

ERIN MENDENHALL
Mayor

MARY BETH THOMPSON
Chief Financial Officer



DEPARTMENT OF FINANCE

RDA BOARD TRANSMITTAL


Erin Mendenhall (Mar 5, 2024 10:21 MST)

Mayor Erin Mendenhall, Executive Director

Date Received: 03/05/2024

Date sent to Council: 03/05/2024

TO: Salt Lake City RDA Board
Alejandro Puy, RDA Chair

DATE: March 4, 2024

FROM: Mary Beth Thompson, Chief Financial Officer 
Danny Walz, RDA Director 

SUBJECT: RDA Budget Amendment #2, FY 2023-24

SPONSOR: NA

STAFF CONTACT: Greg Cleary, Budget Director (801) 535-6394 or
Mary Beth Thompson (801) 535-6403 or
Mike Burns (801) 535-6461 or
Erin Cunningham (801) 535-7246
Danny Walz (801) 535-7209

DOCUMENT TYPE: Budget Amendment Resolution

RECOMMENDATION: The Administration recommends that subsequent to a public hearing, the RDA Board adopt the following amendment to the FY 2023-24 adopted budget.

BUDGET IMPACT:

The Second Amendment will not affect the Agency's overall budget total. Its purpose is to reappropriate several project budgets and reallocate funds previously appropriated at a program level and into two new project budgets.

	REVENUE	EXPENSE
RDA FUND	\$ 0.00	\$ 0.00
TOTAL	\$ 0.00	\$ 0.00

EXECUTIVE SUMMARY:

This amendment proposes the reappropriation of budgets previously earmarked for various projects and reallocating program-level appropriations into two new projects. Identified project budgets are either complete with surplus funds or more effectively integrated into larger projects. It is recommended that program-level appropriations, including "Station Center Infrastructure Funds" and "Depot District Infrastructure Funds," be appropriated to two (2) new projects.

The amendment maintains the total budget of appropriations but alters their distribution. There is a total of \$10,802,277 in appropriations not currently allocated to projects. Additionally, there are five project budgets available for reappropriation, totaling \$1,364,806. The combined total of \$12,167,583 is proposed for allocation to two new projects.

The staff memo, included below, outlines greater details of project reallocations, and provides additional staff analysis.

A summary document outlining the proposed budget change is attached (**Attachment C**). The Administration requests this document be modified based on the decisions of the Board. The budget amendment contains one item in section D – Housekeeping Items:

- A. New Budget Items
- B. Grants for Existing Staff Resources
- C. Grants for New Staff Resources
- D. Housekeeping Items**
- E. Grants Requiring No New Staff Resources
- F. Donations
- G. Council Consent Agenda Grant Awards
- I. Council Added Items

ATTACHMENTS:

- A. RDA Budget Amendment 2 Resolution
- B. Budget Amendment 2 Staff Memo
- C. Budget Amendment Summary

PUBLIC PROCESS: Public Hearing

Gregory Cleary
Gregory Cleary (Mar 4, 2024 14:18 MST)

Christina Nee

Attachment A

REDEVELOPMENT AGENCY OF SALT LAKE CITY

RESOLUTION NO _____

Second Budget Amendment for Fiscal Year 2023-2024

RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY AMENDING THE FINAL BUDGET OF THE RDA FOR FISCAL YEAR 2023-2024.

WHEREAS, on June 13, 2023, the Redevelopment Agency (**RDA**) Board of Directors (**Board**) adopted the final budget of the RDA, effective for the fiscal year beginning July 1, 2023, and ending June 30, 2024, in accordance with the requirements of Section 17C-1-601.5 of the Utah Code.

WHEREAS, all conditions precedent to amend the RDA's final annual budget have been accomplished.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Redevelopment Agency of Salt Lake City:

1. Purpose. The purpose of this resolution is to amend the final annual budget of the RDA, as approved, ratified and finalized by the Board on June 13, 2023.
2. Adoption of Amendments. The budget amendments shown on Exhibit A as "Board Approved" are hereby adopted and incorporated into the annual budget of the RDA.
3. Filing of copies of the Budget Amendments. The Salt Lake City Finance Department, on behalf of the RDA, is authorized and directed to certify and file a copy of said budget amendments in the office of the Finance Department, the RDA, and the office of the City Recorder, which amendments shall be available for public inspection.

Passed by the Board of Directors of the Redevelopment Agency of Salt Lake City, Utah, this _____ day of _____, 202__, to be effective upon adoption.

_____, Chair

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

The Executive Director:

_____ does not request reconsideration

_____ requests reconsideration at the next regular Agency meeting

Erin Mendenhall, Executive Director

Attest:

City Recorder

EXHIBIT A TO RESOLUTION

[Attach Board's Final Approved Budget Amendment]

Attachment B



REDEVELOPMENT AGENCY *of* SALT LAKE CITY

STAFF MEMO

DATE: March 4, 2024

PREPARED BY: Erin Cunningham, Financial Analyst

RE: RDA Budget Amendment #2, FY 2023-2024

REQUESTED ACTION: Discussion and approval of Budget Amendment #2

BUDGET IMPACTS: The Second Amendment will not affect the Agency's overall budget total. Its purpose is to reappropriate several project budgets and reallocate funds previously appropriated at a program level and into two new project budgets.

EXECUTIVE SUMMARY: This amendment proposes the reappropriation of budgets previously earmarked for various projects and reallocating program-level appropriations into two new projects. Identified project budgets are either complete with surplus funds or more effectively integrated into larger projects. It is recommended that program-level appropriations, including "Station Center Infrastructure Funds" and "Depot District Infrastructure Funds," be appropriated to two (2) new projects.

The amendment maintains the total budget of appropriations but alters their distribution. There is a total of \$10,802,277 in appropriations not currently allocated to projects. Additionally, there are five project budgets available for reappropriation, totaling \$1,364,806. The combined total of \$12,167,583 is proposed for allocation to two new projects.

ANALYSIS & ISSUES:

Changes to the Agency's Budgeting Process

The Agency is in the process of transitioning to the City's new Enterprise Resource Planning (ERP) software, Workday. In shifting to the new system for project funding, it becomes imperative to recognize that the financial plan for each project must align with designated appropriations. Each appropriation encapsulates details necessary for legal spending, thus ensuring compliance with regulations and policies to which the Agency must adhere. These appropriations represent pools of money set aside for specific purposes, each governed by clear rules regarding expenditure. The elements of each appropriation include the Department (Cost Center), Fiscal Year, Fund, and Project Area (Region). As funds from these appropriations are assigned to various projects, the remaining balance within each appropriation will decrease.

Previously, the Agency possessed the flexibility to allocate funds directly from available funding sources to projects. With the adoption of the new system, the Agency's overall budget is perceived as a collection

of these appropriations, necessitating that all project budgets derive their funding from them. This arrangement precludes the possibility of projects maintaining their own, independent budgets. The structure now adopts a two-tiered approach: the comprehensive budget comprising all appropriations, and the individual project budgets that must be funded in accordance with these appropriations.

Reallocation of Appropriations

This budget amendment pertains to the redistribution of funds formerly designated as "Station Center Infrastructure Funds" and "Depot District Infrastructure Funds." The table below illustrates the current appropriations. The amendment proposes to reappropriate funds from two categories:

- Appropriations with the "Available" status are not currently tied to any projects. Staff is seeking to reallocate \$10,802,777 of these appropriations to support two (2) new projects described below. Appropriations and Project Budgets with the "Rescope" status are intended to be detached from their existing assignments and rescope to support the same two (2) projects. This \$1,364,805.62, combined with the "Available" amount above totals \$12,167,583

Status	Appropriation	Project	Budget
Available	Prior Year Balances through FY23-DD-Infrastructure Improvements-DD	Capital Reserve - Infrastructure Improvements -{Holding Account}-	5,220,186.00
	Prior Year Balances through FY23-PIF-Infrastructure Improvements-DD	Capital Reserve - Infrastructure Improvements -{Holding Account}-	1,902,535.00
	RDA Key Changes FY24-DD-Infrastructure Improvements-DD	Capital Reserve - Infrastructure Improvements -{Holding Account}-	3,680,056.00
	Available Total		10,802,777.00
Rescope	FY23-DD-Infrastructure Improvements-DD	Capital Project: PRJ-000002 100 S Underground Powerlines	388,981.00
		Capital Project: PRJ-000071 Depot District Environmental Remediation	200,000.00
		Capital Project: PRJ-000072 Station Center Shared Parking	275,639.00
		Capital Project: PRJ-000073 Central Station	414,121.00
	FY23-PIF-Infrastructure Improvements-NPA	Capital Project: PRJ-000068 SL Mattress Warehouse	86,064.62
Rescope Total			1,364,805.62
Total			12,167,583

Station Center Property Disposition & Site Work Project: This project budget comprises three appropriations, totaling \$8,100,000, which are outlined in the table below. Together, the appropriations will support the following activities:

- Relocation of offices and art collection owned by the State of Utah, currently housed at RDA-owned property located at 310 South 500 West;
- Demolition of the structures located at 310 South 500 West;
- Removal of contaminated soil;
- Rehabilitation of the Salt Lake Mattress Co. building; and
- Site work to prepare the property for redevelopment.

The amendment would result in the following appropriations, which would be for a specific Project in the Depot District Region:

Fund	Program	Appropriation	Current Budget	Change	Proposed Budget
Depot District	Commercial Property Disposition	RDA-FY23-DD-Commercial Property Disposition-DD	0	5,498,927	5,498,927
	Infrastructure Improvements	RDA-FY23-DD-Infrastructure Improvements-DD	0	1,000,000	1,000,000
Program Income Fund	Commercial Property Disposition	RDA-FY23-PIF-Commercial Property Disposition-DD	0	1,601,073	1,601,073
Total			0	8,100,000	8,100,000

Depot District Infrastructure, Design, Construction, & Site Work Project: The project budget, set at \$4,067,583, will be sourced from three appropriations totaling the same amount which, again, are outlined in the table below. This project is intended to enable the Agency to begin implementing plans for public improvements in the Station Center neighborhood. Funds from this reallocation will support the following activities:

- Public improvements design;
- Site work to prepare Station Center properties for construction; and
- Public improvements construction.

The amendment would result in the following appropriations, which would be for a specific Project in the Depot District Region.

Fund	Program	Appropriation	Current Budget	Change	Proposed Budget
Depot District	Infrastructure Improvements	RDA-FY24-DD-Infrastructure Improvements-DD	0	3,680,056	3,680,056
Program Income Fund	Infrastructure Improvements	RDA-FY23-PIF-Infrastructure Improvements-DD	0	301,462	301,462
		RDA-FY23-PIF-Infrastructure Improvements-DD (from NPA)	0	86,065	86,065
Total			0	4,067,583	4,067,583

PREVIOUS BOARD ACTION:

1. Approval of the Fiscal Year 2023-2024 Budget.
2. Approval of the Fiscal Year 2023-2024 Budget Amendment #1.

ATTACHMENTS:

1. Supplemental Slides.

Current Appropriation and Project Budgets

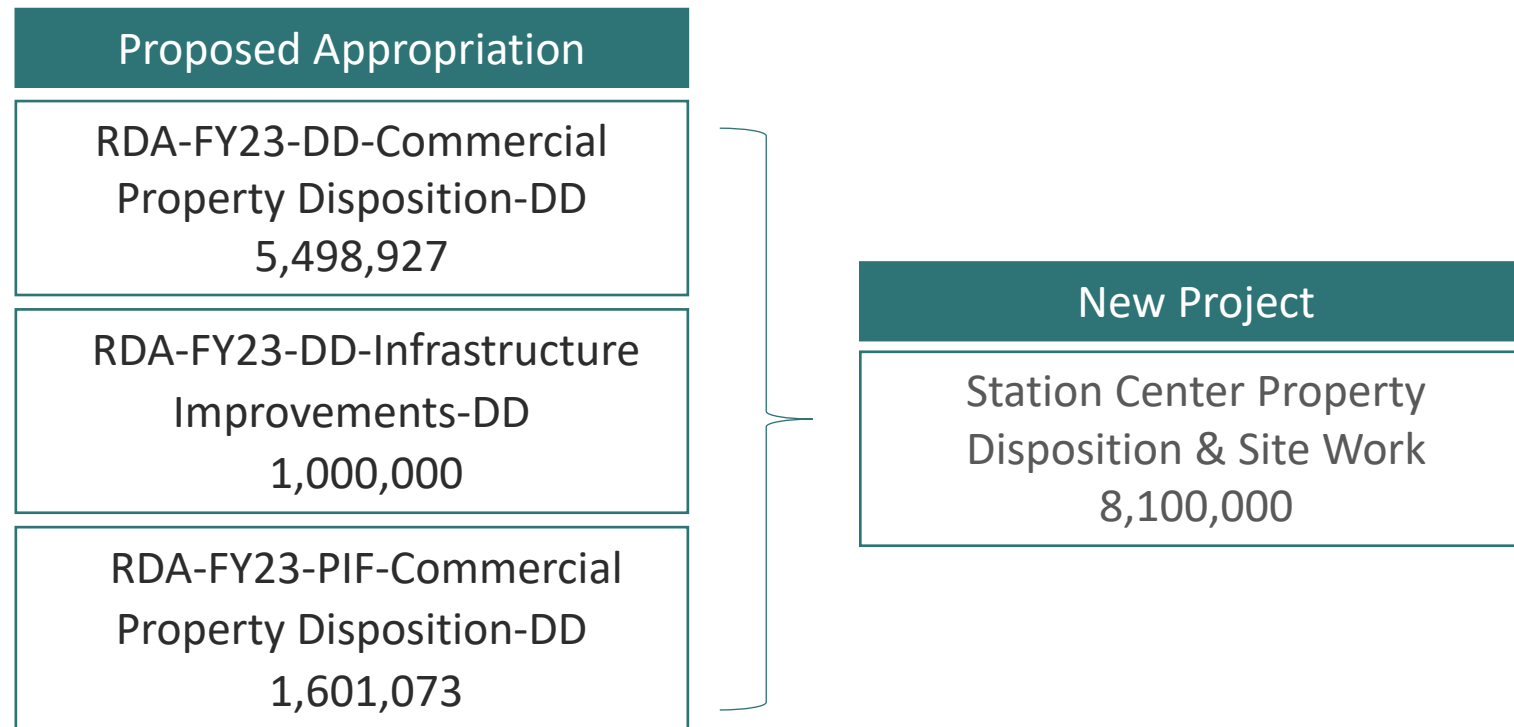
Status	Appropriation	Fund	Program	Region	Project	Budget
Available	FY23-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	Unallocated	5,220,186.00
	FY23-PIF-Infrastructure Improvements-DD	Program Income Fund	Infrastructure Improvements	DD	Unallocated	1,902,535.00
	FY24-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	Unallocated	3,680,056.00
Available Total						10,802,777.00
Rescope	FY23-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	PRJ-000002 100 S Underground Powerlines	388,981.00
					PRJ-000071 Depot District Environmental Remediation	200,000.00
					PRJ-000072 Station Center Shared Parking	275,639.00
					PRJ-000073 Central Station	414,121.00
	FY23-PIF-Infrastructure Improvements-NPA	Program Income Fund	Infrastructure Improvements	NPA	PRJ-000068 SL Mattress Warehouse	86,064.62
Rescope Total						1,364,805.62
In Use	FY23-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	PRJ-000017 Artspace Stormwater Relocation	200,000.00
					PRJ-000063 Station Center Design	331,313.11
	FY23-DD-Infrastructure Studies and Planning-DD	Depot District	Infrastructure Studies and Planning	DD	PRJ-000054 Station Center Vision & Implementation Plan	434,696.00
	FY23-DD-Other Housing-DD	Depot District	Other Housing	DD	PRJ-000064 Home Inn Rio Grande Maintenance	23,292.68
	FY23-PIF-Infrastructure Improvements-NPA	Program Income Fund	Infrastructure Improvements	NPA	PRJ-000017 Artspace Stormwater Relocation	320,127.53
					PRJ-000068 SL Mattress Warehouse	5,644.00
In Use Total						1,315,073.32
Total						13,482,655.94

NPA: Non-Project Area. Funding does not have a legal or Board directed requirement to be spent within a specific project area.

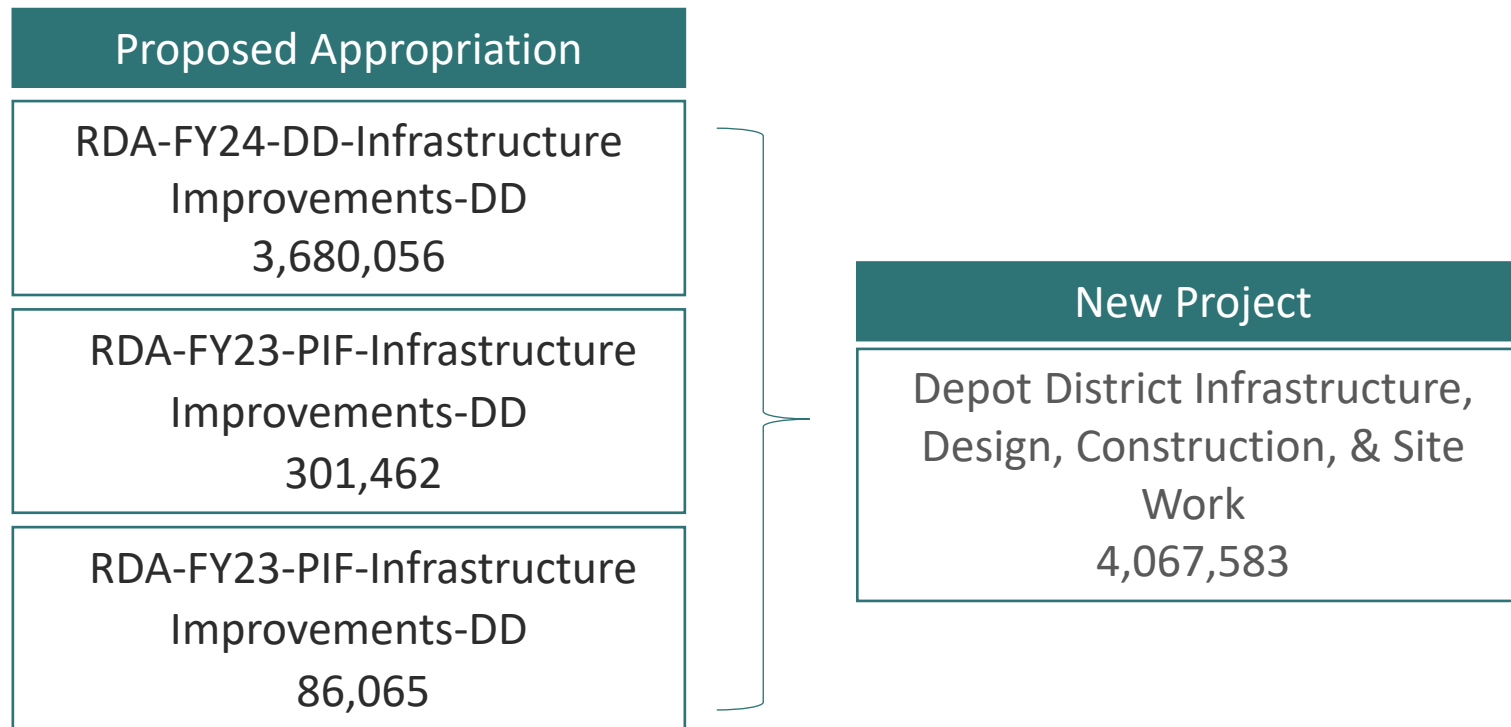
Proposed Budget Changes by Appropriation

Appropriation	Fund	Program	Region	Current Budget	Change	Proposed Budget
FY23-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	7,030,240	(6,498,927)	531,313
FY23-DD-Infrastructure Studies and Planning-DD	Depot District	Infrastructure Studies and Planning	DD	434,696	-	434,696
FY23-DD-Other Housing-DD	Depot District	Other Housing	DD	23,293	-	23,293
FY23-PIF-Infrastructure Improvements-DD	Program Income Fund	Infrastructure Improvements	DD	1,902,535	(1,902,535)	-
FY23-PIF-Infrastructure Improvements-NPA	Program Income Fund	Infrastructure Improvements	NPA	411,836	(86,065)	325,772
FY24-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	3,680,056	(3,680,056)	-
FY23-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	-	1,000,000	1,000,000
FY23-DD-Commercial Property Disposition-DD	Depot District	Commercial Property Disposition	DD	-	5,498,927	5,498,927
FY23-PIF-Commercial Property Disposition-DD	Program Income Fund	Commercial Property Disposition	DD	-	1,601,073	1,601,073
FY23-PIF-Infrastructure Improvements-DD	Program Income Fund	Infrastructure Improvements	DD	-	301,462	301,462
FY23-PIF-Infrastructure Improvements-NPA	Program Income Fund	Infrastructure Improvements	DD	-	86,065	86,065
FY24-DD-Infrastructure Improvements-DD	Depot District	Infrastructure Improvements	DD	-	3,680,056	3,680,056
Total				13,482,656	-	13,482,656

New Project: Station Center Property Disposition & Site Work



New Project: Depot District Infrastructure, Design, Construction, & Site Work



Workday Worktags & the RDA Budget

Appropriation				
Cost Center	Fiscal Year	Fund	Program	Region

Worktags allow for tracking of costs, revenues, and other operational metrics across different dimensions like departments, projects, or geographic locations. The Redevelopment Agency's budget utilizes the following Worktags:

Cost Center: Represents a specific department, unit, or division within an organization that is responsible for certain costs. The RDA is a cost center.

Fiscal Year: The original year the funds were appropriated.

Fund: Used to categorize and segregate financial transactions based on the origin of the funds, which is crucial for accurate financial reporting and compliance. The RDA has Project Area, Housing, Multi-Use, and Operations funds, with various legal and policy-related requirements that need to be monitored.

Program: Enables the segregation and monitoring of financial data, which represents a specific pool of money that needs to be tracked for various legal, policy, or Board-directed initiatives related to RDA programs. The Program Worktags are designed to fit within program hierarchies such as Housing, Commercial, Infrastructure, and Operations programs.

Region: Segments expenses based on location, which for the RDA is usually a Project Area. Not all expenses will be associated with a project area, which means this Worktag may not always be used.

Appropriation: Combines the elements of Cost Center, Fund, Program, and Region into a single, comprehensive identifier, with the fiscal year as a prefix.

Appropriations & Project Budgets

Each appropriation supports either the operations of the Agency or projects associated with its various programs.



Redevelopment Agency Funds

Project Area Funds

Must be used within the boundaries of the project area, except for revenues transferred to Primary Housing (legally required), Secondary Housing (supplemental), Agency Operations (defined by interlocal agreements), or other legal reasons.

- Central Business District (CBD)
- Block 70 (B70)
- Depot District (DD)
- Granary District (GD)
- North Temple (NT)
- North Temple Viaduct (NTV)
- Stadler Rail (SR)
- Northwest Quadrant (NWQ)
- State Street (SS)
- 9 Line (9L)
- Block 67 North (B67N)

Housing Funds

May be used anywhere in the City, unless otherwise directed by the Board, except for the WCI, which must be used west of I-15.

- Primary Housing (1H)
- Secondary Housing (2H)
- Housing Development Fund (HDF)
- West Side Community Initiative (WCI)

Multi-Use Funds

Can be used across project areas (and potentially city-wide), unless otherwise directed by the Board.

- Program Income Fund (PIF)
- Revolving Loan Fund (RLF)

Agency Operations Fund (OPS)

- Receives transfers in from other funds to fund the Agency's operational expenses.

Attachment C

Fiscal Year 2023-24 RDA Budget Amendment #2

Initiative Number/Name	Project Area	Administration Proposed		Board Approved		Ongoing or One-time	FTEs
		Revenue Amount	Expenditure Amount	Revenue Amount	Expenditure Amount		
Section A: New Items							
Section B: Grants for Existing Staff Resources							
Section C: Grants for New Staff Resources							
Section D: Housekeeping							
1 RDA Reallocation of Program-Level Appropriations into Two New Projects	Depot District	-	(10,178,983.00)			One-time	-
1 RDA Reallocation of Program-Level Appropriations into Two New Projects	Depot District	-	10,178,983.00			One-time	-
1 RDA Reallocation of Program-Level Appropriations into Two New Projects	Program Income Fund	-	(1,988,600.00)			One-time	-
1 RDA Reallocation of Program-Level Appropriations into Two New Projects	Program Income Fund	-	1,988,600.00			One-time	-
Section E: Grants Requiring No New Staff Resources							
Section F: Donations							
Section G: Board Consent Agenda -- Grant Awards							-
Section I: Board Added Items							
Total of Budget Amendment Items		-	-	-	-		
Total by Fund, Budget Amendment #1:							
Redevelopment Agency	Depot District	-	-	-	-		-
Redevelopment Agency	Program Income Fund	-	-				
Total of Budget Amendment Items		-	-	-	-		-

Fiscal Year 2023-24 RDA Budget Amendment #2

Initiative Number/Name	Administration Proposed		Board Approved				
	Project Area	Revenue Amount	Expenditure Amount	Revenue Amount	Expenditure Amount	Ongoing or One-time	FTEs
Current Year Budget Summary, provided for information only							
FY 2023-24 Budget, Including Budget Amendments							
Redevelopment Agency	Total Revenue	RDA BA #1 Total	RDA BA #2 Total			Total To-Date	
	80,803,841	(6,476,014)	-			74,327,827	
Total of Budget Amendment Items		80,803,841	(6,476,014)	-		74,327,827	
Redevelopment Agency	Total Expense	RDA BA #1 Total	RDA BA #2 Total			Total To-Date	
	80,803,841	(6,476,014)	-			74,327,827	
Total of Budget Amendment Items		80,803,841	(6,476,014)	-		74,327,827	

Certification

Budget Manager _____

Deputy Director, City Council/RDA Board _____

Contingent Appropriation and Notes