

A New Fire/Ambulance Station

Salem City Residents:

Salem City needs a new fire/ambulance station. We have volunteer fire fighters and EMTs who serve Salem brilliantly. But now we are out of room. **So where is a new station going to go and how are we going to pay for it?** The city owns land on 750 North, just west of Stokes. Eventually we will probably migrate the police, city offices, and library to this campus, but for now we need to start with a fire/ambulance station.

As everyone knows, buildings are expensive--\$13 million expensive. As the city talked with Zions Public Finance about options to pay for the new building, the option of a Property Lease Bond (loan to government) was made available. The Bond payment can be paid partly (about 65%) by impact fees—the money required by the city of every new home built. Impact fees are designed to have owners of new homes help pay for the cost of their moving to our city and requiring expanded services. The other 35% would be paid for from the General Fund. As the Mayor, City Council, and staff met to discuss options on covering this portion, they felt a change in property tax would help.

The proposed property tax change will keep the tax rate at **exactly the same rate as last year**. Did you know that the city's tax rate actually goes down every year? This is because the appraisal of homes goes up and our city taxes stay about the same year to year, so the actual rate goes down. But this year we suggest that **the rate stay the same to provide money for the fire/ambulance station**. If your home went up in value (and most of ours went up as much as 30%), and if the rate stays the same (.001227), then the city property tax you owe in November will go up too. If you have a \$550,000 home, then your city property taxes will probably go up around \$100 a year (\$8.33 a month) compared to last year.

Moving our fire and EMT department to a new building will open up a lot of square footage in the downtown city office/public safety building, so our growing police department, legal, administration, engineering, and building departments will have enough room for the space they require. So a new fire/ambulance station helps the entire city structure.

We want you to know exactly what is happening, so when you get your letter from Utah County in July stating how much the county appraised your home for, and when you see the proposed amount of property taxes the city is asking for, you will know why that dollar number is higher (although the rate will be exactly the same as it was last year).

The City Council will hold a public hearing on this process, called "Truth in Taxation," on August 3 at 7:00 pm at the regular council meeting. If you have questions, ask. Talk to or email a council member or the mayor to get a clearer picture of our city's needs.

Thanks. Mayor and City Council