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# SALT LAKE CITY COUNCIL STAFF REPORT

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DATE: April 28, 2005

SUBJECT: 900 East 900 South Streetscape Upgrade  
Special Improvement District (SID), Job No. 106018  
Resolution to include the landscape median

AFFECTED COUNCIL DISTRICTS: 4 and 5

STAFF REPORT BY: Jan Aramaki, Constituent Liaison/Policy Analyst

ADMINISTRATIVE DEPT.  
AND CONTACT PERSON: Department of Public Services  
John Naser

FILE LOCATIONS: Public Services/900 East 900 South  
SID, Job No. 106018

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## NEW INFORMATION:

On April 12, 2005, the City Council proceeded with the next step in the process of the proposed 900 East 900 South Streetscape Upgrade Special Improvement District (SID), Job No. 106018, for the Council's consideration which was to adopt a resolution to create the District. However, at that meeting, Council Member Dave Buhler made the following motion:

*["I move that the Council"] Adopt a resolution to create the 900 East 900 South Streetscape Upgrade, Special Improvement District No. 106018, and to authorize the City to proceed with the construction of the improvements with the exception of the landscaped medians. I move that we defer the question of the landscaped medians to the Council's May 3<sup>rd</sup> meeting for further discussion.*

Council Member Buhler inquired whether the alley located between 905 East 900 South and 925 East 900 South will be accessible for eastbound traffic on 900 South to make a left-hand turn into the alleyway as well as for vehicles existing the alleyway onto 900 South to turn eastbound. The Administration confirmed that there will be an opening between the landscaped median to allow for traffic flow in both directions. He also noted that due to the challenging budget constraints that the City is currently facing, it would be beneficial to ask Public Services to return to the May 3, 2005 City Council meeting and provide the on-going maintenance costs associated with the landscaped median. His motion was made based upon and supported with the understanding that the proposed SID would move forward in the interim as planned with no delays to the project.

Attached is an information sheet provided by Public Service with a breakdown showing the total project construction cost of \$1,217,300 of which \$99,200 is the cost for the median island and an annual projection on-going cost to maintain the landscape median of

\$3,700 (refer to Information Sheet for a breakdown). According to the Administration, the City will not assume maintenance responsibility of the medians until spring of 2007 because the contractor is required to provide maintenance for one year. The street lighting is maintained by Utah Power.

## POTENTIAL MOTIONS:

1. ["I move that the Council"] Adopt a resolution to include the median island landscaping improvements into the Salt Lake City, Utah 900 South, 900 East Streetscape upgrade Special Improvement District No. 106018, authorizing the City officials to proceed with the construction of the improvements as set forth in the Notice of Intention; and related matters.
2. ["I move that the Council"] Not adopt the resolution.

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The following information was provided previously. It is provided again for Council's reference.

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In order for the District to be created, the property owners who have submitted a protest must have been less than 50 percent of the total property owners' front footage within the District. According to the Administration, the final SID protest rate is 7.75 percent of front footage:

- On March 7, 2005, three written protests against the proposed improvements or against the creation of the District were filed in the Office of the City Recorder. The City Recorder's Office received three written protests from property owners at 925 East 900 South, 951 East 900 South, and 937 East 900 South.
- The City Council held a protest hearing on March 8, 2005. One property owner expressed support of the proposed SID. The Council also heard from a property owner who owns a 4-plex in opposition of the proposed SID (one of the written protests). The resident questions the benefit he will receive in comparison to the benefit the businesses will receive. He requested that the City look at a more equitable system to fund the project.

After construction is completed, a property owner has the opportunity to appear before the Board of Equalization (comprised of the City Engineer or designee, the City Attorney or designee, and the City Recorder or designee), to present their concerns. All property owners within the proposed SID are notified in advance of the dates and times when the Board of Equalization meets. The Board of Equalization can hear any discrepancies viewed by a property owner. For example, the Board could decide that a particular residential property owner does not receive as much benefit from the project as the commercial properties, and possibly reduce the assessment. If the assessment is a real financial burden income-wise to the property owner, the assessment can be deferred until the property is sold. There is no way to predict the outcome of a Board of Equalization review.

- After the protest hearing was held, the City Council Office was contacted by a property owner who expressed interest to include the neighborhood between 1000 East to 1100 East streets along both sides of 900 South Street as part of the proposed SID. Because the number of protests was minimal at 7.75 percent, the property owner was informed that if there is an interest to pursue a special improvement district further east of 1000 East, and if there appears to be adequate support from the community, and if funding is available, this could be explored further by contacting Engineering.

Upcoming action before the Council will include:

- Resolution accepting a bid for construction work.
- Resolution appointing a Board of Equalization and setting the date for the Board of Equalization hearing.
- Ordinance confirming the assessment rolls and levying assessments.
- Resolution authorizing the issuance and providing the sale of bonds.

**KEY ELEMENTS:** (Resolution)

On November 9, 2004, the City Council finalized the capital improvement program (CIP) budget for fiscal year 2004-05. Included in the CIP budget was \$500,000 for the 900 South & 900 East Streetscape project, which was contingent upon Neighborhood SID Approval. As the first step in creating the process to establish the Special Improvement District (SID), the Administration is requesting that the Council adopt a resolution declaring the Notice of Intention and set the protest hearing date for March 8, 2005. SID boundary includes all property fronting or abutting on both sides of 900 South from Windsor Street (860 East) to 1000 East. The Engineering Division has identified an estimated 26 parcels as part of the proposed SID, however some property owners own more than one parcel, therefore approximately 15 property owners will be involved with the proposed SID. All properties are commercial. The project is being coordinated with the Public Utilities Department for installation of storm drainage improvements for the project.

The Notice of Intention states that "The proposed improvements include the reconstruction of the roadway pavement; and the construction and installation of concrete angle parking, concrete curbs, sidewalks, driveway approaches, median islands, sidewalk ramps, storm drainage facilities, site furnishing, street lighting, traffic signals, landscaping, and miscellaneous work."

Depending upon the nature of the improvements, costs will be assessed by front foot (lot width) of abutting property. Each property owner will receive information with the Notice of Intention of an estimated assessment calculation made by the City Engineer's Office.

The Administration reports that existing curb, gutter, and angle parking are deteriorated and in poor condition and will be replaced as part of the City's expense portion. Although sidewalks are in good condition and do not need to be replaced, there is the exception of sidewalk areas near the intersection which will also be replaced at the City's expense for the beautification project.

Costs that will be assessed to the property owners include: areas that lack cut-back angle parking and for the beautification amenities associated with the project (decorative concrete, decorative street lighting, landscaped medians, and site furnishing upgrades). There are no

options being offered to the property owners who may want to have additional work performed in conjunction with the proposed SID improvements.

Following Council's approval of the attached resolution, a Notice of Intention informational letter and a preliminary estimate will immediately be sent to property owners within the boundary areas of the proposed SID (a copy of a letter that will be sent to property owners is attached) notifying property owners that the City is considering a proposed SID for reconstruction of 900 South from Windsor Street to 1000 East.

It is projected that the project may begin in May with completion by fall of 2005.

Informal public meetings were held on March 2, 2005 for the Administration to review the proposed SID with interested abutting property owners. The meeting location was the Forest Dale Golf Course, 2375 South 900 East, from 4:00 p.m. to 6:00 p.m.

### **BUDGET RELATED FACTS:**

The City Engineer has estimated that the total cost of improvements in the proposed District is \$1,502,000. It is anticipated the City's portion will be approximately \$1,140,000 (includes approximately \$249,000 from the Public Utilities Department to pay for drainage improvements and \$96,000 from the United States Department of Housing and Urban Development). The property owners' portion is estimated to be approximately \$362,000 (includes construction costs, a portion of engineering expenses, possibly a portion for debt service reserve, an allowance for interest on interim warrants issued to finance construction of the improvements and 15 percent for administrative costs).

Estimated breakdown costs to property owners are as follows:

Rate		Estimated Cost to
No.Quantity	Estimated Unit Costs	Property Owners
1 1,774.19 LF	\$204 per lineal foot	\$362,000

The majority of City funding sources are allocated from the Salt Lake City Capital Improvement budget Class "C" funds (\$500,000 was appropriated during the 2004-05 CIP process contingent upon the property owners being in favor of the SID), a Federal Economic Development Initiative Grant, Salt Lake City Public Utilities Department, and with the remaining costs of the improvements paid by a special assessment to be levied against the property fronting or abutting upon or adjacent to the improvements. It is anticipated that the first payment of an assessment installment may be less than one year from the date the Council adopts the assessment ordinance; thereafter approximately ten assessment installments will fall on the anniversary date of the first assessment payment, rather than five years as is calculated for concrete replacement SIDs.

CC: Cindy Gust-Jenson, Sam Guevara, Rocky Fluhart, Rick Graham, Ed Rutan, Louis Zunguze, Gary Mumford, **Dan Mulé**, Luann Clark, Tim Harpst, Max Peterson, John Naser, Gordon Haight, Kurt Larson, Diana Karrenberg, Marge Harvey, Barry Esham, Sylvia Jones, Gwen Springmeyer, Lehua Weaver, Annette Daley, Chris Bramhall, Boyd Ferguson, Karen Carruthers, Garth Limburg, and Jennifer Bruno

**COUNCIL TRANSMITTIAL**

**TO:** Rocky J. Fluhart  
Chief Administrative Officer

**DATE:** April 26, 2005

**FROM:** Rick Graham, Director *mg*  
Public Service Department

**SUBJECT:** 900 South 900 East SID

**STAFF CONTACT:** John Naser, Engineering Division 535-6240

**DOCUMENT TYPE:** Briefing Paper

**RECOMMENDATION:** None Required

**BUDGET IMPACT:** \$3,700 in on-going maintenance costs for the median islands

**BACKGROUND/DISCUSSION:** The City Council received a briefing about this project on April 12, 2005. During the briefing the Council asked that the Administration calculate the annual cost of maintaining the median island planting areas. A follow-up briefing is scheduled for Tuesday May 3, 2005. Attached, is an information sheet that states it will cost approximately \$3,700 annually to maintain the median islands.

**PUBLIC PROCESS:** None required.



## INFORMATION SHEET

### 900 South 900 East Streetscape Upgrade Project No. 106018 MEDIAN ISLAND COSTS

#### INTRODUCTION:

The 900 South 900 East project involves the reconstruction and beautification of the roadway, park strips and sidewalks from Windsor Street to 1000 East. The improvements include replacing deteriorated concrete, decorative sidewalks, enhanced street and pedestrian lighting, additional on street parking, traffic signal upgrades and the introduction of landscaped median islands. The following is a summary of the estimated construction and maintenance costs for the project and specifically these islands.

#### CONSTRUCTION COSTS:

The cost of the median islands is shared between the property owners and the City. The island portion of the property owner's assessment is for landscaping and irrigation, street trees and pedestrian scale accent lighting. The City's portion is the removal of the existing roadway pavements and trolley rails, roadway excavation and concrete median curbs. The estimated costs include construction contingency.

Total Project Construction Cost	\$1,217,300
Median Island Construction Cost	\$99,200
Property Owner Portion	\$77,900
City Portion	\$21,300

#### ANNUAL MAINTENANCE COSTS:

The annual median maintenance costs are based on estimated water and power usage from similar sized median islands in the City and using existing Liberty Park personnel two hours per day during the summer months to remove debris from the islands and to monitor and replace landscaping material as needed. The contractor is required to establish and maintain the median landscaping for one year after the construction is complete so the City does not assume maintenance responsibility until spring of 2007. The park strip landscaping is the property owner's responsibility. Utah Power maintains the street lighting.

Annual Labor Costs (litter, weeding etc.)	\$2,500
Annual Utility Costs (water and power)	\$700
Annual Plant and Mulch Replacement	\$500