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# M E M O R A N D U M

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**DATE:** March 13, 2007  
**TO:** City Council Members  
**FROM:** Russell Weeks  
**RE:** Central Business Improvement District No. DA-CBID-06: Ordinance to Confirm Modified and Equalized Assessment Rolls and Levy an Assessment against Certain Properties  
**CC:** Cindy Gust-Jenson, Lyn Creswell, Sam Guevara, Louis Zunguze, Alison McFarlane, Dan Mulé, Gary Mumford, Chris Shoop, Marina Scott, Garth Limburg

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This memorandum is divided into two parts. The first part is City Council consideration of a proposed ordinance confirming modified and equalized assessment rolls for the Central Business Improvement District No. DA-CBID-06 and levying an assessment against properties within the district. The district is an economic promotion district that is managed by The Downtown Alliance under a contract with Salt Lake City. Adopting the proposed ordinance would complete the renewal of the district for a three-year period. The second item involves the Administration's recent discovery that over the roughly 15-year life of the district, the district has had some short-falls between what the City has paid The Downtown Alliance and what the City has collected in property assessments. According to the Administration, the accumulated shortfall has reached about \$144,150 and will rise to about \$319,150 with a scheduled \$175,000 payment to the Alliance in April. The second part has bearing on the first part because the Administration plans to institute different internal protocols to monitor City payments to the Alliance.

It should be noted that the issue appears to involve the City administration of the assessment district's revenue, not The Downtown Alliance's execution of its contract with the City.

## **PART ONE**

### **OPTIONS**

- Adopt the proposed ordinance.
- Do not adopt the proposed ordinance.
- Defer action on the proposed ordinance until a later date.

### **POTENTIAL MOTIONS**

- I move that the City Council adopt an ordinance confirming the modified and equalized assessment rolls and levying an assessment against certain properties in the Salt Lake City, Utah, Central Business Improvement District No. DA-CBID-06 to promote business activity and economic development.

- I move that the City Council consider the next item on the agenda.
- I move that the City Council postpone adopting an ordinance confirming the modified and equalized assessment rolls and levying an assessment against certain properties in the Salt Lake City, Utah, Central Business Improvement District No. DA-CBID-06 to promote business activity and economic development until (City Council Members may choose a date the Council finds acceptable).

## **KEY POINTS**

- The City will have to make up the accumulated \$319,100 shortfall. (Please see discussion in Part 2).
- At the time the City Council adopted a motion declaring a notice of intention to form the district, the Administration estimated that an assessment of .00014726949 in property within the proposed district's boundaries would raise about \$2.415 million over a three-year period. It estimated that the assessment would raise about \$800,000 a year for the district for economic promotion activities and \$5,000 per year for City administrative overhead.
- After reviewing the assessment rolls and holding Board of Equalization hearings, the Administration estimates that the assessment will raise about \$2.396 million over three years – a difference of about \$19,000. The assessment would raise about \$799,000 per year.
- The assessment for the district that is about to expire is .001425. The assessment was projected to generate about \$2.1 million over a three-year period (about \$716,000 per year). It actually has generated about \$1.99 million, and the Administration expects to receive about \$20,000 in outstanding payments.
- According to the Administration, the proposed district's borders are:
  - North Temple from State Street to 500 West Street.
  - 500 West Street from North Temple to 400 South Street.
  - 400 South Street from 500 West Street to 200 East Street.
  - 200 East Street from 400 South Street to 100 South Street.
  - 100 South Street from 200 East Street to State Street.
  - State Street from 100 South Street to North Temple.
  - 200 South Street from 200 East Street to 300 East Street.
- The Downtown Alliance was awarded the contract in 2004 to manage the district. The district is scheduled to expire in early April. Under the contract, the Alliance would receive an automatic renewal of its contract for the next three-year period if the district is created. The new period would start April 15.

## **PART TWO**

During its refinement of assessment rolls and research of previous contracts, the Administration determined that the City's account from which it paid The Downtown Alliance to manage the district had a shortfall of about \$144,150. The shortfall appears to have accumulated over the roughly 15-year life of the district. The bottom line is the assessments collected on properties within the district weren't enough to cover payments the City made to The Downtown Alliance. The Administration estimates that the shortfall will rise to \$319,150 because the City is

scheduled to pay the Alliance \$175,000 as the last quarterly payment for the current assessment district.

It should be noted that the City Council very likely will have to appropriate funds at some point to make up for the shortfall. The Administration has indicated that it has been advised that making up the shortfall by assessing property owners for past deficits would be unacceptable legally. It also would not be feasible to seek to recoup the shortfall from The Downtown Alliance because the accumulated shortfalls appear to have occurred during three-year periods previous to the current one. Also, increasing the assessment rate for the new proposed district would involve appointing a new board of equalization, notifying property owners of the increase and holding new hearings. Doing that would delay the assessment of the district, potentially resulting in problems for The Downtown Alliance, which uses assessment revenue for roughly half its budget.

The discovery of the shortfall has led the Administration to do two things:

- It plans to improve coordination of oversight of the assessment district revenue and the contract with The Downtown Alliance including reconciling property reports and tax rolls with the assessment ordinance.
- It plans to renegotiate the City's contract with the Alliance and base the payments to the Alliance on revenue received from the assessment district and withhold 5 percent of quarterly payments until it is clear there are no shortfalls.

While the Administration's steps appear helpful in resolving the potential for future shortfalls, the City Council may wish to consider appropriating funds to the Community Development Department to hire a financial and budget analyst to monitor and check financial issues in the Department's divisions.

There appear to be several reasons for the shortfall. According to the Administration, the City has allowed properties included in the improvement district to drop out of the district in some instances. Examples include properties that were assessed but actually were not located in the district; tax exempt properties within the district; and property types that Salt Lake County had changed such as designating previously commercial property as residential. There is some indication that during two periods in the improvement district's history that the City allocated assessment district funds to the Alliance when contract periods were extended, once by two months and another time by three months. There also are unconfirmed possibilities that during earlier assessment periods the City allocated to the Alliance what it thought were surplus funds when there were no surpluses.

One reason why the accumulating shortfall was not readily apparent is that the assessment period does not start or end at the same time as the City's fiscal year. The City generally receives an influx of assessment revenue in April, and that shows that the fund class has a surplus at the end of the fiscal year in June.

A. LOUIS ZUNGUZE  
DIRECTOR  
  
BRENT B. WILDE  
DEPUTY DIRECTOR

**SALT LAKE CITY CORPORATION**  
DEPT. OF COMMUNITY DEVELOPMENT  
OFFICE OF THE DIRECTOR

ROSS C. "ROCKY" ANDERSON  
MAYOR

**CITY COUNCIL TRANSMITTAL**

**TO:** Lyn Creswell, Chief Administrative Officer **DATE:** March 7, 2006  
**FROM:** Louis Zunguze, Community Development Director  
**SUBJECT:** Ordinance to Confirm the Modified and Equalized Assessment Rolls and Levy an Assessment Against Certain Properties in Salt Lake City for the Utah Central Business Improvement District No. DA-CBID-06

**STAFF CONTACTS:** Chris Shoop, CED Research Analyst, at 535-7103 or  
chris.shoop@slcgov.com

**RECOMMENDATION:** The City Council adopt the ordinance to confirm the modified and equalized assessment rolls and levy an assessment against certain properties for the Central Business Improvement District (DA-CBID-06)

**DOCUMENT TYPE:** Ordinance

**BUDGET IMPACT:** Funding for the District will be provided by property owner assessments. The three-year assessment for the District is expected to generate approximately \$2.4 million. The City will receive \$15,000 over the three-year period for payment of legal fees, publishing, postage, and recording costs.

**DISCUSSION:**

**Issue Origin:** The current Central Business Improvement District (DA-CBID-03) expires April 15, 2007. On October 10, 2006, the City Council adopted a Notice of Intention to create the new district (DA-CBID-06). On December 5, 2006, the City Council adopted a resolution to create the new district. On January 2, 2007, the City Council appointed a Board of Equalization and Review to hear and consider objections and corrections to any proposed assessments for property owners included in the Central Business Improvement District.

**Analysis:** The Board of Equalization and Review held meetings on February 13, 14, and 15, 2007 (see Attachment A). Three individual property owners or their representatives spoke before the Board. The taxable value of one property was changed when the property owner, subsequent to the Board meetings, submitted updated valuation information from Salt Lake County. This change, combined with several other adjustments that occurred when updated

information submitted after the Notice of Intention was adopted, are reflected in the assessment roll for the District and has put the total assessment amount at \$2,396,730.69.

The attached ordinance (Attachment B) accepts and adopts the findings of the Board of Equalization and Review, and levies the assessment against the properties identified in the roll to fund the economic promotion and community development activities of the District. The ordinance also includes discussion on payment options and addresses issues with payment defaults, lien of assessment, contestability, and noticing of property owners about the assessment.

### **PUBLIC PROCESS:**

City Council adopted the Notice of Intent October 10, 2006, and copies were mailed to all property owners within the boundaries of the proposed DA-CBID-06. Written protests were accepted until November 14, 2006, and a protest hearing was held by City Council on that date. On December 5, 2006, City Council adopted the resolution to create the Central Business Improvement District, and on January 2, 2007, the Council appointed the Board of Equalization and Review and set the hearing dates of February 13, 14, and 15, 2007.

Subsequent to the City Council appointment of the Board of Equalization and Review, the Council next must consider an ordinance to confirm the findings of the Board of Equalization and Review and levy the assessment (see Attachment A). Should the ordinance be adopted, notice would be published in a daily newspaper and assessment notices and invoices would then be mailed.

### **RELEVANT ORDINANCES:**

#### **3.12.010 Work Authorized By State Statutes-Assessments:**

The city may, from time to time, proceed to make improvements within areas of the city, make assessments therefore, and issue interim warrants and bonds, pursuant to the Utah municipal improvement district act (section 10-16-1 et seq., Utah Code Annotated, 1953), or its successor, the Utah underground conversion of utilities law (section 54-8-1 et seq., Utah Code Annotated, 1953), or its successor, and other appropriate provisions of state or local law.

## Attachment A: Ordinance

Salt Lake City, Utah

March 13, 2007

A regular meeting of the City Council of Salt Lake City, Salt Lake County, Utah, was held on Tuesday, the 13th day of March, 2007, at the hour of 7:00 p.m. at the offices of the City Council at 451 South State Street, Salt Lake City, Utah, at which meeting there were present and answering to roll call the following members who constituted a quorum:

Van Blair Turner	Chair
Jill Remington-Love	Vice Chair
Nancy Saxton	Councilmember
Søren Dahl Simonsen	Councilmember
K. Eric Jergensen	Councilmember
Carlton Christensen	Councilmember
David L. Buhler	Councilmember

Also present:

Ross C. Anderson	Mayor
Edwin P. Rutan, II	City Attorney
	Deputy City Recorder

Absent:

The City Council has considered the Findings and Recommendation of the Board of Equalization and Review for the special improvement district known as Salt Lake City, Utah Central Business Improvement District No. DA-CBID-06 (the "District") and has reviewed minutes of the hearings of that Board and determined to approve the modified and equalized assessment rolls as recommended by the Board of Equalization and Review and levy assessments as set out therein. The Board of Equalization and Review has found and determined that all assessments to be assessed are just and equitable and that each parcel of property to be assessed will be benefited in an amount not less than the assessment to be levied against said property.

The following assessment ordinance was then introduced in writing, was fully discussed, and pursuant to motion duly made by Councilmember \_\_\_\_\_ and seconded by Councilmember \_\_\_\_\_, adopted by the following vote:

AYE:

NAY:

ABSENT:

The ordinance was then signed by the Chair, presented to and approved by the Mayor and recorded by the City Recorder in the official records of Salt Lake City, Utah. The ordinance is as follows:



ORDINANCE NO. \_\_\_\_ of 2007

AN ORDINANCE CONFIRMING THE MODIFIED AND EQUALIZED ASSESSMENT ROLLS AND LEVYING AN ASSESSMENT AGAINST CERTAIN PROPERTIES IN THE SALT LAKE CITY, UTAH CENTRAL BUSINESS IMPROVEMENT DISTRICT NO. DA-CBID-06 (THE "DISTRICT"), TO PROMOTE BUSINESS ACTIVITY AND ECONOMIC DEVELOPMENT IN AN AREA OF CENTRAL DOWNTOWN SALT LAKE CITY, BY ASSESSING BENEFITED PROPERTIES WITHIN THE DISTRICT FOR THE COSTS OF SUCH ECONOMIC PROMOTION ACTIVITIES FOR A PERIOD OF THREE YEARS (THE "ASSESSMENTS"); ESTABLISHING THE EFFECTIVE DATE OF THIS ORDINANCE; AND RELATED MATTERS.

BE IT ORDAINED BY THE CITY COUNCIL OF SALT LAKE CITY, UTAH:

Section 1. Determination of Costs. All costs and expenses for the making of the Economic Promotion Activities (as herein defined) within the District, together with related costs, have been determined.

Section 2. Approval of Assessment List; Findings. The City Council (the "Council") of Salt Lake City, Utah (the "City"), hereby accepts and adopts the Findings and Recommendation of the Board of Equalization and Review. The Council confirms and adopts the equalized and modified assessment roll for the District, a copy of which is attached hereto as Exhibit B and incorporated herein by reference (the "Assessment List"). The Council has determined that the Assessment List, as adjusted and equalized, is just and equitable; that each piece of property to be assessed within the District will be benefited in an amount not less than the assessment to be levied against said property; and that no piece of property listed in the assessment list will bear more than its proportionate share of the cost of such Economic Promotion Activities.

Section 3. Levy of Assessments. The Council hereby levies an assessment upon the real property identified in the Assessment List. The assessments levied upon each parcel of property therein described shall be in the amount set forth in the Assessment List.

The assessments hereby levied are for the purpose of financing a portion of the cost of economic promotion and community development, including the costs of advertising, marketing, special events, festivals, transportation, newsletters, publications, banners, Christmas lighting, security, special projects, housing, town meetings, government policy, cultural promotion, reports, surveys, and other promotional activities within the District (collectively the "Economic Promotion Activities").

The assessments are hereby levied and assessed upon each of the parcels of real property described in the Assessment List according to the extent that they are specially benefited by the Economic Promotion Activities acquired or constructed within the

District. The assessments are levied upon the parcels of land in the District at equal and uniform rates, based upon the property's 2006 taxable value.

Section 4. Cost of Economic Promotion Activities; Amount of Total Assessments. The total cost of the Economic Promotion Activities in the District is \$2,396,730.69, including allowable related expenses. Of this total cost, the City's portion is \$0. The City's portion for the District includes that part of the overhead costs for which an assessment cannot be levied, if any, and the cost of making the Economic Promotion Activities for the benefit of property against which an assessment may not be levied, if any. The amount to be assessed against property affected or benefited by the Economic Promotion Activities in the District is \$2,396,730.69. These amounts do not exceed in the aggregate the sum of: (a) the total contract price or prices for the Economic Promotion Activities under contract which will be duly let to the lowest and best responsible bidder therefore and a portion of the costs of installation, designing and inspection; (b) the reasonable cost of utility services, maintenance, labor, materials or equipment supplied by the City, if any; (c) the property price, if any; (d) connection fees, if any; (e) the interest on any interim warrants issued against the District; and (f) overhead costs not to exceed fifteen percent (15%) of the sum of (a), (b), (c) and (d).

Section 5. Method and Rate. The assessment is a one-time assessment for a three year period on property in the District to pay all or a portion of the estimated costs of Economic Promotion Activities. The total assessment for the District is levied by 2006 taxable property values as set out in the Notice of Intention pertaining to the District. The assessment for each property was determined based on costs as set out in the preceding Section.

Section 6. Payment of Assessments. The assessment shall be paid in three (3) substantially equal annual principal installments. The first assessment installment payment date shall be on or about April 30, 2007. The remaining annual assessment installment payment dates shall be the anniversary dates of the first assessment installment payment date

Section 7. Default in Payment. If a default occurs in the payment of any annual assessment payment, when due, the City shall charge interest on the delinquent assessment from its due date until paid in full at the same rate as is applied to delinquent real property taxes for the year in which the assessment installment becomes delinquent (the "Delinquent Rate"). In addition to interest charges at the Delinquent Rate, costs of collection, including attorneys' fees and court costs ("Collection Costs"), as determined by the City Treasurer or required by law shall be charged and paid on all amounts declared to be delinquent.

Upon any default, the City Treasurer shall give notice, in writing, of the default to the owner of the property in default, as shown by the last available equalized assessment rolls. Notice shall be effective upon deposit of the notice in the U.S. Mail, postage prepaid, and addressed to the owner as shown on the last equalized assessment rolls for the City or on the official ownership records of the City. The notice shall provide for a period of thirty (30) days in which the owner shall pay the installments then due and

owing together with accrued interest at the Delinquent Rate plus costs as determined by the City Treasurer. Thereafter, if the amount owed has not been paid, the City may commence foreclosure proceedings in the manner provided for actions to foreclose mortgage liens or trust deeds. If the City elects to utilize the trust deed enforcement remedy, the City Attorney shall designate a trust deed trustee for purposes of the enforcement action. If at the sale no person or entity shall bid and pay the City the amount due on the assessment plus interest and costs, the property shall be deemed sold to the City for these amounts. The City shall be permitted to bid at the sale.

The remedies provided herein for the collection of assessments and the enforcement of liens shall be deemed and construed to be cumulative and the use of any one method or means of collection or enforcement shall not deprive the City of the use of any other method or means. The amounts of accrued interest and all costs of collection shall be added to the amount of the assessment up to the date of foreclosure sale.

Section 8. Remedy of Default. If prior to the final date that payment may be legally made under a final sale or foreclosure of property to collect delinquent assessment installments, the property owner pays the full amount of all unpaid installments which are past due and delinquent with interest at the Delinquent Rate, plus all approved or required costs, the assessment of said owner shall be restored so that the owner will have the right to make the payments in installments as if the default had not occurred.

Section 9. Lien of Assessment. An assessment or any part or installment of it, any interest accruing and the penalties and costs of collection shall constitute a lien against the property upon which the assessment is levied as of April 15, 2007, the effective date of the 2007 Assessment Ordinance (the "Effective Date"). Said lien shall be superior to the lien of any trust deed, mortgage, mechanic's, or materialman's lien or other encumbrance and shall be equal to and on a parity with the lien for general property taxes. The lien shall continue until the assessment and any interest, penalties and costs on it are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax or other assessment or the issuance of a tax deed, an assignment of interest by the governing entity, or a sheriff's certificate of sale or deed.

Section 10. Contestability. No assessment shall be declared void or set aside in whole or in part in consequence of any error or irregularity which does not go to the equity or justice of the assessment or proceeding. Any party who has not waived his objections to same as provided by statute may commence a civil action against the City to enjoin the levy or collection of the assessment or to set aside and declare unlawful this Ordinance.

Such action must be commenced and summons must be served on the City not later than 30 days after the effective date of this Ordinance. This action shall be the exclusive remedy of any aggrieved party. No court shall entertain any complaint which the party was authorized to make by statute but did not timely make or any complaint that does not go to the equity or justice of the assessment or proceeding.

After the expiration of the 30-day period provided in this section:

(a) The assessments levied in the District shall become incontestable as to all persons who have not commenced the action provided for in this section; and

(b) No suit to enjoin the levy, collection, or enforcement of the assessment, or in any other manner attacking or questioning the legality of the assessments may be instituted in this state, and no court shall have authority to inquire into these matters.

Section 11. Notice to Property Owners. The City Treasurer is hereby authorized and directed to give notice of assessment by mail to the property owners in the District. Said notice shall, among other things, state the amount of the assessment and the terms of payment. A copy of the form of notice of assessment is available for examination upon request at the office of the City Recorder.

Section 12. All Necessary Action Approved. The officials of the City are hereby authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Ordinance.

Section 13. Repeal of Conflicting Provisions. All ordinances or parts thereof in conflict with this Ordinance are hereby repealed.

Section 14. Publication of Ordinance. Immediately after its adoption, this Ordinance shall be signed by the Mayor and City Recorder and shall be recorded in the ordinance book kept for that purpose. This Ordinance shall be published once in the Deseret Morning News, a newspaper published and having general circulation in the City, and shall take effect immediately upon its Effective Date.

PASSED AND APPROVED by the City Council of Salt Lake City, Utah, this  
13th day of March, 2007.

(SEAL)

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Chair

ATTEST:

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Deputy City Recorder

The City Treasurer was thereupon authorized to mail to the property owners in the District the foregoing notice of special assessment as hereinbefore provided.

After the transaction of other business not pertinent to the foregoing matter, the meeting was on motion duly made, seconded, and carried, adjourned.

(SEAL)

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Chair

ATTEST:

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Deputy City Recorder

PRESENTATION TO THE MAYOR

The foregoing ordinance was presented to the Mayor for his approval or disapproval on this \_\_\_\_ day of March, 2007.

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Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing ordinance is hereby approved on this \_\_\_\_ day of March, 2007.

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Ross C. Anderson  
Mayor





STATE OF UTAH            )  
                                  : ss.  
COUNTY OF SALT LAKE )

AFFIDAVIT OF MAILING  
NOTICE OF ASSESSMENT

I, Daniel Mulé, the duly appointed, qualified City Treasurer of Salt Lake City, Salt Lake County, Utah, do hereby certify that on \_\_\_\_\_, 2007, I caused to be mailed a Notice of Assessment to each property owner in Salt Lake City, Utah Central Business Improvement District No. DA-CBID-06 by United States Mail, postage prepaid, at the last known address of such owner.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of Salt Lake City, Utah, this \_\_\_\_ day of March, 2007.

(SEAL)

\_\_\_\_\_  
City Treasurer

## PROOF OF PUBLICATION

Attached to this page is the Proof of Publication, indicating by the affidavit of the publisher that the said Ordinance levying the special assessments which was contained in the Ordinance adopted by the City Council on the 13th day of March, 2007, was published one time in the Deseret Morning News.

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, \_\_\_\_\_, the undersigned Deputy City Recorder of Salt Lake City, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202(1), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the 13th day of March, 2007, public meeting held by the City as follows:

(a) By causing a Notice, in the form attached hereto as Schedule A, to be posted at the City's offices at 451 South State Street, Salt Lake City, Utah, on 9th day of March, 2007, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule A, to be delivered to the Deseret Morning News on the 9th day of March, 2007, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 13th day of March, 2007.

(SEAL)

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Deputy City Recorder

SCHEDULE A  
NOTICE OF MEETING

EXHIBIT B

ASSESSMENT LIST

(Available for review at the offices of the  
City Recorder or City Engineer)

Attachment B: Board of  
Equalization & Review Minutes

**REPORT OF THE BOARD OF EQUALIZATION  
SPECIAL IMPROVEMENT DISTRICT  
Central Business Improvement District  
Job No. DA-CBID-06**

The Board of Equalization Hearings for Special Improvement District No. CBID-06 was held on February 13, 14, and 15, 2007 at 349 South 200 East in accordance with the ordinances governing special improvement districts. The Board was comprised of the following members:

Chris Shoop,	CED Research Analyst
Chris Meeker,	Chief Deputy Recorder
Melanie Reif,	Senior City Attorney

Assisting the Board were the following individuals:

Marina Scott,	Deputy Treasurer
Garth Limburg,	Cash Management Assessments Analyst
Susan Finlayson,	City Engineering
Carla Wiese,	Economic Development Manager with Downtown Alliance

The following are the concerns of property owners regarding the Special Improvement District assessments, and the responses and recommendations of the Board of Equalization.

**Tuesday, February 13, 2007 - 3:00 to 4:00 P.M.**

**John Peters  
2175 South Lincoln Street  
Salt Lake City, Utah 84106-2306**

**SRX International, I  
230 West 400 South  
Salt Lake City, Utah 84101-1829  
15-01-402-015-0000**

**Chancellor Building  
220 South 200 East  
Salt Lake City, Utah 84111-2417  
16-06-176-013-0000**

Mr. Peters stated that he would like to plead to the Board for relief on the assessment being requested, due to the properties having been vacant for three years. Mr. Peters stated these properties have been recently rezoned by the County and the total property value is now lower than the total value listed on the assessments. Mr. Shoop explained the stages of the CBID's processes and what stage of the processes the CBID was in at this point. Mr. Peters stated that these properties have had a reduction in value from the County in a recent appeal. Mr. Peters stated that he would bring the paperwork in to the Board the following day.

**Response:**

The Board explained the purpose for this meeting was to object to the computation and to make any correction to proposed assessments if the proper paperwork is submitted.

**Recommendations of the Board:**

The assessment for one these properties will change at this time as the paperwork is submitted.

**15-01-402-015-0000**

**Current Assessment**

Downtown Economic Improvements      867,600      each @ \$0.0014726949 = \$ 1,277.71

**16-06-176-013-0000**

**Current Assessment**

Downtown Economic Improvements      1,809,000      each @ \$0.0014726949 = \$ 2,664.11

**Revised Assessment**

Downtown Economic Improvements      1,214,600      each @ \$0.0014726949 = \$1,788.74

**Wednesday, February 14, 2007 - 4:00 to 5:00 P.M.**

**Arthur Franks  
270 South Main Street #200  
Salt Lake City, Utah 84101-2001  
15-01-280-059-0000**

Mr. Franks stated that his property is a mixed used property, unlike the way it is listed presently with the County as commercial only. He has submitted an application with the County to have his property rezoned and for the percentages for both residential and commercial to be identified for this property. Mr. Shoop instructed Mr. Franks to submit to the Board the paperwork he receives from the County regarding these changes, so the adjustments can be made as per the County's findings.

**Response:**

The Board explained the purpose for this meeting was to object to the computation and to make any correction on any proposed assessments if the proper paperwork is submitted.

**Recommendations of the Board:**

The assessment for this property will not change at this time.

**15-01-280-059-0000**

**Current Assessment**

Downtown Economic Improvements      237,200      each @ \$0.0014726949 = \$ 349.32

**Wednesday, February 14, 2007 - 4:00 to 5:00 P.M.**



**Rich Sloan  
Rick McClain  
Shilo Inn  
206 South West Temple Street  
Salt Lake City, Utah 84101-1909  
15-01-276-008-0000**

**Shilo Inn  
Chief Executive Officer General Council  
11600 SW Shilo Lane  
Portland, OR 97225-5919**

Mr. McClain and Mr. Sloan were present on behalf of Shilo Inn to obtain some information about the assessment they have received. First, they wanted to know what improvements had been made that about the property. Mr. Shoop stated that this district is an Economic Improvement District, and Ms. Weise explained in detail what the expenses are related to. Mr. Sloan wanted to know what the method is to determine the assessment. Mr. Shoop explained that the assessed value of the property is provided from the County and that value of each property is then multiplied by a specific rate approved by the City Council to determine how much each property owner will pay. Mr. McClain wanted to know if they could appeal out of this district. Mr. Shoop and Ms. Weise explained the process and procedures for appealing the creation of the district. Mr. Sloan wanted to know if this would cause an increase in property taxes. Mr. Shoop explained that this assessment and property taxes are not tied to each other.

**Recommendations of the Board:**

The assessment for this property will not change.

**15-01-276-008-0000**

**Current Assessment**

Downtown Economic Improvements 9,100,600 each @ \$0.0014726949 = \$13,402.41

**Thursday, February 15, 2007 - 5:00 to 6:00 P.M.**

No protestors attended this meeting.



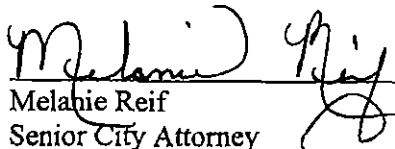
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Chris Shoop  
CED Research Analyst



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Chris Meeker  
Chief Deputy Recorder



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Melahie Reif  
Senior City Attorney