

SALT LAKE CITY RESOLUTION
RESOLUTION NO. _____ of 2024

(Authorizing the execution of an interlocal agreement with the
Utah Fairpark Area Investment and Restoration District for municipal services)

WHEREAS, during the 2024 general legislative session, the Utah State Legislature passed House Bill 562, the Utah Fairpark Area Investment and Restoration District (the **Act**) and created the Utah Fairpark Area Investment and Restoration District (**Fairpark District**).

WHEREAS, as set forth in the Act, the purpose of the Fairpark District is to encourage and facilitate development within the fairpark district boundary, which is described and depicted in the Act.

WHEREAS, among other things, the Act establishes that certain taxes, including but not limited to enhanced property tax, that would have otherwise been received by the City for the City to provide municipal services, largely be redirected to the Fairpark District.

WHEREAS, the Act requires the City to provide the same municipal services to the fairpark district boundary as the City provides other areas of the City with similar zoning and development levels.

WHEREAS, the Act provides that the City shall receive 25% of the enhanced property tax from the fairpark district boundary, which alone does not cover the City's costs for services. For example, in 2023, the City's cost for municipal services in the fairpark district boundary was \$1.2 million but the property taxes were approximately \$45,000.

WHEREAS, in order to help address this difference in costs, the Act further provides that the City and Fairpark District enter into an agreement providing for the Fairpark District to reimburse the City for the cost of services the City is obligated to provide the growing development within the fairpark district boundary.

WHEREAS, with the City receiving a percentage of the City's enhanced property taxes, the City will not be fully reimbursed for the cost for municipal services, and as such, the City depends on the reimbursement from the Fairpark District to help offset the cost of providing the necessary municipal services, including but not limited to police, fire, transportation, public lands, and homelessness assistance.

WHEREAS, the City and Fairpark District desire to execute the attached interlocal agreement in which the Fairpark District agrees to provide the City funds for the cost of the municipal services.

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

1. It does hereby approve the execution and delivery of an interlocal cooperation agreement between the Utah Fairpark Area Investment and Restoration District and Salt Lake City Corporation regarding the payment for municipal services. Such agreement, upon both the

City and Fairpark District approving the agreement, shall become effective January 1, 2025. The interlocal agreement does not create an interlocal entity.

2. Erin Mendenhall, Mayor of Salt Lake City or her designee is hereby authorized to approve, execute, and deliver said agreement on behalf of Salt Lake City Corporation, in substantially the same form as now before the City Council and attached hereto as **Exhibit A**, subject to such minor changes that do not materially affect the rights and obligations of the City thereunder and as shall be approved by the Mayor, her execution thereof to constitute conclusive evidence of such approval.
3. This resolution shall take effect upon adoption.

Passed by the City Council of Salt Lake City, Utah this _____ day of _____, 2024.

SALT LAKE CITY COUNCIL

Chairperson

Attest:
City Recorder

Approved as to form:
Salt Lake City Attorney's Office

EXHIBIT A

[Attach Form Interlocal Agreement]