JACKIE BISKUPSKI
*Mayor*

MARY BETH THOMPSON
*Finance Director*

**CITY COUNCIL TRANSMITTAL**

Patrick W Leary
Patrick Leary, Chief of Staff

**Date Received:** 12/18/17
**Date sent to Council:** 12/19/17

**TO:** Salt Lake City Council
Stan Penfold, Chair

**DATE:** December 18, 2017

**FROM:** Mary Beth Thompson, Finance Director Mary Beth Thompson

**SUBJECT:** Below market seller-financing terms related to the City's disposition of real property located at approximately 315 East 200 South: Study pursuant to Utah Code section 10-8-2

**SPONSOR:** NA

**STAFF CONTACT:** Randy Hillier, Policy and Budget Analyst (801) 535-6606, Lily Gray (801) 535-6264 or Megan DePaulis, City Attorney (801) 535-7685

**DOCUMENT TYPE:** Public Benefits Analysis and Recommendation

**RECOMMENDATION**: The Administration recommends that a public hearing be held on the matter of the Public Benefits Analysis of the below market seller-financing terms related to the City's disposition of the Northwest Pipeline Building / former PSB located at approximately 315 East 200 South.

**BUDGET IMPACT:** NA

**BACKGROUND/DISCUSSION:** In order to facilitate the disposition of the City-owned Northwest Pipeline Building, and the ultimate development of the development of the site, the Administration is recommending the City provide below-market rate seller financing terms. The buyer, Violin Commons Associate, LLC, has agreed to develop the property according to standards adopted by the City that will include 65 units dedicated to permanent supportive housing, along with other mixed-use buildings with various market-rate and mixed-income apartments.

**DEPARTMENT OF FINANCE**
**POLICY AND BUDGET DIVISION**
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The appraised value and sale price of the City Property is $5,000,000. In order for the buyer to agree to the purchase price, the City's Real Estate Services division structured the purchase and sale agreement so that $1,300,000 is due from the Buyer at closing, and the remaining $3,700,000 will be paid to the City through a seller note over time. The seller note is proposed to be at below-market terms and will allow the buyer to expedite and ensure the delivery of the affordable and permanent supportive housing, as well as renovation and preservation of the historic Northwest Pipeline building, on the City Property.

Utah Code 10-8-2 (1) (a) (v) states that after first holding a public hearing, *a municipal legislative body may authorize municipal services or other nonmonetary assistance to be provided to or waive fees required to be paid by a nonprofit entity, whether or not the municipality receives consideration in return.*

The attached memo to Patrick Leary, the Mayor's Chief of Staff, more thoroughly outlines the financing details, as well as the public benefits identified by the Administration that the City will realize from this development, and the below-market rate financing that will help facilitate its construction.

**PUBLIC PROCESS**: Public Hearing

**MEMORANDUM**

TO: Patrick Leary
Chief of Staff

FROM: Randy Hillier, Policy & Budget Analyst
Lily Gray, Deputy Director, Housing and Neighborhood Development
Megan DePaulis, Senior City Attorney

DATE: December 18, 2017

SUBJECT: Below market seller-financing terms related to the City's disposition of real property located at approximately 315 East 200 South: Study pursuant to Utah Code section 10-8-2

## I. INTRODUCTION

It is recommended that Salt Lake City Corporation provide below-market seller-financing terms as part of its disposition of the Northwest Pipeline Building, located at 315 East 200 South ("City Property"), to Violin Commons Associates, LLC, a Utah limited liability company ("Buyer"). In 2015, the Housing and Neighborhoods Division of the Department ("HAND") of Community and Neighborhoods worked with other City departments and to develop a request for proposals ("RFP") for the disposition and development of the City Property. This process included contact with immediate neighbors, meeting with the Central City Neighborhood Council to solicit input on the RFP, and participation of community representatives on the RFP Selection Committee. The Buyer, an entity comprised of Cowboy Partners and Form Development, was chosen by the Mayor after a unanimous recommendation by the Selection Committee. The mixed-use development on the City Property includes: (1) a new building with all 65 units dedicated to permanent supportive housing (the "Permanent Supportive Housing"); (2) a new mixed-use building with 109 mixed-income apartments (the "Mixed-Income Housing"); and, (3) renovation of the existing historic structure into 1-2 levels of commercial use and approximately 74 market rate apartments (the "Historic Housing"). A parking structure to serve all the units and public open space are also including in the development of the City Property. The proposed development is referred to in this study as Violin School Commons.

The appraised value of the City Property is $5,000,000. The purchase and sale agreement is structured so that $1,300,000 is due from the Buyer at closing, and the remaining $3,700,000 will be paid to the City through a seller note over time ("Seller Note"). The Seller Note is proposed to be at below-market terms to expedite and ensure the delivery of the affordable and permanent supportive housing, as well as renovation and preservation of the historic Northwest Pipeline building, on the City Property. Seller financing is by its nature done on a case-by-case basis so there is not a true "market rate" for this financing. For the purposes of this study, the Seller Note is defined as having below-market terms based on: (1) the 0% interest rate in the first five years; and (2) the payment structure whereby some repayment comes from surplus cash, defined as the remaining income after paying expenses, debt service, and preferred return on equity. A typical interest rate can range between 2% - 3% with the City's Housing Trust Fund to 5% for conventional bank financing. The cost to the City in the first five years where the interest rate is 0% instead of 2% is $370,000 in interest income. With surplus cash repayments, there is not a specific cost attributable to the structure of the payments, but it is called out as a risk to the City as the availability of sufficient surplus cash is not guaranteed. Both terms were requested to ensure the development could proceed and will operate with a sustainable financing model. The loan has been structured to true-up the final project costs and financial structure at the end of construction. In the event that there are project savings or surplus financing proceeds, the Buyer will use these additional funds to reduce the Seller Note.

## II. LEGAL FRAMEWORK

Utah Code section 10-8-2 outlines the purposes for which a municipal body may appropriate funds, which is stated as for "corporate purposes only." Utah Code §10-8-2(1)(a)(i). Those purposes are, in the judgment of the municipal legislative body, any purpose that "provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the city." Utah Code Ann. § 10-8-2(3). Although this section of Utah Code does not explicitly state that a municipality must receive consideration for any disposition of real property, it permits municipalities to sell or lease property, "for the benefit of the municipality . . . if the action is in the public interest and complies with other law." Utah Code §10-8-(1)(a)(iii). As courts have interpreted the statue, the power to dispose of real property must be "in good faith and for adequate consideration" because "public property is held in trust for the public." *Price Dev. Co., L.P. v. Orem City*, 2000 UT 26, ¶ 26 (internal quotations and citations omitted). "Adequate consideration" can mean that the municipality "must show that there is a clear present benefit that reflects . . . fair market value" for whatever is given by the municipality. *Id.*

A municipal legislative body must make a determination that the "net value received for any money appropriated" is "measured on a project-by-project basis over the life of the project." Utah Code § 10-8-2(3)(a). The municipal legislative branch "may consider intangible benefits received by the municipality in determining net value received." Utah Code § 10-8-2(3)(c). Moreover, and "determination of value received, made by the municipality's legislative body, shall be presumed valid unless it can be shown that the determination was arbitrary, capricious, or illegal." Utah Code § 10-8-2(3)(b).

Prior to the municipal legislative body making a decision to appropriate any funds for a corporate purpose, a public hearing must be held. If the entity receiving the benefit from the City is a for-profit entity, then a study ("Study") that demonstrates the purpose for the appropriation must be undertaken and posted for review by the public at least 14 days before the public hearing. Utah Code § 10-8-2(3)(e). The factors to be considered in the Study are set forth under Utah Code as:

(i) what identified benefit the municipality will receive in return for any money or resources appropriated;

(ii) the municipality's purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality; and

(iii) whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the municipality in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and any other public purpose.

Utah Code § 10-8-2(3)(e)(i)-(iii). This Study examines each of these factors below.

## III. ANALYSIS

### A. Background of City Property and Request for Proposal Process.

The City Property is located at 315 East 300 South, consisting of approximately 2.72 acres and including two vacant structures. The primary structure is a 9-story building built in 1958 by the Pacific Northwestern Pipeline Corporation, who constructed the building for their offices during a time of western expansion of their business in the late 1950s. This building, known as the Northwest Pipeline Building ("NP Building"), was designed by architects Slack and David Winburn in the "International Style." It is a requirement of the disposition that this building will be rehabilitated to historic standards as part of the contemplated redevelopment of the Property. The NP Building is on the National Register of Historic Places, creating opportunities for the developer to pursue historic tax credits in addition to other applicable incentives that could apply to the rehabilitation of the building.

The second structure is a one-story building that was built after the NP Building and served as an ancillary City facility. This building has no historic value or practical re-use and is expected to be demolished as part the redevelopment.

The City Property was acquired by the City in the 1980s and used for many years as its public safety headquarters, housing such operations as the police and fire departments and 911 dispatch services. The NP Building was remodeled after its acquisition by the City. The interior was modified extensively, though the exterior of the building was left intact. The facility was recently vacated when the City relocated the public safety departments into an updated facility.

The City identified the property as an opportunity to collaborate with a private sector developer to build a project that will contribute to city-wide livability goals and support the surrounding urban neighborhood by providing new housing opportunities, space for small and local business and new neighborhood amenities. The City will achieve these objectives by requiring that the development including the following elements

- Historic Rehabilitation of the NP Building
- Neighborhood Oriented Businesses and Services
- Mixed-Income Housing
- Permanent Supportive Housing

- Open Space

Through the RFP process, the City identified the Buyer and its development team's proposal as the development plan that best met the RFP requirements. At this point, the City has entered into a Purchase and Sale Agreement with the Buyer. The development team consists of a partnership between Cowboy Partners and Form Development (the "Development Team").

A summary of the development team's proposal is to develop the parcel in three phases, as described below. The Permanent Supportive Housing will be the first phase of development, and the other two phases may run at the same time or subsequent to completion of the Permanent Supportive Housing.

*Residential Housing*:
Total housing units: 248 total units (111 income restricted, 137 market rate)

- Metropolitan (Historic Housing): 74 market rate units
- Liberty Uptown (Mixed Income Housing): 63 market rate units + 46 income restricted units (60% AMI and below) = 109 total units
- Magnolia (Permanent Supportive Housing): 65 income restricted units

*Public Open Space*: 15,568 square feet
*Commercial Space*: 12,500 square feet
*Social Enterprise Space*: 1,210 square feet

The Development Team has applied for the 9% tax credits which will enable them to proceed with the development of the Magnolia, the permanent supportive housing project which will ultimately be owned and managed by Shelter the Homeless, Inc., a Utah nonprofit corporation. If they are successful in their application, the Magnolia would likely begin construction in 2018 and complete construction in 2019. The other building phases that follow include the Liberty Uptown, or Mixed Income Housing, that will be developed with 4% Tax Credits and the Metropolitan, or Historic Housing, that will apply for Historic Tax Credits.

**B. <u>Terms of the Assistance</u>.**

The terms of the Seller Note are similar to the City's Housing Trust Fund loan program which provides below market rate financing for affordable housing developments. The Purchase Price is partially structured in the form of a Seller Note in order to expedite delivery of deeply-targeted affordable housing and in recognition of the limited nature of the City's funds for affordable housing. Without the option to pay a portion of the Purchase Price back to the City over time and at below-market terms, the Development Team would not be able to meet the City's goals for the property in terms of affordability, open space and historic preservation and reach the appraised value as quickly as the City needs to meet these goals. The Seller Note has been structured to meet the City's repayment objectives while enabling the development phases to maximize available financing options.

Loan Amount: $3,700,000

| | |
|---|---|
| Term: | 30 years (or matching senior loan term), with an initial 2 year construction period with deferred payments |
| Interest Rate: | 0% years 1-5, 2% year 6 through payoff |
| Payments: | 1% of loan amount paid senior to Developer's equity return<br>Seller Note to receive 70% of surplus cash flow after Developer preferred return of 7%, up to a payback hurdle of $1,000,000 ($2,700,000 Principal Balance)<br>Seller Note to receive 50% of the surplus cash flow after payback hurdle has been achieved (after City has received $1,000,000 in repayments). |

The Seller Note is secured by a deed of trust on each parcel that the Development Team has subdivide the Property into, with differently criteria for release of each deed of trust based upon the City's requirements for development. As the Development Team delivers upon milestones, all parcels except for the mixed-income development would be released until the loan is repaid.

**C. <u>Benefits and Enhancements of the City's Health, Safety, Prosperity, Order, and Convenience of Its Inhabitants the City Will Receive in Return for Assistance</u>.**

The City Property is a good fit for the proposed use for a number of reasons outlined below. Primarily, there is an urgent need for affordable housing and particularly permanent supportive housing in Salt Lake City. This development will help address the need for stable, permanent housing for those transitioning from homelessness and will expand the stock of deed-restricted affordable housing for an array of income levels in the Central City neighborhood. Further, the City Property is currently unused, deteriorating and requires City resources for continued maintenance, which costs the City approximately $80,000 per year. This maintenance will no longer be required once the City Property is conveyed to the Buyer. Also, the construction of the development will enhance the existing infrastructure of the City. The following is a discussion of the many public benefits that development of the City Property according to the City's required development plans will bring to the City:

*(i) Permanent Supportive Housing*

The neighborhood will be provided with a new housing resource known as "The Magnolia" which will consist of 65 units of the Permanent Supportive Housing, intended for those transitioning out of homelessness into a services-enriched housing environment. The Magnolia will be programmed and case management will be provided by Shelter the Homeless, a private Utah nonprofit and local provider of services to families and individuals experiencing homelessness.

Some of the amenities provided at The Magnolia will include community space, private outdoor space, and a social enterprise commercial space (discussed below). Supportive space programming will include a clinic and two counseling offices for case management. Other amenities will include a community kitchen, a multipurpose room, on-site laundry and a great room/lounge space that opens onto a private green space. Each residential floor will also have a small lounge or gathering space, each with an individual program and identity.

*(ii) Social Enterprise Commercial Space*

On the ground floor of The Magnolia, at least 1,200 square feet will be allocated rent free for a business that would provide employment opportunities for a low income populations. This space will provide a service for the entire neighborhood, while promoting job skills for individuals that are seeking permanent employment.

*(iii) Affordable Housing*

In addition to the permanent supportive housing provided at The Magnolia, the proposed development will also provide an additional 25 percent affordable housing. A new building, known as "Liberty Uptown" will integrate 46 affordable units with market rate housing in a mixed-income development with the following breakdown by area median income (AMI):

- 7 units – 25% AMI
- 8 units – 40% AMI
- 31 units – 60% AMI

The Development Team has extensive experience with finance, development, construction and operation of mixed income apartments. Amenities provided will include a gym, media lounge, mud/bicycle room, internet café/co-working space and a private courtyard. The building's ground floor will include 4,500 square feet of commercial space.

*(iv) Market Rate Housing*

The Development Team will also be providing a total of up to 137 market rate units consisting of up to 74 units in the Historic Building, known as "The Metropolitan" and 63 units in a new residential building, Liberty Uptown. When complete, The Metropolitan will provide Salt Lake City urbanites a truly one-of-a-kind living experience that will include unique design with unparalleled amenities and views; direct access to the spaces and businesses surrounding Violin School Common and easy access to incredible social, cultural, commercial and employment opportunities offered by Salt Lake City's vibrant downtown. The building's ground floor will include 8,000 square feet of commercial space.

*(v) Public Open Space*

The addition of .36 acre (15,568 square feet) of public open space to this downtown neighborhood will include walkways and plazas constructed, owned and maintained by the Development Team or its future assigns. The open space shall include mid-block pedestrian walkways, gathering spaces, and public art. Violin School Common, named for the neighboring Violin Making School of America, will serve as a point of connection between the buildings at the development and an anchor for the neighborhood. The Violin Commons will be framed by the two new buildings and the historic building. The project is accessible to the public from both 200 South and off of 300 East at Arnold Place.

The Violin School Commons and surrounding open space will provide a number of spaces and activities for the neighborhood. These spaces will accommodate residents and neighbors both lingering and in transit, providing vitality and opportunities for connection. There will be fixed and flexible features as well as event programming. Social and cultural spaces will be mixed amongst functional access to residential buildings and commercial spaces which will facilitate residents connecting with the larger Central City neighborhood.

To improve the pedestrian experience, mid-block walkways and spaces will permeate throughout the interior of the block and between all of the built spaces. Additionally, the mid-block street Arnold Place, while functioning as an entry street to the parking facility, has been designed as a true urban street complete with sidewalks, pedestrian and bicycle infrastructure, street-scaping, built street wall and associated open spaces. The development will provide engaging uses at the ground level and the built and landscaped environment will contribute to a high-quality pedestrian experience. The open space design provides numerous opportunities for art, both large and small. A prominent place has been reserved at the entry to Violin School Common from 300 South, intended for a public memorial or art piece.

The Violin School Commons development is a unique opportunity that it will create a community housing a broad spectrum of individuals from different income levels and housing scenarios and is rooted in the great diversity of the Central City community – its people, places, businesses and experiences. Unlike any other development in the City, the Violin School Common will combine the resources Permanent Supportive Housing, mixed income housing and market-rate housing. The development will offer amenities and resources to facilitate the housing needs of each resident while engaging the public with comfortable open spaces and a premiere retail experience which will positively impact the quality of life for Central City community.

## D. <u>Necessity of the Assistance to Accomplish the City's Economic Development, Affordable Housing, and Historic Preservation Goals</u>.

### *a. Economic Development and Job Creation.*

The Metropolitan and Liberty Uptown will include over 11,000 square feet of ground floor, street exposed commercial space along 200 South, 300 East and Violin School Common. These spaces will be designed to enliven the street frontages and will create highly-visible opportunities for businesses to start up or grow in the downtown market.

The ground floor of The Magnolia includes 1,200 square feet of street front commercial space intended for use as a social enterprise. The space has direct access to 300 East and visibility from the intersection of 300 East and 200 South.

The developer has estimated that the project will create 148 short-term construction jobs and 40-60 permanent jobs on site in property, case management and in the commercial spaces. In addition to the new commercial space, the development will have other positive economic impacts including: (1) cost savings seen by providing stable, permanent housing to those transitioning from homelessness; (2) expanded opportunities for workforce housing downtown which is a major driver of businesses labor force recruitment and retention; and (3) increased customer base for downtown businesses.

***b. Historic Preservation.***

Also important to the development is the preservation and restoration of the historic structure including $3,000,000 of environmental remediation and seismic upgrades, as well as the reconstruction of the existing building's International Style tower historic elements that are required by the National Historic standards of the Secretary of the Interior. This project will bring back to life one of the City's architectural treasures that has been a part of the City skyline for decades. The developer has proposed using high grade construction materials and offers a design that integrates well the surrounding new buildings with the historic structure.

***c. Accomplishing the City's Housing Goals.***

*Growing SLC: A Five Year Housing Plan* envisions Salt Lake City as a place for a growing, diverse population to find housing opportunities that are safe, secure, and enrich lives and communities, recognizes the changing nature of the city, and provides the foundation for creating goals and strategies to manage the housing needs of tomorrow. The City's housing policies must address issues of affordability at the root cause, creating long-term solutions for increasing the housing supply, expanding housing opportunities throughout the city, addressing systemic failures in the rental market, and preserving our existing units.

One of the tools identified in the Housing Plan and by the Affordable Housing Finance Working Group was an expansion of what the City has already been doing – viewing City land as a resource to finance affordable housing. The Seller Note discussed in this memorandum provides financing that enables the development to proceed expeditiously. It is structured with sustainability in mind, balancing the interest in seeing the development proceed and operate successfully and the City's payment for the property.

Salt Lake City is in the beginning stages of a systemic housing crisis that highlights the shortcomings of the multi-year economic rally. While many factors have contributed to the housing crisis, at its root is the demand for housing in Salt Lake City driving up home prices and rental rates at a faster pace than wage increases. Between 2011 and 2014, rental rates increased two times faster than the wage increase for renters. Additionally, home sale prices increased four times faster than the wages of homeowners. Unabated, this trend will impact greater numbers of low and middle income residents of the City every year pushing out those that make it diverse and dynamic.

The growing disparity between wages and rental rates will create greater instability in the lives of low-income households as they are forced into homelessness or become more cost-burdened. There is currently a 7,567 unit deficit for the 12,624 residents living in poverty and making $20,000 per year or less. In the absence of these units, people are forced to live in unclean, crowded and unsafe conditions or forced into homelessness. These residents require a rental rate of $500 per month or less or the burden of housing becomes overwhelming. Today, 49% of renters and 22% of homeowners in Salt Lake City spend more than 30% of their income on housing. Additionally, 24% of renters are severely cost burdened, spending more than 50% of their income on housing. For those already living in poverty, being cost burdened by their housing can result in having as little as $500 remaining each month to cover all costs including food and healthcare.

The housing crisis also impacts middle-income households. The historically low vacancy rate of 2% in Salt Lake City has driven prices up in every neighborhood. In many cases, middle-income households are forced to make the decision take on greater amounts of debt, or move to another community. In August 2016, Salt Lake City conducted the Salt Lake Live Work Survey, which included people that commuted into the City for work. Among these commuters, 52% indicated that they would consider living in Salt Lake City if housing were more affordable. Salt Lake City's population grows by 60% every day from in-commuters, which creates significant stress on our transportation network and the environment. Providing more affordable options could greatly reduce these impacts, which are shared by all residents.

The systemic affordable housing crises has implications for every Salt Lake City resident and business. Resolving this crisis will require a community-wide effort one development at a time to fulfill the City's Housing Plan. The Violin School Commons development meets the City's objective of diversity of housing options in areas with strong access and amenities.

## IV. CONCLUSION

When complete, Violin School Commons will provide housing for a diverse array of incomes, from permanent supportive housing to market-rate housing opportunities. The benefits of Violin School Commons include affordable housing, economic development impacts, job creation, historic preservation, open space, as well as systemic cost savings from the provision of permanent supportive housing and positive impacts from an increased downtown resident base. The costs to the City are outweighed by both the tangible and intangible benefits to the City. It is recommended that the City provide the Seller Note in the amount of $3,700,000 as part of the purchase price in exchange for the tangible and intangible benefits to the entire City as consideration for the below-market financing terms.

**REFERENCES**

**This analysis has been available in the City Recorder's Office, Room 415, City & County Building, 451 South State Street since __________, 2017. The City Council will hold a public hearing on whether to adopt a resolution approving the proposed study. The public hearing will be held _______________.**

RESOLUTION NO. _____ OF 2018

(Authorizing Below-Market Seller Financing Loan Terms to Violin Commons, LLC, for Development of Historic and Affordable Housing)

WHEREAS, Salt Lake City desires to dispose of certain real property, including the former Salt Lake City Public Safety Building, located at approximately 315 East 200 South ("Building"); and

WHEREAS, Salt Lake City desires to sell the Building and certain real property surrounding it, for the development of permanent supportive housing, mixed-income housing, and a historic rehabilitation of the Building; and

WHEREAS, Utah Code Section 10-8-2(1)(a)(i) allows public entities to "appropriate money for corporate purposes only"; and

WHEREAS, Utah Code Section 10-8-2(3) provides that "a corporate purpose" is the appropriation of money for any purpose that "in the judgment of the municipal legislative body, provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality" so long as the procedures set forth under Utah Code Section 10-8-2 are followed; and

WHEREAS, Utah Code Section 10-8-2(3)(d) requires "the municipal legislative body making any decision to appropriate any funds for a corporate purpose under this section," to hold a public hearing after notice of at least 14 days; and

WHEREAS, Utah Code Section 10-8-2(3)(e) requires a study "demonstrating the purpose for the appropriation" to be performed, taking into consideration the following factors: "(i) what identified benefit the municipality will receive in return for any money or resources appropriated; (ii) the municipality's purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality; and (iii) whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the municipality in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and any other public purpose" ("Study"); and

WHEREAS, the City Council has, following the giving of not less than fourteen (14) days public notice and posting of the Study, conducted a public hearing relating to the foregoing, in satisfaction of the requirements of Utah Code Section 10-8-2; and

WHEREAS, the Council has reviewed the Study, and has fully considered the conclusions set forth therein, and all comments made during the public hearing.

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

1. The City Council hereby adopts the conclusions set forth in the Study, and hereby finds and determines that, for all the reasons set forth in the Study, the Below-Market Loan Terms are appropriate under these circumstances.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _________, 2018.

SALT LAKE CITY COUNCIL

By: ____________________

CHAIRPERSON

ATTEST:

____________________

CITY RECORDER

HB_ATTY-#66163-v1-RESOLUTION.docx

APPROVED AS TO FORM:
Salt Lake City Attorney's Office

Megan J. DePaulis, Senior City Attorney
Date: 12/18/17