



## REDEVELOPMENT AGENCY of SALT LAKE CITY

**DATE:** May 21, 2021  
**PREPARED BY:** Ashley Ogden and Cara Lindsley  
**RE:** Station Center Innovation District Concept and Pre-Disposition Report

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**REQUESTED ACTION:** Briefing on the Administration's plans for disposition of property located within the bounds of 500 – 600 West and 200 – 400 South.

**POLICY ITEM:** Depot District real property disposition.

**BUDGET IMPACTS:** N/A

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**EXECUTIVE SUMMARY:** For many years, the Redevelopment Agency (RDA) has been working toward the development of what is referred to as the Station Center area, an assemblage of approximately 10.5 acres located between 500 – 600 West and 200 – 400 South in the Depot District project area. The Agency currently owns approximately nine acres.

RDA plans have long called for Station Center, which is adjacent to the UTA Intermodal Hub, to become Utah's premier model of successful transit-oriented development. This vision includes mixed-use development that maximizes permitted densities and contains affordable commercial and residential spaces and active street-level uses, as well as the extension of the City grid to create new transportation connections that prioritize the pedestrian and bicyclist over the car. New buildings will also complement the character of the SLC Warehouse National Historic District and encourage the adaptive reuse of remaining historic structures, including the RDA-owned Salt Lake Mattress Company building.

While the Agency has undertaken significant physical planning efforts and has an ambitious vision for the project, Staff recognizes the unique opportunity to do something especially impactful with Station Center. In early 2020, the RDA and University of Utah (U-of-U) Department of Real Estate Administration engaged in discussions on the establishment of a downtown U-of-U presence. With the Mayor's support, both parties commissioned a study by HR&A Advisors that evaluates the feasibility of partnering to create a University-anchored Innovation District on the Station Center property.

This memo is intended to provide the RDA Board of Directors (Board) with an overview of key components of the Station Center Innovation District project concept, which is based on findings from the partnership study. Please refer to *Attachment A: Station Center Innovation District Development Proposal* for a full project profile. Additionally, pursuant to the RDA's Real Property Disposition Policy, the RDA shall submit a pre-disposition report to the Board prior to marketing the property that includes preliminary information on the proposed plans for disposition— please refer to *Attachment B: Pre-disposition Report*.

## ANALYSIS & ISSUES:

Key takeaways of the proposed Station Center Innovation District project concept and disposition include the following:

1. *Coordinated Development Approach:* Last year, the RDA began to consider a master-development model for Station Center that would realize efficiencies related to 1) development of infrastructure improvements, 2) maintaining consistency with design guidelines, 3) carrying out cohesive land use planning and activation, and 4) establishing a coordinated plan for infrastructure maintenance funding.
2. *Policy Alignment:* A partnership with the U-of-U would support the Mayor's vision for Tech Lake City, BioHive, and initiatives called for in Plan Salt Lake and the Downtown Master Plan.

### **Plan Salt Lake (p. 39):**

- *Maintain and grow Salt Lake City as the economic center of the region.*
- *Support the economic growth of Downtown, including:*
  - *Innovation District in the Granary*
  - *Reactivate the Gateway*
  - *Develop Station Center*
  - *Expand Research Park in or near the downtown area*
- *Support the growth of small businesses, entrepreneurship, and neighborhood business nodes.*
- *Recruit corporate headquarters and major employers to locate in the City.*
- *Improve existing and develop new relationships with economic development partners.*

### **Downtown Master Plan (p. 104-107):**

*"The future of the Depot District is a dense urban neighborhood that provides a full range of housing options and is served by all modes of transit...the area could easily be the location of a major job center, such as an urban oriented technology center or research park."*

3. *Partnership Opportunity:* A partnership with the U-of-U represents an opportunity to elevate the RDA's long-standing plans to implement a model transit-oriented development with a clustering of leading-edge anchor institutions, inventors, incubators and accelerators, and businesses at all levels in the life cycle ranging from start-ups to mature, growing firms, all in one place.
4. *Leveraging of Resources:* This partnership will allow for the leveraging of resources, including capitalization of the U-of-U's strong reputation for being an institution of excellence in innovation, technology commercialization, and research to attract industry partners, developers, capital, and investors.
5. *Community Benefit:* In addition to the economic benefits that a University-anchored Innovation District is sure to bring to Salt Lake City, the RDA sees this as a unique opportunity to incorporate a high level of public benefit into one development project. Programming initiatives identified for the District include affordable housing and commercial spaces to mitigate risk of displacement from the City, opportunities for education and upward mobility through equitable access to U-of-U resources and spaces, a focus on community health programming, and implementation of sustainable development strategies that have not yet been embraced by the local development community on a widespread scale.

6. Long-term Involvement: The RDA would remain involved as a long-term and strategic partner, as defined through a partnership agreement, to ensure the success of the district and that public benefits are maximized. In addition, the City could maintain an active partnership in the governance and programming of the Innovation District.
7. Board's Role: As the Administration negotiates the terms of a partnership, the Board's role in the property disposition will include:
  - a. Approval of any land discount over 10% of the as-is fair market value pursuant to the Real Property Disposition Policy.
  - b. Allocation of any sales disposition proceeds pursuant to the Real Property Disposition Proceeds Policy.
8. Method of Disposition: Pursuant to the RDA Real Property Disposition Policy, the RDA may engage in an exclusively negotiated method of disposition with a "non-profit or governmental agency for a community development or public use." While partnering with the University of Utah may technically include an exclusive negotiations method of disposition, the selection of ultimate development partners would be through competitive RFPs. This will allow the RDA and University to recognize the benefits of a partnership while still being inclusive and transparent in the selection of end users.
9. Disposition Structure: The U-of-U and RDA are currently working through the framework of a potential disposition and development structure. Discussions are in the preliminary stages and do not yet include a formal commitment from the parties to move forward with a partnership, specific terms, or legal agreements. Based on extensive evaluation of potential structures and current discussions with the U-of-U, a land sale structure appears to be most viable.
10. Infrastructure: A partnership with the U-of-U would fulfill the RDA's long-standing plans for streetscape and infrastructure improvements. It has been anticipated that the RDA would need to use a portion of the property disposition proceeds to fund these infrastructure needs. Improvements include the extension of the City's street grid with the construction of new mid-block streets, the reconstruction of 300 South into a "festival street" with community gathering space, and the upgrading of utilities to support denser development.
11. Land Sale Proceeds: A land sale would provide significant revenues to the RDA, providing the ability to target resources to other project areas such as North Temple, 9 Line, and State Street.

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#### **PREVIOUS BOARD ACTION:**

- On June 3, 2014, the Salt Lake City Council adopted Ordinance No. 26 (2014), approving the street vacation of the outer edges of 300 South between 500 West and 600 West streets.
- On May 12, 2015, the RDA Board approved the Station Center Infrastructure Improvements Schematic Design.
- On March 15, 2016, the RDA Board approved the Station Center Infrastructure Improvements Design Development.
- On May 24, 2016, the City Council adopted the Downtown Community Master Plan.

- On March 20, 2018, the RDA Board approved land write-downs of the sales prices for Station Center Sites 1 and 3 in exchange for those developers constructing the portion of Infrastructure Improvements adjacent to their sites.
- On January 15, 2019, the RDA Board held a policy discussion regarding potential strategies for maintaining public improvements for RDA projects.
- On April 13, 2019, the RDA Board approved \$8,962,119 in funding for the Station Center Infrastructure Improvements.
- On September 24, 2019, Project Staff briefed the RDA Board on the current status of the Station Center infrastructure project and made the recommendation to fund ongoing maintenance of the new improvements via Business Improvement District, similar in structure to a Special Assessment Area.
- On September 15, 2020, the RDA Board approved the use of \$865,000 in funding to stabilize the RDA-owned Salt Lake Mattress Company building. A separate action approved the use of funds to exercise the RDA's option to purchase property from Artspace City Center, LLC.
- On November 10, 2020, Project Staff provided the RDA Board with an informational update about a revised shared-street design for 300 South and Woodbine Court and presented findings from a Special Assessment Area analysis for funding ongoing maintenance of infrastructure improvements.

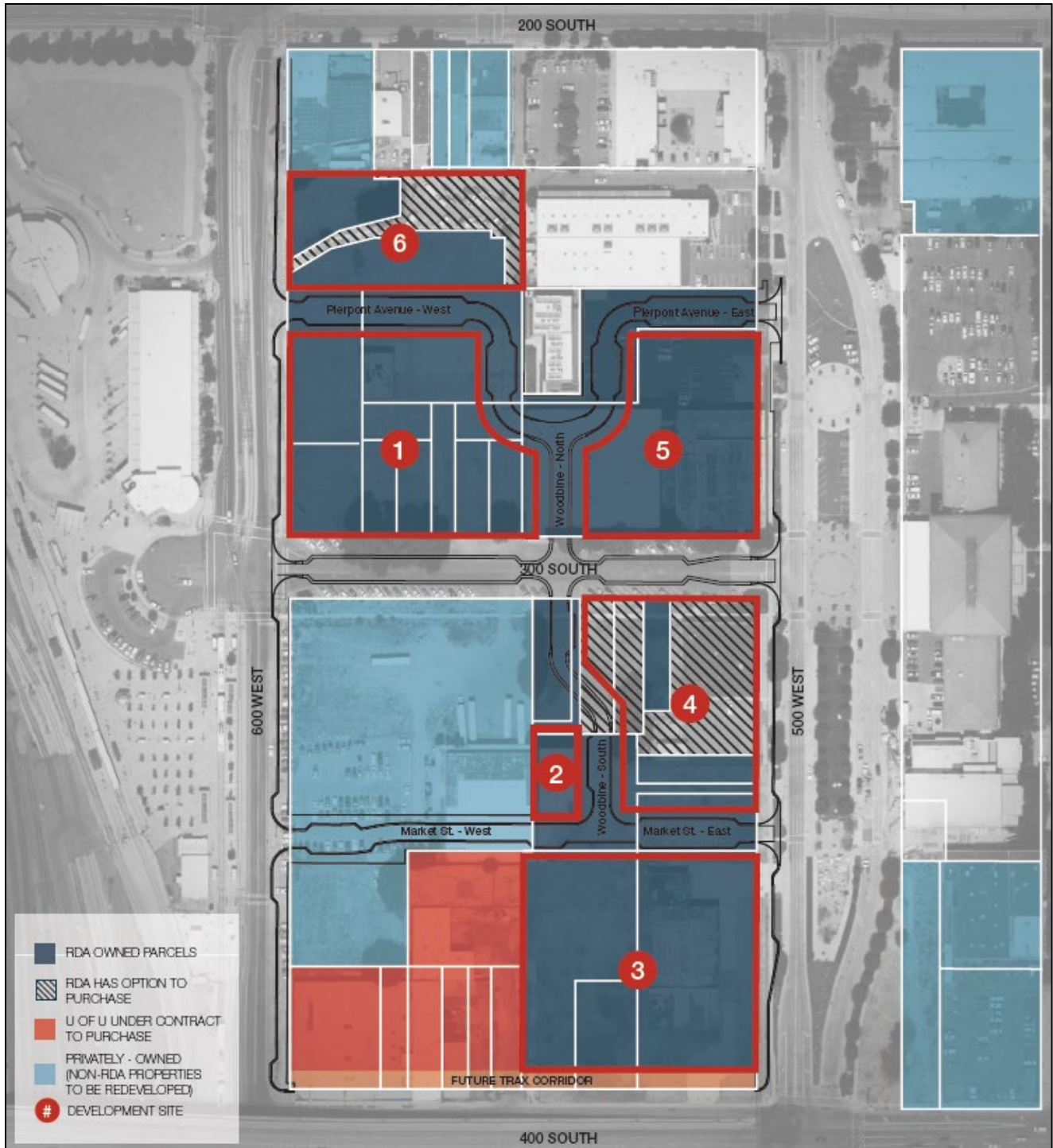
**ATTACHMENTS:**

- A. Station Center Innovation District Development Proposal
- B. Pre-Disposition Report

## Attachment A:

# STATION CENTER INNOVATION DISTRICT DEVELOPMENT PROPOSAL

June 2021



## PROJECT OVERVIEW:

For many years, the Redevelopment Agency (RDA) has been working toward the development of what is referred to as the Station Center area, an assemblage of approximately 10.5 acres located between 500 – 600 West and 200 – 400 South in the Depot District project area. The Agency currently owns approximately nine acres and has options to purchase an additional 1.5 acres from Artspace City Center, LLC, and the State of Utah.

RDA plans have long called for Station Center, which is adjacent to the UTA Intermodal Hub, to become Utah's premier model of successful transit-oriented development. This vision includes mixed-use development that maximizes permitted densities and contains affordable commercial and residential spaces and active street-level uses, as well as the extension of the City grid to create new transportation connections that prioritize the pedestrian and bicyclist over the car. New buildings will also complement the character of the SLC Warehouse National Historic District and encourage the adaptive reuse of remaining historic structures, including the RDA-owned Salt Lake Mattress Company building.

While the Agency has undertaken significant physical planning efforts and has an ambitious vision for the project, Staff recognizes the unique opportunity to do something especially impactful with Station Center. In early 2020, the RDA and University of Utah (U-of-U) Department of Real Estate Administration engaged in discussions on the establishment of a downtown University presence. With the Mayor's support, both parties commissioned a study by HR&A Advisors that evaluates the feasibility of partnering to create a University-anchored Innovation District.

This document outlines key components of the proposed Station Center Innovation District project, which would directly support initiatives called for in Plan Salt Lake and the Downtown Master Plan, as well as many other City goals and priorities:

### **Plan Salt Lake (p. 39):**

- *Maintain and grow Salt Lake City as the economic center of the region.*
- *Support the economic growth of Downtown, including:*
  - *Innovation District in the Granary*
  - *Reactivate the Gateway*
  - *Develop Station Center*
  - *Expand Research Park in or near the downtown area*
- *Support the growth of small businesses, entrepreneurship, and neighborhood business nodes.*
- *Recruit corporate headquarters and major employers to locate in the City.*
- *Improve existing and develop new relationships with economic development partners.*

### **Downtown Master Plan (p. 104-107):**

*"The future of the Depot District is a dense urban neighborhood that provides a full range of housing options and is served by all modes of transit...the area could easily be the location of a major job center, such as an urban oriented technology center or research park."*

## **INNOVATION DISTRICTS:**

*Dense enclaves that merge the innovation and employment potential of research-oriented anchor institutions, high-growth firms, and tech and creative start-ups in well-designed, amenity-rich residential and commercial environments.*

**– Brookings Institution**

## PROGRAMMING & PARTNERSHIP STUDY FINDINGS AND RECOMMENDATIONS:

As mentioned above, the RDA partnered with the U-of-U to explore a programmatic approach and partnership strategy to support the development of a Station Center Innovation District. The following is a high-level summary of the findings and recommendations that came out of this three-part study:

### 1. STAKEHOLDER ENGAGEMENT:

During August and September 2020, HR&A Advisors hosted 14 discussions with representatives from city, regional, and state government, various U-of-U programs, and many other local stakeholders who have a vested interest in the growth of Salt Lake City's innovation ecosystem. Main takeaways include:

- **Concerns about on-the-ground safety** dominate participants' views of the site.
- **Housing in the Downtown area is currently inaccessible to a wide range of people** whose participation is essential to a Station Center Innovation District.
- **Increased transit access and comfortable bike and pedestrian connections** are needed to ensure that Station Center is well connected and accessible to all parts of Salt Lake City.
- **Biotech and health, both prescriptive and preventative, have been identified as potential anchor industries** for Station Center.
- **There is a citywide shortage in lab, office, and community spaces** necessary for a thriving innovation ecosystem, an issue with implications on talent and business attraction and retention.
- **Green/play space is highly desired** throughout Salt Lake City, and especially within the Depot District.
- **Rio Grande Depot is currently seen as a barrier to development** and will require more active programming.
- The success of this project will be measured in large part by the extent to which it provides **meaningful connections to the West Side (both physical and programmatic)**.

#### STUDY COMPONENTS

1

Stakeholder Engagement

2

Innovation Asset Assessment

3

Programming & Partnerships  
Strategy



## 2. INNOVATION ASSET ASSESSMENT:

Following the stakeholder engagement process and review of existing plans and resources, HR&A Advisors completed an innovation asset mapping exercise that resulted in a recommended set of programmatic drivers for a Station Center Innovation District: Life Sciences and Community Health.

### STRATEGIC OPPORTUNITIES:

#### LIFE SCIENCES

##### **Biotechnology Research**

- Promote responsible and ethical innovation;
- Advance research in genetics;
- Use of robotics in medicine.

##### **Healthcare**

- Prevention of chronic illness and disease;
- Advance access to health care education, including increasing diversity and equity in providers;
- Explore social and behavioral sciences;
- Emphasize need for balance between preventative/diagnostic care systems.

##### **Technology & Entrepreneurship**

- Expand capacity of technology and commercialization organizations;
- Provide spaces for startups to settle after outgrowing incubator space;
- Facilitate connections between entrepreneurs and industry leaders;
- Advance opportunity for community members to access resources for technological development and commercialization.

#### COMMUNITY HEALTH

##### **Food Security**

- Expand capacity of urban agriculture and local food systems to reduce food insecurity;
- Leverage innovations in hydroponics to produce food more efficiently and closer to population centers;
- Develop an indoor public market to provide year-round access to locally-grown produce;
- Develop and maintain community gardens to provide sustainable local produce.

##### **Nutrition**

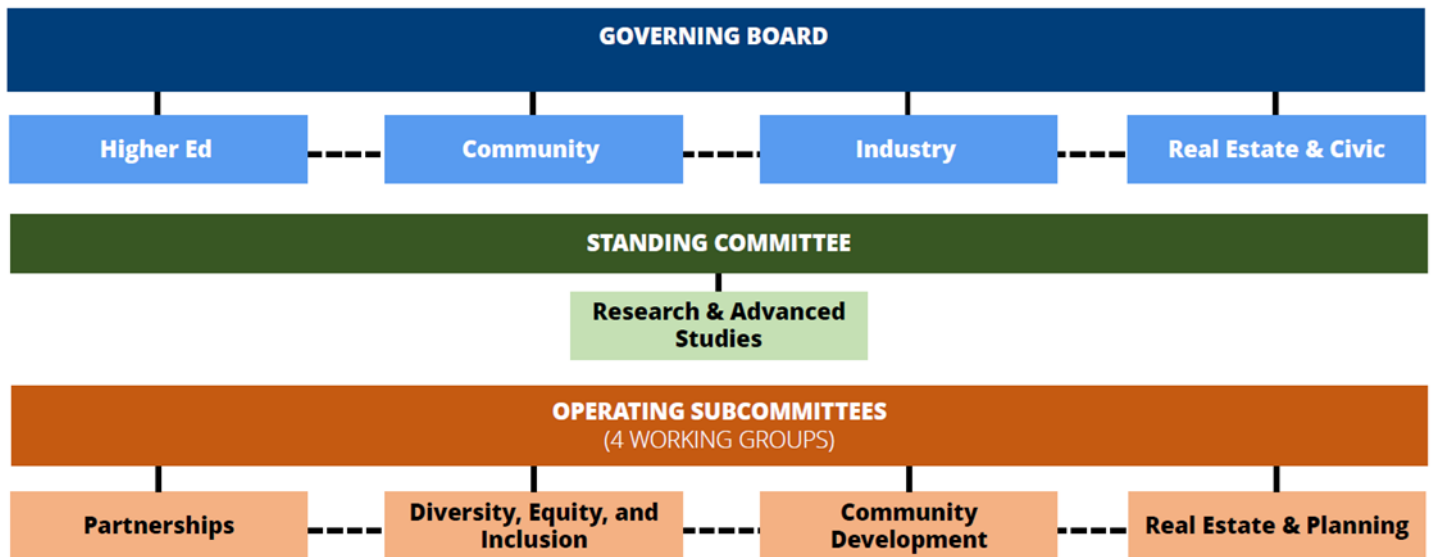
- Increase engagement with the community on healthy eating habits through demonstration kitchens;
- Improve access to healthy foods for at-risk populations by providing services through a community hub;
- Develop stronger locally-sourced food systems.

##### **Health Equity & Education**

- Increase focus on healthcare outcomes by incorporating a preventative health program on site;
- Adapt existing/emerging health systems to address physical/mental health inequities;
- Enhance opportunities for equitable health coverage through reform of healthcare quality, access, and affordability;
- Advance platforms to network population health data to inform policy and legislative initiatives.



- 3. PROGRAMMING & PARTNERSHIPS STRATEGY:** The last part of the study examined governance and real estate structures of other successful Innovation Districts, which are typically developed through public-private partnerships that include local government, a university anchor, and one or more private developers. For Station Center, HR&A recommends the creation of a new non-profit entity to govern the District, comprised of representatives from the U, Salt Lake City, and other community and industry partners.



A standing committee for Research and Advanced Studies would direct and promote the advancement of research initiatives, industry engagement, and academic pursuits within Station Center.

Operating subcommittees would work to establish early partnerships with the business community, non-profit institutions, and government entities, ensure that underrepresented communities are able to fully engage with Station Center, build a strong relationship with the West Side, and advise on the real estate development of the District as it is built out.

## U-OF-U PARTNERSHIP RESOURCES:

Successful Innovation Districts are run through programs and partnerships but require a leader to anchor those programs to the District. HR&A identified the U-of-U as best positioned to be the “programmatic champion” of Station Center, as the success of the District will largely rely on the ability to leverage the U’s vast resources to attract industry partners, developers, and investors. If the U-of-U assumes this role, the RDA and City would remain involved as a long-term and strategic partner to leverage resources and ensure that public benefits are maximized.

- The University has an established local and regional presence, as well as a strong reputation for being an institution of excellence in innovation, technology commercialization, and research.
- The University has a proven track record of a successful commercialization pipeline of new company creation and attraction.
- Case studies of other Innovation Districts with nonprofit University partners show a significant amount of job creation (direct and indirect), on-site earnings, and regional economic output, among many other economic benefits. The economic impact of a Station Center Innovation District would spill over into neighboring parts of the city.
- Regardless of the property owner, all private development would be considered a taxable improvement and treated as such under applicable tax codes.
- The University has the resources needed to invest in both people and infrastructure and can utilize these investments to catalyze activity at Station Center.
- The University has existing governance infrastructure through University of Utah Research Foundation (UURF) that could be adapted to create a sub-entity to manage and program Station Center.
- Marketing as a partnership with the University would have more impact and attract interest from a wide range of developers.
- The University is under contract to purchase approximately 2 acres of adjacent property, which would facilitate 400 South Trax extension that is called for in the Downtown and Transit Master Plans.

## PLACEMAKING:

While it is obvious that the U's assets and expertise are necessary to cultivate a successful downtown Innovation District, studies show that many other District leaders have failed to pair their innovation programming with the physical land planning necessary to create a compelling sense of place that supports a high level of interaction and collaboration. Pitfalls include a loss of character through the demolition of historic structures, the construction of oversized buildings with large floor plates that eliminate a sense of human scale and walkability, a lack of diversity in building design, and a perceptible divide between areas with sterile institutional buildings and those containing neighborhood amenities like retail, restaurants, bars, etc.<sup>1</sup>



Preliminary renderings of revised concept for Woodbine Court & 300 South



Fortunately, the RDA has already undertaken significant steps that will prevent Station Center from falling into the same trap. This includes the creation of the Station Center Design Guidelines, which will require new development to be compatible with the SLC Warehouse National Historic District that it is located within, the stabilization of the historic Salt Lake Mattress Company building, and support of the rehabilitation of Artspace's Beehive Brick and City Center buildings.

There are also long planned for infrastructure and streetscape improvements that include the reconstruction of 300 South into a "festival street" that can be closed and programmed as community gathering space, as well as the construction of three new mid-block streets to provide better access and permeability throughout the project. Improvements also include upgrading underground utilities to support denser development and a district-wide approach to streetscape design for an active and pedestrian-oriented neighborhood. Landscape, lighting, electrical, and civil engineering designs are approximately 60% complete, but the RDA's design consultant is in the process of revising a portion of the plans to incorporate a reimagined concept for the center of the neighborhood on 300 South and Woodbine Court.

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<sup>1</sup> <https://www.brookings.edu/blog/the-avenue/2019/02/21/innovation-districts-and-their-dilemmas-with-place/>

## AFFORDABILITY, EQUITY & SUSTAINABILITY:

The U-of-U team has expressed a commitment to the RDA's vision of a robust, mixed-use neighborhood that meets the needs of a diverse population. The RDA sees Station Center as a unique opportunity to incorporate a high level of public benefit into one project. Potential public benefits that the team will explore include the following:

- Housing for extremely low-income households (50% AMI and below), persons with disabilities, the elderly, and other populations at risk for homelessness due to their economic, health, or social circumstances.
- Opportunities for affordable home/commercial ownership.
- The development of housing that is more conducive to larger household sizes (i.e., 3-4 bedroom units).
- Reduction of displacement risk of existing Salt Lake City businesses and barriers to entry for new ones through the provision of affordable commercial spaces with subsidized and/or below-market lease rates.
- Solutions that provide equitable access to space and University support services to facilitate the growth cycle of a start-up company.
- Programming that meaningfully closes the gaps between the City's east and west sides by providing educational and/or job opportunities that support upward mobility.
- Community health programming with a greater focus on equity and access, education, food security, and nutrition.
- New development that is designed to operate without on-site fossil fuel combustion.
- On-site renewable energy as well as on-site treatment of stormwater and other water-wise programs.
- Implementation of strategies to reduce auto dependency and encourage use of alternative modes of transportation.

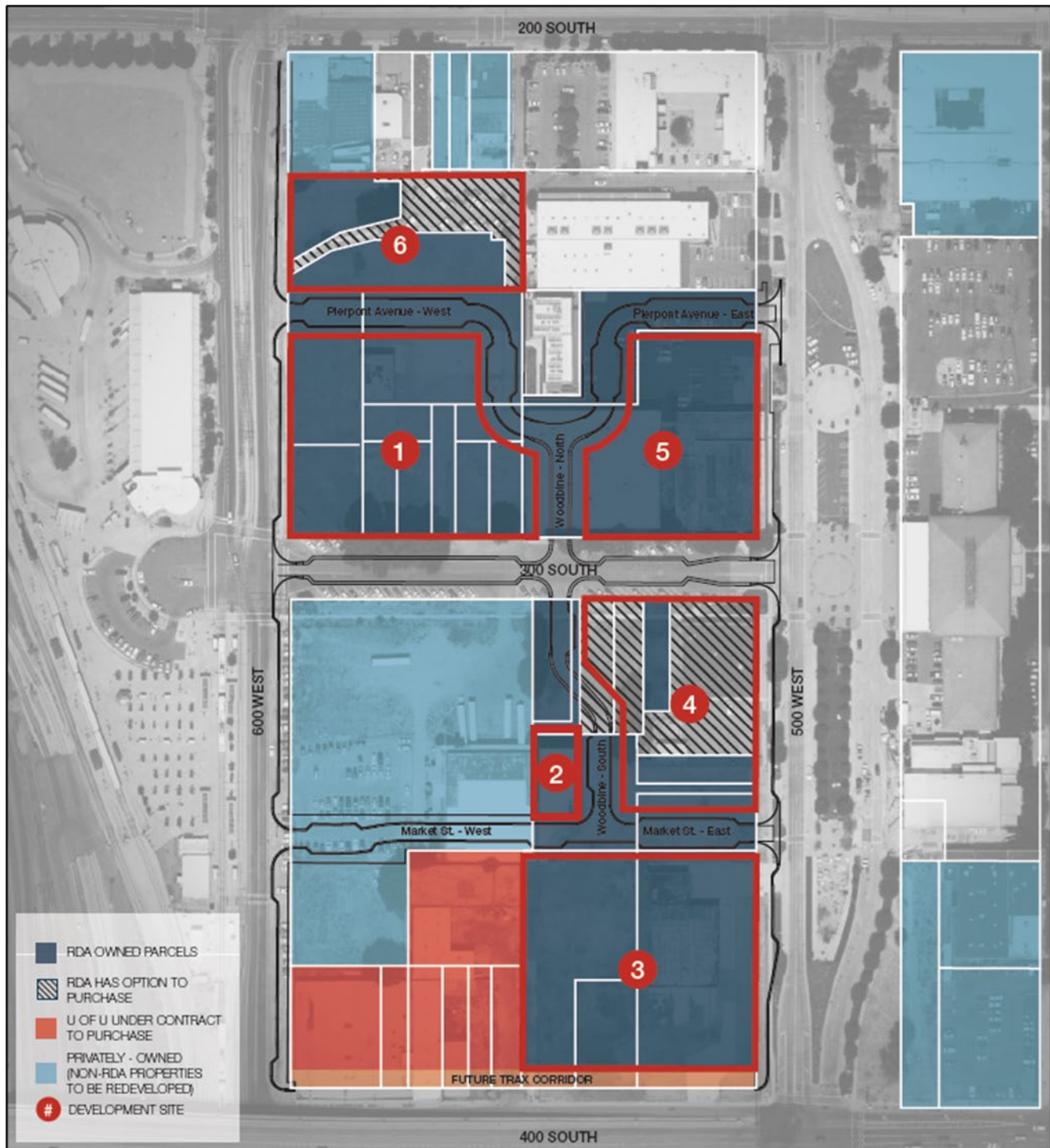
## TENTATIVE TIMELINE AND NEXT STEPS:

- JUNE 2021:** Present Station Center Innovation District concept to Redevelopment Advisory Committee (RAC).
- Present Station Center Innovation District concept to RDA Board of Directors.
- Q3 2021:** Present property disposition strategy to RDA Board of Directors.
- Work with U-of-U to refine development strategy with further market analysis and detailed land use planning. Determine governance framework and mechanism for infrastructure maintenance funding.
- Q4 2021:** Return to RDA Board of Directors with informational update on findings from further analyses and disposition/development plans.
- Execute RDA – U-of-U partnership agreement, an overarching agreement that establishes partnership roles and responsibilities, governance framework, protective covenants, development review processes, etc.
- Execute property disposition agreement with U-of-U.
- Q1 2022:** Draft and release joint request for proposals (RFP) for first development phase.
- Q2 2022:** Select developer for first phase of project. Return to RDA Board of Directors for informational update on selected proposal.

Attachment B: Pre-Disposition Report  
**Station Center Properties**  
June 2021



**SLCRDA**



Property Description:

The RDA owns several parcels totaling approximately nine (9) acres and has options to purchase an additional 1.4 acres in what is referred to as the Station Center area roughly bounded by 500 – 600 West and 200 – 400 South.

Project Area: Depot District

Zoning: Gateway-Mixed Use District

Property Type: Tier 1

Tier 1 Justification:

The Property is classified as Tier 1 because the parcels meet the following categories:

- Property within a strategic geographic location that is considered vital to the redevelopment of the project area, which geographic location is identified in the Project Area Plan.
- Property is specifically identified in a Salt Lake City adopted master plan.
- Property is a parcel or parcel assemblage that totals two or more contiguous acres in size.
- Property is listed on the local or national register of historic places as historically significant (Site 2 – Salt Lake Mattress Company Building).

Current Status:

In early 2020, the RDA and University of Utah (U-of-U) Department of Real Estate Administration engaged in discussions on the establishment of a downtown University presence at Station Center. With the Mayor's support, both parties commissioned a study by HR&A Advisors that evaluated the feasibility of partnering to create a University-anchored Innovation District, something that is specifically called for in Plan Salt Lake, the City's Downtown Master Plan, and the Tech Lake City and BioHive initiatives. The Agency is currently working with the U-of-U to define a path forward to implement our joint vision for the project.

Property Reuse Plan:

In addition to creating a model of successful transit-oriented development, the RDA recognizes the unique opportunity to do something especially impactful with Station Center and aims to ensure that the project supports the following priorities:

- Establish Station Center as the City's flagship downtown hub of research and innovation activity, with a specific focus on the life sciences and community health sectors;
- Create a comprehensive neighborhood with a robust mix of uses (affordable housing, office, research, retail, dining, and nightlife opportunities) that meet the needs of a diverse community;
- Raise the bar for implementing affordable, equitable, and sustainable development and programming strategies;
- Develop high-density, mixed-use buildings with active street-level uses;
- Require development that complies with Station Center Design Standards and Guidelines and complements the urban form and character of the SLC Warehouse National Historic District;
- Introduce new mid-block street connections and reconstruct the existing 300 South into a pedestrian-oriented "festival street" to serve as a public gathering space;
- Upgrade utilities to support the future density of the neighborhood;
- Implement strategies to reduce auto dependency and encourage use of the many nearby multi-modal transportation options; and
- Support the potential for a permanent, year-round public market.



#### Infrastructure Improvements:

Staff is currently working with a consultant and multiple City Divisions to finalize the design/construction documents for proposed public improvements to be made in the area, including three (3) new mid-block streets, the reconstruction of 300 South into a pedestrian-oriented “festival street,” utility upgrades, and other streetscape improvements. The Board has allocated \$8.9 million to construct Woodbine Court and to reconstruct 300 South and it has been anticipated that the remainder of the improvements may be funded with property disposition proceeds.

#### Method of Disposition:

The Real Property Disposition Policy allows for disposition via exclusive negotiation in certain circumstances, including if the sale or lease of property is to a non-profit or governmental agency for a community development or public use. The RDA is considering disposing of the property to the U-of-U through exclusive negotiation because the University is a Special Purpose Government Agency and the proposed Innovation District project would result in significant community and economic benefits for Salt Lake City. This includes activation of the Depot District in accord with multiple City plans and initiatives; expansion of the U-of-U's highly successful technology commercialization efforts which results in new company creation and talent retention/attraction; increased innovation and research activity which creates employment opportunities and brings outside funding to the City that is trickled down through the local economy; provision of equitable opportunities for those not typically engaged in these sectors to access U-of-U spaces and support services; implementation of the City's affordable and family housing priorities with a focus on displacement mitigation; creation of affordable commercial spaces for local businesses and nonprofits; community health programming; sustainable development strategies, and more.

#### Potential Structure:

Staff has evaluated several disposition options and the structures of other innovation districts across the country. Based on this evaluation and discussions with the U-of-U, the preferred structure is for the U-of-U to purchase the RDA's property through a fee title sale. In turn, the University would ground lease/sub-lease the property to a private developer/end-user selected through a competitive Request for Proposals (RFP) process. Primary considerations of the preferred structure are outlined below:

- RDA would sell its property to U-of-U at or near a fair market, appraised value.
- RDA would be compensated for the full value of land upon sale, whereas a ground lease by the RDA would provide smaller lease payments over time.
  - Provides for a portion of the land sale proceeds to be used to fund construction of infrastructure improvements (with Board allocation).
  - Opportunity for remaining funds to be used to carry-out other RDA priorities across other project areas.
- The U-of-U would maintain long-term ownership and preserve the Innovation District use through ground leasing to end-users.
- U-of-U would use ground lease revenues obtained from sub-lessees to fund District programming and maintenance.

One of the first steps in the overall process would be to execute a partnership agreement between the RDA and U-of-U that would establish partnership roles and responsibilities, the selected Innovation District governance structure, protective covenants and other restrictions to be placed on District properties, the development review process, etc. It is anticipated that the City will have representation within the Station Center governance entity, and that the RDA will participate in creation of the RFP(s), developer selection process, and design review of the selected development proposal(s).

Tentative Timeline and Next Steps:

While the timeline will be influenced by economic conditions and the complexity of the selected project, the RDA is estimating that the disposition schedule will be as follows:

- Q3 2021:** Present property disposition strategy to RDA Board of Directors (BOD).
- Work with U-of-U to refine development strategy with further market analysis and land use planning. Determine governance framework and mechanism for infrastructure maintenance funding.
- Q4 2021:** Return to RDA BOD with informational update on findings from further analyses and disposition/development plans.
- Execute overarching RDA – U-of-U partnership agreement.
- Execute property disposition agreement with U-of-U.
- Q1 2022:** Draft and release joint request for proposals (RFP) for first development phase.
- Q2 2022:** Select developer for first phase of project. Return to RDA BOD for informational update on selected proposal.