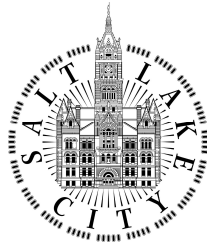


ERIN MENDENHALL
Mayor



KATHERINE LEWIS
Office of the City Attorney

To: Michael Patton
Casey O'Brien McDonough
Karel Doop McDonough

From: Katherine Lewis, City Attorney
Cindy Lou Trishman, City Recorder

Date: April 22, 2021

RE: Initiative Application Received April 16: Notice of Estimated Fiscal and Legal Impact under Utah Code § 20A-7-502.5; Statement of the City's Budget Officer under Utah Code § 20A-7-502.5.

Notice of Rejection of Application under Utah Code § 20A-7-502.7(g)

On March 17, 2021, Salt Lake City Corporation received an application from sponsors requesting to initiate a local law that would: (1) designate the Utah Theatre, located at 144 South Main Street, as a landmark site under City Code § 21A.34.020.B; (2) designate the Capitol Theatre, located at 50 West 200 South Street, as a landmark site under City Code § 21A.340.020.B; (3) declare an emergency in order to suspend any hearing or other deliberation processes required to adopt the landmark status for the Utah Theatre and Capitol Theatre under City Code § 21A.340.020.B; and (4) adopt findings to establish a compelling, countervailing public interest under Utah Code § 10-9a-504 to immediately designate the Utah Theatre and Capitol Theatre as landmark sites under a temporary land use regulation.

The City concluded that the proposed law was legally referable to the voters under Utah Code § 20A-7-502.7 and on April 5, 2021, notified the sponsors of their right to collect signatures. Under Utah Code § 20A-7-506, the deadline for signature collection was April 15, 2021, and Salt Lake County notified the City on that day that the sponsors did not submit any signatures to the County for certification. Instead, on April 16, 2021, the same sponsors submitted an amended application to the City to initiate a local law that would: (1) designate the Utah Theatre and Capitol Theatre as landmark sites under City Code § 21A.34.020B; (2) establish a Downtown Historic Theater District within the City's historic preservation overlay district, to include both the Utah Theatre and the Capitol Theatre; (3) amend the historic preservation overlay district to prohibit demolition of either the Capitol Theatre or the Utah Theatre unless either theater is irreparably damaged by either an earthquake or a catastrophic fire; and (4) adopt findings of compelling and countervailing public interests to immediately adopt these zoning changes under a temporary land use regulation.

State law requires certain analyses and processes to occur before allowing a petitioner to collect signatures on a local initiative application.¹ The City must: 1) provide a concise explanation, not exceeding

¹ Utah Code §§ 20A-7-502.5; -502.7.

100 words, explaining the estimated fiscal and legal impact of the proposed law; 2) provide a statement from the City’s budget officer of the estimated fiscal impact of the proposed law; and 3) determine whether the law is legally referable to the voters.

1. Concise explanation, not exceeding 100 words, of the estimated fiscal and legal impact, if any, of the proposed law.²

City response: The proposed law is not estimated to create a fiscal impact or savings to the City. The Utah Theatre is owned by the Redevelopment Agency of Salt Lake City, which is under contract to sell the property to a third-party buyer. The intended buyer of the Utah Theatre property might argue that its rights are impacted by the proposed law.

2. Utah Code § 20A-7-502.5(2)(b) requires the City’s local budget officer to make a statement about the initial fiscal impact of the proposed law.

City response: Salt Lake City’s local budget officer, Mary Beth Thompson, estimates that the law proposed by this initiative would not have a significant fiscal impact and would not result in either an increase or decrease in taxes or debt.

3. Utah Code § 20A-7-502.7 requires the City to review the proposed law in the initiative application to determine whether the law is legally referable to voters.

City response: The City has determined that the proposed law is not legally referable to the voters under Utah Code § 20A-7-502.7(g), which requires a City to reject a proposed initiative if “the proposed law is identical or substantially similar to a legally referable proposed law sought by an initiative application submitted to the local clerk, under Section 20A-7-502, within two years before the day on which the application for the current proposed initiative is filed.” The proposed law sought by the initiative application on April 16, 2021 is substantially similar to the legally referable proposed law sought by the initiative application on March 17, 2021. As such, the application to initiate the proposed law submitted on April 16, 2021 is not legally referable to voters. This serves as notice under Utah Code § 20A-7-502.7(1)(b)(ii) that the proposed law is rejected.

² Utah Code § 20A-7-502.5 (2)(a)(viii).