

## NOTICE OF INTENTION TO DESIGNATE ASSESSMENT AREA

PUBLIC NOTICE IS HEREBY GIVEN that on August 25, 2015, the City Council of Salt Lake City, Utah, adopted a resolution (the "Resolution") declaring its intention to designate the Salt Lake City, Utah Central Business Improvement Assessment Area No. DA-CBIA-16 (the "Assessment Area") to finance a portion of the cost of economic promotion and community development, which are more specifically described hereafter (the "Economic Promotion Activities") in the area of downtown Salt Lake City within the Assessment Area and to levy a special assessment (the "Assessment" or "Assessments") for a period of three years as provided in Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the "Act"), on real property situated within the Assessment Area for the benefit of which such assessments are to be expended in the management and costs of the Economic Promotion Activities.

### DESCRIPTION OF ASSESSMENT AREA

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

- A – North Temple from State Street to the East right-of-way line of I-15 (includes parcels on both sides of the street)
- B – East right-of-way line of I-15 from North Temple to 400 South
- C – 400 South from the East right-of-way line of I-15 to 300 East (includes parcels on both sides of the street)
- D – 300 East from 400 South to South Temple (includes parcels on both sides of the street)
- E – South Temple from 300 East to State Street (includes parcels on both sides of the street)
- F – State Street from South Temple to North Temple (includes parcels on both sides of the street)

The area of the Assessment Area shall include all property bounded by Reference Streets A through F described above. In addition it shall include parcels of property, subject to the exceptions set out hereafter, which abut the Reference Streets plus all corner parcels which have a corner touching any of the Reference Streets.

The Holiday Lighting Assessment (as described herein) shall apply to the following streets (collectively, the "Holiday Lighting Streets"):

- A – 200 South between 300 West and 400 West
- B – 200 South between West Temple and 200 West (South side only)
- C – Pierpont Street between West Temple and 200 West
- D – West Temple between 400 South and 200 South
- E – Main Street between 400 South and South Temple
- F – Market Street between West Temple and Main Street (North side only)
- G – State Street between 400 South and South Temple

The Resolution, maps, and other information about the Assessment Area are available for examination in the offices of the Salt Lake City Recorder, 451 South State Street, Salt Lake City, Utah.

#### ACTIVITIES AND MANAGEMENT OF THE ASSESSMENT AREA

The Economic Promotion activities shall include advertising, marketing, special events, festivals, transportation, newsletters, publications, banners, Christmas lighting, security, special projects, housing, town meetings, government policy, cultural promotion, reports, surveys, and other promotional activities. The Economic Promotion activities will be held within the boundaries of the Assessment Area for the benefit of business and commercial property owners within the Assessment Area.

Since 1992 the Downtown Alliance has managed promotional activities for Central Business Improvement Assessment Areas (or districts) Numbers DA-8690-A, DA-8690-B, DA-8690-97, DA-CBID-00, DA-CBID-03, DA-CBID-06, DA-CBIA-10, DA-CBID-13. The City intends to solicit proposals for a management contract to manage the DA-CBIA-16 through April 2019, subject to the creation of the Assessment Area.

The Downtown Alliance has submitted a proposed budget estimating the costs (the “Estimated Costs”) of Economic Promotion Activities within the Assessment Area. Information from the proposed budget is included in the following section:

#### ASSESSMENT RATE, FINANCIAL PLAN AND SOURCES AND USES OF FUNDS

Funding from Assessments provides only a portion of the total budget for the Assessment Area’s programs and activities. The City anticipates that the manager of the Assessment Area will secure non-assessment funds from other sources such as grants, foundations, promotions, contributions, earned income, and sponsorships. In addition, the City anticipates that sponsors and contributors will pay directly to third party providers a portion of the costs of some Economic Promotion Activities. These supplemental third party payments are not reflected in the projected budget of the Assessment Area. Most, if not all, of these other sources of funds would not be available without the funding from the Assessments or the Economic Promotion Activities of the Assessment Area. Funds received from Assessments are anticipated to be used in the following manner:

**Sources of Funds (for 3-year period)<sup>(1)</sup>**

Base Assessment Revenue	\$3,822,255
Holiday Lighting Assessment Revenue	180,033
Total	<u>4,002,288</u>

**Uses of Funds (annual basis)**

Contractor:

Marketing and Events	\$1,400,573
Economic Development	1,400,573
General and Administrative	<u>884,573</u>
Contractor Total	\$3,685,719
Salt Lake City Administrative Costs and Reserve	<u>316,569</u>
Total	<u>\$4,002,288</u>

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(1) Total 2015 taxable value for the Assessment Area = \$2,548,170,049

(2) Proposed assessment rate = 0.0015 (assessment revenue ÷ 2015 taxable value.)

The Assessment is proposed to be levied on benefited property within the Assessment Area to pay for a portion of the Economic Promotion Activities according to the estimated benefits to the property from such activities. The Economic Promotion Activities will not be financed with bonds.

**PROPERTIES EXCLUDED FROM ASSESSMENT AREA ASSESSMENTS**

Residential, ecclesiastical, and government-owned properties shall be excluded from Assessments unless otherwise agreed to in writing by the City and the owners of such properties. Subject to the foregoing sentence, only business and commercial properties shall be assessed. In addition, any properties having a taxable value of less than \$20,000 based upon the most recent real property assessment roll of Salt Lake County shall be excluded from Assessments. The determination of qualification for exclusion for ecclesiastical and government-owned property shall be based upon exemptions from ad valorem real property taxes for properties used by churches for non-commercial purposes and for properties owned and operated by governmental agencies. Inasmuch as the Assessment is intended to fund economic promotion activities, the City does not find any benefits for residential, ecclesiastical and/or governmental property excluded from the assessment and allocated to remaining benefitted properties.

**BASIS FOR ASSESSMENT**

It is proposed to levy a one-time Assessment for a three-year period on property in the Assessment Area to pay all or a portion of the estimated costs of Economic Promotion Activities. The Assessment shall not exceed the benefits derived by the properties within the Assessment Area. There shall be two assessment components: (i) an assessment based on the 2015 taxable property values (the "Base Assessment"), plus (ii) an assessment based on linear feet (except that corner lots will not be assessed for both frontages as applicable, only one) on certain properties with frontage on the Holiday

Lighting Streets for special holiday lights (the “Holiday Lighting Assessment” and together with the Base Assessment, the “Assessment”). The City anticipates that, in addition to revenues from the Assessment, the manager of the Assessment Area will utilize other funding resources, including revenues from grants, promotions, contributions, foundations, earned income, and sponsorships.

#### PAYMENT OF ASSESSMENTS

Assessments shall be payable in full or in three (3) annual installments (the “Assessment Installment” or “Installments”). If payable in three (3) annual installments, the first Installment will fall due fifteen (15) days after the effective date of the ordinance levying the Assessment (the “Assessment Ordinance”). The first Installment is currently estimated to be due on approximately May 7, 2016. The second and third Installments will fall due on the first and second anniversary dates of the first Installment. If any Installment is not paid by the due date, the unpaid Installment(s) will accumulate delinquent interest and/or charges in accordance with the Assessment Ordinance and State law. The Assessments will be collected by directly billing property owners. The City doesn’t currently expect any adjustments to the Assessments for changes in costs associated with Economic Promotion Activities. The City will ensure that no Assessments will be collected and used for purposes other than those described in this Notice.

#### PUBLIC HEARING

The City Council shall hold a public hearing on October 6, 2015 at 7:00 p.m. at the Council Chambers at 451 South State Street in Salt Lake City, Utah to hear all objections related to the Assessment Area as set forth in the Act.

#### TIME FOR FILING PROTESTS

PROTESTS FROM PROPERTY OWNERS OBJECTING TO THE ASSESSMENT AREA DESIGNATION OR OBJECTING TO BEING ASSESSED FOR THE PROPOSED ECONOMIC PROMOTION ACTIVITIES MUST BE FILED IN WRITING WITH THE CITY RECORDER OF SALT LAKE CITY EITHER IN PERSON DURING REGULAR BUSINESS HOURS MONDAY THROUGH FRIDAY, OR BY MAIL ON OR BEFORE 5:00 P.M. ON DECEMBER 7, 2015 (ROOM 415, CITY & COUNTY BUILDING).

To be counted against the creation of the Assessment Area, protests or objections MUST BE IN WRITING, signed by the owners of the property proposed to be assessed. The written protest must describe or otherwise identify said property. If the aggregate taxable value of property that is the subject of timely filed written protests represents at least 40% of the aggregate taxable value of all property within the Assessment Area, the City Council will not impose the Base Assessment and if the linear feet frontage of the Holiday Lighting Streets (except that corner lots will not apply for both frontages as applicable, only one) that is the subject of timely filed written protests represents at least

40% of the aggregate linear feet frontage of Holiday Lighting Streets assessed within the Assessment Area, the City Council will not impose the Holiday Lighting Assessment. Protests withdrawn prior to the expiration of the protest period and protests from areas deleted from the Assessment Area will not be counted against the creation of the Assessment Area.

On Tuesday, December 8, 2015 (such date being within 15 days after the date the protest period expires), at 7:00 p.m. at the Council Chambers at 451 South State Street in Salt Lake City, Utah, the City Council shall count the written protests filed and calculate whether adequate protests have been filed and hold a public meeting to announce the protest tally and whether adequate protests have been filed. The City shall post the total and percentage of the written protests it has received on its website at least five days before such meeting.

BY RESOLUTION OF THE CITY COUNCIL OF SALT LAKE CITY, UTAH

/s/ Cindi Mansell

City Recorder