
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: June 1, 2006

SUBJECT: Ordinance confirming the assessment rolls and
levying assessments for the
900 South, Main Street to 900 West
Reconstruction Special Improvement
District (SID), Job No. 102004

AFFECTED COUNCIL DISTRICTS: 2, 4, and 5

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

ADMINISTRATIVE DEPT.
AND CONTACT PERSON: Department of Public Services
Karen Carruthers

FILE LOCATIONS: Public Services/900 South, Main Street
to 900 West SID, Job 102004

POTENTIAL MOTIONS:

If the Council desires to adopt the assessment ordinance, the following motion would be appropriate:

1. **["I move that the Council"] Adopt an ordinance confirming the modified and equalized assessment rolls and levying an assessment against certain properties in the 900 South Main Street to 900 West Street improvement Special Improvement District No. 102004;** (for the purpose of paying the costs of constructing improvements on concrete sidewalks, sidewalk access ramps, driveways, curb, gutter, roadway pavement, street lighting, traffic signals, drainage facilities and landscaping (collectively, the "improvements"); establishing the effective date of this ordinance; and related matters.)

NEW INFORMATION:

The next step for the City Council is to adopt the attached ordinance confirming the modified and equalized assessment rolls and levying an assessment against certain properties within the 900 South Main Street to 900 West reconstruction Special Improvement District #102004 for the purpose of paying the costs to construct the improvements.

Breakdown of costs for the improvements are as follows:

City Portion	\$4,397,855.26
Property Owners	\$ 429,481.33
Total Estimated Cost	\$4,827,336.59

According to the Administration, within 30 days from the effective date of the ordinance, assessments for the District may be paid without interest. "Any part of the assessment not paid within the thirty day period can be payable over a period of ten years from the effective date of the ordinance."

On March 14, 2006, the City Council adopted a resolution to appoint a Board of Equalization and Review and set the dates for the Board of Equalization. The Board heard and considered objections to and made corrections of any proposed assessments which the Board deemed unequal or unjust. This was an opportunity for property owners to discuss with the Board any actual costs that are being proposed.

The Board of Equalization and Review consisted of the following City officials: Max Peterson, City Engineer; Chris Meeker, City Deputy Recorder; Ed Rutan, City Attorney; Larry Spendlove, Senior City Attorney; and Melanie Reif, Assistant City Attorney. The Board received assistance from Karen Carruthers, City Engineering; Susan Finlayson, City Engineering; John Naser, Senior Project Manager; Ken Johnson, Engineering Technician; and Garth Limburg, Special Assessment Coordinator. The Board of Equalization met for three days on April 11, 12, and 13, 2006. The following is a summary of the concerns expressed by property owners regarding the proposed SID assessments along with responses and recommendations from the Board of Equalization.

April 11, 2006		
Property Owner	Concerns	Board's Response and Recommendation (Refer to Administration's transmittal for more details)
Daniel R. Posilovich 510 W 900 S 15-12-153-004-0000	Submitted letter to protest proposed assessment. Request for a credit for existing sidewalk and drive approaches abutting his property.	Determined prior sidewalk existed, but 1/3 of property frontage consisted of deteriorated sidewalk Recommendation: Assessment for six-foot sidewalk be reduced by \$6,254.60 (1/3 reduction)

Property Owner	Concerns	Board's Response and Recommendation (Refer to Administration's transmittal for more details)
Richard Garlick 365 W 900 S 15-12-181-001-0000	Disagreed with assessment for his drive approach & optional park strip improvements. Questions that he was charged for a second drive approach which is a public alley.	Re-measurement done on driveway and park strip. Determined an error was made in assessment of park strip and Mr. Garlick should not be assessed for public alley drive approach. Recommendation: Assessment reduction for 8" thick concrete driveway of \$2919.29; and park strip assessment reduction of \$621.65.
April 12, 2006		
David & Johnnie Martin 126 W 900 S 15-12-276-017-0000	Request for an explanation of their assessment.	Assessment was explained to Mr. Martin. Recommendation: Assessment will not change.
Dave Holt & Barbara Joy Livsey 873 S Washington St. 15-12-253-014-0000	Expressed concerns regarding drainage problems in front of the Jade Cafe. Mr. Holt claims water is coming from an alley next to the property. Request to have modifications made to the curb to help solve the drainage problem.	City Engineering to further investigate cause for drainage problem. Recommendation: City correct the drainage problem and City pay a larger portion of the cost to install the sandset concrete paver, assessment reduction of \$1900.

Property Owner	Concerns	Board's Response/Recommendation
Malcom Atherton 135 W 900 S 15-12-279-001-0000	Request to have sandset concrete pavers removed due to the high cost and Mr. Atherton would install a different surface in its place – also questioned the units charged for drive approach.	Driveway approach re-measured and Engineering reviewed the final assessment cost of the sandset concrete pavers. Recommendation: Driveway approach shall be revised due to a measurement error; the city pay a larger portion of costs to install the sandset concrete pavers due to actual cost being substantially higher before the work was done. Assessment reduction of \$1877.49 for 8" thick concrete driveway and \$884 reduction for optional sandset concrete pavers.
April 13, 2006 – no property owners attended		

Upcoming action before the City Council will include:

- Resolution authorizing the issuance and providing the sale of bonds.

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

KEY ELEMENTS: (Resolution)

As the first step in creating the process to establish the Special Improvement District (SID), the Administration requested that the Council adopt a resolution declaring the Notice of Intention and set the protest hearing date for February 8, 2005. SID boundary includes all property fronting or abutting on both sides of 900 South from Main Street to 900 West. The Engineering Division has identified 72 parcels as part of the proposed SID; however, some property owners own more than one parcel, and therefore approximately 50 property owners will be involved with the proposed SID. All properties are commercial with the exception of a couple of residential rentals.

The Notice of Intention states that “the District involves the reconstruction of 900 South from Main Street to 900 West Street. The proposed improvements include the reconstruction of the roadway pavement, installation of concrete curb and gutter, sidewalks, driveway approaches, street lighting, traffic signals, drainage facilities, and landscaping from Main Street to 700 West Street and the rehabilitation of the roadway pavement and street lighting of 900 South Street from 700 West Street to 900 West Street.” The Administration’s paperwork indicates that the project proposes to widen 900 West to 84 feet, provide either parallel or 45 degree parking, utilize two travel lanes in each direction from Main to 300 West and a single lane from 300 West to 900 West, and provide a continuous left turn lane. From Main to 300 West, paved cutback angle parking installation will take place in areas where it presently exists. In areas where cutback parking currently exists, improvements can be made if the abutting property owner agrees to pay for the improvement. A detailed description of improvements anticipated for each section of the SID is broken down on pages 4 to 7 of the Resolution for Council’s review.

Depending upon the nature of the improvements, costs will be assessed by front foot (lot width) of abutting property and optional improvement costs will be assessed by square foot of improved area. Due to the variety of improvements and the difference in the size of areas to be improved, the Administration states it is not feasible to determine assessment rates solely on a front foot basis to each individual parcel to be assessed. Each property owner will receive information with the Notice of Intention of an estimated assessment calculation made by the City Engineer’s Office.

In keeping with City policy, areas of the proposed SID that currently lack sidewalks, curb and gutter will be assessed a cost of 100 percent of the actual costs. Also, property owners are provided the option to have additional work performed in conjunction with the proposed SID improvements, with the property owner being responsible for costs such as: angle parking, installation of landscaping (sod, trees, and an irrigation system connected to property owner’s water supply) in new park strip areas, and drive approaches. The City’s cost for the new park strips includes grading with topsoil for the owner to complete their own landscaping.

Following Council’s approval of the attached resolution, a letter will be sent to property owners within the boundary areas of the proposed SID notifying property owners that the City is considering a proposed SID for reconstruction of 900 South from Main Street to 900 West.

It is projected that the project may begin in April with completion by October 2005. The Administration states construction will be planned accordingly to minimize disruption and inconvenience to business owners and pedestrians.

CHRONOLOGY:

- January 4, 2005: The City Council received a briefing and adopted a resolution declaring the intention of the City to construct improvements within the City consisting of the installation of concrete sidewalks, sidewalk access ramps, driveways, roadway pavement, curb, gutter, street lighting, traffic signals, and landscaping and all other miscellaneous work necessary to complete the improvements in a proper and workmanlike manner; to create the Salt Lake City, Utah 900 South, Main Street to 900 West, Street improvements Special Improvement District No. 102004; to pay the acquisition and installation costs and expenses by special assessments to be levied against the property benefited by such improvements; to provide Notice of Intention to authorize such improvements and to fix a time and place for protests against such improvements, assessments or the creation of the District; to declare its official

intent to reimburse itself for expenditures paid by it prior to the sale of bonds; and to authorize advertisement of construction bids and related matters; and setting the date for a public protest hearing.

At the briefing, the following concerns and/or expressed interests were made by Council Members:

1. A suggestion was made to modify the Notice of Intention letter with the intent to ensure the letter clearly reflected the improvements for which the property owners were being assessed. *The Administration revised the letter.*
 2. Request that the City address any concerns with the portion of property owned by the RDA before the SID progresses. *Engineering has discussed concerns with RDA and will install parallel parking near the TRAX station. Angle parking can be installed at a later point if needed.*
 3. Expressed interest that good quality topsoil is used in the park strips. *Engineering has confirmed that fertile soil will be used that will meet City standards.*
 4. Question asked if the bonus incentive is somewhat standardized project to project. *According to the Engineering Division, the bonus will be based upon a questionnaire that will be sent to every business and property owner asking them to rate the contractor on a point system basis. Example questions such as: overall how well did the contractor do in performing the work, how well did the contractor treat the businesses, how well was access addressed during construction, and how well did the contractor address concerns? Results from the questionnaire will determine the amount of the bonus that is given to the contractor, if a bonus is given. Dependent upon the outcome of this particular bonus, a Council Member remarked that the Engineering Division may wish to standardize the bonus.*
- February 2, 2005: Informal public meetings were scheduled for the Administration to review the proposed SID with interested abutting property owners. The meeting location was held at the Sunday Anderson Center, 900 West and 900 South, from 3:00 p.m. to 4:00 p.m. and from 5:00 p.m. to 6:00 p.m.
 - February 7, 2005: Written protests against the proposed improvements, assessments or against the creation of the District were to be presented and filed in the Office of the City Recorder on or before 5:00 p.m. No written protests were filed.
 - February 8, 2005: Council held a protest hearing at 7:00 p.m. and there were no protests. In order for the District to be created, the protest rate must be less than 50 percent of the property owners who submitted written protests to the City Recorder by the February 7th deadline. The Administration reports there were also no protests filed at the Recorder's Office.
 - March 1, 2005: Council adopted a resolution to create the district.
 - March 2, 2005: A bid opening was conducted to award the contract to the best bidder.
 - March 8, 2005: Council adopted a resolution accepting the bids for construction work and authorizing execution of a contract to the lowest bidder.

- March 14, 2006: The City Council adopted a resolution appointing a Board of Equalization and Review and set the dates for the Board of Equalization to hear and consider any objections to and make corrections of any proposed assessments which the Board may deem unequal or unjust. This was an opportunity for property owners to discuss with the Board any actual costs that are being proposed.

BUDGET RELATED FACTS:

The City Engineer has estimated that the total cost of improvements in the proposed District is \$5,380,982. It is anticipated the City's portion will be approximately \$4,997,157. The property owners' portion is estimated to be approximately \$383,825 (includes construction costs, a portion of engineering expenses, possibly a portion for debt issuance, a ten percent allowance for interest on interim warrants issued to finance construction of the improvements and 15 percent for administrative costs). The Engineering Division is requesting a larger budget than the current estimate for the property owners' portion because actual costs depend on optional improvements that property owners may or may not desire and because actual costs are not known until bids are received and awarded. The Engineering Division has requested a budget for the property owners' assessments of \$430,000 (\$300,000 previously approved by the Council and \$130,000 that was approved by the Council as part of Budget Amendment #4).

Estimated breakdown costs to property owners are as follows:

Rate No.	Improvements	Estimated Unit Costs	Estimated Cost to Property Owners
1	Curb and gutter	\$23.93 per lineal foot	\$136,209
2	6' wide sidewalk	\$34.28 per lineal foot*	109,284
3	Optional 8" thick concrete driveway approach	\$7.66 per square foot*	66,948
4	Optional Park Strip Landscaping	\$2.04 per square foot	\$ 71,384
Property Owners' Total Estimated Assessment			\$383,825

*Due to the variation in widths of the parking strip areas, the estimated cost per square foot applies to the area to be improved, not the front footage to be assessed.


The majority of City funding sources are allocated from the General Fund, Class "C" road funds; the Redevelopment Agency (RDA) will fund the street lights on 900 South from 700 West to 900 West Streets (based upon the preliminary design of the street lights, the Administration reports that the estimated operation and maintenance cost for the City will be approximately \$750 per month); and \$100,000 from Public Utilities will fund drainage, water and sewer improvements. The remaining costs of the improvements shall be 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.


MATTERS AT ISSUE/POTENTIAL QUESTIONS FOR ADMINISTRATION:

1. According to the Engineering Division, there are limited areas of sidewalk that require replacement; however it is reported by Engineering that sections of sidewalk that require replacement are absorbed into the City's cost because the City is required to address ADA standards as part of the reconstruction. However, areas of the proposed SID that currently have no sidewalks will be assessed 100% of costs. The Administration has been asked by the Council to provide sometime in the near future a City-wide concrete replacement briefing, at which time the Council may be interested in a policy discussion relating to City costs associated with concrete replacement projects. The Council may wish to ask for written information about the standards that will be followed to address ADA concrete replacement for this project.
2. It was noted by representatives of the Engineering Division in a meeting with Council Members Saxton and Turner that a bonus will be available to the contractor for establishing a good working relationship with business and property owners. It is Council staff's understanding that the bonus will be awarded based on a survey completed by business and property owners at completion of the project. The Council may wish to request additional information relating to the contractor's bonus.

CC: Cindy Gust-Jenson, Sam Guevara, Rocky Fluhart, Rick Graham, David Oka, Ed Rutan, Louis Zunguze, Gary Mumford, Dan Mulé, Valda Tarbet, 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 TRANSMITTAL

TO: Rocky J. Fluhart
Chief Administrative Officer 
DATE: May 16, 2006

FROM: Rick Graham, Director of Public Services 

SUBJECT: Assessment Ordinance for Special Improvement District 102004,
900 South Main Street to 900 West Reconstruction
Special Improvement District

STAFF CONTACT:  Karen Carruthers – 535-6355

DOCUMENT TYPE: Ordinance

RECOMMENDATION: That the Council adopt the Assessment Ordinance levying an assessment upon each property identified in the assessment list for the purpose of paying the costs to construct the improvements in Special Improvement District No. 102004.

BUDGET IMPACT:

City Portion	\$4,397,855.26
Property Owners	\$ 429,481.33
Total Estimated Cost	\$4,827,336.59

BACKGROUND/DISCUSSION: The Special Improvement District No. 102004 involved the re-construction of 900 South Street from Main Street to 900 West. The 900 West re-construction included curb and gutter, sidewalk, street pavement, drainage facilities and traffic signals. The park strip landscaping involved topsoil, sod, trees, and individual properties irrigation systems.

The assessments to be levied are for the purpose of paying for the improvements necessary to complete the district. Assessments for the district may be paid without interest within fifteen days after this ordinance becomes effective. Any part of the assessment not paid within the fifteen day period can be payable over a period of 10 years from the effective date of the ordinance.

PUBLIC PROCESS: The Board of Equalization hearings were held on April 11th, 12th, and 13th 2006.

Salt Lake City, Utah

June 6, 2006

A regular meeting of the City Council of Salt Lake City, Salt Lake County, Utah, was held on Tuesday, the 6th day of June, 2006, at the hour of 7:00 p.m., at the offices of the City Council at 451 South State Street, Salt Lake City, Utah, at which meeting there were present

David L. Buhler	Chair
Van Blair Turner	Vice Chair
Carlton Christensen	Councilmember
Søren Dahl Simonsen	Councilmember
Nancy Saxton	Councilmember
Jill Remington Love	Councilmember
K. Eric Jergensen	Councilmember

Also present:

Ross C. Anderson	Mayor
Edwin P. Rutan, II	City Attorney
	Deputy City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this ordinance had been discussed, the City Recorder presented to the City Council a Certificate of Compliance With Open Meeting Law with respect to this June 6, 2006, meeting, a copy of which is attached hereto as Exhibit A.

The Board of Equalization and Review (the "Board") for Salt Lake City, Utah 900 South Main Street to 900 West Street Improvements Special Improvement District No. 102004 (the "District") presented to the City Council its report and stated that it had reviewed statements, comments and complaints on each property in the District as listed in the minutes of the hearings of the Board held on April 11, 12, and 13, 2006.

The following Findings, Recommendations, and Decisions were then presented to the City Council by the Board:

FINDINGS

It is the finding of the Board that each piece of property within the District will be benefited in an amount not less than the assessment to be levied against said property. No piece of property listed in the assessment list will bear more than its proportionate share of the costs of such improvements.

RECOMMENDATION AND DECISION

It is the decision of the Board that the proposed assessment list is equitable and that the improvements being financed thereby constitute a benefit to the properties to be assessed. The assessment list is approved subject to the following modifications:

See Exhibit C

The Board respectfully recommends that the City Council approve and confirm the assessment list as adjusted and adopt an ordinance levying the assessment set out in the adjusted assessment list.

Motion was then made by Councilmember _____ and seconded by Councilmember _____ that the City Council accept the Recommendation and Decision of the Board regarding the proposed assessments to be levied within the District. The motion carried unanimously.

The City Recorder then noted that the City Council is now convened in this meeting for the purpose, among other things, to adopt an Assessment Ordinance (the "Ordinance") for the District. The following Ordinance was then introduced in writing, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____ adopted by the following vote:

AYE:

NAY:

The ordinance was then signed by the Chair, presented to and approved by the Mayor and recorded by the City Recorder in the official records of Salt Lake City, Utah. The ordinance is as follows:

ORDINANCE NO. ___ of 2006

AN ORDINANCE CONFIRMING THE MODIFIED AND EQUALIZED ASSESSMENT ROLLS AND LEVYING AN ASSESSMENT AGAINST CERTAIN PROPERTIES IN THE SALT LAKE CITY, UTAH 900 SOUTH MAIN STREET TO 900 WEST STREET IMPROVEMENTS SPECIAL IMPROVEMENT DISTRICT NO. 102004 (THE "DISTRICT"), FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTING IMPROVEMENTS ON CONCRETE SIDEWALKS, SIDEWALK ACCESS RAMPS, DRIVEWAYS, CURB, GUTTER, ROADWAY PAVEMENT, STREET LIGHTING, TRAFFIC SIGNALS, DRAINAGE FACILITIES AND LANDSCAPING (COLLECTIVELY, THE "IMPROVEMENTS"); ESTABLISHING THE EFFECTIVE DATE OF THIS ORDINANCE; AND RELATED MATTERS.

BE IT ORDAINED BY THE CITY COUNCIL OF SALT LAKE CITY, SALT LAKE COUNTY, UTAH:

Section 1. Determination of Costs. All costs and expenses for the making of the Improvements within the District, together with related costs, have been determined.

Section 2. Approval of Assessment List; Findings. The City Council (the "Council") of Salt Lake City, Utah (the "City"), hereby accepts and adopts the Findings and Recommendation of the Board of Equalization and Review. The Council confirms and adopts the equalized and modified assessment roll for the District, a copy of which is attached hereto as Exhibit B and incorporated herein by reference (the "Assessment List"). The Council has determined that the Assessment List, as adjusted and equalized, is just and equitable; that each piece of property to be assessed within the District will be benefited in an amount not less than the assessment to be levied against said property; and that no piece of property listed in the assessment list will bear more than its proportionate share of the cost of Improvements.

Section 3. Levy of Assessments. The Council hereby levies an assessment upon the real property identified in the Assessment List. The assessments levied upon each parcel of property therein described shall be in the amount set forth in the Assessment List.

The assessments hereby levied are for the purpose of paying the costs of constructing the Improvements in a proper and workmanlike manner.

The assessments are hereby levied and assessed upon each of the parcels of real property described in the Assessment List according to the extent that they are specially benefited by the Improvements acquired or constructed within the District. The assessments are levied upon the parcels of land in the District at equal and uniform rates.

Section 4. Cost of Improvements; Amount of Total Assessments. The total cost of the Improvements in the District is \$4,827,336.59 including allowable related expenses. Of this total cost, the City's portion is \$4,397,855.26. The City's portion for the District includes that part of the overhead costs for which an assessment cannot be levied, if any, and the cost of making the Improvements for the benefit of property against which an assessment may not be levied, if any. The amount to be assessed against property affected or benefited by the Improvements in the District is \$429,481.33. These amounts do not exceed in the aggregate the sum of: (a) the total contract price or prices for the Improvements under contract duly let to the lowest and best responsible bidder therefor and a portion of the costs of engineering, designing and inspection; (b) the reasonable cost of utility services, maintenance, labor, materials or equipment supplied by the City, if any; (c) the property price, if any; (d) connection fees, if any; (e) the interest on any interim warrants issued against the District; and (f) overhead costs not to exceed fifteen percent (15%) of the sum of (a), (b), (c) and (d).

Section 5. Method and Rate. The total assessment for the District is levied in accordance with the method set out in the Notice of Intention pertaining to the District. The applicable rate for each property was determined based on costs as set out in the preceding Section.

Section 6. Payment of Assessments.

(a) The whole or any part of the assessments for the District may be paid without interest within thirty (30) days after this Ordinance becomes effective. Any part of the assessment not paid within such thirty (30)-day period shall be payable over a period of ten (10) years from the effective date of this Ordinance in ten (10) substantially equal annual principal installments, plus interest accruing thereon. Interest on the unpaid balance of the assessment shall accrue at the rate of four and nine-tenths percent (4.9%) per annum until and unless special assessment bonds (the "Bonds") are issued for the District. After issuance of the Bonds the interest rate on unpaid assessment balances (unless delinquent rates apply) shall be the same rate as the net effective interest rate of the Bonds anticipated to be issued by the City. The first assessment installment payment date shall be on or about November 1, 2006, and on each anniversary date of the first assessment installment payment date thereafter until paid in full. Interest shall accrue from the effective date of this Ordinance. Each assessment installment shall include one year's interest on the unpaid assessment amount.

(b) After the above-referenced thirty (30)-day period, all unpaid installments of an assessment levied against any piece of property may be paid prior to the dates on which they become due, but any such prepayment must include an additional amount equal to the interest which would accrue on the assessment to the next succeeding date on which interest is payable on the Bonds issued in anticipation of the collection of the assessments plus such additional amount as, in the opinion of the City Treasurer, is necessary to assure the availability of money to pay interest on the Bonds as interest becomes due and payable plus any premiums which may be charged and become payable on

redeemable Bonds which may be called in order to utilize the assessments paid in advance.

Section 7. Default in Payment. If a default occurs in the payment of any installment of principal or interest, when due, the City may accelerate payment of the total unpaid balance of the assessment and declare the whole of the unpaid principal and interest then due to be immediately due and payable. Additional interest shall accrue and be paid on all amounts declared to be delinquent or accelerated and immediately due and payable at the same rate as is applied to delinquent real property taxes for the year in which the assessment installment becomes delinquent (the "Delinquent Rate"). In addition to interest charges at the Delinquent Rate, costs of collection, including attorneys fees and court costs ("Collection Costs"), as determined by the City Treasurer or required by law shall be charged and paid on all amounts declared to be delinquent or accelerated and immediately due and payable. In lieu of accelerating the total assessment balance when one or more assessment installments become delinquent, the City may elect to bring an action to collect only the delinquent portion of the assessment plus interest at the Delinquent Rate and Collection Costs.

Upon any default, the City Treasurer shall give notice in writing of the default to the owner of the property in default as shown by the last available equalized assessment rolls. Notice shall be effective upon deposit of the notice in the U.S. Mail, postage prepaid, and addressed to the owner as shown on the last equalized assessment rolls for the City or on the official ownership records of the City. The notice shall provide for a period of thirty (30) days in which the owner shall pay the installments then due and owing together with accrued interest at the regular rate plus costs as determined by the City Treasurer. If the City elects to use the enforcement remedy involving acceleration, the Notice shall also declare that after the thirty (30) day period the City shall accelerate the then unpaid balance of the principal of the assessment to be immediately due and payable together with Collection Costs and interest on the entire unpaid balance to accrue from the date of delinquency at the Delinquent Rate. Thereafter, the City may commence foreclosure proceedings in the manner provided for actions to foreclose mortgage liens or trust deeds. If the City elects to utilize the trust deed enforcement remedy, the City Attorney shall designate a trust deed trustee for purposes of the enforcement action. If at the sale no person or entity shall bid and pay the City the amount due on the assessment plus interest and costs, the property shall be deemed sold to the City for these amounts. The City shall be permitted to bid at the sale.

The remedies provided herein for the collection of assessments and the enforcement of liens shall be deemed and construed to be cumulative and the use of any one method or means of collection or enforcement shall not deprive the City of the use of any other method or means. The amounts of accrued interest and all costs of collection shall be added to the amount of the assessment up to the date of foreclosure sale.

Section 8. Remedy of Default. If prior to the final date payment may be legally made under a final sale or foreclosure of property to collect delinquent assessment installments, the property owner pays the full amount of all unpaid installments which are past due and delinquent with interest at the Delinquent Rate, plus all approved or required

costs, the assessment of said owner shall be restored so that the owner will have the right to make the payments in installments as if the default had not occurred.

Section 9. Lien of Assessment. An assessment or any part or installment of it, any interest accruing and the penalties and costs of collection shall constitute a lien against the property upon which the assessment is levied on the effective date of this Ordinance. Said lien shall be superior to the lien of any trust deed, mortgage, mechanic's, or materialman's lien, or other encumbrance and shall be equal to and on a parity with the lien for general property taxes. The lien shall continue until the assessment and any interest, penalties and costs on it are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax or other assessment or the issuance of a tax deed, an assignment of interest by the governing entity or a sheriff's certificate of sale or deed.

Section 10. Contestability. No assessment shall be declared void or set aside in whole or in part in consequence of any error or irregularity which does not go to the equity or justice of the assessment or proceeding. Any party who has not waived his objections to same as provided by statute may commence a civil action against the City to enjoin the levy or collection of the assessment or to set aside and declare unlawful this Ordinance.

Such action must be commenced and summons must be served on the City not later than 30 days after the effective date of this Ordinance. This action shall be the exclusive remedy of any aggrieved party. No court shall entertain any complaint which the party was authorized to make by statute but did not timely make or any complaint that does not go to the equity or justice of the assessment or proceeding.

After the expiration of the 30-day period provided in this section:

(a) The Bonds issued or to be issued against the District and the assessments levied in the District shall become incontestable as to all persons who have not commenced the action provided for in this section; and

(b) No suit to enjoin the issuance or payment of the Bonds, the levy, collection, or enforcement of the assessment, or in any other manner attacking or questioning the legality of the Bonds or assessments may be instituted in this state, and no court shall have authority to inquire into these matters.

Section 11. Notice to Property Owners. The City Treasurer is hereby authorized and directed to give notice of assessment by mail to the property owners in the District. Said notice shall, among other things, state the amount of the assessment and the terms of payment. A copy of the form of notice of assessment is available for examination upon request at the office of the City Recorder.

Section 12. All Necessary Action Approved. The officials of the City are hereby authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Ordinance.

Section 13. Repeal of Conflicting Provisions. All ordinances or parts thereof in conflict with this Ordinance are hereby repealed.

Section 14. Publication of Ordinance. Immediately after its adoption, this Ordinance shall be signed by the Mayor and City Recorder and shall be recorded in the ordinance book kept for that purpose. This Ordinance shall be published once in the Deseret Morning News, a newspaper published and having general circulation in the City, and shall take effect immediately upon its passage and approval and publication as required by law.

PASSED AND APPROVED by the City Council of Salt Lake City, Utah, this 6th day of June, 2006.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
Deputy City Recorder

The City Treasurer was thereupon authorized to mail to the property owners in the District the foregoing notice of special assessment as hereinbefore provided.

After the transaction of other business not pertinent to the foregoing matter, the meeting was on motion duly made, seconded, and carried, adjourned.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
Deputy City Recorder

PRESENTATION TO THE MAYOR

The foregoing ordinance was presented to the Mayor for his approval or disapproval on this _____ day of _____, 2006.

By: _____
Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing ordinance is hereby approved this _____ day of _____, 2006.

Ross C. Anderson
Mayor

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, _____, the duly appointed and qualified Deputy City Recorder of Salt Lake City, Salt Lake County, Utah, do hereby certify that the above and foregoing is a full, true and correct copy of the record of proceedings had by the City Council of Salt Lake, Salt Lake County, Utah, at its meeting held on the 6th day of June, 2006, insofar as the same relates to or concerns Salt Lake City, Utah 900 South Main Street to 900 West Street Improvements Special Improvement District No. 102004 as the same appears of record in my office.

I further certify that the Ordinance levying the special assessments was recorded by me in the official records of Salt Lake City on 6th day of June, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of Salt Lake City this 6th day of June, 2006.

(SEAL)

By: _____
Deputy City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

AFFIDAVIT OF MAILING
NOTICE OF ASSESSMENT

I, Daniel Mulé, the duly appointed, qualified City Treasurer of Salt Lake City, Salt Lake County, Utah, do hereby certify that on _____, 2006, I caused to be mailed a Notice of Assessment to each property owner in Salt Lake City, Utah 900 South Main Street to 900 West Street Improvements Special Improvement District No. 102004 by United States Mail, postage prepaid, at the last known address of such owner.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of Salt Lake City, Salt Lake County, Utah _____, 2006.

By: _____
City Treasurer

PROOF OF PUBLICATION

Attached to this page is the Proof of Publication, indicating by the affidavit of the publisher that the said Ordinance levying the special assessments which was contained in the Ordinance adopted by the City Council on 6th day of June, 2006, was published one time in the Deseret Morning News.

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, _____, the undersigned Deputy City Recorder of Salt Lake City, Salt Lake County, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the 6th day of June, 2006, public meeting held by the City as follows:

(a) By causing a Notice, in the form attached hereto as Schedule A, to be posted at the City's offices at 451 South State Street, Salt Lake City, Utah, on the 2nd day of June, 2006, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule A, to be delivered to the Deseret Morning News on the 2nd day of June, 2006, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 6th day of June, 2006.

(SEAL)

By: _____
Deputy City Recorder

SCHEDULE A

NOTICE OF MEETING

EXHIBIT B

ASSESSMENT LIST

[Available for review at the offices of the
City Recorder or City Engineer]

EXHIBIT C

MODIFICATIONS RECOMMENDED
BY BOARD OF EQUALIZATION AND REVIEW

REPORT OF THE BOARD OF EQUALIZATION SPECIAL IMPROVEMENT DISTRICT

900 South, Main Street to 900 West SID

Job No. 102004

The Board of Equalization Hearings for Special Improvement District No. 102004 were held on April 11, 12, and 13, 2006 at 349 South 200 East in Suite 100 and in conformance with the ordinances governing special improvement districts. The Board was comprised of the following members:

Max Peterson,	City Engineer
Chris Meeker,	Chief Deputy Recorder
Ed Rutan,	City Attorney
Larry Spendlove,	Senior City Attorney
Melanie Reif,	Senior City Attorney

Assisting the Board were the following individuals:	
John Naser,	Senior Project Manager
Ken Johnson,	Engineering Technician
Garth Limburg,	Special Assessment Coordinator
Karen Carruthers,	City Engineering
Susan Finlayson,	City Engineering

The following are issues raised by property owners concerning the Special Improvement District assessments, and recommendations of the Board of Equalization.

Tuesday, April 11, 2006 - 3:00 to 4:00 P.M.

- 1. Daniel R. Posilovich
510 West 900 South
Salt Lake City, Utah 84101-2889
15-12-153-004-0000**

Mr. Posilovich wrote a letter dated April 6, 2006 to John Naser that was submitted to the Board protesting his assessment. Mr. Posilovich's letter indicated his property frontage had existing sidewalk and drive approach serving his property prior to the 900 South Street reconstruction. Mr. Posilovich contested the proposed assessment because he felt he should be given credit for the existing sidewalk and drive approaches abutting his property.

Response:

Mr. Johnson from Engineering stated that there may have been some sections of old sidewalk and drive approach abutting the property. Mr. Johnson is going to check the pre-construction pictures he took of the 900 South project and determine if sidewalk sections

and drive approach existed before the project construction started. He will notify the Board of his findings.

Recommendation of the Board:

After reviewing the preconstruction photos and construction site logs it was determined that sidewalk did exist in some areas. It was decided at least one third of the property frontage had old sidewalk. The Board recommends the assessment for six foot sidewalk be reduced by one third. It was also determined that access to the property existed before the project began, however the driveway approach from the street curb to the property did not exist. Since curb and gutter did not exist, the access to the property occurred from the roadway shoulder; therefore no reduction in the driveway approach assessment will be given.

Current Assessment

1. Concrete Curb & Gutter Assessment	660.00 Units @ \$ 18.12 = \$ 11,959.20
2. 6' Wide Concrete Sidewalk	660.00 Units @ \$ 28.43 = \$ 18,763.80
3. 8" Thick Concrete Driveway	1982.00 Units @ \$ 8.66 = <u>\$ 17,164.12</u>
Total	\$ 47,887.12

Revised Assessment

1. Concrete Curb & Gutter Assessment	660.00 Units @ \$ 18.12 = \$ 11,959.20
2. 6' Wide Concrete Sidewalk	440.00 Units @ \$ 28.43 = \$ 12,509.20
3. 8" Thick Concrete Driveway	1982.00 Units @ \$ 8.66 = <u>\$ 17,164.12</u>
Total	\$ 41,632.52

2. **Richard Garlick**
365 West 900 South
Salt Lake City, Utah 84104-2675
15-12-181-001-0000

Mr. Garlick stated he disagrees with the assessment for his drive approach and the optional park strip improvements. Mr. Garlick had measured the drive approach and also the park strip and his measured quantities are less than the units charged on the assessment. Mr. Garlick questioned if he might have been charged for a second drive approach which is a public alley.

Response:

Mr. Johnson and Mr. Garlick meet and re-measured the driveways and optional park strip sod. They determined an error had been made in the assessment measurement of the park strip sod area and that Mr. Garlick should not be assessed for the public alley drive approach.

Recommendation of the Board:

The Board recommends the assessment be revised as Follows:

Current Assessment

1. Concrete Curb & Gutter Assessment	93.50 Units @ \$ 18.12 = \$ 1,694.22
3. 8" Thick Concrete Driveway	717.00 Units @ \$ 8.66 = \$ 6,209.22
4. Optional Park Strip Sod & Irrigation	1,230.00 Units @ \$ 2.37 = \$ 2,915.10
7. Irrigation Connection & Backflow	1.00 Units @ \$ 814.04 = \$ 814.04
Total	\$ 11,632.58

Revised Assessment

1. Concrete Curb & Gutter Assessment	93.50 Units @ \$ 18.12 = \$ 1,694.22
3. 8" Thick Concrete Driveway	379.90 Units @ \$ 8.66 = \$ 3,289.93
4. Optional Park Strip Sod & Irrigation	967.60 Units @ \$ 2.37 = \$ 2,293.45
7. Irrigation Connection & Backflow	1.00 Units @ \$ 814.04 = \$ 814.04
Total	\$ 8,091.64

Wednesday, April 12, 2006 - 4:00 to 5:00 P.M.

1. **David & Johnnie Martin**
126 West 900 South
Salt Lake City, Utah 84101-2942
15-12-276-017-0000

Mr. Martin informed the board about how pleased he is with the 900 South Street improvements. Mr. Martin asked about park strip trees and when they would be planted. Also he wanted an explanation of his assessment. Mr. Peterson explained the assessment to Mr. Martin.

Response:

The trees have now been planted in the park strip abutting Mr. Martin's property.

Recommendation of the Board:

The assessment for this property will not change.

Current Assessment

1. Concrete Curb & Gutter Assessment	42.00 Units @ \$ 18.12 = \$ 761.04
3. 8" Thick Concrete Driveway	197.00 Units @ \$ 8.66 = \$ 1,706.02
4. Optional Park Strip Sod & Irrigation	406.00 Units @ \$ 2.37 = \$ 962.22
7. Irrigation Connection & Backflow	1.00 Units @ \$ 814.04 = \$ 814.04
Total	\$ 4,243.32

2. **Dave Holt & Barbra Joy Livsey**
873 South Washington Street
Salt Lake City, Utah 84101-2944

15-12-253-014-0000

Mr. Holt wanted an explanation of why he had received two assessments and why the assessment was addressed to 873 South Washington Street. Mr. Peterson and Mr. Naser explained that two assessment notices are always sent out, per state statute, one to the property owner of record and one to the property address. They also explained that this parcel faces Washington Street and is addressed as 873 South Washington.

Mr. Holt stated his concerns about the drainage problem in front of the Jade Café where water did not adequately drain after a major storm last week. Mr. Holt stated the water is coming from the alley next to the property. Mr. Holt brought in pictures from the rain storm showing the sidewalk area flooded for a few hours in front of the Jade Café. Mr. Naser and Mr. Johnson were aware of the drainage problem in front of the Jade Café but pointed out that some of the flooding could also be caused by the down spout that comes off the Jade Café roof. Mr. Holt indicated he would like modifications made to the curb to help solve the drainage problem in front of the Jade Café. Mr. Holt's concern is that during the winter months it will be very hard to keep the sidewalk in front of the Jade Café ice free for his customers if water stands on the sidewalk area.

Response:

Further investigation by City Engineering in coordination with Mr. Holt is needed to determine where the water is coming from. Solving the drainage problem may require an additional storm drain from the parking lot and possible curbing in the City alley adjacent to Mr. Holt's property. Also re-grading of the existing parking lot and rerouting of the building's roof drain maybe necessary to help correct the problem.

Recommendation of the Board:

The Board recommends the City correct the drainage problem. The Board also recommends the City pay a larger portion of the cost to install the sandset concrete pavers. The Board recommends the unit cost for sandset concrete pavers be reduced by \$2.00 from \$9.11 to \$7.11 per square foot.

Current Assessment

1. Concrete Curb & Gutter Assessment	132.00 Units @ \$ 18.12 = \$ 2,391.84
6. Optional Sandset Concrete Pavers	950.00 Units @ \$ 9.11 = <u>\$ 8,654.50</u>
Total	\$11,046.34

Revised Assessment

1. Concrete Curb & Gutter Assessment	132.00 Units @ \$ 18.12 = \$ 2,391.84
6. Optional Sandset Concrete Pavers	950.00 Units @ \$ 7.11 = <u>\$ 6,754.50</u>
Total	\$ 9,146.34

3. **Malcolm Atherton**
135 West 900 South
Salt Lake City, Utah 84101-2935

15-12-279-001-0000

Mr. Atherton would like the sandset concrete pavers removed because the SID costs for the sandset concrete pavers are considerably more expensive and the SID price was considerably higher than estimated by City Engineering. Mr. Atherton stated he would put in his own surface in place of the sandset concrete pavers. Mr. Spendlove stated the City shouldn't be responsible for the costs of removing the sandset concrete pavers Mr. Atherton requested as optional work. Mr. Atherton also questioned the units charged for the drive approach. Mr. Peterson stated that City Engineering would re-measure the drive approach.

Response:

Mr. Johnson re-measured the driveway approaches and determined that a measurement error had been made. Engineering will review the final assessment cost of the sandset concrete pavers and determine if any adjustments should be made due to the final cost being approximately 80% higher than the estimate provided the property owner.

Recommendation of the Board:

The Board recommends the assessment for the driveway approach be revised due to the measurement error. The Board recommends the City pay a larger portion of the cost to install the sandset concrete pavers due to actual cost being substantially higher than the estimates provided before the work was done. The Board recommends the unit cost for sandset concrete pavers be reduced by \$2.00 from \$9.11 to \$7.11 per square foot.

Current Assessment

1. Concrete Curb & Gutter Assessment	156.00 Units @ \$ 18.12 = \$ 2,826.72
3. 8" Thick Concrete Driveway	578.00 Units @ \$ 8.66 = \$ 5,005.48
4. Optional Park Strip Sod & Irrigation	930.00 Units @ \$ 2.37 = \$ 2,204.10
6. Optional Sandset Concrete Pavers	442.00 Units @ \$ 9.11 = \$ 4,026.62
Total	\$ 14,062.92

Revised Assessment

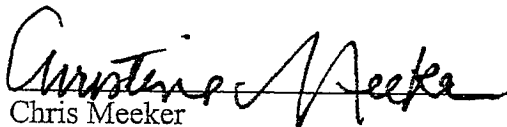
1. Concrete Curb & Gutter Assessment	156.00 Units @ \$ 18.12 = \$ 2,826.72
3. 8" Thick Concrete Driveway	361.20 Units @ \$ 8.66 = \$ 3,127.99
4. Optional Park Strip Sod & Irrigation	930.00 Units @ \$ 2.37 = \$ 2,204.10
6. Optional Sandset Concrete Pavers	442.00 Units @ \$ 7.11 = \$ 3,142.62
Total	\$ 11,301.43

Thursday, April 13, 2006 - 5:00 to 6:00 P.M.

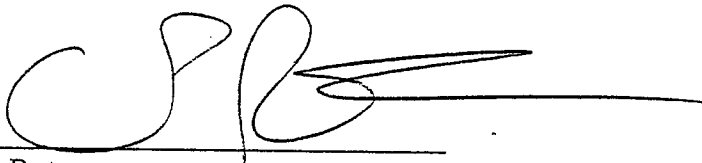
No property owners attended this meeting.



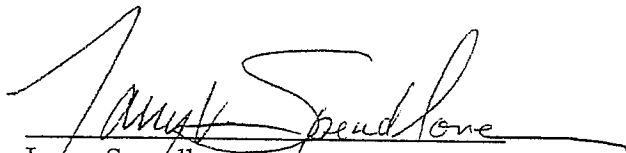
Max Peterson
City Engineer



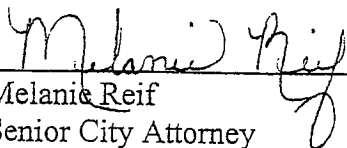
Chris Meeker
Chief Deputy Recorder



Ed Rutan
City Attorney



Larry Spendlove
Senior City Attorney



Melanie Reif
Senior City Attorney