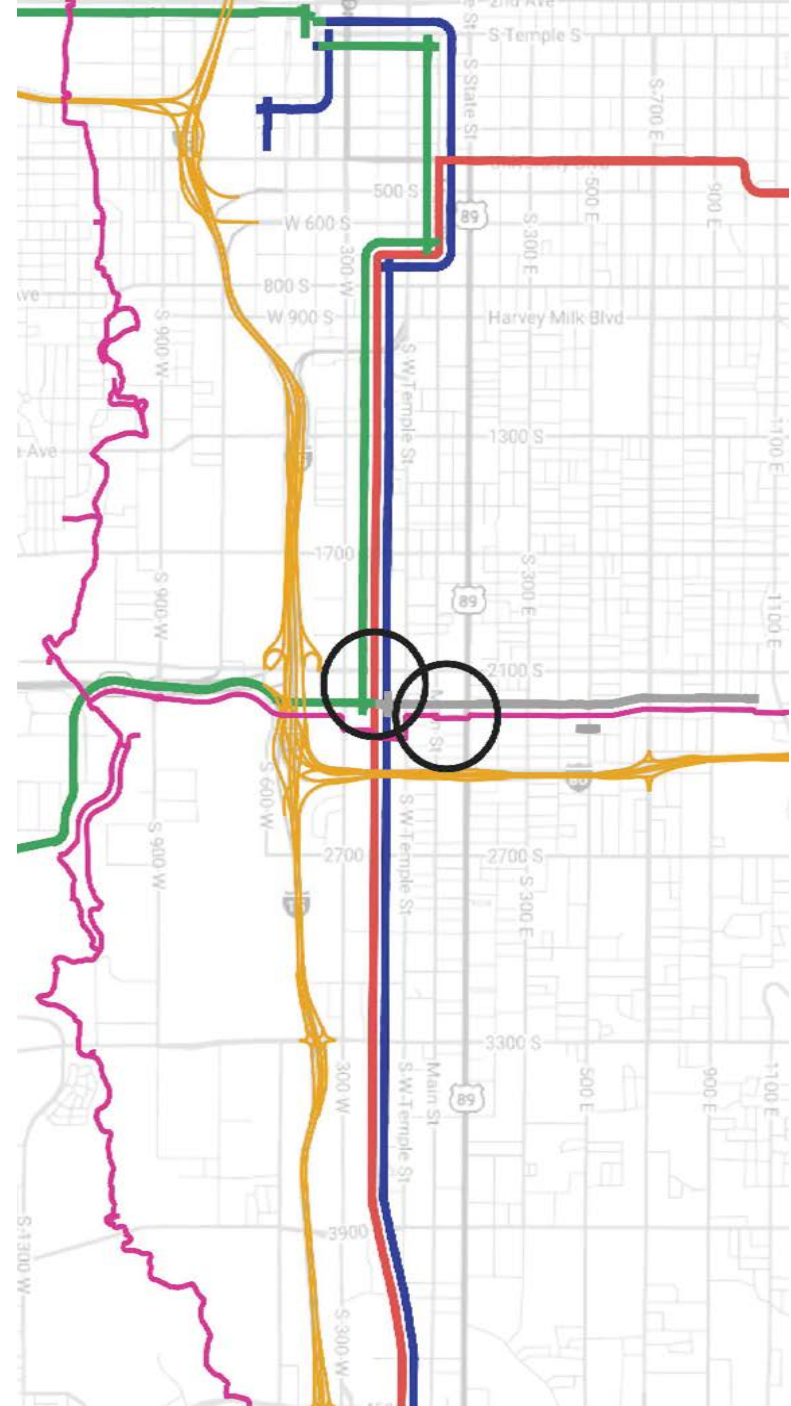


*85 Years in the Making
Transformative Potential
Demonstrated Commitment*

City of South Salt Lake

DOWNTOWN SSL HTRZ Application

October 2, 2023 (Updated Submittal)



Our Partners

A major project like Downtown SSL requires strong partnerships. Our HTRZ Application enjoys the support and commitment of the following companies.



Proposal Outline

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SECTION I

THE SOUTH SALT LAKE STORY

Our Roots

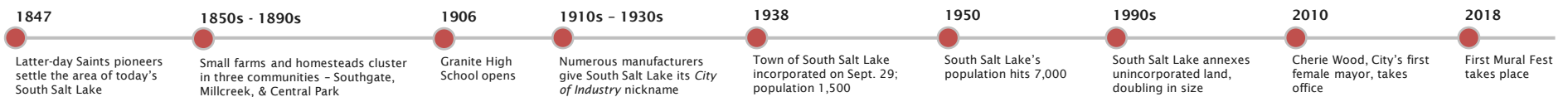
South Salt Lake's history of resolve and pragmatism provide the backdrop for the proposed HTRZ-enabled transformation of the City's downtown

BORN OF NECESSITY

Settled in 1847, the place we now call South Salt Lake grew slowly for its first 50 years as homesteaders labored to sow fields, raise families, and build sustainable lives. By the turn of the 20th century, those farms started giving way to residential neighborhoods, railroad lines, factories, and small businesses.

Housing and industrial growth in the 1920s led residents to demand a sewer system be constructed to replace the leaky septic tanks and unhealthy open canals. After learning that extensions of neighboring communities' sewage systems were years away, South Salt Lake residents took matters into their own hands and resolved to build their own. Despite several failed attempts to create a town government to build the system, residents incorporated the area in 1938 as the City of South Salt Lake.

Their hard work paid off. By 1949, when the landmark water tower was built, South Salt Lake was a bustling small city of 7,000. New residents bought new post-war cottages lining neighborhood streets, while a wide range of manufacturing and industrial companies clustered along the rail lines and highways. By the 1970s, about two-thirds of the 7-mile-square City housed foundries, machine shops, railyards, and similar firms, sparking the well-deserved nickname, *City of Industry*.



GROWING BY CHOICE

A new era began for South Salt Lake on October 1st, 1998 – 60 years after the City was founded. The City doubled in acreage and population that day, the result of a much-debated and long-deliberated annexation of neighboring unincorporated areas. It was a big bite for a small city, to be sure. Some thought it was audacious; others saw it as forward-thinking. It was both.

But, in stark contrast to the “must do” situation faced by City founders six decades earlier, South Salt Lake’s decision to annex nearby communities was an intentional one. Residents, businesses, community leaders, and many others joined in spirited discussions about the pros and cons of such a large annexation, debating issues like whether South Salt Lake’s identity and civic values would be diluted.

Twenty-five years on, South Salt Lake is a cohesive city of 27,000 residents and 3,200 businesses. Investments are being made in neighborhoods in all corners of the City. Providing equitable services to all parts of our diverse community is a priority for South Salt Lake. In 2021, we created a Department of Neighborhoods to focus outreach and services on the things that residents value most.

Doing Our Part In The Salt Lake Valley

South Salt Lake has stepped up for decades to provide services for the entire metro area, drawing from limited local resources



Salt Lake County Oxbow Jail



Central Valley Water Reclamation Facility



Homeless Resource Center

REGIONAL FACILITIES

South Salt Lake has cooperated with neighboring cities and other agencies to make difficult decisions about siting regional public facilities. While working to address significant community concerns, the City has navigated major facilities located in South Salt Lake boundaries, including the Central Valley Water Reclamation Facility, two correctional facilities, and the Pamela Atkinson Homeless Resource Center. South Salt Lake is in active conversations to site the Family Interim Housing Facility that will provide stability and support to 85 families.

TAX-EXEMPT PROPERTY

Regional public facilities, along with stretches of freeways, railroads, and surface streets, take up about 31 percent of the City's footprint. As a result, a significant portion of land in South Salt Lake is exempt from paying property taxes. For example, the new family shelter removes a former motel from the tax rolls.

LARGE COMMUTER INFLUX

South Salt Lake's daytime population grows nearly three times its nighttime or resident population, creating disproportionate impacts on infrastructure and public safety services. Since two-thirds of South Salt Lake is comprised of light industrial and commercial uses, the City attracts workers from throughout the region.

SALES TAX

Given the contributions above, South Salt Lake historically struggled to generate sufficient sales tax revenue. Over the past decade, though, the City has worked hard to attract new retailers, such as WinCo Foods, that have helped build a steady, stable stream of sales tax revenue. The expiration of the current local-option sales tax in 2029, however, creates uncertainties we must prepare for.

City On The Move

Over the past decade, South Salt Lake has quietly solidified its place as a stable, diverse, and vibrant community that consistently punches above its weight. South Salt Lake has unmatched transit and transportation connections, and unparalleled economic investment.

CREATIVE INDUSTRY ZONE

Strategic planning and focus have nurtured a new Creative Industry Zone with small business, maker spaces, and a burgeoning brewery and distillery district. With Horton the Water Tower as the CIZ's icon, the area includes two transit stations, making them easily accessible and walkable.

ART CITY

A City-run arts council has commissioned over 50 large-scale murals in the downtown area, creating a strong sense of place unlike anywhere else in Utah. The annual Mural Fest draws thousands of residents and visitors to celebrate this open-air art gallery. Arts organizations like Poor Yorick Studios, which provide work and gallery space for 40 painters, ceramists, photographers, sculptors, and other artists enrich South Salt Lake's creative scene.

CULTURAL DIVERSITY

Cultural diversity. With a population significantly more diverse than other parts of Salt Lake County, South Salt Lake is a culturally rich community with a unique mix of restaurants, shops, events, organizations, and places of worship. The only Chinatown in the Intermountain West is in South Salt Lake. Immigration from around the globe brings new energy, ideas, and cultures that add to the City's diversity and identity. Of special note is the success of Promise South Salt Lake, the City's highly praised afterschool program that is helping raise educational attainment and ensuring that both youth and families thrive.

South Salt Lake believes that a community's strength comes from within, from the combined spirit and contributions of residents, past and present. The vibrant community you see today is only the beginning of what's to come with HTRZ funding and creating an exciting new city center.



Promise South Salt Lake Participants





SECTION II: LIVE, WORK, MOVE, AND PLAY

Each year, the South Salt Lake Arts Council commissions 10 new murals as part of the City's annual Mural Fest. Now totaling 52 murals, the program has enlivened and sparked creativity in the City's growing Creative Industries Zone and overlapping brewery and distillery district. South Salt Lake is now a regional destination for residents and visitors seeking a leisurely stroll through the open-air art gallery and a bite to eat at one of the growing array of bars and restaurants.

The Future of Downtown South Salt Lake

With the assistance of an HTRZ Downtown SSL will transform into a unique urban destination where people can LIVE, WORK, MOVE, AND PLAY



South Salt Lake was long known as the City of Industry because of the many manufacturing and light-industrial businesses that grew up along the rail lines and highways. Today, buildings housing those uses have reached the end of their useful life and are well-suited for redevelopment. We have a historic opportunity to unlock and revitalize this critically located real estate.

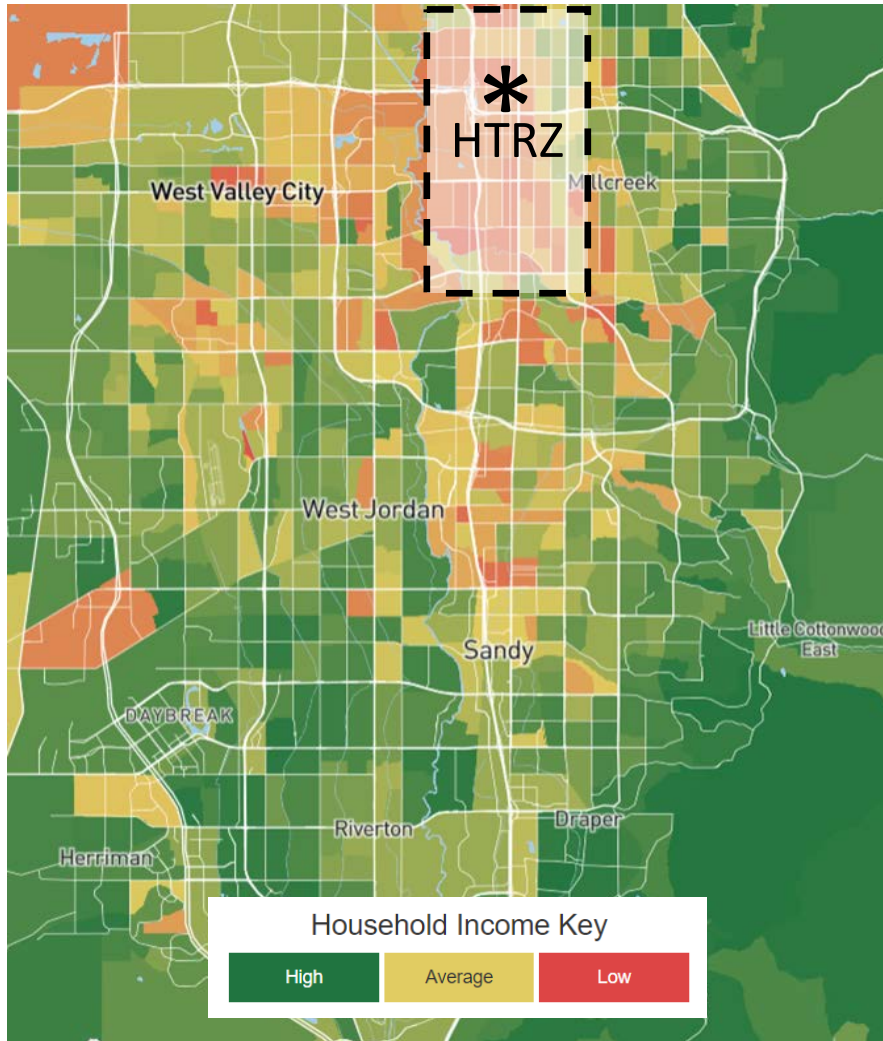
Downtown SSL: The Place to LIVE



- Planning is underway for over 5,000 units averaging over 100 units per acre, providing density to support a lively, thriving neighborhood.
- Our design standards require high-grade materials and finishes that will help us transform this area of outdated industrial buildings into an attractive and inviting community.
- We encourage every developer to develop podium housing products to help create density and encourage ground-floor uses that support a walkable community built to a human scale that will endure over time.



Downtown SSL: The Place to **Live** at a Range of Incomes



- The metro area’s lower-income populations are concentrated along the I-15 corridor, with higher-income housing located concentrically outward.
- South Salt Lake disproportionately provides housing for lower-income populations.
- The median South Salt Lake family earns less than 60% of families in the metro area. **Our entire city population, on average, is lower than the HTRZ AMI standard.** The HTRZ code exempts currently lower-income areas like this from including any affordable units.
- **Despite the statute not requiring any affordable units, SSL is committed to designating at least 12.5% units to be available to residents at or below 80% AMI.**
- The inclusion of Affordable units in the recently-built Hi-Grade Apartments located within the HTRZ radius (adjacent to the selected HTRZ parcels) demonstrates South Salt Lake’s continuing commitment to ensuring affordable housing as an option to serve our current and future residents.

Downtown SSL: The Place to WORK

Ample employment, existing and new, will be available to residents in the HTRZ within a short walk

- The Downtown SSL HTRZ will allow employees of the 3,200 businesses located in our city the opportunity to live closer to where they work, improving productivity and quality of life.
- Plentiful jobs – both new and existing in a diverse assortment of small, medium, and large employers – are within walking distance from anywhere in the proposed HTRZ.
- **196 South Salt Lake businesses** fall within the HTRZ. These businesses, plus those immediately around the HTRZ, employ **2,929 workers**.



Major Employers (distance from HRTZ)



SLC Govt Center (100 ft)



OC Tanner (0.1 mi)



SLCG South City Campus (0.5 mi)



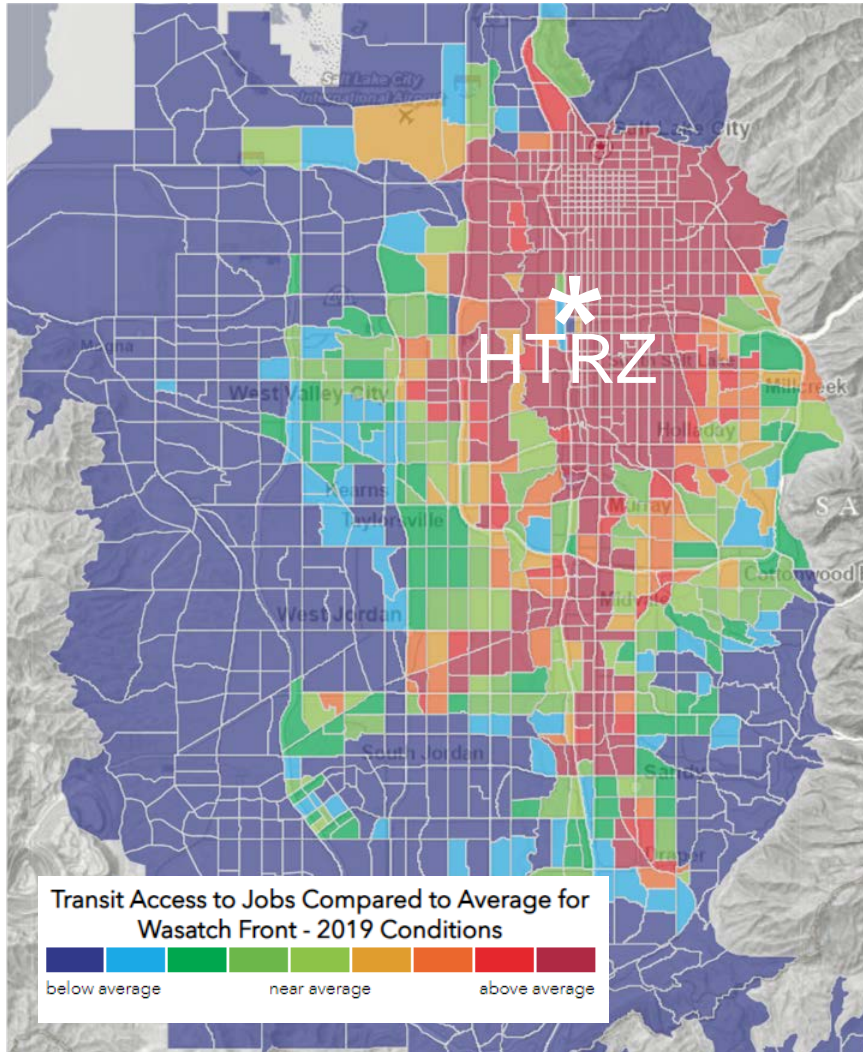
GBS Benefits (in HRTZ)



Westminster (3.0 mi)

Downtown SSL: The Place to **WORK**

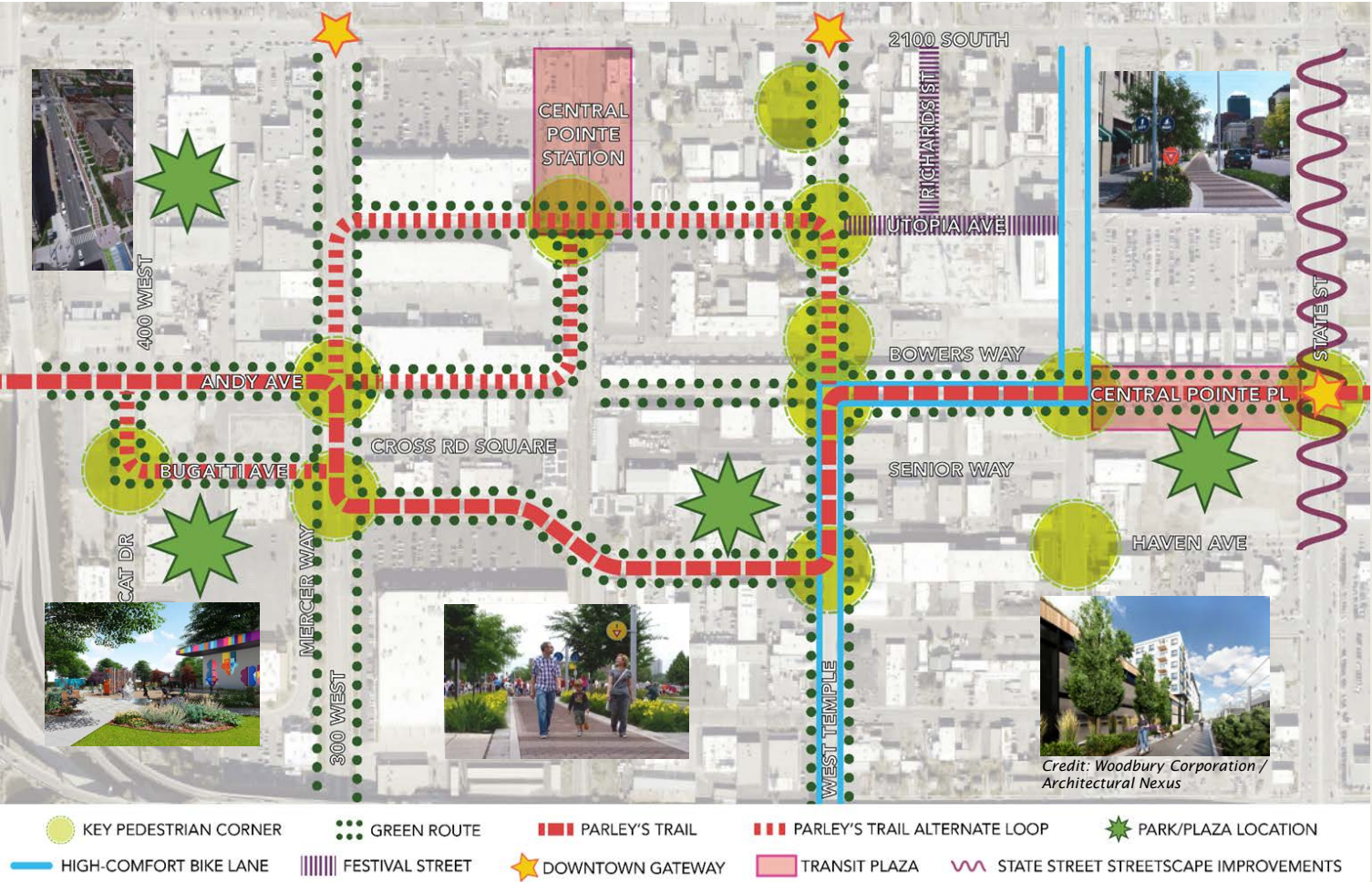
Transit allows HRTZ residents a 15-minute commute to jobs anywhere in the Valley



- The Downtown SSL HTRZ is bringing much-needed housing to where plentiful jobs are already located.
- Significant investments in the regional transit and highway systems provide convenient access for Downtown SSL employers and residents.
 - **Employees** have greater choice about where to work – within walking distance, or anywhere in the Valley just a short transit ride away.
 - **Employers** can tap a wider pool of potential workers. Employees can reach Downtown SSL by transit from most areas in 15-30 minutes.
- With TRAX light rail and S-Line streetcar stations within the HTRZ, Downtown SSL will have the highest level of transit access to jobs (dark red on WFRC map).

Downtown SSL: The Place to MOVE

The HRTZ area will serve as a hub of connectivity for the broader region



Downtown SSL Public Improvements

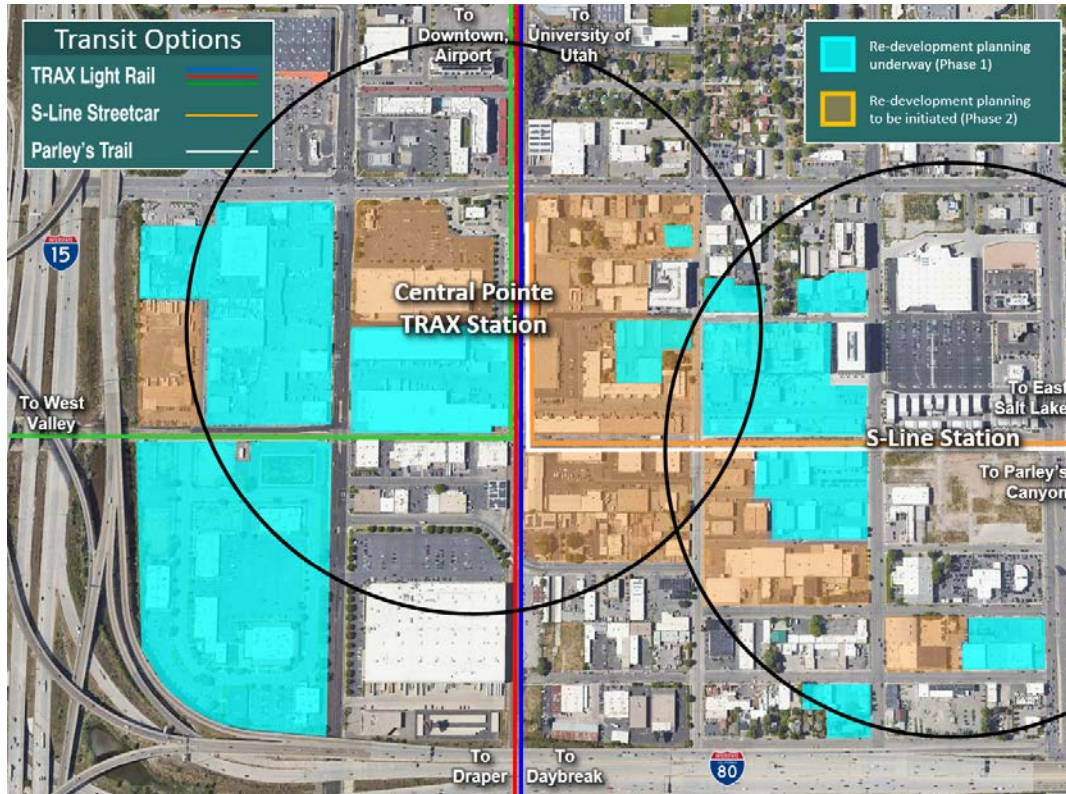
Select public enhancements in or adjacent to the Downtown SSL HTRZ, directly benefiting the HTRZ, include:

- Sidewalks with benches, bike racks, and streetlights
- Park strips and trees lining the streets
- Approximately 6 acres of parks
- High-comfort bike routes
- Improvements to Parley's Trail and S-Line Greenway
- Public Art
- Wayfinding, signage, and gateways
- Transit access upgrades
- Roadway improvements

Credit: Woodbury Corporation / Architectural Nexus

Downtown SSL: The Place to MOVE

The proposed HTRZ maximizes Downtown SSL's unparalleled transportation network



- No other HTRZ in the state includes access to all three light rail lines, streetcar, regional trail networks, and immediate access to Interstates 15 and 80 and SR-201.
- The Central Pointe TRAX Station connects transit riders to UTA's regionwide light rail and bus systems.
- The Parley's/S-Line trail will be improved throughout Downtown SSL and a new high-comfort bike line will traverse the site from north to south.
- Downtown SSL is uniquely poised to leverage the tremendous investments in infrastructure made in recent decades by UTA, UDOT, and local governments.

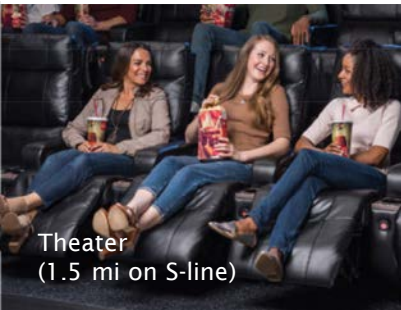
Downtown SSL: The Place to **PLAY**

South Salt Lake offers many opportunities for residents of Downtown SSL to relax, play, and have fun



We are focused on increasing recreation and leisure opportunities in Downtown SSL, including adding ground-floor dining and shopping opportunities to energize the street scene and creating one or more public parks in the HTRZ.

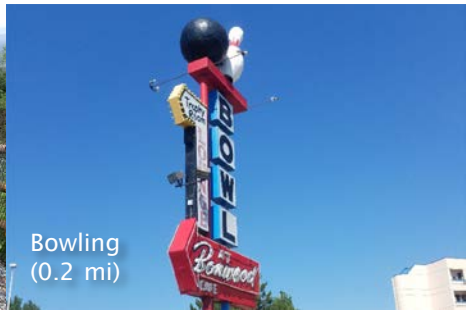
Proposed park in HTRZ



Theater
(1.5 mi on S-line)



Greenway / Parley's Trail
(In HTRZ)



Bowling
(0.2 mi)



Promise Park
(0.5 mi on S-Line)

**Local
Recreation
(Distance from
HTRZ)**



SECTION III: SSL HTRZ MEETS THE OBJECTIVES

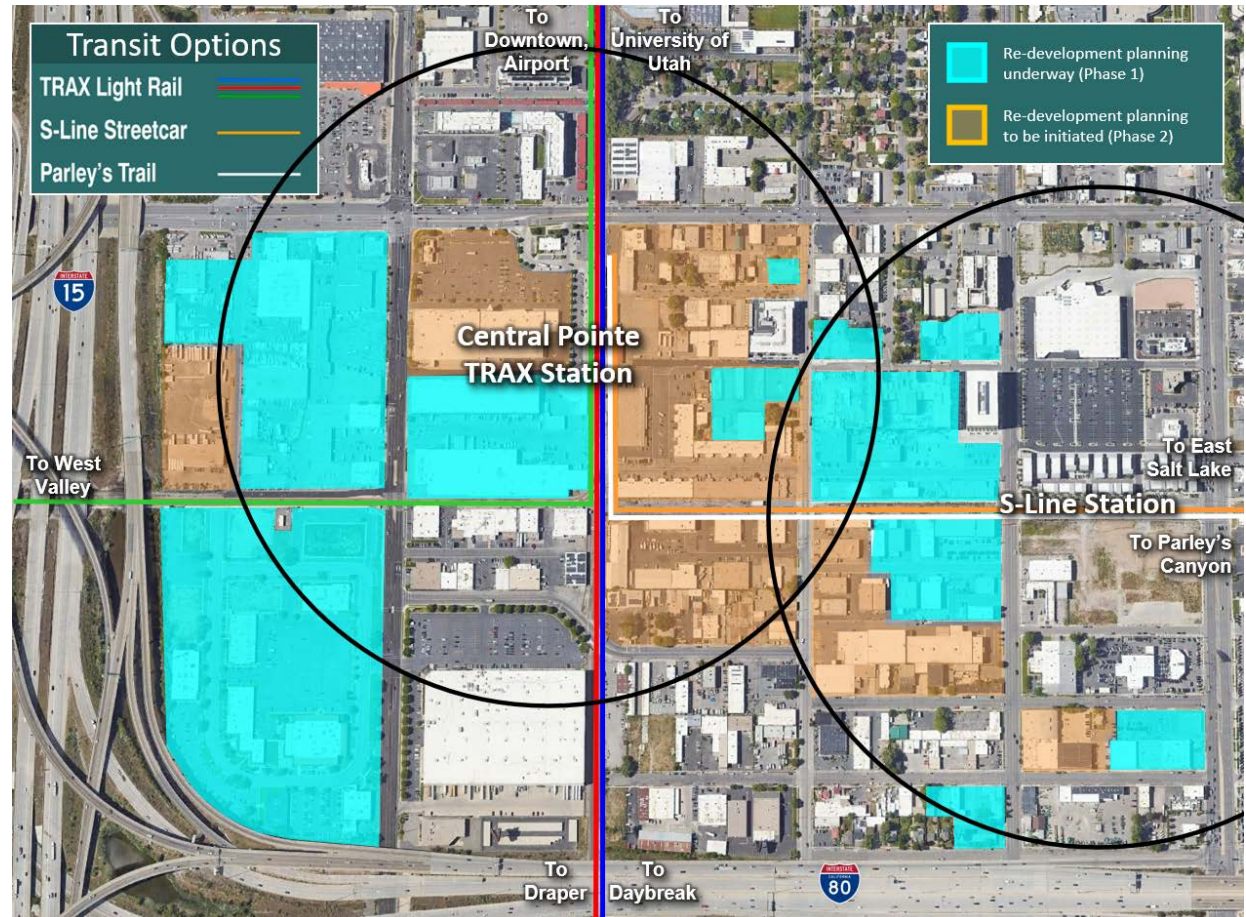
- A. *Promotes greater utilization of public transit.*
- B. *Increases availability of housing, including affordable housing.*
- C&D. *Improves water conservation and air quality improvements through efficient land use and reduced fuel consumption/motor vehicle trips.*
- E. *Encourages transformative mixed-use development and collaborative investment in transit and transportation in strategic areas.*
- F. *Maximizes planning and economic development tools to strengthen and grow major transit corridors.*
- G&H. *Increases access to employment, education opportunities, and child care.*

HTRZ/Sales and Use Tax Boundary

South Salt Lake City is proposing the formation of an HTRZ area that includes 99.77 acres, as part of the master-planned 200-acre Downtown area. The HTRZ area is proposed to be located within 1/4-mile of the Central Pointe TRAX Station and S-Line Station. The HTRZ area includes both parcels with planned redevelopment and yet to be planned development.

The HTRZ area includes 195 parcels, which are detailed in the appendix. Parcels that are part of planned projects in which part of the project is within 1/4-mile of the stations have been included in the HTRZ.

The analysis to derive the initial funding gap (including the number of units and parking stalls) conservatively takes in only those parcels shaded in blue, which are furthest along in planning.



- The City worked with the Governor's Office of Economic Opportunity (GOEO) to verify the viability of using two 1/4-mile radii from a TRAX and an S-Line Station within a single HTRZ application, rather than submitting two separate proposals simultaneously. GOEO confirmed this approach is allowed by Statute, so long as the total area included in the HTRZ does not exceed the 100-acre maximum. See the appendices for parcel numbers of properties in the proposed HTRZ.
- Areas in blue are currently in the city planning process for redevelopment. The areas in orange have been identified as redevelopment opportunities in a subsequent phase. This proposal contemplates using HTRZ funds within the black circles and all areas shaded blue and orange for "horizontal construction costs", "vertical construction costs", and "enhanced development costs" as defined in 63N-3-602, as such costs will directly benefit the HTRZ.

A: Promotes Greater Utilization of Public Transit

Downtown SSL includes strategies for promoting and generating increased transit ridership and addressing first/last mile opportunities within the downtown area. Downtown SSL was visualized and designed for walkability and to provide unmatched access and mobility for all travelers. Two key strategies will promote greater utilization of public transit: 1) Downtown SSL-specific design standards, and 2) unparalleled access to transit options.

DOWNTOWN SSL DESIGN STANDARDS

The Downtown SSL Form-Based Code is the culmination of over a decade of discussion, planning, and design that started with visioning for a new mode of transit to serve the South Salt Lake downtown. With the S-Line Streetcar as

its impetus, the plan was developed to promote transit-oriented development, as well as a walkable, urban development. Downtown SSL design standards include "complete streets" that encourage street-level urbanism, promote walking, support public transportation, and encourage use of streets as public space.

The Downtown SSL Design Standards include a "Station" subdistrict designed specifically to support transit-oriented development by focusing on uses that are most closely tied to transit - housing and jobs.

Design standards include an emphasis on walking, biking, and transit use. The Station subdistrict allows unlimited height and density near the Downtown SSL transit stations. The Downtown SSL



Promotes Greater Utilization of Public Transit Continued

Code also includes Transit Greenway Open Space that will include walking and biking paths (Parley's Trail) and other first/last mile solutions. These specific subdistrict design standards were created to optimize the opportunities found nowhere else in the state – the convergence of streetcar and all three TRAX lines at the Central Pointe Station within the HTRZ.

The Downtown SSL HTRZ was designed to promote real transportation choices that encourage residents, workers, and visitors to leave their cars at home.

UNPARALLELED ACCESS TO TRANSIT

As noted above, Downtown SSL is the only area in the state that includes access to the Streetcar and all three TRAX lines. This convergence provides unmatched

connection to local and regional bus and rail services for Downtown SSL's residents, workers, and visitors. HTRZ funding will help make transit more available and convenient for thousands of potential riders.

The proposed 1,228-unit Intermountain Development within the HTRZ is less than 150 feet from the Central Pointe TRAX Station. The developers propose to incorporate a seamless integration of their building lobby and the Station. Residents will be able to access the region's entire public transit network within just steps of their homes.

All residential units within the HTRZ will be within a five-minute walk of a public transit station.

OBJECTIVE A OVERVIEW

Downtown SSL Design Standards

- Designed for walkability and to provide unmatched access to mobility.
- The Station Subdistrict allows for unlimited height and density
- Design standards emphasize walking, biking, and transit use throughout Downtown SSL.

Unparalleled Access to Transit

- Includes access to all three TRAX lines and S-Line Streetcar.
- Large portion of residential units less than 150 feet from HTRZ's transit stations.
- All residential units within 5-minute walk of transit station.

B: Increase Availability of Housing, Including Affordable Housing

All 5,125 planned residential units within the HTRZ will be located within a five-minute walk of a light rail station.

The HTRZ includes **51.37 units per acre** of high-density housing over the entire 99.77-acre area. **Currently, 44.24 acres in the HTRZ area are planned for development, with an average of 115 units per acre.** Once developed, the entire HTRZ area will likely have a similar density. In total, **89% of the HTRZ's planned developable square footage will be residential.**

According to the US Census, South Salt Lake's population is 26,777 persons living in 9,904 households, for an average household size of 2.70. The median income of South Salt Lake residents is \$50,859, which is below the 60% Salt Lake

City Metro HUD income level for a household of 3 persons (\$55,320), allowing for an exemption from the affordable housing set-aside requirement.

While exempt from the affordable housing requirement, South Salt Lake understands that one of the key tenets of HTRZ areas is increasing affordable housing options. With the approval of HTRZ funding, **South Salt Lake is committed to restricting 12.5% of the units for households with a gross household income equal to or less than 80% AMI.**

A vital component of high-density development in Downtown SSL is structured parking. **HTRZ funding is needed to build parking infrastructure to enable the highest housing densities around the transit stations.**

OBJECTIVE B OVERVIEW

- 5,125 residential units.
- Currently, 44.24 acres of the HTRZ are planned, including 115 units per acre.
- Counting only planned units, the equates to 52.13 units per acre across entire HTRZ.
- While South Salt Lake is exempt from HTRZ housing requirement, City is still restricting 12.5% of units for affordable housing.
- Structured parking is required to enable highest residential densities around transit stations.

C & D: Improves Water Conservation Resources and Air Quality Improvements Through Efficient Land Use and Reduced Fuel Consumption/Motor Vehicle Trips

IMPROVES WATER CONSERVATION

The Downtown SSL landscape design standards include goals of 1) promoting prudent use of water and energy resources by maintaining sustainable, functional landscapes and 2) shading large expanses of pavement and reducing the urban heat island effect.

Additionally, the City has created a Landscape Handbook that assists with the implementation of the City's landscape requirements and includes various water conservation methods, including landscape design principles, irrigation considerations, and recommended water efficient plants.

The contemplated higher-density residential units will significantly reduce the amount of water needed to maintain

landscaping when compared to low-density single-family housing.

AIR QUALITY IMPROVEMENTS

The structured parking design of the HTRZ will significantly reduce the large expanses of pavement seen in typical Utah urban developments. In turn, this helps reduce the urban heat island effect, decreasing air pollution levels and energy costs.

Studies* have shown that transit-oriented developments within a quarter-mile of transit stations reduce vehicle trips between 25-50%. As the Downtown SSL HTRZ includes direct access to all regional transit lines, it is reasonable to assume that it will be on the high end of transit-oriented vehicle trip reduction percentages.

This decrease in vehicle trips

will reduce the amount of carbon monoxide, hydrocarbons, and other harmful emissions; improving air quality, decreasing fuel consumption, and reducing the dilapidation of the region's highways and roads.

OBJECTIVES C & D OVERVIEW

- Water conservation design standards.
- Higher density = less landscape watering.
- Reduced emissions from pavement and vehicle trips.
- Transit access to all regional job centers.

*Comparative case studies: trip and parking generation at Orenco Station TOD, Portland Region, and Station Park TOD, Salt Lake City Region.

E: Encourages Transformative Mixed-Use Development and Collaborative Investment in Transit and Transportation in Strategic Areas

Downtown SSL has a strong history in industrial, manufacturing, and commercial uses. While still perceived as an industrial zone, Downtown SSL, with the assistance of HTRZ funding, will be the state's first completely redeveloped transit-oriented development, as the funds will be used to transform this once industrial-focused area into a vibrant, creative, mixed-use City Center.

Downtown SSL has been identified as a key regional transit and transportation strategic area. In 2022, South Salt Lake was awarded a \$100,000 Transportation and Land Use Connection grant to assist with the Central Pointe Station Area Plan, ensuring that the development and growth within Downtown SSL aligns with transit investments that have been made in the area. The station area plan will focus on the nexus of transit infrastructure, land uses, and connections to the available rider network. The end result will be a vision and implementation plan that the City and UTA will use to guide future decisions within this strategic area.

OBJECTIVE E OVERVIEW

- State's first completely redeveloped TOD.
- UTA/WFRC partnerships Downtown SSL recently received a \$100,000 TLC grant for a Station Area Plan.



F: Strategic Land Use and Municipal Planning in Major Transit Investment Corridors

Downtown SSL is identified as an "Urban Center" in the Wasatch Front Regional Council's Wasatch Choice 2050 Plan. Urban centers are described as mid- to high-density, pedestrian, bicycle, and transit friendly, and mixed-use.

These centers boast diverse populations and extensive employment opportunities. Intermodal transportation options ensure that residents, workers, and visitors have convenient access to retail, recreation, and employment.

As outlined earlier in this section, the Downtown SSL area, with the assistance of HTRZ funding has been strategically planned by the City to capture the vision of a true Urban Center, as outlined in the Wasatch Choice 2050 Plan. Including high density, multi-modal transport friendly, diverse population, and access to extensive employment opportunities.

OBJECTIVE F OVERVIEW

- Downtown SSL is a strategic Urban Center in WFRC's Wasatch Choice 2050 Plan.
- Downtown SSL has been planned to capture the vision of a true Urban Center.



G & H: Increases Access to Employment, Educational Opportunities, and Child Care

The Central Pointe Station includes direct access to the University of Utah Campus via the TRAX Red Line. Additionally, with access to the Blue and Green Lines, residents within the HTRZ will have access to all of the other major Wasatch Front universities and colleges.

There will be numerous direct employment opportunities within the HTRZ, as the anticipated development includes over 268,000 square feet of office space and 125,000 square feet of commercial space. Using employee per square foot averages collected from CoreNet Global and other regional developments, the HTRZ development will create over **2,000 direct jobs**. This is in addition to the existing employment hub within the Downtown SSL area.

Additionally, access to all the region's light rail lines connects residents within the HTRZ to Salt Lake City's Central Business District, Silicon Slopes, and all other major regional employment hubs.

Childcare is an economic issue that has only increased since the pandemic. Lack of childcare opportunities results in program closures, higher childcare costs, and a reduction in available workforce.

In the 2022 Report "Untapped Potential: How Childcare Impacts Utah's Workforce Productivity and the State Economy," 307 parents were surveyed to gauge the current state of childcare in Utah. Results of the survey show that one of the top three primary reasons for selecting their childcare arrangement is proximity to their home, work, or school.

The Downtown SSL HTRZ will assist working parents with connecting them to additional childcare choices, especially for parents who rely on transit and other forms of public transportation.

OBJECTIVES G & H OVERVIEW

- Central Pointe Station includes direct access to the University of Utah and connections to all other regional universities and colleges.
- Over 2,000 direct jobs.
- Connection to region's main employment hubs.
- The HTRZ will increase childcare choices for working parents.



SECTION IV: MARKET ANALYSIS

Comparison of Development Without HTRZ Approval

The following table shows a comparison of a typical market development vs. the planned HTRZ development. The first column outlines the market development, which would be reduced or altogether absent parking structures, as HTRZ funds are necessary to achieve the proposed density with supportive parking. The level of development is consistent with other non-incentivized development in the City and neighboring communities and assumes 30 units per acre (in aggregate) may be achieved, with its supportable commercial square footage. Many parcels likely would not be re-developed.

The next column represents the projected development intensity with HTRZ approval. **With HTRZ funds, the projected residential density triples and the commercial uses are nearly double** when compared to the market development. This equates to a **311% increase** in building

assessed values, **increasing from \$267.83 million to \$1.10 billion**. Using 2022 certified tax rates, this equates to an **additional \$9.28 million of annual property tax revenue for the taxing entities within the HTRZ**. Under the proposed HTRZ plan, residential land acreage represents 58% of the overall HTRZ acreage, with 89% of the developable square footage being residential.

With HTRZ funding, residential density triples & commercial uses nearly double.

Development	Market Plan	HTRZ Plan	Increase Over Market Plan
Multi-Family Units	1,235	5,125	3,890
<i>of which Affordable</i>	-	640	640
Office Square Feet	93,000	268,000	175,000
Retail Square Feet	25,135	64,564	39,429
Hotel Keys	-	130	130
Multi-Family Assessed Value	\$237,950,882	\$983,941,577	\$745,990,694
Office Assessed Value	\$24,220,239	\$83,574,560	\$59,354,320
Retail Assessed Value	\$5,655,375	\$14,526,900	\$8,871,525
Hotel Assessed Value	-	\$19,889,132	\$19,889,132
Total Assessed Value	\$267,826,497	\$1,101,932,168	\$834,324,761

Comparison of Market Rate Apartment Development

South Salt Lake is uniquely positioned as an intermediary market between downtown and suburban. Currently, South Salt Lake City lacks many Class A multi-family residential options. Per Costar data, the average rent for relatively new units is **\$2.06 per square foot**. Interestingly, this is equal to the average of downtown rent per square foot and suburban rent per square foot published in CBRE's *The Greater Salt Lake Area Multifamily Market Report (Class A)*.

Due to its proximity, east of I-15 and north of I-80, the most relevant comparison to South Salt Lake is downtown Salt Lake City. The average rent for relatively new projects similar to the South Salt Lake comps is **\$2.54 per square foot**. This ~25% rent premium allows downtown Type III construction projects to be economically justifiable, whereas, the same project in South Salt Lake is not feasible without public assistance.

SSL rents would support Type V construction, but Type V is not feasible in the SSL HTRZ. First, the prevailing land cost is too high to facilitate Type V density. Second, Type V is not feasible due to fragmented land ownership, small parcels not suitable for Type V parking, and other infill characteristics of the area.

South Salt Lake Comps

Source: Costar

Name	Address	Yr Built	Units	Unit Size	Rent / SF
Capitol Homes Apartments	1749 S State St	2021	93	612	\$2.44
Strata99 Townhomes	99 E Central Pointe Pl	2019	95	1,074	\$2.02
@2100 Apartments	1977 S 300 W	2020	82	710	\$1.98
The Bowers Residences	55 W Utopia Ave	2023	236	745	\$2.28
Wilmington Flats	1235 E Wilmington Ave	2015	105	873	\$2.02
The Zeller	2255 S 300 E	2018	293	835	\$2.16
2550 South Main	2550 S Main St	2013	112	1,012	\$1.45
South Salt Lake Average by Unit Type				Unit Size	Rent / SF
Studio				478	\$2.93
1 Bed				661	\$2.35
2 Bed				1,051	\$1.79
3 Bed				1,360	\$1.90
South Salt Lake Average				829	\$2.06

Downtown Comps

Name	Address	Yr Built	Units	Unit Size	Rent / SF
Lotus Republic	25 S 300 E	2023	80	519	\$3.21
Post District Apartments	510 S 300 W	2022	580	807	\$2.80
Skyhouse	308 North Temple	2018	240	803	\$2.52
The Hardison	480 E South	2021	139	695	\$3.03
Slate	915 Washington	2023	150	506	\$3.01
The Olive	378 W 300 S	2022	120	711	\$2.61
Seven02 Main	702 S Main St	2022	239	671	\$2.53
Skyhouse	308 North Temple	2018	240	803	\$2.52
The Charli	828 S Richards	2021	91	686	\$2.49
Camber Apartments	320 N 490 W	2023	422	1,005	\$2.47
The Morton	245 S 200 E	2019	137	677	\$2.40
Cottonwood on	325 E 300 S	2023	254	790	\$2.40
Pierpont Apartments	315 W Pierpont	2019	87	714	\$2.34
4th West Apartments	255 N 400 W	2017	493	869	\$2.31
Harvest Apartments	588 N 300 W	2022	252	791	\$2.27
Hardware Apartments	455 W 200 N	2018	453	1,024	\$2.25
Block 44	380 S 400 East	2018	214	1,127	\$2.08
Downtown Average					\$2.54



SECTION V : DEVELOPMENT IMPEDIMENTS

HTRZ is Needed to Overcome Infill Costs

1. LAND AND DEMOLITION: For many years, the parcels around Central Pointe Station have supported industrial, warehouse, and other uses. These aging buildings are no longer the highest and best use for this land, which is ideally situated for transit-oriented development.

Despite not being the best use of the land, current landowners generate cash flow from these antiquated uses. For an existing owner to give up the annual cash flow, a developer seeking to create a high-density development must induce the landowner with a price attractive enough to relinquish both the land itself and the annual cash flow it generates. In South Salt Lake today, inducing a landowner to sell requires an average price of around \$3-4 million per acre, depending on location and site-specific characteristics. A developer building in a suburban location typically does not have to pay a premium to this degree to overcome this barrier. Further, a developer is required to pay for demolition and removal costs associated with removing the existing use.

2. INFRASTRUCTURE: Infill development in older and lower-density areas requires upgrading existing infrastructure. For instance, the sewer system in this area is running at maximum capacity and is not capable of handling the demand generated by the high-density development envisioned by the City, and handling the density



articulated in the HTRZ objectives. The all-in cost to improve the sewer to service the HTRZ area is \$31.65 million.

Infill development around Central Pointe also includes other redevelopment costs like burying power lines, environmental remediation, and public enhancements like sidewalks, parks, bike routes, trail improvements, public art, transit access upgrades, and roadway improvements.

3. OTHER INFILL RELATED COSTS: Additionally, the cost of staging construction materials, managing traffic flow, crane placement, and implementing safety precautions goes up significantly to build in this commercially active area. For example, construction will often occur in off-peak times to mitigate traffic impacts, which increases labor costs.

HTRZ is Needed to Overcome Hard Costs

4. HARD COST: Construction costs increase as density increases. Building material costs increase as different construction materials like concrete, steel, and elevators are required for taller, higher- density buildings. The complexity of mechanical, electrical, plumbing specifications and systems increase.

As discussed in the Market Analysis, South Salt Lake is uniquely positioned as an intermediary market between downtown and suburban. The cost of construction within the HTRZ are equivalent to downtown Salt Lake, but the rents are significantly lower, which creates an additional financing gap.

The rents supported by this market do not make up for these costs without the implementation of the HTRZ, together with all development impediments discussed herein.

Stories	Type IIIA – Podium
7	Wood Framing
6	Wood Framing
5	Wood Framing
4	Wood Framing
3	Wood Framing
2	Concrete Podium
1	Concrete Podium

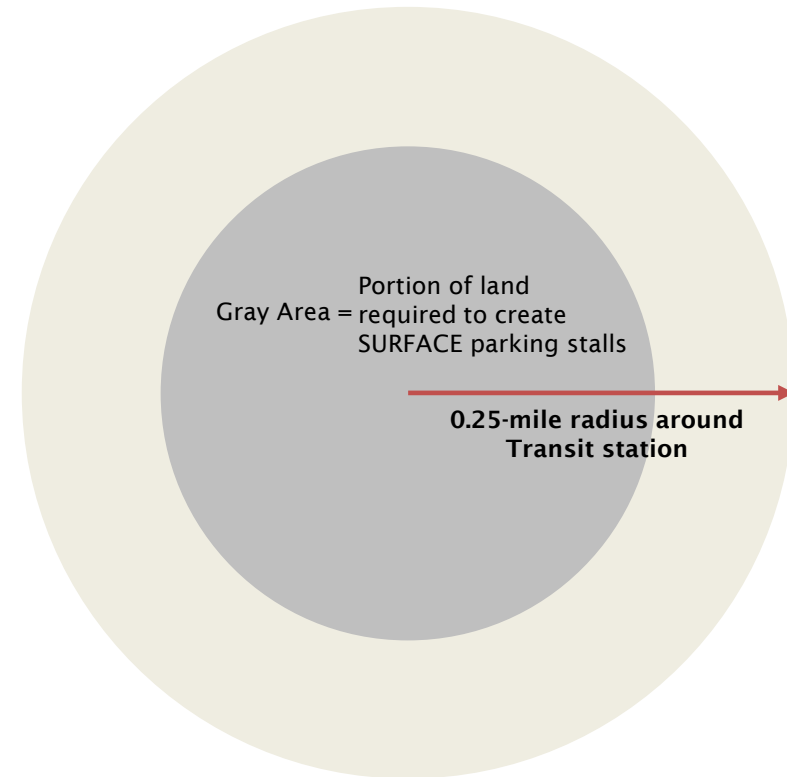
Hard Cost Per Foot (excl Parking costs): \$350-\$450

HTRZ is Needed to Overcome Parking Costs

5. PARKING: To generate the density required to create a truly walkable, transit-oriented development, parking must transition from surface parking (typical in suburban markets) to podium structured parking (typical of new urban TOD).

Currently, **the HTRZ anticipates 6,336 structured parking stalls. Residential development is characterized by a parking ratio of 1.0 to 1.25 stalls per residential unit on average.** The relatively low ratio is, in part, a function of the City's allowance for a 20% parking requirement reduction to promote high-density development around Central Pointe and to encourage the utilization of public transit over private transportation.

To surface-park as many cars would take approximately 58 acres of land (excluding any buildings). This is equivalent to using up 46% of land in an HTRZ radius for parking instead of housing, as illustrated to the right. This approach is neither economically feasible due to land costs, nor practically feasible due to fragmented land ownership, nor would this advance the objectives of HTRZ.



*Illustration of Surface Parking
Inefficiency in TOD Areas*

HTRZ is Needed to Overcome Parking Costs

5. PARKING: To maximize density and walkability around Downtown SSL, development projects will be characterized by **structured parking**, typically within the footprint of the building.

The table below summarizes the cost differential between building a surface lot and structured parking in a concrete podium. Notably, the Downtown SSL area has a high water table, which necessitates the use of geo-piers for parking structures planned within the HTRZ, increasing the cost per structured stall to \$45,000, which is \$10,000-\$15,000 higher per structured stall than found in other parts of the Salt Lake Metro area.

In total, **the cost differential** between surface parking and structured parking **within the HTRZ is \$262,944,000.**¹ The rents supported by this market are insufficient to offset the higher cost of building Type IIIA structured parking needed to meet the planned density. But for the HTRZ funding to offset these costs, creating a high-density zone typified by structured parking will be infeasible.

Parking Type	Cost Per Stall			Total Cost		Surface Cost vs. Structured
	Low	High	Midpoint	Total Stalls	Total Cost	
Market Cost (Surface)	3,000	4,000	3,500	6,336	22,176,000	-
Structured in South Salt Lake	40,000	50,000	45,000		285,120,000	262,944,000

Note 1: The number of stalls and total cost in this analysis excludes land areas in the to-be-designed Phase 2. Including these parcels increases the total difference in parking cost by up to ~50%.

HTRZ is Needed to Overcome Affordable Housing Loss in Values

6. AFFORDABLE HOUSING: The following analysis summarizes the loss in value from subsidizing rents to meet the HTRZ 80% AMI affordable housing requirement. As discussed previously, while South Salt Lake is exempt from the affordability requirement, the City is committed to subsidizing 12.5% of the residential units at 80% AMI or below. The annual loss amount in the table below is used to calculate the loss in market value on a per unit basis for a **hypothetical 31 units** (12.5% of a typical 250-unit project) and the **per unit reimbursement** needed to allow the project to move forward.

Loss per Unit from Subsidized Rent

Assumption	Value
Weighted Average Affordable Rent	\$1,530
Blended Market Rate	\$1,702
Loss Rent \$ Unit/mo.	-\$172.00
Affordable Units	31
Annual Loss Total	(\$63,984)

Loss In Value from Subsidized Rents

Cap Rate	Market NOI	Value	12.5% Affordable NOI	Value	Variance Above/(Below) Market	Loss Per Unit
4.50%	\$3,930,350	\$87,341,111	\$3,866,366	\$85,919,244	(\$1,421,867)	(\$45,867)
4.75%	\$3,930,350	\$82,744,211	\$3,866,366	\$81,397,179	(\$1,347,032)	(\$43,453)
5.00%	\$3,930,350	\$78,607,000	\$3,866,366	\$77,327,320	(\$1,279,680)	(\$41,280)

Reimbursement per Affordable Unit: **\$41,300**



SECTION VI: PROPOSED HTRZ BUDGET

Projected HTRZ Funds

TAX INCREMENT REVENUES

New development within the HTRZ is anticipated to begin in fall of 2023 - spring of 2024. The development within the HTRZ will generate significant additional property tax revenue above what is currently generated within the HTRZ. It is projected that property tax increment (TIF) generation could begin as early as 2025. It is anticipated that 2022 will be the base year value for both TIF and Sales Tax generation within the HTRZ. As outlined in 63N-3-603, the TIF collection period is for 15 years on each parcel within a 30-year period.

- 2022 Base Year Value - Property Tax: **\$193,190,009**.
- Over the 30-year TIF collection period, the HTRZ will generate **\$412.63 million in incremental property tax**. It is anticipated that **\$179.28 million (80%) of the TIF will go towards funding the HTRZ** and \$233.35 million will go to the taxing entities. This is in addition to the \$64.51 million of Base Year Taxes generated during the 30-year period.
- After the HTRZ TIF collection period, the taxing entities will receive **\$15.22 million of annual property tax revenue, a 411% increase in the annual tax increment generated by the Market Plan**.

PROPERTY TAX INCREMENT GENERATION

Taxing Entity	2022 Tax Rates	30-Year Tax Increment	80% Increment to HTRZ (15 Yr/Parcel)	Balance to Taxing Entities	Annual Property Tax Revenue After HTRZ
Salt Lake County	0.001459	\$54,090,768	\$23,501,099	\$30,589,668	\$1,997,853
Salt Lake County Library	0.000386	\$14,310,512	\$6,217,563	\$8,092,949	\$528,562
Granite School District	0.006311	\$233,973,156	\$101,655,544	\$132,317,612	\$8,641,845
South Salt Lake City	0.002565	\$95,094,461	\$41,316,189	\$53,778,272	\$3,512,333
South Salt Lake Valley Mosquito Abatement District	0.000009	\$333,665	\$144,969	\$188,696	\$12,324
Central Utah Water Conservancy District	0.000400	\$14,829,546	\$6,443,070	\$8,386,475	\$547,732
Total	0.011130	\$412,632,107	\$179,278,435	\$233,353,671	\$15,240,648

Projected HTRZ Funds

TTIF SALES TAX REVENUES

As outlined in 63N-3-610, one year after the HTRZ is established, the tax commission shall, at least annually, transfer an amount equal to 15% of the state's sales and use tax increment within the HTRZ into the Transit Transportation Investment Fund (TTIF) to be used to fund transit transportation projects throughout the state. While TTIF projects within HTRZ areas are prioritized, the full amount of TTIF Funds generated by the HTRZ will not likely be fully reinvested in the HTRZ.

- 2022 Sales Tax Base Year: TBD by Utah State Tax Commission
- Over the 30-year incremental sales tax collection period, the HTRZ will generate **\$67.82 million in incremental state sales tax**, 15% of which, or **\$10.17 million will be transferred to the TTIF fund**.

SALES TAX INCREMENT GENERATION

Assumptions	Annual Average	30-Year Total
Commercial Sales per Square Foot	\$425.00	
Commercial Square Feet	64,564	
Hotel Rooms	130	
ADR	\$155.00	
Occupancy Rate	60%	
Annual Growth	2.50%	
Utah Sales Tax Rate	4.85%	
Gross Taxable Sales	\$46,613,768	\$1,398,413,048
State Sales Tax Revenue	\$2,260,768	\$67,823,033
TTIF Revenue (15%)	\$339,115	\$10,173,455

Proposed Development Plan

Vertical development within the HTRZ is anticipated to begin in late 2023 or early 2024, with a completion date of 2028.

The currently planned development will include the following:

- 5,125 multi-family units, of which 640 are affordable
- 268,000 square feet of office space
- 64,564 square feet of commercial space
- 130-room hotel

DEVELOPMENT PLAN ABSORPTION SCHEDULE

Development Type	Total Units/Sq. Ft.	Start Date	End Date
Multi-Family Residential	5,125 Units	2023	2028
Office	268,000 Sq. Ft.	2024	2028
Commercial	64,564 Sq. Ft.	2024	2028
Hotel	130 Rooms	2024	2026

If all aspects outlined above are constructed, the HTRZ produces an estimated **\$1.02 billion of new taxable assessed value**. The 64,546 square feet of commercial space will be ground floor retail within the multi-family development and is included in the valuation of the multi-family units.

DEVELOPMENT PLAN ABSORPTION SCHEDULE

Development Type	Total Units/Sq. Ft.	Value per Unit/Sq. Ft.	Total Assessed Value
Multi-Family Residential	5,125 Units	\$350,314	\$1,795,359,989
Office	268,000 Sq. Ft.	\$260.43	\$69,795,959
Commercial ¹	64,564 Sq. Ft.	Combined with Multi-Family	Combined with Multi-Family
Hotel	130 Rooms	\$130,076	\$16,909,933
Incremental Land Value			\$21,626,672
Personal Property Values			\$14,195,251
Primary Residential Exemption			(815,955,635)
2022 Building Values			(\$86,766,281)
Total Taxable Value			\$1,015,165,888

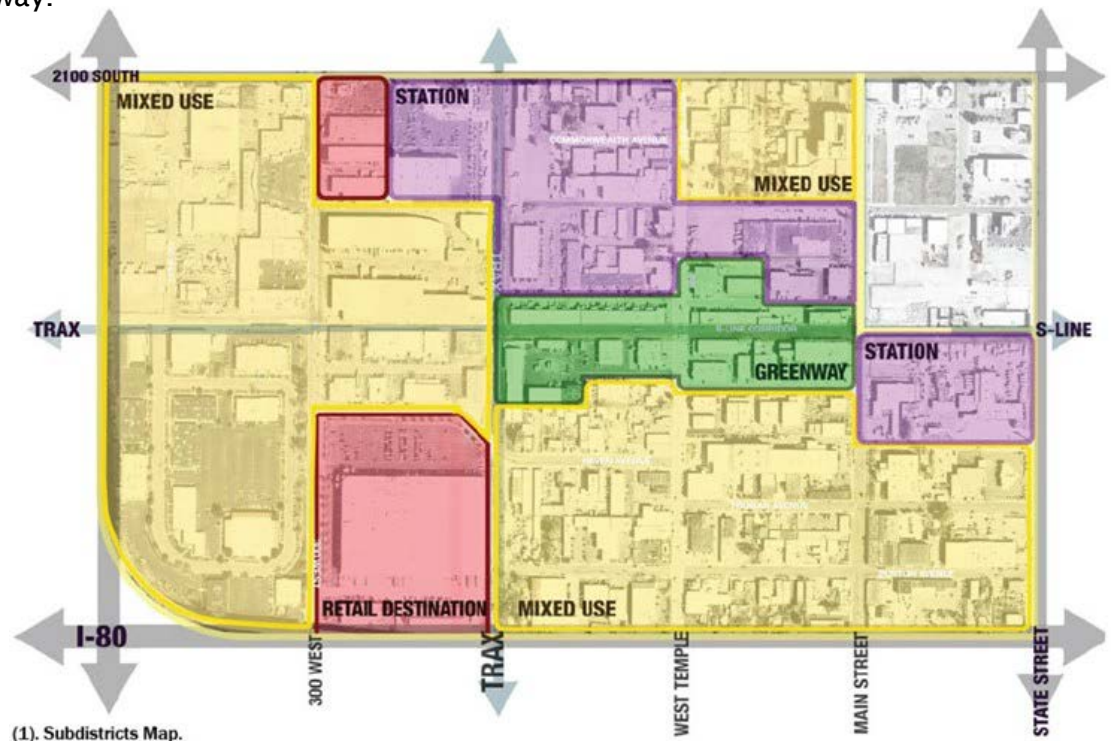
Note: These tables depict the assessed values of the HTRZ areas currently in design. It is conservatively estimated that 33% of the undesigned acreage will be developed over the life of the HTRZ. This developed will add \$354.16 million in assessed value. The future development will be obligated to meet the requirements outlined in 63N-3-603(2).

Specific Transportation Infrastructure Needs and Proposed Improvements

Over the last 10 years the City has partnered with UTA, UDOT, real estate developers, and other stakeholders to construct various infrastructure improvements to enhance the ability of potential riders to access the public transit station. One example is the Parley's Trail and S-Line Greenway.

The Downtown SSL Masterplan is divided into four subdistricts, including the Station and Greenway subdistricts. These are the two subdistricts that surround the transit stations within Downtown SSL. These two subdistricts will require significant investment in parking, transportation, trail connectivity, linear parks and green space, community gathering spaces, and other infrastructure improvements.

The Central Pointe Station will require significant improvements to be highly functional and to support transit-oriented development. Additionally, transportation infrastructure projects include Parley's Trail improvements, designated bike lanes, and other first/last mile upgrades.



Other Financing Sources

The City and other stakeholders are committed to investing in Downtown SSL. In 2022, a group of landowners seeking to advance redevelopment efforts within the Downtown and East Streetcar zones consented to pay **\$31.65 million in for sewer infrastructure improvements** needed for any future increase in density within Downtown SSL. In collaboration with the City, the landowners financed this cost through a Public Infrastructure District (PID).

In addition to the Downtown PID, the HTRZ is within the Census Tract 1115 Opportunity Zone (OZ), which will spur private investment in the Downtown SSL through federal tax incentives. Historically, a significant portion of the land within the Downtown SSL area had industrial uses and to date, many of the redevelopment

projects have required environmental remediation. As remediation is needed on future development within the HTRZ, the City will work with Salt Lake County and the EPA on finding other financing sources for remediation efforts.

The approval of HTRZ funding in Downtown SSL will facilitate the leveraging

of the other public financing mechanisms and large private investment to amplify the effects of the public investments. Combining these various financing sources will allow Downtown SSL to meet the requirements and objectives outlined in 63N-3-603 and this proposal.





SECTION VII: DEVELOPMENT PRO FORMA

The proforma shows that bringing this antiquated zone up to market standard requires public assistance to be viable and induce development around these critical transit stops

SSL Cost Impediments Include:

Rent per sqft in SSL is 25%+ lower than downtown submarket

SSL Cost Impediments Include:

1. Cost to build Type IIIA vs Type V
2. Demo required for redevelopment
3. Increased cost to build structured parking in SSL
4. Contribution to upgrading infrastructure and amenities
5. Increased land costs for owners to relinquish existing buildings generating cashflow

SOUTH SALT LAKE HTRZ													
Type	Units	% Mix	Unit Rentable		Asking Rent		Annual	Building Cost \$ per RSF				INCOME	
			Sq.	Sq. Feet	\$ Unit/mo.	\$ PSF/mo.		C&S	Finish	FF&E	\ Total	in \$	% COST
Studio	40	16%	478	19,132	1,401	2.93	672,672	275.00	20.00	10.00	\$305.00	\$62,206,951	8.2%
One Bed	100	40%	661	66,137	1,554	2.35	1,865,076						
Two Bed	100	40%	1,051	105,088	1,881	1.79	2,257,291						
Three	10	4%	1,360	13,600	2,584	1.90	310,080						
TOTAL	250	100%	816	203,957	1,702	2.09	\$5,105,119						

COST SUMMARY			
TOTAL BUILDING COSTS	62,206,951	57.7%	
Demo and Site Prep	1,089,000	1.0%	\$10/ GSF
Amenities	1,000,000	0.9%	
Parking	13,050,000	12.1%	290 Stalls 45,000
Infrastructure Upsizing and Enhancement	3,100,000	2.9%	
Contingency (5.00%)	4,022,298	3.7%	
TOTAL CONSTRUCTION COSTS	84,468,249	78.3%	
LAND PURCHASE	7,500,000	7.0%	108,900 SF
TOTAL LAND & CONSTRUCTION	91,968,249	85.3%	
OTHER COSTS			
Architects & Engineers (3.50% of TCC)	2,956,389	2.7%	
Legal & Misc. (1.00% of TCC)	844,682	0.8%	
City Permits & Fees (3.00% of TCC)	2,534,047	2.4%	
Development Overhead (5.00% of TCC)	4,223,412	3.9%	
Leasing / Marketing	553,361	0.5%	
Constr. Loan & Costs (1.00% of Constr. Loan)	539,075	0.5%	
Construction Interest	3,773,528	3.5%	
Other Contingency	422,341	0.4%	
Total Other Costs	15,846,837	14.7%	
TOTAL COSTS	\$107,815,085	100.0%	

BASE YEAR STABILIZED CASH FLOW			
Rent		5,105,119	
Ancillary Income	300	900,000	
Less: Vacancy - Overall	6.5%	(390,333)	
EFFECTIVE RENTAL INCOME		5,614,786	
Less: Operating Expenses (% of ERI)	26.0%	(1,459,844)	
Management Fees (% of ERI)	3.0%	(168,444)	
Reserves (% of ERI)	1.0%	(56,148)	
TOTAL EXPENSES & RESERVES	30.0%	(1,684,436)	
NET OPERATING INCOME		\$3,930,350	
Construction Interest		(3,773,528)	
Construction Cash Flow		156,822	
Long-Term Debt Service		(3,321,761)	
Long-Term Cash Flow		608,589	

PROJECT MARKET VALUE			
Market Value - Multifamily	5.08%	77,369,100	
Market Value - Other	-	-	
TOTAL MARKET VALUE	5.08%	\$77,369,100	

FINANCING			
CONSTRUCTION LOAN		\$53,907,543	
Interest Rate	7.00%		
Annual Construction Interest	12 Mos.	3,773,528	
Loan-to-Value	70%		
Loan-to-Cost	50%		
PERM LOAN		\$51,063,606	
Loan-to-Value (LTV)	66%		
Interest Rate	5.00%		
Amortization Period	30		
Annual Debt Service		3,321,761	
Debt Yield / Loan Constant	7.7% /	6.5%	
Debt Service Coverage Ratio (DSCR)		1.18	

INVESTMENT ANALYSIS			
TOTAL MARKET VALUE		\$77,369,100	
TOTAL PROJECT COSTS		107,815,085	
PROFIT ON SALE (BEFORE ASSISTANCE)	1.50% (sales costs)	-\$31,606,522	
PUBLIC ASSISTANCE	146,000 Per Unit	36,500,000	
ADJUSTED PROJECT COST		71,315,085	
PROFIT ON SALE (WITH ASSISTANCE)		4,893,478	

OTHER INVESTMENT METRICS			
Construction Loan		\$53,907,543	
Net Capital Requirement- Construction		17,407,543	
Net Capital Requirement - Long Term		20,251,479	
Yield-On-Cost (Incl. Land)		5.5%	
Yield/Cap Rate Spread		0.4%	

*At the requested level of assistance, economics are still challenged relative to Type V and Type III developments feasible in surrounding submarkets. See appendix D for summary of data sources.

Projected Total Gap for the HTRZ

Development Impediment Impact (structured parking, construction cost, upgrading infrastructure, and land cost)

Total Units in HTRZ	5,125
X TIF Incentive per Unit	<u>\$146,000</u>
= Min. Amount of TIF for Development	\$748,250,000

Affordable Housing Development Impediment Impact

Total Units in HTRZ	5,125
% Affordable	12.5%
Affordable Units	640
X TIF Incentive per Unit	<u>\$41,300</u>
= Min. Amount of TIF for Subsidizing Rent	\$26,432,000

Combined Total Initial Gap *	\$774,682,000
HTRZ Budget **	\$176,983,123
Remaining GAP to be Funded by Non-HTRZ Sources	(\$597,698,877)

* The \$598 million initial gap includes the current development in design (blue-shaded parcels). Conservatively estimating that 33% of the to-be-designed acreage (orange-shaded parcels on map) will be developed over the life of the HTRZ would add 1,700 residential units, increasing the gap.

** Proposal seeks 80% tax-increment capture



APPENDICES

APPENDIX A: HTRZ Parcels

Parcel ID	Owner	Acreage	Parcel ID	Owner	Acreage
15-24-204-005	INTERMOUNTAIN CENTRE 1 LLC	7.48	15-24-254-013	BLANCHAT & CO LLC	0.39
15-24-127-011	LC FREEWAY GZ II	2.28	15-24-254-017	S.G. REAL ESTATE LLC	0.46
15-24-127-012	FREEWAY GZ II, LC	0.9	15-24-254-016	STANISLAW, RALPH M; TR ETAL	0.29
15-24-127-013	LC FREEWAY GZ II	1.63	15-24-254-023	265 CROSSROADS, LLC	0.29
15-24-127-014	LC FREEWAY GZ II	0.99	15-24-254-022	CLL COMMERCIAL REAL ESTATE, LLC	0.57
15-24-201-018	LC FREEWAY GZ II	0.54	15-24-227-036	COMMONWEALTH PARTNERS, LLC	1.3
15-24-201-019	LC FREEWAY GZ II	0.6	15-24-227-002	COMMONWEALTH PARTNERS, LLC	0.12
15-24-201-021	LC FREEWAY GZ II	0.87	15-24-227-003	SAM AND HILARY WILSON, LLC	0.12
15-24-201-020	LC FREEWAY GZ II	1.29	15-24-227-004	SAM AND HILARY WILSON, LLC	0.12
15-24-201-022	LC FREEWAY GZ II	1.36	15-24-227-005	COMMONWEALTH GROUP PROPERTIES, LL	0.12
15-24-201-023	LC FREEWAY GZ II	2.48	15-24-227-031	298 ALABAMA, LLC	0.24
15-24-126-002	LC FREEWAY GZ II	1.8	15-24-227-008	153 WEST HOLDINGS, LLC	0.12
15-24-201-017	UTAH TRANSIT AUTHORITY	0.07	15-24-227-009	153 WEST HOLDINGS, LLC	0.06
15-24-251-006	UTAH TRANSIT AUTHORITY	0.01	15-24-227-010	153 WEST HOLDINGS, LLC	0.06
15-24-251-005-4001	300 WEST OWNER LLC	0.24	15-24-227-011	GREAT PYRENEES PROPERTIES LLC	0.12
15-24-251-005-4002	NORTH 300 WEST LLC	0.16	15-24-227-012	WAVE PRODUCTS INC	0.12
15-24-251-002	NORTH 300 WEST LLC	0.84	15-24-227-022	DISCOUNT MUFFLER AND PERFORMANCE I	0.21
15-24-251-003	NORTH 300 WEST LLC	0.83	15-24-227-023	STEVEN G BRINGS; PHILIP S MCDONALD	0.14
15-24-176-006	NORTH 300 WEST LLC	1.29	15-24-227-024	LD INVESTMENTS, LLC	0.12
15-24-177-010	NORTH 300 WEST LLC	3.37	15-24-227-025	LD INVESTMENTS, LLC	0.1
15-24-178-001	NORTH 300 WEST LLC	1.69	15-24-227-027	JAMES D NELSON	0.09
15-24-178-002	NORTH 300 WEST LLC	0.72	15-24-227-026	PEG'S TRUST 08/12/2020	0.08
15-24-178-004	NORTH 300 WEST LLC	1.12	15-24-227-028	BDR PROPERTY HOLDINGS LLC	0.57
15-24-252-001	NORTH 300 WEST LLC	0.78	15-24-227-017	RCJ HOLDINGS, LLC	0.2
15-24-252-006	NORTH 300 WEST LLC	0.34	15-24-227-016	SAM AND HILARY WILSON, LLC	0.13
15-24-252-004	NORTH 300 WEST LLC	0.69	15-24-227-015	COMMONWEALTH PARTNERS, LLC	0.06
15-24-252-005	NORTH 300 WEST LLC	0.33	15-24-227-014	COMMONWEALTH PARTNERS, LLC	0.06
15-24-252-007	NORTH 300 WEST LLC	0.03	15-24-227-013	COMMONWEALTH PARTNERS, LLC	0.09
15-24-252-003	NORTH 300 WEST LLC	0.03	15-24-227-037	UTOPIA WEALTH, LLC	0.12
15-24-254-006	G&C PROPERTIES LLC	0.57	15-24-228-041	CENTRAL POINT HOLDINGS, LLC	0.05
15-24-254-019	250 CROSSROADS LLC	1.39	15-24-228-003	UNCOMMONWEALTH, LLC	0.13
15-24-254-021	PAZOS ENTERPRISES, LLC	0.66	15-24-228-022	UNCOMMONWEALTH, LLC	0.14

Parcel ID	Owner	Acreage
15-24-254-013	BLANCHAT & CO LLC	0.39
15-24-254-017	S.G. REAL ESTATE LLC	0.46
15-24-254-016	STANISLAW, RALPH M; TR ETAL	0.29
15-24-254-023	265 CROSSROADS, LLC	0.29
15-24-254-022	CLL COMMERCIAL REAL ESTATE, LLC	0.57
15-24-227-036	COMMONWEALTH PARTNERS, LLC	1.3
15-24-227-002	COMMONWEALTH PARTNERS, LLC	0.12
15-24-227-003	SAM AND HILARY WILSON, LLC	0.12
15-24-227-004	SAM AND HILARY WILSON, LLC	0.12
15-24-227-005	COMMONWEALTH GROUP PROPERTIES, LL	0.12
15-24-227-031	298 ALABAMA, LLC	0.24
15-24-227-008	153 WEST HOLDINGS, LLC	0.12
15-24-227-009	153 WEST HOLDINGS, LLC	0.06
15-24-227-010	153 WEST HOLDINGS, LLC	0.06
15-24-227-011	GREAT PYRENEES PROPERTIES LLC	0.12
15-24-227-012	WAVE PRODUCTS INC	0.12
15-24-227-022	DISCOUNT MUFFLER AND PERFORMANCE I	0.21
15-24-227-023	STEVEN G BRINGS; PHILIP S MCDONALD	0.14
15-24-227-024	LD INVESTMENTS, LLC	0.12
15-24-227-025	LD INVESTMENTS, LLC	0.1
15-24-227-027	JAMES D NELSON	0.09
15-24-227-026	PEG'S TRUST 08/12/2020	0.08
15-24-227-028	BDR PROPERTY HOLDINGS LLC	0.57
15-24-227-017	RCJ HOLDINGS, LLC	0.2
15-24-227-016	SAM AND HILARY WILSON, LLC	0.13
15-24-227-015	COMMONWEALTH PARTNERS, LLC	0.06
15-24-227-014	COMMONWEALTH PARTNERS, LLC	0.06
15-24-227-013	COMMONWEALTH PARTNERS, LLC	0.09
15-24-227-037	UTOPIA WEALTH, LLC	0.12
15-24-228-041	CENTRAL POINT HOLDINGS, LLC	0.05
15-24-228-003	UNCOMMONWEALTH, LLC	0.13
15-24-228-022	UNCOMMONWEALTH, LLC	0.14

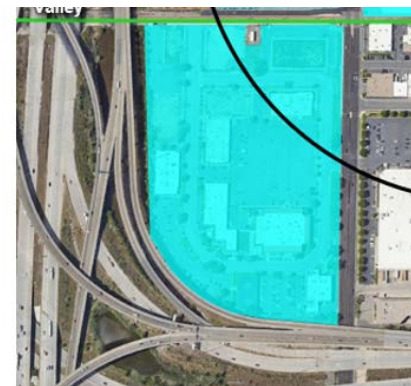
Parcel ID	Owner	Acreage
15-24-228-023	125 GROUP, LLC	0.27
15-24-228-024	151 W COMMONWEALTH AVE LLC	0.14
15-24-228-025	151 W COMMONWEALTH AVE LLC	0.14
15-24-228-026	SECOND ANNA STEVENSON FAMILY, LLC	0.14
15-24-228-038	SECOND ANNA STEVENSON FAMILY, LLC	0.01
15-24-228-039	SECOND ANNA STEVENSON FAMILY, LLC	0.2
15-24-228-029	SECOND ANNA STEVENSON FAMILY, LLC	0.2
15-24-228-028	CALL HOME INVESTMENTS, LLC	0.41
15-24-228-011	UNCOMMONWEALTH, LLC	0.13
15-24-228-010	CENTRAL POINT HOLDINGS, LLC	0.25
15-24-228-001	CENTRAL POINT HOLDINGS, LLC	0.21
15-24-228-037	UTOPIA WEALTH, LLC	0.06
15-24-230-015	RESID, TRST	1.67
15-24-230-016	RESID, TRST	2.1
15-24-229-014	MILNER. WILLIAM & JACQUELINE	0.16
15-24-229-004	BRC ADG QOZB 1 JV, LLC	0.26
15-24-229-010	BRC ADG QOZB 1 JV, LLC	0.08
15-24-229-011	BRC ADG QOZB 1 JV, LLC	0.08
15-24-229-009	BRC ADG QOZB 1 JV, LLC	0.16
15-24-229-006	BRC ADG QOZB 1 JV, LLC	0.18
15-24-229-007	BRC ADG QOZB 1 JV, LLC	0.19
15-24-229-015	RDB ASSOCIATES LC	0.23
15-24-230-003	BRC ADG QOZB 1 JV, LLC	0.29
15-24-230-004	BRC ADG QOZB 1 JV, LLC	0.29
15-24-230-006	LYNN O FREEMAN	0.19
15-24-230-007	BRINKERHOFF, ALLAN T	0.25
15-24-230-008	BRINKERHOFF, ALLAN T	1.61
15-24-276-028	CRUS OIL, INC	0.81
15-24-276-029	CRUS PROPERTY 1, LLC	0.32
15-24-276-030	CRUS OIL, INC	1.23
15-24-276-022	CRUS DEVELOPMENT, LLC	0.67
15-24-276-023	TORONTO LAND & DEVELOPMENT COMPA	0.61

Parcel ID	Owner	Acreage
15-24-276-019	CRUS OIL, INC	0.13
15-24-276-021	ROBERTS LAND, LLC	0.4
15-24-276-020	ARCH ENTERPRISES LC	0.72
15-24-276-025	WASATCH MANAGEMENT ASSOCIATES, LLC	1.01
15-24-276-026	HAVEN AVE LLC	0.24
15-24-276-007	R FLINN LLC	0.24
15-24-276-008	R FLINN LLC	0.24
15-24-276-009	AM I 140 WEST HAVEN, LLC	0.43
15-24-276-010	DELVIES INVESTMENT	0.52
15-24-276-017	MITCHELL FAMILY PROPERTIES LC	0.17
15-24-276-018	TWINKEL LLC	0.3
15-24-276-014	VINA, ANTHONY	0.15
15-24-276-013	VINA, ANTHONY	0.16
15-24-280-002	JEFFREY P RICHARDS	0.37
15-24-280-001	MBI 1, LLC	0.29
15-24-279-009	TEMPLE VENTURES LLC	0.47
15-24-279-008	HIVESPACE LLC	0.45
15-24-280-022	GB 2270-2280 S MAIN ST, LLC	0.37
15-24-280-023	GB 2270-2280 S MAIN ST, LLC	0.45
15-24-280-006	UFI LLC	0.48
15-24-280-007	J&B BUCHI PROPERTIES, LLC	0.48
15-24-279-010	CALIFORNIA BANGERTER OFFICE, LLC	0.3
15-24-279-004	CALIFORNIA BANGERTER OFFICE, LLC	0.42
15-24-279-005	CALIFORNIA BANGERTER OFFICE, LLC	0.34
15-24-279-007	CALIFORNIA BANGERTER OFFICE, LLC	0.54
15-24-279-006	CALIFORNIA BANGERTER OFFICE, LLC	0.53
15-24-237-003	PG INVESTMENTS 2, L.C.	0.85
15-24-237-004	PG INVESTMENTS 2, L.C.	0.47
15-24-236-002	L.C. PG INVESTMENTS 2	0.51
15-24-236-003	PG INVESTMENTS 2, L.C.	0.6
15-24-236-009	PG INVESTMENTS 2, L.C.	0.96
15-24-236-006	PG INVESTMENTS 2, L.C.	0.83

Parcel ID	Owner	Acreage
15-24-239-001	SOUTH CITY CONDOMINIUMS HOA	2.15
15-24-239-002	SSLC MULTIFAMILY-PARKING	0.01
15-24-239-003	SSLC MULTIFAMILY-PARKING	0.01
15-24-239-004	SSLC OFFICE 1, LLC	0.01
15-24-239-005	SSLC OFFICE 1, LLC	0.01
15-24-239-006	SSLC OFFICE 1, LLC	0.01
15-24-239-007	SSLC MULTIFAMILY-PARKING	0.01
15-24-239-008	SSLC MULTIFAMILY-PARKING	0.01
15-24-233-021	LD INVESTMENTS, LLC	0.21
15-24-233-013	LD INVESTMENTS, LLC	0.23
15-24-233-019	UTOPIA PROPERTIES QOZB, LLC	0.22
15-24-233-018	UTOPIA PROPERTIES QOZB, LLC	0.11
15-24-234-021	PANAMA PARTNERS WEST, LLC	0.17
15-24-234-020	PANAMA PARTNERS WEST, LLC	0.16
15-24-235-012	PANAMA PARTNERS WEST, LLC	0.17
15-24-235-011	PANAMA PARTNERS WEST, LLC	0.16
15-24-235-010	PANAMA PARTNERS WEST, LLC	0.08
15-24-235-009	PANAMA PARTNERS WEST, LLC	0.08
15-24-235-008	PANAMA PARTNERS WEST, LLC	0.12
16-19-153-010	EDISON WAY LLC	0.45
16-19-153-007	EDISON WAY LLC	0.59
16-19-153-006	EDISON WAY LLC	0.13
16-19-153-005	EDISON WAY LLC	0.19
16-19-153-004	EDISON WAY LLC	0.13
16-19-153-009	EDISON WAY LLC	0.13
16-19-153-008	EDISON WAY LLC	0.13
16-19-153-003	2345 S MAIN BUILDING LLC	0.13
16-19-153-002	DEVENPORT, DAN DEVENPORT, JOE	0.13
16-19-153-001	2345 S MAIN BUILDING LLC	1.5
15-24-282-013	BURTON AND MAIN STREET LLC	0.23
15-24-282-028	BURTON AND MAIN STREET LLC	0.25
15-24-282-010	BURTON AND MAIN STREET LLC	0.13

Parcel ID	Owner	Acreage
15-24-282-009	BURTON AND MAIN STREET LLC	0.13
15-24-282-029	BURTON AND MAIN STREET LLC	0.05
15-24-282-022	BURTON AND MAIN STREET LLC	0.2
15-24-282-025	BURTON AND MAIN STREET LLC	0.08
15-24-282-024	BURTON AND MAIN STREET LLC	0.08
15-24-282-023	BURTON AND MAIN STREET LLC	0.08
15-24-280-005	TURNKEY PROPERTIES, LLC	0.52
15-24-280-021	ALLERGY RESEARCH GROUP, LLC	1.43
15-24-280-020	ALLERGY RESEARCH GROUP, LLC	0.56
15-24-280-018	ALLERGY RESEARCH GROUP, LLC	0.82
15-24-280-004	ALLERGY RESEARCH GROUP, LLC	0.63
15-24-280-008	PAB INVESTMENTS LLC	0.35
15-24-280-009	ALLERGY RESEARCH GROUP, LLC	0.13
15-24-280-010	CRESSIDA, LLC	0.25
15-24-280-013	CULP CONSTRUCTION COMPANY	0.47
16-19-154-001	SUNBELT RENTALS, INC	0.22
16-19-154-007	NEIGHBORHOOD RENEWAL LLC	0.08
16-19-154-008	SUNBELT RENTALS, INC	0.13
16-19-154-016	SUNBELT RENTALS, INC	0.25
16-19-154-002	SUNBELT RENTALS, INC	0.13
16-19-154-003	SUNBELT RENTALS, INC	0.13
16-19-154-004	SUNBELT RENTALS, INC	1.27
16-19-154-005	BLACK MOUNTAIN INVESTMENTS LLC	0.13
16-19-154-006	STAPLES, RICHARD E & JUDITH F	0.13
16-19-154-011	BLACK MOUNTAIN INVESTMENTS LLC	0.13
16-19-154-012	STAPLES, RICHARD E & JUDITH F	0.13
16-19-154-013	STAPLES, RICHARD E & JUDITH F	0.27
16-19-154-017	PARTS LC	0.12
16-19-154-018	PARTS LC	0.28
15-24-126-003	MIDWEST MOTOR EXPRESS, INC	3.41
15-24-203-007	MNG INTERPOINTE LLC	0.97
15-24-203-013	MNG INTERPOINTE LLC	0.52

Parcel ID	Owner	Acreage
15-24-203-014	MNG INTERPOINTE LLC	0.1
15-24-203-011	MNG INTERPOINTE LLC	2.29
15-24-203-015	MNG INTERPOINTE LLC	3.12
TOTAL		99.77



As discussed with GOEO prior to submittal, the above-shaded area (know as Time Square) is made up of several parcels all of which have been aggregated by the same ownership group for redevelopment as a cohesive project. The existing uses and parcel delineations will be modified from their current status. All future parcel boundaries, pursuant to updated plats, will be bisected by the HTRZ boundary. This re-platting process, occurring in phases, has been initiated between the developer and the city.

APPENDIX B: Absorption Schedule

	2024	2025	2026	2027	2028	Total (2023-2028)
Residential (units)	634	1,791	1,344	679	679	5,125
Office (sqft)	18,000	150,000	-	50,000	50,000	268,000
Hotel (keys)	-	130	-	-	-	130

APPENDIX C: Property Tax Budget – Financing Schedule

	Payment Year	2026	2027	2028	2029	2030	2031	2032	2033
INCREMENTAL PROPERTY TAX ANALYSIS:	Tax Year	2025	2026	2027	2028	2029	2030	2031	2032
Cumulative Taxable Value	Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Residential		272,909,879	734,074,205	734,074,205	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477
Office		51,751,721	51,751,721	51,751,721	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560
Hotel		19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132
To be Planned Development		-	-	-	35,416,458	70,832,916	106,249,374	141,665,832	177,082,290
Current Property Value		193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009
(Less 2022 Building Valuations)		(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)
(Less Base Year Value)		(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)
TOTAL INCREMENTAL VALUE:		257,784,451	718,948,777	718,948,777	1,050,582,346	1,085,998,804	1,121,415,262	1,156,831,720	1,192,248,178
CDA PROJECT AREA BUDGET	Payment Year	2026	2027	2028	2029	2030	2031	2032	2033
Sources of Funds:	Tax Year	2025	2026	2027	2028	2029	2030	2031	2032
INCREMENTAL TAXRATE & ANALYSIS	2022								
Salt Lake County	0.001459	376,108	1,048,946	1,048,946	1,532,800	1,584,472	1,636,145	1,687,817	1,739,490
Salt Lake County Library	0.000386	99,505	277,514	277,514	405,525	419,196	432,866	446,537	460,208
Granite School District	0.006311	1,626,878	4,537,286	4,537,286	6,630,225	6,853,738	7,077,252	7,300,765	7,524,278
South Salt Lake City	0.002565	661,217	1,844,104	1,844,104	2,694,744	2,785,587	2,876,430	2,967,273	3,058,117
South Salt Lake Valley Mosquito Abatement District	0.000009	2,320	6,471	6,471	9,455	9,774	10,093	10,411	10,730
Central Utah Water Conservancy District	0.000400	103,114	287,580	287,580	420,233	434,400	448,566	462,733	476,899
Totals:	0.011130	2,869,141	8,001,900	8,001,900	11,692,982	12,087,167	12,481,352	12,875,537	13,269,722
<i>Property Tax Increment for Budget</i>									
Salt Lake County		300,886	839,157	839,157	1,226,240	1,267,578	1,308,916	1,350,254	1,391,592
Salt Lake County Library		79,604	222,011	222,011	324,420	335,356	346,293	357,230	368,166
Granite School District		1,301,502	3,629,829	3,629,829	5,304,180	5,482,991	5,661,801	5,840,612	6,019,423
South Salt Lake City		528,974	1,475,283	1,475,283	2,155,795	2,228,470	2,301,144	2,373,819	2,446,493
South Salt Lake Valley Mosquito Abatement District		1,856	5,176	5,176	7,564	7,819	8,074	8,329	8,584
Central Utah Water Conservancy District		82,491	230,064	230,064	336,186	347,520	358,853	370,186	381,519
Total Property Tax Increment for Budget:		2,295,313	6,401,520	6,401,520	9,354,385	9,669,733	9,985,081	10,300,430	10,615,778
<i>Uses of Tax Increment Funds</i>		2026	2027	2028	2029	2030	2031	2032	2033
HTRZ Allowable Costs		2,295,313	6,401,520	6,401,520	9,354,385	9,669,733	9,985,081	10,300,430	10,615,778
Total:		2,295,313	6,401,520	6,401,520	9,354,385	9,669,733	9,985,081	10,300,430	10,615,778

APPENDIX C: PROPERTY TAX BUDGET - FINANCING SCHEDULE

2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477
83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560
19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132
212,498,748	247,915,206	283,331,664	318,748,122	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580
193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009
(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)
(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)
1,227,664,636	1,263,081,094	1,298,497,552	1,333,914,010	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468
2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
1,791,163	1,842,835	1,894,508	1,946,181	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853
473,879	487,549	501,220	514,891	528,562	528,562	528,562	528,562	528,562	528,562	528,562	528,562
7,747,792	7,971,305	8,194,818	8,418,331	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845
3,148,960	3,239,803	3,330,646	3,421,489	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333
11,049	11,368	11,686	12,005	12,324	12,324	12,324	12,324	12,324	12,324	12,324	12,324
491,066	505,232	519,399	533,566	547,732	547,732	547,732	547,732	547,732	547,732	547,732	547,732
13,663,907	14,058,093	14,452,278	14,846,463	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648
1,432,930	1,474,268	1,515,606	1,556,944	1,598,283	1,598,283	1,598,283	1,196,123	657,852	657,852	353,230	311,892
379,103	390,039	400,976	411,913	422,849	422,849	422,849	316,452	174,044	174,044	93,452	82,516
6,198,233	6,377,044	6,555,854	6,734,665	6,913,476	6,913,476	6,913,476	5,173,908	2,845,581	2,845,581	1,527,918	1,349,108
2,519,168	2,591,842	2,664,517	2,737,192	2,809,866	2,809,866	2,809,866	2,102,848	1,156,539	1,156,539	620,997	548,322
8,839	9,094	9,349	9,604	9,859	9,859	9,859	7,378	4,058	4,058	2,179	1,924
392,853	404,186	415,519	426,852	438,186	438,186	438,186	327,930	180,357	180,357	96,842	85,508
10,931,126	11,246,474	11,561,822	11,877,170	12,192,518	12,192,518	12,192,518	9,124,639	5,018,432	5,018,432	2,694,618	2,379,269
2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
10,931,126	11,246,474	11,561,822	11,877,170	12,192,518	12,192,518	12,192,518	9,124,639	5,018,432	5,018,432	2,694,618	2,379,269
10,931,126	11,246,474	11,561,822	11,877,170	12,192,518	12,192,518	12,192,518	9,124,639	5,018,432	5,018,432	2,694,618	2,379,269

2046	2047	2048	2049	2050	2051	2052	2053	2054	2055		
2045	2046	2047	2048	2049	2050	2051	2052	2053	2054		
Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30		
998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	998,468,477	
83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	83,574,560	
19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	19,889,132	
354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	354,164,580	
193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	193,190,009	
(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	(86,766,281)	
(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	(193,190,009)	
1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	1,369,330,468	
2046	2047	2048	2049	2050	2051	2052	2053	2054	2055		
2045	2046	2047	2048	2049	2050	2051	2052	2053	2054		
										TOTALS	NPV
1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	1,997,853	54,090,768	29,469,785
528,562	528,562	528,562	528,562	528,562	528,562	528,562	528,562	528,562	528,562	14,310,512	7,796,667
8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	8,641,845	233,973,156	127,473,483
3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	3,512,333	95,094,461	51,809,457
12,324	12,324	12,324	12,324	12,324	12,324	12,324	12,324	12,324	12,324	333,665	181,788
547,732	547,732	547,732	547,732	547,732	547,732	547,732	547,732	547,732	547,732	14,829,546	8,079,448
15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	15,240,648	412,632,107	224,810,627
										TOTALS	NPV
270,554	229,215	187,877	146,539	105,201	63,863	22,525	-	-	-	23,501,099	15,738,827
71,579	60,642	49,706	38,769	27,833	16,896	5,959	-	-	-	6,217,563	4,163,939
1,170,297	991,487	812,676	633,865	455,055	276,244	97,433	-	-	-	101,655,544	68,079,328
475,648	402,973	330,298	257,624	184,949	112,275	39,600	-	-	-	41,316,189	27,669,700
1,669	1,414	1,159	904	649	394	139	-	-	-	144,969	97,087
74,175	62,842	51,509	40,175	28,842	17,509	6,175	-	-	-	6,443,070	4,314,963
2,063,921	1,748,573	1,433,225	1,117,877	802,529	487,181	171,832	-	-	-	179,278,435	120,063,845
2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	Totals	NPV
2,063,921	1,748,573	1,433,225	1,117,877	802,529	487,181	171,832	-	-	-	179,278,435	120,063,845
2,063,921	1,748,573	1,433,225	1,117,877	802,529	487,181	171,832	-	-	-	179,278,435	120,063,845

Data Sources for SSL Pro forma

Rents Unit sizes and rents derived from Costar (see page 28)

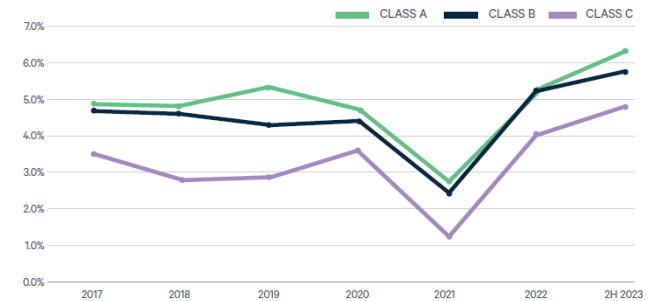
Vacancy CBRE Multifamily Market Report Mid-Year 2023 (see Right)

Note: The 6.5% vacancy is a conservative assumption for the purposes of this proposal. Costar data reports SSL submarket vacancy at 8.9% with a forecast future run-rate vacancy at ~8.0%

GREATER SALT LAKE VACANCY RATES

The Greater Salt Lake Area experienced a sharper increase in vacancy since 2021 compared to the U.S. market, suggesting the rapid increase in supply provided greater optionality for renters.

Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily



Cap Rate 5.08%, Average cap rate as reported in Colliers Utah Multifamily Market Update, Fall 2023

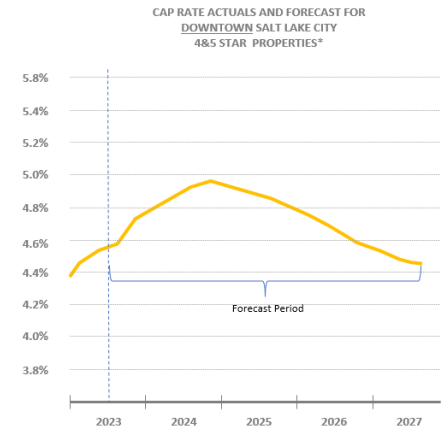
Note 1: Downtown typically enjoys a cap rate spread 20-70 bps lower relative to South Salt Lake. (See average Downtown cap rate at far right, per Costar)

Note 2: Costar expects cap rates to rise in coming years. No decline from today's cap rate is anticipated in the foreseeable future

Colliers (Salt Lake Metro)

	H1 2023
Total Transactions	24
Average Cap Rate	5.08%

Costar (Downtown Class A*)



*South Salt Lake cap rates are typically 20-70bps higher than Downtown Salt Lake City data above

Costs Interviews with multiple developers and contractors.

While reasonable market return and profitability thresholds have recently been established by Zion’s Bank, for reference is the pro forma and return for a developer developing in downtown Salt Lake City. Assumes no public assistance.

DOWNTOWN (Many of the Same Development Impediments, but Higher Rents than SSL)								
Type	Units	% Mix	Unit Sq.	Rentable		Asking Rent		Annual
				Sq. Feet	\$ Unit/mo.	\$ PSF/mo.		
Studio	40	16%	478	19,132	1,710	3.57		820,660
One Bed	100	40%	661	66,137	1,896	2.87		2,275,393
Two Bed	100	40%	1,051	105,088	2,295	2.18		2,753,895
Three	10	4%	1,360	13,600	3,152	2.32		378,298
TOTAL	250	100%	816	203,957	2,076	2.54		\$6,228,245

BUILDING COST \$ per RSF				INCOME	
C&S	Finish	FF&E	\ Total	in \$	% COST
275.00	20.0	10.0	\$305	62,206,951	10.0%

BASE YEAR STABILIZED CASH FLOW	
Rent	6,228,245
Ancillary Income	1,200,000
Less: Vacancy - Overall	(371,412)
EFFECTIVE RENTAL INCOME	7,056,833
Less: Operating Expenses (% of ERI)	(1,834,777)
Management Fees (% of ERI)	(211,705)
Reserves (% of ERI)	(70,568)
TOTAL EXPENSES & RESERVES	(2,117,050)
NET OPERATING INCOME	\$4,939,783
Construction Interest	(3,606,415)
Construction Cash Flow	1,333,368
Long-Term Debt Service	(4,712,986)
Long-Term Cash Flow	226,797

PROJECT MARKET VALUE	
Market Value - Multifamily	109,772,954
Market Value - Other	-
TOTAL MARKET VALUE	\$109,772,954

FINANCING	
CONSTRUCTION LOAN	\$51,520,218
Interest Rate	7.00%
Annual Construction Interest	3,606,415
Loan-to-Value	47%
Loan-to-Cost	50%
PERM LOAN	\$72,450,150
Loan-to-Value (LTV)	66%
Interest Rate	5.00%
Amortization Period	30
Annual Debt Service	4,712,986
Debt Yield / Loan Constant	6.8% / 6.5%
Debt Service Coverage Ratio (DSCR)	1.05

COST SUMMARY	
TOTAL BUILDING COSTS	62,206,951 60.4%
Demo and Site Prep	1,089,000 1.1%
Amenities	1,000,000 1.0%
Parking	13,050,000 12.7%
Infrastructure Enhancement	250,000 0.2%
Site Contingency (5.00%)	3,879,798 3.8%
TOTAL CONSTRUCTION COSTS	81,475,749 79.1%
LAND PURCHASE	7,500,000 7.3%
TOTAL LAND & CONSTRUCTION	88,975,749 86.4%
OTHER COSTS	
Architects & Engineers (3.50% of TCC)	2,851,651 2.8%
Legal & Misc. (1.00% of TCC)	814,757 0.8%
City Permits & Fees (3.00% of TCC)	2,444,272 2.4%
Development Overhead (5.00% of TCC)	4,073,787 4.0%
Leasing / Marketing	553,361 0.5%
Constr. Loan & Costs (1.00% of Constr. Loan)	515,202 0.5%
Construction Interest	2,404,277 2.3%
Other Contingency	407,379 0.4%
Total Other Costs	14,064,687 13.6%
TOTAL COSTS	\$103,040,436 100.0%

INVESTMENT ANALYSIS	
TOTAL PROJECT COSTS	103,040,436
ADJUSTED PROJECT COSTS	\$103,040,436
PROFIT ON SALE (NO ASSISTANCE) *	\$5,085,924
OTHER INVESTMENT METRICS	
Construction Loan	51,520,218
NET CAPITAL REQUIREMENT- Construction	51,520,218
NET CAPITAL REQUIREMENT - Long term	30,590,286
YIELD-ON-COST (incl. Land)	4.8%
YIELD/CAP RATE SPREAD	0.29%

* Analysis illustrates challenged economics, suggesting that many projects proposed downtown will no longer be economically justifiable, particularly with cap rates expected to increase, unless such projects warrant public assistance.

While reasonable market return and profitability thresholds have recently been established by Zion’s Bank, for reference is a pro forma and return for a developer developing at 30 du/ac (typical of neighboring suburban markets which are not subject to the impediments found in South Salt Lake). Assumes no public assistance.

SUBURBAN (Development Imediments found in SSL HTRZ Are Not Applicable)							
Type	Units	% Mix	Unit Sq.	Rentable Sq. Feet	Asking Rent \$ Unit/mo.	\$	Annual
Junior 1	40	17%	574	22,967	1,148	2.00	551,208
One Bed	100	33%	777	77,666	1,437	1.85	1,724,179
Two	100	14%	1,040	104,011	1,820	1.75	2,184,228
Three	10	2%	1,462	14,624	2,267	1.55	272,001
TOTA	250	65%	523	219,267	960	1.83	\$4,731,617

Building Cost \$ per RSF				INCOME	
C&S	Finish	FF&E	\ Total	in \$	% COST
185.00	15.0	10.0	\$210	46,046,137	10.3%

BASE YEAR STABILIZED CASH FLOW		% TOTAL COSTS	
Rent	4,731,617	TOTAL BUILDING COSTS	46,046,137 74.1%
Ancillary Income	300	Demo and Site Prep	\$0/ GSF 0 0.0%
Less: Vacancy - Overall	6.5% (366,055)	Amenities	1,000,000 1.6%
EFFECTIVE RENTAL INCOME	5,265,562	Parking	290 Stalls 3,200 928,000 1.5%
Less: Operating Expenses (% of ERI)	26.0% (1,369,046)	Off-Sites / Infrastructure	1,000,000 1.6%
Management Fees (% of ERI)	3.0% (157,967)	Site Contingency (5.00%)	96,400 0.2%
Reserves (% of ERI)	1.0% (52,656)	TOTAL CONSTRUCTION COSTS	49,070,537 79.0%
TOTAL EXPENSES & RESERVES	30.0% (1,579,668)	LAND PURCHASE *	363,000 SF 4,374,150 7.0%
NET OPERATING INCOME	\$3,685,893	TOTAL LAND & CONSTRUCTION	53,444,687 86.0%
Construction Interest	(2,174,823)	OTHER COSTS	
Construction Cash Flow	1,511,071	Architects & Engineers (3.50% of TCC)	1,717,469 2.8%
Long-Term Debt Service	(2,831,960)	Legal & Misc. (1.00% of TCC)	490,705 0.8%
Long-Term Cash Flow	853,933	City Permits & Fees (3.00% of TCC)	1,472,115 2.4%
		Development Overhead (5.00% of TCC)	2,453,527 3.9%
		Leasing / Marketing	553,361 0.9%
		Constr. Loan & Costs (1.00% of Constr. Loan)	310,689 0.5%
		Construction Interest	1,449,882 2.3%
		Other Contingency	245,353 0.4%
		Total Other Costs	8,693,102 14.0%
		TOTAL COSTS	\$62,137,789 100.0%

PROJECT MARKET VALUE		FINANCING	
Market Value - Multifamily	5.08%	CONSTRUCTION LOAN	\$31,068,894
Market Value - Other	-	Interest Rate	7.00%
TOTAL MARKET VALUE	Blend ----- 5.08%	Annual Construction Interest	12 Mos. 2,174,823
		Loan-to-Value	43%
		Loan-to-Cost	50%
		PERM LOAN	\$43,534,177
		Loan-to-Value (LTV)	60%
		Interest Rate	5.00%
		Amortization Period	30
		Annual Debt Service	2,831,960
		Debt Yield / Loan Constant	8.5% / 6.5%
		Debt Service Coverage Ratio (DSCR)	1.30

INVESTMENT ANALYSIS	
TOTAL PROJECT COSTS	62,137,789
ADJUSTED PROJECT COSTS	\$62,137,789
PROFIT ON SALE	1.50% (sales costs) \$9,330,809
OTHER INVESTMENT METRICS	
Construction Loan	31,068,894
NET CAPITAL REQUIREMENT- Construction	31,068,894
NET CAPITAL REQUIREMENT - Long term	18,603,611
YIELD-ON-COST (incl. Land)	5.9%
YIELD/CAP RATE SPREAD	0.85%

* Developing at this density in SSL would require a material shift in market land values. No developer, equity partner, or lender could or would aggregate 8.33 acres of land in SSL at a price \$25-\$33MM (\$3-4MM per acre) to achieve 30 du/ac. Doing so makes the above proforma economically unjustifiable and falls outside of the scope of HTRZ public assistance and City's vision.