



# BALLOT LANGUAGE EXPLAINED



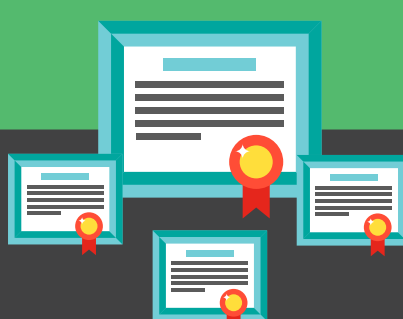
## What the Ballot Says

## What it Means

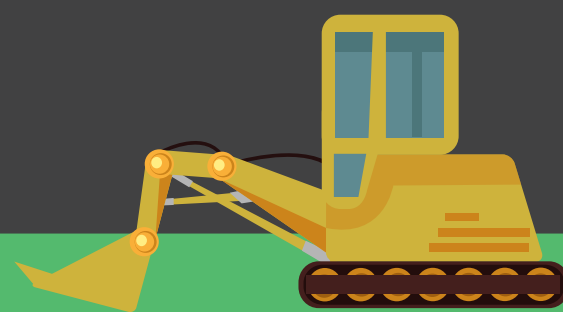
"Shall Salt Lake City, Utah, be authorized to issue General Obligation Bonds in a principal amount not to exceed \$87,000,000 and to mature in no more than 21 years from the date or dates of issuance"

**\$87 Million**

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.



"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."



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.

"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."

**\$5**  
first year

**\$0**  
subsequent years

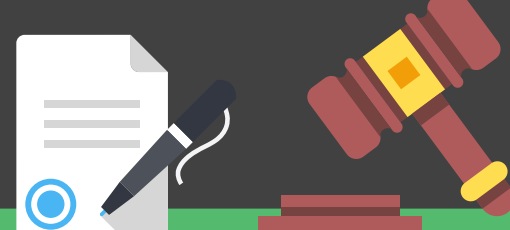
A bond issue of \$87 million is estimated to result in a property tax impact to residents of approximately \$48.02 per year on the average primary residence in Salt Lake City valued at \$339,500 and \$87.30 per year for a business or secondary residence of the same value.

"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."

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.

"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."



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 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."



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.

