



RESOLUTION NO. 26-577

A RESOLUTION AMENDING THE SPECIAL ASSESSMENT AREA POLICY FOR THE TOWN OF BRIAN HEAD AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, The Town Council originally adopted Resolution No. 391 in June 2009 establishing the Special Assessment Area Policy for Brian Head Town which subscribed to the concept that “development pays for its own way” and requires that all new development within Brian Head Town provide complete infrastructure at the developer’s expense; and;

WHEREAS, The Council revised the Special Assessment Area Policy in 2022 when numerous Special Assessment Area requests were submitted and the Council determined that additional requirements would need to be adhered to and therefore adopted Resolution No. 22-523 revising the Special Assessment Area Policy, and;

WHEREAS, The Town Council then made amendments to the policy with resolution 24-255, increasing the petition percentage to 60%; and again in 2025 with resolution No. 25-556 for valuation calculations, and;

WHEREAS, the Town Council recognizes the need to amend the 2025 SAA policy to reduce the ratio requirements for Fire Protection Zones B & and;

WHEREAS, the Town Council recognizes the benefit of public way improvements and supports the Special Service Area process for assisting property owners in completing such improvements within the Town.

NOW, THEREFORE BE IT RESOLVED by the Brian Head Town Council, that this Resolution hereby amends the 2025 Special Assessment Area (SAA) Policy for Brian Head Town as Attachment “A” “SPECIAL ASSESSMENT & PUBLIC IMPROVEMENT DISTRICT POLICY”

Section 1. ADOPTION: The Brian Head Town Special Assessment Area Policy (attachment A) is hereby adopted by reference as the SAA policy for Brian Head Town; and

Section 2. EFFECTIVE DATE. This Resolution shall take effect upon its passage by a majority vote of the Brian Head Town Council.

Section 3. SEVERABILITY CLAUSE. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason, held invalid or unconstitutional by any court or competent jurisdiction, such portions shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions of this Resolution.



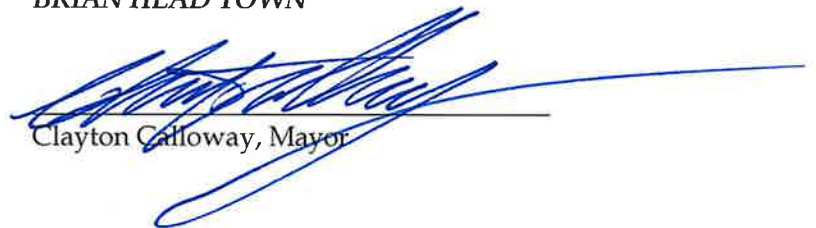
Section 4. REPEALER, any prior resolutions and/or policy which identifies Special Assessment Area for Brian Head Town are hereby repealed.

ADOPTED, APPROVED, and ORDERED by majority vote at a duly called meeting of the Town Council of Brian Head, Utah this 25th day of August 2026

Town Council Vote:

Mayor Calloway	Yes
Council Member Larry Ffreeberg	Yes
Council Member Logan Cruz	Yes
Council Member Duane Nyen	Yes
Council Member Martin Tidwell	Absent

BRIAN HEAD TOWN


Clayton Calloway, Mayor

ATTEST:


Nancy Leigh, Town Clerk



SPECIAL ASSESSMENT & PUBLIC IMPROVEMENT DISTRICT POLICY

Date Approved: August 9, 2022 (Updated August 25, 2026)

Brian Head Town (the "Town") will consider the use of Special Assessment Areas (SAA) and/or Public Improvement Districts (PID) as provided for by Utah Code Annotated §11-42 where consistent with the dictates of this policy. Notwithstanding the ensuing policy, the Town Council retains the privilege of denying or approving any SAA or PID for which the Town receives a petition, as allowed under State Statute, where the Council finds that approval would result in undue risk or damage to the Town as a whole.

General Benefit of Proposed Development

The Town recognizes that in assisting individual property owners (or a group of individual property owners) with infrastructure development through public financing, all property owners in the Town are asked to share in a small fraction of the risk that would otherwise be incumbent upon that individual (or group of individuals). Therefore, the Town will only consider public financing (such as SAA or PID bonds) for development projects that entail broad public benefit. Examples of such include, but are not limited to, roadways which improve traffic circulation, water lines which provide needed firefighting capacity to areas which pose a wildfire risk to the Town, and sewer lines in areas which will protect health and sanitation for the community's watersheds.

Petitions for SAAs or PIDs shall stipulate the proposed general community benefit entailed in the proposed development project which justifies the public assumption of risk. Exhibit A provides a map of fire protection priority areas as designated by the Town Marshal to assist the Town Council in determining the general public benefit of any proposed water lines. Proposed line extensions within these priority areas in excess of 1,000 linear feet, or which create looping/redundancy within the water delivery system, should be given consideration.

Petition Requirements

Property owners can petition the Town for the installation or reconstruction of public way improvements through a SAA or PID. Those signing the petition must be the owners of the properties adjacent to the requested public way improvements, not residents that are renting or leasing the property. Once the sponsor has acquired the required signatures of the property owners who are in favor of a SAA, the petition is to be submitted to the Town Clerk for verification of signatures and legal property owners. Apparent support of the project, as indicated by those signing the petition, must be at least 60% of the total properties/lots of the proposed public way improvements for the Town Council to accept a petition and consider the creation of a Special Assessment Area.

Timeline for SAA Creation

The following gives a rough outline of a typical SAA creation and project implementation timeline:

- 1) Petition is submitted to Town

- a) Signed by owners representing 60% of parcels
- b) Includes map, description of improvements, and list of parcel numbers
- 2) Staff review meeting
 - a) Communicate any issues with petition to applicant
 - b) Allow applicant to correct anything before going to Council
- 3) Council receives petition in open meeting, accepts or rejects by motion
- 4) Council considers resolution - Notice of Intent to Create SAA
 - a) Determination whether to proceed with SAA based on general public benefit
 - b) Resolution sets date for public hearing
 - c) Advertise public hearing for four weeks
- 5) Public hearing held in open meeting, 60 day contest period begins
 - a) Contest period can be bypassed if 100% of property owners sign a waiver and consent form
 - b) If 40% or more of property owners protest the creation of the SAA during contest period, it fails
- 6) Staff obtains preliminary project cost estimate and property appraisals
- 7) Council may create SAA by resolution
- 8) Council creates Board of Equalization by resolution
 - a) Sets BOE hearing dates (35 day notice)
 - b) Use preliminary estimates plus large contingency or the maximum assessment
- 9) Town begins process of issuing bonds
- 10) Town proceeds with engineering and bidding for project
- 11) Town awards project bid and sets SAA assessment by ordinance
 - a) Property owners have 25 days to prepay their assessments
- 12) Bonds are issued, project may proceed

The entire process to put an SAA into place is expected to take 6-8 months. As such, petitions must be received by the Town by June 30 of year 1 in order to proceed with the improvements in year 2. PID timelines have yet to be defined by the Town.

Assessments

Assessments will typically be distributed among property owners in a manner commensurate with the benefit received by each property. In the case of water or sewer line extension in single-family neighborhoods, for example, it is assumed that the benefit received by each lot is equal, regardless of size or valuation of the lot, so a flat assessment would be applied to each lot. Where multiple zones exist in the same assessment area, Council may weight assessments by number of units allowed per lot and/or size of connection. Assessments will be included on the Iron County property tax bill and collected along with general property taxes. The Town requires that assessments be retired when a property is sold.

Financing Considerations

State Statute requires a 3:1 coverage ratio of property value to assessment for SAAs. The Town may consider a 3:1 coverage ratio for proposed SAAs with a fire protection priority A or B, and a 4:1 coverage ratio for proposed SAAs with a fire protection priority BC, and a 5:1 coverage ratio for proposed SAAs with a fire protection priority C. The Town-required coverage ratio will be calculated by dividing the total land valuation (land only, no structures) assuming completion of the proposed utility improvements by the Town Engineer's stamped cost

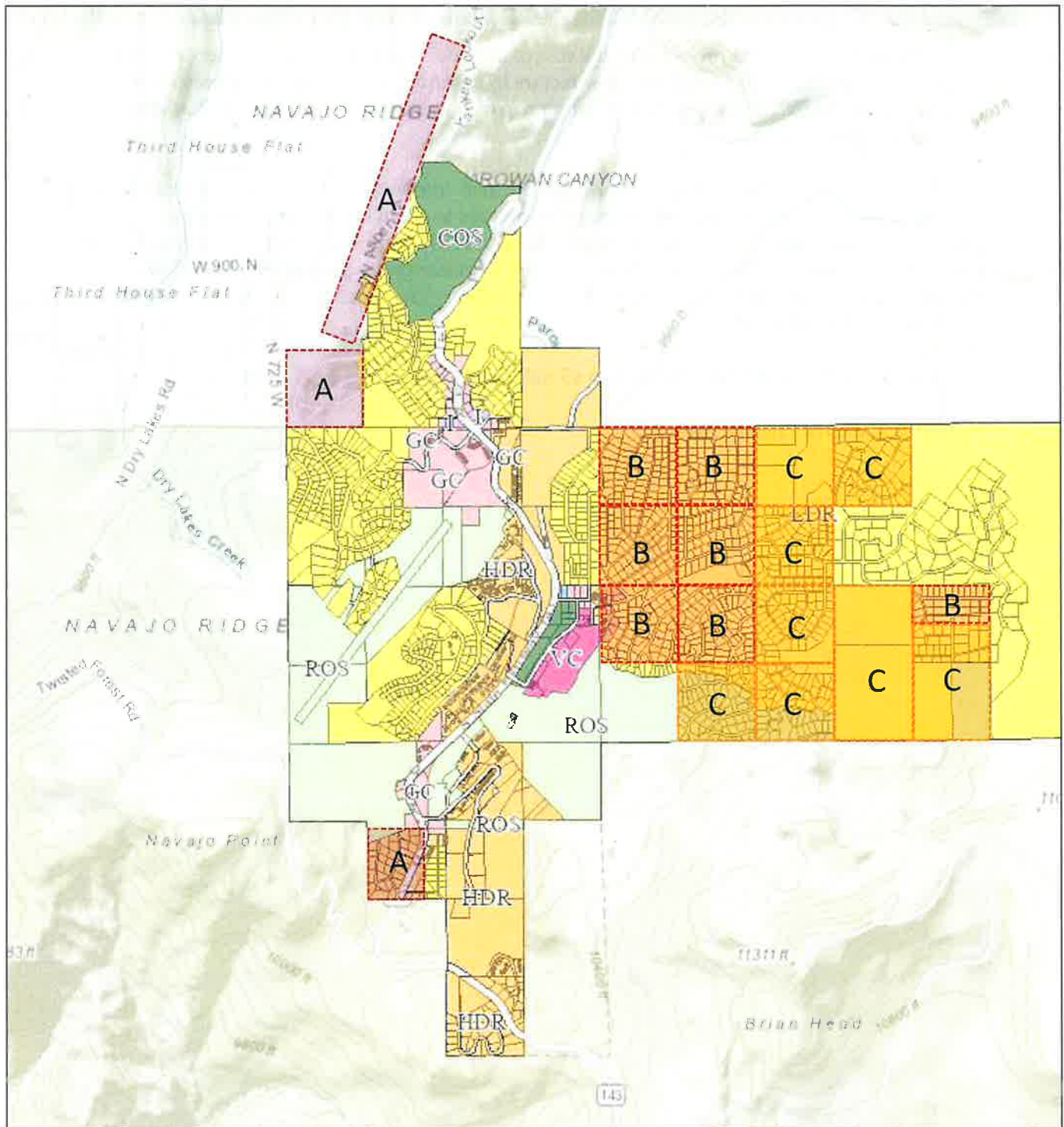
estimates for the proposed project plus the cost of issuance (excluding any debt service reserve funding). Council may also consider other factors in granting or denying a petition such as disparity of property values, prepayments by property owners of assessments, and additional benefits or risks to the town.

SAA bonds will not exceed a ten-year term or 7.5% true interest cost. Bonds will be structured with an annual call provision to allow property owners to retire the entire outstanding assessment at any time. Each bond issuance will have a 10% debt service reserve funded by the proceeds of the bonds. The Town will only consider backstopping SAA or PID bonds with sales tax revenue or other Town guarantee under extraordinary circumstances where significant public interest is involved.

At no time will the Town carry more than \$5 million in outstanding SAA debt.

Exhibit A - Map of Priority Areas

Fire Protection Priority Areas

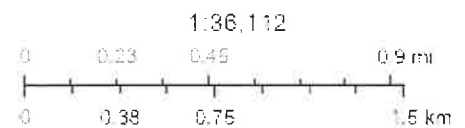


July 29, 2022

Priority Levels

- A Critical for Fire Protection
- B Potentially Substantial for Fire Protection
- C Some Benefit for Fire Protection

These prioritizations assume the completion of all 2022 SAA water lines and the Toboggan water line in 2023



Bureau of Land Management, USFS, AGRC, EPA, HERE, Garmin
Geotitles/Logos: USGS, METANASA, EPA, USDA