

STATEMENT FROM MAYOR CHERIE WOOD

Historic Scott School

May 12, 2021

I know that the eviction of Pioneer Craft House came as a surprise to some this week. But to those who have worked at or with the City for any period of time, it was a planned action that was long overdue -- over a decade in the making.

As a City, our job is to provide quality and affordable services to our residents. In the case of the Historic Scott School Arts & Community Center, that means arts opportunities for all residents that meet their needs. We also have an obligation to our taxpayers to use public facilities in ways that benefit our residents. Pioneer Craft House has literally made this job impossible.

The City of South Salt Lake has been engaged in a decade-long struggle with an organization that did not have a legal lease to occupy the property; paid no rent for years; twice attempted to sue the City; has been unprofessional and hostile to our employees and community members; has put our residents at risk with unsafe hiring and operating practices; and has obstructed us at every point along the way as we tried to remedy the problems.

I'd like to provide some background and clear up some of the misinformation that is circulating.

HISTORY

First, let me provide some history. The City entered into an interlocal agreement and acquired the building in 2007 in cooperation with Salt Lake County, utilizing primarily ZAP funds. Granite School District, the prior property owner, had allowed the Pioneer Craft House (PCH) organization to run programs in these buildings for many years. The City continued allowing PCH to offer programs and created a lease with the organization shortly after acquiring the property. The City took over the building maintenance, started to invest in the buildings and site, and cleaned up years of deferred building and landscape maintenance, giving the property a new lease on life. The City also started to expand its community services through both Promise South Salt Lake and the South Salt Lake Arts Council and put new communal programs and activities at Historic Scott School.

LEASE

Second, I'll explain the Problematic and Illegal Lease. The City managed the building for the first couple years and encountered problems and issues with the arrangement. The most notable were the lease terms entered into by a prior city administration with PCH -- an exclusive 10-year lease of 16,000 square feet of space at \$1 per year. Obviously, this wasn't market rate; this was a huge subsidy to the Pioneer Craft House and most importantly was in violation of State Law. In addition, it didn't allow any way for the City to utilize any part of the property for its own needs and also solely put the costs of maintaining the property on the City. Thus, the original lease was renegotiated in 2011. This allowed the City to start providing its own community-based arts, culture, and education programs. And it allowed Pioneer Craft House to continue its operations undisturbed. Unfortunately, Pioneer Craft House did not uphold its end of the lease, and decided to stop paying rent. Subsequently they sued the City to stay in the building (in violation of the lease), and negated the lease. PCH violated the City's trust repeatedly by not acting in good faith. The City offered PCH to become a city-managed 501c3 to release the obligation to pay rent. PCH refused. PCH continued to occupy the buildings and operate programs, despite losing their lawsuit with the City and remaining in violation.

COST TO THE CITY

Third, the City has lost over one hundred thousand dollars in rent over a decade. In addition, we have been tangled in an expensive legal battle, paid for by SSL taxpayers. City staff and leaders have spent countless hours on discussions and the legal response. The City has missed out on a decade of fundraising that could have helped bring the buildings to modern conditions and functionality. The City has been stuck in a limbo of wanting to do more, do better, and collaborate. But has instead had an adversary, not an advocate occupying the majority of the space at Historic Scott School.

SERVICES

Fourth, Pioneer Craft House never shifted its classes or services to better welcome city residents. Their offerings were unaffordable and inaccessible to our residents and taxpayers who were subsidizing them to be there. We reviewed the number of classes and students each month, and it was clear that our residents were not benefitting from the presence of Pioneer Craft House in our community center.

FAIRNESS

South Salt Lake's relationship with Pioneer Craft House has been unbalanced and unfair to taxpayers and the community. The organization has received benefits that far outweigh what they provide back to the City, in terms of paying rent, offering services that benefit our community, and advancing the City's mission and the cause of arts and culture. We can't and don't allow any other organization to squander taxpayer resources in this way. We regularly partner with over 100 community organizations to provide services to our residents and businesses. Pioneer Craft House has received far more from the City than other organizations using tactics that are hostile and permanently damaging to our relationship.

When we are in charge of taxpayer dollars, we have to be good stewards. We spend wisely, both in terms of our funds and our employee resources. So much money and time has been lost, and the time has come to put a stop to this.

TIMING AND SCHEDULE

Our Council has been ready to take action to correct this problem for years but was unable to do so until Salt Lake County conveyed full ownership of Scott School to the City. The timing of the conveyance last week and other factors required the City to take immediate action. As a side note, due to Covid, Pioneer Craft House has not offered classes in the building since March of 2020, when all City buildings were closed to the public, so the eviction merely prevents them from returning to the site and in-person teaching.

Three days is the standard procedure for eviction notices. If Pioneer Craft House is moving out in good faith and making progress, the City is willing to work with them on the timeline. We know it is their property; we have no intention of keeping their property. The responsibility is on them.

THE FUTURE

South Salt Lake is developing a national reputation for cultivating the arts and supporting artists. Our City and the South Salt Lake Arts Council works with many different art organizations, artisans, and instructors to provide high-quality, affordable arts programs. We know how to make it work and hope a wide variety of organizations and artisans continue to offer programs that meet our resident's needs and enhance our creative community. With the help of our outstanding Arts Council, the property will now be put to the highest and best use for our residents – offering classes and opportunities that are affordable and appealing and that meet our mission to unite our community through art.

The Historic Scott School is a treasure and is recognized by the City as a historic property. We have every intention of keeping these buildings as a place where art and culture are taught, shared, celebrated and thrive. We are ready for the next chapter in the history of this landmark property. We are grateful to now be at a place where we can begin again.