
SALT LAKE CITY COUNCIL MEMORANDUM

DATE: June 8, 2004
TO: Council Members
FROM: Jan Aramaki
SUBJECT: Annual Assessment for Special Lighting District No. 1
CC: Cindy Gust-Jenson, Sam Guevara, Rocky Fluhart, Rick Graham, Lee Martinez, David Dobbins, Dan Mulé, Tim Harpst, Chris Bramhall, Karen Carruthers, Gordon Haight, Garth Limburg, Gary Mumford
FILE LOCATIONS: Public Services/Special Lighting District L01/SID

On Tuesday, June 1, 2004, the City Council received a briefing on the annual assessment for street lighting Special Improvement District No. 1. As a result of the briefing, the Council requested that the Administration provide bullet points outlining how 15% administrative overhead costs impact the Rose Park Lighting Special Improvement District and SIDs L01, L02, and L03. The Transportation and Treasurer's Divisions have provided the requested information, including maps for Special Improvement District L01, L02, and L03 which show the locations of the lighting extensions within each SID.

The following information was previously provided to the Council on June 3, 2004.

Requested Action:

The Administration requests that the City Council adopt an ordinance approving the annual assessment on the properties incorporated within Lighting District No. 1. This action will renew the annual assessment levied upon each parcel of property described in the assessment list for the purpose of paying the costs for electricity and maintenance.

The Office of the City Engineer has determined that the total estimated annual costs for street lights in Lighting District No. 1 will be \$155,464. These costs include \$10,910 for administrative costs as proposed in the Mayor's Recommended Budget. State law allows the City to charge administrative costs of up to 15% of the other costs of the district. The City's portion of the costs is \$38,866 leaving an assessment of \$116,598 upon the 1,882 properties in the lighting district.

The Administration reported that there is a provision for maintenance and power increases within the calculated original formula Notice of Intention back in 1995; therefore a public hearing is not required.

Background:

Salt Lake City provides continuous street lighting along collector and arterial streets. Intersection lighting and mid-block lights are provided on local streets. Special improvement district lighting provides additional lighting in areas where property owners desire special decorative lighting or more lighting fixtures than the City's standard level of lighting and are willing to be assessed for the additional costs of the lighting.

When property owners within a specific neighborhood desire special or additional lighting, they may petition the City for the creation of a special assessment street lighting district. Creating this kind of a district is a legal process whereby property owners can arrange for funding of a public improvement that will benefit their properties. Special assessment districts are formed by ordinance upon agreement of a majority of the area property owners.

Street lighting districts require the abutting property owners to pay for 75% of the ongoing operating and maintenance cost of the lights. The City pays the remaining 25% as the equivalent of lighting that would be provided by the City. The property owners' costs are levied and billed annually in the form of special assessments.

There are 50 existing street lighting special improvement districts (extensions). The City has combined the individual districts into three super districts to simplify the annual assessment process. These extensions were combined based on assessment due dates, not on geographical location. On an annual basis, each district is renewed by assessment ordinance.

In 2003, the Council received a briefing from the Transportation Division on some of the concerns regarding the City's street lighting programs. The Council asked the Transportation Division to come back to the Council with an update on the status of the master plan and recommendations regarding implementation. The Council has not yet received this update.