



# VOTER INFORMATION PAMPHLET

## *Special Bond Election Streets Reconstruction Bond*

**Election Day is November 6, 2018  
Polls Open 7 a.m. to 8 p.m.**

### **Upcoming Public Meeting**

Learn more about the Streets Reconstruction Bond, get your questions answered, and voice your opinion at the upcoming public meeting.

### **Open House & Public Meeting**

Tuesday, October 16, 2018

Open House - 6:00 p.m. – 7:00 p.m.

Public Meeting – Starts at 7:00 p.m.

### **City & County Building**

451 South State Street, 3rd Floor

Salt Lake City, UT 84111



Salt Lake City  
451 South State Street  
P.O. Box 145476  
Salt Lake City, UT 84114-5476

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Nearly two-thirds of City streets are in poor or worse condition – with a large number that need to be completely rebuilt. To address this funding need, the City has placed an \$87 million General Obligation Bond on November’s ballot for voters to consider. Because the City is paying off some outstanding bonds in 2019, if voters approve the Streets Reconstruction Bond, it would have minimal new financial impact on property owners – an estimated increase of \$5 or less the first year for an average primary residence of \$339,500. However, because the City is paying off some existing bonds in 2019, it is estimated that the \$5 increase would be reduced – with an average primary residence paying an estimated net \$0 per year in the following years.

Para obtener más información y para solicitar una versión en español de este folleto, visite la página [www.FundingOurFutureSLC.com](http://www.FundingOurFutureSLC.com) o llame al (801) 535-6251.

[www.FundingOurFutureSLC.com](http://www.FundingOurFutureSLC.com)

## Dear Salt Lake City Resident,

On Tuesday, November 6, 2018, you will have the opportunity to vote on a ballot proposition about a Streets Reconstruction General Obligation Bond to fund reconstruction projects for some of the city's deteriorating streets. This voter information pamphlet contains information about that ballot proposition.

Please take the opportunity to study this pamphlet so that you can make an informed decision when you vote.

All registered voters in Salt Lake City will receive a vote-by-mail ballot on or shortly after Monday, October 8, 2018. If you wish to vote on the ballot proposition, your ballot must be signed, mailed back and postmarked no later than Monday, November 5, 2018, or you can return it in person at a ballot drop box. You can also vote early in person between October 23, 2018 and November 5, 2018, at any Salt Lake County Early Voting Center or on Election Day, Tuesday, November 6, 2018, at any Salt Lake County Vote Center. Information about Vote Centers in Salt Lake City is available on the back page of this pamphlet or can be found online at [www.slco.org/clerk/elections/](http://www.slco.org/clerk/elections/).

The address of the Statewide Electronic Voter Information Website is [vote.utah.gov](http://vote.utah.gov). The address of the Salt Lake County Clerk, as the City's contracted election officer, is [www.slco.org/clerk/elections/](http://www.slco.org/clerk/elections/). Posted on these websites will be the location for each voting precinct, each early voting polling place, and each election day vote center, including any changes to the location of a polling place and the location of an additional polling place. You may obtain information regarding the location of a polling place/vote center by calling 801-535-7671 or 385-468-8383.

Please review the voting option that best suits your needs and remember that each vote makes a difference.

If you have any questions regarding the City Election, please feel free to contact my office at 801-535-7671 or email [elections@slcgov.com](mailto:elections@slcgov.com) or the Salt Lake County Clerk's Office at 385-468-8683 or [got-vote@slco.org](mailto:got-vote@slco.org).

Sincerely,  
Cindi Mansell, Salt Lake City Recorder

## The box below contains the language for the Streets Reconstruction Bond proposition that voters will see on November's ballot.

### SPECIAL BOND ELECTION Streets Reconstruction Bond

Shall Salt Lake City, Utah, be authorized to issue General Obligation Bonds in a principal amount not to exceed \$87,000,000 and to mature in no more than 21 years from the date or dates of issuance; such bonds will be issued in accordance with Utah law solely to pay all or a portion of the costs to improve various streets and roads throughout the City and related infrastructure improvements.

#### Property Tax Cost of Bonds:

If the bonds are issued as planned, without regard to the taxes currently levied to pay outstanding bonds that will decrease over time, an annual property tax to pay debt service on the proposed bonds will be required over a period of 20 years in the estimated amount of \$48.02 per year on a primary residence with the Salt Lake City average value of \$339,500 and in the estimated amount of \$87.30 per year on a business or secondary residence having the same value.

The City currently levies property taxes to pay debt service on other outstanding general obligation bonds that have been issued to finance voter approved projects, including bonds for two projects (the Main Library and the Leonardo) that will be paid off in 2019. The incremental property taxes would decrease upon the repayment of the currently outstanding bonds, but the decrease will not occur if the proposed bonds are issued. Taking into account the repayment of the outstanding bonds, the City expects that the issuance of the proposed bonds, in the manner currently expected, will result in no net increase to current annual property tax levels for the repayment of bonds.

The foregoing information is only an estimate and not a limit on the amount of taxes that the City may be required to levy to pay debt service on the bonds. The City is obligated to levy taxes to the extent provided by law in order to pay the bonds. The amounts are based on various assumptions and estimates, including debt service on the bonds and taxable values of property in the City.

FOR THE ISSUANCE OF THE BOND

AGAINST THE ISSUANCE OF THE BOND

## Ballot Language Explained

The language that appears on the ballot is required by law and can sometimes be confusing. To help clarify the different sections, here is an explanation of what the ballot says and what it means:

### What the Ballot Says

"Shall Salt Lake City, Utah, be authorized to issue General Obligation Bonds in a principal amount not to exceed \$87,000,000 and to mature in no more than 21 years from the date or dates of issuance"

"Such bonds will be issued in accordance with Utah law solely to pay all or a portion of the costs to improve various streets and roads throughout the City and related infrastructure improvements."

"If the bonds are issued as planned, without regard to the taxes currently levied to pay outstanding bonds that will decrease over time, an annual property tax to pay debt service on the proposed bonds will be required over a period of 20 years in the estimated amount of \$48.02 per year on a primary residence with the Salt Lake City average value of \$339,500 and in the estimated amount of \$87.30 per year on a business or secondary residence having the same value."

"The City currently levies property taxes to pay debt service on other outstanding general obligation bonds that have been issued to finance voter approved projects, including bonds for two projects (the Main Library and the Leonardo) that will be paid off in 2019."

"Taking into account the repayment of the outstanding bonds, the City expects that the issuance of the proposed bonds, in the manner currently expected, will result in no net increase to current annual property tax levels for the repayment of bonds."

"The incremental property taxes would decrease upon the repayment of the currently outstanding bonds, but the decrease will not occur if the proposed bonds are issued."

"The foregoing information is only an estimate and not a limit on the amount of taxes that the City may be required to levy to pay debt service on the bonds. The City is obligated to levy taxes to the extent provided by law in order to pay the bonds. The amounts are based on various assumptions and estimates, including debt service on the bonds and taxable values of property in the City."

### What it Means

If voters approve the Streets Reconstruction Bond, it could be issued as one \$87 million bond, but it would more than likely be issued as several smaller bonds totaling not more than \$87 million.

Funds from the Streets Reconstruction Bond may only be used for streets reconstruction projects. Bond proceeds may not be used to cover streets maintenance or other operational costs.

A bond issue of \$87 million is estimated to result in a property tax impact to residents of approximately \$48.02 per year on the average primary residence in Salt Lake City valued at \$339,500 and \$87.30 per year for a business or secondary residence of the same value.

**However**, because the City will be paying off some existing general obligation bonds in 2019, if the Streets Reconstruction Bond is approved, **it is expected that there will actually be no net increase in annual property taxes**. Because of the timing of the repayment of existing bonds and the proposed first issuance of the Streets Reconstruction Bond, property owners of an average primary residence valued at \$339,500 could see a \$5 increase in the first year. However, that amount is estimated to reduce to \$0 in the subsequent years.

If the Streets Reconstruction Bond is not approved, property taxes would decrease once the bonds for the Main Library and the Leonardo are paid off in 2019.

The annual property tax cost to property owners is an estimate based on existing conditions including interest rates and the taxable value of properties in the City.





## Why is Salt Lake City Proposing a Bond?

Due to years of frugal budgeting and competing revenue needs, Salt Lake City has not spent what is necessary to preserve and rebuild city-owned streets. Utah's winter climate and its freeze-thaw cycle also accelerate the deterioration of street conditions and over the past several years, this cycle has been more noticeable and streets are showing their wear.

A 2017 pavement condition survey revealed that nearly two-thirds of Salt Lake City streets are in poor or worse condition. A large number of these streets are in such poor condition that they need to be completely rebuilt.

A recent City sales tax increase will help boost funding for ongoing street maintenance (resurfacing, pothole repair, etc.), but funding is still needed for the City's critical street reconstruction projects which require larger sums of money upfront to complete.

To address this funding need, **the City has placed an \$87 million General Obligation Bond on November's ballot** for voters to consider. If passed, bond funding can only be used for street reconstruction projects – focusing on the City's worst streets and considering both major arterial streets and neighborhood streets to ensure that all areas of the City receive bond funding.

## The Bond's Financial Impact

The maximum amount of the proposed Streets Reconstruction Bond is \$87 million and each issue of bonds would most likely be repaid within 20 years from the date of issuance of that issue of bonds.

The Streets Reconstruction Bond **could result in an estimated property tax increase of \$5 or less for the first year** for an average primary residence valued at \$339,500. However, because the City is paying off some existing bonds in 2019, it is estimated that the \$5 increase would be reduced - **with an average primary residence paying an estimated net \$0 per year in following years.**

The City will pay off some existing bonds in 2019 and, as a result, the property tax levy to pay those bonds will end. If the City were not paying off those bonds, the property tax increase for the Streets Reconstruction Bond would be an estimated \$48.02 per year for an average primary residence valued at \$339,500 and \$87.30 per year for a business or secondary residence of the same value (or \$25.72 a year per \$100,000 of taxable value).

## Streets Reconstruction Projects

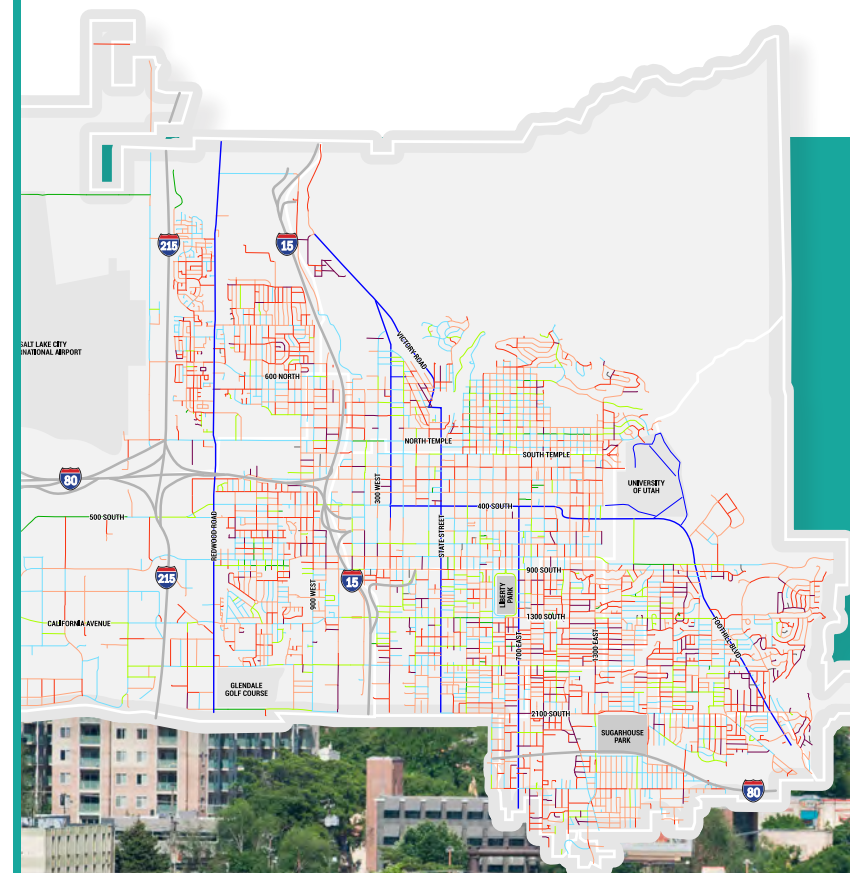
If voters approve the Streets Reconstruction Bond, the City would use bond funds to reconstruct the City's deteriorating streets. Street reconstruction projects would be selected using results from a 2017 engineering study that identified the current condition of all City-owned streets.

The goal would be to address the City's worst streets first. Based on the recommendation from the City Council, bond funds would be applied in an 80/20 split with 80 percent of funding going to major, high-use streets that require more money to reconstruct and 20 percent going to local, neighborhood streets, which typically require less money to rebuild. Allocating funds this way would ensure that all areas of the City receive funding.

Salt Lake City's Engineering Division will use the following list of criteria to determine which street reconstruction projects could be completed within the required timeframe that would maximize the use of funds and minimize disruption to residents:

### Selection Criteria (in no particular order):

- Travel demand and safety data
- Current or planned public transit improvements
- Pavement condition
- Resident complaints/requests
- Existing or upcoming utility projects
- Benefits identified in City Master Plans



To see the current condition of City owned streets visit

[www.FundingOurFutureSLC.com/about-slc-streets/](http://www.FundingOurFutureSLC.com/about-slc-streets/)





# ARGUMENT FOR Streets Reconstruction Bond

This November, we are asking City voters to approve an \$87-million Streets Reconstruction General Obligation bond. Bonding is a common way local governments pay for expensive projects like road reconstruction and civic buildings. It's also one of the most accountable funding options available, since State law requires the funds be spent only for the purpose outlined on the ballot.

Salt Lake City is poised for continued prosperity, making now the time to take advantage of a rare and affordable funding option. This bond will invest in the street network - the backbone of our local economy - by reconstructing some of the worst roads.

Many of our roads must be rebuilt- they are past the point of maintenance or repairs. A year ago, an in-depth pavement condition survey found nearly two-thirds of the City's streets are in poor or worse condition.

Fortunately, the time is right to act and make a big impact on our street reconstruction needs, with minimal impact to household budgets. Two current bonds, for the new Main Library (1999) and the Leonardo museum project (2009), will be paid off in 2019. That gives voters the rare opportunity to approve a new bond for street reconstruction without significantly increasing property taxes overall. The owner of a home valued at the Citywide average of \$339,500 would see a net property tax increase of just \$0 to \$5 a year. Since bonds will be issued over several years, some property owners won't see any net impact at all. Commercial property taxes are calculated differently; they would increase by \$25.72 a year per \$100,000 of taxable value.

Not approving the bond would lower taxes on an average-value home by about \$41 a year, but our roads would continue their decline, and cost even more in future years to rebuild. The upfront costs of street reconstruction projects are so high, the City can't save up enough to address them without cutting other critical services.

Bond funds will be spent over several years to reconstruct the worst streets first. Eighty percent of funding would go to major roads in the worst shape and 20 percent split among neighborhood streets in each City Council district. Although the bond funds won't be sufficient to reconstruct all roads, we can make significant progress.

Individual street selection will be based primarily on data from the pavement condition survey, with consideration given to other factors like master plans and other projects.

Given their importance in our daily lives and our economy, we have little choice but to repair our roads. Regardless of where in the City you live and whether you travel by foot, bike, or vehicle, we all use our streets and have a stake in ensuring they meet our needs.

Invest in our future and don't let crumbling roads detour our City's success. Vote YES on the Streets Reconstruction Bond.

## Salt Lake City Council & Mayor

### Rebuttal Argument .....

It is true that Salt Lake City streets need improvement, but not through this proposed bond.

Since the argument for the bond states, "Bond funds would be spent over several years ..." it is clear the projects do not have the funding urgency suggested in the proposal. A more responsible way to do this is to sideline less important budget items and making the necessary improvements over time.

Because the bond funding would be designated strictly for road projects, it would provide the city with another excuse to divert its current road funding to other areas. An earlier \$5 million property tax increase for road repairs was used for employee raises instead. (Salt Lake Tribune Feb. 2, 2017, [HYPERLINK "https://www.sltrib.com/news/politics/2017/02/23/salt-lake-city-council-wants-to-pay-for-street-improvements-but-how/"](https://www.sltrib.com/news/politics/2017/02/23/salt-lake-city-council-wants-to-pay-for-street-improvements-but-how/) "Salt Lake City Council wants to pay for street improvements but how."). This year we have already been saddled with a sales tax increase that was intended to be used partially for roads.

The argument that this proposed bond would take the place of two other bonds scheduled to be paid off in 2019 suggests the attitude that bond funding may be treated as a permanent tax increase with ongoing renewals. There is no commitment to reducing the city's ongoing indebtedness or our tax burden. Since the argument in favor states that "the bonds won't be sufficient to reconstruct all roads," we are already being prepped for additional requests.

Vote no on the Streets Reconstruction bond.

# ARGUMENT AGAINST Streets Reconstruction Bond

While we agree that Salt Lake City needs road projects, this one is shortsighted and will cost much more in the long run as a haphazard, small project approach. We believe the city needs to present a complete plan with full disclosure to the public for evaluation. This bond will merely lead to many more over the next decade as the city will repeatedly come back for additional piecemeal funding.

There are a number of issues with the issuance and additional indebtedness proposed to be taken on by the citizens of Salt Lake City.

While this bond issue will increase our general obligation debt by 64%, it is still insufficient to fund the needs claimed by the city. Consider that the 13th East project, budgeted at \$14 million, is only 1.12 miles long, \$12.5 million per mile. At that rate, the bond would cover less than seven miles of street repairs.

There is no comprehensive plan for the use of these funds. While the city has laid out an algorithm to choose which streets will receive reconstruction, the proposal is that bonds will likely be issued as projects are identified in several stages. The public should know the entirety of the project before voting on it.

These bonds are budgeting slight-of-hand. The city has consistently reduced parts of the capital budget since the end of the recession, including the amount budgeted for street reconstruction from \$13.4 million in 2017 to a proposed \$8.9 million in 2019. The contribution of General Fund dollars to the Capital Improvement Program has declined 3.8% from fiscal year 2016 through fiscal year 2018. While sales taxes were just increased by \$33 million per year, only \$4 million of this is being allocated to street reconstruction. The city is reallocating necessary budgets and then making it up by asking us for \$87 million to cover priorities.

The city has not upheld the commitments made to voters on past bond obligations. For instance, when the bonds for our basketball arena were paid, it was expected that property taxes would be reduced to reflect the lower debt service. Instead, those funds were redirected to fund the new theater downtown. In this way city leaders maintained the debt and built the theater without public approval. We expect that if these bonds are approved we will owe these funds forever as one project after another receives rollover after rollover without public approval. Do not believe the promised ten-year term.

For all these reasons, vote no on the street reconstruction bonds. Make the city deal honestly with its citizens.

## Frank A. Langheinrich, Salt Lake City Resident

### Rebuttal Argument .....

The argument against the bond does not match the facts and data publicly available from the City. The City increased ongoing funding to the Capital Improvement Program by 19.5% over the past four years, and honored projects funded by past general obligation bonds, which are

legally-binding, voter-decided funding tools. Current and future City leaders legally can't spend this bond funding on anything but streets reconstruction, as specified on the ballot.

What's more, the City does have a comprehensive plan. The City's 2017 Pavement Condition report identified the lowest-rated roads needing reconstruction. \$69.6 million of the bond would be allocated for major roads and \$17.4 million for local streets throughout the City. The bond is based on a plan prioritizing data-driven selection.

While the bond won't solve every road need citywide, it will address about 20% of the most critical - a significant improvement drivers all over the City would benefit from. Currently, full road reconstruction averages a cost of \$500,000 per lane mile for asphalt. Maintaining roads costs much less - \$9,000 - \$14,000 per lane mile, so the City allocated several million dollars from ongoing City funds (not bonds) to expand maintenance crews and keep our roads from declining to this point again.

If the bond passes, the City will be using 11.4% of the general obligation bond "credit card" (debt limit). The City arrived here through a transparent process consisting of 15 open houses, 13 public briefings, two public hearings and one citywide mailing.

Learn more about the Streets Reconstruction Bond, get your questions answered, and voice your opinion at the upcoming public meeting.

## Open House & Public Meeting

Tuesday, October 16, 2018

Open House - 6:00 p.m. – 7:00 p.m.

Public Meeting – Starts at 7:00 p.m.

### City & County Building

451 South State Street, 3rd Floor

Salt Lake City, UT 84111

# VOTING INFORMATION /

Election Day is Tuesday,  
November 6, 2018

## Vote by Mail

Vote-by-mail ballots will be mailed on Monday, October 8, 2018 to all registered voters.

- Ballots must be postmarked no later than Monday, November 5, 2018
- Ballots can be returned in person at a Vote Center or Drop Box (see below for locations)

## Early Voting

In-person early voting is available from Tuesday, October 23, 2018 to Monday, November 5, 2018.

## Early Voting Locations in Salt Lake City

Date	Location	Hours
<b>Tuesday, October 23 through Monday, November 5 (weekdays)</b>	Salt Lake County Government Center 2001 South State Street , South Building, 1st Floor County Clerk's Office, Room S1-200 Salt Lake City, UT 84190	8am-5pm
<b>Wednesday, October 31 Thursday, November 1 Friday, November 2</b>	Trolley Square 600 South 700 East, #D-117 Salt Lake City, UT 84102	2pm-7pm
<b>Monday, November 5</b>	Trolley Square 600 South 700 East, #D-117 Salt Lake City, UT 84102	12pm-5pm

## Election Day Voting Locations in Salt Lake City

All locations are open Tuesday, November 6, 2018 from 7:00 a.m. – 8:00 p.m.

<b>Federal Heights LDS Church</b> 1300 East Fairfax Road (335 North) Salt Lake City, UT 84103	<b>First Congregational Church</b> 2150 South Foothill Drive (2755 East) Salt Lake City, UT 84109	<b>Marmalade Library</b> 280 West 500 North Salt Lake City, UT 84103	<b>River's Bend Northwest Senior Center</b> 1300 West 300 North Salt Lake City, UT 84116	<b>Salt Lake City Library (Drop Box Only)</b> 210 East 400 South Salt Lake City, UT 84111
<b>Salt Lake County Government Center</b> 2001 South State Street (100 East) Salt Lake City, UT 84190	<b>Sorenson Multicultural Center</b> 855 West California Avenue (1305 South) Salt Lake City, UT 84104	<b>Trolley Square</b> 600 South 700 East, #D-117 Salt Lake City, UT 84102	<b>University of Utah Marriott Library</b> 295 South 1500 East Salt Lake City, UT 84112	

Eligible voters may vote at any Salt Lake County voting location. For a full list of locations visit [www.slco.org/clerk/elections](http://www.slco.org/clerk/elections) or call 385-468-8683.

Salt Lake County provides options for accessible voting, for questions and ADA or accessibility accommodations, contact: 385-468-7405 or [got-vote@slco.org](mailto:got-vote@slco.org).

Para mayor información sobre el Bono de reconstrucción de vías y para pedir una versión en español de este folleto, visite [www.FundingOurFutureSLC.com](http://www.FundingOurFutureSLC.com) o llámenos al (801) 535-6251.