



DEPARTMENT *of*
ECONOMIC
DEVELOPMENT

Special Assessment Areas

Salt Lake City

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SPECIAL ASSESSMENT AREA DEFINED

A Special Assessment Area (SAA) is an area within a municipality designated for the purpose of financing the costs of improvements, operation and maintenance - above and beyond what the City standards can do - or economic promotion activities.

60% or more of commercial property owners in an SAA have agreed to a self-assessment in order to promote initiatives in a designated area. SAA's can expand available capital budget and align the incentives of payees and beneficiaries.

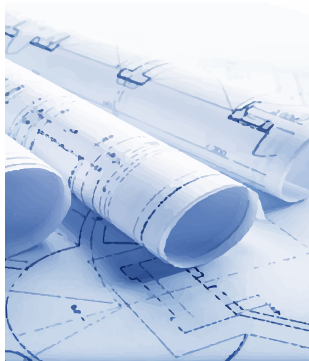
It is essential that commercial property owners and/or community leaders proposing the creation of an SAA develop what their needs are first. For clarification on what would be considered "above and beyond what City standards can do," please contact Salt Lake City's Department of Economic Development.



CALCULATING THE ASSESSMENT

1. The commercial property owners and/or community leaders who are proposing the assessment area are responsible for providing an estimated costs budget for improvements or services. 2. The commercial property owners and/or community leaders then determine how the assessment is levied against benefited commercial properties in the area which includes frontage, area, taxable value, fair market value, lot, parcel, or any combination of those criteria. 3. The estimated assessment is then determined based on the current commercial property tax rate. 30% of the estimated budget will be used for an administration fee which will go out for RFP (Request for Proposal).

Once commercial property owners and/or community leaders have determined their need and have an estimate for the cost of the desired work, Salt Lake City can provide an estimate of what the assessment charged to commercial property owners would be if the SAA is established.





WHAT CAN SPECIAL ASSESSMENT FUNDS BE USED FOR?

Special assessment funds can be used for 1 of 3 categories, as outlined by Utah State Code below:

Economic promotion activities to foster economic growth in a local commercial area including:



- Sponsoring festivals and markets
 - Promoting business investment or activities
 - Helping to coordinate public and private actions
 - Developing and issuing publications designed to improve economic well-being.
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Environmental remediation activity or a surface/subsurface enhancement to improve a public area



Improvement to publicly owned infrastructure such as water and sewer lines, system, or environmental remediation activity

For full code on SAAs see:

<https://le.utah.gov/xcode/Title11/Chapter42/11-42-S101>.

STEPS TO CREATING A SPECIAL ASSESSMENT AREA

Community engagement is necessary in order to receive city approval. It is recommended that commercial property owners and/or community leaders interested in creating an SAA first contact the five largest property owners in their area to discuss the possibility. The more property owner support a proposed SAA has, the higher the chance it is to be approved by the City Council.

Commercial property owners and/or community organizations may submit a letter stating their interest in creating a special assessment area to Salt Lake City's Department of Economic Development at any time

1 Letter of intent to create a special assessment area

A description of the proposed boundaries of the district

A description of the budget and services to be provided

A proposed name for the district

A statement of how the governing body proposes the assessment should be calculated

A statement indicating assessment collection, by directly billing a property owner or through property tax notice

Written using street descriptions or a map outlining the proposed boundaries, BE AS DETAILED AS POSSIBLE

If the assessment is billed directly to the property owner, Salt Lake City will be responsible for distributing invoices and collecting payments.

2 City Council Approval and Public Process

City staff conduct administrative process, then mail letter of intent to designate to property owners in proposed area.

Written protests are compiled by City staff and transmitted to City Council.

- City Council announces protest tally.
- City Council votes on resolution to designate the proposed special assessment area.
- If the resolution passes, City staff conduct administrative actions.
- Preliminary assessment and hearing notices are mailed to all commercial property owners in the special assessment area.

- Assessment notices/ invoices are mailed to commercial property owners in newly created special assessment area
- Invoice payment is due to the City

90 DAYS

60 DAYS

30 DAYS

60 DAYS

60 DAYS

If resolution passed

- Commercial property owner's 60 Day Protest Period begins.
- City staff conducts administrative actions
- City Council sets a date for a hearing

- City staff conducts administrative actions
- Assessment ordinance is adopted by City Council

EXAMPLES OF SPECIAL ASSESSMENT AREAS

SALT LAKE CITY

Created in 1991, Salt Lake City's Business Improvement District contracts the Downtown Alliance to complete economic promotional activities in Salt Lake City's Central Business District. The area encompasses over 2,500 business. A special assessment on commercial properties in the CBD helps to fund the Downtown Alliance. Their \$2.5 million budget is comprised of 40% special assessment funds and 60% sponsorships, donations, attendance fees and partnerships with other organizations.

The following are a few examples of what the Downtown Alliance has done to promote economic activity in the Central Business District:



In 2018, the Downtown Alliance partnered with Salt Lake City and Visit Salt Lake to launch the "Downtown Street Ambassador Program."

The program has deployed ambassadors in major pedestrian thoroughfares to creating a more welcoming and safer city center for residents and visitors, as well as providing additional outreach efforts for people experiencing homelessness.

Since 1992, the Downtown Alliance has sponsored the Downtown Farmers Market. Several hundred farmers, food vendors, and art and craft vendors fill Pioneer Park on Saturday mornings, providing income for farmers and entrepreneurs and cultivating a stronger community connection to food for local families.



The Downtown Alliance manages over 730 banners along many of downtown's streets, as well as four kiosks on Main Street.

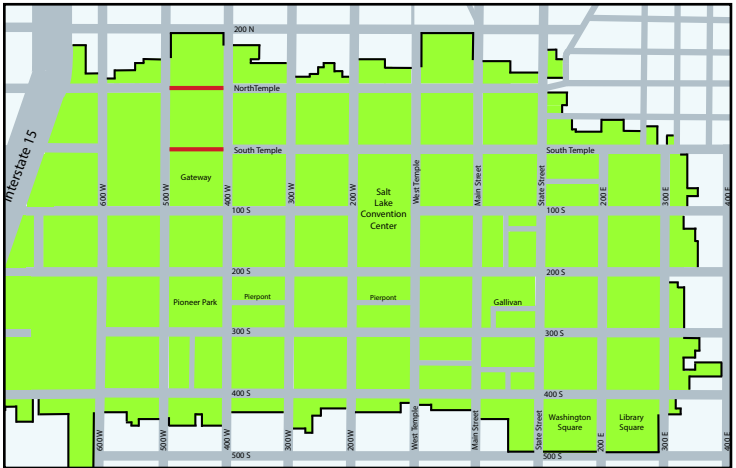
In 2017, 53 nonprofit organizations took advantage of environmental advertising to promote their downtown events.

The Downtown Alliance provides holiday lighting, creating a pleasurable ambiance that draws locals and visitors to the area.





SAA BOUNDARIES FOR DOWNTOWN SALT LAKE CITY



OTHER EXAMPLES OF SPECIAL ASSESSMENT AREAS

DENVER, COLORADO

Denver's Business Improvement District (BID) funded the 16th Street Mall Activation. The 16th Street Mall is Downtown's most heavily utilized pedestrian street. The BID produces a variety of programs designed activate the pedestrian spaces, including:



The installation of 187 new pedestrian lights



50 special events hosted on the street



10 pianos placed to bring music and entertainment

Trees play an important role in the Denver area through creating a welcoming city by providing greenery, shade, and a comfortable urban environment. The Business Improvement District contracts with property owners to maintain trees located in the public right-of-way.

BOSTON, MASSACHUSETTS

The Business Improvement District in Boston, MA works with municipal partners and agencies to develop and implement uniform streetscape upgrades, assess the built environment, give notice of infrastructure changes and provide construction mitigation.



Boston has installed 27 wayfinding map pillars that help their visitors discover a hospitable and welcoming neighborhood.



Boston's BID invests in beautification efforts to ensure that residents, visitors and area employees enjoy a welcoming environment, creating seasonal vibrant streetscapes with nearly 700 ground and hanging planters, holiday decorations and neighborhood pocket parks.

For more information regarding Special Assessment Areas, please call or email Salt Lake City's Department of Economic Development:
Phone: 801-535-7200 • Email: ed@slcgov.com

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