

5 Economic Development

Creating Economic Vitality

Why is economic development important? Economic development helps pay the bills. Economic development is about working together to maintain a strong economy by creating and retaining desirable jobs, which provide a good standard of living for individuals.

Increased personal income and wealth increases the tax base, so a community, county or state can provide the level of services residents expect. A balanced, healthy economy is essential for community well-being.

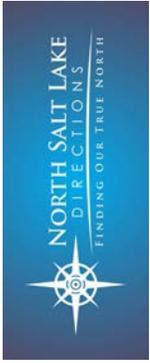
Economic development expenditures are a community investment. Influencing and investing in the process of economic development allows a community to determine its future direction and guide appropriate types of development according to its own values.

This section of the General Plan analyzes the local and regional economy, and recommends actions and implementation steps that can help North Salt Lake to accomplish the following economic development goals:

Employment opportunities. Promote quality employment by expanding and attracting business establishments that pay higher wages and offer career ladder opportunities for local residents.

Tax base. Improve North Salt Lake's fiscal revenues by expanding and attracting businesses that make positive contributions to the tax base.

Redevelopment. Encourage revitalization by engaging in public and private investments in responsible development that maximize the



use of the resident workforce skills, unmet retail demand and North Salt Lake's location and access to transportation through land assembly, removing constraints to development, planning and infrastructure development.

City Identity. Enhance the identity of North Salt Lake as it is perceived by residents, employees and visitors.

North Salt Lake has a terrific opportunity to reshape and expand its economy if revitalization efforts can be targeted for the City Center and Redwood Road areas.

North Salt Lake needs backbone revitalization in order to attract new business prospects and take advantage of the City's strategic location to attract more high paying jobs.

ECONOMIC DEVELOPMENT STRENGTHS

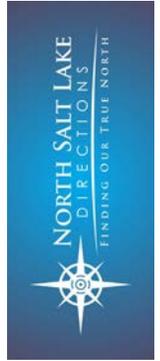
Business expansion and attraction in North Salt Lake will require a marketing effort that capitalizes upon North Salt Lake's strengths listed below:

- Proximity to Salt Lake City
- Strategic location with access to Western Area markets
- Proximity to the Salt Lake airport
- Undeveloped land within the City Center and Redwood Road areas
- Two Interstate interchanges with commercial development opportunities
- Access to highly skilled university graduates, faculty, and researchers located along the Wasatch Front

ECONOMIC DEVELOPMENT CHALLENGES

National and state economic conditions have a direct impact on North Salt Lake's economy and its economic development potential. Within this context, this section of the General Plan presents an economic development strategy that North Salt Lake can pursue independently of the global and national economic trends. Within this context, North Salt Lake's economic development challenges are listed below:

- Lack of a positive business identity



- Lack of shovel ready sites available for new business prospects
- Small population (limits retail growth)
- Retail competition from Bountiful, Woods Cross and Centerville

INDUSTRIAL MARKET CONDITIONS

North Salt Lake can anticipate expanding its job base by 2,500 new jobs during the next decade despite the current national economic downturn. Projected job growth during the next decade will generate a demand for 870,000 square feet of new industrial and business park space on 56 acres of land.

In order to influence the type of jobs to be created, the City should target the recruitment of manufacturing, transportation, wholesale trade, professional services and health care businesses. The recommended industry targets pay higher wages, contribute to the local tax base and offer more career ladder opportunities for local residents.

A detailed analysis of the employment growth potential is presented in the appendix.

RETAIL MARKET CONDITIONS

Market conditions for specific retail opportunities are excellent despite declining housing prices and competition from existing and planned retail space in Bountiful, Woods Cross and Centerville.

Redwood Road targeted retail sector opportunities include:

- General Merchandise Store - At least one store of approximately 90,000 - 120,000 sq ft
- Food and Drink - At least six stores/restaurants/Café/Bars of approximately 5,500 sq ft

Town Center targeted retail sector opportunities include:

- Food and Drink - At least two stores/restaurants/Café/Bars of approximately 4,500 sq ft



A detailed analysis of the shopping potential and gap analysis is presented in the appendix.

North Salt Lake Speaks

Through the public process North Salt Lake residents expressed a desire to improve the economic vitality for North Salt Lake. Key themes include increasing local shopping opportunities, revitalizing and redeveloping key corridors, and improving the image of the city.

WORKSHOP QUESTIONS

What is North Salt Lake's biggest challenge?

Top responses:

- | | |
|--------------------------------------|-----|
| ▪ Lack of shopping opportunities | 42% |
| ▪ Needs a stronger sense of identity | 15% |
| ▪ Improve freeway access | 15% |
| ▪ Needs more job opportunities | 8% |

Which one of the following would you most like to see improved on Redwood Road?

Top responses:

- | | |
|--|-----|
| ▪ Aesthetic appeal of the street | 28% |
| ▪ Aesthetic appeal of buildings along the street | 26% |
| ▪ Selection of retail shops | 23% |

Which one of the following would you most like to see improved on Highway 89?

Top responses:

- | | |
|--|-----|
| ▪ Selection of retail shops | 33% |
| ▪ Aesthetic appeal of buildings along the street | 24% |
| ▪ Aesthetic appeal of the street | 17% |

What is your level of support for increasing the pedestrian friendliness of development along Redwood Road?



- Not worth exploring, I have substantial concerns 0%
- Worth exploring further, but I have major concerns 15%
- Sounds like a good idea, but details need to be addressed 41%
- I Strongly support this idea 44%

ONLINE QUESTION

What do you think is the most important issue facing North Salt Lake today?

Responses listed in order of popularity:

- a) Planning and managing growth and development
- b) Need more local business, shopping, or entertainment
- c) Lack of city identity

Goals and Policies

This section of the Economic Development Chapter describes goals and objectives that guide economic decision making within North Salt Lake consistent with the City's vision.

Goal ED-1

Promote quality employment by expanding and attracting business establishments that pay higher wages and offer more career ladder opportunities for local residents.

Policies:

ED-1.1 *"High yield" targets*. Focus attraction and growth encouragement marketing and recruitment efforts on a few targets that will make the most significant difference to the local economy.

Implementation Strategies:

- 1.1.1 **Focus marketing, promotion, recruitment and expansion efforts on a few "high yield" business establishments that pay higher wages, offer career**



ladder opportunities for local residents, and add to the tax base.

North Salt Lake should encourage existing firms to grow and expand their business operations, and focus business attraction efforts on established firms within the region that may need larger facilities or a new location within the region. Firms with a regional presence are aware of the Interstate 80 and 15 corridor location advantages, and North Salt Lake can take advantage of a strong regional economy.

The market demand for manufacturing and regional transportation/distribution is strong. North Salt Lake is positioned well to take advantage of both a nearby highly skilled labor force and convenient access to I-15, I-80 and the Salt Lake International Airport.

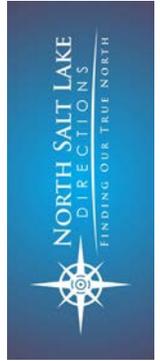
1.1.2 North Salt Lake can retain and grow Redwood Road area employers using several potential tools, including:

- Improved roads and streets
- Incentives for expanding businesses instead of moving
- Technical assistance, planning/zoning incentives and expedited business licenses

ED-1.2 ***Existing firms.*** Focus business attraction efforts on established firms within the region that may need larger facilities or a new location within the region.

ED-1.3 ***Biotech and medical device firms.*** Expend resources to attract more biotechnology firms engaged in research and development, medical device manufacturing, and warehouse and distribution firms attracted by central location, easy freeway access and proximity to the Salt Lake Airport.

ED-1.4 ***Regional and State Economic Development coordination.*** Continue to fund and support GOED, EDCUtah, Davis County Chamber of Commerce and Davis County Community & Economic Development for cooperative business attraction efforts which provide North Salt Lake with an opportunity to attract firms that are normally beyond the City's reach.



ED-1.5 ***Shovel ready sites.*** North Salt Lake should have available promotional materials that clearly identify sites that are ready to be developed with proper zoning and with the backbone infrastructure systems needed to support new business growth.

ED-1.6 ***Make info available.*** Modify and update North Salt Lake’s economic development information available on the web.

Website availability of high quality economic development information is an important tool in successful business attraction efforts.

ED-1.7 ***Marketplace newsletter.*** North Salt Lake should produce and distribute the North Salt Lake Marketplace Newsletter.

An electronic newsletter is a good and inexpensive marketing tool to inform business prospects about North Salt Lake’s current economic conditions, as well as the current events that may impact business location decisions.

ED-1.8 ***Funding.*** Explore, develop, and use alternative funding sources to pay for and provide incentives for economic development activities for which the City lacks sufficient resources.

ED-1.9 ***Performance measures.*** Establish objective measures of economic development, identify performance benchmarks and targets, constantly measure performance, and adjust programs where needed to improve performance.

TAX BASE

City Business - Revenues & Expenses

Revenues - Almost 70% of City revenues come from three sources:

- Property Tax 25.8% (52% from Single Family)
- Sales Tax 25.4% (45% from Auto/Boat/Truck Sales & Construction)
- Franchise/Energy 18.5%

North Salt Lake has a low property tax rate (based on 2011 Property Tax Rates):

Bountiful	.001093
North Salt Lake	.001637



West Bountiful	.001997
Layton	.002068
Farmington	.002283
Salt Lake	.004615
South Salt Lake	.002691

Goal ED-2

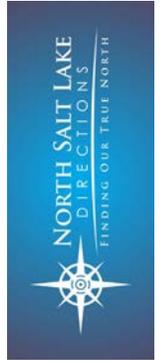
Improve North Salt Lake's fiscal revenues by expanding and attracting businesses that make positive contributions to the tax base

Policies:

ED-2.1 ***Revitalization.*** The City should consider establishing revitalization areas in strategic locations as needed. These districts should eliminate the barriers that often keep investors and small business owners away: unnecessary red tape, unrealistic expectations and unexpected costs. Typical redevelopment strategies involving tax increment financing can include Urban Renewal Areas (URA), Economic Development Areas (EDA) and/or a Community Development Area (CDA).

The North Salt Lake Redevelopment Agency has the ability to borrow and fund improvements in advance of development. In general, RDA funding can be used to rehabilitate structures, improve community facilities and infrastructure, and acquire and dispose of real estate. RDA funding can help make development happen that would not otherwise occur in a normal marketplace. Some economic development implementation tools available to the North Salt Lake Redevelopment Agency are described below:

- *Land Assembly:* The RDA can purchase fragmented and underutilized properties, and aggregate these properties into larger parcels that can be developed for commercial and industrial uses.
- *Removing Constraints to Development:* The RDA can assist new development by removing regulatory, environmental, and financing roadblocks.



- *Master Planning:* The RDA can fund master planning activities, which can help attract new business prospects to North Salt Lake and encourage the expansion of existing businesses.
- *Infrastructure Development:* The RDA can also invest resources to build roads, install utilities, and improve the City's backbone infrastructure.

The North Salt Lake RDA's ability to raise funds for improvement projects is also limited by legal parameters that limit the total amount of tax increment that can be collected during the life of a project, and the total amount of indebtedness that can be outstanding at any one time. The actual and projected tax increment revenues can fund project area improvements, pay debt service, and secure bond revenues for improvements that will help reduce and eliminate project area blight.

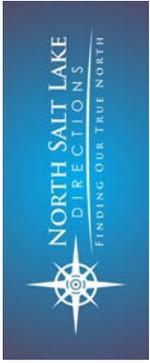
Implementation Strategies:

2.2.1 Create a Redwood Road revitalization area.

The I-215 and Redwood Road area offers exceptional access to the Salt Lake Airport.

Revitalization of the Redwood Road area is dependent on developing the necessary municipal infrastructure to support and facilitate redevelopment of the area and should focus on commercial/retail businesses. With these necessary redevelopment and tax increment tools in place, new commercial and retail developments will begin. The primary focus should be on a very small focused redevelopment district with a secondary focus on the Foxboro and other areas.

The City has initiated, at the time of this writing, a blight survey for the Redwood Road/I-215/Center Street area in anticipation of forming a URA or a CDA. It is believed that the formation of such a project can be of great assistance in completing street improvements, assembling property and potentially collecting tax increment financing in order to pay for several project objectives. One principal target area of this effort is the northwest quadrant of I-215 and



Redwood Road. This land area has over sixty acres of potential development space that could include retail, office and flex space (office/warehouse) that would support the addition of retail services for this part of the City.

2.2.2 Create a Town Center revitalization area.

The Town Center area remains under developed because the property owners have difficulty assembling properties, financing the infrastructure improvements, building improved real estate, and still earning an adequate return on investment. The City's leaders should have accurate information about the required improvement costs and the return on investment that could be earned by private owners. A financial feasibility study could help the City work more closely with property owners to form a public/private partnership and possibly share the costs and returns on investment.

Redevelopment of the Town Center should focus on the building blocks essential in any city - residential housing, commercial businesses, and entertainment offerings. With these firmly entrenched, support retail and restaurants will naturally emerge. The primary focus should be on a very small focused business district with a secondary focus on the Town Center extension areas. Other sections of the General Plan describe in further detail the City's intentions respecting the redevelopment of the Town Center.

Redevelopment efforts should encourage building up by remodeling second stories and encouraging 2, 3 and 4 stories in new construction. Higher density development within the Town Center is the only way to accommodate the number and diversity of businesses and residences needed to create this critical mass. Parking should also be reconsidered. In most cases, less parking, not more is the solution to a more vibrant Town Center. Still, parking needs to be convenient, and as in most small towns, free to support businesses.



North Salt Lake residents make urban infill much more viable and likely. In a similar fashion, the focus must be tightly centered on just the Town Center initially, to create the critical mass and high quality of development to be successful, before spreading out. A critical mass of housing, businesses and retail can happen in the places where their synergy creates the most benefits. Housing in the Town Center keeps the streets lively and provides a captive audience for businesses that locate there. Residents are very important to attracting new businesses—smart entrepreneurs look at the numbers.

With a commercial/retail redevelopment area, people know to expect something exciting coming to the Town Center, which will all be within walking distance. Locating this near entertainment and events (the Town Center attraction and festival area), retailers can then benefit from the influx of people and plan accordingly to stay open for business during these times.

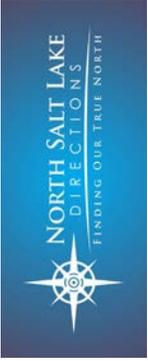
Revitalization areas should have planning and zoning designations that have unique permitted uses and an easier approval process. They also should have different parking requirements to utilize shared parking. Matching grant and loans should be directed only into these areas. The City should initiate a detailed planning process for the Town Center that would result in policies, ordinances and strategies needed to create an economically viable and vibrant Town Center.

ED-2.3 *Auto dealerships.* Focus on auto-dealerships and other "high yield" retail targets.

Focus attraction and growth encouragement marketing and recruitment efforts on a few "high yield" retail targets that are significant sales tax generators. Facilitate the creation of an Auto-Dealership area at 2600 South and I-15.

REDEVELOPMENT

North Salt Lake is primarily built out. However, there are several opportunities for redevelopment and conversion of under-utilized



land, particularly within the Town Center. The central core of the City along Highway 89 has excellent access to downtown Salt Lake City. That fact, combined with the numerous opportunities for improvement and re-use of properties in the central core, create an excellent potential environment for investment in infill and redevelopment.

Goal ED-3

Establish an environment where public and private investment in the City is feasible and realistic due to North Salt Lake's redevelopment opportunities, location and easy access to transportation.

Policies:

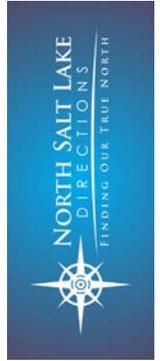
ED-3.1 ***Inventory of existing conditions.*** The City should conduct an inventory of existing property conditions within the central core of the City for the purpose of evaluating and understanding infill and redevelopment opportunities. This study should include a database with property sizes, existing land uses, general locations, zoning and any other relevant factors that would allow the City to draw conclusions about redevelopment and investment possibilities.

ED-3.2 ***Private Redevelopment.*** Encourage private redevelopment or infill of blighted or significantly underutilized properties.

Zoning standards affect how big buildings can be built and what land uses may reside inside. These factors affect the potential return on investment that a landowner can expect to achieve if he or she seeks to rebuild on their property. In this way, zoning partially influences private decisions to redevelop land.

Implementation Strategy:

3.2.1 The City should analyze the combined effect of size, land use, parking and any other regulations that affect overall size and use of a building on the potential return on investment of a landowner and adjust its land use ordinances to allow and encourage development and re-development in both the Town Center and Redwood Road neighborhoods.



ED-3.3 **Complete City.** Develop a complete city, offering a wide range of sustainable work opportunities, shopping, housing and entertainment options including additional retail services to the residential areas West of I-15.

Implementation Strategy:

3.3.1 **Encourage small retail and outdoor cafes, etc. in the Town Center**

Encourage unique small retailers that make the Town Center a more pedestrian friendly place and a destination spot for families and travelers. North Salt Lake should focus on locally-owned, niche businesses. Most franchises and large retailers will likely want to locate in the Layton, Market Station or other large regional centers.

The North Salt Lake downtown area currently lacks the retail/restaurant “critical mass” for private redevelopment. Public investment attracts private investment as business owners see a commitment to their success and future. The objective is to revitalize and rejuvenate unproductive, underperforming, blighted, and other targeted areas in the community. It will also help improve the image of North Salt Lake as a place to live, work and shop.

North Salt Lake can offer matching grant programs to:

- Encourage outdoor dining in the City’s on-street and/or sidewalk right-of-way areas
- Encourage existing restaurants, retailers and businesses to perk up their facades and sidewalks.
- This includes awnings and umbrellas, flower boxes, outdoor tables and chairs, heating lanterns for dining in cooler weather, lighting, signs, landscaping, outdoor music and better access.
- Florists could use the money to display flowers outdoors. Markets could do the same with fruits and vegetables. Bookstores could put



racks of books on the sidewalks. A bakery could serve coffee and doughnuts outdoors.

- Make store and restaurant fronts more transparent, with large window or garage door-like openings that will allow patrons to move freely between the indoor and outdoor spaces.
- Consider purchasing outdoor dining furniture to utilize outdoor dining in the City's on-street and/or sidewalk right of-way areas.
- Assigning beat cops (police officers) to walk or bike key areas and park in highly visible locations to establish a sense of security and stewardship. Expand and enhance Hatch Park, including redevelopment of high density housing opportunities adjacent to the park.
- Provide pedestrian connectivity between the Orchard Drive, Bamberger, Eaglewood Village and Main/Center Street neighborhoods through trails and paths, improved streetscapes, increased lighting and innovative public spaces.

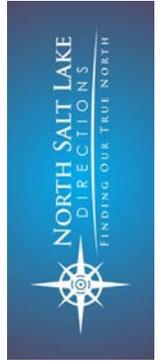
In addition, North Salt Lake can adopt policies and develop technical assistance programs to:

Encourage the following types of businesses (not all inclusive):

- Restaurants
- Outdoor cafes
- Independent and locally owned business
- New retail shops, in targeted sectors, as mentioned in the section on incubator businesses.

Discourage the following types of businesses (not all inclusive):

- Second hand or rummage stores
- Sports card shops
- Pawn shops
- Payday lenders, check cashing, bail bonds



Goal ED-4

Enhance the identity of North Salt Lake as it is perceived by residents, employees and visitors.

NORTH SALT LAKE IDENTITY

North Salt Lake has little identity – residents often need to explain to people that haven’t visited the city just where the city is located, that it is not part of Salt Lake City, and must describe what makes the city a unique and wonderful place to live, work, and visit. North Salt Lake City also has low awareness among business leaders due to competition from its high-profile neighbors.

Some of the basic brand identity issues that need to be addressed:

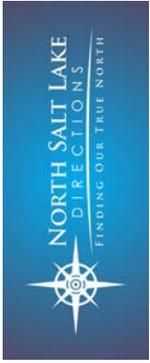
- What is the “competitive identity” of North Salt Lake?
- What is the history, culture, geography and society of North Salt Lake that is its competitive advantage?
- How does NSL become an employment center for the young professionals that live there?

Policies:

ED-4.1 ***District character.*** Promote districts with distinctive characters in high visibility locations. This applies in particular to the Town Center area, but district identity may also be nurtured in the Redwood Road area reflecting differences between the land areas along I-215, Center Street, the Foxboro Village Center, and other commercial nodes along Redwood Road.

ED-4.2 ***Street trees.*** Develop a street tree/ boulevard urban design strategy that includes entry monumentation. Street tree implementation strategies should coordinate with Objective ED-4.1 - Distinctive Character actions to reinforce the identity of districts. This may mean tree selection that coincides with districts and monumentation or signage that reflects different parts of the city.

ED-4.3 ***Geographic unity.*** Improve unity and connection between geographic factions of the City through the following activities:



- Hold citywide events in each part of the city. For example, racing events could be designed to traverse both east/west. At least one marquee/ major citywide event should be scheduled in Foxboro each year.
- Highlight each valued quadrant of the city in the city Newsletter.
- Improve connections between the western and eastern parts of the City. Promote bicycling connections. Highlight Center Street with a boulevard identity.

ED-4.4 ***Emphasize trail nexus***

- The ability to travel on bike from the Jordan River to the Bonneville Shoreline is a unique feature to North Salt Lake. This trail nexus should be promoted as a component of what makes the city unique and desirable.

ED-4.5 ***Promote City Location.*** Promote North Salt Lake as a prime location:

- North Salt Lake's prime location close to the Salt Lake International Airport, proximity to downtown Salt Lake (time wise as good as any other city in the region outside of Salt Lake City), and yet distinct and apart from the region's urban center should be celebrated and become a key component of a marketing campaign.