
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: June 27, 2003

SUBJECT: **Bond Resolution for Special Improvement District 103009
(500 West; Gateway Streets Landscaping Improvements)**

AFFECTED COUNCIL DISTRICTS: Council District 4

STAFF REPORT BY: Gary Mumford

**ADMINISTRATIVE DEPT.
AND CONTACT PERSON:** Public Services
Rick Graham

KEY ELEMENTS:

The Administration requests that the Council adopt a resolution authorizing the issuance and providing for the sale of special improvement bonds for Special Improvement District 103009. Of the 53 properties assessed, 23 property owners paid the assessments in full amounting to \$176,045. The remaining 30 property owners will pay annual installments relating to an assessment balance of \$1,217,051. The interest rate on the installment payments will be the same rate as the interest on the bonds.

Special Improvement District 103009 involves the reconstruction of:

- 500 West Street from North Temple to 200 South and from 400 South to 600 South;
- 400 South Street from 500 West to 300 West;
- 500 South Street from 500 West to 300 West;
- 600 South Street from 500 West to 200 West

The reconstruction includes concrete curb, gutter and sidewalks, street lighting, park strip landscaping, concrete pavements, traffic signals, and new water, sewer and storm drainage lines. The special district portions of the improvements are the sides of streets where private property abuts public property including some street pavement, curb, gutter, park strips, sod, trees, sidewalks, street lights, and irrigation systems in the park strips to be connected to private irrigation systems. A large amount of the project, including median park blocks, was funded from sources other than assessments. The construction work relating to the special improvement district has been completed. Work continues on 500 West Street from 200 South to 400 South, but this section is not part of the special improvement district.

RECOMMENDED MOTION:

Council staff recommends that the Council adopt the resolution.

[“I move that the Council”] **Adopt a resolution authorizing the issuance and providing for the sale of Special Assessment Bonds, Series 2003, Special Improvement District No. 103009; providing for pricing and terms of the bonds, prescribing the form of bonds, the maturity and denomination of said bonds; providing for the continuance of a guaranty fund; ratifying the preparation, distribution and use of a preliminary official statement and authorizing and approving a final official statement; authorizing and approving a bond purchase contract; and related matters.**

BACKGROUND:

The City's bonding attorneys, Ballard Spahr Andrews & Ingersoll have prepared the attached bond resolution. The City Council has previously adopted resolutions creating the district, awarding the construction contract, setting the dates for the board of equalization, and levying the assessments. This action will be the final action that will come to the Council regarding this district.

The special improvement district for the 500 West project is a component of a larger project to build public improvements on 500 West Street between North Temple and 600 South and improvements on streets where three I-15 freeway viaducts were shortened. The project included community parks in some street medians, but funding of the median parks was from other sources. Besides the special improvement assessments, other funding sources are Salt Lake City capital improvement funds, Redevelopment Agency appropriations, bonds issued by the Municipal Building Authority, motor fuel excise tax bonds issued in anticipation of Class C road funds, a federal grant from the Economic Development Administration, and funding from the Salt Lake City Department of Public Utilities.

Savings of \$900,000 were identified from amounts that the Redevelopment Agency appropriated for the park blocks. Budget amendment number 11 transferred the savings to reimburse the City's CIP Fund for appropriations that were made for the section between 200 South and 400 South. This section of the project is not included in the special improvement district.

CHRONOLOGY:

- November 2, 1999 – The Council adopted a resolution declaring the intention of the City to create a special improvement district to defray the cost and expenses of the improvement district by special assessments to be levied against the property benefited by such improvements and setting the deadline for filing written protest and setting the date for a public protest hearing.
 - December 7, 1999 – The Council adopted a resolution amending and restating the previous resolution, which changed the deadline for filing written protests and established a new date for a public protest hearing.
 - January 11, 2000 – The Council adopted a resolution amending and restating the previous resolution, which changed the deadline for filing written protest and established a new date for a public protest hearing because of advertising problems.
 - February 15, 2000 – The public hearing was held to accept public comment and hear protests concerning the special improvement district. The City Engineer reported that the protest rate was 20.4%.
 - March 21, 2000 – The Council adopted a resolution creating the special improvement district.
 - July 13, 2000 – The Council adopted a resolution accepting bids for construction work and awarding of the construction contract. The contract was awarded to Wadsworth Brothers for \$4,648,650 which was below the Engineering estimate of \$4,936,000.
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- December 10, 2002 – The Council adopted a resolution setting the dates for the Board of Equalization to hear and consider objections and corrections to the proposed assessments.
- April 22, 2003 – The Council adopted an ordinance confirming the modified and equalized assessment rolls and levying assessments for the purpose of paying the costs of constructing the improvements.

cc: Rocky Fluhart, David Nimkin, Rick Graham, Max Peterson, John Naser, Karen Carruthers, Dan Mulé, Garth Limburg, DJ Baxter
