



REDEVELOPMENT AGENCY *of* SALT LAKE CITY

STAFF MEMO

DATE: March 29, 2024

PREPARED BY: Tracy Tran, Senior Project Manager and Austin Taylor, Project Manager

RE: Sugar House RDA Properties and S-Line Extension Updates

REQUESTED ACTION: Information only

POLICY ITEM: Sugar House Property Disposition and Transit Opportunities

BUDGET IMPACTS: n/a

EXECUTIVE SUMMARY:

The Redevelopment Agency of Salt Lake City ("RDA") currently owns the former Sugar House Fire Station property and the former Deseret Industries ("DI") property located at approximately 1085 E Simpson Avenue and 2234 S Highland Drive ("RDA Properties"), respectively, within the RDA's former Sugar House Project Area. The RDA purchased the DI property in 2012 and Salt Lake City transferred the adjacent Fire Station property to the RDA in 2020. In 2022, the Fire Station property was re-zoned from PL – Public Lands to CSHBD1 – Sugar House Business District.

In 2021, the state legislature allocated \$12M towards the extension of the S-line and since then, Utah Transit Authority ("UTA") and Salt Lake City's Transportation Division have been studying the options to extend the S-Line. Since the S-Line would extend east, RDA staff paused on redeveloping the RDA Properties until receiving more details on where the S-Line would extend. UTA and Transportation have decided on a preferred alignment that will impact the RDA property and the construction of the extension along with double tracking along the S-Line is anticipated to begin this summer.

ANALYSIS AND ISSUES:

Given the high costs associated with an extension, the Transportation Division decided that the best location for the extension would be to the south of the RDA Properties along Simpson Avenue. Previous S-Line extension plans would have had the line extend along Sugarmont Drive, which would have taken a larger amount of RDA property to accommodate a turn in the future. The proposed extension would require less developable RDA land than the option running along Sugarmont Drive. The proposed extension would require nearly 14,000 square feet of RDA property along Simpson Avenue. In exchange for the extension cutting into the RDA Properties, a portion of Sugarmont Drive north of the RDA Properties is proposed to be closed and approximately 7,000 square feet of the land within Sugarmont Drive will be given to the RDA. Closing off this portion of Sugarmont Drive will eliminate a complex and unnecessary skewed rail crossing. The closure of Sugarmont Drive is supported by the following City and community master plans:

- The Sugar House Master Plan (Pg 5) adopted in November 2001, states "...the existing portion of Sugarmont Drive should be vacated".

- The Sugar House Circulation Study (Pg 25-30, 56) adopted in February 2014, also recommends the closure of the portion of Sugarmont Drive in question.
- The Local Link Study (Pg 6) adopted in February 2023, recommends that the Parley's Trail remain on this portion of Sugarmont Drive

The next steps will involve working through the necessary property transfers to allow for the extension of the S-Line, closing a portion of Sugarmont Drive in which Salt Lake City will transfer the land to RDA in exchange for RDA land that will be needed for the S-Line extension, cleaning up the property lines through a subdivision plat, re-routing utilities, finding a location for the Public Services maintenance facility that is currently using a building on site, demolishing the buildings on the RDA Properties, and preparing the site for development through an RFP.

After research and discussions with various administrative staff in the City, it was determined that the closure of Sugarmont Drive and cleaning up of the parcel lines could be handled through a subdivision plat since there was no evidence that Sugarmont Drive was dedicated as a public right of way. Staff has notified abutting property owners of the pending closure. As staff works through the details of the S-Line extension, property transfers, and property redevelopment, RDA Staff may return at an upcoming Board meeting to discuss any actions needed to comply with the RDA's Real Disposition Policy along with any budget impacts.

RDA, Transportation Division, and UTA Staff will brief the RDA Board on updates related to the S-Line Extension and property redevelopment at the Board meeting.

CITY COORDINATION: RDA Staff will work with the following City Departments/Division to address various components of the related to the S-Line extension and/or the property redevelopment:

- *Transportation Division:* RDA is coordinating with the Transportation Division as they are working closely with UTA on the details of the project to extend the S-line. Part of the S-Line extension project will also include double tracking of the S-Line from 500 East to 700 East.
- *Public Services:* Public Services is currently using a building on the Fire Station site that houses their facility that provides maintenance for the Sugar House Business District. RDA Staff has been coordinating with Public Services throughout this process over the last 3 years and they are aware they will need to vacate the property before construction work on the S-Line Extension can begin.
- *Planning Division:* The RDA and the Transportation Division will coordinate to clean up the property lines and ownership changes through a subdivision plat process.

PREVIOUS BOARD ACTION:

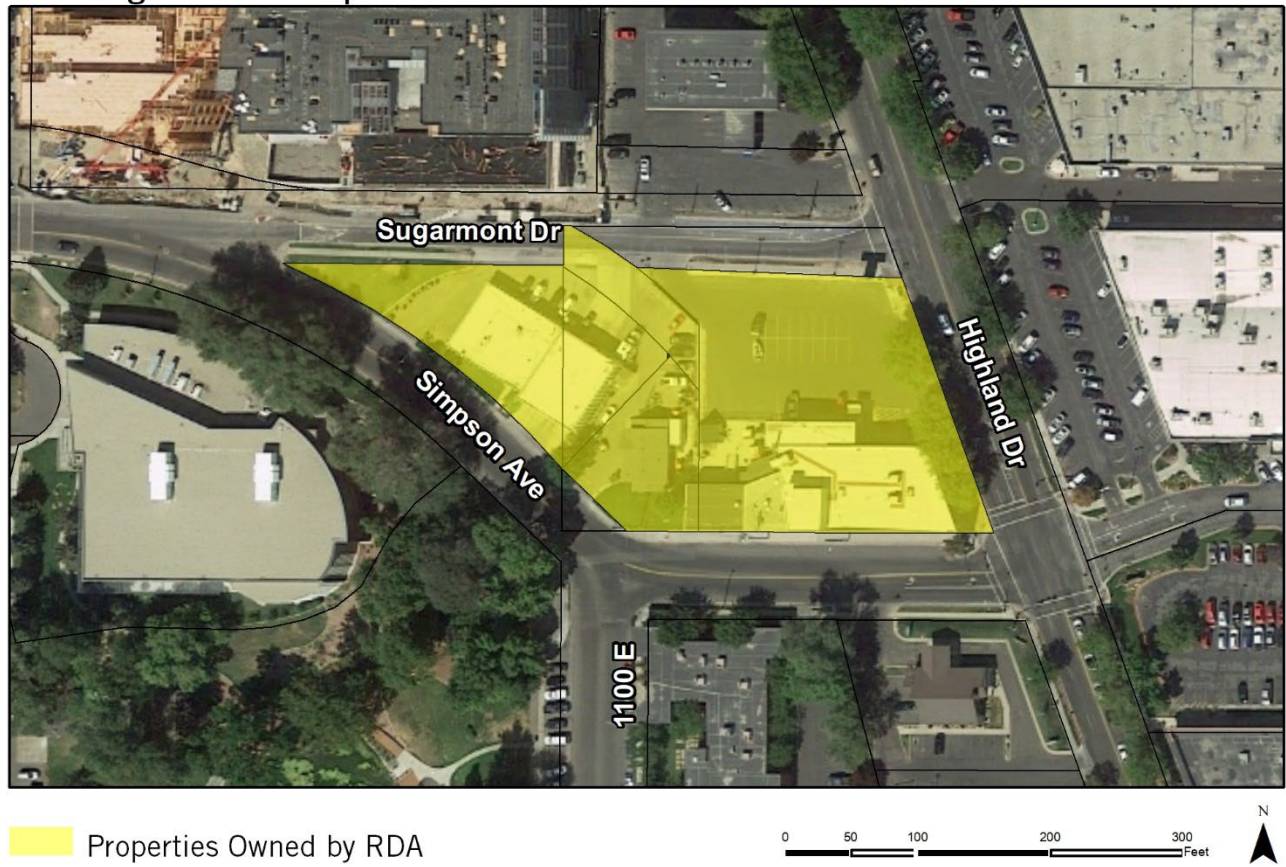
- The Board allocated \$550,000 for demolition costs for this project in FY2023-24.

ATTACHMENTS:

- *Attachment A: RDA Sugar House Properties Map*
- *Attachment B: S-Line Extension Map*

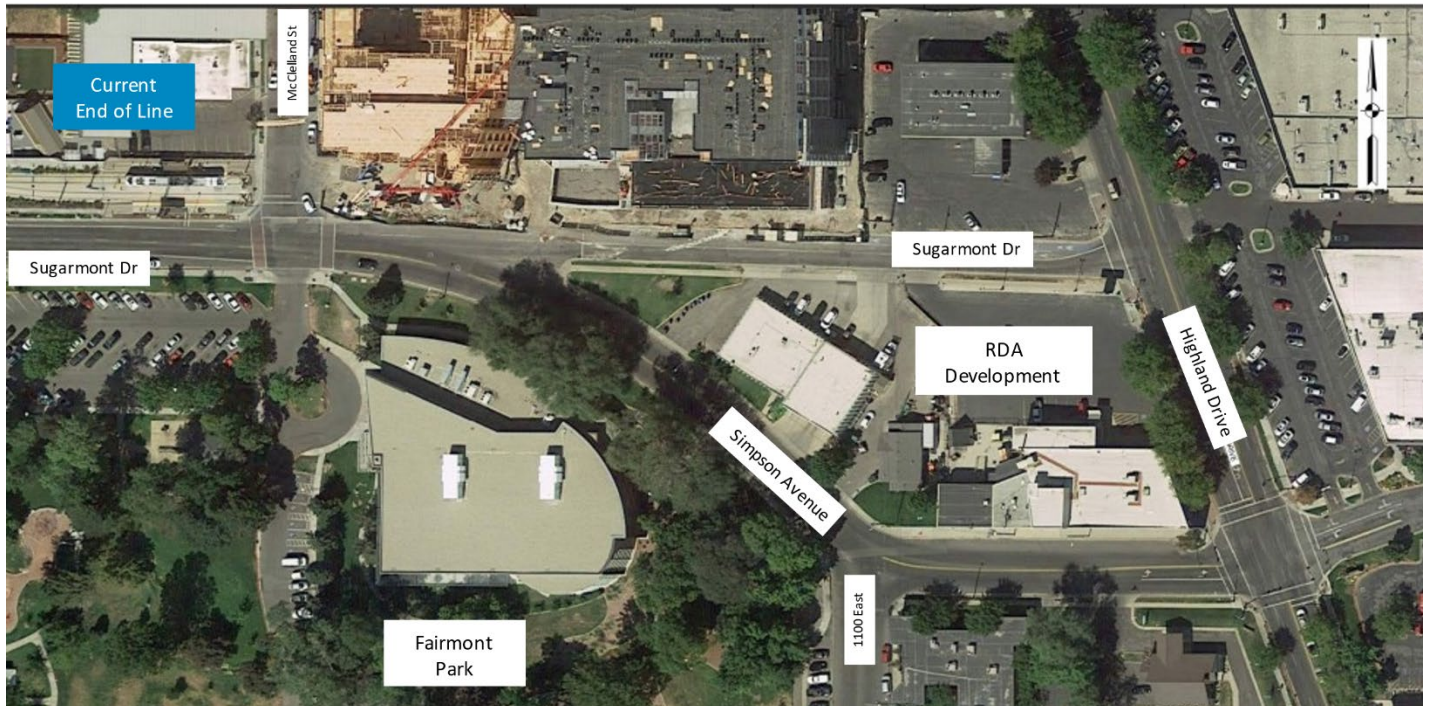
ATTACHMENT A: RDA SUGAR HOUSE PROPERTIES MAP

RDA Sugar House Properties



ATTACHMENT B: S-LINE EXTENSION MAP

Existing Condition



Preferred Alignment

