 South from I-15 to 900 West, were paid for with Salt Lake City Class C road funds. The street lighting contributes to Salt Lake City's reconstruction of 900 South, which included new curb and gutter, sidewalk, storm drainage, roadway pavement, traffic signals, and park strip landscaping.



## 300 SOUTH STREET IMPROVEMENTS

In December 2006, the Agency's Board of Directors approved final funding for the 300 South Street Improvement project located within the Central Business District. This project consisted of pedestrian parking and urban streetscape enhancements that feature mid-street parking, a raised, tree-lined sidewalk in the center of the street, and improvements to crosswalks and street pavement between 400 West and Main Streets. These improvements will allow 300 South to become a more pedestrian-friendly, interactive streetscape through the addition of parking opportunities and the improvement of pedestrian-level lighting and traffic calming to serve the numerous restaurants and businesses along the street. Construction was completed in December 2007.

## LEED® POLICY

Supporting Salt Lake City's commitment to sustainable building practices, the RDA Board of Directors adopted in July 2007 a policy to address sustainability in building construction and renovation. The policy requires that all Agency-owned development projects larger than 10,000 square feet be LEED certified at the Silver level. The LEED program, which stands for Leadership in Energy and Environmental Design, is administered by the U.S. Green Building Council to encourage and acknowledge projects that achieve a high degree of energy efficiency and meet high performance building

standards in their design and construction. The RDA Board has also created attractive incentives, in the form of partially-refunded certification fees and reduced construction loan interest rates for those RDA-assisted projects that secure a LEED Silver Certification.



## SUGAR HOUSE GRANTS

In April 2007, the RDA Board of Directors created the Sugar House Granite Block Tenant Matching Grant Program in an effort to encourage local small businesses that were being displaced by a new development to relocate within the Sugar House Project Area. The program provided additional assistance toward tenant improvement costs above and beyond the loan programs offered by the Agency and the City. Many of the tenants in the area had been given notice to vacate due to the proposed new development on the Granite Block. The businesses eligible for these grants were those located between McClelland Street and Highland Drive and 2100 South and Sugarmont Avenue in the Sugar House Business District. Each qualifying business needed to have been in operation in its Sugar House location for a minimum of three years. To date, the Agency has issued four grants of \$15,000 each to Living Cuisine, PIB's Exchange, Sugar House Coffee, and Ten Thousand Villages for the tenant improvements at their new locations in Sugar House.

**HOUSING FIRST**

In March 2007, the Sunrise Metro Apartments opened its doors for the first time to the public. Located at 580 South 500 West, these newly constructed apartments were created in a collaborative effort by the Agency, Salt Lake County, The State of Utah, HUD, and the Veterans Administration to fund an apartment project consisting of 100 studio and one-bedroom units for the chronically homeless. The project began through a collaborative commitment made by the State of Utah, Salt Lake County, and Salt Lake City to end chronic homelessness within ten years. The idea quickly came to life once it was embraced by Crusade for the Homeless and the George S. and Delores Doré Eccles Foundation, who jump-started the project with grants of \$600,000 each. In March of 2005, the Redevelopment Agency's Board of Directors approved an additional \$700,000 in the form of a Housing Property Acquisition Loan to assist the Housing Assistance Management Enterprise (HAME), a nonprofit subsidiary of the Housing Authority of Salt Lake City, in the acquisition of additional land located at 542 West 600 South for the development of the Sunrise Apartments. The project currently provides housing for 100 people who had previously suffered from chronic homelessness. It also provides these individuals with the necessary counseling and life skills support aimed at maintaining both a household and a degree of self-sufficiency.



**WEST TEMPLE GATEWAY ALLEYWAY IMPROVEMENTS**

With many of Salt Lake City's public alleyways falling into disrepair, the Redevelopment Agency allocated \$400,000 for a pilot program intended to develop an efficient and effective means of dealing with the problem. Through a collaborative effort with Salt Lake City Public Services, Ward Engineering, and Dry Creek Structures, the RDA reconstructed and paved seven alleyways in the West Temple Gateway Project Area. Through these efforts, alleyways that were previously all-but-impassible and catalysts for illicit behavior are now far more functional and significantly safer mid-block streets. The Agency hopes the experience gained from reconstructing the West Temple Gateway alleyways will provide a template for the improvement of additional alleyways throughout the city.



**222 SOUTH MAIN STREET**

On August 28, 2007, Hamilton Partners held a groundbreaking for a new office building to be located at 222 South Main Street. The 425,000 square foot building and 840-stall parking structure should be completed by spring 2010. Hamilton Partners has begun pre-leasing of the building with a focus on banking and financial services. The Agency committed to reimburse the developer up to \$6,000,000 of the project's tax-increment in exchange for limitations on tenant relocations, provision of 100 stalls of public parking on the first floor of the parking structure at the parking meter rate, completion of a mid-block pedestrian walkway between Main and West Temple Streets, and construction of a plaza located behind the historic Lollin and Karrick Buildings. This modern office building will begin to address the shortage of Class-A office space in the Central Business District of Salt Lake City.

**GALLIVAN REPAIR PROJECT**

In June 2006, the Redevelopment Agency contracted with Edwards & Daniels Architects (EDA) to perform exploratory work and produce plans detailing necessary repair work on the south end of the John W. Gallivan Utah Center. After EDA researched and identified the sources of leaks and other failing infrastructure on the two staircases and River of Words sculpture, the Agency hired McCullough Engineering to perform the work. The repair work was completed in fall 2007.

## THE WALKER CENTER

The Walker Center, located at 175 South Main Street, is a 20-story historic office building that was originally constructed in 1911. Purchased in 2006 by Walker Center Associates, the 110,000 square foot building and 400-car parking structure have undergone an extensive overhaul to upgrade the office tower to today's "Class A" standards. The renovation, costing over \$10 million, was partially financed by the Redevelopment Agency through a \$1,994,650 Building Renovation Loan.



## PALMER COURT

The Redevelopment Agency provided Shelter the Homeless II, a non-profit organization associated with The Road Home, a \$3,000,000 grant to assist in the acquisition of a hotel located at 999 South Main Street. The hotel, which was previously a Holiday Inn, will be used as long-term housing for individuals and families that would otherwise be using the services of The Road Home shelter for the homeless. The RDA grant also secured the permanent provision of 60 weekly rental units at the facility, which will counter the decline in the number of such units in the downtown area. The conversion of the hotel into long-term housing will be complete by late 2008.



## GRANT TOWER

In March 2007, Salt Lake City completed negotiations with Union Pacific to reconfigure its freight rail tracks in the Gateway area, remove tracks from the 900 South and Folsom rail corridors, and create quiet zones through much of the City. The \$50 million project included funding assistance from Salt Lake City, Union Pacific, the Redevelopment Agency, the Utah Transit Authority, Salt Lake County, and the U.S. Department of Transportation. Construction was substantially complete by the end of 2007, and the quiet zones are expected to take effect early in 2008. This project resulted in the permanent removal of trains from the 900 South corridor in the City's Poplar Grove and Glendale neighborhoods, and the opening of a corridor along Folsom Street, just west of the Depot District, where the flow of City Creek can be brought to the surface. The project also included extensive infrastructure improvements in the Depot District, including the complete reconstruction of 600 West from North Temple to South Temple.

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Ross C. Anderson

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### RDA Staff

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