



Bonneville Research

August 3rd, 2022

Introduction:

This analysis intends to provide Millcreek, a Utah Municipality, and the Millcreek City Council with the information required by the Utah Code Section **10-8-2**. Appropriations -- Acquisition and disposal of property -- Corporate purpose -- Procedure.

Reason for the Study:

Utah Code § 10-8-2 and case law require a more rigorous review and approval process before the City can provide grants to nonprofit organizations. The process requires that the City complete a Study before awarding the grants.

Key Elements of the Study:

The Study shall consider the following factors:

1. Completion of a study that addresses the following:
 - a. The benefit the City will receive—tangible or intangible—in return for appropriated funds.
 - b. An analysis of how the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or the convenience of Millcreek residents.
 - c. Whether the appropriation is necessary and appropriate to accomplish goals and objectives of the City, such as:
 - i. Removing blight or underdeveloped properties;
 - ii. Increasing the City's tax base;
 - iii. Creating jobs;
 - iv. Retaining jobs, and
 - v. Any other identified public purpose that the appropriation might serve.
 - d. Completing a financial analysis showing projected financial returns to the City, if any, and the period over which the City will recoup the appropriation amount.
2. A finding by the Council that the development will promote safety, health, prosperity, moral well-being, peace, order, comfort, or the convenience of the Millcreek residents shall be adopted by Resolution citing the Study as evidence to support that finding.
3. **The processes outlined in Utah Code Ann. § 10-8-2h will complete the final appropriation:**
 - a. If the appropriation is made as an amendment to the current year's fiscal budget, then the appropriation shall be approved according to the process outlined in Utah Code Ann. § 10-8-2(3)(d).
 - b. If the appropriation is made as part of a future fiscal year budget, then the appropriation shall be approved during the regular annual budget process.

Millcreek Agreement - Millcreek proposes to make the following monetary appropriation for the Fiscal Year 2022/2023:

“Historic Baldwin Radio Factory's 100th Anniversary” Proposal:

- “Art Fest at the Baldwin Radio Factory celebrating the 100th year Anniversary” 2022 - Up to \$7,000.00
- Historic Baldwin Radio Factory's 100th Anniversary to be held Saturday, August 27th at the Baldwin Radio Factory, 3474 s 2300 East in Millcreek.
- Built-in 1922 by Nathaniel Baldwin, the inventor of headphones, to produce headphones, speakers, and other radio equipment.
- Acquired by Kevin Flynn in 1996, the Historic Baldwin Radio Factory has become Millcreek's most influential art space. Today it features 16 art studios, Vitalize Yoga/Massage Studio, The old Flamingo Furnishings Store, C. Timm Custom Furniture, Urbanscrap Glass Shop, and Roots Cafe.
- The mission of the festival is to “enrich the quality of life in Millcreek by cultivating an arts and cultural environment that offers hands-on venues to educate and stimulate the appreciation and advancement of both.”

ANALYSIS:

Chapter 2.39.010 of the “Millcreek Municipal Code” states that:

... it is the purpose of the City Council to support the encouragement of volunteer services and programs within the City. The City Council recognizes that volunteers are essential to the City government's productivity, efficiency, and cost-effectiveness. Therefore, the effective management of volunteer programs is a matter of significant importance.

2

Chapter 2.04.130 of the “Millcreek Municipal Code” further states that:

- A. The (City) Council may establish additional committees as it deems appropriate and may convene committee meetings at any time for Study, discussion, investigation, formal hearings or inquiries, workshops, training, or presentations by or responses from citizens or other interested persons or groups.
- B. No official action may be taken in committee meetings other than adopting non-binding recommendations to the Council.

CONCLUSION AND REQUIRED FINDINGS:

The municipality of Millcreek's purpose for the above-listed appropriation to the Millcreek Arts Council “Historic Baldwin Radio Factory's 100th Anniversary” will be to seek to achieve the following Community Objectives:

- Connecting Millcreek residents to local art and music
- Offering the community visual art shows that range in style, medium, themes, and cultural backgrounds

- An opportunity for the community to talk with the artist (at the art reception) and have intermodal art engagement (combining music and visual art)
- Encouraging residents to visit places of unique history in Millcreek
- Promoting local artists
- Creating an aesthetic community ritual

The appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of Millcreek, a Utah Municipal Corporation, in economic development, job creation, affordable housing, blight elimination, job preservation, and preservation of historic structures and property, and any other public purpose.

CONCLUSION AND REQUIRED FINDINGS:

The municipality of Millcreek’s purpose for the appropriation to the Millcreek Arts Council is to increase awareness & appreciation of the Arts in Millcreek, Utah, by accomplishing the following public purposes:

1. **EDUCATION:** All Millcreek youth have the support to maximize academic success on their path to high school graduation and post-secondary education.
2. **HEALTH AND SAFETY:** All Millcreek residents have access to health and safety services and resources.
3. **ECONOMIC WELL-BEING:** All Millcreek residents have opportunities to provide a high quality of life for themselves and their families.

3

FINDING:

The appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of Millcreek, a Utah Municipal Corporation, in economic development, job creation, affordable housing, blight elimination, job preservation, and preservation of historic structures and property, and any other public purpose.

GENERAL LIMITING CONDITIONS :

Every reasonable effort has been made to ensure that this Study's data reflects accurate and timely information, and it is believed to be reliable.

- The Study is based on estimates, assumptions, and other information developed by Bonneville Research from its independent research effort, general knowledge of the region, primary data sources including Millcreek, the Utah State Tax Commission, and the Utah State Auditor's Office, and consultations with the Client's representatives.
- No responsibility is assumed for inaccuracies in reporting by the Client, its agents, or any other data sources used in preparing or presenting this Study. This report is based on information collected in August of 2022, and Bonneville Research has not undertaken any update of its research since that date. Bonneville Research makes no warranty that any of the values or results contained in this Study will be achieved. This report is not to be used with any public or private offering of securities or other similar purposes. This Study is qualified in its entirety and should be considered considering these limitations, conditions, and considerations.

Robert Springmeyer

Robert Springmeyer, the Principal of Bonneville Research, performed this 10-8-2 Appropriations Study.

Mr. Springmeyer is actively involved in the redevelopment and other economic impact projects. He has supplied independent financial and redevelopment analysis for numerous urban renewal agencies within the State and completed "Fair Value Analyses" for Holladay and South Salt Lake Cities. Mr. Springmeyer is the Chairman of Bonneville Research. He has directed the Economic Analysis/Tax Studies completed for the Downtown Alliance, the Utah State Tax Review Commission, Salt Lake County, Brigham City, Salt Lake, Sandy, Bountiful, and South Jordan Cities, including the Urban Renewal Agencies of Salt Lake, Taylorsville, Holladay, South Salt Lake, Draper, West Jordan, Ogden, South Jordan, Sandy, and Murray. He is educated in Political Science, Economics, and Business Management and has consulted with local governments for over 40 years. He has been listed in Who's Who in Finance and Who's Who in the West.