

AMERICAN FORK CITY
CITY COUNCIL PUBLIC HEARING MINUTES
SEPTEMBER 30, 2014

ATTACHMENT

PUBLIC HEARING

The American Fork City Council met in a public hearing on September 30, 2014, in the American Fork City Hall, located at 31 North Church Street, commencing at 7:00 p.m. Those in attendance were Mayor James H. Hadfield, Councilman Carlton Bowen, Councilman Brad Frost, Councilman Rob Shelton, Councilman Jeff Shorter and Councilman Clark Taylor.

Staff Present: City Administrator Craig Whitehead
Deputy Recorder Terilyn Lurker
Parks and Recreation Director Derric Rykert

Also Present: Lela Bartholomew, Dale Gunther, Curtis Larson, Pharis Blackhurst, Hugh Johnson, Scott Roudabush, Greg Carter, Kelly Smith, Jason and Rachel Phillippi, and Emily Swenson and Madeline Thatcher of KBYU.

Mayor Hadfield welcomed everyone present and explained that the purpose of this public hearing was to receive public comment concerning the opinion question as to whether or not American Fork City should enact a local sales and use tax of one-tenth (1/10) of one percent (1%) to fund Cultural Arts Facilities and Programs and Recreational Facilities in American Fork City.

Mayor Hadfield stated that he would have Councilman Taylor read the City's position on the PARC tax, after which he would take public comment. He also announced that there were handouts at the table concerning this question as well as an absentee ballot application.

Councilman Taylor read the city's position on the PARC tax. (See ATTACHMENT)

Craig Whitehead pointed out that there was an error on the question and answer sheet that would be corrected before it was sent out to the public. The flyer stated that it was not an additional tax but, in fact, it was an additional tax.

Mayor Hadfield turned the time over to those in attendance for public comment.

Curtis Larson stated he was a resident of American Fork City. He has an interest in the tax and he was opposed to it. He would like the City Council to take action to withdraw the question from the ballot, but he understood the council had made the decision and it would go forward. He did have some questions he would like answered.

Mr. Larson stated that under the ZAP tax, it indicated there would be a citizens committee and he appreciated that. He asked if the city has enacted an ordinance that controlled how the funds would be used. Councilman Shelton answered that they have requested that staff look at neighboring communities to see what has and has not worked for them. Councilman Shelton

stated they had a work session to address those, and he was hoping that the issue would be before the City Council soon so that the citizens would know how the committee functions. Staff did present some basic concepts of how the committee would function. Mr. Larson asked if the working meeting Councilman Shelton mentioned had been held or if it would be held. Councilman Shelton stated there was one meeting where it was presented by staff, but there would be further discussion.

Mr. Larson asked if the funds would be in an account separate from the general fund or co-mingled. Councilman Shelton answered that he understood the funds would have to be kept separate. Councilman Taylor stated that the funds would be separate and any funds expended would go through a grant process.

Councilman Frost noted that in the work session it was discussed there would be equal representation from the different groups so that the committee would not be one-sided toward a specific group. Councilman Taylor stated that they talked about having one person from Recreation and one from Arts with the rest of the committee being citizens at large; the intent was to have a group that was unaffiliated to any particular group. It was noted that they were proposing seven committee members but that number could change before final adoption.

Mr. Larson asked if any ordinance adopted pertaining to the use of the funds would include a criminal provision which made it unlawful for misuse of the public funds. Councilman Shelton stated that there were already sufficient provisions in the law to cover misappropriation of funds.

Councilman Shelton wanted to point out that even city staff would be required to follow the grant process.

Mr. Larson stated that according to the budget, the city was currently in debt for approximately \$2.4 million for parks and recreation. He asked if the revenue from the PARC Tax would be used to retire those debts. It was answered that it would not be used to retire that debt.

Mr. Larson stated that at the May 22 work session and the July 8 City Council meeting, there was no discussion for funds to be used for arts, only parks and recreation. He asked if they could tell him how much of the anticipated revenue would be dedicated to the arts. Councilman Shelton stated they would have a list of criteria that each project would be judged upon. Councilman Taylor stated there was no predisposition of where the money would be going; that was why they were putting a committee in place to determine where the funds would go. Councilman Shelton stated that they have talked about arts as well as parks and recreation.

Mr. Larson stated that the city sent out emails and surveys on July 21 and July 28; he had no idea how many emails were sent out. The email sent out on July 28 was sent out to fitness center and recreation participants and it invited citizens to become involved in a committee to talk about the tax; the first email did not make that invitation. He was wondering if the City was only interested in having those on the committee who were supportive of the tax. Councilman Shelton explained that the City has an intern with a project that needed to be done and submitted for her class; she was the one who sent out the emails. Personally, Councilman Shelton did not give any merit or weight on the survey as it was not scientific in any way but was for a school project. Mr. Whitehead explained he approved the project and that the intern was very good at

analyzing information; the survey was quick and straight-forward and was intended for internal purposes only. Mr. Whitehead stated that the City did have a professional survey performed last year.

Mr. Larson stated that in last year's survey, he understood that only 55% of those surveyed supported the tax. Councilman Taylor stated that percentage did not include those who were undecided.

Mr. Larson stated that at the May 22 work session and the May 8 City Council meeting, there was an indication that 70% of all purchases made in American Fork City were made by non-residents. However, a response to a GRAMA request indicated the city did not have any firm data but that the information came from local auto dealers. He questioned if the City had any certifiable data from the retail businesses. Councilman Shelton explained that one of his council assignments was over the Chamber of Commerce. Councilman Shelton stated that he did not keep written record of all of his conversations, but he has verified with different merchants that the 70% was a good estimate. When asked who he had talked to, Councilman Shelton stated that the merchants had asked not to have their names given out as they did not want to be dragged into a political process. Councilman Shelton invited Mr. Larson to talk to business owners in American Fork. Mr. Larson stated he would like to talk to the same business owners that Councilman Shelton had talked to but Councilman Shelton had been asked not to give out who he had talked to.

Mr. Larson asked if the city was still going to spend \$9.6 million for the Art Dye Regional Sports Complex. Councilman Taylor responded that he was not sure where the \$9.6 million came from, but he was aware that the cost could be approximately \$8.4 million. Councilman Taylor commented that he could only speak for himself, but he would like to see that project completed.

Mr. Larson asked how much of the anticipated \$600,000 per year will be spent on a regional sports park. Councilman Taylor stated they had no idea. Mayor Hadfield commented that would be determined by the citizens committee.

Mr. Larson stated he had a few more questions and indicated they could probably be answered with a yes or no. He asked if the ZAP tax revenue would be used by the city to purchase the Harrington School for renovation. Councilman Taylor stated they did not know. Councilman Shelton stated that they would not without the citizens committee; the criteria were being developed and requests would be run through that committee by a grant process.

Mr. Larson stated he had several more questions, but it appeared that the council would answer that they did not know how much would be expended for each of those questions. Councilman Bowen wanted to know what those questions were, so Mr. Larson read them off.

- To build or repair roadways to or around any park?
- To renovate, improve or enlarge the Fitness Center?
- To fund city sports programs?
- To purchase jungle gyms and other child activity devices for the parks?
- To fund city recreation classes?
- To maintain and upgrade the city's parks?

- To purchase easements and licenses for the building of roadways to or around any park?
- To maintain and upgrade the city's pedestrian and biking trail system?
- To fund the city Arts Council?
- As collateral for a loan to purchase land for construction of any arts or recreational facility?
- To improve and maintain the Quail Cove Amphitheater?
- To improve and maintain the City's Senior Citizen Center?
- To construction an indoor concert and performing arts center?
- To fund the AF High School's band or theatrical performances?
- To build a zoo?

Mr. Larson thanked the Council for their time and stated that there are those in the community who do oppose the tax.

Dale Gunther wanted to commend the Mayor and Council for putting this question on the ballot. He thought it was a great opportunity for the citizens to determine what direction they want to take in these areas. He paraphrased a quote that we resolve to leave this place better than when we found it. He thought that was what the Council was doing, giving the citizens a chance to leave American Fork better than we found it.

Lela Bartholomew stated she is the Executive Director of the Timpanogos Arts Foundation and has been a volunteer in the city for over 20 years. She wanted to say that they were in favor of this. She felt it was difficult to follow someone who was trying to shed a negative light on the council and the legalities. She resented that. She has had personal conversations with those at the Rose Wagner Theater and she was told that 60% of their revenue comes from the ZAP Tax. Ms. Bartholomew did believe in the integrity of this council and their ability to do what is great. She echoed what Mr. Gunther said and commented that they were here to improve this area. She would like to know if those comments that have been said and written on the paper suggesting that there has been illegal activity could be retracted and that they move forward with this wonderful opportunity. Ms. Bartholomew stated that this was not just about recreation, but arts as well. American Fork was known nationwide for their arts. People move here for the music and arts. She thanked the Council for putting this question on the ballot.

Mayor Hadfield stated that the Timpanogos Arts Foundation was a legitimate 504C organization. They do the grant process with American Fork City as well as other organizations. He was grateful for the work of the arts council.

Hugh Johnson stated that his property backs onto the property near the Developmental Center. As a person whose profession depends on sales, he cannot say he was against the tax but he was concerned that the funds be used as a way to benefit the entire community. If the tax were to be imposed, he was concerned that there would be too much money put toward developing the Art Dye property into a regional sports complex. He was concerned for the access to that area based on the size of the proposed project. Also, the information flyer mentions that there would be a citizens committee to determine how the funds were allocated and his assumption was that ultimately the Council would have the say in how it would be done and that the citizens committee was basically an advisory committee. Finally, there were so many useful activities the tax could be used for and he hoped it would not be skewed too much toward the sports. He

thought that the Art Dye area could be more focused on family-oriented activities and not just sports.

Councilman Shelton stated that if Mr. Johnson had concerns, it was a good opportunity to serve on the committee in order to be involved in the process. It has been portrayed that the city has hidden plans, but there are a lot of great projects where the money could be utilized. Ultimately it was the citizen's money, and the committee was there for that vetting process. He hoped that the committee would be made up of a variety of citizens. He stated that Bamberger Park was just put in and is used for sporting events, and he sees the kids lining up to use the porta potty. The kids can't wait, so they use the field next door. There are sewer hook ups to the park and something could be done if they had additional funding. There are many wonderful things the money could be used for. He did not want people to think that the council had a hidden agenda.

Mayor Hadfield commented that there were many wonderful groups that could qualify for a grant such as the Literacy Center and the Daughters of Utah Pioneers. The Arts Council was excited because of their opportunities.

Mr. Johnson stated that he would be interested in the committee.

Councilman Taylor wanted to clarify something. He has put a lot of effort into petitioning the county for some restaurant tax dollars, which was a tax imposed on all restaurants in Utah County. That money was set aside and the county commission, with an advisory committee, determined where that money goes. American Fork has been a large provider of those estimated \$700,000 in tax dollars; however, the city has only received approximately \$13,000 of that for a pavilion. Councilman Taylor commented that they have made a concerted effort to obtain more money for the Art Dye Park. The increased number of pavilions and trails and splash pads and family-oriented facilities planned for Art Dye Park are triple what they ever were in the facility. They do want to make it more than just a ball field and never was this just to be a big ball complex. There has been a lot of time and thought go into this plan. Councilman Taylor stated that it was not accurate to say that every dollar of the PARC tax would go to the Art Dye Park.

Mr. Johnson commented that he heard what they were saying, but he did have a concern on the cascade of improvements being needed with a regional facility, including increased infrastructure and other improvements.

Scott Roudabush stated he is a long-time resident of American Fork and the Chairman of the Parks and Recreation committee. He disagreed with Ms. Bartholomew in that American Fork City was the whole ball of wax. He has a daughter involved in band and sons involved in recreation programs. He thought that a draw to the entire city was the Art Dye Park. He has read through the proposed ordinance and there was no way all the money could be directed to one project. He was excited for the citizens committee to make those decisions. He had a son who played sports here in American Fork, but after a mission he joined a recreation group in Pleasant Grove because they had the wonderful facilities that draw people from all communities. He thought it would be a city-wide benefit to have such a facility in American Fork.

Mr. Roudabush stated it was his understanding that the state had in the past considered imposing a similar tax. While it was not currently being considered, it could be considered in the future.

If that tax was imposed then the cities that do not already have this kind of tax in place would be exempt from that. Once the State had that money, it was up to their committee to allocate funds. Mr. Roudabush was 100% in support of the PARC tax. He did not see a better way to collect money to benefit the City of American Fork. He grew up in Pleasant Grove but always wanted to live in American Fork. He sees that things are starting to fall into disrepair. Although all of the tax dollars would not go solely to the Fitness Center or the Art Dye Park, it would benefit many different areas and make American Fork better.

Craig Carter stated he supported this tax. As a business owner and a resident, he was heavily involved in the sports aspect of the city as well as in the band. This complex was not just for sports. He saw hundreds of thousands of kids go to other cities to play sports because they have nicer facilities, and that takes money away from our programs. Mr. Carter stated that he understood that Art Dye was always intended to become a regional park when the property was first bought. It has never come to its full potential. As the city becomes bigger, people want to move in because American Fork was a good community and a good place to live. Mr. Carter commented that to utilize this complex was a benefit to others, as well. He stated that this tax was not just to fund sports. People may not know what the intent was for this park, and they don't understand that it was intended to be family-oriented with picnic areas as well as ball fields. This was a good opportunity to draw citizens from other communities. Mr. Carter pointed out that American Fork was not the only city with that has problems with restrooms; when you are at a game or tournament, there will be a line for restroom use. The true intent was where they were headed and that they were going in the right direction to get this to a point where it was usable and manageable.

Councilman Bowen stated that it was mentioned that the council voted to put the tax on the ballot. He wanted it clarified that he did not vote in favor of putting this tax on the ballot. He was opposed to the PARC tax for a number of reasons. One reason was that this was a 10% increase in the city's portion of the sales tax. It does raise \$600,000 but he was concerned with the long-term effects. Another reason he was opposed to this tax was that he did not feel that some of what the tax covered, namely funding of the arts, was the proper role of the government. At the federal level, there were many problems with funding the arts. The National Endowment for the Arts funded homosexual art that was offensive to most people as well as art that depicted the Savior as being desecrated. Councilman Bowen stated they could run into those same issues on the local level if they fund art. If they choose not to fund a certain art, then people could come after the city with complaints that they were not being fair.

Councilman Bowen stated that it has been said that the arts were alive and well in American Fork. He wanted to point out that the arts being alive were not because of government subsidizing the arts. It was because of the parents who paid for the lessons and it was because of the schools. There were many venues that do not include the city, and those venues were why we had a thriving art community.

Councilman Bowen stated that another concern he had was about the advisory committee. It seemed like there was a lack of accountability. If they have an appointed committee deciding how money was spent, how do the voters vote them out if the voters disagree with how the money was being spent?

Councilman Bowen stated that what he was most concerned about was that the city has openly stated that they were for the tax increase, which again was a 10% increase. He had a problem with city resources, including money and people, being used to promote a tax increase. He did not like that before he was on the Council and he still does not like it. He felt it was inappropriate, although he was not saying it was necessarily illegal. He was not opposed to parks or the completion of the Art Dye Park, but he did not want to increase taxes to accomplish that.

Councilman Bowen stated that restrooms were brought up. American Fork has a lot of parks that are surrounded by homes. He lives across from a park and utilizes that park all the time. It is not a question of whether the city was able to support and maintain the parks; they have been able to do that currently without a tax increase. The park by his house does not have restrooms, but most that use the park live in the area and use the bathrooms in their homes. When there are games being held there, they use porta potties and that was not a bad idea; it was cost effective to pay for porta potties for the months the park was in use. They do have some restroom facilities in parks that are not maintained and are vandalized. Councilman Bowen pointed out that when they add those types of facilities to the parks, it increased the budget to maintain them.

Councilman Shelton stated that he has a rich heritage of American Fork, and he grew up learning the history of American Fork. He stated that the arts have always been a part of this community. They can read George Shelley's book where it talked about the early pioneers. His grandfather talked about horse-drawn races in the ball fields. There has a lot of benefit for the community from the different programs that the city does offer. It was important for people to analyze and understand that this was important for the citizens to make this decision. He hoped that accurate information on both sides could be provided and that in the end everyone can agree to disagree. He did not want the community to be torn apart with animosity or hatred. They would all have differing opinions and even though they disagree they can still be neighbors and talk to each other and not have a divided community.

Councilman Frost stated that he did vote to let the citizens choose and that was where the decision should be made. When he was first elected, the Mayor's advice was to vote so that he could sleep at night. He slept well the night they decided to put this on the ballot. With whatever decision is made, he will sleep on Election night and he hoped all the residents could sleep with the decision that is made.

Mayor Hadfield stated that there has been some indication that the city was financing some activities of the American Fork High School band, but he wanted to point out that it was not the case. The City does include the band breakfast as part of the Steel Days celebration, and while no city funds are used for the breakfast, we do include that breakfast in our advertising.

Mayor Hadfield stated that it has been brought up that there is debt with the recreation department. He pointed out that most of that debt comes from the land acquisition for the Fox Hollow Golf Course and the Quail Cove Amphitheater property. The city was paying that off in a timely manner. Mayor Hadfield noted that American Fork, Lehi and Pleasant Grove all have an equal share in the Golf Course investment.

Kelly Smith stated that she has been a resident of American Fork for 25 years. She thought it was completely appropriate for the city to come up with a suggestion on what could solve a problem or enrich the city and then let the citizens decide. She was supportive of the PARC tax question. She felt it would be great if they came up with a variety of people to sit on the citizens committee. She did not think that they were focused only on one thing. Ms. Smith commented to those who do not support the tax, she wanted to hear what their solution would be. She felt that putting it on the ballot gives them a way to solve some problems. If someone was not for the tax but supportive of the arts or parks or recreation or culture, she wanted to know how they would come up with a solution.

Councilman Bowen stated that his solution would be to use the budget. He did not think that parks were the highest priority within the city. Ms. Smith stated that this tax revenue could only go to those specific funds. She thought it was odd to say that they need road money so they won't support other programs. Councilman Bowen stated that he did not think it was worth increasing taxes for.

Ms. Smith commented that if the state brings back the RAP Tax and the city loses the ability to make the decisions, she would be really unhappy. She felt that most citizens would be unhappy if they were to lose their presentation on where those tax funds went.

Mayor Hadfield asked for any other comments.

There being no further comment, the Public Hearing ended at 8:01 p.m.



Terilyn Lurker
Deputy Recorder

The following is a Statement in Support of the PARC Measure that will appear on the Ballot on Tuesday November 4, 2014.

On Tuesday November 4, American Fork residents will have the opportunity to vote on a measure that has the potential to dramatically improve the quality and availability of local programs related to Parks, Arts, Recreation and Culture.

If passed, when someone pays sales tax in American Fork, a portion (one penny for every \$10 spent) would go to fund parks improvements, recreation facilities, local arts programs and cultural organizations.

Because the PARC Program would be supported through a local sales tax, everyone who shops in American Fork would contribute to local cultural and recreational programs - instead of having the financial burden rest solely upon residents (like a bond or property tax would).

American Fork has a very strong retail base that attracts shoppers along the Wasatch Front, and as a result, the gains to support local programs could be substantial. In fact, if the upcoming year generated as many sales as this past year, citizens could earn nearly \$600,000 for the activities supported by the PARC program. According to several local business owners, as much as 70% of American Fork sales come from shoppers who live outside the city limits -- drastically drawing funds from outside the City.

Similar programs have proven very successful, and they've been widely supported by Utah residents. In Orem the CARE program (Cultural, Arts and Recreation Enrichment) has supported the SCERA, Hale Center Theatre, Utah Regional Ballet, The Orem Chorale and others. In Salt Lake County, the ZAP program (Zoos, Arts and Parks) has been in effect for years, and has improved 160 arts and cultural organizations, and 30 plus park and recreational facilities including: Hogle Zoo, Wasatch Community Gardens, Ballet West, the Utah Symphony, and even small and struggling theatre and arts groups.

For years, American Fork has not had the proper funding to really support the arts and recreation facilities it has. One of the big draws to our great community is that it boasts a small-town charm without compromising on big-city opportunities for families. A PARC Program would enhance our well-known community perks--from music programs like the American Fork Symphony to well-maintained biking and hiking trails. And we can best support our great quality of life in American Fork with a bit more financial backing drawn from taxpayers who visit. The PARC program can do that.

PARC funds would be allocated and accounted for by a citizen review committee that would be approved by the City Council. Any non-profit organization related to parks, recreation, arts, parks, historical preservation, dance, theater and other cultural-related organizations would be eligible to apply for PARCs funding.

With a very small tax increase, -- only 1/10th of 1% sales and use tax -- we can make a big impact for American Fork.

For more information, you can visit our Twitter and Facebook accounts.

Early Voting begins October 21st at the American Fork Library.