FARMINGTON CITY

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Dave Millheim
City Manager

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Memo

To: Residents within proposed Special Assessment Area

From: Dave Millheim, City Manager

Date: October 19, 2016

SUBJECT: SPECIAL ASSESSMENT AREA (SAA) UPDATE

All of you are aware of the proposed special assessment area in West Farmington. Last night many of you attended the City Council Meeting where the Council discussed a staff proposal which attempts to get the proposed SAA assessments as low as possible with additional City wide support. This memo is provided to update the City's level of commitment to the proposed SAA. We feel it very important that the residents have the most current information available as you make your decision on whether to support or protest the proposed SAA.

Per the attached proposal which the Council unanimously endorsed, the City is committing additional revenues if the proposed SAA is eventually passed after the protest period lapses. To summarize the attached memo and the Council decision from last night, please note the following.

The proposed SAA is estimated to total $2,845,369 in a worst case scenario resulting in lineal foot cost of $199 per foot. Should the SAA pass the City commits to:

1. Pay 100% of next year's City Prop One funds estimated at $300,000.
2. The City will self fund the construction loan resulting in an estimated reduction in interest and reserve costs of $475,000.
3. The City will pledge all proceeds from the UTA TIGER grant estimated at $700,000 towards this project.
4. The City will continue to seek for Davis County participation in this project through the County contributing $500,000 of their Prop One funds. Whether the County participates or not, the City will cover through the City's portion of the following year's Prop One funds an additional earmarked contribution not to exceed $250,000 if the County chooses not to participate.

Since all of the above are estimates and to avoid any misunderstanding, the City's commitment level to this project should the SAA pass total between $1,475,000 to $1,725,000. This would cap the residents proposed assessments at no more than $78 per lineal foot.

160 S Main • P.O. Box 160 • Farmington, UT 84025
Phone (801) 451-2383 • Fax (801) 451-2747
www.farmington.utah.gov

The City also wants to reiterate the importance of getting the proposed improvements done before the High School opens in the fall of 2018. We recognize the significant impact this is having in the area. We know this is a complicated problem and not everyone is happy with the pace of change taking place in the area. Our primary concern is for the safety of the traveling public as this area grows. We are also mindful that with the above commitment of additional resources plus the impact fees, Davis School District contributions and General Fund revenues already pledged to this project, all Farmington residents are paying a significant portion towards these improvements.

Respectfully Submitted

Dave Millheim

Dave Millheim
City Manager

Cc: Mayor and Council
Todd Godfrey, City Attorney
Keith Johnson, Assistant City Manager