

NOTICE OF INTENTION

PUBLIC NOTICE IS HEREBY GIVEN that the City Council (the “City Council”) of Monroe City, Utah (the “City”), intends to create or designate a Special Tax Assessment Area to be known as Monroe City, Utah Special Tax Assessment Area No. 2024-01 (Hot Spring Estates) (the “Special Tax Assessment Area”). Accordingly, the City Council called a public hearing regarding the creation or designation of the Special Tax Assessment Area to be held on August 27, 2024, at 7:00 p.m. at the City Office at 10 N. Main, Monroe, Utah 84754, to hear from any person desiring to be heard and objections to a) the designation of the proposed Monroe City, Utah Special Tax Assessment Areas No. 2024-01 (Hot Spring Estates) or the improvements proposed to be provided in said assessment area; b) the amount that a property reasonably and equitably benefits from the improvements; and c) the inclusion of unassessed benefitted government property (of which there is none). It is the intention of the City Council to make water system and electrical system improvements and pave roads within the Special Tax Assessment Area and to levy special assessments as provided in Title 11, Chapter 42, Utah Code Annotated 1953, as amended, on the real estate lying within the Special Tax Assessment Area as described herein for the benefit of which such assessments are to be assessed in the making of such improvements.

DESCRIPTION OF SPECIAL TAX ASSESSMENT AREA

The proposed Special Tax Assessment Area shall include the following real property in Monroe City, Sevier County, UT and is described as:

The properties in the Hot Spring Estates area and some adjoining properties in Monroe City, Utah. More specifically the following parcel numbers in respective subdivisions as described below. Properties other than the identified parcel numbers will not be included in the proposed Special Tax Assessment Area.

PARCEL ID

3-63D-1
3-63D-2
3-63D-4
3-63D-5
3-63D-6
3-63D-7
3-63D-8
3-63D-9
3-63D-10
3-63D-11
3-63D-12
3-63D-14
3-63B-2
3-63-43
3-63-44

3-63-45
3-63-46
3-63-47
3-63-48
3-63-49
3-63-50
3-63-51
3-63-52
3-63-53
3-63-54
3-63-67

INTENDED IMPROVEMENTS

The improvements to be constructed within the Special Tax Assessment Area are as follows:

Water System Improvement: Water System Improvements to extend water mains in the streets fronted by the afore mentioned properties in the Hot Spring Estates area, and related improvements, and complete the whole in a proper and workman like manner with all drainage and other improvement appurtenant and useful to a water system, including street improvements, and associated municipal improvements.

Electrical System Improvement: Electrical System Improvements to extend electrical lines in the public right of way fronted by the afore mentioned properties in the Hot Spring Estates area, and related improvements, and complete the whole in a proper and workman like manner with all drainage and other improvement appurtenant and useful to a electrical system, including street improvements, and associated municipal improvements.

Road Improvements: Road surfacing will be completed for the roads fronted by the afore mentioned properties in the Hot Spring Estates area, and related improvements, and complete the whole in a proper and workman like manner with all drainage and other improvement appurtenant and useful to a paved road, including associated municipal improvements

ESTIMATED COST AND METHOD OF ASSESSMENT

Estimated Cost and Method of Assessment: The total cost of Improvements in the Special Tax Assessment Area is currently estimated to be \$345,000.00, of which the City will pay \$0 leaving a remainder of \$345,000.00 which shall be paid by special tax assessment on the private property within the Special Tax Assessment Area.

This includes engineering costs, overhead costs and funding of a reserve fund described herein, all of which shall be paid by special tax assessment to be levied against the properties which may be directly or indirectly benefited by the Improvements which benefits need not actually increase the fair market value of the property to be assessed. The property owners' portion of the total estimated cost of the Improvements may be financed during the construction period by the use of interim warrants, in which case the interest on said warrants will be assessed to the property owners.

In lieu of utilizing a guaranty fund, the City Council intends to create a special reserve fund, if desired by lenders, to secure payment of the special assessment bonds (the "Bonds") anticipated to be issued by the City to finance the proposed Improvements. The reserve fund will be either initially funded with proceeds of the Bonds in an amount equal to approximately ten percent (10%) of the total principal amount of Bonds to be issued, or by building up a reserve fund over a period of six years until an amount equal to approximately ten percent (10%) of the total principal amount of Bonds to be issued is placed in the reserve fund. The City Council anticipates applying any moneys remaining in the reserve fund to the final payment on the Bonds which, in turn, would offset the final assessment payments to be made by the owners of property benefited by such Improvements, all of which will be further described in the assessment ordinance to be adopted by the City. Any money in the reserve fund upon full payment of the Bonds is to be disbursed ratably to each assessed lot owner as of the date of disbursement. In addition, estimated costs of assessment include estimated overhead costs which the City projects to incur in the creation and administration of the Special Tax Assessment Area. It is not expected that Bonds will be issued related to Special Assessment Area 2024-01 (Hot Spring Estates. If Bonds are issued, the current estimated interest rate is 8.25% per annum and the estimated discount is no more than 2.00%, subject to market rates at the time of issuance and the current estimated term of financing is ten (10) years.

The estimated cost and method of assessment against the properties for the Improvements are as follows:

<u>Improvement</u>	<u>Estimated Assessment</u>	<u>Method of Assessment</u>
Water System Improvements	\$110,000 total cost or \$4,231 per lot.	Per lot.
Electrical System Improvements	\$72,000 total cost or \$2,769 per lot	Per Lot

Road Paving Improvements	\$163,000 total cost or \$6,270	Per lot
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Total of All Improvements	\$345,000 total cost or \$13,270 per lot	Per lot.
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For assessment purposes, if applicable, an owner of a lot is defined herein to be the owner of a platted lot within Monroe City, Sevier County, Utah according to the official records of Monroe City, upon which a residential, commercial, or other structure to be used for human occupancy is now or may be located consistent with the “lot size” requirements of the applicable Monroe City Land Management ordinances in place as of the date this is adopted.

LEVY OF ASSESSMENTS

It is the intention of the City Council to levy assessments as provided by the laws of Utah on all property, parcels, and lots of real property to be benefited by the proposed improvements within the Special Tax Assessment Area. The purpose of the assessment and levy is to pay those costs of the improvements which the City will not assume and pay. The method of assessment shall be per lot, as set forth herein.

The assessments may be paid by property owners in not more than ten (10) annual installments with interest on the unpaid balance at a rate or rates fixed by the City, or the whole or any part of the assessment may be paid without interest within twenty-five (25) days after the ordinance levying the assessment becomes effective. The assessments shall be levied according to the benefits to be derived by each property within the Special Tax Assessment Area. Other payment provisions and enforcement remedies shall be in accordance with Title 11, Chapter 42, Utah Code Annotated 1953, as amended. The assessment method will be by inclusion on a property tax notice issued in accordance with Section 59-2-1317 and in compliance with Section 11-42-401 of the Utah Code.

A map of the proposed Special Tax Assessment Area is on file in the City offices which will make such information available to all interested persons. Copies of plans, profiles and specifications of the proposed improvements shall be made available by the City as soon as they have been prepared.

TIME FOR FILING PROTESTS

Any person who is the owner of record of property to be assessed in the Special Tax Assessment Area described in this Notice of Intention shall have the right to file in writing a protest against the creation of the Special Tax Assessment Area or to make any other objections relating thereto. Protests shall describe or otherwise identify the property owner of record by the person or persons making the protest and shall indicate the total number of lots represented by said protest. Protests

shall be filed with the City Recorder of Monroe City, Utah, on or before sixty (60) days after the public hearing to be held August 27, 2024, at 7:00 p.m. at the City Office. The City Council will meet on October 22, 2024, at 7:00 p.m. in public meeting at the regular meeting place of the City Council at the City Office at 10 N. Main, Monroe, Utah 84754 to consider all protests so filed and hear all objections relating to the proposed improvements. Each protest must be filed in writing and describe or otherwise identify the property owned by the person filing the protest and include the signature of the property owner.

A PROPERTY OWNER MUST PROTEST THE DESIGNATION OF THE SPECIAL TAX ASSESSMENT AREA IN WRITING IF THE OWNER OBJECTS TO (1) THE DESIGNATION OF THE SPECIAL TAX ASSESSMENT AREA, (2) ANY PROPOSED IMPROVEMENT, (3) THE INCLUSION OF THE OWNER'S PROPERTY, OR (4) THE FACT, BUT NOT AMOUNT, OF BENEFIT TO THE OWNER'S PROPERTY. Failure of an owner of property to file a timely written protest can constitute a waiver.

After such consideration and determination, the City Council shall adopt a resolution either abandoning the Special Tax Assessment Area or creating and designating the Special Tax Assessment Area either as described in this Notice of Intention or with deletions and changes made as authorized by law; but the City Council shall abandon the Special Tax Assessment Area and not create the same if the necessary number of protests as provided herein have been filed on or before the time specified in this Notice of Intention for the filing of protests after eliminating from such filed protests: (i) protests relating to property or relating to a type of improvement which has been deleted from the Special Tax Assessment Area, and (ii) protests which have been withdrawn in writing prior to sixty (60) days after the public hearing. The necessary number of protests shall mean the aggregate of the protests representing forty percent (40%) of the owners proposed to be assessed, according to the same assessment method by which the assessment is proposed to be levied.

**BY ORDER OF THE CITY COUNCIL OF MONROE CITY, SEVIER COUNTY,
UTAH**

/s/ Allison Leavitt
City Recorder

Posted as a Class B notice as provided in Section 63G-30-102 of the Utah Code at least 20 days and not more than 35 days before August 27, 2024.