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# M E M O R A N D U M

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**DATE:** November 9, 2010  
**TO:** City Council Members  
**FROM:** Jennifer Bruno, Deputy Director  
**RE:** Interlocal Agreement with Salt Lake County to provide for funding of Cultural Arts and activities in Downtown Salt Lake City

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## Key Elements

- A. The Administration has forwarded for Council consideration, an interlocal agreement with Salt Lake County to help pay for promotion of arts and cultural opportunities in the Downtown.
- B. The immediate goal of the interlocal would create a partnership between the City and County to enhance funding for marketing of existing arts programs in the core of Salt Lake City.
- C. Staff representing the Administration have worked with representatives of Salt Lake County on details of the proposed interlocal. The proposed interlocal is included in the Administration's transmittal. Details are as follows:
  1. Sales tax increment would be pledged from the Central Business District collection area (defined in item 2) to provide funding in two broad categories:
    - i. Planning functions with the goal of facilitating "collaboration between entities in the downtown Cultural Core...and City and County Government."
    - ii. "Services relating to the Cultural Core that enhance attractiveness, viability, and awareness of arts and venues within the Cultural Core."
  2. The collection area is defined as 200 West to 200 East, South Temple to 400 South.
  3. The City is proposed to dedicate 25% of its sales tax increment, and the County is proposed to dedicate 75% of its sales tax increment (the City collects a larger share of sales taxes than does the County).
  4. "Increment" is defined as any revenue above the proposed "base year level" of sales tax revenue. The current interlocal indicates that the base year level of sales taxes is 2008, when the City collected approximately \$1.5 million.
    - iii. In 2009, the City collected \$1.3 million in sales tax revenue from this collection area. The interlocal states that no money will be dedicated towards the arts until the "base year" level is reached.
    - iv. According to the Administration's predictions about potential performance of the new Harmon's grocery store (opening late 2011) and the City Creek Center Mall (opening 2012), as well as an assumed 2.5% growth in sales tax each year after 2011, this base level of sales tax collections will not be reached until 2012.

- v. Increment could be considered a larger or smaller potential future amount depending on the definition of the base year (see Matters at Issue item E).
5. The contributions from the City and County together would be capped at a total of \$500,000 per year. According to the Administration’s model, the maximum amount of increment the City would be dedicating in a given year would be \$269,721 (*the Council may wish to note that the City is dedicating slightly over half of the \$500,000 in each year*). The following is a five-year snapshot of the proposed funding scenario:

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Total projected City Sales Tax Revenue in collection area	\$1,455,421	\$2,166,806	\$3,220,977	\$3,301,501	\$3,384,038
<i>Amount Dedicated to Arts Interlocal:</i>					
<b>City portion</b>	<b>\$ 0*</b>	<b>\$ 163,855</b>	<b>\$ 269,721</b>	<b>\$ 269,273</b>	<b>\$ 268,855</b>
County portion	\$ 0*	\$ 163,855	\$ 230,279	\$ 230,727	\$ 231,145
<b>Total</b>	<b>\$ 0*</b>	<b>\$ 327,711</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>
*"Base Year" sales tax collections not projected to be met in 2011					

- 6. Over 20 years the total dedicated towards the uses identified in the proposed interlocal is \$5.2 million from the City and \$4.6 million from the County. *The Administration indicates that the County is contributing a slightly lesser share because the City collects a greater portion of sales tax revenue than the County, and will therefore receive a more direct benefit from arts in the Downtown.*
  - 7. Increment is proposed to be collected through the interlocal process, and not through a Community Development Area (CDA). The Administration states in their transmittal letter that this is because it leaves flexibility for organizations outside of the collection boundary to be included in future projects. *The Council may wish to have a policy discussion about future potential uses for these funds and whether or not they should stay in the same geographic area where they are generated. Also see Matters at Issue item A.*
  - 8. Funds will be approved to be spent in the following way - Projects will be prioritized for approval by a 6 member committee - 3 from the City and 3 from the County (according to how each entity would like to appoint members). After that the prioritized projects will go to each legislative body for formal approval. Actual budget amounts would need to be appropriated by the respective legislative body in each fiscal year.
  - 9. According to the interlocal, the parties agree that the first year of increment will be used to fund a Cultural Core master plan with a marketing component.
  - 10. The interlocal prohibits using these funds on a cultural facility unless it is publicly owned and/or has been approved by Salt Lake City or County.
- B. The Administration’s transmittal indicates that the City and County are moving forward on the following 7 projects relating to the arts:
- 1. Arts interlocal agreement between the City and the County.

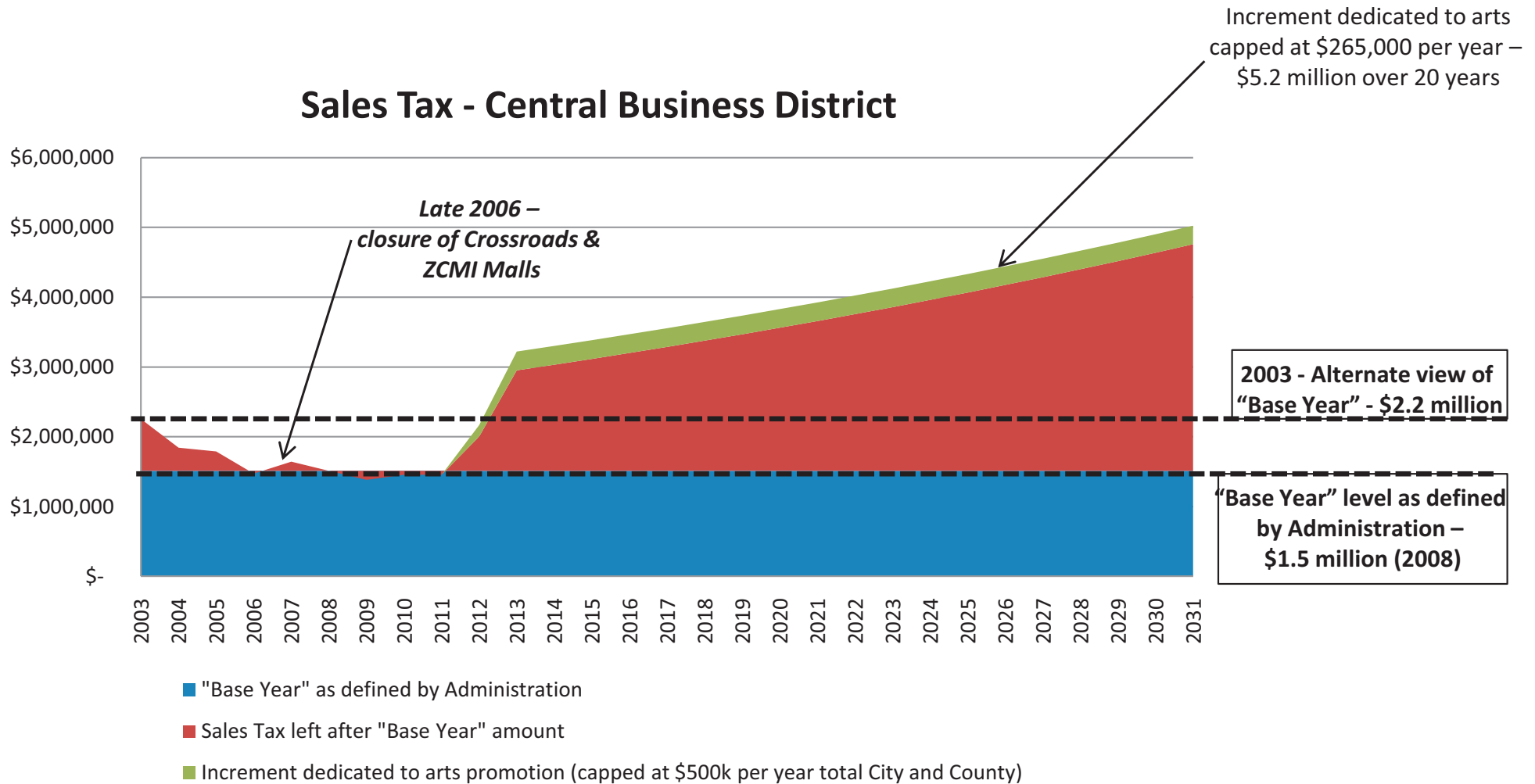
2. Strategic Plan for the Cultural Core (potentially paid for with funds from the arts interlocal).
3. Development of a new Utah Performing Arts Center (UPAC).
4. Development/Renovation of the Utah Theater in the short and long terms.
5. Feasibility analysis of a potential Utah Film and Media Coalition facility.
6. Renovation of the Capitol Theater and construction of the adjacent new Jesse Eccles Quinney Center for Dance (occupied by Ballet West).
7. Creation of Salt Lake County Cultural Facilities Support Program (run by the County, detailed in attachment 3 of the Administration's transmittal).

## Matters At Issue

- A. While the proposed interlocal references a "cultural core" and includes statements that the purpose of the interlocal is to support "arts and cultural activities in the cultural core," the interlocal allows the Budget Committee (the committee of 3 County and 3 City representatives described in item 8 above) to determine the boundaries of the cultural core. The interlocal specifically states that the area where funds can be spent "shall not be limited by the boundaries of the Collection Area." *The Council may wish to have a policy discussion about whether or not potentially spending this increment outside of Downtown Salt Lake City (and potentially outside of Salt Lake City municipal boundaries) meets the policy goals of the Council.*
- B. The analysis provided by the Administration does not account for potential shifting of sales tax revenue from one area of the City to another. It is possible, particularly in the first few years of operations at the City Creek Center mall, that sales tax revenues generated by areas adjacent to the downtown (Trolley Square, Gateway, Foothill/University area) may fall. This means that some increment generated in the Downtown may be needed by the City general fund to offset losses in other areas of the City in order to continue existing basic City operations (police, fire, etc). Typically sales tax in the entire City is treated as one large pool, so that as some areas thrive, they can in effect "support" those areas that may be struggling, in order to ensure equal provision of services to all areas of the City.
  - i. The Redevelopment Agency recognized this possibility of shifting tax base during the negotiations of incentives for the Gateway Mall development. The agreement between the RDA and the Gateway allows for the RDA to reduce the payment to the Gateway for any retailers that relocated to the Gateway from other areas of the City. This was done in an effort to financially discourage the Gateway from attracting retailers from other areas of the City - in a sense, rearranging the pool of existing sales tax dollars (no net increase to the general fund) rather than increasing the size of the tax pool.
  - ii. Because City Creek Center Mall did not request any City funds, the City is not able to request or enforce a similar agreement with CCRI. CCRI has not yet released the list of retailers that will locate in City Creek Center Mall. As such it is not possible to predict what, if any, sales tax base will shift from one area of Salt Lake City to the City Creek Center mall.

- C. Council staff recognizes that the use of sales tax increment and property tax increment is an accepted and valued approach for funding specific projects. It is also staff's duty to point out potentially-conflicting needs for those same resources.
- i. To some extent the City government has been looking forward to the opening of City Creek to increase the City's sales tax revenues and help cover some of the costs that escalate naturally and are beyond the control of elected officials. Prior to the economic downturn, the City funded these necessary increased costs with the yearly incremental growth in sales tax revenue from a healthy economy.
  - ii. Because of built-in inflationary components to the City's expenses, and the State's limitations on the municipal taxing structure the City General Fund is under constant pressure to either increase revenues, identify efficiencies or decrease services.
  - iii. When sales tax revenue began to decline, the City cut services and increased property taxes slightly to fill the gap.
  - iv. We are beginning to see the unintended consequences of some of the cuts that have been necessary to balance the City budget. City residents' frustration with reductions in the street lighting program and the painting of crosswalks are recent examples.
  - v. *The Council may wish to consider the future implications to the City general fund of "earmarking" potential growth in sales tax in the future, as these funds could be needed if a future Council encounters another economic downturn and does not wish to cut services or raise property taxes. On balance, however, the Council may wish to consider this interlocal as an opportunity to partner with Salt Lake County to enhance economic development in the core of the City.*
- D. Assuming the Council does wish to use the sales tax increment tool in the downtown, it should be noted that the Council has not yet had the opportunity to review all potential needs for sales tax increment generated in the downtown in context with each other. Downtown capital projects for which sales tax increment has been mentioned as a potential funding source include a downtown Streetcar (located at least partially within the Cultural Core collection area), Convention Hotel (potentially located within or immediately adjacent to the Cultural Core collection area), and renovation of the Utah Theater (located in the Cultural Core collection area). *The Council may wish to ask the Administration for a full review of upcoming major capital projects, and potential funding sources for those projects, to ensure that the decision to earmark these funds for an Arts Interlocal does not preclude the Council from eventually pursuing one of these projects.*
- E. Depending on the definition of "Base Year," there is either more or less sales tax increment in the downtown collection area (**see attached chart**). Currently the Administration has defined the base year as 2008, when the City collected approximately \$1.5 million in sales taxes within the collection area. However, by 2008, both the Crossroads and ZCMI center malls had been closed for over a year. The true "incremental" benefit of the City Creek Center project is therefore more accurately measured if 2003 or 2004 are considered the "base year" of operations. During 2003 and 2004, both Crossroads and ZCMI Malls were fully operational. In 2003, City sales tax revenue in the collection area was \$2.3 million (almost \$800,000 per year more than the "base year" as proposed by the Administration). *The Council may wish to further discuss what the baseline revenue scenario for the downtown should be.*

## Sales Tax - Central Business District



### Assumptions:

- 2.5% annual increase in sales from 2012 onward
- Does not account for potential shift in sales tax from other business districts in SLC
- \$1 million in increased sales tax from City Creek center in 2013
- \$400,000 in increased sales tax from Harmon's in 2012



RALPH BECKER  
MAYOR

# SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

## CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff

Date Received: 10/18/2010  
Date sent to Council: 10/19/2010

**TO:** Salt Lake City Council  
JT Martin, Chair

**DATE:** October 18, 2010

**FROM:** David Everitt, Chief of Staff  
(801) 535-7732

**SUBJECT:** Interlocal Agreement with Salt Lake County and  
Cultural Arts in Downtown Salt Lake City

**STAFF CONTACT:** Helen Langan, Salt Lake City Mayor's Office (801) 535-6244  
Ann Ober, Salt Lake County Mayor's Office (801) 468-3018

**DOCUMENT TYPE:** Resolution and Briefing Memo

**RECOMMENDATION:** It is recommended that the City Council vote to approve a resolution authorizing Mayor Becker to sign the Interlocal Agreement (Attachment 1).

**BUDGET IMPACT:** Please see Attachment 2

**BACKGROUND/DISCUSSION:** See briefing memo below.

**PUBLIC PROCESS:** None, beyond the numerous arts and community stakeholder meetings that have been held over the past two years and are described in this briefing memo.

### Cultural Arts in Downtown Salt Lake City Briefing Memo

#### Introduction

In Salt Lake City, as in many major cities across the United States, the heart and soul of the community is largely defined by the thriving arts and cultural environment. A strong arts and culture center can serve as an important local economic catalyst, and improve the quality of life for residents of a metropolitan area. For this reason, it is the shared goal of Salt Lake City and Salt Lake County to formulate strategic decisions related to arts and culture in downtown Salt

Lake City to sustain and expand an already-thriving cultural center. The goal is to both pursue new arts and culture opportunities as well as support existing arts organizations and facilities.

The following information is an update of projects impacting the cultural core of downtown Salt Lake City. The update is being provided jointly by the City and the County to provide both entities with an understanding of several projects that together will move the cultural core forward.

### **Economic Development Context**

A thriving arts and culture scene benefits the local economy. In Richard Florida's book "The Rise of the Creative Class," Florida explains that communities can attract and maintain top talent in the work force, or "knowledge workers" as they are commonly referred to, by offering an environment in which they can enjoy working, playing and living. Because knowledge workers want to "live first and work second," a community that offers a myriad of exciting ways in which to spend their leisure time will attract and retain those workers for the long term.

Consequently, when a City becomes a desired destination for workers, it attracts new businesses looking to relocate as well as regional visitors who want a fresh, engaging recreational experience. Additionally, arts and culture offerings serve as an important connection between the many social, ethnic, and religious groups who consider the arts to be the very stitching that sews our community together. All of these effects translate into a thriving, revitalized community and economy that creates jobs, increases street level vibrancy, and enhances the long term planning goals of the community.

### **Current Status**

Representatives from Salt Lake County and Salt Lake City have been working on a number of initiatives related to arts and culture opportunities in Salt Lake City, as well as ideas for how to better support existing arts organizations and encourage new audiences to participate in cultural core activities in Salt Lake City.

At present, the two government entities are moving forward on several arts and cultural projects. These projects include:

1. Creation of a new sales tax based funding mechanism to coordinate management and marketing efforts among arts organizations and activities in the Salt Lake City cultural core through an **interlocal arts agreement between Salt Lake City and Salt Lake County**.
2. Consultation with arts groups regarding the enhancement and development of future **strategic plans for Salt Lake City's Cultural Core**.
3. Developing the financing, management and performance models for the possible establishment of a **Utah Performing Arts Center on Main**, a new 2,500 seat theater.
4. Acquisition of the **Utah Theater and short and long term development possibilities**.

5. Selection of a firm **to study the feasibility of creating a Utah Film and Media Coalition facility.**
6. **Renovation of the historic Capitol Theatre and construction of the new Jesse Eccles Quinney Center for Dance** building by Ballet West and Salt Lake County, which would include decreasing the total number of seats from approximately 1,900 to 1,600 seats.
7. Creation of **Salt Lake County Cultural Facilities Support Program.**

### **1. Interlocal Agreement**

Over the past year, representatives from the Salt Lake City and Salt Lake County have been working on an agreement that would create a sales tax-based fund to be spent on arts and culture initiatives in downtown Salt Lake City's Cultural Core.

This interlocal agreement would allow the City and County to partner on reinforcing the downtown Cultural Core and to enhance funding for marketing of arts programs in the cultural core of Salt Lake City.

The interlocal agreement has the potential to help both government entities achieve larger arts and culture goals they otherwise couldn't individually. Specifically, the interlocal could achieve the following objectives:

1. Serve as a catalyst for long-term development of downtown Salt Lake City arts and culture.
2. Promote maximum impact and activation of the Cultural Core.
3. Encourage new participation among patrons in Salt Lake City's emerging cultural and economic life.
4. Explore and activate new arts-related revenue-generating opportunities.

The draft agreement included in this transmittal (Attachment 1) defines the proposed sales tax collection area as bounded by 200 West, 200 East, South Temple, and 400 South. The area is not being defined by a CDA district because it is possible that organizations outside of the collection boundaries will be included in projects and we are concerned that this could be limited under a formal district. However, the area was determined in part because of the direct benefit it will see from a strengthened cultural core.

A spreadsheet attached to this transmittal (Attachment 2) details the anticipated annual contribution Salt Lake City and Salt Lake County would make by entering this agreement. Over a 20 year period Salt Lake City would contribute \$5,233,009 and Salt Lake County would contribute \$4,594,612 to support downtown Salt Lake City's Cultural Core through this interlocal agreement for a maximum total joint contribution of \$9,827,711.



In addition to creating a dedicated funding source for arts in Salt Lake City, the interlocal agreement with the County may allow the City and County to collaborate in pursuing future appropriations from the Utah Legislature to support ongoing and future arts plans in Salt Lake City.

## **2. Downtown Cultural Core Planning**

Last year, the Salt Lake City Mayor's Office convened three half-day, facilitated meetings with arts groups to build on the earlier work of the Downtown Theater Action Group and continue to collaborate with the arts and culture community in the discussion about both the Utah Performing Arts Center and the broader vision for the cultural core in Salt Lake City.

On April 7, Mayor Becker held a meeting with arts stakeholders to brief them on the progress the City has made since their last meeting and to ask for feedback on many of the strategic Cultural Core projects outlined in this document. It is the ongoing goal of both Salt Lake City and Salt Lake County to make strategic decisions which support the Cultural Core in downtown Salt Lake City which both pursue exciting new opportunities and support existing arts organizations simultaneously.

One of the first joint steps Salt Lake City and Salt Lake County can make toward this goal is finalizing the aforementioned interlocal agreement which will fund a detailed community planning processes for the Cultural Core, and eventually the implementation of the plan that emerges from that process.

## **3. Performing Arts Center**

During the 1960's the Salt Lake Chamber unveiled the Second Century Plan, which, among other important projects, stated that Salt Lake City needed a cultural convention center that included a center for performing arts. Of the 10 key projects the 1960's era Chamber recommended, all of them have been completed **except** for the creation of the multipurpose performing arts center.

During the mid-1990's Salt Lake County collaborated with local arts organizations to explore the needs for additional arts facilities and commissioned a study. That study identified several short and long term needs. In the short term, it was determined that a black box theater and a 500 seat theater was needed immediately, this recommendation led to the creation of the highly successful Rose Wagner Theater in downtown Salt Lake City. The study also recommended that, within the next 10 years, downtown Salt Lake City would need a new, larger theater that would accommodate touring Broadway. It has been more than 10 years since that study was completed and a larger theater has still eluded the community.

As time has passed, there has also been a growing recognition that the Capitol Theater is inadequate, in terms of both seating capacity and available booking dates, to serve all of the purposes the community is currently asking it to serve (i.e. Ballet, Opera, touring Broadway

shows and other special events which would come to town but don't currently because they need more than the Capitol Theater's 1,900 seat capacity).

In 2005, the Salt Lake City RDA, Downtown Alliance and Salt Lake County commissioned a feasibility study that identified the need for a touring Broadway theater and other cultural facilities in downtown Salt Lake City. HVS completed a study that analyzed the theater market in Salt Lake City. It too concluded that Salt Lake City would eventually need a larger seat theater.

In 2007, the Salt Lake Chamber unveiled the Downtown Rising plan for Salt Lake City. It featured eight signature projects envisioned by the Chamber's leadership with strong community input and support, one of which is a large performance space for touring Broadway shows. The Utah Performing Arts Center, as one of the key projects, would "add immensely to the life and vitality of downtown on their own, and together they will make Salt Lake City one of the most livable and prosperous cities in the nation."

In February 2008, Mayor Becker created the Downtown Theater Action Group. The group was comprised of a cross section of community business and cultural representatives. The work of this group included nine public meetings held over a four-month period. The full report of recommendations by the Downtown Theater Action Group can be found in Attachment 3. Following six months of work, the Downtown Theater Action Group ultimately recommended that the City pursue three potential sites that met the criteria for the construction of a new, state-of-the-art theater of approximately 2,400 seats in downtown Salt Lake City. Following the conclusion of the group's work, the City determined and publicly announced that the NAC building site on Block 70 would be the ideal location, and the RDA has been working on site acquisition since that time.

In December, 2008, AMS Planning & Research completed a comprehensive countywide cultural facilities analysis and master plan contracted by Salt Lake County and supported by a comprehensive public process. Within the AMS final report, they concluded the following regarding a new large performance space in Salt Lake County:

"On balance, taking into account the market need, the program considerations, and the readiness factors, AMS is unable at this time to advise the County to make a commitment for significant public funding for either of these projects. However, AMS strongly recommends that additional information be provided to the County prior to a decision on support, specifically with respect to an operating plan and financial model for operation of the theaters, analysis of the financial impact these projects will have on existing venues and organizations, and a capital funding plan."

In recognition of the next steps outlined in the Countywide cultural facilities analysis (which recommended additional information be gathered and analyzed in advance of moving forward on a new theater), the RDA of Salt Lake City hired the development team of Garfield Swisher Traub and Hamilton Partners (GTS) to create a plan to detail the City's approach to this project, including facility costs, operations, programming, site issues, financing options. Their report will include updated market analysis, economic and arts organization impact studies, construction

issues and office building phasing for the Main Street (Block 70) site announced in 2008. GTS is currently working on this project in collaboration with many community partners, including arts organizations and representatives from Salt Lake City, Salt Lake County and the State of Utah. GTS is expected to deliver their report to the RDA of Salt Lake City in November 2010.

Salt Lake County and Salt Lake City are committed to working together on the study related to the downtown performing arts center to assure that the most relevant and appropriate information is used in the development of the operating, financial, and performance models. This includes Salt Lake County arts staff, who are providing the GTS team with information for the analysis of need, operational modeling, conceptual program & facility design as well as the analysis of the potential impact to existing facilities. Both the City and the County believe that such an analysis will make this a better product for all parties involved. Both the County and City are open-minded as to the outcomes of this study.

While Salt Lake County and Salt Lake City are in agreement that looking at Salt Lake County as the facilities operator for the performing arts center is a good public operating option to review under the current modeling, it is also agreed that alternative models of operation and programming must also be reviewed and considered. The information garnered from the analysis of multiple operating/programming scenarios will be critical for policy makers to review and understand in order to make the best possible decisions related to operations and ongoing funding requirements for such a facility.

#### **4. Utah Theater**

When the RDA of Salt Lake City purchased the Utah Theater on Main Street (across from the proposed Utah Performing Arts Center and within the Culture Core of downtown Salt Lake City) in January 2010, the exact use of the facility was not determined in advance of the purchase. However, there was an assumption by some members of the community that the space would be eventually utilized to house a combination of film organizations, most notably the newly formed Utah Film & Media Coalition. It was also recognized that the Utah Theater could be a valuable addition to the Cultural Core of downtown Salt Lake City. While the use of the Utah Theater as a permanent home for a combination of film organizations is an attractive option for many reasons, neither the RDA nor the Utah Film & Media Arts Coalition has made a final decision on the use or interest respectively in the Utah Theater.

The RDA Board of Directors is currently undertaking an initial renovation of the retail spaces associated with the theater property. This will include the creation of some retail space to serve as a temporary use of the facility and activate that section of Main Street until a long-term plan can be established and funded.

There is also the question of who should operate the Utah Theater in the long term, and Salt Lake County and several community members and organizations have expressed interest. This is difficult to evaluate until the ultimate use of the property is decided. It is unclear where the funding would come from to run the facility or what the long-term plan might look like. The RDA is planning to issue an RFP for long-term use, but the conditions and requirements for that

RFP have not been established. The RDA will be hosting a public open house at the Utah Theater on Saturday, October 23.

### **5. Utah Film & Media Coalition/County Film RFP**

In order to better assess options surrounding film in downtown Salt Lake City, the Utah Film & Media Arts Coalition is currently working with Salt Lake County to explore the feasibility and operations of a new facility devoted to film exhibition, education, and new media production. The coalition is comprised of board and executive leadership from the Salt Lake Film Society, the SLC Film Center, and Spy Hop Productions, and this consortium has recently released an RFP through the County for this assessment. The Coalition decided to conduct this work through Salt Lake County as the County is the owner and operator of four arts facilities in the cultural core of our community and because of the County's new Cultural Facilities Support Program (see Attachment 3).

An RFP selection committee has been working to review the proposals received through the Salt Lake County RFP process. The committee includes a representative from the Salt Lake City Mayor's Office. A final selection of the firm to complete the analysis is expected to be announced this fall.

### **6. The Capitol Theatre / Ballet West Project**

Ballet West and the Salt Lake County Center for the Arts are actively working in a public-private partnership on the renovation of the historic Capitol Theatre and construction of the new Jesse Eccles Quinney Center for Dance building. The new facility will be built adjacent to the existing Capitol Theatre. Construction is planned to commence in spring 2012 and be completed in fall 2013.

The renovation will revitalize the theater, making it more accessible to patrons through seating alterations, improved sightlines, and updated energy efficient audience heating/cooling systems. The new construction will expand the Theatre's lobby, adding new restrooms and improved concessions and merchandise sales areas. The renovation will also result in more comfortable seating, but reduced seating capacity from approximately 1,900 to 1,600 seats. There will also be new banquet and meeting spaces, suitable for local arts groups to hold fundraisers, board meetings, dinners, and other development activities.

The majority of the new construction will be the Jesse Eccles Quinney Center for Dance for Ballet West. The new construction includes new studios, Academy office space, dancer dressing and therapy spaces, and a costume workshop. In this new space, the Ballet West Academy will be able to increase their existing programs by four-fold, improving the quality of educational programs for pre-professional dancers. This program expansion will also allow for new outreach opportunities for new and existing audiences. With this new professional training facility, Utah artists will be able to live and work in Utah, rather than seeking professional opportunities elsewhere.

## **7. Salt Lake County Cultural Facilities Support Program**

The Salt Lake County Cultural Facilities Support Program (Attachment 3) is designed to help cultural facilities meet the current and future needs of Salt Lake County's arts and cultural community. Through the annual Program, eligible organizations can apply for funding for construction, renovation, remodeling, or third-party consulting for a cultural facility project. The County will create an ongoing information resource center on-line that collects and distributes cultural facility development tools such as sample budgets, operating schemes and supporting documents. The program will begin in early October, 2010.

### **Conclusion**

Salt Lake City and Salt Lake County continue to be active advocates for a strong downtown arts community. Together, we are committed to developing and enhancing our "Cultural Core" in downtown Salt Lake City to further support the arts, promote economic development and to continuing public dialogue regarding what is in the best interest, sustainability and health of our cultural community.

RESOLUTION NO. \_\_\_\_\_ OF 2010

Authorizing the approval of an interlocal cooperation agreement between Salt Lake County, Utah and Salt Lake City Corporation relating to the sharing of revenues to promote cultural arts in downtown Salt Lake City

WHEREAS, Title 11, Chapter 13, Utah Code Ann., 1953, allows public entities to enter into cooperative agreements to provide joint undertakings and services; and

WHEREAS, the attached agreement has been prepared to accomplish said purposes;

THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah, as follows:

1. It does hereby approve the execution and delivery of the following:

An interlocal cooperation agreement, effective on the date it is executed by both parties, between Salt Lake County, Utah and Salt Lake City Corporation relating to the sharing of revenues for the purpose of promoting cultural arts in downtown Salt Lake City.

2. Ralph Becker, Mayor of Salt Lake City, Utah, or his designee, is hereby authorized to approve, execute, and deliver said agreement on behalf of Salt Lake City Corporation, in substantially the same form as now before the City Council and attached hereto, subject to such minor changes which do not materially affect the rights and obligations of the City thereunder as the Mayor on behalf of the City shall approve, his execution thereof to constitute conclusive evidence of such approval.

Passed by the City Council of Salt Lake City, Utah, this \_\_\_\_\_ day of

\_\_\_\_\_, 2010.

SALT LAKE CITY COUNCIL

By: \_\_\_\_\_  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CITY RECORDER

APPROVED AS TO FORM:

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SENIOR CITY ATTORNEY

HB\_ATTYY-#15051-v1-Resolution\_approving\_cultural\_facilities\_revenue\_sharing\_interlocal.DOC

## INTERLOCAL AGREEMENT FOR THE SHARING OF REVENUES

This Interlocal Agreement (“Agreement”) is made and entered into this \_\_\_\_\_ day of, 20\_\_, by and between Salt Lake City Corporation (“City”), a municipal corporation and political subdivision of the state of Utah and Salt Lake County (“County”), a body corporate and politic of the state of Utah (individually a “Party” and collectively the “Parties”).

Whereas, City fosters the development of the arts and cultural activities in the City and desires to establish an area to serve as a Cultural Core area in downtown Salt Lake City (the “Cultural Core”); and

Whereas, County operates cultural facilities in City and within the boundaries of the Cultural Core; and

Whereas, City shares the County’s desire to participate in a joint effort to enhance funding for the marketing, branding, development and improvement of “arts and cultural activities” in the Cultural Core; and

Whereas, the respective legislative bodies of the City and County have passed resolutions or ordinances authorizing the execution of this Agreement in accordance with UCA § 11-13-202(5); and

Whereas, City and County wish to dedicate a revenue source to support the Cultural Core and provide a recurring revenue stream to provide resources for projects that increase and market the activity, audience participation at venues and programs in the downtown Cultural Core.

Now, therefore, the Parties hereby agree as follows:

1. Agreement for Joint and Cooperative Action.

City and County each possess the authority to support the marketing, branding, development and improvement of arts and cultural activities in the Cultural Core that are in the public interest and are beneficial to their residents and hereby agree to jointly and cooperatively share revenues to provide financial support for the marketing, branding, development and improvement of arts and cultural activities in the Cultural Core. The City and County jointly acknowledge and agree that the dedication of revenues to the marketing, branding, development and improvement of arts and cultural activities in the Cultural Core serves a public interest and stimulates the economic and cultural activity of the City and County and is consistent with the public purposes for which the City and County may expend funds in the promotion of the general welfare of its citizens.

2. Incremental Sales Taxes and Collection Area.

a. City and County agree to recognize an area to serve as a Cultural Core Collection Area (the “Collection Area”) within which the City and County will each dedicate a portion of its



respective sales tax revenues that would otherwise-have been distributed to each entity individually. The Collection Area shall be composed of the area bounded by 200 W. Street on the West, 200 E. Street on the East, South Temple Street on the North and 400 S. Street on the South.

b. County and City shall accrue and dedicate to the purposes provided for herein the following: i) twenty-five percent (25%) of the City's local option sales taxes imposed pursuant to UCA §59-12-204 attributable to taxable sales within the Collection Area that are in excess of the City's local option sales taxes attributable to the Collection Area for the twelve month period starting January 1, 2008 and ending December 31, 2008; and, ii) seventy-five percent (75%) of the County's option sales taxes imposed pursuant to UCA §59-12-1102 attributable to taxable sales within the Collection Area that are in excess of the County option sales taxes for the twelve month period starting January 1, 2008 and ending December 31, 2008 (collectively the "Incremental Sales Taxes").

c. Dedication and use of the Incremental Sales Taxes as provided for herein are subject to the yearly appropriation of the respective legislative bodies of the Parties. Notwithstanding the intention of the Parties to collectively share and expend the Incremental Sales Taxes under the terms of this Agreement, either Party may choose not to dedicate all, or a portion, of its respective yearly Incremental Sales Taxes from the terms of this Agreement and such funds shall no longer be considered Incremental Sales Taxes subject to the uses provided for herein but shall be counted against the cap provided for in Paragraph 3(c).

d. City and County agree that the Parties shall not use incremental increases in property valuations and the resultant increase in available property tax in the Collection Area for the funding purposes provided for in this Agreement, except as previously agreed to by the Parties in extending the Central Business District Urban Renewal Project Area, without an amendment to this Agreement.

### 3. Use of Incremental Sales Taxes.

a. City and County agree that the Incremental Sales Taxes shall be expended solely on program support and services related to the Cultural Core in accordance with the budget developed and approved by a Budget Committee established by the Parties as provided for herein.

b. The geographic scope of the Cultural Core shall be determined by the Budget Committee, subject to approval by the respective legislative bodies of the Parties, and shall not be limited by the boundaries of the Collection Area.

c. Total combined collections of Incremental Sales Tax shall be capped at Five Hundred Thousand Dollars (\$500,000) per year for a period of 20 years. Funding would be based on relative collection rates of the sales tax increment as outlined above.

d. It is intended that revenue will be used to sponsor program support initiatives in the Cultural Core. Program support is intended to provide a dedicated and recurring revenue

stream, to provide funding for eligible projects in two broad categories:

i. Planning and convening functions, the goal of which would be to facilitate broader collaboration between entities in the downtown Cultural Core, including arts and cultural organizations, property owners, civic enterprises and City and County government.

ii. Services related to the Cultural Core that enhances the attractiveness, viability and awareness of the arts and cultural venues and programs within the Cultural Core. This would include, but not be limited to, activities such as: marketing and branding initiatives, shared services enterprises (joint ticketing, collaborative web presence, research, purchasing, etc.), support for temporary art creation or exhibition spaces, street cleaning and district signage, security, etc.

e. Organizations and programs that receive funding from Salt Lake County's Zoo, Arts and Parks program would not be eligible for direct funding from this source for existing programs. New collaborative initiatives and activities would be eligible provided those initiatives meet the strategic objectives for the Cultural Core.

4. Approval Process for Expenditure of Incremental Sales Taxes on Cultural Facilities.

No expenditure of Incremental Sales Taxes for the benefit of a cultural facility shall be approved unless the cultural facility project is publicly owned and is consistent with and has been approved pursuant to the process adopted by Salt Lake County or Salt Lake City, as the case may be, and upon approval of the funding by the legislative body of each respective entity

5. Establishment of the Budget Committee for the expenditure of Incremental Sales Taxes.

The City and the County hereby agree that they shall establish a six member committee that shall be charged with the review and prioritization of proposed marketing expenditures and the budgeting of Incremental Sales Taxes for program support (the "Budget Committee"). The City and the County shall each have three (3) representatives on the Budget Committee chosen by each entity in accordance with the entity's policies and procedures for selecting its representatives. Recommendations of the Budget Committee shall be annually adopted by majority vote and transmitted to the Mayors and Councils of the City and County for final approval. Expenditure of each Party's portion of the Incremental Sales Tax shall be reviewed and may be made by approval of a budget appropriation by the respective entity upon receipt of a favorable recommendation of the Budget Committee. The Parties hereby agree that in the first year, the Incremental Sales and Use Taxes will be used to fund a Cultural Core master plan with a marketing component and such other projects the Budget Committee recommends, as funds are available.

6. Joint Action to Maximize Utilization of Cultural and Arts Facilities located in the City.

The Parties agree that coordinated action seeking to maximize utilization of fine arts and cultural activities in the City is in the best financial interests of the Parties. The Parties agree, upon

approval of the expenditure of Incremental Sales Taxes as provided for in Paragraph 5 for such purpose, to jointly issue a Request for Proposals (“RFP”) to acquire the services of an individual or organization to market the cultural and arts activities located in the Cultural Core to maximize facility utilization and achieve the Parties’ shared arts and cultural objectives. The RFP contractor is encouraged to solicit additional revenues or contributions from entities other than City or County to provide additional related services under the contract. The RFP contractor shall notify the Budget Committee of City and County of any additional funding and the related service to be provided.

7. Effective Date for accrual of Incremental Sales Taxes.

The Parties hereby agree that the effective date for the accrual of Incremental Sales Taxes that can be expended for the purposes hereunder shall be January 1, 2011.

8. Term of this Agreement.

This Agreement shall take effect upon execution by the Parties hereto and compliance with the requirements of UCA § 17C-4-202 and shall terminate December 31, 2031.

9. Filing of Agreement.

City shall cause a certified copy of this Agreement to be filed with the State Tax Commission, the State Board of Education and the state auditor as required by UCA §17C-4-203 and with the county clerk and city recorder as required by UCA § 11-13-209.

10. Applicable Law

This Agreement shall be governed by and interpreted in accordance with the laws of the state of Utah.

12. Review and Approval by City and District Attorneys.

This Agreement shall be reviewed and approved as to form and compliance with applicable law by the respective Party’s attorney prior to execution hereof in accordance with UCA § 11-13-202.5(3).

13. Publication of Agreement

This Agreement or a Notice of Agreement for this Agreement shall be published by each party in accordance with UCA § 11-13-219.

14. Notice.

Any notice required or permitted to be given hereunder shall be deemed sufficient if given by a communication in writing and shall be deemed to have been received (a) upon personal delivery or actual receipt thereof, or (b) within two days after such notice is deposited in the United States

mail, postage prepaid, and certified and addressed to the party as set forth below:

Salt Lake County: County Mayor  
2001 South State Street, Suite N-2400  
Salt Lake City, Utah 84190

with a copy to: District Attorney  
2001 South State Street, Suite S-3600  
Salt Lake City, Utah 84190

Salt Lake City: Mayor's Office  
PO Box 145474  
Salt Lake City, UT 84114-5474

City Attorney  
PO Box 145478  
Salt Lake City, UT 84114-5478

15. Complete Agreement.

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

16. Amendment

No amendment of this Agreement shall be binding unless it is reduced to writing and is duly executed by the Parties hereto.

**IN WITNESS WHEREOF**, the City, by resolution duly adopted by its City Council, a copy of which is attached hereto, caused this Agreement to be signed by its Mayor and attested by its City Recorder; and the County, by resolution of its County Council, a copy of which is attached hereto, caused this Agreement to be signed by the Mayor, or his designee, his or her signature being duly notarized.

SALT LAKE COUNTY

By \_\_\_\_\_  
Mayor Peter Corroon or Designee

STATE OF UTAH    )  
                                  : ss  
County of Salt Lake    )

On this day of \_\_\_\_\_, 2010, personally appeared before me  
\_\_\_\_\_, who being duly sworn, did say that (s)he is the  
\_\_\_\_\_ of Salt Lake County, Office of Mayor, and that the  
foregoing instrument was signed on behalf of Salt Lake County, by authority of law.

[SEAL]

\_\_\_\_\_  
NOTARY PUBLIC  
Residing in Salt Lake County

SALT LAKE CITY

By \_\_\_\_\_  
Title \_\_\_\_\_

ATTEST:  
\_\_\_\_\_  
Its: \_\_\_\_\_

SALT LAKE CITY  
ATTORNEY APPROVAL:  
As to proper form and compliance with law

\_\_\_\_\_  
Date \_\_\_\_\_

STATE OF UTAH    )  
                              : ss  
County of Salt Lake    )

On this day of \_\_\_\_\_, 2010, personally appeared before me  
\_\_\_\_\_, who being duly sworn, did say that (s)he is the  
\_\_\_\_\_ of Salt Lake City, Office of Mayor, and that the foregoing  
instrument was signed on behalf of Salt Lake City, by authority of law.

[SEAL]

\_\_\_\_\_  
NOTARY PUBLIC  
Residing in Salt Lake County

**Assumptions:**

Growth Rate 2.50%  
 Base Value 2,253,428 2008 Sales Tax

Block Numbers	Fiscal Year												
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Creek Estimate											500,000	1,000,000	
Harmons Estimate											400,000		
640100	548,650	492,265	672,462	316,344	247,479	229,156	131,729	94,280	19,997				
640140	82,941	105,116	98,373	86,068	47,444	53,065	63,006	56,789	63,110				
640141	5,045	5,476	884	546	142	14,295	15,231	16,622	17,206				
640142	3,191	515	131	(16)	23	73	23	8	576				
640143	19,631	19,842	18,682	17,357	14,154	16,528	32,429	33,516	32,793				
640150	17,236	17,236	17,236	17,236	8,518	15,239	24,920	22,934	25,777				
640180	285,650	785,361	151,199	229,385	188,811	245,458	228,879	219,466	213,563				
640190	25,496	25,496	25,496	25,496	28,179	27,723	18,011	35,138	36,740				
640191	25,099	25,099	25,099	25,099	21,773	20,232	76,586	81,534	68,556				
640220	58,103	58,103	58,103	58,103	28,723	33,124	38,575	40,440	43,778				
640221	6,190	6,190	6,190	6,190	6,370	10,059	6,413	9,746	9,263				
640222	15,835	15,835	15,835	15,835	6,085	10,959	15,713	17,451	49,767				
640230	3,722	3,722	3,722	3,722	21,699	5,437	5,314	4,669	239,661				
640260	-	-	-	-	-	-	9,436	9,694	5,979				
650120	94,347	94,347	94,347	94,347	71,199	105,025	27,420	25,210	23,015				
650130	623,367	511,132	421,156	647,739	505,513	330,594	278,131	250,490	239,661				
650160	113,104	127,053	158,936	105,059	96,293	142,255	137,033	139,214	110,978				
650190	82,475	82,475	82,475	82,475	61,670	138,444	104,975	68,713	69,637				
650195	78,559	78,559	78,559	78,559	75,153	95,573	77,119	65,780	72,636				
650200	431,321	376,120	353,776	401,773	386,952	498,862	503,687	426,660	390,349				
650230	93,753	93,753	93,753	93,753	82,351	111,410	72,775	65,807	75,078				
650240	74,262	74,262	74,262	74,262	63,702	87,172	124,904	124,133	115,385				
650245	6,612	6,612	6,612	6,612	23	12	22,870	34,319	17,058				
1% sales tax	2,694,590	3,004,570	2,457,290	2,385,945	1,962,254	2,190,695	2,015,180	1,842,612	1,940,561	1,940,561	2,889,075	3,961,302	4,060,335
Salt Lake City's Portion	2,020,943	2,253,428	1,842,967	1,789,459	1,471,690	1,643,021	1,511,385	1,381,959	1,455,421	1,455,421	2,166,806	3,220,977	3,301,501
Base Value(yr 2008)								(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)
Sales Tax Increment at 25%				1,789,459	1,471,690	1,643,021	1,511,385	(32,356)	(13,991)	(13,991)	163,855	427,398	447,529
<b><u>SALT LAKE COUNTY SALES TAX COLLECTIONS</u></b>													
Salt Lake County collections as % of 1%:	0.25												
Sales Tax Increment at 25%	673,648	751,143	614,322	596,486	490,563	547,674	503,795	460,653	485,140	485,140	722,269	990,326	1,015,084
Base Value (yr 2008)								(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)
Sales Tax Increment at 75%								(32,356)	(13,991)	(13,991)	163,855	364,898	383,466
<b><u>Total City and County</u></b>											327,711	792,296	830,995
Salt Lake City's Maximum											163,855	269,721	269,273
Salt Lake County's Maximum											163,855	230,279	230,727
<b><u>Maximum pertaining to Interlocal</u></b>											327,711	500,000	500,000

**Assumptions:**

- Growth Rate
- Base Value

Block Numbers	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2,026	2027
City Creek Estimate													
Harmons Estimate													
640100													
640140													
640141													
640142													
640143													
640150													
640180													
640190													
640191													
640220													
640221													
640222													
640230													
640260													
650120													
650130													
650160													
650190													
650195													
650200													
650230													
650240													
650245													

1% sales tax	4,161,843	4,265,889	4,372,536	4,481,850	4,593,896	4,708,743	4,826,462	4,947,123	5,070,801	5,197,572	5,327,511	5,460,699	5,597,216
Salt Lake City's Portion	3,384,038	3,468,639	3,555,355	3,644,239	3,735,345	3,828,729	3,924,447	4,022,558	4,123,122	4,226,200	4,331,855	4,440,152	4,551,156
Base Value(yr 2008)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)
<b>Sales Tax Increment at 25%</b>	<b>468,163</b>	<b>489,314</b>	<b>510,993</b>	<b>533,214</b>	<b>555,990</b>	<b>579,336</b>	<b>603,266</b>	<b>627,793</b>	<b>652,934</b>	<b>678,704</b>	<b>705,118</b>	<b>732,192</b>	<b>759,943</b>

**SALT LAKE COUNTY SALES TAX COLLECTIONS**

Salt Lake County collections as % of 1%:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sales Tax Increment at 25%	1,040,461	1,066,472	1,093,134	1,120,462	1,148,474	1,177,186	1,206,615	1,236,781	1,267,700	1,299,393	1,331,878	1,365,175	1,399,304
Base Value (yr 2008)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)	(503,795)
<b>Sales Tax Increment at 75%</b>	<b>402,499</b>	<b>422,008</b>	<b>442,004</b>	<b>462,501</b>	<b>483,509</b>	<b>505,043</b>	<b>527,115</b>	<b>549,739</b>	<b>572,929</b>	<b>596,698</b>	<b>621,062</b>	<b>646,035</b>	<b>671,632</b>
<b><u>Total City and County</u></b>	<b>870,663</b>	<b>911,322</b>	<b>952,997</b>	<b>995,714</b>	<b>1,039,499</b>	<b>1,084,379</b>	<b>1,130,381</b>	<b>1,177,533</b>	<b>1,225,863</b>	<b>1,275,402</b>	<b>1,326,180</b>	<b>1,378,226</b>	<b>1,431,574</b>

<b>Salt Lake City's Maximum</b>	268,855	268,464	268,098	267,754	267,432	267,128	266,842	266,572	266,316	266,074	265,845	265,628	265,422
<b>Salt Lake County's Maximum</b>	231,145	231,536	231,902	232,246	232,568	232,872	233,158	233,428	233,684	233,926	234,155	234,372	234,578
<b><u>Maximum pertaining to Interlocal</u></b>	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000



**Assumptions:**

Growth Rate  
 Base Value

Block Numbers	2028	2029	2030	2031	
City Creek Estimate					
Harmons Estimate					
640100					
640140					
640141					
640142					
640143					
640150					
640180					
640190					
640191					
640220					
640221					
640222					
640230					
640260					
650120					
650130					
650160					
650190					
650195					
650200					
650230					
650240					
650245					
1% sales tax	5,737,146	5,880,575	6,027,590	6,178,279	
Salt Lake City's Portion	4,664,934	4,781,558	4,901,097	5,023,624	
Base Value(yr 2008)	(1,511,385)	(1,511,385)	(1,511,385)	(1,511,385)	
<b>Sales Tax Increment at 25%</b>	<b>788,387</b>	<b>817,543</b>	<b>847,428</b>	<b>878,060</b>	<b>City Total 12,239,176</b>

**SALT LAKE COUNTY SALES TAX COLLECTIONS**

Salt Lake County collections as % of 1%:

	2028	2029	2030	2031	County Total
Sales Tax Increment at 25%	1,434,287	1,470,144	1,506,897	1,544,570	16,686,515
Base Value (yr 2008)	(503,795)	(503,795)	(503,795)	(503,795)	
<b>Sales Tax Increment at 75%</b>	<b>697,869</b>	<b>724,762</b>	<b>752,327</b>	<b>780,581</b>	<b>10,710,195</b>
<b><u>Total City and County</u></b>	<b>1,486,256</b>	<b>1,542,305</b>	<b>1,599,755</b>	<b>1,658,641</b>	<b>13,940,934</b>
<b>Salt Lake City's Maximum</b>	265,226	265,039	264,862	264,693	5,233,099
<b>Salt Lake County's Maximum</b>	234,774	234,961	235,138	235,307	4,594,612
<b><u>Maximum pertaining to Interlocal</u></b>	500,000	500,000	500,000	500,000	9,827,711



# **SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM GUIDELINES & APPLICATION**

SALT LAKE COUNTY CENTER FOR THE ARTS  
50 West 200 South  
Salt Lake City, UT 84101  
801-323-6800

# SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM GUIDELINES & APPLICATION



## INTRODUCTION

The Salt Lake County Cultural Facilities Support Program is designed to help cultural facilities meet the current and future needs of Salt Lake County's arts and cultural organizations, residents, and visitors.

Through this program, eligible organizations can apply for funding for construction, renovation, remodeling, or third party consulting for a cultural facility project. Applicants must meet eligibility requirements, and both the project and the applicant must be based in Salt Lake County.

## CULTURAL FACILITY SUPPORT PROGRAM VISION & PRINCIPLES

The Support Program is based on a Vision and set of Principles designed to ensure that County supported projects provide the greatest benefit to the community. In your application, you will need to tie your project to these core statements.

### VISION

Participation in the arts is deeply embedded in the lives of Salt Lake County residents. They envision a community with facilities that enable a full range of arts and cultural activity for creation, presentation and education. Fulfilling the community's vision will require a broad array of cultural facilities which are distributed throughout the County, of varying types and sizes, for community based and professional purposes, and which serve neighborhoods, cities, and the entire region.

### PRINCIPLES

- To value professional arts organizations, community arts organizations, and community participation.
- To enable and enhance the development of local arts communities.
- To reflect and address the current and future needs of communities throughout the County.
- To value the needs of individual artists and non-profit arts organizations across all artistic disciplines.
- To only support projects which demonstrate readiness, feasibility, and sustainability.
- To support projects which address the need to maintain and upgrade existing facilities as well as to construct new facilities.
- To support projects which enhance the ability of arts and cultural organizations to improve, expand and/or sustain programming.
- To ensure the vibrancy of arts and culture throughout the County, including the Cultural Core and local regions.
- To implement an inclusive and fair process for planning, locating, funding and developing County-supported cultural facilities.
- To utilize cultural facilities as a tool for sustainable cultural and economic development of the County.
- To encourage projects that foster collaboration, regional partnerships and shared funding.

# SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM GUIDELINES & APPLICATION



## PROJECT ELIGIBILITY

Projects eligible for consideration must be an arts and/or culture facility that serve the performing arts, visual arts, literature, media, cultural history, or folkways, or any combination. The facility can be participant, spectator, or visitor focused. The public must be able to access your project, and it must be ADA accessible.

Both your project and your organization must be physically located within Salt Lake County and your organization must be one of the following:

- A 501(c)(3) organization
- A local government
- An educational institution serving the general public (i.e., not only students)
- A business registered with the State of Utah Department of Commerce and licensed within Salt Lake County

## TYPES OF FUNDING

The County offers two types of support: capital funding and funding for third party consulting. Capital funding can be used for new construction projects, renovation, or remodeling expenses for an existing facility.

Third party consulting funding can be used for the following types of services:

- Architecture, Design, Engineering
- Construction Project Management
- Financial Management
- Venue Plan
- Venue Operations & Management
- Predesign Services including Feasibility Studies, Facilities Analysis, Programming

The County may fund up to 50% of the entire cost of any project that receives a recommendation for funding. You must have matching funds in-hand at the time of application. For capital funding, you must have a 10% match for the requested amount and for third party consulting funding you must have a 50% match of the requested amount.

## CULTURAL FACILITIES SUPPORT PROGRAM PROJECT APPLICATION PROCESS

The Cultural Facilities Support Program is managed by County staff and overseen by an Advisory Committee. Once you submit your application, it will go through the following steps:

- Step 1 – Initial review for eligibility and completeness by County staff
- Step 2 – Project qualification review by the County’s Project Review Team
- Step 3 – Advisory Committee reviews eligible, complete, and qualified applications and makes a recommendation for funding to the County Mayor
- Step 4 – County Mayor, within the normal County budget process, recommends projects for funding to the County Council
- Step 5 – County Council votes yes or no on funding for each recommended project

# SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM GUIDELINES & APPLICATION



The County is developing a robust Assistance program consisting of online information, workshops, and other tools to help all applicants prepare a complete and compelling application. Should your application be rejected, there are to either resubmit or appeal to the Committee; these opportunities are detailed in each step below.

## **Step One – Application Submission & Review (September 1st - February 28th)**

All project applications are submitted and reviewed for eligibility and completeness by County staff. This initial review will determine if your organization and proposed project are eligible for public funds and to ensure your application is complete.

If your application is deemed incomplete, you can resubmit it at any time during the dates listed above. You are encouraged to use the Application Assistance program resources including online tools, County staff (limited), and workshops (when available). If your application is deemed ineligible you can either rework it and reapply, or you can appeal to the Advisory Committee.

## **Step Two – Project Qualification Review (April 1st - May 31st)**

Once a project has advanced to Step Two, it will go through a thorough and objective evaluation by subject experts on the county's Project Review Team. This team consists of County staff representing facilities, finance, operations, purchasing, legal, and arts and culture programs.

They will either advance applications to the Advisory Committee for final funding consideration or will recommend that the project proposer continue to work on the application and resubmit it during the next application cycle.

If your application is deemed not qualified, you may appeal to the Advisory Committee, or rework the application and resubmit it the following year. Should you choose to resubmit, you are eligible to use any of Application Assistance tools.

## **Step Three – Recommendation for Consideration of Public Funding (June 1st – July 31st)**

This committee consists of citizen volunteers representing stakeholders and subject matter experts in arts and cultural facilities including representatives from ZAP, TRCC1, and Center for the Arts Advisory Board.

<sup>1</sup> Tourism, Recreation, Convention & Culture Advisory Board

The Advisory Committee will review all the final applications and make recommendations to the Salt Lake County Council and Mayor on which projects should be funded. This will be a subjective review, answering the question, "does the county need, and should the county support this project?" If projects are rejected at this step, applicants could and would be encouraged to reapply the next year. This committee will also review projects at each step in the process and will listen to appeals by applicants.

## **Steps Four & Five – Projects Submitted for Funding in County Budget**

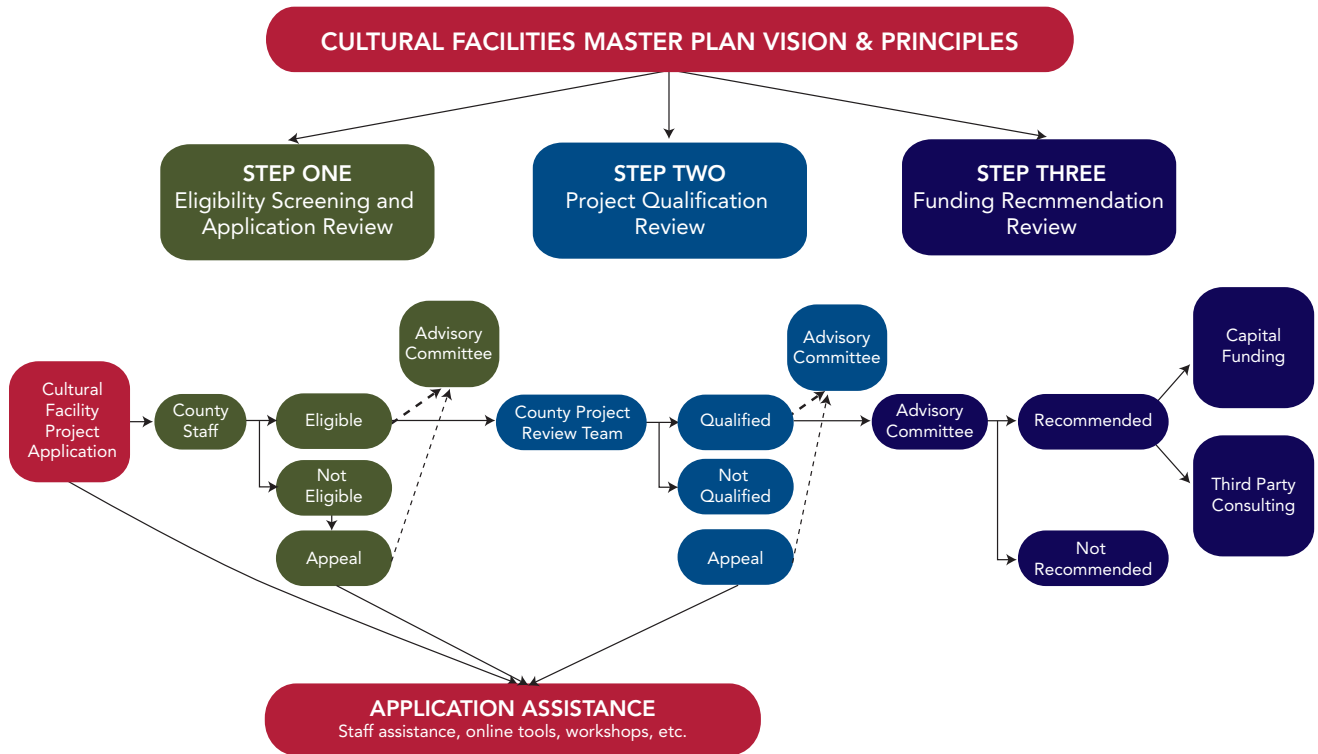
Recommended projects will be placed by the Mayor in the County budget for approval by the County Council in the normal budgeting cycle. Projects may or may not be funded, based on available funds.

On the following page is a graphic depiction of the process.

SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



SALT LAKE COUNTY PLANNING AREA



# SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM GUIDELINES & APPLICATION



## APPLICATION ASSISTANCE PROGRAM

With more applications and great ideas than potential funding could support, the County has a comprehensive application assistance program to ensure that each project application will be as complete as possible. Applicants are strongly encouraged to access the assistance program throughout the application process and beyond.

Application assistance tools for every application will include:

- Online Tools
  - Monographs
  - Glossary
  - Pre-design work
  - Sample documents such as construction and operational budgets, timelines, public review processes, construction estimates, and space plans
- Application Workshops (not available in 2010-11 cycle)
  - Four phases of cultural facility project planning, one phase per quarter
  - Cultural Facility development case studies

Once an application reaches Step Two, applicants with projects of \$500,000 or more are eligible to receive further application assistance and coaching by staff, volunteers, and consultants with the following:

- Financial Feasibility
- Architecture
- Construction Project Management
- Venue Operations Management
- Cultural Programming
- Community Support

SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



**APPLICATION FORM**

Please submit two paper copies and one copy on CD-ROM or USB flash drive by February 28.

\*We reserve the right to request additional copies of your application as it moves through the review process

Salt Lake County Cultural Facilities Support Program  
Attn: Linda Cook  
50 West 200 South  
Salt Lake City, UT 84101  
801-323-6800

**PROJECT TITLE** \_\_\_\_\_

Project Address \_\_\_\_\_

Project Sponsor \_\_\_\_\_

Contact Name \_\_\_\_\_

Contact Email \_\_\_\_\_

Contact Phone \_\_\_\_\_

Contact Address \_\_\_\_\_

**A. PROJECT ELIGIBILITY CHECKLIST – REQUIRED FOR ALL APPLICANTS**

**1. General Location or Site**

Project located in County Council District # \_\_\_\_\_ (see map on page 11)

Project located in planning area (see map on page 12):

- CFMP - North       CFMP - West       CFMP - South West
- CFMP - East       CFMP - South East

**2. Constituencies served (check at least one):**

- Performing arts       Visual arts
- Literature       Film/mixed media
- Cultural history and/or folkways       Other \_\_\_\_\_



SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



**3. The facility project is mainly for:**

- Participants       Spectators       Both

**4. The project is sponsored by:** (Choose one and attach appropriate documentation)

- A Salt Lake County 501(c)(3) organization (current valid IRS Certificate Required)  
 This is a ZAP funded organization  
 A municipality within Salt Lake County  
 Salt Lake County based educational institutions  
 The facility must serve the general public, not just students.  
    Individual K-12 schools are not eligible.  
 A business registered with the State of Utah Department of Commerce and licensed within  
    Salt Lake County

**5. General public access** (check all that apply):

Can the general public access your project as visitors, spectators, or participants?

- If Yes:     Visitors       Spectators / patrons       Participants  
 No

**6. Type of Funding requested of Salt Lake County** (check all that apply):

- New construction (Capital Funding)      Amount Requested \$ \_\_\_\_\_  
 Renovation (Capital Funding)      Amount Requested \$ \_\_\_\_\_  
 Third party consulting      Amount Requested \$ \_\_\_\_\_

**7. Current funding:** (Attach documentation)

- a. 10% match of requested amount required for capital funding  
b. 50% match of requested amount required for third party consulting funds  
c. Check all that apply  
d. Please list on a separate sheet the donor list, individual pledge amounts,  
    and any pledge restrictions

- Cash      Amount \$ \_\_\_\_\_  
 Unrestricted Pledges      Amount \$ \_\_\_\_\_  
 Restricted Pledges      Amount \$ \_\_\_\_\_  
 Other \_\_\_\_\_      Amount \$ \_\_\_\_\_

SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



**8. Site Documentation** (attach documentation only if purchased or secured)

- Deed
- Plot Plan
- Purchase & Sale Contract

**B. DETAILED PROJECT NARRATIVE – REQUIRED FOR ALL APPLICANTS**

Please attach narrative to application.

**1. Overview**

- Project description
- Proposers' organization or business history
- Community need and benefit
  - Include how project is tied to CFMP Vision and Principles
  - Type of program within the facility, services offered and frequency
  - Include community support – letters, testimonials, editorials, etc.

**2. Timeline**

- Planning – design / funding
- Construction – new or renovation
- Commissioning / opening

**3. Commercial program/space(s):**

- If there any commercial spaces in the proposed project – gift shop, café, etc. – please describe the relationship of the commercial vendors to your organization.

**C. APPLICANTS APPLYING FOR THIRD PARTY CONSULTING FUNDING  
REQUIRED NARRATIVE**

Please attach narrative to application.

**1. Consulting Services Overview**

- Goals and objectives of consulting services (by type)
- Documents required for RFP – Consulting Services (all required)
  - Discovery research for anticipated cost / time required
  - Scope of work
  - Deliverables
- Timeline



## **D. APPLICANTS APPLYING FOR FUNDING OF \$500,000 OR MORE REQUIRED NARRATIVE & DOCUMENTATION**

### **1. Overview**

- Proposing organization or business certified audits – *Three-year history if not ZAP funded*

### **2. Construction or Renovation Phase Planning**

- Narrative for management plan for the planning, design and construction phases
- Architectural site plan – *Indicate existing vs. proposed structures on plan*
- Architectural schematic design – *Minimum needed for programming*
- Architectural program (required for requests of \$5 million or more) *Space, functional use, adjacencies*
- LEED planning
- Construction cost estimate – *Maximum of 500 cost entries*
- Master construction project budget – *Include all costs i.e. financing, FF&E, fees, permits*
- Financing strategy assessment – *Include all resources, costs, tax credits, liabilities*

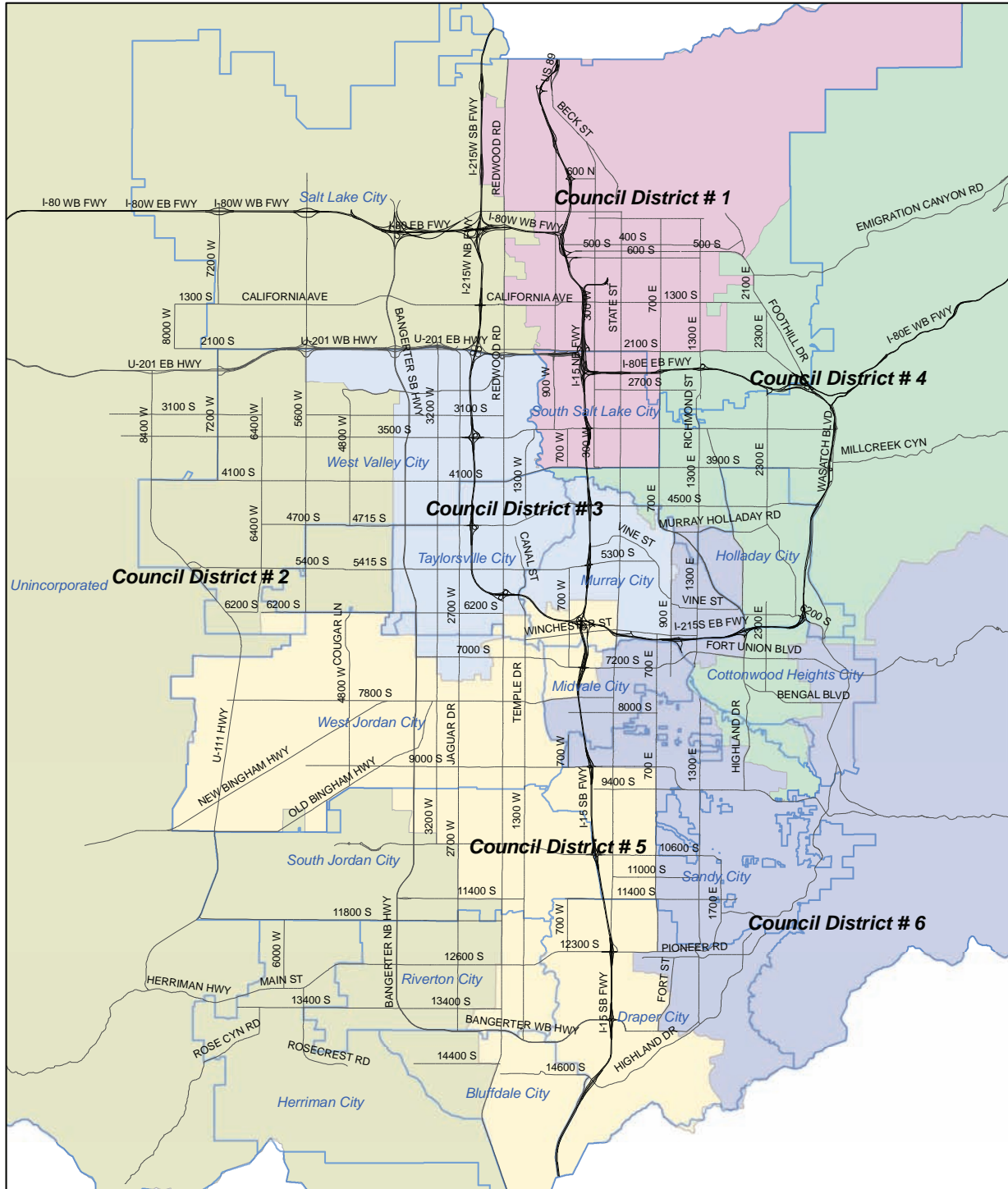
### **3. Operations Phase Planning**

- Facility management plan
- Operational strategy – *Max 400 words*
- Staff organization chart
- Senior management job descriptions – *Maximum of 5 staff members*
- Projected annual activity calendar – *Minimum of 5 years*
- Five year cash flow plan
- Annual revenue forecast [5 year projection] – *Show method of calculation & historical projections*
- Annual expense forecast [5 year projection] – *Show method of calculation & historical projections*
- Long term capital maintenance budget – *Maximum of 500 cost entries*

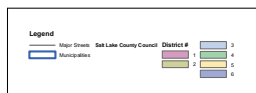
SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



SALT LAKE COUNTY COUNCIL DISTRICT MAP



**SHERRIE SWENSEN**  
Salt Lake County Clerk  
2001 S. State St., Ste S1100  
Salt Lake City, UT 84190  
(801) 468-3427



Map Date: January, 2010

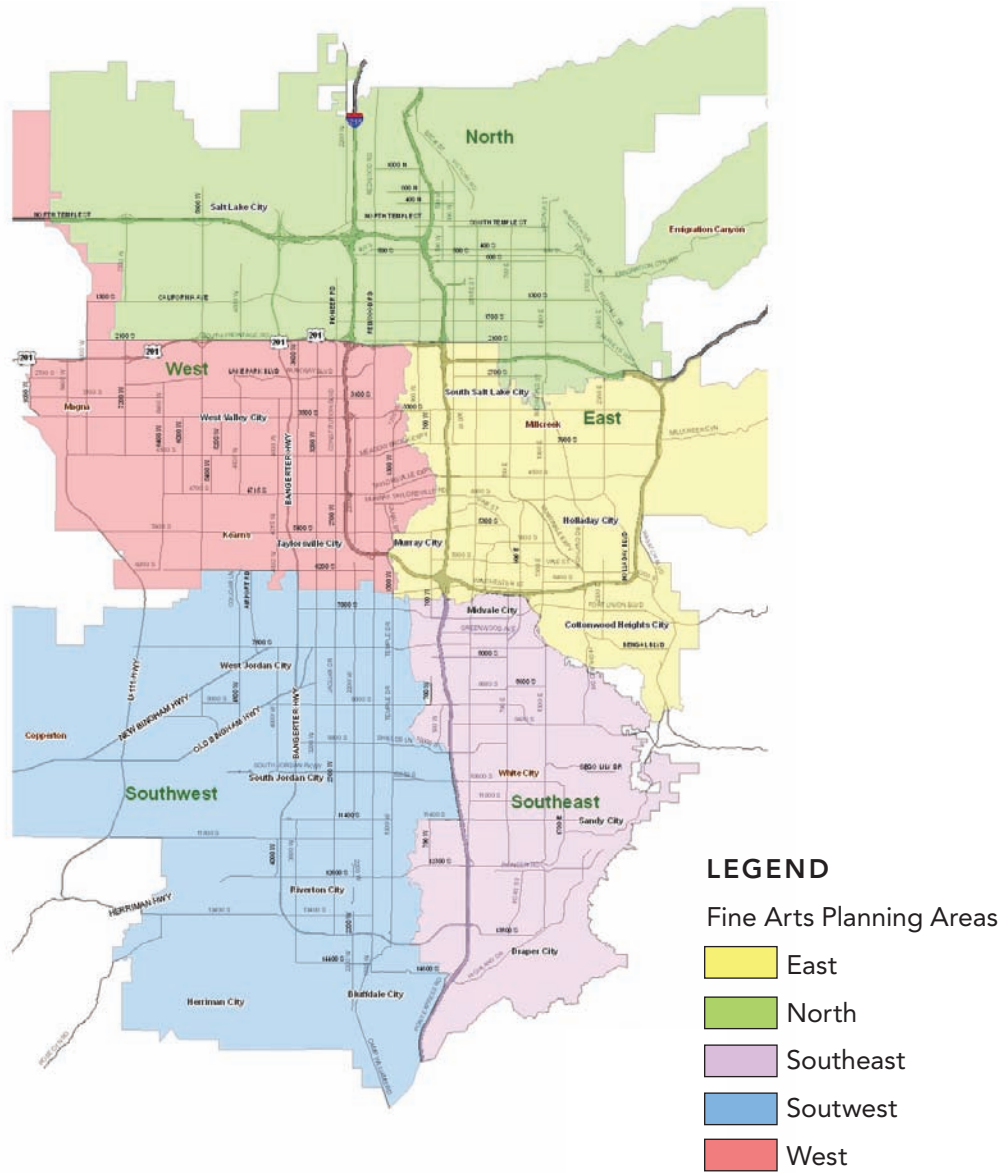
In conjunction with the offices of:  
The Salt Lake County Auditor  
The Salt Lake County Recorder  
The Salt Lake County Surveyor



SALT LAKE COUNTY CULTURAL FACILITIES SUPPORT PROGRAM  
GUIDELINES & APPLICATION



SALT LAKE COUNTY PLANNING AREA MAP





**Salt Lake County  
Cultural Facilities Support Program  
Task Force Report**

Salt Lake County Council  
January 12, 2010



## Cultural Facilities Support Program

# Background

- Cultural Facilities Master Plan (CFMP)
  - Process was public with broad participation
  - Identified need for an objective decision-making framework
    - Based on Vision & Principles
- County Council unanimously accepted CFMP in April 2009
  - Requested Mayor's Office develop a process
  - Framework to guide decisions on public funding



## Cultural Facilities Support Program

# Task Force

- Objective: To recommend a review/support process to Salt Lake County for cultural facilities projects
- Task Force membership
  - TRCC Advisory Board
  - ZAP Tier 1 & 2 Advisory Boards
  - CFMP Stakeholder Committee
  - CFA Advisory Board
  - Mayor's Office
  - County Council
- 8 meetings in 5 months





## Cultural Facilities Support Program

# Best Practices Research

- 4 Culture - King County, Washington
- Capital Development - Miami Dade County, Florida
- Massachusetts Cultural Facilities Fund
  - Annual application process
  - Application assistance
  - Role of staff
  - Project Review Team & volunteer Advisory Committee
  - Eligibility requirements & required documentation
  - Funding support parameters
  - Project review and approval processes



## Cultural Facilities Support Program

# Eligibility

- Project physically located in Salt Lake County
- Arts and/or culture focused
- Available to public as a visitor, spectator, and/or participant
- Project ties in with Vision & Principles
- Applicant must be Salt Lake County based and one of the following:
  - 501 (c) (3) organization
  - Local municipality
  - Educational institution – project available to public
  - Business registered with the State of Utah Department of Commerce and licensed within Salt Lake County



## Cultural Facilities Support Program

# Vision

Participation in the arts is deeply embedded in the lives of Salt Lake County residents. They envision a community with facilities that enable a full range of arts and cultural activity for creation, presentation, and education. Fulfilling the community's vision will require a broad array of cultural facilities which are distributed throughout the County, of varying types and sizes, for community-based and professional purposes, and which serve neighborhoods, cities, and the entire region.



## Cultural Facilities Support Program

# Principles

- Value professional & community-based groups and participants
- Encourage development of local arts communities
- Reflect & address current and future needs
- Value needs of individual artists & non-profit organizations
- Projects fill community needs
- Projects demonstrate readiness, feasibility & sustainability



## Cultural Facilities Support Program

# Principles

- ◆ Maintain & upgrade existing and construct new facilities
- ◆ Support projects that improve, expand & sustain programming
- ◆ Projects balance needs in Cultural Core & local communities
- ◆ Inclusive, fair process for planning, locating & funding
- ◆ Supports economic development
- ◆ Encourage collaboration & partnerships



## Cultural Facilities Support Program

# Funding Recommendations

- County funds available for
  - Capital projects – new or renovation
  - Third Party consulting
- If project will be owned and/or operated by Salt Lake County, these requirements do not apply
  - County to fund a maximum of 50% of any project
  - Minimum required matching funds at application
    - 10% of requested amount for capital projects
    - 50% of requested amount for third party consulting
    - Funds either secured or spent
    - Demonstrates community support



## Cultural Facilities Support Program

# Support Program Process

- Step One *September 1 – February 28*
  - Applications reviewed by Staff for eligibility and completeness
- Step Two *March 1 – May 31*
  - Applications qualified by Project Review Team
- Step Three *June 1 – July 31*
  - Advisory Committee reviews eligible, qualified projects
  - Projects are recommended for funding or no funding
- Conclusion *August 1 – October 31*
  - Mayor and Council determine final funding in annual budget process



Cultural Facilities Support Program

## Center for the Arts Staff Role

- ◆ Day-to-day program management
- ◆ Project applicants' main point of contact
- ◆ Review each application for eligibility and completeness
- ◆ Responsible for developing, distributing, & archiving application assistance tools
- ◆ Act as chair of Project Review Team
- ◆ Provide venue operation expertise as member of Project Review Team
- ◆ Program development & reporting





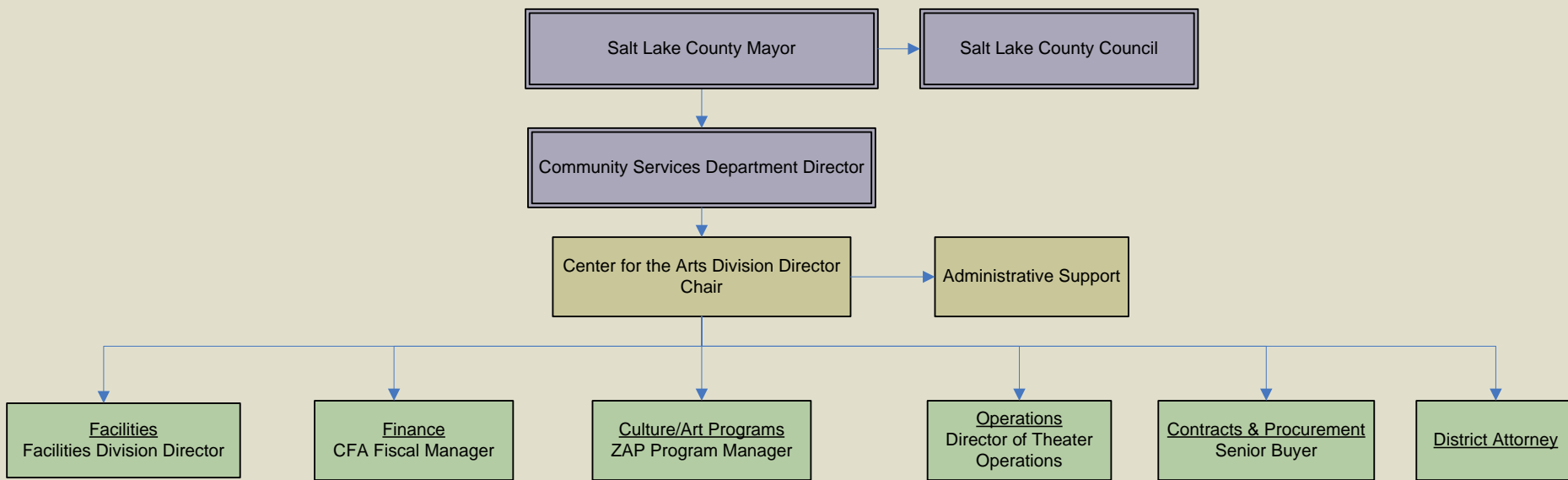
Cultural Facilities Support Program

## Project Review Team

- Review project application qualifications
- Provide application coaching for qualified projects over \$500,000
- Recommend qualified projects to Advisory Committee and funding recommendation review



# Cultural Facilities Support Program Project Review Team



## POTENTIAL RESOURCES

Facilities  
 Construction Project Manager  
 \*Construction Cost Manager  
 \*Architect  
 \*Contracted by County as needed

Fiscal  
 Facilities Fiscal Manager  
 Mayor's Operations Fiscal Mgr.  
 County Council Analyst

Culture/Arts Programs  
 Community Arts Program Coord.

Operations  
 CFA Events Director  
 ArtTix Manager

Contracts & Procurement  
 Buyer



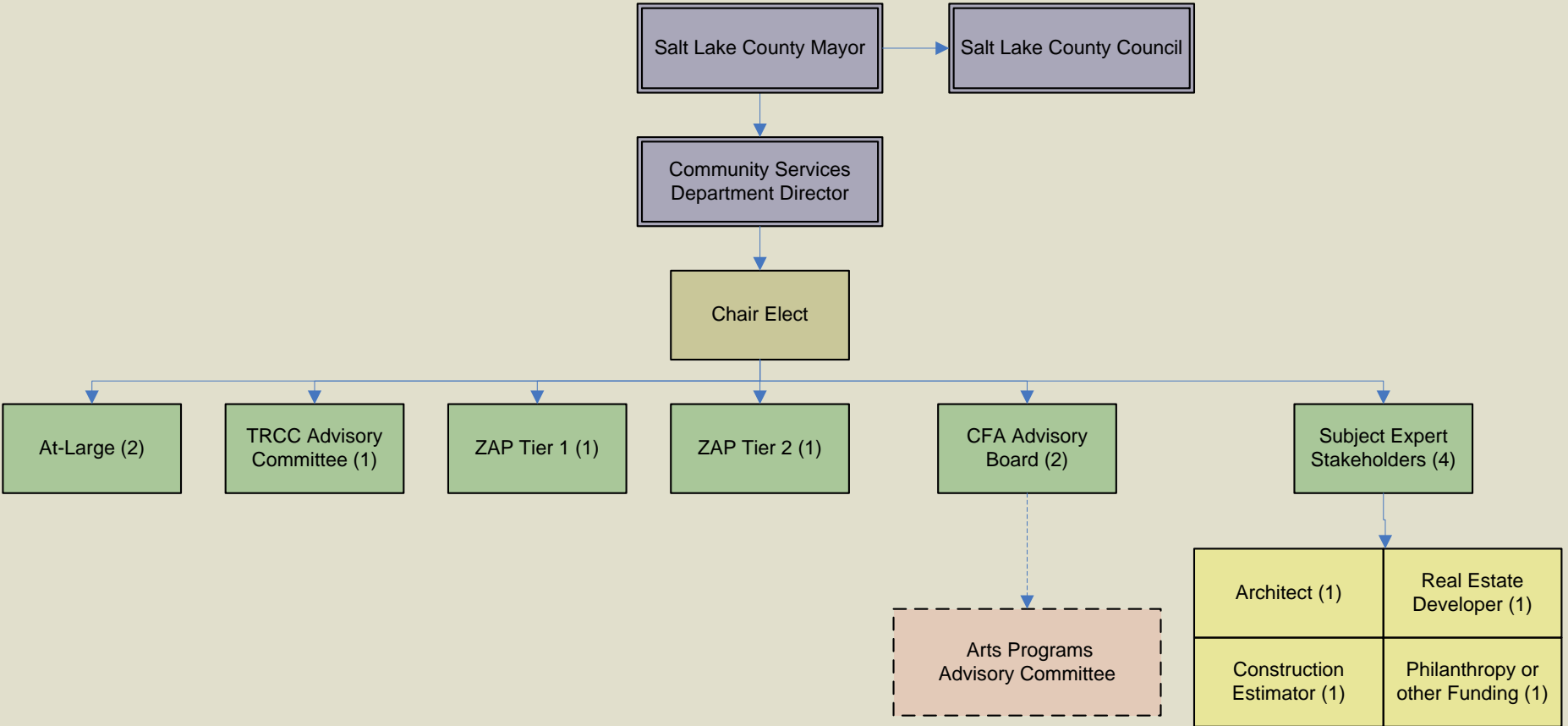
Cultural Facilities Support Program

## Advisory Committee

- Review proposed project list following each step in the process
- Review eligible & qualified applications
- Submit projects and funding recommendations to the County Mayor & Council



# Cultural Facilities Support Program Advisory Committee

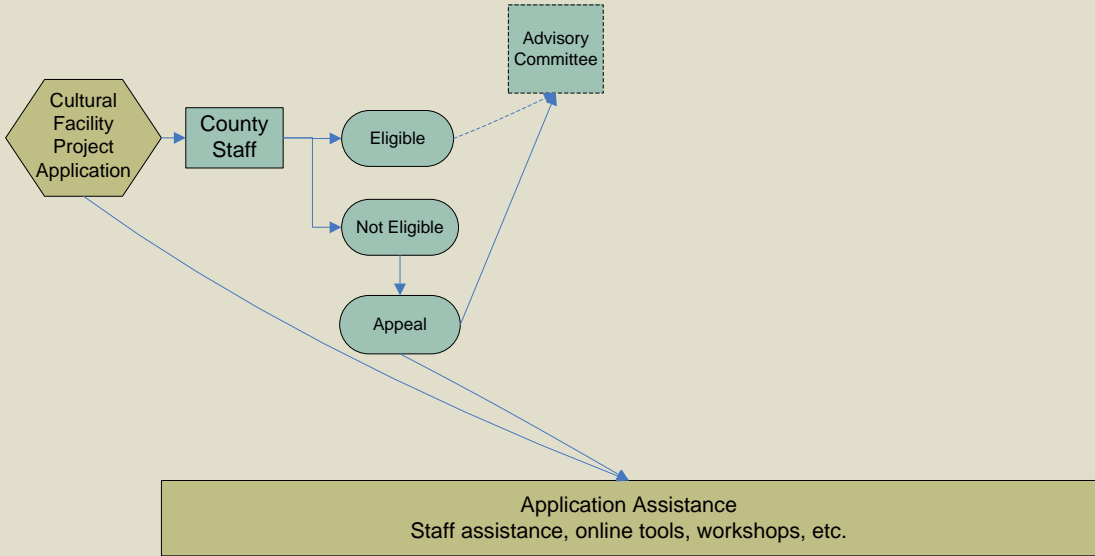




# Cultural Facilities Support Program Process

Cultural Facilities Master Plan Vision & Principles

STEP ONE  
Eligibility Screening & Application Review

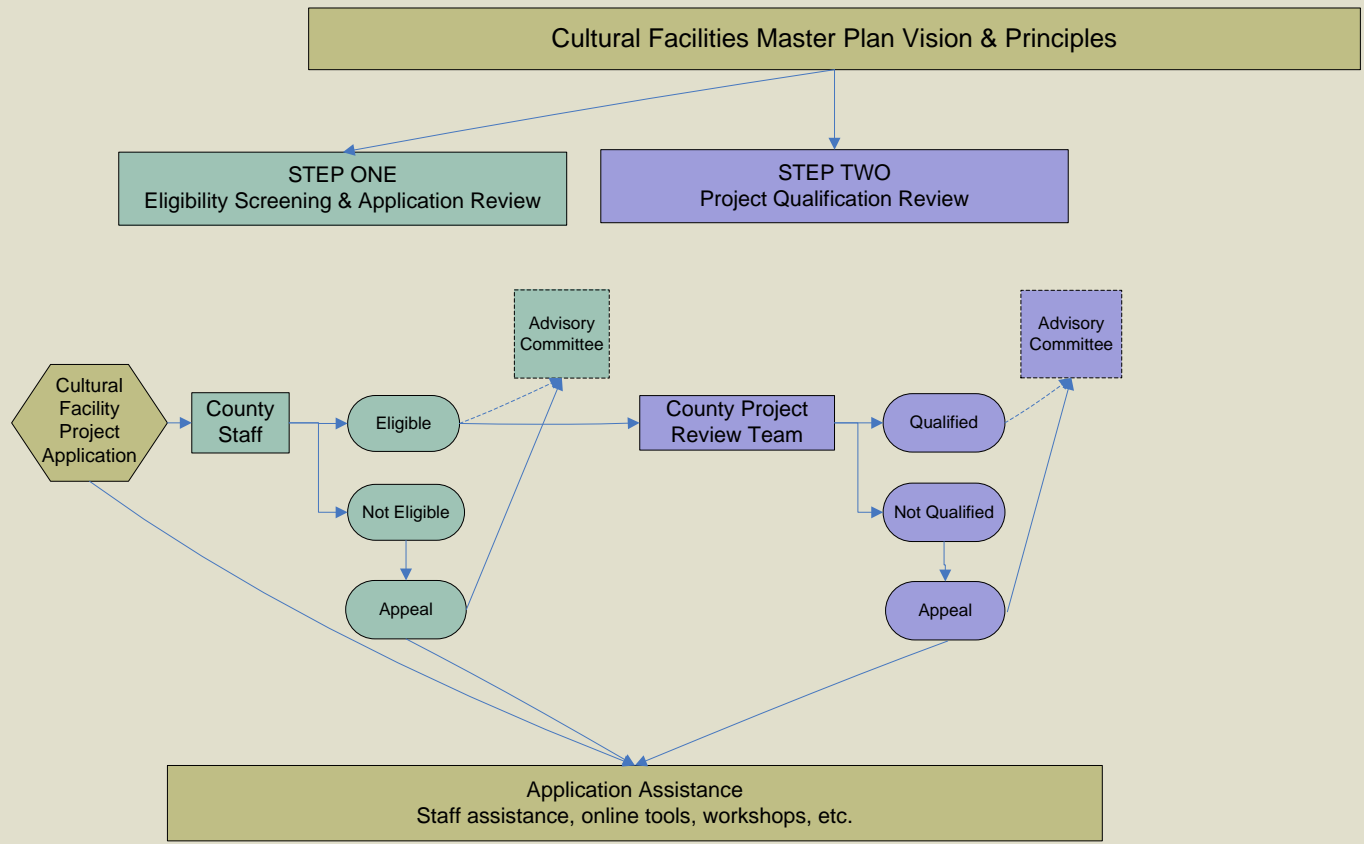


Application Timeline			
September 1 – February 28 Project Applications Accepted	March 1 – May 31 Project Qualification Review	June 1 – July 31 Funding Recommendation Review	August 1 – October 30 County Budget Consideration

- Potential Funding Sources
1. TRCC
  2. General Fund
  3. GO Bond
  4. MBA Bond
  5. Sales Tax Bond
  6. Community Development Area



# Cultural Facilities Support Program Process



Application Timeline			
September 1 – February 28 Project Applications Accepted	March 1 – May 31 Project Qualification Review	June 1 – July 31 Funding Recommendation Review	August 1 – October 30 County Budget Consideration

- Potential Funding Sources**
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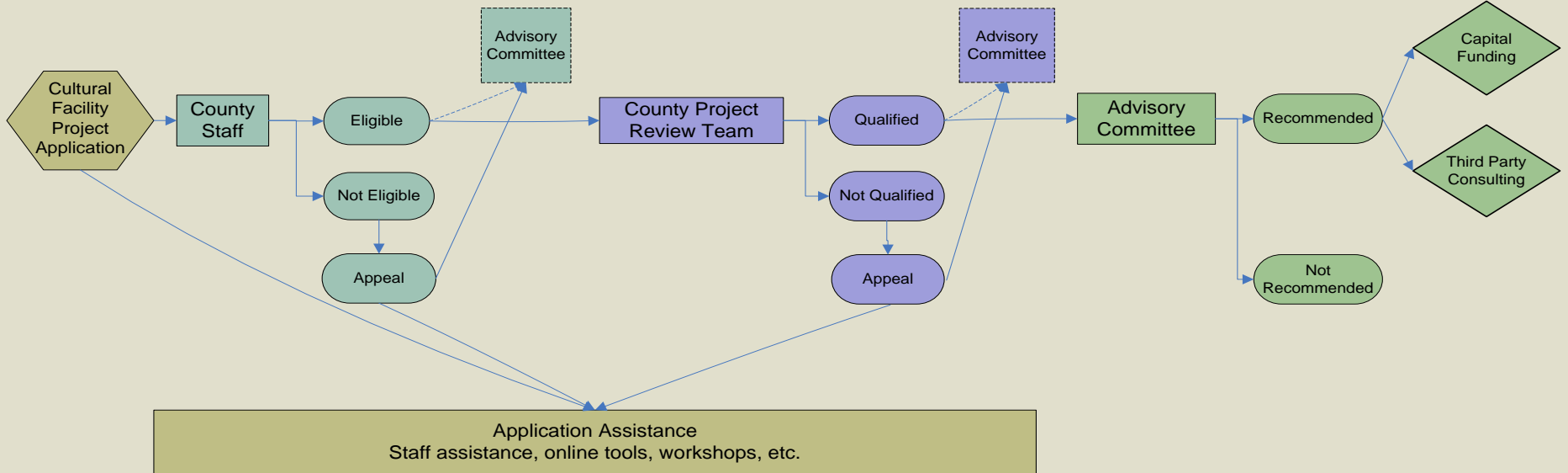
# Cultural Facilities Support Program Process

Cultural Facilities Master Plan Vision & Principles

**STEP ONE**  
Eligibility Screening & Application Review

**STEP TWO**  
Project Qualification Review

**STEP THREE**  
Funding Recommendation Review



Application Timeline			
September 1 – February 28 Project Applications Accepted	March 1 – May 31 Project Qualification Review	June 1 – July 31 Funding Recommendation Review	August 1 – October 30 County Budget Consideration

- Potential Funding Sources**
1. TRCC
  2. General Fund
  3. GO Bond
  4. MBA Bond
  5. Sales Tax Bond
  6. Community Development Area



Cultural Facilities Support Program

## Salt Lake County Mayor

- Administer & develop Cultural Facilities Support Program
  - Oversee Project Review Team
  - Appoint Advisory Committee members
- Recommend projects & funding sources to Council as part of annual budget process
- Recommend process improvements & policies for Cultural Facilities Support Program





Cultural Facilities Support Program

## Salt Lake County Council

- Confirm Mayor's appointment of Advisory Committee members
- Confirm recommended projects & funding sources
- Approve process improvements & policies for Cultural Facilities Support Program



## Cultural Facilities Support Program

# Next Steps

- County Council approve process
- Mayor's Office review & request resources and staff for process implementation
- Implement Cultural Facilities Support Program
  - Create committees & tools
  - Refine application
  - Public rollout of new process
  - Review AMS recommended CFMP projects



## Cultural Facilities Support Program

# Thank You

### Community

Richard Ashton  
Jeffrey Berke  
Judge Lee Dever  
Stephanie Harpst  
Vasilios Priskos  
Leslie Reberg  
JoAnn Seghini  
Dick Turpin

### County Council

Jani Iwamoto  
David Wilde  
Sally Jacobsen  
Justin Miller

### Mayor's Office

Nilsa Carter  
Linda Cook  
Nicole Dunn  
Philip Jordan  
Erin Litvack  
Cami Munk  
Valerie Price