

Redevelopment Agency of Salt Lake County

2017 Annual Report

Dated as of November 1, 2017

Salt Lake County is the most populous county in the State of Utah. As such, decisions made by the County have a significant impact on the continued prosperity of the State. The County's responsible use of scarce public resources—specifically the use of funds from redevelopment project areas—should be focused on encouraging economic development, fostering healthy communities, and supporting sustainable regional development to ensure a thriving metropolitan economy with a small-town feel. The County supports collaborative community led efforts to effectively manage commercial and residential development, and redevelopment, to meet the robust growth anticipated in our valley. The County's participation in supporting new redevelopment projects (now known as community reinvestment projects areas) shall be based in part on the proposal's linkage to various long-term sustainable growth strategies and plans which shall include application of the Wasatch Choice for 2040 principles and toolbox, Foothill/Canyons and Overlay objectives, BluePrint Jordan River guidelines and nexus to the regional transportation plan. Additionally, Salt Lake County's participation in redevelopment projects will be guided by the policy directives of other regional planning efforts formally endorsed and/or adopted by Salt Lake County.

Project Area #1

Magna West Main RDA

PROJECT AREA SUMMARY

MAGNA WEST MAIN RDA	
Tax District	26A
Collection Area	57 Acres
Base Year	1988
Trigger Year ¹	1998
Final Year for Increment Collection	2020
Collection Term	23 Years
Years Remaining (including 2017)	4
Administration Fee	-
Housing Set-Aside	-

The Magna West Main Redevelopment Area (RDA) was created in 1988 to stabilize and strengthen the residential and commercial business economic base of the community. The goal was to fund streetscape and targeted façade improvements on Magna’s Main Street. The increment was first collected (or “triggered”) in 1998. This project is now in the twentieth year of a twenty-three-year term, which will expire in 2020. The Agency anticipates that 2017 will be the last year for which the Agency collects increment for this project to allow future increment to be shared according to the terms of the Magna Main Street CDA (discussed below).

The project area includes 57 acres of public and privately-owned land with boundaries that generally extend along Magna Main Street (2700 South) from 8800 West to 9200 West.

Notable business developments in the project area over the term of the project include the following:

- Public: Magna Library, Magna Kennecott Senior Center
- Residential: Salt Lake County/Community Development Corporation of Utah “Idea House” Program
- Community: Empress Theater, Lions Club, Magna Ethnic and Mining Museum
- Commercial: Art on You Studios, Sagebrush Printing, Colosimo’s Standard Market

PROJECT AREA DEVELOPMENT

The Main Street corridor is lined with century-old brick buildings, many of which have been restored, while the surrounding neighborhoods are made up of single-family and multi-family residential. As part of Wasatch Choice for 2040, this area was selected as one of six case studies on how to develop sites with an ideal mix of transit, jobs, and housing. There has been significant public investment into the Magna West Main RDA, including a newly constructed library, a LEED-certified senior center, and pedestrian-scale street enhancements such as curb and gutter improvement, wider sidewalks, canopy trees, and decorative lighting.

Salt Lake County’s Division of Regional Economic Development continues efforts to create new jobs, modernize infrastructure, and add to mixed housing stock along strategic transit routes. A Bus Rapid Transit (BRT) line now runs through Main Street, which services mass transit to the local community and helps connect the area to other cities within the County. In addition, a recent grant from the U.S. Department of Transportation’s Community and System Preservation Program (TCSP) helped fund the extension of Magna West Main RDA’s original roadway and streetscape improvements to the intersection of Main Street and 8400 West. The BRT line and streetscape project both represent new public investment,

¹ Throughout this report, the “trigger year” represents the first year for which the Agency received tax increment generated by development within the project area, although the Agency does not receive this money until early the next year.

which has resulted in increased property values that can be captured and reinvested into the Magna West Main RDA.

In addition to an increase in taxable values within the Magna West Main RDA, the taxing entities have benefited from elimination of blighted properties and increased energy-efficiency from new LEED-certified centers.

MAGNA WEST MAIN RDA ANNUAL ASSESSMENT VALUES	
Adjusted Base Assessed Value	\$10,801,551
2015 Assessed Value	\$17,821,766
2016 Assessed Value	\$19,446,597
2017 Estimated Assessed Value ²	\$21,487,906

PROJECT AREA VALUATION

According to the County Assessor’s Office, the taxable value of the Magna West Main RDA is estimated to increase 10.5 percent over a one-year period (2016 to 2017). This growth in the project area’s total assessment value could be attributed to economic upturns in fair market valuations combined with the significant investment in public infrastructure improvements and streetscape enhancements along Main Street.

PROJECT AREA BUDGET

The Magna West Main RDA is Salt Lake County’s oldest active project area. Since it is a pre-1993 approved RDA, a project area budget was not legally required at the time of adoption and the project area does not mandate any administrative fee restrictions, housing contributions, or project funding caps.

The tax increment distribution terms for Magna West Main’s RDA are listed in the adjacent table. This project area is subject to the “haircut” provisions that existed in the Utah redevelopment statutes at the time this project area was created. As shown in the accompanying table, the Agency currently receives seventy percent of the incremental tax revenues, while the taxing entities receive the other thirty percent.

MAGNA WEST MAIN RDA - TAX INCREMENT RATIOS		
1998-2002	100% to Agency	0% to Taxing Entities
2003-2007	80% to Agency	20% to Taxing Entities
2008-2012	75% to Agency	25% to Taxing Entities
2013-2017	70% to Agency	30% to Taxing Entities
2018-2020	65% to Agency	35% to Taxing Entities

TAXING ENTITIES

The following entities levy a tax in the project area and receive annual haircut percentages of the growth in assessed property values and associated tax increment generated by development within this project area:

- Salt Lake County
- Granite School District
- Magna Mosquito Abatement District
- Jordan Valley Water Conservancy District
- Magna Water District
- Central Utah Water Conservancy District
- Greater Salt Lake Municipal Services District
- Unified Fire Service Area

² Note that all estimates of future amounts in this report were made using preliminary information from the Salt Lake County Auditor and/or the Utah State Tax Commission and should be treated as estimates only.

- Salt Lake Valley Law Enforcement Service Area
- Salt Lake County Library Services

MAGNA WEST MAIN RDA Annual Agency TIF Revenues	
YEAR	TAX INCREMENT
1998 ³	\$23,220
1999	\$23,958
2000	\$26,000
2001	\$84,311*
2002	\$79,000*
2003	\$10,000
2004	\$43,672
2005	\$50,000
2006	\$39,984
2007	\$56,053
2008	\$13,325*
2009	\$16,992*
2010	\$0*
2011	\$43,992
2012	\$74,264
2013	\$56,065
2014	\$63,653
2015	\$71,599
2016	\$82,949

PROJECT AREA FUNDS

The Redevelopment Agency of Salt Lake County’s historical tax increment receipts for Magna West Main’s RDA are summarized in the adjacent table. The Agency first received tax increment from this project area for 1998. Due to mistaken overpayments to the Agency for years 2001-2002, the County Auditor’s Office instituted corrective measures to recapture RDA tax increment funds during years 2008-2010. The RDA collected \$82,949 for 2016. The Agency estimates that it will receive approximately \$102,535 of tax increment revenues for 2017, which amounts will be received by the Agency in early 2018.

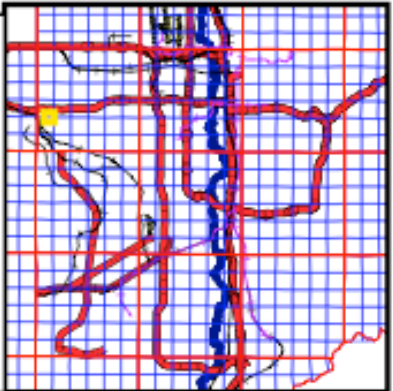
PROJECT AREA DISSOLUTION

While public infrastructure improvements and other investments in the Magna West Main RDA have resulted in increased values, some remaining portions of Main Street continue to deteriorate and decline. Accordingly, the Agency established a Magna Main Street Community Development Area (CDA) in 2013 that overlays the existing RDA boundaries. The Agency plans to cease collection of tax increment from the Magna West Main RDA once the new CDA is triggered in 2018. This CDA allows for exciting Main Street opportunities due to enhanced visibility and access. To date, the Agency has advanced \$50,000 from the Magna West Main RDA to the Main Street CDA for demolition costs related to an Oquirrh Hills agreement to construct 288 units of market-rate apartments.

³ For these tables, the year column represents the year in which the tax increment was generated. The Agency does not receive this increment until early the next year.



- Legend
- H-12017
 - L-52017
 - Areas
 - sections polygon
 - Lite Rail
 - rail arc
 - Freeways
 - Major Roads
 - Roads all
 - Jordan River
 - Airports 96 polygon
 - Parcels-Current Taxyear

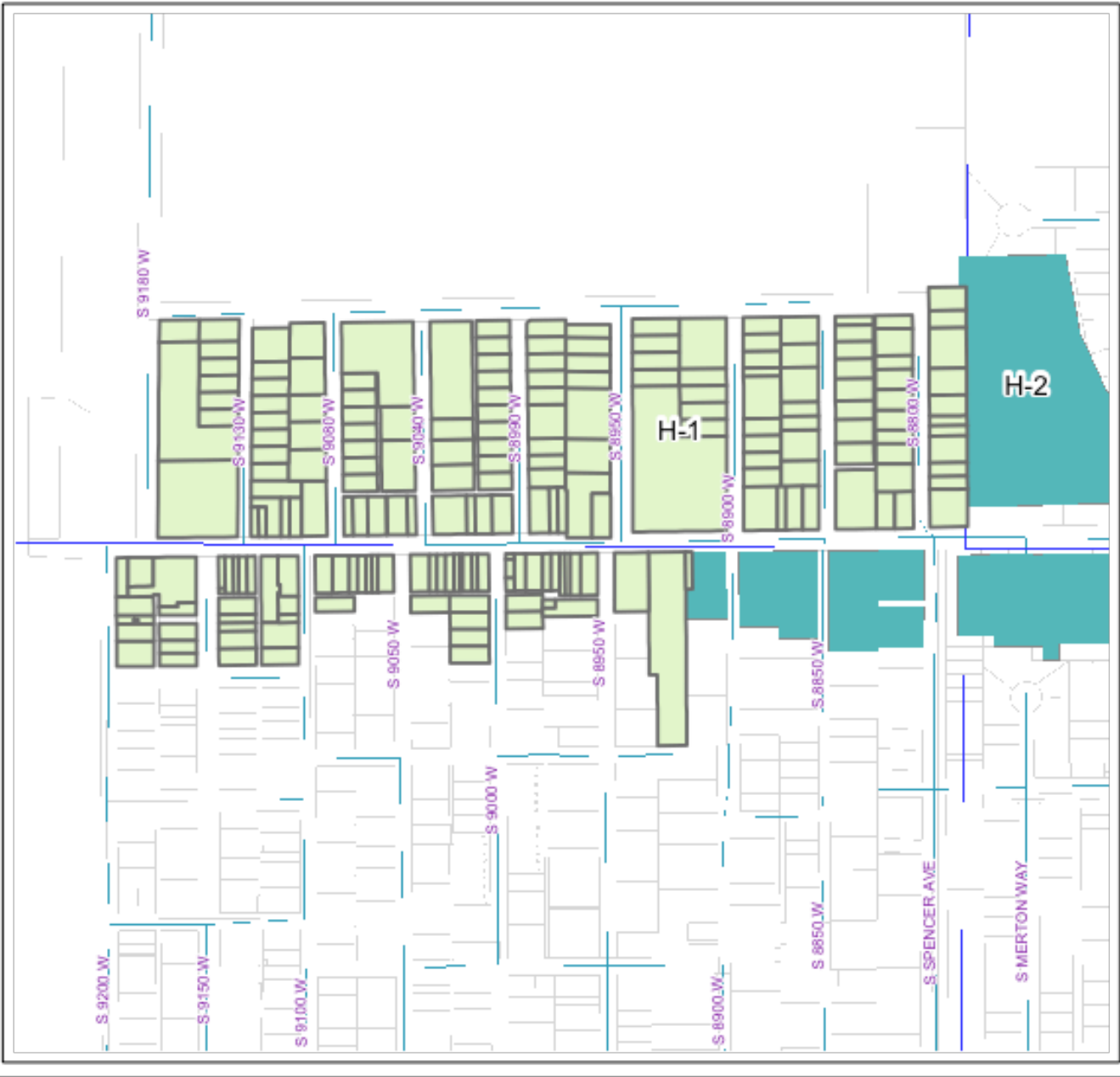


Magna West Main Street

Tuesday, October 17, 2017

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Project Area #2

West Millcreek URA

PROJECT AREA OVERVIEW

WEST MILLCREEK URA	
Tax Districts	15F/16B
Collection Area	184 Acres
Base Year	2009
Trigger Year	2015
Final Year for Increment Collection	2034
Collection Term	20 Years
Years Remaining (including 2017)	18
Administration Fee	4%
Housing Set-Aside	20%

The West Millcreek Urban Renewal Area (URA) includes 184 acres of multi-residential, minor commercial, and light industrial uses. The URA is bordered by 200 East, Interstate 15, 3900 South, and Big Cottonwood Creek (4250 South), with two TRAX stations that are accessible anywhere within a half-mile radius of the project area boundaries.

PROJECT AREA BUDGET

The project area budget was originally adopted in 2009 and the Agency triggered increment collection for 2015. Increment collection for this project area is now in the second year of a twenty-year term, which will expire at the end of 2034. During this increment collection period, the Agency receives eighty percent of the increment generated in this project area and the taxing entities received the remaining twenty percent. The project area budget also mandates a twenty percent set-aside for affordable housing and allows for a four percent administration fee to be retained by the Agency.

For 2016, the Agency collected \$195,112. For 2017, the Agency expects to receive approximately \$398,478 of tax increment under the terms of the project area budget.

WEST MILLCREEK URA TAX INCREMENT RATIOS		
Years 1-20	80% to Agency	20% to Taxing Entities

PROJECT AREA DEVELOPMENT

The Housing Authority of the County of Salt Lake completed the Bud Bailey Apartments, which provides 134 solar-powered, affordable housing units for low-income refugees and homeless families. The Artesian Springs apartment complex also made substantial progress on its multi-phase housing development. The housing complex will feature open floor plans, 9-foot ceilings, granite countertops, private balconies, large walk-in closets and high-speed internet. Every apartment meets or exceeds the sustainability and energy efficiency criteria established by Enterprise Green Communities, and each is certified as Energy Star rated. Artesian Springs will include 295 affordable units and 83 at market rate. Phases one and two were completed in 2017 and phase three will be completed in late 2017. In addition, the Agency has committed to rebate up to \$3 million to Parley's Partners for environmental cleanup, Murray tower refurbishment, structured parking, and construction of a multi-level residential complex at 4205 South Main Street. Both of these projects maximize sustainability by drawing power from solar panels and creating viable public transportation options via proximity to two UTA stations.

A \$297,850 EPA Brownfield Assessment Grant awarded to the County in 2015 will be used to help evaluate West Millcreek sites where uncertainty exists due to real or perceived environmental contamination. Long-range master plans for the project area include further transit-oriented development, an interior street grid, an open space corridor along Big Cottonwood Creek, and desirable land use mixes such as mixed high-density residential and commercial development.

In addition to new growth within the West Millcreek URA, the taxing entities have benefited from the elimination of blighted properties, development of energy efficient buildings, and environmental remediation of properties within the project area.

TAXING ENTITIES

The following entities levy a tax in the project area and receive twenty percent of the incremental tax revenues generated by development within the project area:

- Salt Lake County
- Granite School District
- South Salt Lake Valley Mosquito Abatement District
- Mt. Olympus Improvement District
- Central Utah Water Conservancy District
- Salt Lake County Municipal Services District
- Unified Fire Service Area
- Salt Lake Valley Law Enforcement Service Area
- Salt Lake County Library Services

WEST MILLCREEK URA ANNUAL ASSESSMENT VALUES	
Adjusted Base Assessed Value	\$112,484,102
2015 Assessed Value	\$136,755,812
2016 Assessed Value	\$148,305,636
2017 Estimated Assessed Value	\$185,642,590

PROJECT AREA VALUATION

Based on estimates from the Salt Lake County Assessor, the total taxable value in the West Millcreek URA will increase approximately 25.2 percent from 2016 to 2017. This new growth in the total assessed value is related to property development, economic factors, and construction reappraisals due to phase one of the Parley’s Partners development.

WEST MILLCREEK URA Annual Agency TIF Revenues	
YEAR	TAX INCREMENT
2015	\$73,498
2016	\$193,112

Proposed Budget

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- Infrastructure - \$11,350,000
 - Roads, Bridge, Pedestrian Crossing & Improvements
 - Streetscape, Parkway and Trail
 - Curb, Gutter & Sidewalk
 - Lighting
 - Storm Drain
- Other - \$1,500,000
 - Laundry Tower Site Improvement & Park Area
 - Façade Renovation Grants
 - Graffiti & Cleanup Program
- Economic Development Assistance - \$8,460,736
 - Land Assemblage
 - Infrastructure Assistance
 - Parking
 - Remediation
- Total - \$21,310,736



Proposed Budget

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Base Tax Value (2009)	\$93,807,397
Estimated Annual Growth Rate	6.5%
Estimated Annual Growth	\$11,958,886
Estimated Total Growth	\$239,177,720
Total Incremental Taxes	\$27,224,244
TIF Pass-Thru	\$4,959,150
Housing (20%)	\$4,453,019
Administration (4%)	\$890,604
Increment Remaining for Projects	\$16,921,471
Eligible Project Expenditures	\$21,310,736



Project Area #3

Magna Arbor Park URA

PROJECT AREA OVERVIEW

MAGNA ARBOR PARK URA	
Tax District	26C
Collection Area	41 Acres
Base Year	2008
Trigger Year	2015
Final Year for Increment Collection	2029
Collection Term	15 Years
Years Remaining (including 2017)	13
Administration Fee	5%
Housing Set-Aside	20%

The Magna Arbor Park Urban Renewal Area (URA) serves as a gateway neighborhood for the local community that includes commercial, office, residential, public, and office uses. The project area is 41 acres of privately owned property located at the intersection of 8400 West and 3500 South.

PROJECT AREA BUDGET

The project area is in its third year of a fifteen-year term, with annualized increment haircuts plus a twenty percent affordable housing allocation and a five percent Agency administration fee. For 2016, the Agency collected \$214,467 in tax increment revenues. The Agency expects to receive approximately \$230,845 of tax increment revenues for year 2017.

MAGNA ARBOR PARK URA TAX INCREMENT RATIOS		
Year 1-5	90% to Agency	10% to Taxing Entities
Years 6-10	85% to Agency	15% to Taxing Entities
Years 11-15	80% to Agency	20% to Taxing Entities

PROJECT AREA DEVELOPMENT

In 2012, the Agency executed a participation agreement with Arbor Park Associates to subsidize up to \$2 million of eligible project costs – including demolition and installation of infrastructure and site improvements for commercial, medical, institutional, medium-density housing, and office land uses. Arbor Park Associates total reimbursement is conditional to available tax increment revenues and is also subordinate to the five percent Agency administration fee, twenty percent affordable housing allocation, late taxes/fees, and a \$10,128 annual waterline replacement levy. In 2015, the Agency executed a \$250,000 Loan Agreement with Arbor Park Associates at a 3 percent interest rate over a five-year term to finance commercial building improvements for Alorica, an existing tenant in the URA. The associated promissory note included a repayment schedule that commenced in 2016.

TAXING ENTITIES

All of the following entities levy a tax in the project area and receive haircut percentages of the annual growth in assessed property values and associated tax increment generated:

- Salt Lake County
- Granite School District
- Magna Mosquito Abatement District
- Jordan Valley Water Conservancy District
- Magna Water District
- Central Utah Water Conservancy District

- Salt Lake County Municipal Services District
- Unified Fire Service Area
- Salt Lake Valley Law Enforcement Service Area
- Salt Lake County Library Services

MAGNA ARBOR PARK URA ANNUAL ASSESSMENT VALUES	
Adjusted Base Assessed Value	\$22,256,834
2015 Assessed Value	\$32,898,873
2016 Assessed Value	\$40,197,591
2017 Estimated Assessed Value	\$41,567,618

PROJECT AREA VALUATION

Based on County Assessor estimates, the Magna Arbor Park URA taxable value is expected to increase 3.4 percent from 2016 to 2017. This new growth in the total assessed value is related to economic factors and construction reappraisals due to the Arbor Park Associates development.

MAGNA ARBOR PARK Annual Agency TIF Revenues	
YEAR	TAX INCREMENT
2015	\$151,419
2016	\$214,467

MAGNA/ARBOR PARK URBAN RENEWAL AREA

Salt Lake County Redevelopment Agency
Draft Area Budget 5/15/2009

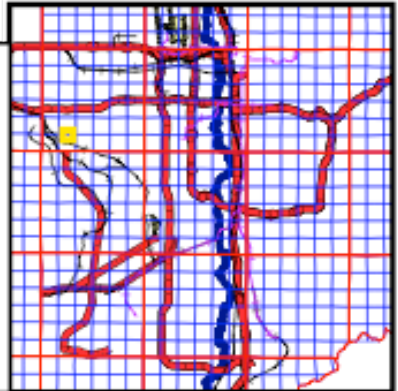
Base Assessed Value \$ 20,400,000
Projected New Investment \$ 51,700,000

Taxing Entities:	Tax Rate:	Projected 100% Tax		Percent Total
		Current Base Tax	Increment at Buildout	
SL Co Municipal Services	0.000662	\$13,500	\$19,000	5%
Salt Lake County	0.001934	\$39,500	\$55,500	15%
Granite School District	0.005316	\$108,700	\$152,600	41%
Salt Lake Valley Fire Service Area	0.001566	\$32,000	\$45,000	12%
Jordan Valley Water Conservancy Dist.	0.000384	\$7,900	\$11,000	3%
Magna Water Company	0.002309	\$47,200	\$66,200	18%
Magna Mosquito Abatement Dist.	0.000044	\$900	\$1,300	0%
Salt Lake County Library	0.000497	\$10,200	\$14,300	4%
Central Utah Water Conservancy Dist.	0.000286	\$5,800	\$8,200	2%
Total	0.012998	\$266,700	\$373,100	100%

	SL Co			
	Total	Municipal Services	SL Co GF	SL Co Library
Base Tax	\$3,995,500	\$ 202,500	\$ 592,500	\$ 153,000
Increment Pass-through	\$970,000	\$ 49,300	\$ 144,200	\$ 37,200
Total Tax Increment	\$ 4,971,900	\$ 252,600	\$ 739,100	\$ 190,900
Administration (5%)	\$248,600	\$ 12,600	\$ 37,000	\$ 9,500
Affordable Housing (20%)	\$994,400	\$ 50,500	\$ 147,800	\$ 38,200
Increment to Project	\$3,728,900			
Eligible Expenditures	\$12,913,500			



- Legend
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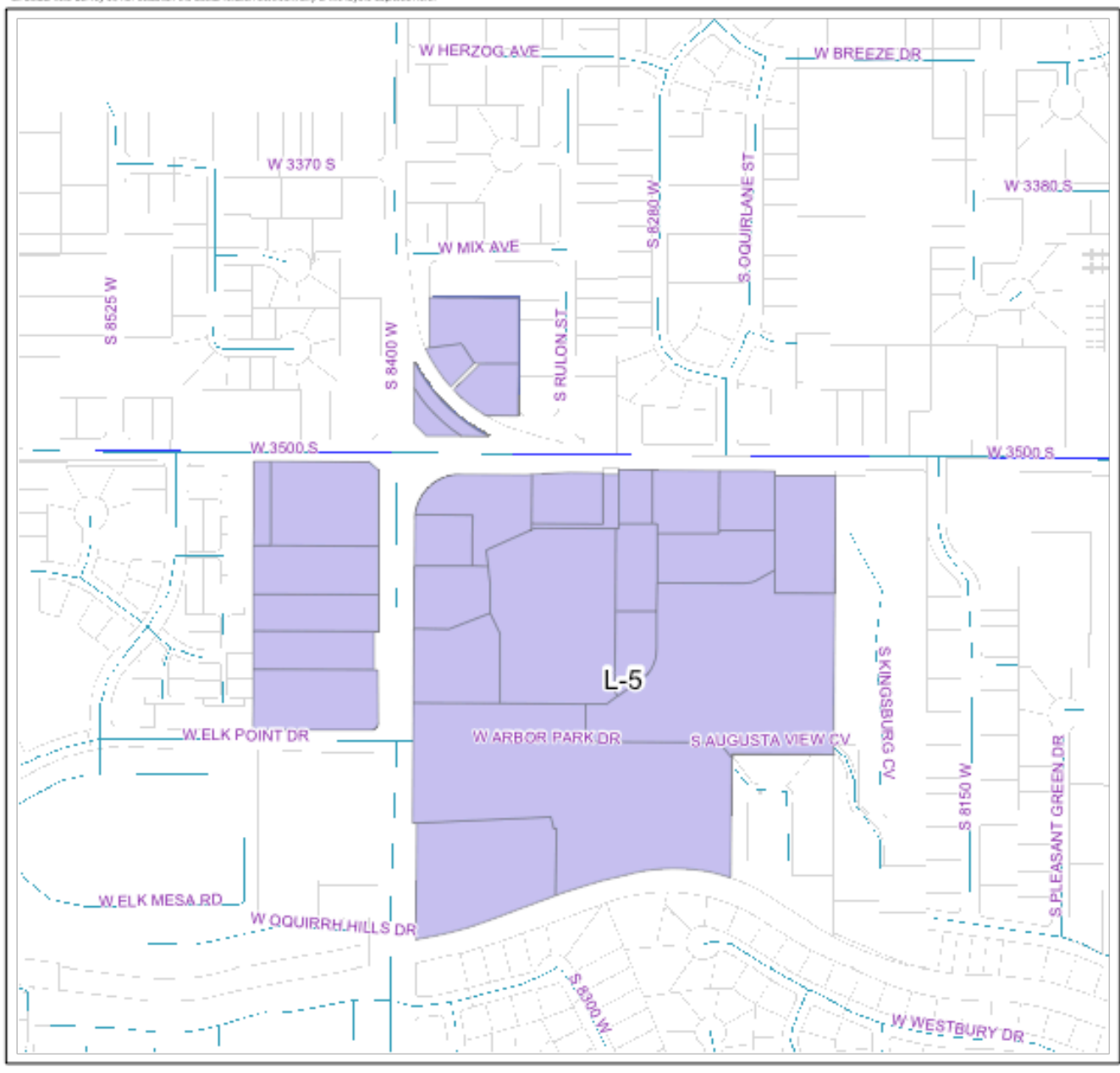


Magna Arbor Park

Tuesday, October 17, 2017

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Project Area #4

Magna Main Street CDA

PROJECT AREA OVERVIEW

MAGNA MAIN STREET CDA	
Tax District	26D
Collection Area	132 Acres
Base Year	2013
Trigger Year (anticipated)	2018
Final Year for Increment Collection (anticipated)	2027
Collection Term	10 Years
Years Remaining	10
Administration Fee	5.5%
Housing Set-Aside	-

In 2013, the Magna Main Street Community Development Area (CDA) was created to enhance the viability of existing infrastructure while providing for new commercial and economic development opportunities. The project area includes 132 acres and extends from the intersection of 8400 West to 9200 West along Main Street (2700 South) – which helps provide a gateway between SR-111 traffic and the central shopping centers. Because the CDA overlays existing Magna West Main Street RDA, the Agency will cease collection from the Magna West Main Street RDA upon collection of tax increment from the Magna Main Street CDA, which is anticipated to trigger in 2018.

PROJECT AREA BUDGET

The CDA has a 10-year increment collection period, with the Agency receiving eighty percent of the incremental revenues through 2028. The project area mandates a 5.5 percent maximum Agency administration fee and does not mandate an affordable housing set-aside. Increment collection for this project area will be triggered in 2018.

MAGNA MAIN STREET CDA TAX INCREMENT RATIOS		
Years 1-10	80% to Agency	20% to Taxing Entities

PROJECT AREA DEVELOPMENT

In 2013, the Agency executed a participation agreement with Oquirrh Hills Apartments LLC to subsidize up to \$850,000 of eligible project costs – including demolition work and installation of infrastructure and site improvements – to construct 288 units of market-rate apartments. Salt Lake County also received a grant from the U.S. Department of Transportation’s Community and System Preservation Program (TCSP), which helped fund an extension to complete the roadway and streetscape improvements at the intersection of Main Street and 8400 West. In addition, a Bus Rapid Transit (BRT) line now runs through Main Street, which services mass transit to the area and helps connect the local community with other cities throughout the County.

TAXING ENTITIES

The following entities that levy a tax within the project area:

- Salt Lake County
- Granite School District
- Magna Mosquito Abatement District
- Jordan Valley Water Conservancy District
- Magna Water District
- Central Utah Water Conservancy District
- Salt Lake County Municipal Services District

- Unified Fire Service
- Salt Lake Valley Law Enforcement Service Area
- Salt Lake County Library Services

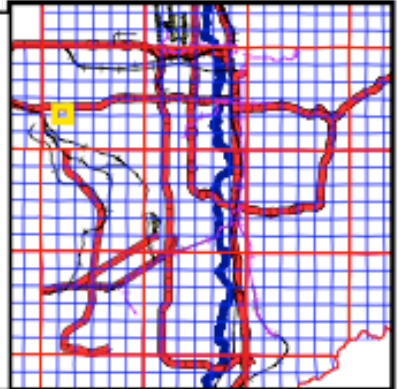
MAGNA MAIN STREET CDA ANNUAL ASSESSMENT VALUES	
Adjusted Base Assessed Value	\$30,060,049
2015 Assessed Value	\$22,971,856
2016 Assessed Value	\$32,170,930
2017 Estimated Assessed Value	\$51,324,438

PROJECT AREA VALUATION

While the Magna Main Street CDA hasn't been triggered, its 2017 taxable value is significantly higher than the adjusted base assessed value. The increase is attributed to the development of the Oquirrh Hills market-rate apartment complex located within the CDA. Other economic factors may also contribute to the increase in assessed values to date.



- H-22017
- L-52017
- Areas
- sections polygon
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- rail arc
- Freeways
- Major Roads
- Roads all
- Jordan River
- Airports 96 polygon
- Parcels-Current Taxyear

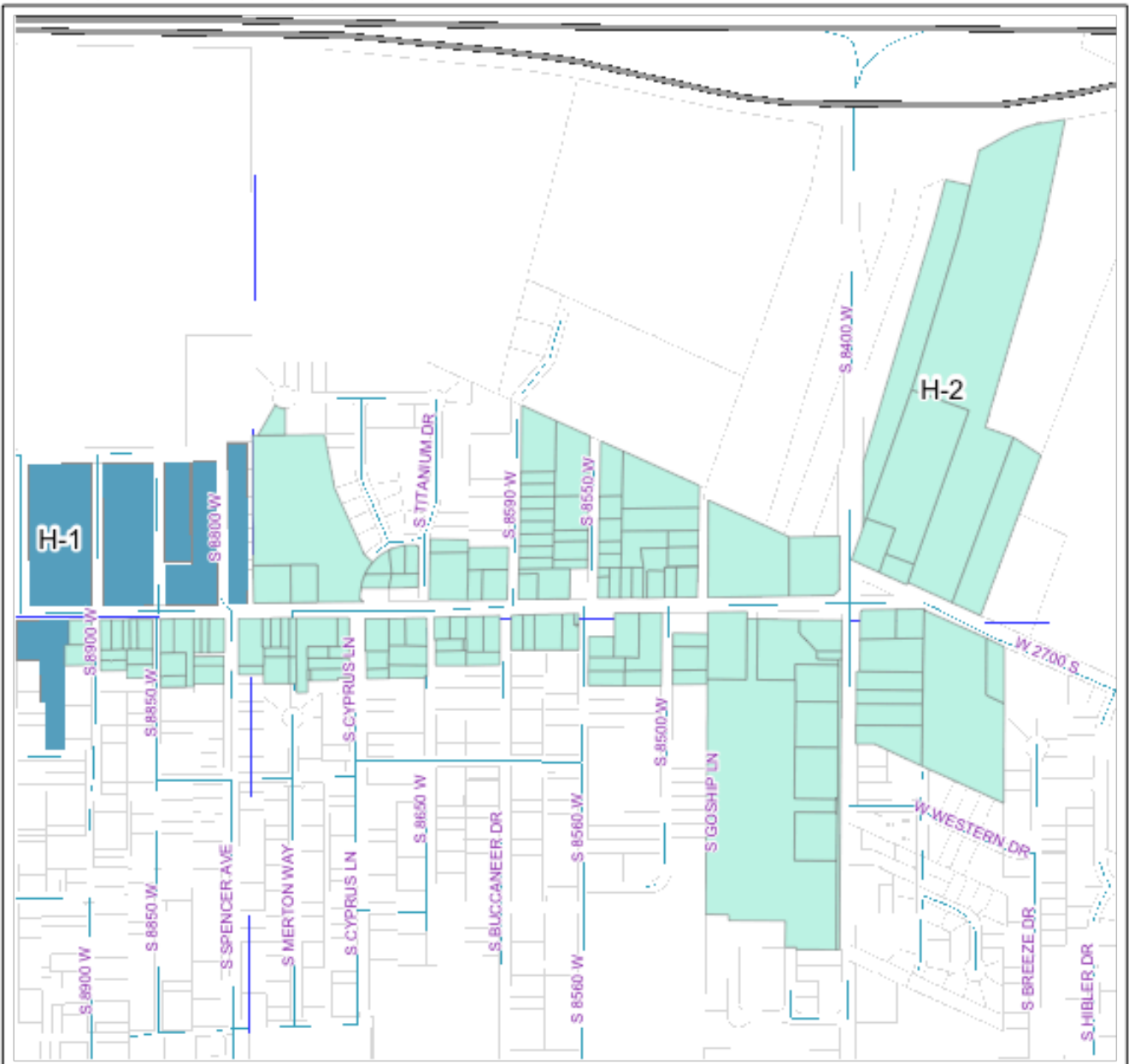


Magna West Main Street

Tuesday, October 17, 2017

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Project Area #5

Magna Commerce Park CDA

PROJECT AREA OVERVIEW

MAGNA COMMERCE PARK CDA	
Tax District	TBD
Collection Area	
Base Year	
Trigger Year	
Final Year for Increment Collection	
Collection Term	
Years Remaining	
Administration Fee	
Housing Set-Aside	

This project area is in its infancy. To date, the project area has been created through the adoption of the project area plan in 2016, but has not progressed significantly beyond that point. The Agency anticipates making some revisions to the project area plan and then approaching taxing entities to discuss possible participation in this project area.

The Magna Commerce Park Community Development Area (CDA) was created to encourage investment in commercial, industrial, and distribution uses along the SR 201 corridor. The project area includes 255 mostly-undeveloped acres located south of SR 201 and between 7200 West and 8000 West. The Agency believes that this area is ideally located to attract commercial development if certain infrastructure and access needs are met. As a CDA, this project area does not have a formal project area budget; tax increment collection will be governed by interlocal agreements between the Agency and the various taxing entities.

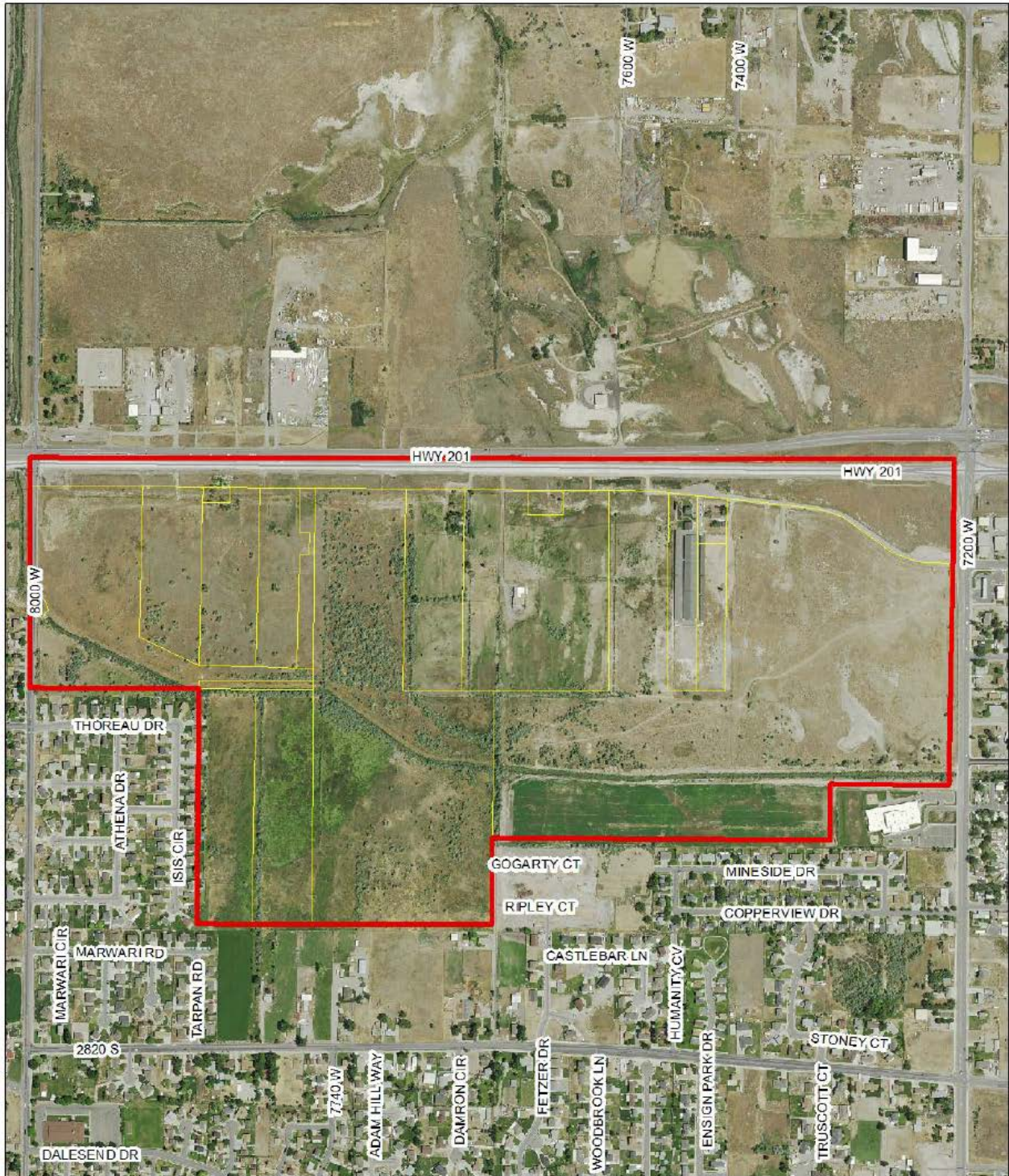
TAXING ENTITIES

The following entities that levy a tax within the project area:

- Salt Lake County
- Granite School District
- Magna Mosquito Abatement District
- Jordan Valley Water Conservancy District
- Magna Water District
- Central Utah Water Conservancy District
- Salt Lake County Municipal Services District
- Unified Fire Service Area
- Salt Lake Valley Law Enforcement Service Area
- Salt Lake County Library Services

MAGNA MAIN STREET CDA ANNUAL ASSESSMENT VALUES	
2017 Estimated Assessed Value	\$24,364,470

MAGNA COMMERCE PARK PROJECT AREA MAP



Magna Commerce Park

