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Wasatch County's Source for News

Jordanelle Bond No Risk Says Ex-County Attorney

Matthews Represents JSSD

Derek Jensen

Courier Staff

Erasing doubts that Wasatch County could be held responsible for the multi-million dollar development bonds at Jordanelle, officials have made it clear that local taxpayers are not at risk.

"There's no recourse to the county at all," said Dan Matthews, manager of the Jordanelle Special Service District, which oversees the growth. "There's absolutely no way anyone in the county except the developers could be assessed anything."

Construction on high-end houses is ongoing at Jordanelle, though many of the properties have yet to be claimed by buyers. Meanwhile residents of Heber Valley have raised concerns that the bond value for the building, estimated near \$26 million, could fall into their laps if the land value depreciates.

But Jon Bronson, Jordanelle's chief financial advisor from Zions Bank, dispenses the notion.

"If the value of the land goes below the value of the assessment then the bondholders take a loss," he said.

"It doesn't touch the county at all or the county's taxpayers."

The ratio on the value of the land to the loan is estimated at 20-1 according to Matthews, though even if it were 1-1, the county "would not be on the hook."

"That's why these bonds were so

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New Train Depot: Full Steam

Parking and Land Concerns Appear Settled For Project

Derek Jensen

Courier Staff

Construction on the much-ballyhooed new train depot for the Heber Valley Railroad is chugging along once again.

Officials for the project, which has undergone a series of delays, appear to have successfully quelled concerns by the Planning Commission during a recent meeting. Had the questions, revolving primarily around parking, not been resolved, construction on the depot would have gone into hibernation.

"We had to get moving before we were frozen out for the winter," said Craig Lacey, Executive Director of the Heber Valley Railroad. "This was a big bump in the road that we hit, but now that we've had this resolution, we can meet our original timeline and be done by Memorial Day."

"It's back on track again - pardon the pun," added Ken McConnell, marketing director for the railroad.

The Planning Commission has hounded the depot developers over providing sufficient parking. According to the plan, 88 stalls would be built at the site. However, developers acknowledge the depot will see hundreds of customers at a given time, a clear violation of the ordinance, which requires one parking place for every two people.

The problem was alleviated when train officials pointed to available parking stalls located directly across the street at a county facility. In addition, 50 parallel parking stalls were created through the recent widening of the road flanking the future train headquarters.



Proposed Heber Valley Train Depot

"What we thought was a snag may not be a snag, and it will still work into our timeline," Lacey said. "We'll be advertising the thing for bid in the next few weeks."

The challenge, according to McConnell, was to resolve the dispute quickly in order to lay the foundation before the ground froze. Had negotiations failed, construction would have effectively shut down for the winter, meaning the project would be starting, not finishing, next Memorial Day.

"We're proceeding as normal again now," McConnell boasted.

Before workers can dig the hole, however, the makeshift headquarters will have to be moved. Both the caboose currently housing the ticket booth, and the antique car used for the main office

Mystery Conservative Gr Forms To Oppose Ballot I

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programs in place or do a better job of managing the trash problem. Is there anything your office can do to make sure Utah has clean roads?

Leavitt: There's really two things. One is to enforce the existing laws—there's a substantial fine available for those who litter. And the second is we have voluntary cleanup programs, where we have groups and organizations adopt stretches of highway and clean them up. We'll continue to do that and expand it.

Courier: Do you think it needs to be expanded? Is there a problem?

Leavitt: Well, we have almost every road in the state now that's been adopted by some group or organization, but I'm sure there's some doing a better job of it than others.

Courier: With Utah's state income tax form, are you concerned that they're longer than comparable federal forms such as the 1041 EZ?

Leavitt: Our system is very simple because it's directly driven by the federal forms. The Utah state income tax form is dramatically simpler than the federal form. All you do is take the taxable income from the federal form and put it on the state form and you're done. And we've also created a means by which it can be filed electronically. I've actually been through the process of trying to simplify the tax form further. But the more simple you make it, it costs some groups money and it becomes tax policy. The form itself, by simplifying it, it causes some people to pay and some people not to pay. And so the law would have to change, not just the form. ❧

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hard to sell," Bronson added.

The latest bond, signed in August, is designated for the main sewer and water lines. Underwritten by Prudential Securities out of Los Angeles, the \$11.66 million bond has a rate of 8.00 percent with annual payments set up at \$1,632,000. Yet both Matthews and Bronson insist the county will not incur any of the liability.

"If you read the bond documents themselves it's plain as day," Bronson said.

Language on the cover of the "official statement" for the SSD's latest bond reads, "The bonds are not general obligations of the district, Wasatch County or the state of Utah or any other political subdivision."

Matthews explains that as so called "dirt bonds," the key to the special assessment bonds lies in the owners permission. They have essentially signed on to the deal, he said, knowing their property itself is the collateral on which they pay assessment fees.

"They voluntarily let their property be liened," he added. "If they fail to pay, I foreclose on their property."

"They become largely like a property tax," Bronson continued. "That's why it's so critical that the value of the land be so high, as a buffer."

In addition to overseeing this process as the JSSD manager, the Courier has learned that Matthews is on the board of directors for the Jordanelle Landowners Association, which raises conflict of interest questions. But according to counsel, the relationship as manager of JSSD remains completely legal. ❧

Sons Of Utah Meeting Octo

All who are interested in learning more about the Temple, and about the plans and construction of that historic place, are invited to attend the meeting of the Valley Chapter of the Sons of Utah Pioneers on Thursday, October 19 at 3:33 West PM. Homer LeBaron will be the speaker for the evening, and he will discuss the history of the temple, some remarkable events, the original architectural plans and reconstruction of the temple, a close replica, including fine, old craftsmans work with up-to date technology, as the one which was performed in this dispensation, during the fulfillment of the LDS Church were forced to leave their homes. Meet with us. If you need more information, contact Homer LeBaron at 654-5821. ❧



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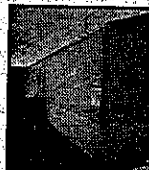
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