
M E M O R A N D U M

DATE: January 14, 2010
TO: City Council Members
FROM: Russell Weeks
RE: Resolutions Pertaining to Proposed Designation of Central Business Assessment Area (CBIA-10)
CC: Cindy Gust-Jenson, David Everitt, Ed Rutan, Frank Gray, Dan Mulé, Gordon Hoskins, Mary De La Mare-Schaefer, Bob Farrington, Jennifer Bruno, Boyd Ferguson, Marina Scott, Brent Beck, Garth Limburg, Susan Finlayson

This memorandum pertains to two resolutions that are part of the process for City Council consideration of designating an area encompassing downtown Salt Lake City as an “assessment area” for the purpose of economic promotion. The assessment area encompasses much of Salt Lake City’s downtown. Monetary assessments on property within the area would be used for economic promotion activities aimed at benefiting the assessed downtown properties.

One resolution would designate an area known as the “Salt Lake City, Utah Central Business Improvement No. CBIA-10 Assessment Area.” The resolution also would authorize the City officials “to proceed with ... economic development activities” within the assessment area. The area’s boundaries would be the same as the boundaries in Resolution No. 65 of 2009 adopted by the City Council on November 17, 2009. Resolution No. 65 indicated the City Council intent to designate much of the downtown as the CBIA-10 Assessment Area.

The other resolution would appoint a board of equalization and review for the proposed assessment area; set dates for the board to meet to hear and consider objections and corrections to any proposed assessments; and authorize the City Recorder to publish and mail to property owners within the district a notice of when the board of equalization would meet.

The resolutions are separate items and will require separate motions. However, both of them would have to be adopted for the process to continue.

Before options and potential motions are listed four items should be noted:

- The final protest rate from property owners within the proposed assessment area was 3.047 percent of the value of the roughly 700 properties within the proposed area, according to the Administration. The figure is the same percentage as the City Council heard on January 12 before it closed the protest hearing pertaining to the designation of the assessment area.
- Salt Lake City has designated downtown assessment areas for economic promotion purposes since 1991.
- State law defines “economic promotion activities” as activities that promote economic growth in a commercial area of a local entity, including: sponsoring festivals and markets; promoting

business investment or activities; helping to coordinate public and private actions; and developing and issuing publications designed to improve the economic well-being of the commercial area.”¹

- The Administration earlier issued a request for proposals for groups interested in managing economic development activities within the assessment area. The Downtown Alliance, which is under contract with the city to manage economic development activities within the current assessment area, was the only entity to submit a proposal by the 5 p.m., January 13, submission deadline, according to the Purchasing, Contracts and Property Management Division,

OPTIONS

- Adopt the resolutions.
- Do not adopt the resolutions.

POTENTIAL MOTIONS

RESOLUTION TO DESIGNATE ASSESSMENT AREA

- I move that the City Council adopt the resolution designating an Assessment Area to be known as the “Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10,” generally as described in the Notice of Intention designating the proposed Assessment Area; authorizing the city officials to proceed with the economic development improvements as set forth in the Notice of Intention; and related matters.
- I move that the City Council consider the next item on the agenda that does not pertain to the designation of the assessment area or the appointment of a board of equalization for the proposed area.

RESOLUTION TO APPOINT BOARD OF EQUALIZATION

- I move that the City Council adopt the resolution appointing a board of equalization and review for Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10; setting the dates for the board of equalization to hear and consider objections and corrections to any proposed assessments; authorizing the City Recorder to public and mail a notice of meetings of the board of equalization; and related matters.
- I move that the City Council consider the next item on the agenda.

OTHER POINTS

- The current assessment area expires April 15, 2010.
- According to the Administration transmittal, the proposed assessment area would generate about \$2,850,922 in total income for economic promotion activities over a three-year period – roughly \$950,000 per year.
- Of the \$2,850,922 figure, \$2,612,757 would be used by the entity awarded the contract to manage the district. The City would use \$152,638 of the assessments for its own management fees, legal fees, and publishing, postage, and recording costs over three years. In addition, \$85,527 would be held in reserve.
- The current assessment rate is .0014726949. The proposed assessment rate is .001411402.

- The proposed assessment rate is based on two things – an increase in value of properties within the proposed area between 2007 and now, and a proposed expansion of the assessment area.
- The current area’s boundaries 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 proposed area’s boundaries are:
 - North Temple from State Street to 700 West
 - 700 West from North Temple to 500 South
 - 500 South from 700 West to 600 West
 - 600 West from 500 South to 400 South
 - 400 South from 600 West to 200 East – including parcels on both sides of the street
 - 200 East from 400 South to South Temple Street including 200 South from 200 East to 300 East (includes parcels on both sides of the street).
 - South Temple from 200 East to State Street
 - State Street from South Temple to North Temple
- There are 715 properties within the proposed area that would be assessed under the proposal.
- Under state law, properties cannot be added to the assessment area if they were not included in the Notice of Intention Resolution. However, the City Council can delete properties at its discretion.
- Property parcels valued at less than \$15,000 as well as residential, ecclesiastical, and government-owned properties are exempt from assessment, except those that agree in writing to be assessed.²
- The economic improvement district first was created in 1991, and the City Council renewed the district in 1994, 1997, 2000, 2003, and 2007. The Administration is following procedure and policy in seeking bids from interested parties to manage economic promotion activities in the assessment area. Since 1991 the City has awarded a three-year contract with an option to renew the contract for three more years.

¹ Utah Code Annotated, Title 11, Chapter 42.

² Administration transmittal, October 27, 2009, Page 3.

SALT LAKE CITY CORPORATION

FRANK B. GRAY
DIRECTOR

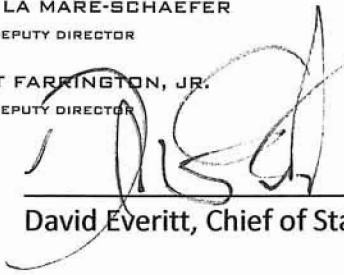
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT
OFFICE OF THE DIRECTOR

RALPH BECKER
MAYOR

MARY DE LA MARE-SCHAEFER
DEPUTY DIRECTOR

ROBERT FARRINGTON, JR.
DEPUTY DIRECTOR

City Council Transmittal




David Everitt, Chief of Staff

Date Received JAN 7, 2010

Date Sent to City Council JAN 7, 2010

Date: January 6, 2009

TO: Salt Lake City Council
J. T. Martin, Council Chair

FR: Frank Gray, CED Director 

RE: Resolution to create the Salt Lake City, Utah Central Business Improvement Area No. CBIA-10

Staff Contact: Bob Farrington, Economic Development Director, 801-535-7945

Recommendation: The City Council adopts the Resolution to create the Central Business Improvement Area (CBIA-10)

Document Type: Resolution

Budget Impact: None

Discussion:

The current Central Business Improvement Area (CBIA -06) expires March 31, 2010. On November 17, 2009 the City Council adopted the Notice of Intention to create the new area Central Business Improvement Area (CBIA -10). The tax roll for the Area indicates there are approximately 716 properties in the Area with an assessed valuation of \$2,019,921,835.

A public hearing is being held on January 12, 2010 to hear comments or protests relating to the creation of the Assessment Area. The protests must be more than one-half of the total property proposed to be assessed in order for the Assessment Area to be nullified by protest vote.

Public Process

City Council adopted the Notice of Intent November 17, 2009 and copies were mailed December 8, 2009 to all property owners with the boundaries of the proposed CBIA -10. Written protests are accepted until January 12, 2010. And a protest hearing is scheduled to be held by the City Council on January 12, 2010.

On November 17, 2009 City Council adopted a resolution to create the Central Business Improvement Area 10.

Since the Council has adopted the Resolution to create the CBIA 10, it is subsequently considering a resolution to create a Board of Equalization and Review and set hearing dates. Should the resolution be adopted, property owners would then receive a preliminary assessment, and notice of the Board of Equalization and Review hearings.

After the hearings are held, the Board of Equalization will forward objections, decisions, and recommendations to the City Council and objecting property owners, beginning a 15 day appeal period. Council will then accept or modify the Board of Equalizations recommendations, and consider adopting the assessment ordinance.

Relevant Ordinances

3.12.010 Work Authorized by State Statues-Assessments

The City may, from time to time, proceed to make improvements within area of the city, make assessments therefore, and issue interim warrants and bonds, pursuant to the Utah municipal improvement district act (section 11-42-101 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 and local law.

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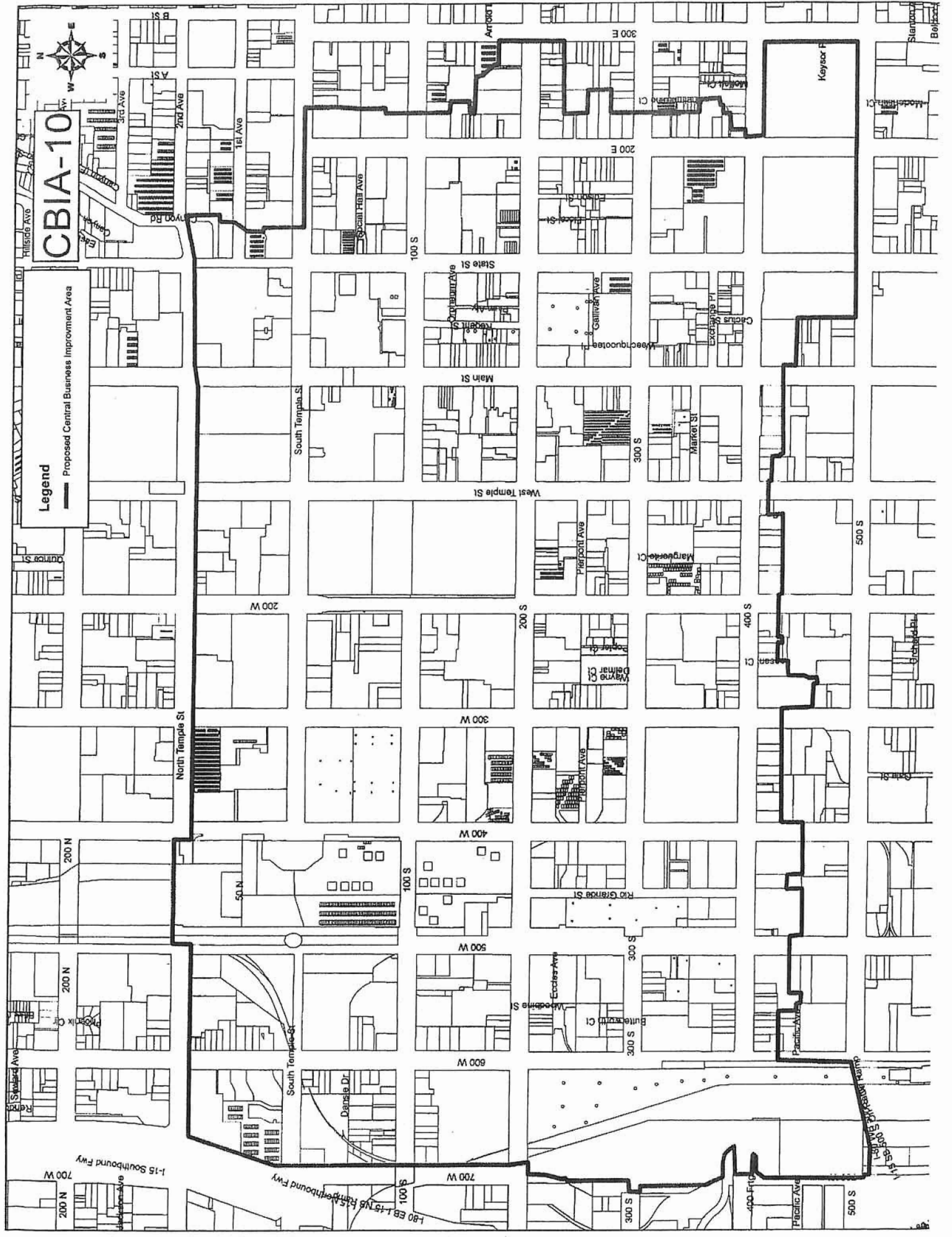
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CBIA-10

Legend
Proposed Central Business Improvement Area



Salt Lake City, Utah

January 19, 2010

A regular meeting of the City Council of Salt Lake City, Utah, was held on Tuesday, January 19, 2010, 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:

JT Martin	Chair
Jill Remington-Love	Vice Chair
Søren Dahl Simonsen	Councilmember
Stan Penfold	Councilmember
Van Blair Turner	Councilmember
Luke Garrott	Councilmember
Carlton Christensen	Councilmember

Also present:

Ralph Becker	Mayor
Edwin P. Rutan, II	City Attorney
	City Recorder

Absent:

Thereupon the following proceedings, among others, were duly had and taken:

Pursuant to published notice concerning the intent of the City to create the "Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10" (the "CBIA-10 Assessment Area"), a public hearing was held on January 12, 2010, at which interested persons were heard concerning comments or protests relating to the Assessment Area. Protests, if any, filed at the public meeting from the owners of property to be assessed are attached hereto as Exhibit A.

The City Council then concluded that the public interest will best be served by creating the Assessment Area in the format as described in Resolution 65-2009 adopted by the City on November 17, 2009. The protests, if any, represent less than one-half of the total property proposed to be assessed.

After due consideration of the following resolution by the City Council, Councilmember _____ moved and Councilmember _____ seconded its adoption. The resolution was adopted by the following vote:

AYE:

NAY:

RESOLUTION NO. ____ OF 2010

A resolution designating an Assessment Area to be known as the "Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10" (the "CBIA-10 Assessment Area"); generally as described in the Notice of Intention designating the proposed Assessment Area; Authorizing the city officials to proceed with the economic development improvements as set forth in the Notice of Intention; and related matters.

WHEREAS, pursuant to the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the "Act"), on November 17, 2009, the City Council of Salt Lake City, Utah (the "City Council"), adopted a Notice of Intention (the "Notice of Intention") to designate a special assessment area to be known as the "Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10" (the "CBIA-10 Assessment Area"), and after giving notice as required by the Act, held a public hearing on January 12, 2010, at which interested persons were heard concerning comments or protests relating to said CBIA-10 Assessment Area; and

WHEREAS, pursuant to Section 11-42-206 of the Assessment Area Act, and consistent with the Notice of Intention, the City Council now desires to designate the CBIA-10 Assessment Area to be known as the "Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10";

BE IT RESOLVED BY THE City Council (the "Council") of Salt Lake City, Utah, as follows:

Section 1. The Council has determined it will be in the best interest of Salt Lake City (the "City") to promote business, economic, and community development activities including, but not limited to, advertising, banners, special events and festivals, newsletters and publications, Christmas lighting, and special projects (the "Economic Promotion Activities") in the downtown area as described hereafter and more specifically identified on maps and plans on file in the Office of the City Recorder of the City. In order to accomplish the Economic Promotion Activities, the City hereby designates the Salt Lake City, Utah Central Business Improvement Assessment Area No. CBIA-10 (the "CBIA-10 Assessment Area") pursuant to Title 11, Chapter 42, Utah Code Annotated 1953, as amended, the area of which is more particularly described herein.

Section 2. A portion of the cost of the Economic Promotion Activities shall be paid by a special assessment (the "Assessment") to be levied against business and commercial properties situated within the CBIA-10 Assessment Area that are specially benefited by the Economic Promotion Activities. The Assessment may be paid, when assessed or, at the option of the property owner, in three (3) annual installments with interest on any delinquent installment until paid.

Section 3. The legal descriptions and tax identification numbers of the properties anticipated to be assessed within the CBIA-10 Assessment Area are set forth in Exhibit A attached hereto.

The CBIA-10 Assessment Area is described by reference to the following streets (the "Reference Streets"):

- A – North Temple from State Street to 700 West
- B – 700 West from North Temple to 500 South
- C – 500 South from 700 West to 600 West
- D – 600 West from 500 South to 400 South
- E – 400 South from 600 West to 200 East (includes parcels on both sides of the street)
- F – 200 East from 400 South to South Temple including 200 South from 200 East to 300 East (includes parcels on both sides of the street)
- G – South Temple from 200 East to State Street
- H – State Street from South Temple to North Temple

The area of the CBIA-10 Assessment Area shall include all property bounded by Reference Streets A through H described above which abut the Reference Streets, plus all corner parcels which have a corner touching any of the Reference Streets, excluding, however, certain properties described in the Notice of Intention.

Section 4. As required by law, the City Recorder is hereby authorized and directed to file in the Salt Lake County Recorder's office within fifteen (15) days from the date hereof (a) a copy of the Notice of Intention and an original or certified copy of this Resolution designating the CBIA-10 Assessment Area, and (b) a Notice of Encumbrance and Assessment Area Designation in substantially the form of Exhibit A hereof which states that the City has designated the CBIA-10 Assessment Area and which lists the properties proposed to be assessed, described by tax identification number and legal description.

ADOPTED AND APPROVED this January 19, 2010.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
City Recorder

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for his approval or disapproval this January ____, 2010.

By: _____
Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved January ____, 2010.

By: _____
Mayor

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

I, _____, the duly appointed, qualified, and acting City Recorder of Salt Lake City, Utah, do hereby certify that the foregoing is a full, true and correct copy of the minutes of a regular meeting of the City Council of Salt Lake City held in the City Council Chambers in Salt Lake City on Tuesday, January 19, 2010, at the hour of 7:00 p.m. as recorded in the regular official book of minutes as kept in my official office, that said proceedings were duly had and taken as therein shown, and that all the members were given due, legal, and timely notice of said meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Salt Lake City this January 19, 2010.

(SEAL)

By: _____
 City Recorder

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, _____, the undersigned 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, 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 January 19, 2010, public meeting held by the City Council of the City as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the City Council's principal offices at the City and County Building, Salt Lake City, Utah, on January 15, 2010, 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;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule A, to be delivered to the Deseret News on January 15, 2010, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2010 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be (a) posted on _____, at the principal office of the City Council, (b) provided to at least one newspaper of general circulation within the Issuer on _____, and (c) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this January 19, 2010.

(SEAL)

By: _____
City Recorder

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

NOTICE OF 2010 ANNUAL MEETING SCHEDULE

EXHIBIT A

NOTICE OF ENCUMBRANCE AND ASSESSMENT AREA DESIGNATION

(See Transcript Document No. __)

BALLARD SPAHR ANDREWS & INGERSOLL, LLP - SALT LAKE OFFICE

Document Information Form

PLEASE KEEP THIS SHEET WITH YOUR DOCUMENT.

DOCUMENT DATA

DOCUMENT NO.: 6373054
ATTORNEY NAME: Carlton

PROFILE INFORMATION

TITLE	Creation Resolution
AUTHOR	Blaine L. Carlton
FILE #	097013
CLIENT/MATTER	Salt Lake City SID (Yale Lighting)
D&R	1165322
DATE	1/7/2010 10:46 AM
NOTES:	