
M E M O R A N D U M

DATE: October 6, 2009
TO: City Council Members
FROM: Jennifer Bruno, Deputy Director
RE: Status of CIP 10 Year Plan projects and current outstanding debt

The purpose of this memo is to provide an update and overview of the current CIP 10 Year Plan, to give context for the discussions relating to future available CIP dollars.

Staff has attached the current adopted CIP 10 Year Plan. There are also columns inserted into the plan in each year for projects that were funded. The column highlighted in orange shows the projects left unfunded (carry forward projects).

Debt Service:

- A. The CIP 10 Year Plan also contemplates debt service, and retirement of debt as a source of funds, in addition to general fund contribution. The only substantial bond retiring during the course of the current CIP 10 Year Plan is the City and County Building bond (yearly debt service approximately \$2.4 million).
 - a. However, expenditures in the 10 year plan are “backloaded” to the years 2011-2016, anticipating that funds for projects identified in the plan will come from the retirement of this debt.
 - b. If this source of funds is taken out of the CIP 10 Year Plan, all projects identified could not be funded.
- B. Relevant bond issuances/retirement dates are as follows (note: this chart only shows bonds without a dedicated property tax):

Name	Debt Service	Year Retire
City and County Building	\$2,367,420	FY 2011
Sales Tax Series 2004 (refinancing various MBA bonds)	\$17,795	FY 2015
Sales Tax Series 2005A (refinancing various MBA bonds)	\$1,389,972	FY 2021
Grant Tower & Trax Extension (Sales Tax Series 2007)	\$402,955	FY 2027
Fleet Facility	General fund portion is approximately \$1.5 million/year	FY 2029

Projects:

- A. The following chart shows each category of CIP Projects, and the amount left unfunded (FY 2006-FY 2010):

CIP 10 Year Plan - Underfunding by Category	
Streets	(\$3,868,907)
Parks	(\$15,691,388)
Public Facilities	(\$1,540,546)
Transportation	(3,734,375)
Total	(\$24,835,216)

- B. The following are specific projects in the plan that Council Members have expressed an interest in, that have either not been funded, or are planned to be funded in future years:

Project	Amount Unfunded/Underfunded	Year(s)
Central Irrigation for City Parks (sustainability initiative)	\$250,000 unfunded \$1,200,000 to be funded in FY 2011-2016	FY 2011-2016 (\$200k each year) – also matched w/ CDBG
Daylighting City Creek	\$1,000,000; plus potential \$5,000,000 in debt service planned from Grant Tower Bond	FY 2010
Acquisition of Open Space	\$500,000 unfunded \$600,000 to be funded in FY 12-16	FY 07,08 (\$250k each year) FY 12,14,16 (\$200k each)
Trail Development City-wide – Including PRATT	\$1,037,500 unfunded \$750,000 to be funded in FY 2011-2016	FY 2011-2016
Baseball Concessions Stands Improvements	\$225,000 underfunded	FY 2007
Skate/BMX Parks	\$600,000	FY 2010
Dog Off-leash Parks	\$50,000 underfunded \$50,000 to be funded in FY 2014	FY 08,09,14
Tennis Court Reconstruction		
<i>Lindsay Garden</i>	\$400,000	FY 2009
<i>Fairmont Park</i>	\$600,000	FY 2011
<i>5th Avenue</i>	\$150,000	FY 2013
Transportation System Mgmt (median islands, traffic mitigation, roundabouts, etc)	\$840,000 underfunded	FY 06-16 (\$300k each year)
Deteriorated Sidewalks	\$1,565,000 (underfunded)	FY 06-16 (every year)
Local Street Reconstruction	\$2,793,075	FY 06-16 (every year)
City and County Building Stone Upkeep	\$500,000 unfunded	FY 07-08
Fire Station #3 (Sugarhouse) Rebuild	\$3,415,000 to be funded in FY 2011	FY 2011
Fire Station #14 (District 2) Rebuild	\$2,132,000 to be funded in FY 2012	FY 2016

CIP 10 Year Plan – Basics and Background:

The CIP 10 Year Plan (adopted January 2006) indicates that in order for the capital projects to be fully funded over the 10 year cycle of the plan, an average of 7.95% of general fund revenues should be dedicated each year to capital projects. In order to reach the 7.95% number, the Council would have to increase CIP funding by \$1.9 million over the Mayor’s recommended budget.

The CIP 10 Year Plan acknowledges that 7.95% of general fund revenue will not be sufficient to fund all projects in every year, but rather – over the 10 year period, if 7.95% is consistently dedicated every year, this will eventually cover all of the projects. In the past, the Council had a stated policy of dedicating a minimum of 9% of general fund revenues for Capital projects.

STREET IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	Funded FY FY06-07	Funded FY 06-07	Funded FY FY07-08	Funded FY 07-08	Funded FY FY08-09	Funded FY 08-09	Funded FY FY09-10	Funded FY 09-10	Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16		
General Fund Projects																			
1	ADA Compliance access ramps Construct ADA access ramps to meet guidelines established by the Americans with Disabilities Act, and provide safe and efficient pedestrian access. The city has 9,900 existing ramps valued at \$21,780,000. An additional 4,100 locations require ramps. CDBG funds are also used to construct ADA ramps in CDBG target areas.	\$4,000,000	FY 2007-2016 Ongoing	\$400,000	\$433,418	\$400,000	\$400,000	\$400,000	\$225,000	\$400,000	\$300,000	(\$241,582)	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	
2	Deteriorated Sidewalk Replacement Replace deteriorated sidewalk to provide improved, safer pedestrian access and to upgrade the appearance and functionality of residential neighborhoods. The city has 20 million square feet of sidewalk valued at \$100 million. Ongoing project funding will include \$200,000 per year for Concrete Sawing and \$1.4 million per year for a Special Improvement District funded 50% by property owners. CDBG funds are also used for sidewalk replacement in CDBG target areas.	\$16,000,000	FY 2007-2016 Ongoing	\$900,000	\$550,000	\$800,000	\$810,000	\$800,000	\$175,000	\$800,000	\$200,000	(\$1,565,000)	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	
3	Local Street Reconstruction Reconstruct deficient, aged local streets to improve access, reduce ongoing street maintenance costs and upgrade streetscape appearance. Pavement, curb and gutter, sidewalk and streetscape features are reconstructed with priorities based on network condition assessment. CDBG funds are also used to reconstruct streets in CDBG target areas.	\$20,000,000	FY 2007-2016 Ongoing	\$2,000,000	\$1,000,000	\$1,000,000	\$1,150,000	\$1,740,000	\$1,000,000	\$1,740,000	\$536,925	(\$2,793,075)	\$1,740,000	\$1,740,000	\$1,740,000	\$1,740,000	\$1,740,000	\$1,740,000	
13	California Avenue: 4800 West to 5600 W Rebuild and widen westside industrial arterial to support industrial growth, increase street capacity and upgrade water and storm drainage facilities. Federal Highway funds are also being requested for this project.	\$4,475,000	FY 2007	\$344,750	\$770,000		\$803,500					\$1,228,750							
15	Gladliola Street: 500 South to California Avenue Rebuild and widen westside industrial arterial street to support industrial growth.	\$3,200,000	FY 2009					\$1,048,000				(\$1,048,000)							
17	700 South: 4400 West to 5600 West Rebuild and widen westside industrial arterial street to support industrial growth area. Upgrade existing railroad crossing.	\$6,250,000	FY 2011									\$0	\$1,850,000						
19	500/700 South: Surplus Canal to 4400 W Rebuild and widen westside industrial arterial street to support industrial growth area.	\$10,930,000	FY 2013							\$550,000	\$550,000			\$3,660,000					
24	Gladliola Street: Calif Ave to 1820 South Rebuild and widen westside industrial arterial street to support industrial growth area.	\$1,980,000	FY 2015									\$0				\$670,000			
Street Improvement Totals					\$3,644,750	\$2,753,418	\$2,200,000	\$3,163,500	\$3,988,000	\$1,400,000	\$2,940,000	\$1,586,925	(\$3,868,907)	\$4,790,000	\$2,940,000	\$6,600,000	\$2,940,000	\$3,610,000	\$2,940,000

PARKS IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	Funded FY 06-07	Funded FY 06-07	Funded FY 07-08	Funded FY 07-08	Funded FY 08-09	Funded FY 08-09	Funded FY 09-10	Funded FY 09-10	Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
General Fund Projects																	
1	Playground Safety & ADA Compliance, Citywide - Replace equipment and modify all Playgrounds to meet current ADA and Safety Standard requirements. Modify irrigation and landscaping items as necessary. Reduces potential City liability and to meet Federal Mandate.	\$2,229,700	FY 2007-2016 Ongoing	\$200,000			\$100,000				(\$300,000)	\$150,000	\$300,000	\$200,000			\$200,000
	Westminster Park (design was funded in 05/06)		FY2007	\$200,000			\$250,000				\$50,000						
	Shipp Park		FY2010				\$100,000	\$75,000			(\$25,000)						
	Parleys Way Park		FY2011								\$0	\$150,000					
	Ketting Park/Rotary Playground in Liberty Park		FY2012								\$0		\$300,000				
	Popperton Park		FY2013								\$0			\$200,000			
	Lindsay Garden Park		FY2016								\$0						\$200,000
2	ADA Transition Plan, Citywide - Based on the Inventory of Parks and the "Transition Plan", perform a variety of reconstruction projects and modifications to bring Parks into compliance with ADA and Safety Standard requirements. Reduces potential City liability and to meet Federal Mandate.	\$500,000	FY 2007-2016 Ongoing	\$100,000	\$30,000		\$200,000	\$100,000	\$120,000		\$150,000	\$100,000		\$100,000		\$100,000	
3	Security Lighting, Parks, Jordan River Parkway - Provide new lighting for safety and function along the Jordan River Parkway Trail.	\$751,250	FY 2007-2012 Ongoing				\$351,000		\$259,000		\$610,000			\$54,750		\$54,750	
4	Central Irrigation Automation, Citywide - Reconfigure Park Irrigation systems for compatibility to City's computerized "Central Control System", providing peak operation efficiency and water preservation. Evaluate and identify alternate water sources (gray water).	\$2,900,000	FY 2007-2016 Ongoing		\$100,000	\$350,000					(\$250,000)	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
5	Parks Restroom Improvements, Citywide - Provide up-upgrades and new restroom facilities to meet Federal Mandate for ADA requirements & address potential health and cleanliness issues.	\$1,620,000	FY 2007-2010 Ongoing				\$180,000				(\$180,000)		\$180,000			\$180,000	
	City Cemetery		FY2009				\$180,000				(\$180,000)						
	Various Parks		FY2012 FY2015								\$0		\$180,000			\$180,000	

PARKS IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	Funded FY 06-07	Funded FY 06-07	Funded FY 07-08	Funded FY 07-08	Funded FY 08-09	Funded FY 08-09	Funded FY 09-10	Funded FY 09-10	Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
6	Trail Development/ Improvements, Citywide - Complete the Jordan River Trailway links, provide Trailway enhancements; trailheads and develop the Parleys Rails with Trails Corridor linking the Bonneville and Jordan River Trailways as identified in the Jordan River Trail Inventory.	\$3,050,000	FY 2007-2016 Ongoing	\$375,000		\$662,500					(\$1,037,500)	\$250,000		\$250,000		\$250,000	
	Jordan River Trail Under I-80 (Requested in applications 06/07)	\$300,000	FY2007								\$0						
	Jordan River Trail, I-80-North Temple - Design funds awarded in 05/06 - construction budget requirements preliminarily estimated - State and UDOT Grants may be available for 20% match from City.	\$1,000,000	FY2008			\$287,500					(\$287,500)						
	TBD	\$1,537,500	FY 2007-2016 Ongoing	\$375,000	\$375,000	\$375,000		\$200,000	\$375,000	\$650,000	\$475,000	\$250,000		\$250,000		\$250,000	
7	Tennis Court Improvements - Construct or renovate Tennis courts as needed, to enhance playability of tennis Citywide.	\$3,132,000	FY 2007-2015 Ongoing	\$60,000				\$400,000			(\$460,000)	\$600,000	\$100,000	\$150,000	\$100,000	\$100,000	\$100,000
	10th East Senior Center & Poplar Grove - 2 Courts Each (requested in applications 04/07)		FY2007	\$60,000	\$60,000						\$0						
	Lindsay Garden Park - 2 Courts		FY2009					\$400,000			(\$400,000)						
	Fairmont Park - 2 Courts		FY2012				\$70,000		\$50,000		\$120,000	\$600,000					
	6th Avenue - 2 Courts		FY2015								\$0			\$150,000			
	Various - 2 Courts		FY2015						\$80,000		\$80,000					\$100,000	
	Resurfacing and Repainting		Ongoing								\$0		\$100,000		\$100,000		\$100,000

8	Tree Planting - Replace damaged, old and deteriorating trees within parks Citywide.	\$200,000	FY 2007-2016 Ongoing	\$20,000	\$50,000	\$20,000	\$50,000	\$20,000	\$50,000	\$20,000		\$70,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
9	Matching Funds for Available Grants - Funding to be used as required "Match" when applying for State or Federal Grants. Grants will enable the City to stretch its limited budgets in replacing Park facilities. J. River Trail - Redwood Rd. to Davis County UDOT Grant requires \$175,000 in FY07 (requested in applications 05/06); McClelland Trail Corridor Master Plan - Public Utilities Match requires match of \$50,000 in FY08	\$525,000	FY 2007-2016 Ongoing	\$175,000	\$150,000	\$50,000							(\$75,000)	\$100,000		\$100,000	\$100,000
10	Parks Expansion/ Development - Develop new Parks Facilities that meet the needs and demands of the public in the space that is available Citywide.	\$5,750,000	FY 2007-2016 Ongoing	\$580,000		\$500,000		\$500,000		\$1,000,000		(\$2,580,000)		\$600,000		\$600,000	\$600,000
	Reconstruct Rotary Glen Park (Phase I - requested in applications 06/07)		FY2007 FY2008 FY2009	\$580,000		\$500,000		\$500,000				(\$1,580,000)					
	Day-Light City Creek - (placeholder amount; perhaps for matching)	\$5,000,000	FY2010							\$1,000,000		(\$1,000,000)					
	TBD- Pioneer & Merton Park		FY2012 FY2014 FY2016		\$400,000		\$510,530					\$910,530		\$520,000		\$600,000	\$600,000

PARKS IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	Funded FY 05-07	Funded FY 06-07	Funded FY 07-08	Funded FY 08-09	Funded FY 09-10	Funded FY 10-11	Funded FY 11-12	Funded FY 12-13	Funded FY 13-14	Funded FY 14-15	Funded FY 15-16	Carry Forward FY 06-09	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
11 Liberty Park - To complete the Master Planned Projects as defined and required to meet the future needs and requirements of the Park.	\$3,250,000	FY 2007-2011 Ongoing	\$500,000			\$750,000	\$1,000,000							(\$2,250,000)	\$1,000,000					
Concessions & Children's Garden Landscape (requested in applications 06/07)		FY2007	\$500,000	\$653,000		\$600,000								\$753,000						
Children's Playground Renovation		FY2009				\$750,000								(\$750,000)						
Green House Reconstruction & Jordan Greenhouse Demo (design funded and construction costs are not yet projected)		FY2011					\$1,000,000							(\$1,000,000)						
Maintenance Building & Yard Reconstruction (design is funded and construction costs are not yet projected)		FY2012												\$0	\$1,000,000					
12 Park Facilities Reconstruction/Renovation - Reconstruct existing facilities in Parks to bring them into compliance with current safety, ADA and usage standards. These projects will be selected based on frequency of use, size and location.	\$4,010,785	FY 2007-2016 Ongoing	\$1,448,285	\$800,000										(\$2,248,285)	\$150,000	\$150,000			\$250,000	\$197,500
Memory Grove Trails Imp. E. Side to "A" Street & 9th Ave. (this is a continuation of a Council District #3 project that requires additional funding to complete and was requested in 06/07)		FY2007	\$100,000	\$100,000										\$0						
Analysis 4th, 8th, & 9th Ave. Stairways - Memory Grove (requested in applications 06/07)		FY2007	\$60,000			\$60,000								\$0						
Baseball Park Concessions Stand Imp. City Wide (this is a code issue that may require the league concessions stands all be closed if not completed now)		FY2007	\$438,285	\$153,257		\$60,000								(\$225,028)						
Jordan Park Power Pedestals for Events (requested by parks in applications 06/07)		FY2007	\$50,000			\$50,000								\$0						
Lindsay Park parking lots/Constitution		FY2011												\$0	\$150,000					
4th Avenue Stairs		FY2012						\$452,000						\$452,000		\$150,000				
Madsen Park		FY2015												\$0					\$250,000	
Swede Town Park		FY2016												\$0						\$197,500
TBD - Park Pavilion Roofs		TBD	\$800,000		\$800,000	\$228,895								(\$1,371,105)						
13 Skate/BMX Parks, Citywide - Provide Citywide Skate Parks of appropriate size and type to fit the individual needs of community - Northeast area of City.	\$1,200,000	FY2010							\$600,000					(\$600,000)			\$600,000			
14 Dog off Leash Park - Modify existing Park to for patrons and their dogs to exercise together.	\$240,000	FY2008 FY2009		\$50,000	\$50,000	\$50,000								(\$50,000)				\$50,000		
15 Sports Field Improvements, Citywide - Provide sports field improvements that keep the existing fields in safe and efficient use throughout the City.	\$3,550,000	FY 2010-2016 Ongoing							\$200,000					(\$200,000)	\$200,000	\$200,000		\$300,000		\$300,000
Herm Franks		FY2010							\$200,000					(\$200,000)						
Sunnyside		FY2011												\$0	\$200,000					
Sunnyside Phase 2		FY2013												\$0				\$300,000		
Lindsay Garden Park		FY2016												\$0						\$300,000

PARKS IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	Funded FY		Funded FY		Funded FY		Funded FY		Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
			FY06-07	06-07	FY07-08	07-08	FY 08-09	08-09	FY09-10	09-10							
16 Recovery Action Plan - Update and revise the City's Recovery Action Plan every 5 years to keep the plan viable for submittal of grant applications.	\$200,000	FY2009 FY2014					\$100,000								\$100,000		
17 New Parks Master Plan - NW Quadrant/Park Planning Guide	\$400,000	FY2009 FY2016					\$200,000										\$200,000
19 New Splash Parks	\$320,000	FY2011									\$0	\$320,000					
20 Sorenson Expansion	\$6,000,000	FY2008			\$1,100,000												
21 New Youth Centers	\$500,000	FY2010							\$212,500				\$212,500				
22 Acquisition of Open Space for Future Development	\$2,200,000	Ongoing	\$250,000		\$250,000								\$200,000		\$200,000		\$200,000
Park Improvement Totals			\$6,071,570	\$1,696,257	\$5,745,000	\$2,855,425	\$4,330,000	\$834,000	\$5,232,500	\$1,102,000	(\$15,691,300)	\$5,440,000	\$3,412,500	\$2,274,750	\$2,570,000	\$2,034,750	\$3,415,000

PUBLIC FACILITY IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	FY 06-07	Funded FY 06-07	FY 07-08	Funded FY 07-08	FY 08-09	Funded FY 08-09	FY 09-10	Funded FY 09-10	Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
General Fund Projects																	
1	Plaza 349 - To replace/install fire suppression system. The existing fire suppression system is limited to the first floor. Increased employee safety, minimizing property damage in case of a fire, meeting current code requirements and reduced insurance costs are benefits of doing this project.	\$350,000	FY2007	\$350,000							(\$350,000)						
2	City & County Building Recarpet - To replace the 16 year old carpet throughout the City and County building. The existing carpet is showing signs of wear and tear.	\$670,000	FY2007 FY2008	\$330,000		\$340,000					(\$670,000)						
3	City & County Building, Stone Upkeep/Replacement- During the restoration of the building in 1986-1989, approximately 30% of the stone was treated with a stone strengthener to slow the deterioration of the exterior sandstone. Because the sandstone weathering, ongoing replacement of stones will be required.	\$500,000	FY2007 FY2008	\$250,000		\$250,000					(\$500,000)						
4	Plaza 349 - Parking Structure Repairs and Resurface - Upper level is deteriorating with spalling and rebar exposed that will cause future structural failures.	\$120,000	FY2007			\$120,000					(\$120,000)						
5	Public Safety Building Absorption Chillers - To replace 2 deteriorated chillers purchased in 1980 providing greater reliability in cooling the facility and providing a significant energy conservation over the existing coolers. (NOT NEEDED IF PUBLIC SAFETY BUILDING IS REPLACED AS PLANNED; IF BUILDING IS NOT REPLACED, CHILLERS NEED TO BE REPLACED IN FY2009)	\$250,000	FY2009								\$0						
6	Public Safety Building - Replace cooling tower. (NOT NEEDED IF PUBLIC SAFETY BUILDING IS REPLACED AS PLANNED; IF BUILDING IS NOT REPLACED, COOLING TOWER NEEDS TO BE REPLACED IN FY2009)	\$80,000	FY2009								\$0						
15	Justice Court Expansion - Additional courtroom and support space to accommodate Class A misdemeanors.	\$2,600,000	FY2012								\$0		\$2,600,000				
16	Westside Senior Citizens Energy Conservation - Funded					\$194,534					\$194,534						
17	Plaza 349 Energy Conservation - Funded					\$260,885					\$260,885						

PUBLIC FACILITY IMPROVEMENTS, 10 YEAR CIP

Project	Est Total Project Costs	Fiscal Year	FY06-07	Funded FY 06-07	FY07-08	Funded FY 07-08	FY 08-09	Funded FY 08-09	FY 09-10	Funded FY 09-10	Carry Forward FY 06-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16
18	City & County Building Energy Conservation - Funded					\$254,035					\$254,035						
19	The Leonardo - Debt Service for \$8,000,000 Sales Tax Bond for improvements to the Leonardo.	\$8,155,000	FY2010						\$610,000		(\$610,000)	\$610,000	\$610,000	\$610,000	\$610,000	\$610,000	\$610,000
Public Facility Improvement Totals				\$930,000	\$0	\$710,000	\$709,454	\$0	\$610,000	\$0	(\$1,540,546)	\$610,000	\$3,210,000	\$610,000	\$610,000	\$610,000	\$610,000

RESOLUTION NO. _____ OF 2009

A resolution approving expenditures for North Temple Grand Boulevard transit corridor design element expenditures pursuant to an interlocal agreement between Salt Lake City and Utah Transit Authority.
(300 West to SLC International Airport)

WHEREAS, Salt Lake City Corporation entered into an agreement titled "INTERLOCAL AGREEMENT REGARDING THE DESIGN AND CONSTRUCTION OF THE DOWNTOWN TO AIRPORT TRAX LRT PROJECT BETWEEN SALT LAKE CITY CORPORATION AND UTAH TRANSIT AUTHORITY" ("Interlocal Agreement") which agreement was recorded with the City Recorder on June 12, 2008; and

WHEREAS, the Interlocal Agreement provides for the construction of an extension of UTA's light rail line from the existing TRAX system located within the City to the Airport (the "Airport Line"); and

WHEREAS, Article 13.4 of the Interlocal Agreement establishes an Alliance Fund to pay for certain expenditures for the project and particularly for certain enhancements to North Temple to create a "Grand Boulevard", and that such expenditures shall be approved by the City Council; and

WHEREAS, the City Administration has recommended that the following amounts from the Alliance Fund be authorized for work on the following design elements identified in the Interlocal Agreement:

<u>Design Element Items</u>	<u>Early Estimated Costs</u>
1. Redwood Road intersection enhancements	\$130,000
2. Power line burial for the entire Boulevard	\$3,500,000

TOTAL: \$3,630,000

WHEREAS, the City Administration has also recommended that \$375,000 from Class C road funds pursuant to Utah Code section 72-2-101, *et seq.* be authorized for work on the following design elements: Jordan River bridge deck, parapet, walkway, streetlights, and railing; and

WHEREAS, the City Council desires at this time to direct UTA to undertake such additional enhancements recommended by the City Administration,

NOW THEREFORE, be it resolved by the City Council of Salt Lake City:

SECTION 1. Pursuant to Section 13.4 of the Interlocal Agreement, the City Council does hereby authorize expenditures from the Alliance Fund for work to be performed on the following design elements contemplated by the Interlocal Agreement, provided that funds are available in the Alliance Fund, and directs UTA to undertake the same:

North Temple Items

1. Redwood Road intersection enhancements
2. Power line burial for the entire Boulevard

SECTION 2. The City Council does hereby authorize expenditures from Class C road funds pursuant to Utah Code section 72-2-101, *et seq.* in the amount identified by City Administration as noted above, for work to be performed on the following design elements, provided that such funds are available, and directs UTA to undertake the same: Jordan River bridge deck, parapet, walkway, streetlights, and railing.

SECTION 3. The Director of the Salt Lake City Department of Community and Economic Development is hereby authorized and directed to provide a copy of this Resolution to the General Manager of UTA, and to take any and all measures necessary to ensure that the actions specified herein are undertaken by UTA.

DATED this _____ day of _____, 2009.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2009.

SALT LAKE CITY COUNCIL

By: _____
CHAIRPERSON

ATTEST AND COUNTERSIGN:

CITY RECORDER

<p>APPROVED AS TO FORM Salt Lake City Attorney's Office</p> <p>Date: <u>SEPTEMBER 28, 2009</u></p> <p>By: <u>Paul Nielson</u> Paul C. Nielson, Senior City Attorney</p>
--

WILFORD H. SOMMERKORN
PLANNING DIRECTOR

PATRICIA COMARELL
ASSISTANT PLANNING DIRECTOR

SALT LAKE CITY CORPORATION
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
PLANNING DIVISION

RALPH BECKER
MAYOR

FRANK B. GRAY
COMMUNITY AND ECONOMIC
DEVELOPMENT DIRECTOR

CITY COUNCIL TRANSMITTAL



David Everitt, Chief of Staff

Date Received:

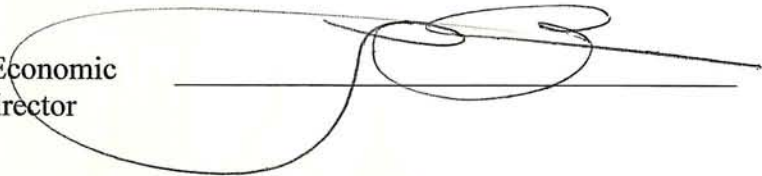


Date Sent to City Council: 9/24/2009

TO: Salt Lake City Council
Carlton Christensen, Chair

DATE:

FROM: Frank Gray, Community & Economic
Development Department Director



SUBJECT:

STAFF CONTACT: Patricia Comarell, North Temple Manager at 801-535-7660 or
pat.comarell@slcgov.com

ACTION REQUIRED: Give direction on the design elements on North Temple
Boulevard from Redwood Road to the Airport and the Jordan
River Bridge. The design elements would include:

- Redwood Road intersection enhancements: \$130,000
- Burying the power lines for the entire Boulevard: \$3,500,000
- Jordan River deck, parapet, walkway, streetlights, railing:
\$375,000

The City has until November 15, 2010 to decide on the design
elements for the rest of the Boulevard, gathering places,
landscaping, and urban design specialties (see entire budget near the
end of this report).

DOCUMENT TYPE: Resolution needs to be adopted once the City Council decides on the
direction they wish to pursue.

BUDGET IMPACT: \$4,005,000

Background

The design elements presented to the Mayor and City Council at this time provide a theme for the North Temple Boulevard which is defined as 300 West to the Airport. The goals, principles, and concepts from this preliminary design are described below.

What is requested at this time is the direction from the City Council regarding:

- The Jordan River Bridge design elements which include the deck, parapet wall, walkway, decorative railing, and streetlights. Estimated cost is \$375,000
- The area from Redwood Road intersection which includes colored and scored concrete crosswalks and corner treatments. Estimated cost: \$130,000
- Burying the power lines (for the whole Boulevard) estimated to be \$3,500,000.

UTA requests that these be approved on September 29th in order to finish the construction drawings and continue construction which has already begun at the SLC Airport.

A decision on the other design elements for North Temple Boulevard relating to infrastructure construction must be rendered by November 15 in order for UTA to complete their design drawings by the first of the year.

The Mayor and Council have requested the estimates to implement the entire North Temple Boulevard Design Plan, and those are provided toward the end of this report. The Council has been given a design booklet, which illustrates the approach to design for this street. The philosophy and approach are outlined below.

Community Workshops

Two well-attended and well-received work sessions were held with the community during the summer. The goal for these sessions was to both introduce the concepts and elements of great transit streets, and to also get the stakeholders' preferred vision for the character and design of the Boulevard. Two more sessions will be held this fall, the next one centered on land use and development, and a final session on the overall boulevard plan. **The comments from the community have led to the design principles (outlined below).**

The next stakeholder session will be more expansive than previous meetings. A week-long effort to do conceptual station area plans for six stations will take place the week of October 26-30, 2009. Members of the North Temple Citizens Advisory Committee as well as the larger community will be asked to participate in feedback sessions, and there will be an opportunity to review the draft work as it is in progress. A Thursday evening community session will also be held on Oct. 29, 2009.

Design Goals and Principles

The North Temple Corridor is setting a new standard for design and construction of transit corridors in the region. Vigorous planning and design efforts are underway to capitalize on the Light Rail Transit investment and bring a positive transformation to the corridor. The design decisions are framed within this report. The Mayor and Council will determine which design elements the City wishes to implement, how they will be paid for, and ultimately, how the Boulevard will develop.

To aid their deliberations, design goals and principles were developed by the design teams. These goals and principles reflect the comments received at the community workshops and are as follows:

- **Goals**

- Provide policy and urban design direction and guidelines
- Promote high quality and functional street design with efficient project implementation
- Develop a more balanced approach to street design, giving equal weight to transportation, transit, community, and environmental goals.
- Ensure that the investment in high quality street infrastructure yields economic benefits and increases in residential and commercial property values and retail activity.
- Make all expenditures on this project cost effective

- **Principals**

- **Design for transit:** Utilize transit as a catalyst: integrate it into the design to the street to improve the physical character, the livability, the multi-modal functionality, the economic vitality, and as a memorable welcoming experience for all users.
- **Design for Safety:** Designing safe, functional streets for all uses particularly more vulnerable groups and modes will be top priority.
- **Design for Access and Mobility:** Functional multi-modal streets should accommodate all street uses by prioritizing the most energy and space efficient modes while improving the economic vitality of the corridor.
- **Design for Context:** Streets help define the character of the City. They should respond to the unique character and diversity of its location and environment within the City's historical context, and the various districts, institutions, and neighborhoods which have a presence on the corridor.

- **Design for Liability:** Create a vibrant public realm with high quality public spaces that facilitate civic, cultural, recreational, and economic interactions that encourages physical activity of all ages and supports adjacent land uses and activities.
- **Design for Sustainability:** Contribute to a healthier, greener, and more sustainable environment. Minimize impermeable surfaces, maximize vegetation and reduce heat absorption.

Five Major Concepts

The design professionals have been working hard to balance the ribbons along the corridor that stakeholders will see as the thread that runs along the “Boulevard,” as still develop the segments of the streets to reflect the identities and ideas of the various stakeholders for those areas they know best. Quality based not only on what is there, but using common elements in an uncommon way.

- **The Street**

The transit right-of-way runs from curb to curb. The continuity of design along the Boulevard will be illustrated by the imbedded colored track, the road, the coloration of the bike path, platforms/canopies, the landscaped medians/WOW areas, crosswalks, bus pullouts, and bus shelters.

The street acts as a line or ribbon of movement. Colored texture that runs through the various spaces and districts ties the elements together to make it a “boulevard.” This will reflect the City’s history of great streets, serve as a welcoming gateway with multi-use, multi-modal corridor which provides multiple experiences for its various users.

The ground plane seems to unify the street as a room. These “rooms” located both at specific locations and at random in each district provide places of shade, information, places to stop, rest, gather, board transit, and view activities on the street.

- **Districts/Corridor Edge Treatments**

The City envisions North Temple as a vibrant center with a mixture of land uses, activities, goods, and services. North Temple is not one long expanse connecting downtown to the Airport, but a series of segments, each reflecting its own identity, activities, and history. It is a celebration of how the communities west of downtown have and will continue to contribute to the City’s growth and vitality.

The design elements for each segment along the Boulevard needs to recognize the variety and diversity of the various districts, each with its own personality and character, while together offering a rich variety of environments and places.

Each district varies extensively in their resources and history. The goal is to maximize the number of choices within each segment by promoting the street oriented architecture, active sidewalks and generating pedestrian activity both day and night, and which will enhance safety, security, and ridership of the light rail system.

The transit stations, too, will reflect these identities through the Art in Transit program. Signage identifying the district or neighborhood also will be provided.

- **Landscaping**

The landscaping design is an effective tool to distinguish each district. This is done by choosing site specific plantings for each district and tying the districts through the use of art, streetlights, open spaces and plantings, and which encourage people to come together. The landscaping will be used to separate the pedestrian and activity areas from the pavement, provide linkages along the corridor, and provide pedestrian connections.

- **Urban Design Specialties**

This area includes the special elements of the Boulevard which establish a few consistent urban design elements that encourage creativity, uniqueness of place and location, variety within an overall urban design framework. A combination of vertical elements and horizontal planes will mark special places, activities, events, and are key locations for public art.

Examples include the view of the Jordan River, the design of the TRAX platforms, parkway trail, open spaces, pedestrian areas, plazas, art under the I-15 and I-215 overpasses which serve as portals to the boulevard, street furniture, streetlighting, benches, trash receptacles, bike racks.

- **Avenue of Lights**

To establish North Temple Boulevard as a vibrant new identity as Salt Lake City's welcoming and gateway street, the City must creatively utilize various lighting concepts and techniques to create a unique sense of place as the "Avenue of Lights." By utilizing light, color and textures, one can create a rich composition of user experiences by lighting the various urban forms (architecture, transit, landscape elements). Lighting is one more ribbon of the corridor which ties the Boulevard together at night.

Realities of Implementing this Plan

- **Multi-modal pathway of 10' and parkstrip of 8'**: Given the existing buildings along North Temple, and the direction from the City elected officials not to acquire any buildings for this project, the reality is that only about 40-50% of the pathway and parkstrip can be realized during the UTA construction of the Boulevard. It is important to remember that cities evolve over time and the North Temple Boulevard master plan will be realized over a 30-50 years time span. As property owners wish to sell their properties and as that properties redevelops, the master plans policies and Transit Oriented Developments (TODs) will be implemented. The involvement of the Salt Lake City Redevelopment Agency in implementing the plan also will be a strong tool in implementing the plan.

Balancing Tests

There are no “truths” in planning. Although it is desirable to base land use decision on a great deal of information and reasoned conclusions, often there are many unknowns, and any conclusions involve making value judgments.

Just as often, those value judgments must be made when several values important to the community are in conflict. Each of these values may be worthy on its own, but when it conflicts with other needs, difficult choices must be made and a balance reached. **The key is to determine where the balance between these values lies.** This is what is referred to as the *balancing tests*.

There are several of these balancing tests which the City Council and Mayor must consider in making decisions about North Temple:

- Developing a high quality Boulevard balanced with the costs of the project
- Providing common threads which draws one along the Boulevard while ensuring each segment reflects the individuality of that area
- What the City wants as a vision balanced with their dependence on other entities to provide, e.g., State participation in streetlighting.
- What the City should pay balanced with what the property owners along North Temple should pay to enhance the value of their properties and contribute to the overall vision
- What needs to be done now (short term investments) and what could be added later as the land redevelops (long term investments)

Funding Sources

Criteria to Guide Decisionmaking

In determining the costs of the various elements of this project, the following guidelines were :

- Ensure the system works, i.e., what must be done as part of the UTA construction to ensure the street is functional, e.g., light rail in the center, two lanes of pavement, bike lane, curbs, streetlights, multi-modal pathway
- Determine what the City must do now, and what could be done in the future
- Provide for the safety of neighborhoods, businesses, and transit users
- Create a strong enough vision that it helps transform the community
- Enhance the connectivity of the whole corridor
- Ensure a quality image, e.g., imbedded tracks, landscaping, place markers
- Brand the street with its own image, e.g., the “Avenue of Lights”

Factors which will impact project costs

The Council is asked to make specific decisions on September 29th or shortly thereafter. The numbers presented are the best available at this point in time. **Once reviewed by the Council, the budget should not be assumed to be the final “project budget.”** The Administration will continue its discussions with UTA and other community partners to get improved numbers. Other factors which may lower costs are:

- **Value engineering.** For example, the Administration and UTA have not had the chance to conduct a value engineering review. As the project proceeds, the City’s construction manager and UTA will be tweaking the numbers, come up with substitutes, get the budget down and make decisions about tradeoffs. It is a pain-staking process. **This will be done, but not in the present timeframe.**
- **Contingency funds.** These are worked into the estimates for the various project elements and do not show up as a line item in the proposed budget. Nonetheless, there is cushion in the budget numbers.
- **Design management.** Once the Council and Mayor have set a budget for this project, the City’s construction manager will need to make specific decisions evaluating each design element based on the priorities set by the Council and Mayor.

Difference between past North Temple budgets and the present one

Previous North Temple budgets provided to the Council were based on the guidelines set when the imbedded track decision was made, i.e., light rail down the center of the road, two traffic lanes in each direction, bike lanes, 8' parkstrip, and 10' multi-modal pathway, burying the power lines, street and pedestrian lighting. The discussions focused on what infrastructure was UTA to build as part of their project. The Administration has refined these numbers and is comfortable with those estimates at this time. An example is the burying of the power lines which was first estimated to be \$6.5 million is now down to \$3.5 million.

The "Boulevard" concept is based, not just on the infrastructure framework, but includes design elements (such as color, art, landscaping, additional lighting, station platforms designs, street furniture, bus benches or shelters) which contribute to how the Boulevard will be viewed by those who drive, walk and shop on North Temple. These are illustrated in a design booklet previously distributed to the Council. The new budget reflects those design elements.

Proposed Actions

First, decide which elements from Redwood Road to the Airport do you want to have? This decision needs to be made on September 29, 2009:

• Jordan River Bridge deck and enhancements	\$ 375,000
New deck	\$ 200,000
Design enhancements	175,000
• Burying of the power lines	3,500,000*
• Redwood Road Intersection	<u>130,000</u>
Crosswalks	\$ 24,000
Intersection treatment	106,000
Total	\$4,005,000

*Budget for entire Boulevard

Second, what design elements do you want for the rest of the Boulevard? This needs to be decided before November 15, 2009.

The Mayor and Council will need to determine which design elements should be included. The chart on the following page lists the various elements which were illustrated in the North Temple Boulevard Design Booklet.

The Administration would like Council to review the list and determine which elements you would like us to include in the overall budget for the corridor. For your convenience, we have separated into these categories:

- **Must Do Projects** – These relate to the **Basic Functionality of the Boulevard and Safety**. Some of these the Council has already given direction on such as the imbedded track, Art in Transit (interlocal agreement), right of way acquisition, business mitigation fund
- **One time upgrade opportunity** – These are important to consider now as they would be installed as part of the UTA construction project
- **Future Opportunities** – These items could be added later as the Boulevard redevelops according to the Land Use Master Plan policies and directions.

We request the City Council look down the list of the various design elements and give us feedback on which items you wish to have included or deleted.

North Temple Boulevard Project & Design Elements

	Decisions which must be made September 29, 2009	Basic Functionality/ Safety—Must Do	One time upgrade opportunity	Future Opportunities : Additions or upgrade
Roadways/Transit				
Jordan River Bridge—new deck	\$ 200,000			
Jordan River Bridge--enhancements	\$ 175,000			
Redwood Road enhanced crosswalks	\$ 24,000			
Redwood Road Corner Treatments	\$ 106,000			
Business Mitigation*		\$ 150,000		
UTA Design process+		\$ 300,000		
Planning/design consultants*		\$ 150,000		
ROW acquisition*		\$ 1,960,000		
Embedded track* 600 W to 2200 W		\$ 6,400,000		
Colored embedded track			\$ 820,000	
Enhanced crosswalks (other than at Redwood Road)			\$ 136,000	
Painted Bike Path			\$ 200,000	
Corner treatments			\$ 317,000	
Enhanced North Temple medians			\$ 445,000	
Raised medians curbs@			\$ 225,000	
Enhanced bus shelters				\$ 300,000
Enhanced station platforms			\$ 305,000	
Station Bollard Lighting			\$ 75,000	
Enhanced OCS poles			\$ 195,000	
OCS poles with lights on top			\$ 595,000	
Bicycle signals^			\$ 100,000	
North Temple terminus				\$ 1,200,000

	Decisions which must be made September 29, 2009	Basic Functionality/ Safety—Must Do	One time upgrade opportunity	Future Opportunities : Additions or upgrade
Bury Power lines	\$ 3,500,000			
New street lights [^]			\$ 3,300,000	
Pedestrian lights [^]			\$ 660,000	
Pathway and basic landscaping*		\$ 2,470,000*		
Enhanced parkstrip landscaping			\$ 3,448,000	
Street furnishings				\$ 185,000
Fairpark Deck Sidewalk				\$ 325,000
SPECIAL TREATMENT AREAS				
Art in Transit*		\$ 300,000		
Place markers			\$ 160,000	
I-215 Underpass enhancement				\$ 265,000
I-15 Underpass enhancements				\$ 265,000
Jordan River Parkway enhancements (this does not include the bridge)				\$ 400,000
Solar Panels [^]			\$ 500,000	
I-80 corridor landscaping#			\$ 45,000	
Airport Landscape#			\$ 30,000	
TOTAL	\$ 4,005,000	\$ 11,730,000	\$ 11,556,000	\$ 2,940,000

* Those items previously approved by the City Council either through the Interlocal Agreement with UTA or in subsequent meetings

+ Although not approved by Council, this is the cost of UTA designers who prepared the drawings for the design booklet and cost estimates. These costs do not relate to the UTA project, but to the City's desire to enhance the project.

[^] Other sources of funding are being pursued, e.g., transportation dollars, grants, special assessment district

@ This may be required as a UTA cost

We do not know yet if the Airport or the UTA will pay these costs

Definitions of Project & Design Elements

Jordan River Bridge—new deck	Complete deck replacement
Jordan River Bridge-- enhancements	Baseline includes a standard 6' sidewalk adjacent to the roadway with a barrier wall on the outside of the bridge. Enhancements include a short traffic worthy wall between the sidewalk and the roadway, a 5' sidewalk with brick pavers, and a decorative railing on the outside of the bridge. These enhancements apply to both sides of the bridge (12 lights)
Redwood Road enhanced crosswalks	Baseline is a standard concrete intersection with painted crosswalks. Enhancements include colored and scored concrete crosswalks.
Redwood Road Corner Treatments	Concrete Street Markers at each corner \$26,000/placeholder
Business Mitigation	Approved in the interlocal agreement; helps businesses impacted by construction
UTA Design process	Although not approved by Council, this is the cost of UTA designers who prepared the drawings for the design booklet and cost estimates. These costs do not relate to the UTA project, but to the City's desire to enhance the project.
Planning/design consultants	Ron Straka and Marilee Utters work on the design elements and project budgeting
ROW acquisition	Costs to acquire additional right-of-way to accomplish parkstrip 8' and pathway of 10'
Embedded track* 600 W to 2200 W	Paved track from 600 W to 2200 W as previously approved by the City Council
Colored embedded track [^]	Baseline is a standard concrete track system. Enhancements include upgrading the entire track corridor concrete by coloring the concrete an earthtone from 400 W to approximately 2200 West (25074 feet). Also color embedded track at airport from 400 N. to Terminal & pocket track (5790 track feet). The City Council had given direction that the boulevard imbedded track be colored, but only to 2200 West.
Enhanced crosswalks (other than at Redwood Road)	Baseline is a striped crosswalk on asphalt at four station locations; one end of the station platform at the mid-block (Appx 1400 SF/station). Enhancements include the addition of a scored concrete crosswalk.
Painted Bike Path	Baseline is a striped bike lane. Enhancements include painting the 4' asphalt portion of the lane from 2400 West to 300 West (29,800 LF).
Corner treatments	Baseline does not include any corner treatments. Enhancements include pavers, corner walls, lights in walls. Recommended at 3 intersections (800W, 900W, 1000W)
Enhanced North Temple medians	Baseline includes medians adjacent to UTA track corridor that are painted striping. Enhancements include either hardscaped or landscaped islands. This excludes the landscaped islands within the track corridor at stations.
Raised medians curbs	Baseline includes striping. This would include curbing
Enhanced bus shelters	Baseline is standard UTA bus shelters. Enhancements include 10 custom bus shelters to match station canopies.
Enhanced station platforms	Baseline is UTA's 400 West station platform with concrete surface. Enhancements include

	colored or sandblasted concrete special platform surface.
Station Bollard Lighting	Baseline includes UTA standard lighting on each OCS pole at stations. Enhancement is 12 bollard light per station and 4 pedestrian lights per station.
Enhanced OCS poles	Baseline includes smooth black OCS poles consistent with all other OCS poles. Enhancements include special OCS poles at stations on the intersection end of the platform with a higher pole and a decorative pole on the interior. All four North Temple platforms and the airport platform (10 poles). One joint use pole on each corner of Redwood Rd (4 poles).
OCS poles with lights on top	Baseline does not include any lights mounted on top of each OCS pole along North Temple. There are 108 poles along North Temple and 40 poles at the airport. Enhancements include adding a single violet light on the top of each OCS pole along North Temple. The City will be responsible for the maintenance of these lights.
Bicycle signals	Enhancement includes a specialized bike signal at all signalized intersections
North Temple terminus	Baseline does not include any enhancement at 2200 W. Enhancement includes a park
Bury Power lines	Baseline included the relation of power poles under the City franchise agreement. Enhancements include burying the overhead power lines from I-215 to 800 W.
New street lights	Baseline did not include street lighting along North Temple. The current lighting on Rocky Mtn. Power poles would have been maintained and relocated as needed by Rocky Mtn. Power. Enhancements include approximately 6 streetlights per block, each side of street, for 17 blocks (204) lights).
Pedestrian lights	Pedestrian lighting along the multi-modal pathway. This item requires that the North Temple streetlighting is approved as they will connect to an overall lighting system.
Pathway and basic landscaping	Multi-modal pathway of 10' and landscaping of trees and sod
Enhanced parkstrip landscaping	Baseline did not include landscaping along North Temple. Restoration landscaping was included in right of way transactions with each property owners – this approach applies whether or not North Temple undergoes an urban design upgrade. Enhancements include irrigation and landscaping from 200 West to 600 West. A City maintained irrigation system is assumed.
Street furnishings	Bike racks, benches, wayfinding signs
Fairpark Deck Sidewalk	Baseline included a concrete sidewalk . This item provides a decking structure adjacent to the large trees at the State Fairpark to minimize construction impacts and increase the likelihood of tree survival
Art in Transit	Baseline is that UTA is committed to spend a fixed amount on artwork implemented and facilitated by the City. Interlocal agreement requires both UTA and City to include \$300,000 each
Place markers	Baseline does not include any corner treatment. Enhancements include the addition of flag

	poles, pylons, wayfinding signs & concrete street markers at major intersections except Redwood Rd \$26,000/corner. Recommending 6 locations (800 W, Euclid Ave., Rocky Mt. Power, Fairpark, Department of Natural Resources, State Campus)
I-215 Underpass enhancement	Baseline includes a sidewalk adjacent to the curb and gutter, no lighting, and no adjustment to UDOT slope paving under the bridge. Enhancements include sidewalk treatment, traffic barrier, pedestrian lighting, sidewalk finish and landscaping.
I-15 Underpass enhancements	Baseline includes a sidewalk adjacent to the curb and gutter, no lighting, and no adjustment to UDOT slope paving under the bridge. Enhancements include sidewalk treatment, pedestrian lighting, sidewalk finish and landscaping, treatment for existing bridge columns.
Jordan River Parkway enhancements (this does not include the bridge)	Baseline does not include any enhancement. Enhancement includes parks on each side of the bridge along the Parkway.
Solar Panels	At stations
I-80 corridor landscaping#	Baseline includes a standard grass seed mix along the I-80 corridor (approx. 8000') Enhancements include an upgrade to the seed mix and the addition of shrubs to shield the barrier between UTA and UDOT property.
Airport Landscape#	Baseline includes restoration of disturbed airport landscape with no new landscaped areas. Enhancements include the addition of new landscaped areas around the station platform.



RALPH BECKER
MAYOR

SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff

Date Received: 09/17/2009

Date sent to Council: 09/17/2009

TO: Salt Lake City Council
Carlton Christensen, Chair

DATE: September 17, 2009

FROM: David Everitt
Chief of Staff, 801.535.7732

SUBJECT: North Temple Viaduct Replacement

STAFF CONTACT: Ben McAdams
Senior Advisor to the Mayor, 801.535.7939

DOCUMENT TYPE: Briefing

RECOMMENDATION: The Administration recommends that the City Council consider adopting a forthcoming resolution authorizing the reconstruction of the North Temple viaduct at a future meeting.

BACKGROUND/DISCUSSION: Salt Lake City and UTA have completed a thorough conceptual evaluation of several bridge types and configurations that could be used to replace the existing North Temple viaduct with an integrated roadway/transit structure. As can be seen from previous architectural renderings (see Exhibit A), any and all of the bridge concepts would touch down at 400 West, instead of approximately 300 West where the existing viaduct currently does, thereby facilitating additional access to the area and providing opportunities for further economic development. Again, any and all of the integrated bridge concepts would carry (in each direction):

- Two lanes of roadway traffic
- East and westbound TRAX trains located on the north side of the viaduct roadway
- A 6' wide bike lane
- 8-10' wide sidewalks on both sides of the bridge

Also, a platform TRAX station on the north side of the viaduct near the top of bridge would be provided, with vertical circulation connection to FrontRunner Trains and

adjacent development and neighborhoods. See Exhibit B, which shows a cross-section of such a structure, with all of the associated uses.

The current concept that seems to best balance the concerns of budget, aesthetics, pedestrian movement under the structure, and good urban design is called “Option 4”, which is a 3 span bridge with a total “open area” underneath of approximately 510 feet (see Exhibit C). The two open spans of 160’ on either side of the existing Union Pacific/FrontRunner tracks would allow for a good flow of vehicles and pedestrians to the north and south, which is especially critical to achieve a positive connection between the existing Gateway and future Gastronomy developments and to provide for a future extension of 500 West to the north. The design also includes a 190’ span over the tracks. In addition, with the transit station and vertical transfer elements on the north side of the bridge, both UTA and the City feel that the station can be truly integrated into the surrounding development, as a part of a robust Transit Oriented Development (TOD).

This option includes approximately 330 feet of retaining walls on each side of the bridge as it touches down towards 400 West and 600 West. There are several options for concrete finishes on these walls (ranging from inexpensive to very costly), and the architectural rendering shown in Exhibit D) reveals that the scale of the walls are not overwhelming given the surrounding context.

Estimated Costs and Opportunities for Savings

In July and August of 2009, during the timeframe when the bridge types and configurations were developed, Option 4 was originally estimated by the project team to cost between \$70 and \$75 million. However, as the scope of the concept is further understood and discussed between the City and UTA, there are several opportunities for reducing this cost and the parties are confident that through mutual cooperation the costs can be reduced to the \$65 million “target” that was established during the time that the City received the \$20 million from the State Legislature towards the viaduct replacement. It is important to note that in order to succeed on this project given a limited budget, the team would utilize a “design to budget” principle, whereby all the partners would agree that the scope of the project (number and length of bridge spans, architectural finishes, etc.) would need to be continually evaluated and potentially modified in order to stay within budget.

Opportunities for reducing the \$70-75 million cost are found in areas prone to risk, which can be averted or reduced with diligent planning and engineering from the project partners. These include areas such as:

- City Creek conduit (pipe): by not relocating the line, \$4-5 million could be saved; this decision would involve Salt Lake County, who has flood control jurisdiction over the conduit, and the Salt Lake City Public Utilities Department.
- Foundation design: as design progresses and more data on seismic requirements is collected, \$1-2 million could be saved in this area.

- Design costs: as design of the project advances, up to \$1 million in savings on the actual engineering and design of the viaduct are available. The ability to realize such savings will largely result from coordination among the various parties to streamline and expedite the respective design decisions.
- Cost of materials: Up to \$0.2 million in savings on the cost of steel is available if the project manager is able to order steel by early winter. Final design of the project must be nearly complete in order to the steel, which requires final design of the project to begin immediately.
- Labor costs: UTA estimates the time for completion of the project is approximately 18 months. This estimate requires the contractor to begin demolition of the existing structure as early as possible in 2010 in order to properly time construction windows. Labor costs will vary based on the contractor's ability or inability to take advantage of favorable weather conditions for construction of the viaduct.
- Roadway modifications: modifications to the North Temple roadway design at 400 West could save between \$0.2 million and \$0.5 million depending on the final configuration.
- Additional general fiscal impacts to Salt Lake City: Based on an estimated 18 month timeline, the parties are optimistic that vehicular traffic across the viaduct can be restored prior to the 2011 holiday shopping season. Any delay in the contractor's ability to begin demolition will risk restoration of vehicular traffic prior to the holiday's, which may have a negative fiscal impact on City sales tax revenues.

UTA and their contractor for the Airport TRAX Line, Stacy Witbeck/Kiewit, utilize an "open book" cost estimating process, so that all parties understand and agree to risks and associated costs as the project progresses. Salt Lake City has been and will continue to be at the table during this process.

Funding Sources

Committed Sources and Amounts:

- UTA: \$25 million
 - Utah State Legislature: \$20 million
 - Wasatch Front Regional Council (WFRC): \$5 million
- Total Committed Sources: \$50 million

Other Possible Additional Sources and Amounts:

- Special Assessment Area involving immediately adjacent property owners: \$2.5-4.0 million

- Community Development Area involving additional taxing entities: \$12.5 million.
Total Additional Sources: \$15-16.5 million

Contingency Sources of Funding if Cost Savings Do Not Materialize and Amounts:

- 1300 East roadway improvements: Salt Lake City has planned roadway improvements on 1300 East from South Temple to 500 South. Such improvements could be delayed and funding shifted to the North Temple viaduct.
- Strategic refinancing of an existing Participation and Reimbursement Agreement between the RDA and Gateway Associates which could result in a net present value savings of \$4.5 million. This approach and significant concerns with the viability of this mechanism are discussed below.

Additional Discussion on Certain Financing Options

Limited Purpose Community Development Area (CDA)

One way to generate funds that could contribute to the cost of the viaduct construction is to create a Community Development Area, or CDA, that would include 4-8 blocks immediately north of the viaduct. Because the reconstruction of the viaduct will benefit property values in the area, it makes sense to capture some or all of the incremental values from the respective taxing entities to assist in funding the project.

The CDA option would enable the city to capture incremental property values that have increased due to appreciation, as well as increases from new investments within the area. In particular, Gastronomy, one of the property owners in the area, plans to invest approximately \$100 million in new developments north of the viaduct. If these investments occur on schedule and to the degree currently contemplated, and if the School District and Salt Lake County agree to contribute 100% of their shares of the increment, the RDA staff believes the CDA could generate \$25-27 million over a 25-year period. The actual increment generated depends on a variety of factors, including which blocks are part of the CDA, how quickly or slowly properties' values increase over time, and how the Salt Lake County Assessor values the Gastronomy project and other new developments in the area and when they are added to the tax rolls. The RDA staff projections assume a \$65 million Gastronomy office project completed prior to January 1, 2014, a \$35 million Gastronomy residential project completed prior to January 1, 2016, and a 2.5% annual appreciation in property values over the 25-year period. The more conservative financial scenario from a narrow and limited purpose CDA would generate \$25 million, or a net present value of \$12.5 million. This more narrowly tailored project area would include increment collections from areas 2, 3, and 6 on the attached map (see Exhibit E).

Because of the nature of tax increment, the revenue generated by a CDA is very heavily weighted toward its later years. In the early years, prior to the Gastronomy project or other new developments, the CDA's cash flow would be quite anemic, potentially

generating only \$9000 the first year, and only \$50,000 in the 5th year. Once the Gastronomy projects are completed, however, increment revenues could jump to \$700,000-\$1,000,000 per year. The net present value of a cash flow with such weak early years is a surprisingly low \$12.5. Thus, to get the best benefit from a CDA, the city would need to cover most of the debt service payments from another source until the Gastronomy projects were completed, and would need to pledge sales taxes or some other source as a backup throughout the life of the bonds. One source of revenue to pay debt service obligations in the early years of the CDA project area is to use a portion of the \$20 million that was directed to the City by the legislature for the viaduct reconstruction.

Several elected officials from Salt Lake City School District have expressed preliminary support for creating such a CDA for the limited purpose of funding the viaduct, with the understanding that excess funds in later years would first be used to repay the city for other sources tapped in the early years, but that additional revenues collected beyond those needed for debt service payments would be returned to the taxing entity. No formal action has yet been taken by the Salt Lake City School District to approve such a CDA. The Administration intends to seek approval of such a CDA from the Salt Lake City School District and is optimistic that such an agreement will be adopted by the District.

The administration has initiated discussions with elected officials and staff from Salt Lake County on their willingness to participate in a CDA for the limited purpose of funding the viaduct. While such discussions are in early phases, the Administration is optimistic that such an agreement will be adopted by Salt Lake County.

Strategic Refinancing of an Existing Participation and Reimbursement Agreement between the RDA and Gateway Associates

Another option for financing the viaduct reconstruction is the refinancing of an existing Participation and Reimbursement Agreement the RDA holds with Gateway Associates. This agreement commits the RDA to repay Gateway Associates for a variety of public improvements they constructed as part of The Gateway. The underlying tenet of the agreement is that the RDA will reimburse Gateway Associates for a portion of its expenditures over time out of tax increment actually generated by the overall development. The long-term nature of this agreement (and others like it) ensures that reimbursements are made only if and only when the project actually generates increases in property values sufficient to create the “increment.”

Generating the increment not only requires completion and maintenance of the development, but also the punctual payment of property taxes. If the taxes are not paid on time, the RDA does not realize the increment, and does not provide a reimbursement for the portion of the increment on which taxes are not paid by the property owner. Furthermore, if the development does not generate sufficient increment to cover the total amount owed to the developer within the time allotted in the agreement, the RDA’s reimbursement obligation ends.

Under this financing scenario, the RDA could consider issuing refinancing the debt obligation to Gateway Associates at lower interest rates than the rates RDA is currently paying under the Participation and Reimbursement Agreement, and use the newly-borrowed funds to fully pay the remaining principal balance owed to Gateway Associates, with the excess revenue available to service a debt obligation of an additional amount for the reconstruction of the North Temple viaduct.

The City Treasurer has estimated that tax increment bonds might be marketable at an interest rate of 5.5%-6.0%. Approximately \$6 million of the RDA's remaining obligation to Gateway Associates is financed at a rate of 5.04%, while approximately \$8.2 million is financed at 7.5%. Therefore, only the \$8.2 million balance would benefit from refinancing at a rate of 5.5% - 6.0%, generating an interest savings over the remaining term of approximately \$1.2 million. On the other hand, if the city issue sales tax revenue bonds, a lower rate of approximately 3.0% - 4.0% might be available, according to Kelly Murdock, the city's financial advisor from Wells Fargo. See Exhibit F for this analysis. Mr. Murdock ran such a scenario for a bond issue of \$15 million. He estimated that the savings from this refinance would be approximately \$6.6 million, or a net present value of approximately \$4.5 million based on a discount rate of 5%.

Note that this analysis is based on an assumption that the increment generated by The Gateway will grow at least 3% per year, and that all of the properties included in the Agreement pay property taxes on time each year, such that the City's obligation to pay under the existing agreement will not be mitigated or extinguished.

While this approach appears to realize savings that could be used to support additional debt to benefit the viaduct project, certain policy and precedential considerations must be weighed against the potential benefit.

As a matter of public policy, the RDA's Participation and Reimbursement agreements are carefully crafted to ensure the provision of an ongoing set of public benefits over time. Cashing these agreements out prematurely removes the RDA's ability to require continued compliance, and, therefore, undermines the purposes for entering the agreement. Generally speaking, the Agreement referenced above is set up such that the developer agrees to make certain public improvements; the developer pays for these improvements; and the RDA pays the developer back over time from tax increment that is generated from the project. The RDA's payments over time reimburse the developer (with interest) for a portion of the cost of the improvements, and provide the RDA with the leverage to make sure the developer meets his obligations and commitments. If the developer does not meet those obligations, the RDA may withhold the payment for that year.

Specifically with regard to the proposal to cash out the developer with proceeds from tax increment or sales tax bonds, the following considerations weigh against the proposal:

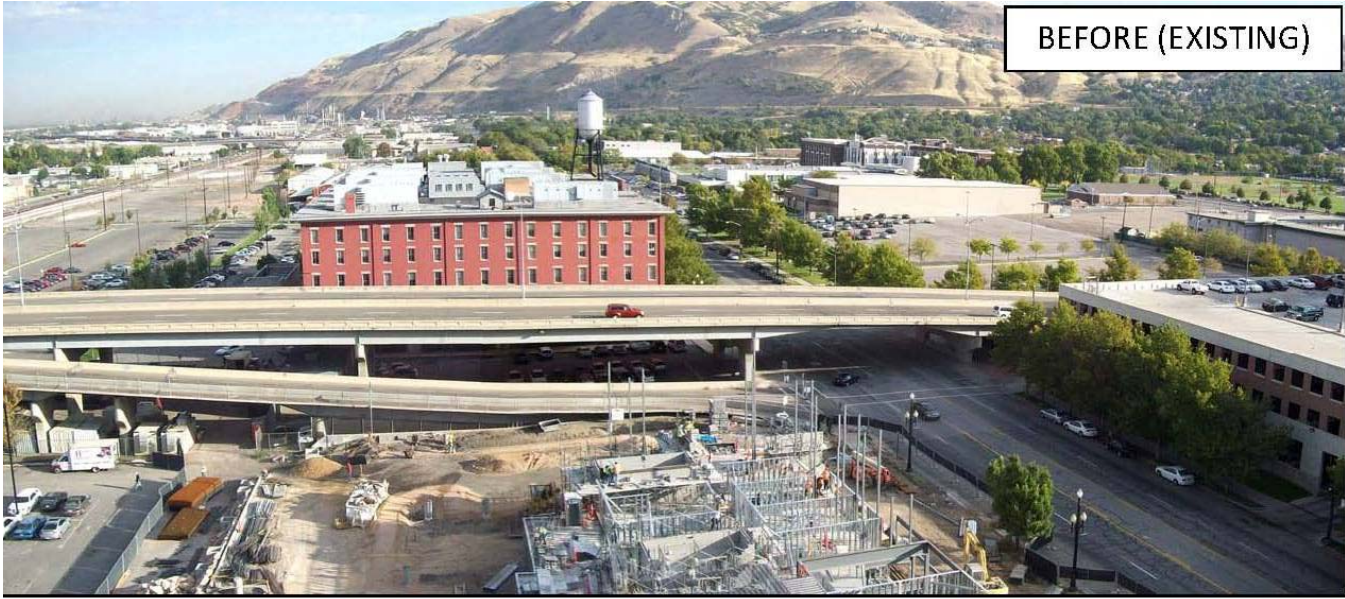
- The developer and all parcels being taxed must pay their property taxes on time. If they do not, then the RDA does not realize the increment. During this past tax

year, several condominium owners at The Gateway did not pay their property taxes on time. Consequently, the RDA does not receive the increment, and, accordingly, does not pay the developer back for that portion of the reimbursement. If the RDA cashes out its obligation and pays the developer the remaining principal balance owed, RDA would completely lose that leverage and would end up paying the developer money to which the developer might not otherwise be entitled under the Agreement.

- The RDA does not actually have the money to cash out the developer, thus necessitating the issuance of new debt. Rather, the money comes to RDA through tax increment collections from the County over time and the RDA pays it back to the developer as a percent of what RDA actually receives.
- The Participation and Reimbursement Agreement for Gateway Associates states that the RDA will pay for a period of time until it has paid the base principal amount or a certain period of time elapses, whichever comes first. It is possible that if the project doesn't generate tax increment fast enough, then the developer will not be fully reimbursed, which is a risk the developer understands and accepts from the outset. So, there is a chance with this project that the time will elapse before the developer is fully repaid, in which case the RDA would have no further payment obligation. If the RDA cashes out the developer now, RDA would be paying the developer its full principal amount when the developer may not be entitled to it under the terms of the Agreement.

In conclusion, while the refinancing proposal would generate savings because of lower interest rates, the RDA Director believes doing so would undermine the purposes for which the Participation and Reimbursement Agreement was created in the first place. Such a cash out would benefit the developer, by providing cash now and removing the risk that the RDA may be released from an obligation to pay under the existing agreement if certain contingencies expressed above were to occur. Additionally, prepayment of this debt obligation would effectively remove an additional incentive for the property owners to make timely property tax payments. In this and other Participation and Reimbursement Agreements, a premature cash-out would also remove the developer's incentive to continue to provide and maintain various public benefits assured by the Agreement.

Exhibit A



BEFORE (EXISTING)



AFTER (PROPOSED)

Viaduct on North Temple Street



BEFORE (EXISTING)



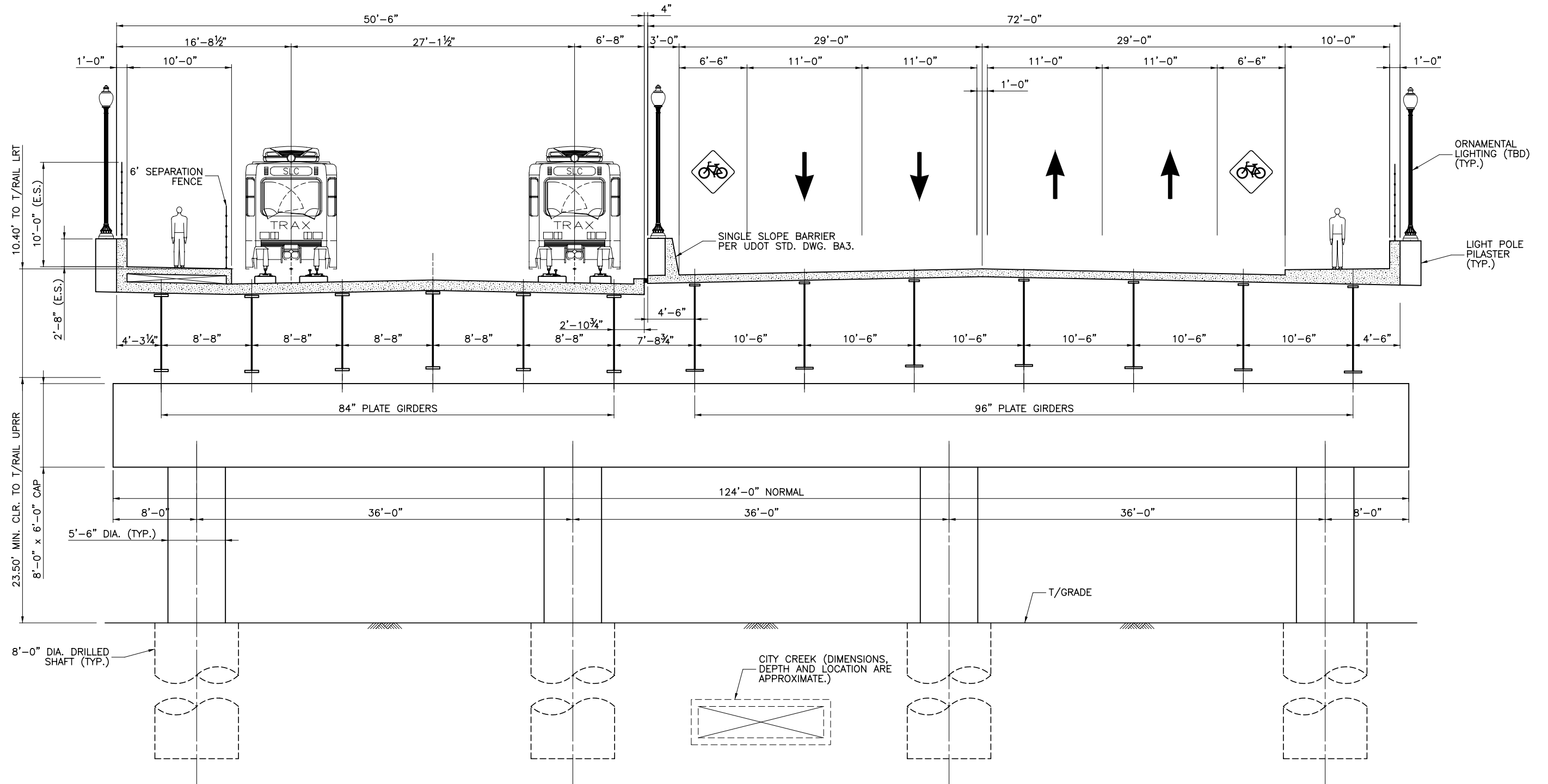
AFTER (PROPOSED)

Viaduct on North Temple Street

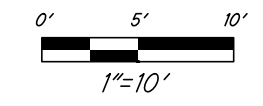
Exhibit B



SUBJECT UTA - ALRT - UPRR & CRT JOB NO. 102864 SH _____ OF _____
New Viaduct Study - Three Spans BY MAR DATE 17-Sep-09
Trans. Section - Two Structures CH _____ DATE _____

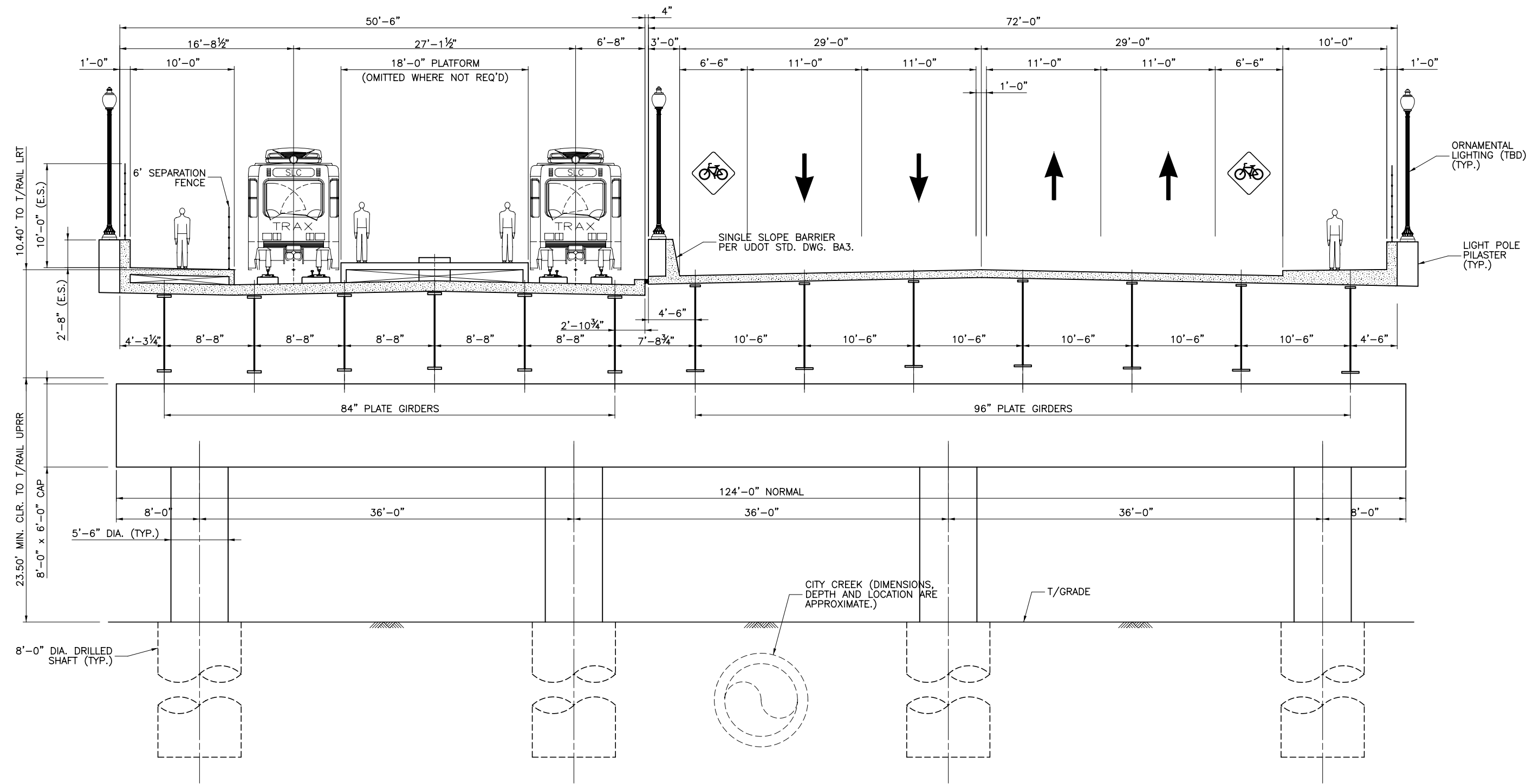


TRANSVERSE SECTION
 AWAY FROM PLATFORM
 SPANS 1 & 2
 SHOWING PIER ELEVATION





SUBJECT UTA - ALRT - UPRR & CRT JOB NO. 102864 SH _____ OF _____
New Viaduct Study - Three Spans BY MAR DATE 17-Sep-09
Trans. Section - Two Structures CH _____ DATE _____



TRANSVERSE SECTION
THROUGH PLATFORM
SPANS 2 & 3
SHOWING PIER ELEVATION

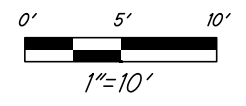
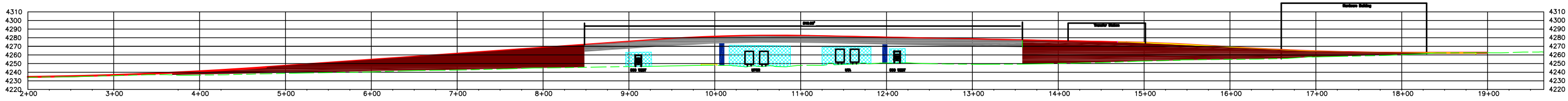
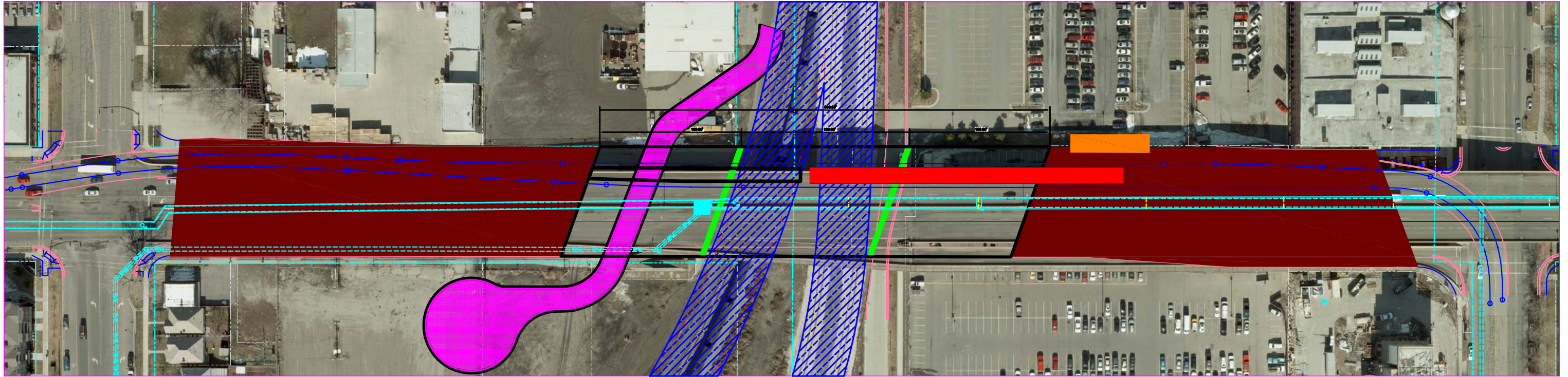


Exhibit C



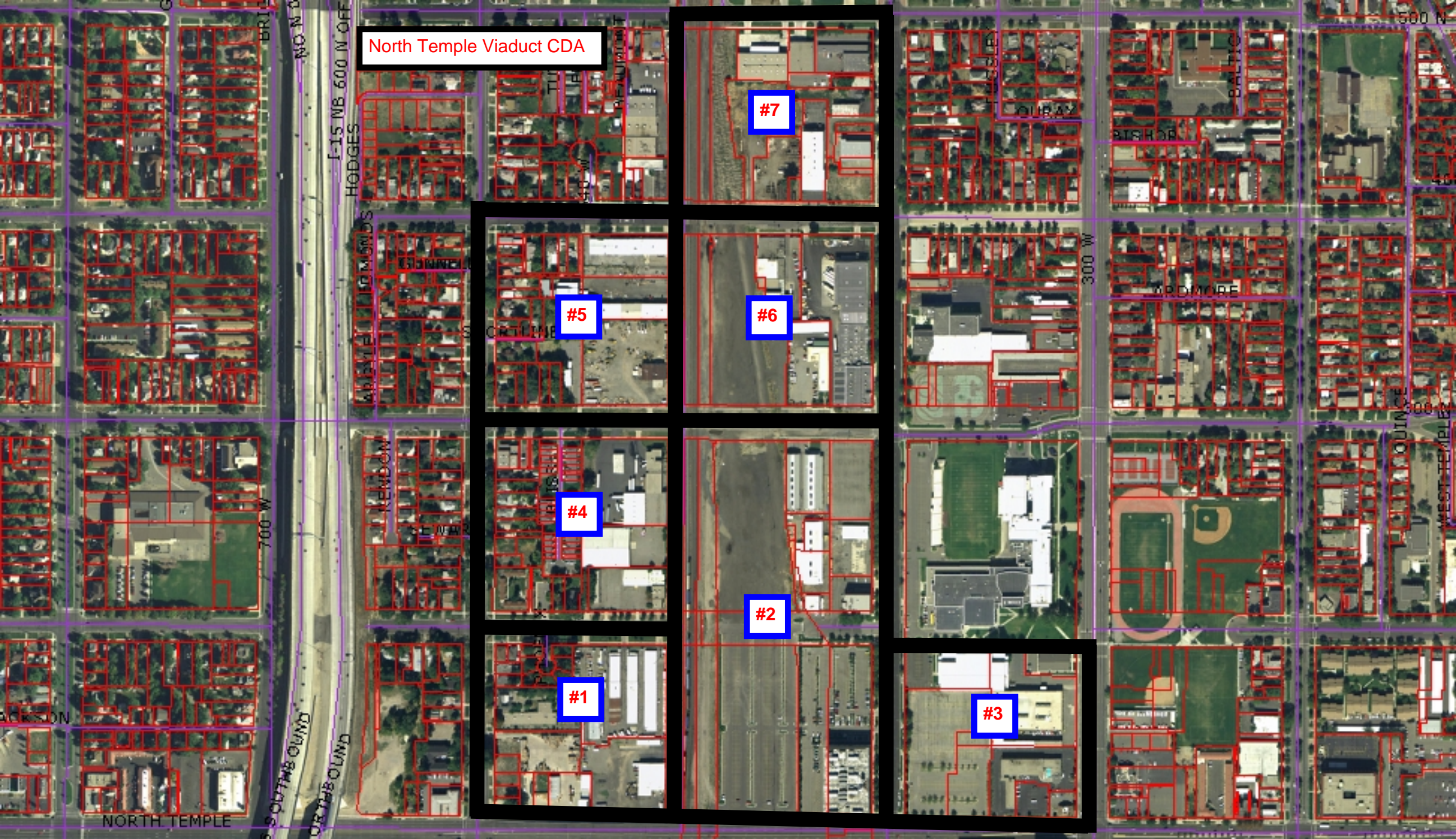
Option 4: 3-Span
160'/190'/160'

Exhibit D



Exhibit E

North Temple Viaduct CDA



#1

#2

#3

#4

#6

#5

#7

Exhibit F

M E M O R A N D U M

TO: Dan Mulé, Salt Lake City Treasurer
Benjamin McAdams, Senior Advisor for
Intergovernmental Relations

FROM: Kelly Murdock

DATE: September 9, 2009

RE: Gateway Associates Payoff Analysis; and Potential Revenues Available
for the North Temple Viaduct Project (the “Viaduct Project”)

Wells Fargo was asked to perform an analysis regarding potential debt service savings that could accrue to the Redevelopment Agency of Salt Lake City (the “RDA”) if a Sales Tax Revenue Bond were to be issued by Salt Lake City (the “City”) and the proceeds from that bond issue were used to pay off the current balance owed by the RDA to Gateway Associates (“Boyer”) under the “Amended and Restated Participation and Reimbursement Agreement”, dated May 30, 2006, between the RDA and Boyer. Wells Fargo was also asked to show the impact of such savings on a hypothetical second sales tax bond issue, the proceeds of which would be contributed towards the Viaduct Project.

In the spreadsheet attached, the first column of first table (“Gateway Associates Defeasance”) reflects RDA revenues available for debt service, assuming a 3-percent annual growth factor. These amounts equal 50 percent of the revenues collected in the Depot District each year by the RDA and the RDA’s revenues, in turn, equal 75 percent of the annual total property taxes collected.

Assuming a Boyer payoff of \$14,276,700, level annual debt service, a final payment date of October 1, 2022 and today’s interest rates, average annual debt service for such a sales tax revenue bond would be approximately \$1,355,000. These numbers are reflected in the second column under “Proposed Series 2009B Debt Service.”

In the third column—“Difference”—the City can see the potential annual savings that could be generated from this hypothetical transaction.

Moving to the next chart (“North Temple Viaduct Project”), Wells Fargo ran another set of numbers for a second sales tax revenue bond that targets a \$15 million deposit to the Viaduct Project. As outlined in the first column (“Proposed Series 2009C Debt Service”), for a 20-year sales tax bond issue, average annual debt service would be approximately \$1,070,000 in today’s market. When the savings generated from the Boyer defeasance (“Difference”) are netted against debt service, the resulting net debt service is shown under the column, “Debt Service to be Covered by Other Sources.” Wells Fargo assumes these amounts would have to be satisfied from the Capital Improvement Project fund (the “CIP”) or from other legally available sources.

In connection with this analysis, we have also reviewed a spreadsheet prepared by the Boyer Company that shows approximately \$10.9 million of proceeds which could be generated from borrowing against Boyer’s share of RDA revenues towards the Viaduct Project. We would generally concur with this analysis with one caveat: the analysis assumes 100 percent of these RDA revenues would be available for payment of debt service on this bond. This can only be the case, however, if the amount due Boyer (\$14,276,700) has already been satisfied from some other financing source, such as an appropriation from the City’s general fund.

One final observation is also in order for the City’s consideration. The RDA’s Bond Counsel, Blake Wade from Ballard Spahr Andrews and Ingersoll, has raised the question of whether the City can legally issue a sales tax revenue bond and take the proceeds to pay an RDA obligation where the City may not be actually receiving anything in value from the transaction. This question would obviously have to be fully resolved before moving forward with these two sales tax bond transactions.

**Salt Lake City, Utah
Sales Tax Revenue Bonds**

Revenues Available for Debt Service

Year	Gateway Associates Defeasance			North Temple Viaduct Project		
	RDA Revenue Available	Proposed Series 2009B Debt Service	Difference	Proposed Series 2009C Debt Service	Revenue Available After Payment of Series 2009B D/S	Debt Service to be Covered by Other Sources
2010	1,556,102.00	1,359,598.38	196,503.62	206,402.92	196,503.62	9,899.30
2011	1,602,785.00	1,357,805.50	244,979.50	1,122,847.00	244,979.50	877,867.50
2012	1,650,869.00	1,356,816.50	294,052.50	1,082,024.75	294,052.50	787,972.25
2013	1,700,395.00	1,356,716.50	343,678.50	1,079,192.50	343,678.50	735,514.00
2014	1,751,407.00	1,358,040.50	393,366.50	1,079,050.50	393,366.50	685,684.00
2015	1,803,949.00	1,355,374.00	448,575.00	1,076,649.50	448,575.00	628,074.50
2016	1,858,067.00	1,354,737.50	503,329.50	1,077,145.25	503,329.50	573,815.75
2017	1,913,809.00	1,355,685.50	558,123.50	1,075,687.50	558,123.50	517,564.00
2018	1,971,224.00	1,358,051.50	613,172.50	1,077,096.00	613,172.50	463,923.50
2019	2,030,360.00	1,356,984.00	673,376.00	1,071,458.25	673,376.00	398,082.25
2020	2,091,271.00	1,357,572.00	733,699.00	1,073,812.50	733,699.00	340,113.50
2021	2,154,009.00	1,354,994.00	799,015.00	1,074,129.75	799,015.00	275,114.75
2022	2,218,629.00	1,359,256.00	859,373.00	1,072,510.00	859,373.00	213,137.00
2023				1,068,958.00	-	1,068,958.00
2024				1,068,429.75	-	1,068,429.75
2025				1,065,886.25	-	1,065,886.25
2026				1,066,205.00	-	1,066,205.00
2027				1,064,219.25	-	1,064,219.25
2028				1,064,800.00	-	1,064,800.00
2029				1,062,817.25	-	1,062,817.25
2030				1,063,088.00	-	-
Total	24,302,876.00	17,641,631.88	6,661,244.12	20,629,321.92	6,661,244.12	13,968,077.80

FOR DISCUSSION PURPOSES ONLY

\$14,415,000

Salt Lake City, Utah
Sales Tax Revenue Bonds, Series 2009B
(Gateway Associates Defeasance)

Sources & Uses

Dated 11/01/2009 | Delivered 11/01/2009

Sources Of Funds

Par Amount of Bonds	\$14,415,000.00
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Total Sources	\$14,415,000.00
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Uses Of Funds

Total Underwriter's Discount (0.500%)	72,075.00
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Costs of Issuance	66,213.00
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Deposit to Project Construction Fund	14,276,700.00
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Rounding Amount	12.00
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Total Uses	\$14,415,000.00
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\$15,130,000

Salt Lake City, Utah
Sales Tax Revenue Bonds, Series 2009C
(North Temple Viaduct Project)

Sources & Uses

Dated 11/01/2009 | Delivered 11/01/2009

Sources Of Funds

Par Amount of Bonds	\$15,130,000.00
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Total Sources	\$15,130,000.00
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Uses Of Funds

Total Underwriter's Discount (0.500%)	75,650.00
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Costs of Issuance	52,486.00
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Deposit to Project Construction Fund	15,000,000.00
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Rounding Amount	1,864.00
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Total Uses	\$15,130,000.00
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