



**Alta Canyon Sports Center  
Special Service District  
Funding & Governance  
May 31<sup>st</sup> Follow-up Discussion**

### Basic Assumptions

1. Alta Canyon rebuild costs capped at \$35M
2. Debt service for \$20M: \$1.13M and 9.6% rate increase
3. Debt service for \$10M: \$561k and 4.8% rate increase
4. Yearly operating gap projections by consultant for renovation:
  - a) \$400k to \$500k
  - b) 4.2% tax rate increase city-wide

### Comparable Recreation Center Funding

1. Provo – subsidized by other fund(s) or special taxes
2. Orem – subsidized by other fund(s) or special taxes
3. West Valley City – subsidized by other fund(s) or special taxes
4. Lehi – subsidized by other fund(s) or special taxes
5. St. George – subsidized by other fund(s) or special taxes

### Provo Recreation Center Funding

1. Operations
  - a) Subsidized – administrative costs not assessed
2. Capital
  - a) General Obligation Bond

# Orem Recreation Center Funding

1. Operations
  - a) Subsidized – transfers for equipment related items
  - b) Otherwise breaking even after first year
2. Capital
  - a) General Obligation Bond
  - b) CARE Tax \$4M
  - c) Contributions from IT, facilities, etc.
  - d) Private donations \$1M

# West Valley Recreation Center Funding

1. Operations
  - a) Subsidized – Increased property tax after initial construction to cover operations
  - b) Additional general revenue infused as needed
2. Capital
  - a) General revenue helps cover debt service

# Lehi Recreation Center Funding

## 1. Operations

- a) Subsidized – \$1.9M contribution from general fund

# St. George Sand Hallow Aquatics Center Funding

## 1. Operations

- a) Subsidized – \$765k contribution from general fund
- b) RAP tax and agreement with Santa Clara to fund one-time and capital improvements



## Options

1. Keep the Special Service District
2. Expand the Special Service District
3. Create a new Special Service District
4. Dissolve the Special Service District

### Keep the Special Service District (SSD)

1. Localized region of the City
2. Major improvements create a heavy burden to the localized District
  - a) Capital projects needs: \$35M
  - b) Yearly property tax funding source: \$380k
  - c) Yearly motor vehicle fee: \$23k
  - d) Other intermittent subsidies from the City
3. Separate legal entity requiring a contractual agreement with the City for operation and financial assistance

### Expand the Special Service District (SSD)

1. Initiate by resolution
2. Adopt by ordinance and approved by Lt. Governor's Office
3. Vote required on an election ballot to levy a property tax to residence in the expanded boundary
  - a) Yearly revenue generated if current SSD rate is applied to entire city: \$1.47M total, including current SSD
4. Explore SLCo participation (ZAP/operations)

### Create a New Special Service District (SSD)

1. Initiate by resolution
2. Adopt by ordinance and approved by Lt. Governor's Office
3. Vote required on an election ballot to levy a property tax to residence within the boundary
  - a) \$1.47M yearly revenue generated by maintaining the current rate to an SSD for the entire City
4. Explore SLCo participation (ZAP/operations)

## Options

### Dissolve the Special Service District (SSD)

1. Dissolution pursued in favor of replacing funding as a unit/function of the City
  - a) Eliminates a separate legal entity and need for a contract
2. Performed by resolution
3. Tax revenues levied by the SSD would cease
4. New funding mechanism options
  - a) Special tax rate
  - b) General tax increase
5. A Special Revenue Fund could be created in either case for accounting purposes
6. Explore SLCo participation (ZAP/operations)

## Review and Next Steps

1. Eliminate the District - Yes or No?
2. Fund long-term operations through
  - a) General tax increase?
  - b) Special tax increase?
  - c) SLCo participation in operations?

**FY 2023  
Tentative  
Budget**

**QUESTIONS**

# Easily Connect with Sandy City



Download the app to report city issues (like graffiti), to receive emergency notifications, and to access city/event info on Google or Apple devices. Search “Sandy City: CityServe” in the app store.



The perfect site if you only have a few minutes for quick city updates. This dashboard features latest events, monthly newsletter, latest news, videos, fact briefs, and more.



Get email notifications on all the things you are interested in at the city.

*Sign up here: [sandy.utah.gov/services/enotification](https://sandy.utah.gov/services/enotification)*



Tune into City Council and Planning Commission meetings.

*Go to: [sandyutah.legistar.com/Calendar.aspx](https://sandyutah.legistar.com/Calendar.aspx), then click on the video media link.*



Please sign up and provide feedback on Sandy City’s online survey tool.

*Search “Citizen Connect” at [sandy.utah.gov](https://sandy.utah.gov)*



**FOLLOW US ON SOCIAL:**

@SandyCityUtah

