

West Capitol Hill Redevelopment Project

West Capitol Hill Redevelopment Plan

Report on Redevelopment Plan

Rules Governing Participation
and Preferences by Owners, Operators of
Businesses and Tenants

Rules Governing Relocation Assistance

West Capitol Hill Redevelopment Plan



Planning Commission Recommendation	April 4, 1996
Redevelopment Agency Approval	July 1, 1996
City Council Adoption (Ordinance 51 of 1996)	July 1, 1996

ACKNOWLEDGMENTS

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WEST CAPITOL HILL REDEVELOPMENT PLAN

RECITALS

1. Pursuant to the provisions of Section 1204 of the Utah Neighborhood Development Act ("Act"), the governing body of the Redevelopment Agency of Salt Lake City ("Agency") designated by Resolution # 408.02 dated June 9, 1994 a redevelopment survey area which found that the area required study to determine whether or not one or more redevelopment project areas are feasible and contained a description or map of the boundaries of the redevelopment survey area as more fully shown on Exhibit "A"; and
2. Pursuant to the provisions of Section 1205 of the Act, Salt Lake City ("City") has a planning commission and a general plan as required by law; and
3. Pursuant to the provisions of Section 1206 of the Act, the governing body of the Agency approved by Resolution # 428.04 dated July 13, 1995 the designation of a proposed project area pursuant to Section 17A-2-1206(4), Utah Code Annotated 1953, as amended; the setting of a date for a public hearing pursuant to Section 17A-2-1206(2); and the combining of the public hearings required by Section 17A-2-1206(2) and Section 17A-2-1206(4) as authorized by Section 17A-2-1206(5); and
4. Pursuant to Section 1208 of the Act, the Agency initiated by resolution # 408.02 dated June 9, 1994, a blight study of the survey area and the blight study was completed within one (1) year from the date of authorization; and
5. Pursuant to the provisions of Section 1206 of the Act, the Agency has conducted a public hearing on July 31, 1995 within 45 days after designation of a redevelopment project area for the purpose of presenting evidence of the elements of blight, allowed property owners a reasonable opportunity to prepare for the blight hearing and permitted examination and cross examination by the property owners or their representatives of the Agency's evidence or experts and heard and considered evidence and expert testimony concerning the elements of blight present; and
6. Pursuant to the provisions of Section 1208 of the Act and prior to adopting a redevelopment plan, the Agency conducted a public hearing on July 31, 1995 and found that the proposed redevelopment project area was a blighted area; and
7. Pursuant to the provisions of the Act, a redevelopment plan has been prepared after April 1, 1993 and the completion of the Agency's blight study and the commencement of the Agency's public hearings have commenced after July 1, 1993.

Section 1 - Definitions

As used in this redevelopment project plan:

A. The term "**Act**" shall mean the Utah Neighborhood Development Act as found in Title 17A, Part 12, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor law or act.

B. The term "**Agency**" shall mean the Redevelopment Agency of Salt Lake City as designated by the City to act as a redevelopment agency.

- k. The term "**project area**" or "**redevelopment project area**" shall mean an area of a community within a designated redevelopment survey area, the redevelopment of which is necessary to eliminate blight or provide economic development and which is selected by the Agency pursuant to this part.
- L. The term "**project area budget**" shall mean a multi-year budget for the redevelopment plan prepared by the Agency containing the information required by Section 17A-2-1202(11), of the Act.
- M. The term "**redevelopment**" shall mean the "planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, of all or part of a project area, and the provisions of residential, commercial, industrial, public, or other structures or spaces that are appropriate or necessary to eliminate blight in the interest of the general welfare, including recreational and other facilities incidental or appurtenant to them," as defined in Section 17A-2-1202(13), of the Act.
- N. The term "**redevelopment plan**" shall mean a redevelopment plan developed by the Agency and adopted by ordinance of the governing body of the City to guide and control redevelopment and economic development undertakings in a specific project area.
- O. The term "**redevelopment survey area**" or "**survey area**" shall mean an area of a community designated by resolution of the legislative body or the governing body of the Agency for study by the Agency to determine if blight exists and if a redevelopment project or projects within the area are feasible.
- P. The term "**taxes**" include all levies on an ad valorem basis upon land, real property, personal property, or any other property, tangible or intangible.
- Q. The term "**taxing agencies**" shall mean the public entities, including the state, any city, county, city and county, any school district, special district, or other public corporation, which levy property taxes within the project area.
- R. The term "**tax increment**" shall mean that portion of the levied taxes each year in excess of the base tax amount which excess amount is to be paid into a special fund of an Agency.

Section 2 - Description of the Redevelopment Project Area

The West Capitol Hill Redevelopment Project Area, hereinafter referred to as the redevelopment project area, is enclosed within the following boundaries:

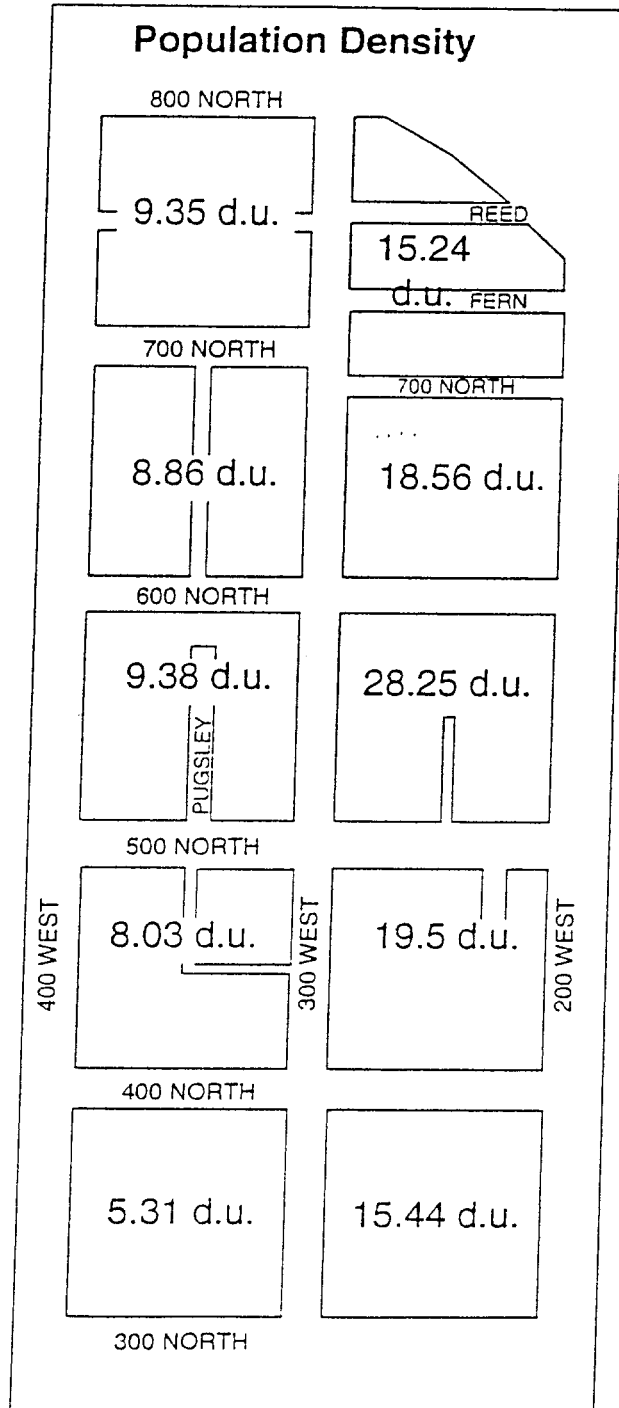
Beginning at the Southwest corner of the intersection of 400 West Street and 300 North Street; thence East along the South boundary line of 300 North Street to the Southeast corner of the intersection of 300 North Street and 200 West Street; thence North along the East boundary line of 200 West Street to a point where the North boundary line of 200 West Street intersects the North boundary line of Wall Street; thence northwesterly along the North boundary line of Wall Street to the Northeast corner of the intersection of Wall Street and 800 North Street; thence West along the North boundary line of 800 North Street to the Northwest corner of the intersection of 800 North Street and 400 West Street; thence South along the West boundary line of 400 West Street to the point of beginning.

The proposed survey area contains all of blocks 114, 115, 120, 121, 132, 133, 138, 139, 150, 151, Plat "A" Salt Lake City Survey, containing approximately 90 acres of privately owned property excluding public streets.

A map of the project area is included as Exhibit "A". The Blight Survey conducted by Richard Chong & Associates, dated May 7, 1995, includes each ownership parcel together with a list of both the name and address of the owner of each parcel.

B. Population Densities

Existing residential population densities have been calculated as of March 1996 for each of the ten acre blocks of Plat A, Salt Lake City survey. The block level densities are shown on the Population Density Map. Densities are depicted as the number of dwelling units per acre calculated for residential land use area only. Each block density represents the average of all residential uses for the block.



Section 5 - How the Proposed Redevelopment Conforms to the Master Plan or General Community Plan

The West Capitol Hill Neighborhood Plan prepared by the City is the current master plan for the redevelopment project area as it currently exists or as it may be amended from time to time by the City. The Redevelopment Plan is consistent with the goals and objectives of the West Capitol Hill Neighborhood Plan in that the Redevelopment Plan proposes redevelopment which is consistent with the planning and zoning goals of the City. The construction of all new buildings and improvements and the rehabilitation of any existing buildings or improvements will be done in accordance with the standards set forth in the West Capitol Hill Neighborhood Plan, in accordance with the City zoning ordinance, and in accordance with the Uniform Building Code adopted by the City. All building permits for construction or rehabilitation will be issued by the City in order to assure that new development or redevelopment is consistent with the West Capitol Hill Neighborhood Plan.

The provisions of this Redevelopment Plan were reviewed and approved by the Planning Commission of the City. The Redevelopment Plan is consistent with the master plan or general community plan of the City as more fully described in the Report from the Planning Commission, a copy of which is attached to the Report accompanying this Plan.

Section 6 - Description of the Way in Which the Redevelopment will Reduce or Eliminate any Findings of Blight

The legislative body of the City has found that the real property located within the boundaries of the project area is a blighted area. It is the purpose of the Redevelopment Plan to provide ways to remove the factors of blight within the project area. Through the process of owner participation, owners of real property located within the project area who desire to participate in the redevelopment of the project area will be given a preference in entering into one or more participation agreements with the Agency which will result in the removal of blight from the project area and the redevelopment of the project area. If owners of real property located within the project do not wish to participate, the Agency may select non-owners to participate.

The Agency found: Defective character of physical construction.

How the redevelopment plan intends to correct this problem: The West Capitol Hill Redevelopment Plan provides updated land use development guidelines to direct reinvestment in the neighborhood and to ensure development will occur in a pattern compatible with the goals and objectives of the master plan for the redevelopment area.

A variety of programs will be made available to property owners for rehabilitation, and new construction within the project area. This coupled with the market demand for affordable housing and locations for new businesses will create an atmosphere where reinvestment will occur.

Section 7 - Description of the Specific Projects that are the Object of the Proposed Redevelopment

At the time of adoption of this redevelopment plan, the Agency has not been contacted by persons or businesses who are interested in redeveloping the project area.

Section 8 - Way in which Private Developers, if any, will be Selected and Identification of Developers Currently Involved in the Proposed Redevelopment

The Agency has adopted Participation Rules, as may be amended from time to time, for all redevelopment projects within the City. The Participation Rules permit owners of real property or tenants having the rights of ownership of real property a preference in undertaking redevelopment within a designated project area. The Agency contemplates that owners of real property within the project area will exercise their rights to this opportunity. In the event that owners do not wish to participate in the development of their individually owned parcels, the Agency reserves the right, pursuant to the Act, to select non-owner developers by private negotiation or public advertisement and bidding.

Section 9 - Redevelopment Restrictions

A. Continued Use of Existing Buildings

Redevelopment shall include and encourage the continuance of existing buildings or uses so long as blight conditions, if any, are removed and the buildings have an economic life after rehabilitation of at least twenty (20) years.

B. Retail Sales

Because blight has been found in the redevelopment project area, the development of retail sales may be, and is, an objective of the project area in order to strengthen the tax base of the community and the State.

Section 10 - Provisions Of the Redevelopment Plan To Meet State Or Local Law

Pursuant to the provisions of Sections 1210 and 1247.5 of the Act, the redevelopment plan provides as follows:

A. 100 Acre Limitation

The redevelopment project area described in the redevelopment plan may not exceed 100 acres of privately-owned property unless the governing body of each local taxing agency that levies taxes upon property within the proposed redevelopment project area consents in writing to exceeding the limit of 100 acres of privately owned property in the redevelopment project area.

D. Owner Participation

The redevelopment plan provides for reasonable opportunities to participate in the redevelopment of property in the redevelopment project area by the owners of property in the redevelopment project area if the owners (and certain tenants having the right to become owners) enter into a participation agreement with the Agency agreeable with the Agency. The Agency has adopted Participation Rules, which may be amended from time to time, copies of which may be obtained from the office of the Agency upon request. The Owner Participation Plan permits owners within the redevelopment project area reasonable opportunities to participate in the redevelopment of the project area by executing a participation agreement with the Agency. The Owner Participation Plan provides the following kinds of possible participation:

1. Owners retaining, maintaining, and if necessary rehabilitating, all or portions of their properties;
2. Owners acquiring adjacent or other properties in the redevelopment project area;
3. Owners selling all or portions of their improvements to the Agency, retaining the land, and developing their properties;
4. Owners selling all or portions of their properties to the Agency and purchasing other properties in the redevelopment project area;
5. Owners selling all or portions of their properties to the Agency and obtaining preferences to re-enter the redevelopment project area;
6. Tenants having opportunities to become owners of property in the redevelopment project area, subject to the opportunities of owners of property in the redevelopment project area; or
7. Other methods as may be approved by the Agency.

The Agency shall extend reasonable preferential opportunities to owners within the redevelopment project area ahead of persons and entities outside the redevelopment project area, to participate in the redevelopment project area pursuant to the owner participation plan.

A copy of the adopted Owner Participation Plan as approved by the Agency and the City is incorporated herein by reference and made a part hereof and copies can be obtained upon request at the office of the Redevelopment Agency during regular business hours.

3. Commercial

- a. Expand and reconfigure zoning to allow a community shopping node to support the community.
- b. Adjust commercial zoning districts to assure that the type of commercial uses that are permitted would support the community and strengthen existing commercial corridor.
- c. Maintain existing and encourage new neighborhood service commercial uses in the area.
- d. Provide office, retail services with ancillary warehousing in the mixed use areas.
- e. Within the commercial/industrial area light industrial, warehousing, and wholesaling uses are allowed.

4. Historical

- a. Encourage the designation of individually eligible properties to the National Register of Historic Places.
- b. Encourage preservation of buildings listed on the state, local, or national historic register or are contributing to the historic district.

C. Specific Design Objectives and Control

1. Mixed Use Design Objectives

- a. Massing and scale of structures should be compatible with the surrounding land uses.
- b. Buildings adjacent to streets should orient to the street.
- c. Building height limits.
 - Residential: Four stories permitted; six stories conditional use.
 - Commercial: Two stories.
 - Office: Two stories.
 - Mixed Use: Six stories with upper four levels residential.
- d. First floor elevations for nonresidential uses should provide a minimum of 40 percent non-reflective glass.
- e. Conversion of existing single family or duplex structures to nonresidential uses should be regulated on non-arterial streets.
- f. Building setbacks within the mixed use areas vary. New development should maintain ten foot front yard landscaped setbacks.
- g. Lot coverage should be limited to 70 percent for residential uses and 60 percent for nonresidential uses.
- h. Sign types should be limited to flat and low profile signs.
- i. Loading docks should be located and screened in a way which minimizes the impacts upon any adjacent residential land uses.
- j. Design primary access points to avoid traffic conflicts.
- k. Surface and structured parking are permitted.
- l. Pedestrian lighting along walkways and other pedestrian areas should be used to indicate routes and provide safety.
- m. Public transportation should be accommodated at the street edges.
- n. Prohibit open storage.
- o. Provide landscaped buffers / screening between residential and nonresidential uses.
- p. Landscaped buffers and screening should be used between residential and non-residential uses.
- q. Non-residential uses should not be placed between existing low density residential uses on the local streets.

2. Building Design Objectives

- a. All new buildings shall be of design and materials which will be in harmony with the adjoining areas and shall be subject to design review and approval by the Agency.
- b. The design of buildings shall take optimum advantage of available views and topography.

5. Infrastructure Improvements

The West Capitol Hill Neighborhood Plan identifies needed infrastructure improvements. The Salt Lake Public Works Department lists projects on a priority basis. Most of the infrastructure improvements are listed as short range goals, 5- 10 years.

6. Implementation Program

Redevelopment projects may be undertaken and carried out as provided in Section 17A-2-1215, of the Act. Funding for redevelopment projects and activities shall be provided for in the project area budget as approved by the taxing agency committee and in the annual budget of the Agency.

E. Property Acquisition, Disposition, Relocation, and Development

The objectives of this redevelopment plan are to be accomplished by:

1. Acquisition of Real Property

The Agency may acquire, but is not required to acquire, real property located in the redevelopment project area, by gift, devise, exchange, purchase, eminent domain or condemnation, or any other lawful method. The Agency is authorized to acquire any other interest in real property less than fee title such as use restrictions, leasehold interests, easements, rights of way, etc. The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless, in the Agency's judgment, (1) such building requires structural alteration, improvement, modernization, or rehabilitation, or (2) the site or lot in which the building is situated requires modification in size, shape, or use, or (3) it is necessary to impose upon such property any of the standards, restrictions and controls of the plan.

2. Acquisition of Personal Property

Generally personal property shall not be acquired. However, where necessary in the execution of this plan, the Agency is authorized to acquire personal property in the redevelopment project area by any lawful means.

3. Cooperation with the Community and Public Bodies

The community and certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking construction, or operation of this project. The Agency shall seek the aid and cooperation of such public bodies in order to accomplish the purposes of the redevelopment plan and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the redevelopment project area. The Agency shall impose on all public bodies the planning and design controls contained in the plan to insure that present uses and any future development by public bodies will conform to the requirements of the plan.

4. Property Management

During such time that property, if any, in the redevelopment project area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment.

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or without the redevelopment project area for itself or for any public body or public entity to the extent that such improvement would be of benefit to the redevelopment project area and in conformance with the Neighborhood Development Act. During the period of development in the redevelopment project area, the Agency shall insure that the provisions of this redevelopment plan and of other documents formulated pursuant to this redevelopment plan are being observed, and that development in the redevelopment project area is proceeding in accordance with the development documents and time schedules. Plans for development or redevelopment by owners or developers, both public and private, shall be submitted to the Agency for approval and architectural review. All development or redevelopment must conform to this redevelopment plan and all applicable federal, state, and local laws. For the purpose of this redevelopment plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, and otherwise dispose of personal property.

Section 12 - Implementation of Redevelopment Project Program

Redevelopment projects within the project area shall be implemented as approved by the Agency.

Section 13 - Taxing Agency Committee

Section 17A-2-1247.5 of the Act, which may be amended from time to time, provides for the establishment of a taxing agency committee which will have the following powers and perform the following functions:

- "(2) (a) A taxing agency committee shall be created for each redevelopment or economic development project. The committee membership shall be selected as follows:
- (i) two representatives appointed by the school district in the project area;
 - (ii) two representatives appointed by resolution of the county commission or county council for the county in which the project area is located;
 - (iii) two representatives appointed by resolution of the city or town's legislative body in which the project area is located if the project is located within a city or town;
 - (iv) a representative approved by the State School Board; and
 - (v) one representative who shall represent all of the remaining governing bodies of the other local taxing agencies that levy taxes upon the property within the proposed project area to serve as a voting member of the committee. The representative shall be selected by resolution of each of the governing bodies of those taxing agencies.
- (b) A taxing agency committee formed in accordance with this section has the authority to:
- (i) represent all taxing entities in a project area and cast votes that will be binding on the governing boards of all taxing entities in a project area;
 - (ii) negotiate with the Agency concerning the redevelopment plan;
 - (iii) approve or disapprove project area budgets; and
 - (iv) approve an exception to the limits on the value and size of project areas imposed by Section 17A-2-1210, or the time and amount of tax increment financing under this section.

(b) In each year in which there are increases or decreases in the tax rate of a taxing agency as described in Subsection (a) as a result of (i) statutes enacted by the Legislature, a judicial decision, or an order from the State Tax Commission to a county to adjust or factor its assessment rate pursuant to Subsection 59-2-704(2), (ii) changes in exemptions provided in Article XIII, Sec. 2, Utah Constitution, or Section 59-2-103, and (iii) any increase or decrease in the percentage of fair market value, as defined under Section 59-2-102, the amount of the tax rate to be used in determining tax increment shall be increased or decreased by the amount of the increases or decreases as a result of the applicable action described in (i), (ii), or (iii).

(c) Notwithstanding the increase or decrease resulting from Subsection (b), the amount of money allocated to, and when collected paid to the agency each year for payment of bonds or other indebtedness may not be less than would have been allocated to and when collected paid to the agency each year if there had been no increase or decrease under Subsection (b)."

Section 15 - Relocation Plan

The Agency has adopted a relocation plan entitled "Rules For Governing Relocation Assistance For the Redevelopment Agency of Salt Lake City", which may be amended from time to time. Pursuant to the relocation plan, the Agency shall provide relocation assistance to persons who are displaced as a result of the acquisition of real property by the Agency or written request by the Agency to vacate real property for a program of purchase undertaken by the Agency, or as a direct result of redevelopment activities conducted by the Agency in accordance with the relocation plan adopted by the Agency

Section 16 - Provisions For Amending The Redevelopment Plan

The redevelopment plan may be amended or modified any time by the Agency in the same manner as if the amendment or modification constituted a redevelopment plan being originally proposed or as provided in Section 17A-2-1229, of the Act.

Section 17 - Historic Places and Historic Uses

If any of the existing buildings or uses are included in or eligible for inclusion in the National Register of Historic Places, or the State Register, the redevelopment plan does hereby incorporate the provisions of Subsection 9-8-404(1), Utah Code Annotated 1953, as amended.

WEST CAPITOL HILL REDEVELOPMENT NEIGHBORHOOD

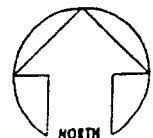
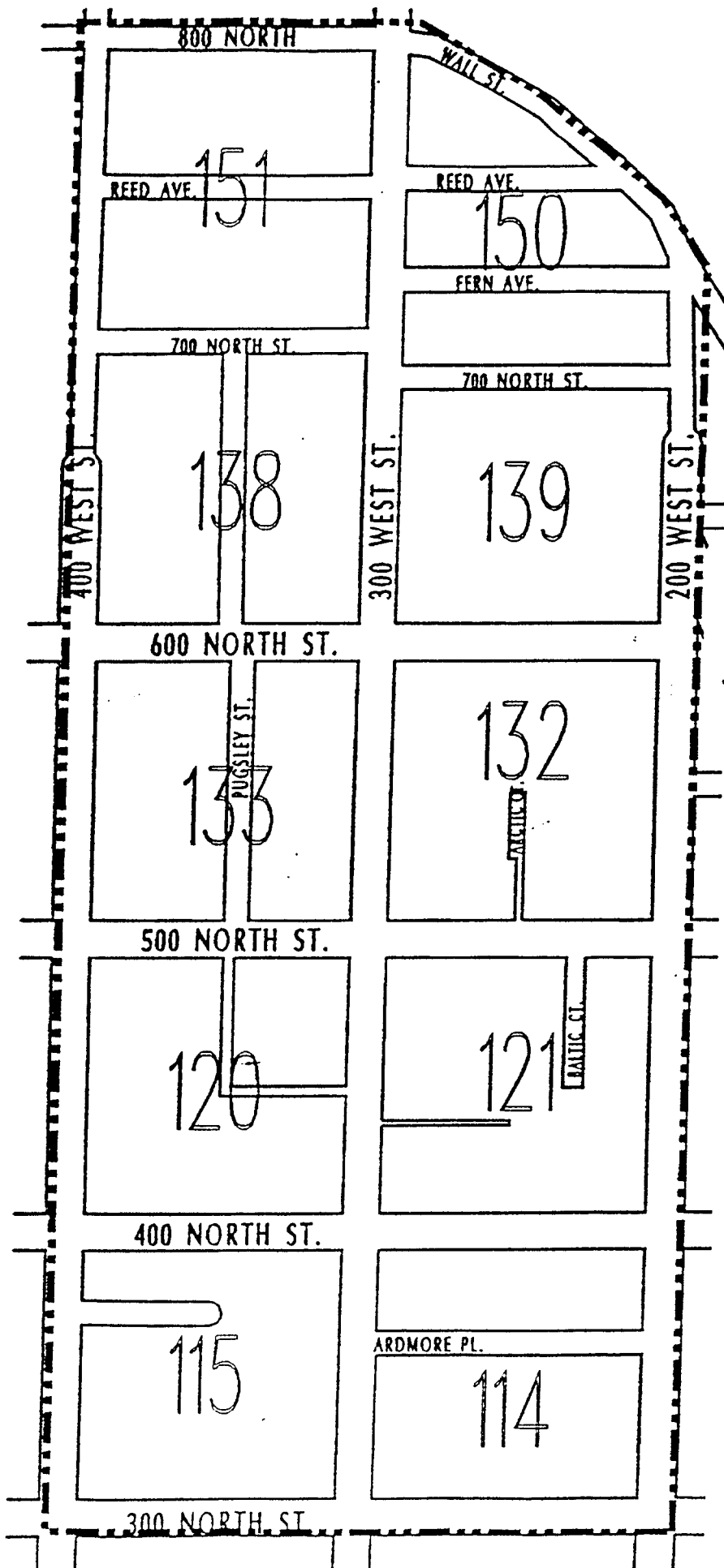
Exhibit A



REDEVELOPMENT
NEIGHBORHOOD
BOUNDARY

175

BLOCK NUMBER
- SLC SURVEY
PLAT A



SCALE 1" = 425'

SALT LAKE CITY
PLANNING DIVISION
GEOGRAPHIC INFORMATION SYSTEM

WILLIAM T. WRIGHT, AICP
PLANNING DIRECTOR

BRENT B. WILDE
DEPUTY PLANNING DIRECTOR

SALT LAKE CITY CORPORATION

COMMUNITY AND ECONOMIC DEVELOPMENT
PLANNING DIVISION

DEEDEE CORRADINI
MAYOR

April 18, 1996

Tom Godfrey, Chairman
Redevelopment Agency of Salt Lake City
451 South State Street
Salt Lake City, UT 84111

Dear Chairman Godfrey:

At the regular meeting of the Planning Commission held April 4, 1996, the proposed Redevelopment Plan entitled "West Capitol Hill Redevelopment Plan" dated April 4, 1996, was reviewed as a continuation of the previous March 21, 1996 Planning Commission meeting in which the Commission held a public hearing considering the "West Capitol Hill Neighborhood Development Plan". The Agency and its staff have consulted with the Planning Commission and its staff regarding the contents of the Preliminary Redevelopment Plan.

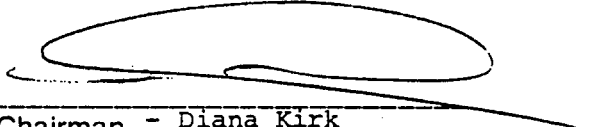
The proposed Plan was found to be consistent with the City's Master Plan and other plans of the city for the development area described in the Plan. Consistency with the West Capitol Hill Neighborhood Master Plan was identified in the Planning staff's Report of the Planning Commission which was adopted by the Planning Commission on April 4, 1996.

It is the recommendation of the Planning Commission of the Redevelopment Agency and the City Council to adopt the Preliminary Redevelopment Plan.

The Planning Commission looks forward to working with the Redevelopment Agency in implementing redevelopment projects as contained in the Preliminary Redevelopment Plan.

Very truly yours,

By


Chairman - Diana Kirk
Salt Lake City Planning Commission

By


Director
Salt Lake City Planning Division

Standards for Redevelopment

West Capitol Hill Redevelopment Plan Excerpt:

"A. Statement of Development Objectives

1. Development Character

- *Encourage adaptive re-use of structurally sound buildings demonstrating potential economic viability.*
- *Rehabilitation of buildings to assure sound long-term economic activity in the neighborhood.*
- *Eliminate physical and economic blight by removing deteriorated and functionally obsolete structures.*
- *Encourage infill development compatible with neighborhood characteristics.*
- *Encourage new development to strengthen the existing neighborhoods.*
- *Incorporate adequate landscaping into all infill and new development proposals.*
- *Incorporate adequate off-street parking into development proposals with identified access, proper buffering and landscaping.*

2. Urban Amenities

- *Provide public infrastructure improvements to give area an upgraded urban neighborhood environment.*
- *Improve the streetscape environment with features such as, landscaped parking strips with street trees, adequate curb gutter and sidewalks, street center island medians, boulevard street and pedestrian scale street lighting, and designed gateway images.*
- *Coordinate and improve the transportation system with improved public streets.*
- *Provide for improved pedestrian circulation.*
- *Provide a comprehensive system of street and neighborhood identification graphics and signage.*

3. Economics

- *Remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels.*
- *Replace structurally substandard buildings to return properties to a viable economic use.*
- *Promote and market sites for development or redevelopment that is complementary to existing business and residential uses or enhance the economic base through diversification.*
- *Strengthen the tax base and economic health of the community. "*

Finding:

The development objectives of the West Capitol Hill Redevelopment Plan are consistent with the goals and objectives and plan vision of the West Capitol Hill Neighborhood Master Plan.

West Capitol Hill Redevelopment Plan Excerpt:

"B. General Design Objectives

The general design of redevelopment projects should be such that the overall redevelopment of the project area will implement the following objectives:

1. Residential

- a. Support and enhance existing residential development and provide more housing opportunity.*
- b. Moderate increases in multi-family uses should be allowed in appropriate locations and within the mixed use area.*

2. Mixed Use

- a. Preserve the mixed use character that has historically developed within areas of the neighborhood while encouraging a mix of neighborhood commercial and medium density residential.*

3. Commercial

- a. Expand and reconfigure zoning to allow a community shopping node to support the community.*
- b. Adjust commercial zoning districts to assure that the type of commercial uses that are permitted would support the community and strengthen existing commercial corridor.*
- c. Maintain existing and encourage new neighborhood service commercial uses in the area.*
- d. Provide office, retail services with ancillary warehousing in the mixed use areas.*
- e. Within the commercial/industrial area light industrial, warehousing, and wholesaling uses are allowed.*

4. Historical

- a. Encourage the designation of individually eligible properties to the National Register of Historic Places.*
- b. Encourage preservation of buildings listed on the state, local, or national historic register or are contributing to the historic district. "*

Finding:

The West Capitol Hill Redevelopment Plan's general design objectives are consistent with the development objectives of the land use designations established in the West Capitol Hill Neighborhood Master Plan as well as the Historic Preservation element of the master plan

Techniques to Achieve Plan Objectives

West Capitol Hill Redevelopment Plan Excerpt:

"D. Techniques to Achieve Plan Objectives

1. Rehabilitation:

Properties determined to be in substandard condition by the conservation code and not otherwise needed for redevelopment, may be sufficiently rehabilitated to insure a remaining economic life.

2. Infill Sites:

The target area contains 4.5 acres of vacant land that could potentially be developed for either commercial or residential uses.

3. Acquisition and Clearance:

Parcels of real property located in the redevelopment project area may be acquired by purchase or condemnation.

4. Zoning:

The West Capitol Hill Neighborhood plan recommends zoning changes to encourage residential and commercial development. "

Finding:

Rehabilitation and redevelopment within the West Capitol Hill neighborhood are compatible activities to meet the objectives of the master plan. Consistency with the master plan is assured through the requirements of building permits for such activities. Building permits are subject to compliance with the zoning ordinance. The West Capitol Hill Neighborhood Master Plan identifies zoning changes to achieve the plan objectives. Upon adoption of the master plan the zoning ordinance would be amended in response to the recommendations of the West Capitol Hill Neighborhood Master Plan, therefore future rehabilitation and redevelopment activities would be consistent with the master plan.

Conformance with Master Plan

The West Capitol Hill Neighborhood Plan is the current master plan for the redevelopment project area. The Redevelopment Plan is consistent with the goals and objectives of the West Capitol Hill Neighborhood Plan in that the Redevelopment Plan proposes redevelopment which is consistent with the planning and zoning goals of the City. The construction of all new buildings and improvements and the rehabilitation of any existing buildings or improvements will be done in accordance with the standards set forth in the West Capitol Hill Neighborhood Plan, in accordance with the City zoning ordinance and in accordance with the Uniform Building Code adopted by the City. All building permits for construction or rehabilitation will be issued by the City in order to assure that new development or redevelopment is consistent with the West Capitol Hill Neighborhood Plan.

RECOMMENDATION

The Planning staff recommends to the Planning Commission that based upon the findings of the Report on the West Capitol Hill Redevelopment Plan that they approve the West Capitol Hill Redevelopment Plan and determine that the redevelopment plan is consistent with the master plan of Salt Lake City.

REPORT ON REDEVELOPMENT PLAN
ENTITLED
"WEST CAPITOL HILL REDEVELOPMENT PLAN"

Updated July 1, 1996

Redevelopment Agency of Salt Lake City
Room 418 City and County Building
451 South State St.
Salt Lake City, Utah

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REPORT ON REDEVELOPMENT PLAN

ENTITLED

"WEST CAPITOL HILL NEIGHBORHOOD REDEVELOPMENT PLAN"

The following report (the "report") on the project area development plan entitled "West Capitol Hill Redevelopment Plan" dated April 4, 1996, is submitted by the Redevelopment Agency of Salt Lake City (the "Agency") in accordance with the provisions of Section 1220 of the Utah Neighborhood Development Act (the "Act"). The terms used in this report shall have the same terms and conditions as those defined in the proposed redevelopment plan entitled "West Capitol Hill Redevelopment Plan".

1. The Reasons for the Selection of the Project Area

The proposed redevelopment plan project area was selected as that area within the city of Salt Lake City having an immediate opportunity to remove blight from an area of the community, to stabilize the residential neighborhood and to strengthen the commercial business and economic base of the community. The proposed project area contains a portion of the city that is desirable for redevelopment at the present time because of its proximity to downtown and the increased demand for decent housing. Planned treatment of this area will be to prevent and eliminate blight and to stimulate new development and upgrade this area of the community to a degree necessary for sound long-range growth. Specific boundaries were arrived at by the Agency based on a recommendation of the Capitol Hill Community Council and after a review of the area by members of the Agency, City Planning and Zoning members and staff, redevelopment consultants, other technical and legal consultants.

2. The Description of the Physical, Social, and Economic Conditions Existing in the Area

A. Physical Conditions

The proposed project area is approximately 90 acres of privately owned land.

The physical characteristics of the West Capitol Hill Redevelopment Plan Project Area (the "project area") may generally be classified into two categories. The first category is the area that is part of one of the oldest neighborhoods in the city. The area is a mixed use area with a strong residential element. The neighborhood contains mostly low density housing with medium density developments scattered throughout. The development area contains approximately sixty-six historic structures in addition to many other architecturally significant buildings. The second category is that area of industrial and commercial uses growing within the area. These uses include, but are not limited to offices, manufacturing facilities, industrial and warehousing buildings, construction uses, bars, retail and motels. Some of this commercial/industrial development has been built adjacent to residential uses causing

incompatible land uses. The commercial/industrial developments contain no shopping centers or stores to support the needs of the residents. The older streets and buildings within the area are showing signs of deterioration and lack of vitality.

Over fifty percent (50%) of the parcels in the project area according to the blight survey contain buildings and improvements and represent over 50 percent (50%) of the square footage of land area of the entire project area.

At the time of the blight finding by the Agency pursuant to Section 1208 of the Act, the Agency determined that the project area was unfit or unsafe to occupy or may be conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of three or more of the factors listed below and was determined to be a "blighted area" for the following reasons:

(1) Defective Character of physical construction:

The condition of the structures in the Survey Area was based on a visual survey that evaluated each structure on its condition, building code compliance, fire safety measures, and environmental measures. The structural integrity of each commercial building was examined based on physical evidence and professional experience of architects. Residential structures were visually surveyed from the exterior by architects for physical condition and structural integrity such as sagging roofs or beams, out of plumb walls, wall and foundation cracks, foundation settlement, and evidence of long term neglect that is resulting in defective character of physical condition.

The area exhibits a number of substandard structures indicating defective character of physical construction. Of the 460 structures in the Survey Area, 258 of them (56.1%) were in substandard condition. 157 structures (34.1% total structures) were deficient, 79 (17.2) were in deteriorated condition and 22 (4.8%) are in dilapidated condition. In addition approximately half of all of the accessory buildings in the Survey Area are substandard with some representing life safety hazards.

(2) Inadequate provision for ventilation, light, sanitation, and open spaces:

There is inadequate provision for ventilation, light, and open spaces between dwelling units. This is evidenced by the fact that of the total of 426 parcels, 162 parcels or thirty-eight percent (38%) of the total number of parcels are substandard with respect to minimum lot size as determined by Salt Lake City's Zoning Ordinance.

Two-hundred and sixty-five buildings or sixty-two point two percent (62.2%) of the parcels with structures suffer from inadequate spacing between units as evidenced by the building sideyard violations. The Zoning Ordinance is intended to allow for light penetration, ventilation and privacy. This close proximity of dwelling units also poses a fire hazard due to the fact that fire could spread from house to house very quickly and that there is inadequate access for fire fighting equipment and personnel to and between housing units.

This fire hazard is further compounded due to the fact that construction and the window openings on the walls that face adjacent properties (i.e. the fire rating of construction of the

exterior walls) does not meet Uniform Building Code requirements. There is also a large number of structures that have minimal setbacks. Even though there is not a structure close by, as soon as the adjacent property owner exercises their right to build up to the sideyard setback line, there will be a problem with light, ventilation, privacy and fire fighting access. In addition, these structures do not meet building code requirements in terms of wall openings and fire resistant construction for exterior walls in close proximity to the property line.

(3) Economic deterioration or continued disuse:

The Survey Area is undergoing economic deterioration as indicated by building deficiencies, site deficiencies, business turnover, marginal uses, and continued disuse. One key indicator of economic deterioration is determined based upon the condition of the buildings. As discussed earlier, 258 structures out of the 460 structures within the Survey Area are in substandard condition (i.e. deficient, deteriorated or dilapidated).

There are twenty-six vacant parcels and twenty-four vacant and boarded structures scattered throughout the Survey Area. This represents a total of fifty vacant parcels and buildings within the Survey Area, representing eleven point three percent (11.3%) of the total parcels. This is a significant number and has a severe blighting influence on the Survey Area.

Another indicator of economic deterioration includes conflicts with the Zoning Ordinance. This is an indication of the lack of compatibility with existing land use requirements. One-hundred and seven parcels are in conflict with the zoning ordinance due to the lack of paved driveways. 265 structures are in conflict with the Zoning Ordinance due to inadequate setbacks. There are thirty-one parcels with no legal off street parking. Seventy-two parcels suffer from land use conflicts with adjoining uses. This represents eighty-four point three percent (84.3%) of the parcels that exhibit zoning and land use conflicts; vacant parcels and buildings and substandard buildings.

Another indicator of economic deterioration is the general lack of site upkeep. Site maintenance deficiencies include poor asphalt paving, open storage, weeds along the fence line which are a fire hazard, abandoned vehicles, fences in need of maintenance, and scattered debris. Two-hundred and twenty-eight parcels show a lack of adequate site maintenance. Sixty parcels (14.1%) show significant lack of site maintenance. There are approximately sixty-seven abandoned vehicles in the Survey Area. Taken all together, all of the specific indicators of economic deterioration combine to present strong indications that this area is not sufficiently strong economically for the owners and tenants to undertake a high or even standard level of maintenance to structures and sites.

(4) Mixed character and shifting of uses which results in obsolescence, deterioration, or dilapidation:

There is an encroachment of non-residential uses into historically residential areas and there is evidence of land use conflicts between residential and non-residential uses.

The area is part of one of the oldest residential neighborhoods of the City. The Skaggs Company's first grocery store served this neighborhood. Over the past twenty years, there has

been encroachment of non-residential uses in the area. State Highway 89 (300 West Street) historically has been a major connector to Davis County. Its high traffic volume of commuters serve as a barrier and the catalyst for non-residential development. The 600 North off/on ramp of I-15 also has a major impact on the neighborhood by adding another route for commuters to enter the downtown.

In addition, industrial development to the west and north and the old St. Marks Hospital (now an office complex) introduces non-residential uses. These non-residential uses include but are not limited to, offices, manufacturing facilities, industrial and warehousing buildings, construction uses, bars, retail and motels. The economic deterioration of Beck Street/Swede Town area and the demise of the Wasatch Springs (now the Children's Museum) were contributing factors to the decline of the West Capitol Hill Area during the 60's, 70's and 80's.

400 West Street was recently improved to serve the industrial uses of the northwest portion of the area and acts as a natural boundary between the neighborhood and the industrial uses to the west. Traffic on 300 West Street and the use of 600 North Street as a major access to the downtown still impact the Survey Area.

Most importantly there is a major blighting characteristic of twenty-one vacant and boarded structures and thirty-four vacant parcels. Seventeen of the boarded structures were formerly residences. These boarded and abandoned structures affect the perception of the neighborhood by residents, and mortgage lending institutions. They set a pallor over the neighborhood.

There has been significant encroachment of non-residential uses into the interior block faces of historically single family residential development, as well as block faces of the major streets of 300 West and 400 West. Not counting those uses that are in essentially non-residential clusters, there are forty-six incidents of encroachment and shifting of uses from single family detached housing to commercial, industrial and apartment development.

B. Social Conditions

The master plan of West Capitol Hill for the area included within the proposed West Capitol Hill Redevelopment project area is intended to preserve the existing residential land uses while directing future non-residential land uses to neighborhood oriented businesses in appropriate areas.

The Capitol Hill Community includes 1990 Census Tracts 1001 (West of 300 West Street), 1002 (North of the Utah State Capitol Building), 1007 (Marmalade District), 1008 (Kimball Neighborhood). The Redevelopment Project Area lies within Tract 1001 and 1007.

According to the 1990 Census Tract data, there were 7,356 people living in Capitol Hill Community, this represents a thirty-two percent (32%) decrease between 1960-1990. The largest decrease in the percentage of population and number of households occurred in Census Tract 1001.

The Capitol Hill Community's population, in terms of age has remained stable between 1960-1990 and is similar to that of the overall city-wide population. The census does show the number of children decreasing in proportion to the increase of the number of aged.

The percentage increase in median family income for the community was fairly consistent with the city's. Census Tract 1001 has the lowest income for the area and showed the greatest increase from 1960-1990. According to the Census, 38% of the population in Census Tract 1001 and approximately 30% of the population in Census Tract 1007 earned less than the poverty level.

The Census projects that the population of Capitol Hill to increase 2.5% in 1995-2015 while that of the city as a whole is expected to increase 4.0%. It is also projected that the number of housing units in this community will increase 4.5% while that of the city will increase 9%.

C. Economic Conditions

The project area is zoned commercial and residential. The mixed uses are also demonstrated by the variety of zoning in the proposed project area. Fifty-nine parcels are zoned CG, sixty-nine parcels are zoned CB, two-hundred forty eight parcels are zoned SR-1, forty-two parcels are zoned RMF-35, and one parcel is zoned RMF-45.

The blight conditions in the area make it difficult for private investment to be attracted to the project area unless a program is undertaken to upgrade the entire project area. The proposed Redevelopment Plan addresses this issue by providing guidelines and objectives designed to eliminate blight and land use conflicts, preserve the existing residential land uses, and direct future growth.

3. Financial Analysis Describing the Proposed Method of Financing Redevelopment of the Project Area

The Agency is a separate government entity established pursuant to the provisions of the Act. Its purpose is to prepare and carry out plans for the redevelopment of proposed project areas within the territorial limits of Salt Lake City. To accomplish this objective, state law permits the Agency to undertake redevelopment projects in specifically designated and adopted project areas which meet certain standards and criteria.

The Utah Neighborhood Development Act provides a means for financing redevelopment projects based upon an allocation of taxes collected within a project area.

Most of the Agency's activities are funded by "tax increment" financing. The Act defines tax increment in Section 17a-2-1202(18) as follows:

Tax increment means that portion of the levied taxes each year in excess of the base tax amount which excess amount is to be paid into a special fund of an agency.

Under tax increment financing, the assessed value of all personal and real property within the redevelopment project area in the year prior to the adoption of the redevelopment plan becomes the base year or "base tax amount". In years following the base year, the local taxing units (such as the county, the City, the local school district, etc.) receive the taxes generated by applying the current year tax levy to the base tax amount assessed valuation. The

taxing agencies having the right to levy general ad valorem property taxes on the real and personal property located in the project area thereafter receive the taxes produced by the levy of the current tax rate upon the base tax amount. The Agency may receive taxes collected due to an increase in the assessed value of the project area over that of the base year or "base tax amount". Taxes collected upon any increase in assessed valuation over the "base tax amount" are to be paid to the Agency for the payment of costs associated with financing or refinancing a redevelopment project. The Agency has no authority to levy taxes and must look specifically to the allocation of tax increment produced as above described.

In determining the feasibility of the redevelopment plan, the Agency has considered the present "base tax amount" within the project area and estimated future increments in assessed valuation and resulting "tax increment" tax revenues. The Agency reviewed the assessed value of the property within the project area as determined by the office of the County Assessor. The "base tax amount" for the project area is equal to the sum of the assessed values of real property, personal property and any State-assessed property within the project area for the tax year preceding the year in which the project area plan is officially adopted.

Based upon the data obtained, the Agency has calculated the "base tax amount" of the project area as of January 1, 1995, as finalized on or before November 1, 1995, in order to estimate the amount of tax increment which may be available within the project area.

It is the intent of the Agency to implement the redevelopment plan as tax increment becomes available from the investment of private capital within the project area, and other sources of revenue which may be available to the Agency such as loans, grants, gifts, and bonds, as authorized by law.

The implementation of redevelopment projects in the project area is economically feasible because as redevelopment occurs, the project area will generate additional tax increment resulting from the increased value of land and improvements which will be used to further additional development within the project area.

A. The Proposed Project Area Budget

The Agency has created a taxing agency committee as required by Section 17A-2-1247.5 of the Act. The taxing agency committee representing the public entities having the right to levy taxes on the property located in the project area will be asked to adopt a "project area budget" for the project area. Expenditures by the Agency in the project area as established in the approved or amended project area budget will not exceed anticipated revenues over the time period that the Agency has the right to receive tax increment from the project area.

The proposed project area budget is a multi-year budget for the redevelopment plan prepared by the Agency and will be submitted to the taxing agency committee for its approval following the adoption of the plan. The proposed project area budget shows the following:

(1) The 1995 base year taxable value of the project area is \$23,763,440 as of January 1, 1995, as shown on Attachment No. 1 hereto;

(2) The projected tax increment of the project area is \$7,360,000 over a 25 year time frame;

(3) Of this amount, \$0.00 of tax increment is proposed to be shared with other taxing districts;

(4) The amount of tax increment expected to be used to implement the redevelopment plan is \$7,360,000. Any amount of tax increment which will be used for land acquisition, public and infrastructure improvements, and loans, grants or tax incentives to private and public entities will be included in the annual budget of the project area at the time that they are known.

(5) It is unknown at this time the amount of bonds expected to be issued by the Agency

(6) The tax increment expected to be used to cover the cost of administering the project area will be included in the annual budget of the project area.

(7) The legal description for the project area from which tax increment will be collected pursuant to Section 1247.5 of the Act is the entire project area as more fully described in the Plan.

(8) The Agency may, but need not, acquire real property by negotiation or eminent domain for a period of five (5) years following the date of the adoption of the plan to implement the West Capitol Hill Redevelopment Plan.

B. A Description of Any Tax Incentives Offered Private Entities for Facilities Located in the Project Area

There are no tax incentives being offered to specific owners or developers of real property at the time of adoption of the redevelopment plan. It is anticipated, however, that tax increment funding will be used as a means of removing blight and helping with the costs of relocation, demolition, construction of infrastructure improvements and property acquisition.

4. Analysis of the Preliminary Plan Showing That The Adoption of the Plan is Necessary and Appropriate to Reduce or Eliminate Blight

The benefits projected to accrue to the tax base of the community from the proposed development include: local option sales tax revenue, real property tax revenue, personal property tax revenue and franchise tax revenue. The schedule entitled "Project Area Budget", Attachment No. 2 indicates the estimated tax revenues to be derived from the redevelopment of the project area over a period not to exceed twenty-five years.

All of the land uses determined to be appropriate for redevelopment within the project area pursuant to the provisions of the West Capitol Hill Redevelopment Plan are in accord

with the general guidelines of the master plan or general plan of the City and its applicable planning and zoning codes, rules or regulations.

Planning criteria in the redevelopment plan relative to land uses, densities, characteristics of internal circulation systems, and need and type of public infrastructure improvements are consistent with the long-range plans of the Capitol Hill Neighborhood. These improvements need to be made if the redevelopment of the project area is to be successful.

The proposed redevelopment plan relates directly to the local objectives of promoting and retaining an economically healthy and growing community by not only providing desirable opportunities for redevelopment but to direct future development in a manner consistent with the master plan. The Agency believes that the strengths of the proposed project area include:

- (A) Existing community identity and support for redevelopment.
- (B) Proximity to downtown Salt Lake City and other significant landmarks including the State Capitol and Temple Square.
- (C) Historic character of neighborhood and strong residential element.
- (D) Vacant and boarded parcels provide opportunity for redevelopment.
- (E) Easy access to I-15 and Highway 89.

The Agency believes that the weaknesses of the proposed project area include:

- (A) Some blocks contain interior parcels that are deteriorated or not utilized fully and would have to be assembled with other parcels for development.
- (B) High traffic volume currently serves as a barrier to the community.
- (C) Incompatible land uses and zoning conflicts.
- (D) Neighborhood blight and deterioration has served as a deterrent for reinvestment and new development.

A. Analysis of Necessary and Appropriate In the Case of Blight

The Agency has retained the firm of Richard D. Chong & Associates, a multi-disciplined firm of architects, planners, economic analysts, economists and other technicians to assist the Agency in analyzing the conditions found in the West Capitol Hill Survey Area. This firm prepared an initial report entitled "Blight Analysis, West Capitol Hill Survey Area" (the "Blight Analysis") dated May 7, 1995, a copy of which is incorporated into the original copy

of the redevelopment plan and incorporated herein by reference, which report was updated as of April 29, 1996, to analyze and confirm the current conditions found in the Project Area.

The benefits derived from the financial assistance proposed to be provided by the Agency include those enumerated in the redevelopment plan and this report. The financial assistance proposed to be provided by the Agency will:

1. Serve to help with the removal of blight and blighting influences from the redevelopment project area.
2. Remove impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels necessary for future development.
3. Provide utilities, streets, curbs, sidewalks, parking areas, landscape areas and other infrastructure improvements to give the area a new look and to attract development. The infrastructure improvements will most likely attract additional development by providing an improved level of service delivery to the project area.
4. Provide for the strengthening of the property and income tax base and economic health of the entire community and the State of Utah by increasing the assessed valuation of the project area as well as, increase the State's and community's employment base through future commercial development.
5. Provide improved transportation to the project area by upgrading public streets and road access to and within the project area to facilitate better traffic and pedestrian circulation, reduce traffic hazards, and to promote air quality and reduce congestion. The infrastructure improvements proposed along 300 West Street and 600 North Street will improve the access to the project area. The City's Master Street Plan proposes strengthening the role of 400 West Street as an arterial street to reduce the volume of traffic throughout the neighborhood.
6. Encourage and assist development of a commercial node to strengthen the tax base of the community and provide services needed within the neighborhood.
7. Create a mixed use zoning area to permit low density residential and non-residential development but strongly encourage medium to higher density residential uses.

(1) Evaluation of the Reasonableness of Redevelopment Costs

The cost estimates proposed at the time of adoption of the redevelopment plan are shown in the Project Area Budget, Attachment No. 2.

(2) Efforts To Maximize Private Investment

It is the intent of the Agency to maximize private investment to the highest extent possible. The Agency recognizes that its role is to stimulate and direct development within the area by making the area attractive for private investment.

(3) Rationale For Use of Tax Increment Financing

The use of tax increment financing serves as a catalyst to trigger private sector investment by constructing fixed assets in the community. Simply, if there is no private sector investment, there will be no tax increment against which private sector dollars can be leveraged. The community is in need of improvements and the use of increment is necessary to stimulate development within the area and achieve the goals of the redevelopment plan.

(4) Analysis of Whether the Proposed Development Might Occur In The Foreseeable Future Solely Through Private Investment

Based on the condition and history of the area, it cannot be reasonably expected that development will occur in the foreseeable future solely through private investment. The neighborhood is blighted and deteriorating and currently not attractive for development. The community has suffered from the closing of businesses and boarding of houses as evidenced by the fifty vacant parcels and buildings.

(5) Estimate of the Total Amount and Length of Time that Tax Increment Financing Will Be Expended In Undertaking Redevelopment

It is anticipated that the length of time that tax increment financing will be used within the project area will be twenty-five years. The length of the time for the Project Area budget is authorized by Section 17A-2-1247.5(4)(c) of the Act and will be approved by the Taxing Agency Committee.

B. Description of Anticipated Public Benefit to Be Derived From The Redevelopment Project

It is anticipated that the public benefit to be derived from the proposed development will include the following:

(1) Number of Jobs or Employment Anticipated As A Result of the Redevelopment Project

It is unknown at this time the number of full time jobs which may be created as a result of the redevelopment project. The proposed rehabilitation programs should help to stabilize the existing business as well as provide an environment which will encourage the location of additional neighborhood oriented businesses in the community.

(2) Associated Business and Economic Activity Likely to Be Stimulated By the Redevelopment Project

With the adoption of the Mixed Use zoning and the enlargement of the Community Business district, it is anticipated that there will be an increase in business and economic

activity within the area. The focus of future commercial development is to provide a community level commercial center on the east side of 300 West Street between 500-600 North Street as well as a scattering of commercial developments in the mixed use areas and along portions of 300 West Street. The proposed development should help strengthen the residential element and stimulate new development or redevelopment.

(3) Beneficial Influences upon the Tax Base of the Community as a Result of the Redevelopment Project

The following benefits are projected to accrue to the tax base of Salt Lake City and the community as a result of the proposed development: (1) local option sales tax revenue; (2) real property tax revenue; (3) personal property tax revenue; (4) personal and corporate income tax revenue.

5. Relocation Plan

The redevelopment plan for the project area incorporates by reference the provisions of the Utah Relocation Assistance Act as found in Section 57-12-1, et seq., Utah Code Annotated 1953, as amended, and the Rules Governing Relocation Assistance For The Redevelopment Agency Of Salt Lake City, as previously adopted by the Agency's governing board and as may be amended from time to time, a copy of which is incorporated by reference as part of the Report. These documents describe how relocation assistance will be offered in the event any real property is acquired by the Agency within the project area.

The Agency intends that all property needed to be acquired within the project area will be acquired, if possible, by private owners wishing to undertake redevelopment. The Agency may, however, acquire real property or interests in real property by negotiation or eminent domain in order to further the proposed redevelopment within the project area and to remove blight from the project area.

6. The Report and Recommendation of the Planning Commission

See the attached letter report and recommendation from the Salt Lake City Planning Commission, which is incorporated herein by reference and made a part hereof as Attachment No. 3.

**RULES FOR GOVERNING RELOCATION ASSISTANCE
FOR THE REDEVELOPMENT AGENCY OF SALT LAKE CITY**

Adopted by Agency Board on the 2nd day of July, 1987.

RELOCATION PLAN

I. [§ 100] GENERAL

A. [§ 101] Purposes. These rules are promulgated by the Redevelopment Agency of Salt Lake City (hereinafter the "Agency") to provide for uniform rules for persons, businesses and farms directly displaced because of redevelopment project activities in a redevelopment project area officially adopted by a Redevelopment Plan after July 1, 1987.

B. [§ 102] Declaration of Policy. It is hereby declared to be the policy of the Redevelopment Agency of Salt Lake City:

1. That it is often necessary for the Agency to acquire land by condemnation;
2. That persons, businesses, and farms are often displaced by redevelopment activities;
3. That such displacement may work an economic hardship on those persons or businesses required to move or relocate homes, businesses and farms;
4. That certain added expenses should be included as a part of the project cost and paid to those displaced;
5. That the State of Utah has established uniform policies for land acquisition under the Utah Relocation Assistance Act, to assist the Agency in assuring that displaced persons are treated fairly;
6. That it is in the public interest for the Agency to provide for such payments and to establish such land acquisition policies.

Therefore, the purpose of these rules is to establish a uniform policy for the fair and equitable treatment of persons displaced by the acquisition of real property by the Agency land acquisition projects.

All of the provisions of the act shall be liberally construed to put into effect the foregoing policies and purposes.

C. [§ 103] Definition of Terms. As used in this act:

1. "Agency" means the Redevelopment Agency of Salt Lake City;
2. "Person" means any individual, partnership, corporation, or association;

- c. Supply information concerning programs of the federal, state and local governments offering assistance to displaced persons and business concerns;
 - d. Assist in minimizing hardships to displaced persons in adjusting to relocation; and
 - e. Secure, to the greatest extent practicable, the coordination of relocation activities with other project activities and other planned or proposed governmental actions in the community or nearby areas which may affect the carrying out of the relocation program.
2. To prevent unnecessary expense and duplication of functions and to promote uniform and effective administration of relocation assistance programs for displaced persons, the Agency may enter into contracts with any person for services in connection with these programs or may carry out its functions under this act through any person, firm or other agency.

III. [§ 300] RULES AND REGULATIONS

A. The following rules and regulations of the Redevelopment Agency of Salt Lake City are hereby adopted:

1. Reasonable effort shall be made by the Agency to acquire expeditiously real property by negotiation;
2. Real property shall be appraised by the Agency before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property;
3. Before the initiation of negotiations for real property, an amount shall be established which is reasonably believed to be just compensation therefor, and such amount shall be offered for the property. In no event shall such amount be less than the lowest approved appraisal of the fair market value of the property. Any decrease or increase of the fair market value of real property prior to the date of valuation caused by the redevelopment project improvement for which such property is acquired or by the likelihood that the property would be acquired for such redevelopment improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property. The owner of the real property to be acquired shall be provided with a written statement of, and summary of the basis for, the amount established as just compensation. Where appropriate, the just compensation for real property acquired and for damages to remaining real property shall be separately stated.
4. No owner shall be required to surrender possession of real property acquired before the agreed purchase price is paid or there is deposited with a court having jurisdiction of condemnation of such property, in accordance with applicable law, for the benefit of the owner

13. No person shall be required to move from his dwelling on account of any project of the Agency, unless the Executive Director is satisfied that replacement housing is available to this person.

14. When the Agency acquiring real property for its use, shall, as soon as practicable after the date of payment of the purchase price or the date of deposit into court of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, reimburse the owner, to the extent the Agency deems fair and reasonable, for expenses the owner necessarily incurred for:

a. Recording fees, and similar expenses incidental to conveying the real property to the Agency;

b. Penalty costs for prepayment for any pre-existing recorded mortgage entered into in good faith encumbering the real property; and

c. The prorata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting title in the Agency, or the effective date of possession of such real property by the Agency, whichever is the earlier.

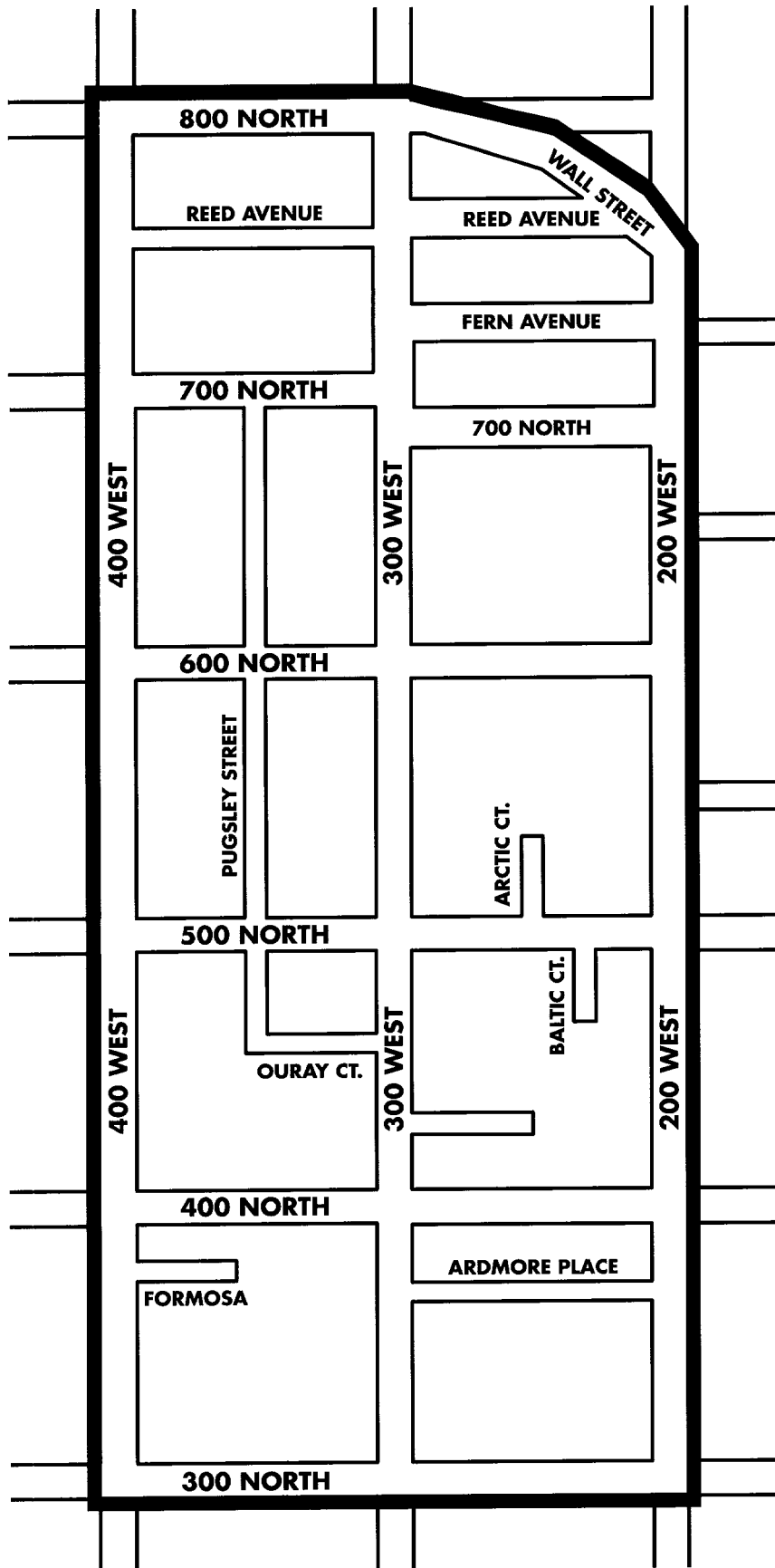
15. In no event shall the time of condemnation be advanced on negotiations or condemnation, and the deposit of funds into court for the use of the owner be deferred, or any other coercive action be taken to compel an agreement on the price to be paid for the property.

16. If an interest in real property is to be acquired by the Agency by the exercise of the power of eminent domain, formal condemnation proceedings shall be instituted. The Agency shall not intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his real property.

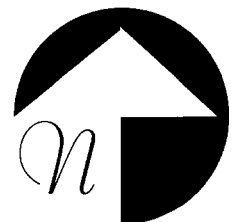
17. If the acquisition of only part of the property would leave its owner with an uneconomic remnant, an offer to acquire the entire property shall be made by the Agency.

IV. [§ 400] EFFECTIVE DATE

These relocation assistance rules shall take effect on the date of adoption of an Ordinance by the City Council of the City of Salt Lake City adopting a Redevelopment Plan for the Project Area as defined in Section 101 herein.



**WEST CAPITOL HILL
PROJECT AREA**



MINUTES OF THE
SIXTH MEETING OF THE
REDEVELOPMENT TAXING AGENCY COMMITTEE
3:00 p.m.
September 19, 1996
Room 404, City and County Building
451 South State Street
Salt Lake City, Utah

1. Roll Call. The following members of the Taxing Agency Committee of the Redevelopment Agency of Salt Lake City were present:

Tom Godfrey, Chairperson
Karen Derrick, Salt Lake City School District
Gary Harmer, Salt Lake City School District
David Marshall, Salt Lake County Community & Support Services
John Inch Morgan, Salt Lake County Health Department
Larry Newton, State of Utah Board of Education
Keith Christensen, Salt Lake City Council Chair
Robert Weyher, Small Taxing Entity Representative

Also attending:

Alice Larkin Steiner, Executive Director
Valda Tabet, Senior Project Manager
Danny Walz, Project Coordinator
Jill Wilkerson, Administrative Secretary

2. Approval of the minutes of the previous meeting held August 15, 1996.

Chairperson Godfrey asked for a motion to approve the minutes of the last TAC meeting, held August 15, 1996. Ms. Derrick made a motion and Mr. Christensen seconded the motion. The minutes were approved unanimously by the committee.

3. Consideration of the "Resolution of the Taxing Agency Committee for the Redevelopment Agency of Salt Lake City approving the West Capitol Hill Project Area Budget".

Chairperson Godfrey asked Ms. Steiner to review the proposed budget for the West Capital Hill Project Area.

Executive Director Steiner reminded the members of the committee that they had indicated at the August 15, 1996 meeting that they would approve a Project Area Budget which would include 100% of the tax increment for a 20 year period so long as not more than 25% of the funds were budgeted for public infrastructure. Ms. Steiner reviewed the proposed Project Area Budget

which includes: 1) increased allocations to residential and commercial programs; 2) 15% administrative costs; and 3) reduction in public infrastructure to 25% of the total budget. She referred the committee to the resolution in their packets which, if passed would, approve the West Capitol Hill Project Area budget and reviewed the budget parameters included in the resolution (see attached Draft Resolution). She asked if committee members had any questions or comments.

Mr. Newton made a motion that the language in the 5th "Now Therefore" paragraph read that "The Taxing Agency Committee does approve the inclusion of any increase in the tax rate after the time the Project Area Budget is approved so that the portion of the taxes attributable to the increase in the tax rate shall be distributed by the county to the Redevelopment Agency in the same manner as other property taxes are paid to the Redevelopment Agency." Mr. Harmer seconded the motion and the motion was approved unanimously by the committee.

Mr. Newton made a motion that staff call an annual meeting to give the Taxing Agency Committee an update on the Redevelopment Agency's progress in accomplishing the goals in the West Capitol Hill area. Ms. Derrick seconded the motion. Mr. Harmer stated that he felt that it was unnecessary to hold an annual TAC meeting for the purpose of an update on the status of the project area. Ms. Derrick suggested that the reports be in written form, so that the committee doesn't have to schedule an annual meeting. Chairperson Godfrey asked for a vote on the motion. The motion failed with Mr. Newton voting for the motion and the rest of the members present voting against the motion. Ms. Steiner said that it would be logical to put together the first report after West Capitol Hill receives its first year of tax increment from the County.

Ms. Derrick made a motion recommending that RDA staff furnish to the committee a written progress report on West Capitol Hill on an annual basis, the first of which be due in October 1997. Mr. Christensen seconded the motion and the motion was approved unanimously by the committee.

Mr. Weyher referred everyone present to the program descriptions for West Capitol Hill. He opined that with the "mixed element" assumes commercial development. He asked whether housing should also be represented as a major component of the programs. Agency staff indicated that housing was indeed a major part of implementation for the West Capitol Hill community.

Mr. Weyher suggested that the administrative costs be broken down in proportion to the percentages of the budget out of each program. Mr. Harmer made a motion that the residential, commercial and infrastructure programs be funded at 25%-50%-25%, respectively, from the estimated \$5,270,000 tax increment proceeds and that administrative costs not be paid from the budget. Ms. Steiner recommended that a footnote be added to the Project Area Budget indicating the budget includes administration expenses. Mr. Newton seconded the motion including Ms.

Steiner's recommendation regarding administrative costs with the concurrence of Mr. Harmer.

Mr. Weyher made a substitute motion that 15% of the total budget be allocated to administrative costs and listed as a line item, and allocate 21.25% to housing improvements, 21.25% to infrastructure improvements and 42.5% to commercial improvements. Mr. Morgan seconded the motion. Mr. Christensen felt that RDA should determine how much of the West Capitol Hill budget be allocated to administrative costs.

Mr. Harmer called for the vote on the motion. Chairperson Godfrey asked for a vote on Mr. Weyher's substitute motion. The results of the vote were:

Ms. Derrick - no
Mr. Weyher - yes
Mr. Newton - no
Mr. Marshall - no
Mr. Harmer - no
Mr. Morgan - yes
Mr. Christensen - no
Chairperson Godfrey - no

The substitute motion failed with a vote of two members voting for and six members voting against.

Chairperson Godfrey called for a vote on the original motion, the results of which were:

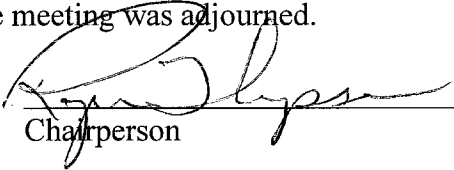
Ms. Derrick - yes
Mr. Weyher - yes
Mr. Newton - yes
Mr. Marshall - no
Mr. Harmer - yes
Mr. Morgan - yes
Mr. Christensen - yes
Chairperson Godfrey - yes

The original motion passed unanimously with seven voting yes and one voting no.

Mr. Christensen made a motion to adopt Resolution No. 6.01 as modified by the motions passed by the Taxing Agency Committee during this meeting. Mr. Harmer seconded the motion. Upon roll call, Chairperson Christensen declared the motion approved by a vote of seven to one and the resolution adopted.

Mr. Marshall stated that he did not support passage of the budget because it did not include sufficient funds for infrastructure improvements. He indicated that public infrastructure was one of the items specifically identified in the law which redevelopment agencies should consider doing as part of the implementation phase of a project. In general he felt the Taxing Agency Committee's requirement for the allocation of funds among the residential, commercial and public infrastructure categories was a mistake.

4. Adjournment. There being no further business, the meeting was adjourned.


Chairperson

RESOLUTION OF THE TAXING AGENCY COMMITTEE FOR THE REDEVELOPMENT AGENCY OF SALT LAKE CITY APPROVING THE WEST CAPITOL HILL REDEVELOPMENT PROJECT AREA BUDGET

WHEREAS, the Redevelopment Agency of Salt Lake City (the "Redevelopment Agency") and the City Council of Salt Lake City have adopted the "West Capitol Hill Redevelopment Plan", (the "Plan"), dated April 4, 1996 for the West Capitol Hill Project Area (the "Area"); and

WHEREAS, Section 17A-2-1247.5 of the Utah Neighborhood Development Act (the "Act") provides that a taxing agency committee shall be created for each redevelopment project and the taxing agency committee shall negotiate with the Redevelopment Agency regarding the Plan and approve or disapprove the project area budget; and

WHEREAS, a taxing agency committee has been created pursuant to the provisions of Section 17A-2-1247.5 of the Act (the "Taxing Agency Committee"); and

WHEREAS, the Act provides that the Redevelopment Agency must obtain the majority consent of a quorum of the Taxing Agency Committee for the Project Area Budget before the Redevelopment Agency may collect any tax increment for the Project Area; and

WHEREAS, the Redevelopment Agency has submitted to the Taxing Agency Committee the Plan, its Report and the Project Area Budget for the Project Area which the Taxing Agency Committee has considered; and

NOW, THEREFORE, be it resolved by the Taxing Agency committee that:

(1) A quorum of the Taxing Agency Committee is present for the adoption of this resolution.

(2) The Taxing Agency Committee hereby approves the Project Area Budget, a copy of which is attached as Exhibit "A" and incorporated herein by reference, by a majority vote of those present as required by the Act and that the Redevelopment Agency may collect tax increment for the Project Area in an amount not to exceed the Project Area Budget.

(3) The Redevelopment Agency may collect tax increment from all or a part of the Project Area. The tax increment shall be paid to the Redevelopment Agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness, whether funded, refunded, assumed or otherwise to finance or refinance, in whole or in part, the redevelopment in

accordance with the approved Project Area Budget attached as Exhibit "A".

(4) The Redevelopment Agency agrees to maintain records regarding tax increment funds used for commercial loan programs during the term of the project area. After the project area terminates, commercial loan funds that are repaid to the Agency will be refunded to the County Treasurer for reimbursement to the taxing entities.

(5) The Taxing Agency Committee does not approve the inclusion of any increase in the tax rate after the time the Project Area Budget is approved so that the portion of the taxes attributable to the increase in the tax rate shall be distributed by the county to the Redevelopment Agency in the same manner as other property taxes are paid to the Redevelopment Agency.

(6) The Redevelopment Agency has elected an alternative for tax increment collection to be 100% of the annual tax increment to be paid to the Redevelopment Agency for a period not to exceed 20 years unless the Project Area Budget has been collected in full prior to the 20 years, and commencing from the first tax year that the Redevelopment Agency accepts tax increment from the Project Area.

(7) The Project Area Budget may be amended from time to time by obtaining the majority consent of the Taxing Agency Committee. If any amendment is proposed and the Taxing Agency committee does not consent to the amendment, the Redevelopment Agency will continue to operate under the approved Project Area Budget attached as Exhibit "A".

DATED this 19th day of September, 1996.

A handwritten signature in cursive script, reading "Tom Godfrey", is written over a horizontal line.

Tom Godfrey, Chairperson

EXHIBIT "A"

West Capitol Hill Project Area Budget

Residential Programs	25%	\$1,317,500
Commercial Programs	50%	\$2,635,000
Infrastructure Improvements	25%	\$1,317,500
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Total	100%	\$5,270,000

Assumptions:

- Market Values in the 1995 tax year were \$11,870,090 for residential and \$17,234,890 for commercial properties.
 - An annual inflation rate of 3-4% was used for market values.
 - Total market value includes the inflated value of the properties plus the direct increase in value from the investment of tax increment dollars in residential and commercial programs over the 20 years. The tax increment dollars are assumed to increase property market values on a 1:1 basis.
 - Total market value has also been increased \$1,700,000 to reflect outside investment over 20 years.
 - The composite property tax rate is assumed to be constant at 0.016387%.
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- The budget includes administrative expenses.