



COUNCIL STAFF REPORT

CITY COUNCIL *of* SALT LAKE CITY

TO: City Council Members
FROM: Nick Tarbet, Policy Analyst
DATE: June 11, 2024
RE: Capital City Revitalization Zone
Public Hearing

PROJECT TIMELINE:

Briefing 1: April 16, 2024
Briefing 2: May 7, 2024
Briefing 3: June 11, 2024
Public Hearing 1: May 21, 2024
Public Hearing 2: June 11, 2024
Potential Action: TBD

PUBLIC HEARING SUMMARY

The Council held a public hearing on May 21, 2024. During the public hearing, Smith Entertainment Group (SEG) representatives shared the guiding principles for development in the district and [announced their website](#) to share project information and gather feedback from the public.

The Council accepted public comments on the proposal and voted to continue the public hearing to a future meeting. During the public hearing many people spoke about the proposed Sports, Entertainment, Culture and Convention District and the proposed sales tax increase. Members of the public shared a wide variety of comments including: opposition to raising the sales tax, support for the district if certain public benefits are included, requests to use the sales tax money for other needs such as addressing homelessness or housing issues, support for including Abravanel Hall and UMOCA in the district, others said Abravanel Hall should stay in the same location and be renovated to address needed changes. Some expressed support for the sales tax increase and felt it would be beneficial to the city, others said important existing cultural assets such as Japantown need to be included in the planning process for the design of the district.

The Council continued the public hearing to a future council meeting.

On June 11, SEG will provide an update during the Council work session. The Council will also accept public comments during the 7:00pm formal meeting.

ISSUE AT-A-GLANCE

Earlier this year, the State Legislature passed [Senate Bill \(SB\) 272](#), which established the process and timeline for the creation of a revitalization zone around the Delta Center. The revitalization zone is a project area that is up to 100 acres and is centered around an existing or planned stadium. The bill also allows the City to raise sales tax by 0.5% citywide to fund development within the project area. Additionally, it specifies what the money could be used for and how long the tax can be charged.

The City received an application from the Smith Entertainment Group (SEG), to create a project area around the Delta Center. The application begins the process outlined in SB 272. The Mayor's Administration is currently reviewing the application and negotiating the terms of a proposed participation agreement, which outlines how the City and SEG could utilize the proposed sales tax revenue to develop the project area. Per the state law, the participation agreement is required to outline the boundary of the district, what the sales tax can be spent on within the district (within the allowable uses in the law), and mutually agreed-upon plans for transportation, parking, public safety, among other elements. The City may also outline in general terms, potential benefits to the public in this agreement.

The Council will hold a public hearing on May 21 at its 7 p.m. formal meeting. This is an opportunity to provide input directly to the Council. Input may also be shared anytime by emailing Council.Comments@slcgov.com, calling 801-535-7654, or submitting comments [online](#).

The State Legislation requires the Council to consider the participation agreement by September. The Council is tentatively scheduled to potentially consider approving the participation agreement and sales tax in July.

Please visit the Council project website at: tinyurl.com/SLCRevitalizationZone to learn more about the proposal, including key dates, Frequently Asked Questions (FAQs), how to get involved, and previous discussions.

A related zoning petition is currently being processed by the city's Planning Division. This is also required to be processed by September 1 according to SB 272. It is tentatively scheduled for a Planning Commission public hearing on Wednesday, June 12, 2024, at 5:30 PM in the City and County Building, 451 South State Street – Room 326.

The public can stay updated on the zoning amendments by visiting the Planning Division website link below. The zoning amendment will ultimately come to the City Council for final consideration.

The [Sports, Entertainment, Cultural, and Convention District Text Amendment](#) would make the following code changes:

- Remove the maximum height limit in the D4 zone. The existing height limit in the D4 zone is 125', except for the southeast corner of block 67 (former location of the US Post Office) which allows building height to 375'. The proposal will match the height requirements of the D1 zone, which does not have an established maximum height (height above 75' would be approved through the design review process)
- Change the following land uses from conditional to permitted: Stadiums, Heliports, accessory; and Parking, commercial.
- Extend the Delta Center sign overlay that applies to the block to the Salt Palace Convention Center, Abravanel Hall, the Utah Museum of Contemporary Arts, and the convention center hotel. This

would include exempting signs within the overlay from the sign chapter when the signs are not facing a public street.

- Clarify that additions to existing buildings that exceed the maximum setback are allowed.
- Minor changes to existing provisions for clarity. These changes do not waive any requirement.