



# FARMINGTON CITY

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CITY COUNCIL

DAVE MILLHEIM  
CITY MANAGER

## City Council Staff Report

To: Honorable Mayor and City Council

From: Dave Millheim, City Manager

Date: October 13, 2016

**SUBJECT: SPECIAL ASSESSMENT AREA UPDATE**

### RECOMMENDATION

DISCUSSION ONLY – No recommendations at this time.

### BACKGROUND

At our last Council meeting, a public hearing was held as one of the early steps in the potential formation of a Special Assessment Area. Many folks spoke and protest forms have begun to come into the City from the residents. The protest period runs for 60 days at which point those protests will be tabulated and an update provided to the Council.

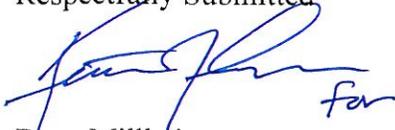
Council also directed staff to place this item on this agenda as a potential discussion item. Specifics of what we are to discuss was very lacking. Council members said they have various questions related to grants, funding and various SAA options which they wanted staff to address. Staff asked for those questions in writing which some of the Council have recently provided. Thank you to those who provided questions to be researched. Some of the questions are easy and some require a great deal of research and legal counsel. As a result of just now beginning to receive the questions from the Council, staff has not had the time to provide any answers at this time. We also wish to not provide partial or rushed answers to these important questions so we encourage all involved to methodically go through the issues in a deliberate fashion.

Staff has also scheduled a meeting with a few of the residents who suggested forming a neighborhood committee to consider all possible options. We will report on the results of that discussion at the Council meeting.

Staff has also put together a new funding scenario we want to share with the residents. That draft scenario is attached and we hope this will be the focus of our discussion. While agendas and all attachments are public documents, staff felt we should not discuss

this proposal with the residents until it had been discussed with the full Council and you had provided your input.

Respectfully Submitted

A handwritten signature in blue ink, appearing to read 'Dave Millheim', with a stylized flourish at the end.

Dave Millheim  
City Manager

**Farmington City, Utah School Safety Assessment Area**  
**Revised 9-27-16**

10/14/2016

650 West, Glovers, and 500 South (East of Trail) SAA	1,373,562.99
1100 West and 500 South (West of Trail) SAA	568,249.03
650 West Miller Meadow Development Agreement	133,333.50
City Portion (Non Impact Fee)	577,998.20
City Portion (Impact Fee)	968,863.91
650 East and Glovers Lane High School	509,886.57
Clark Lane - 300 South Sidewalk	70,223.43
<b>Total</b>	<u>4,202,117.63</u>
Total of Projects with an Assessment	<u>2,145,368.96</u>

<u>Estimated Bond Total</u>	
Project Needs	2,145,368.96
Costs of Issuance	100,000.00
Accrued Interest (BANS)	300,000.00
Debt Service Reserve Fund	300,000.00
<b>Total</b>	<u>2,845,368.96</u>
Bond Amount	<u>2,845,368.96</u>

	<u>\$/LF Project</u>	<u>\$/ LF Total Cost</u>
SAA cost per lineal foot (14,563 Total Lineal Feet)	148.03	196.43
Clark Lane - 300 South cost per lineal foot ( 1997 Total Lineal Feet)	35.17	46.43
Miller Meadows cost per lineal feet (807 Total Lineal Feet)	165.24	218.08

**City Portion:**

\$577,998    Non Impact Fee - General Fund - from Property Taxes and Sales Taxes  
 \$968,863    Impact Fee- A lot of that impact fee is coming from the School District

## Funding Plan A

SAA - 10 year payment plan			
City to pay 100% of Prop 1 Funds - \$300,000		(300,000)	
City to pay for construction loans - No interest costs and reduce reserve account		(475,000)	
TIGER grant - to pay for sidewalks and driveway approaches (may be limited)		(700,000)	
	Total	<u>(1,475,000)</u>	
	Total Cost of SAA	<u>2,845,369</u>	
	Total Cost Plan A	<u>1,370,369</u>	
		<u>\$/LF Project</u>	<u>\$/ LF Total Cost</u>
SAA cost per lineal foot (14,563 Total Lineal Feet)		148	196
	Plan A Reduction	<u>(67)</u>	<u>(100)</u>
	Total cost of SAA under Plan A	<u>81</u>	<u>** 96</u>

\*\* Under the SAA with financing for 10 years - the final pmt is made by the Reserve Fund Property Owners would only make 9 payments.

## Funding Plan B

10 year payment plan		<u>\$/LF Project</u>	<u>\$/ LF Total Cost</u>
Same as Funding Plan A		<u>81</u>	<u>96</u>
County Prop 1 Funds \$250,000	(SAA Cost Plan A 1,370,369 - 250,000= 1,120,369)	(18)	(18)
County Prop 1 Funds \$500,000	(SAA Cost Plan A 1,370,369 - 500,000= 870,369)	(36)	(36)
	Total Cost of SAA under Plan B \$250,000	<u>63</u>	<u>** 78</u>
	Total Cost of SAA under Plan B \$500,000	<u>45</u>	<u>** 60</u>

\*\* Under the SAA with financing for 10 years - the final pmt is made by the Reserve Fund Property Owners would only make 9 payments.