

REDEVELOPMENT AGENCY

of Salt Lake City

Reissuance of Bonds

In order to take advantage of favorable interest rates, the Agency refinanced \$16,900,000 of outstanding bonds sold in 1990 and 1992 issued for land acquisition and other costs related to the development of the Delta Center and Salt Palace. The refinance reduced the debt service payments by approximately \$500,000 per year for the remaining 12 years. The savings are returned to each of the taxing entities such as Salt Lake City, Salt Lake County, and the School District to be included as part of the distribution of property taxes.

Prospect Partners

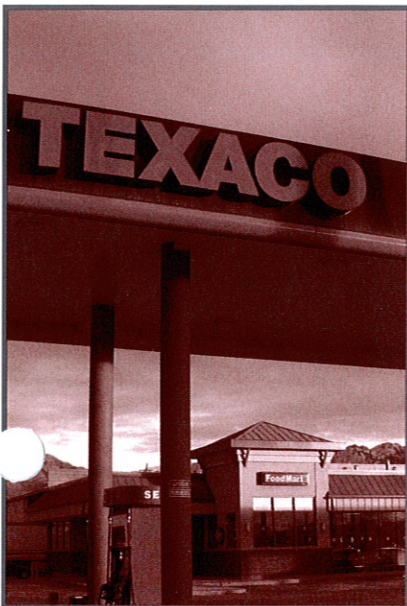
West Temple Gateway | 1

754 Partners, LC, an architectural firm, received a \$50,000 loan for facade renovation and building improvements for their business. A portion of the space is leased to the Community Action Program. This is one of the Agency's first Neighborhood Business loans in the West Temple Gateway Project Area, an excellent example of how a blighted warehouse can be turned into attractive office space.



Dunn Oil/Environmental Loan

In February 2002, the Agency loaned Jackson Dunn, LLC, \$100,000 from its Environmental Loan Program to incorporate environmental improvements into a gas station/retail development located at 1901 South 300 West. The new development includes gas pump stations for cars and semi-trucks, a minimart and a Iceberg Drive Inn restaurant. Funds from the program were used to install an EPA-approved gas pump/tank system as well as analyze and remediate contamination on the site. The Agency hopes to offer more environmental loans in the future, which are funded by CDBG and Revolving Loan Fund money.



Hidden Hollow Connects to

Sugar House | 2

Sugar House Park

As part of the new Parkview Plaza II office building, Mecham Associates has constructed a staircase that will allow pedestrians to walk from Hidden Hollow up to 1300 East Street and across to Sugar House



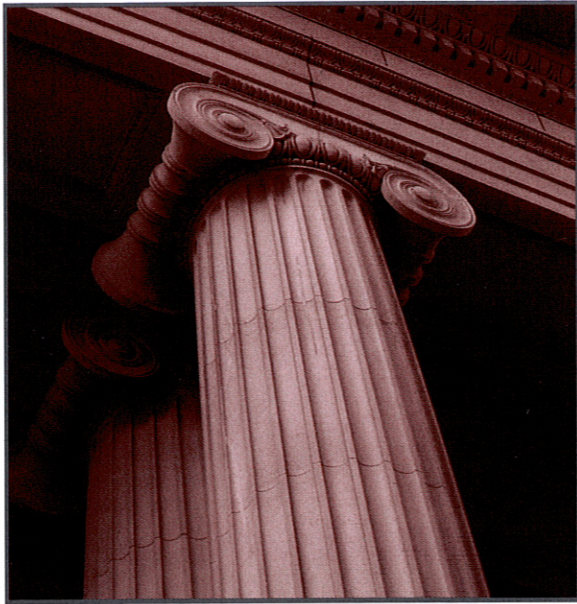
Park via the crosswalk at Wilmington Avenue. The Agency contributed \$140,000 for the design and construction of the staircase that also provides access to the retail space and outdoor dining area overlooking Hidden Hollow.

Regent - Orpheum Streets

CBD | 3

Pedestrians traveling from the ZCMI Center to the Gallivan Utah Center will enjoy the new improvements to Regent and Orpheum Streets. Situated on the block bordered by 100 South, State Street, 200 South and Main Street, Regent and Orpheum Streets provide important mid-block access for both pedestrians and vehicles. The Agency funded \$150,000 for the construction of new sidewalk ramps, installation of concrete paver crosswalks, replacement of damaged curb and gutter as well as upgrading the street lighting.





Boston Building Renovation Loan | CBD | 4

The Agency provided a \$100,000 renovation loan to J. Michael Martin Properties for the Boston Building at 9 Exchange Place. In addition to constructing tenant improvements, the loan was used to upgrade the boiler and install a new pressure stack for the building

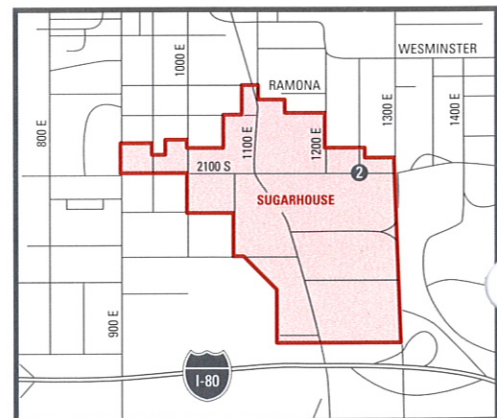
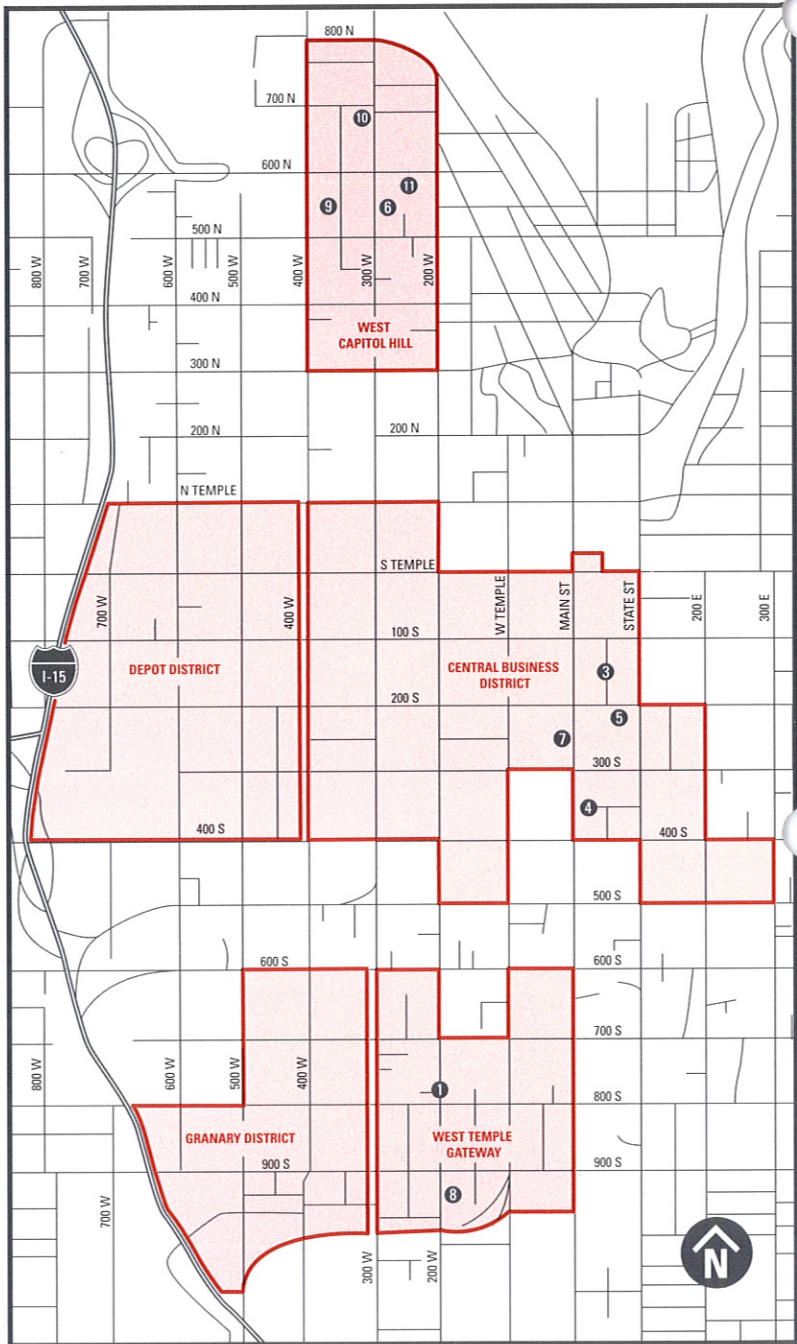
Bud World 2002 | CBD | 5

During the 2002 Winter Games, the Gallivan Utah Center played host to the most successful celebration as Anheuser-Busch transformed the 3-acre downtown plaza into BudWorld. The free event included nightly concerts, glass-blowing demonstrations, live coverage of the games, as well as ski and snowboard stunt presentations and of course, the Clydesdale horses. Thousands of visitors warmed up in the interactive sponsor booths, participated in daily table-hockey tournaments or just enjoyed the displays celebrating the history of the Winter Games. The BudWorld celebration helped ensure that Gallivan Center remained the center of attention and the place to be during the Olympics.

Commercial Node | West Capitol Hill | 6

The Agency is continuing its efforts to market the Commercial Node properties in the West Capitol Hill Neighborhood located at 500 North and 300 West. Beginning in September 2001, the Agency, with the assistance of IBI Group, began a 9-month community based design process that produced design guidelines and a reuse plan for the site. Once completed, the plan and guidelines were presented to and approved by the Agency's Board of Directors, the Historic Landmark Commission, and the Capitol Hill Community Council. The Agency has also received approval to demolish four of the housing structures located on the property. The Agency has split the properties into four parcels and will market them in accordance with the reuse plan. Any interested parties should contact Mack McDonald at 535-7240 for more information.

RDA PROJECT AREAS



HOUSING

The Strategic Plans adopted by the Board of Directors in the spring of 2000 included statements to focus the Agency's housing efforts. The adopted guidelines state that until the redevelopment plans are fully implemented, the Agency's housing budget should be split approximately 80/20 between the generating project area and city-wide housing projects.

PROJECT AREA HOUSING

Statutorily, the Agency can spend tax increment generated in one project area to assist in the development of "affordable housing" in the any other established project areas. The Board of Directors has defined by resolution "affordable housing" to mean housing to be owned or occupied by persons and families whose income is at or below 120% of area median income. The majority of our efforts are focused on improving housing opportunities within the six adopted project areas. Examples of these projects include:



Lollin/Karrick Building

CBD | 7

HP Salt Lake City purchased the 20,000 square foot, historic Lollin/Karrick buildings in 1999. As part of an agreement to transfer development rights from a corner parcel to a mid-block parcel, HP Salt Lake City agreed to renovate these two historic structures. The project includes basement and first floor commercial space and five housing units on the second and third floors. The total cost of the Lollin/Karrick renovation was approximately \$5,350,000 of which \$2,276,450 was eligible for reimbursement under the Agency's Building Renovation Loan Program. Construction was completed in the first quarter of 2002.

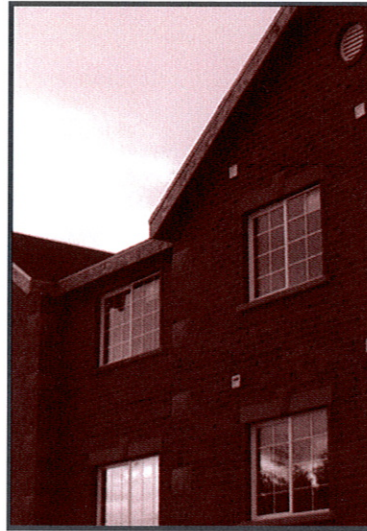
Green Street Partners | West Temple Gateway | 8

Green Street Partners bought a .25 acre parcel located at 925 South 200 West from the Agency. The project will include approximately 2,000 square feet of street level commercial space and 25 residential units. Ten studio, five one-bedroom, and ten two-bedroom units along with 14 parking stalls will be built for households whose incomes range between 30% and 50% of median income. This project is funded by a combination of Low-Income Housing Tax Credits, financing from the Federal Home Loan Bank, Utah Community Reinvestment Corporation, the Olene Walker Housing Trust Fund, and the Salt Lake City Housing Trust Fund.

Pugsley West/North | West Capitol Hill | 9

The Agency acquired an assemblage of land on Pugsley Street. Neighborhood Housing Services (NHS) and Salt Lake City Corporation's Housing Division (HAND) responded to the Agency's RFP to develop nine single-family homes on the property. NHS and HAND signed a Joint Venture Agreement and are preparing to break ground in December 2002. The new homes are designed to reflect the historic nature of the neighborhood, and yet will still be moderately priced.

700 North 300 West | West Capitol Hill | 10



In June of 2002, the Agency executed a Development Agreement with Aurora Development for the property located at 700 North 300 West. The developments will consist of three, two and a half story structures containing a total of 36 condominium units. Each unit will have three bedrooms and two

baths. The development includes 36 covered parking stalls, 36 uncovered parking stalls and an exterior playground. The overall development will significantly assist in the Agency's efforts to improve the West Capitol Hill Project Area and make future surrounding developments more economically viable.

Capitol Villa | West Capitol Hill | 11

Community Housing Services is purchasing the Capitol Villa apartment complex in the West Capitol Hill neighborhood and renovating the 108-unit complex in order to preserve the low-income elderly housing. The project is being funded with a combination of low-income housing tax credits, Section 8 housing assistance and an assortment of mortgages from the Utah Community Reinvestment Corporation, Salt Lake City Housing Trust Fund and the State Department of Community and Economic Development. The Agency is providing a \$718,000 loan for the renovation of the apartments that will include new windows, carpet and flooring, counters, cabinets, appliances, painting and wall coverings, HVAC, insulation and security system.

CITY-WIDE HOUSING

According to the Utah Redevelopment Agencies Act, the Agency may not allocate more than 20% of its funds to address city-wide housing issues. Funds which are allocated for city-wide housing must be loaned or granted to entities whose projects provide "housing to be owned or occupied by a family whose annual income is at or below 80% of the median annual income for the county in which the housing is located."

1285 West 500 North

Through the Abandoned and Boarded Gas Station Program, the Agency acquired land located at 1285 West 500 North. The Agency demolished an old service station to make way for a new mixed-use structure to be comprised of two live/work units with retail space at ground level and residential space on the upper floor. The units will be affordable to those whose income is 80% average median income or lower. The Board of Directors recently approved site plans, and construction is expected to start in early spring.

600 North 800 West

In June of 2001, the Agency executed a Purchase and Sale Agreement with GG&D Woodruff, LLC, for the property located at 600 North 800 West. The development will consist of three twin homes, each containing approximately 1,200 square feet of finished space in two above grade stories and 600 square feet of unfinished basement space. All units will also contain three bedrooms and one and a half baths, as well as offer ADA accessibility. This development created a challenge; the property is located near an on-ramp for I-15 and is oddly-shaped. Because of the Agency's due diligence, staff was able to market a development that would offer many benefits to the surrounding community and fulfill the highest and best use for the property.

Housing Trust Fund

In order to efficiently use both funds and personnel, the Board of Directors believes the Agency should not duplicate services and functions already provided by City Departments. In order to accomplish this goal, slightly less than \$3,000,000 of the City-Wide Housing Funds has been transferred to Salt Lake City's Housing Trust Fund over the past five years with \$711,518 being allocated during the 2002/2003 fiscal year. Agency funds are administered by Salt Lake City Housing Trust Fund Board that is staffed by the Department of Housing and Neighborhood Development.

REDEVELOPMENT AGENCY COMMITTEE

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