



## PROVO MUNICIPAL COUNCIL

### Redevelopment Agency Governing Board

#### Regular Meeting Agenda

5:30 PM, Tuesday, May 06, 2025

Council Chambers (Room 100)

Hybrid meeting: 445 W. Center Street, Provo, UT 84601 or

<https://www.youtube.com/provocitycouncil>

The in-person meeting will be held in the **Council Chambers**. The meeting will be available to the public for live broadcast and on-demand viewing on YouTube and Facebook at: [youtube.com/provocitycouncil](https://www.youtube.com/provocitycouncil) and [facebook.com/provocouncil](https://www.facebook.com/provocouncil). If one platform is unavailable, please try the other. If you do not have access to the Internet, you can join via telephone following the instructions below.

#### TO MAKE A VIRTUAL PUBLIC COMMENT:

To participate in the public comment portion(s) of the meeting, call in as an audience member as the presentation is wrapping up. Be sure to mute/silence any external audio on your end to reduce feedback (if you are viewing the live proceedings on YouTube, mute the YouTube video; you will be able to hear the meeting audio through the phone while you are on the line).

**Press \*9 from your phone to indicate that you would like to speak.** When you are invited to speak, the meeting host will grant you speaking permission, calling on you by the last four digits of your phone number. Please begin by stating your first and last name, and city of residence for the record. After you have shared your comment, hang up. If you wish to comment on a later item, simply re-dial to rejoin the meeting for any subsequent comment period(s).

**May 06 Council Meeting:** Dial **346 248 7799**. Enter Meeting ID **833 9747 5081** and press **#**. When asked for a participant ID, press **#**. To join via computer, visit [zoom.us](https://zoom.us) and enter the meeting ID and passcode: **041849**.

#### Decorum

The Council requests that citizens help maintain the decorum of the meeting by turning off electronic devices, being respectful to the Council and others, and refraining from applauding during the proceedings of the meeting.

#### Opening Ceremony

#### Roll Call

#### Prayer

#### Pledge of Allegiance

#### Presentations, Proclamations, and Awards

1      A presentation recognizing the Spring 2025 Provology Graduates (25-007)

## **Public Comment**

Fifteen minutes have been set aside for any person to express ideas, concerns, comments, or issues that are not on the agenda:

Please state your name and city of residence into the microphone.

Please limit your comments to two minutes.

State Law prohibits the Council from acting on items that do not appear on the agenda.

## **Redevelopment Agency of Provo**

- 2 A resolution approving a memorandum of agreement regarding property located within the Mountain Vista Business Park. (25-055)
- 3 A resolution approving an interlocal agreement with Provo City regarding the Freedom Plaza Community Development Project Area. (25-056)

## **Action Agenda**

- 4 A resolution approving an interlocal agreement with the Redevelopment Agency of Provo City regarding the Freedom Plaza Community Development Project Area. (25-056)
- 5 A resolution tentatively adopting a proposed budget for Provo City for the fiscal year beginning July 1, 2025 and ending June 30, 2026. (25-025)
- 6 A resolution to place an 11.136 acre parcel of ground located on the southeast corner of Bulldog Lane and Lakeview Parkway on the surplus property list and authorize the mayor to dispose of the property. (25-054)
- 7 An ordinance amending Provo City Code regarding mayoral compensation. (25-010)
- 8 An ordinance amending Provo City Code regarding municipal councilors' compensation. (25-010)
- 9 An ordinance amending 14.34.450 Elderly Person- Extra Living Space to include health and safety inspection requirements. (25-040)
- 10 An ordinance amending the zone map classification of real property, generally located at 2087 West Center Street, from the One Family Residential (R1.8) Zone to the General Commercial (CG) Zone. Provo Bay Neighborhood. (PLRZ20230258)

## **Adjournment**

If you have a comment regarding items on the agenda, please contact Councilors at [council@provo.gov](mailto:council@provo.gov) or using their contact information listed at: [provo.gov/434/City-Council](http://provo.gov/434/City-Council)

Materials and Agenda: [agendas.provo.org](https://agendas.provo.org)

Council meetings are broadcast live and available later on demand at [youtube.com/ProvoCityCouncil](https://youtube.com/ProvoCityCouncil)

To send comments to the Council or weigh in on current issues, visit [OpenCityHall.provo.org](https://OpenCityHall.provo.org).

The next Council Meeting will be held on Tuesday, May 20, 2025. The meeting will be held in the Council Chambers, 445 W. Center Street, Provo, UT 84601 with an online broadcast. Work Meetings generally begin between 12 and 4 PM. Council Meetings begin at 5:30 PM. The start time for additional meetings may vary. All meeting start times are noticed at least 24 hours prior to the meeting.

#### **Notice of Compliance with the Americans with Disabilities Act (ADA)**

In compliance with the ADA, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting are invited to notify the Provo Council Office at 445 W. Center, Provo, Utah 84601, phone: (801) 852-6120 or email [kmartins@provo.gov](mailto:kmartins@provo.gov) at least three working days prior to the meeting. Council meetings are broadcast live and available for on demand viewing at [youtube.com/ProvoCityCouncil](https://youtube.com/ProvoCityCouncil).

#### **Notice of Telephonic Communications**

One or more Council members may participate by telephone or Internet communication in this meeting. Telephone or Internet communications will be amplified as needed so all Council members and others attending the meeting will be able to hear the person(s) participating electronically as well as those participating in person. The meeting will be conducted using the same procedures applicable to regular Municipal Council meetings.

#### **Notice of Compliance with Public Noticing Regulations**

This meeting was noticed in compliance with Utah Code 52-4-207(4), which supersedes some requirements listed in Utah Code 52-4-202 and Provo City Code 14.02.010. Agendas and minutes are accessible through the Provo City website at [agendas.provo.org](https://agendas.provo.org). Council meeting agendas are available through the Utah Public Meeting Notice website at [utah.gov/pmn](https://utah.gov/pmn), which also offers email subscriptions to notices.

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** HWALSTAD  
**Presenter:** Scott Henderson, Cheif Administrative Officer / Mayor Kaufusi  
**Department:** Mayor Office  
**Requested Meeting Date:** 05-06-2025  
**Requested Presentation Duration:** 10 minutes  
**CityView or Issue File Number:** 25-007

**SUBJECT:** 1 A presentation recognizing the Spring 2025 Provology Graduates (25-007)

**RECOMMENDATION:** Graduation ceremony for Spring 2025 participants. Scott Henderson and the Mayor will recognize the participants for completing the course.

**BACKGROUND:** Provology is a course to educate Provo residents about how the city runs. The participants are recognized for completing the 12-week course.

**FISCAL IMPACT:** NA

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Yes

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** MMCNALLEY  
**Presenter:** Melissa McNalley, RDA Director  
**Department:** Development Services  
**Requested Meeting Date:** 05-06-2025  
**Requested Presentation Duration:** 10 Minutes  
**CityView or Issue File Number:** 25-055

**SUBJECT:** 2      A resolution approving a memorandum of agreement regarding property located within the Mountain Vista Business Park. (25-055)

**RECOMMENDATION:** Approve the Resolution

**BACKGROUND:** Hall Labs would like to sell property in the Mountain Vista Business Park to BCP Iron-ton with the lien on the property from Provo City which the new company will assume.

**FISCAL IMPACT:** \$1.9 Million in mitigation

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Encouragement of Sustainable Economic Development.

1 RDA RESOLUTION <<Document Number>>

2  
3 A RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT  
4 REGARDING PROPERTY LOCATED WITHIN THE MOUNTAIN VISTA  
5 BUSINESS PARK. (25-055)

6  
7 RECITALS:  
8

9 It is proposed that the Redevelopment Agency of Provo City (the Agency) enter into a  
10 Memorandum of Agreement with BCP Ironton LLC, and acknowledged by Hall Property  
11 Holdings, LLC, to allow the sale and continued mitigation of property in the Mountain Vista  
12 Business Park.  
13

14 On July 19, 2016, the Agency entered into a Real Estate Purchase agreement with Hall  
15 Property Holdings LLC for property located in the former Ironton area of Provo, UT and secured  
16 with a promissory note in the amount of \$3,032,243.79.  
17

18 As part of the purchase agreement, the Agency allowed costs of mitigating the property  
19 to be credited toward the note on the property.  
20

21 Hall Property Holdings has been credited on the note \$1,108,655.76 from mitigation  
22 efforts.  
23

24 A Memorandum of Agreement is proposed to allow Hall Property Holdings, LLC to sell  
25 the property and ensure the mitigation continues with the subsequent purchase. The buyer will  
26 assume the remaining note on the property of \$1,923,588.03 and will also receive credit costs of  
27 mitigation going forward (EXHIBIT A).  
28

29 On May 6, 2025, the Agency Governing Board met to consider the facts regarding this  
30 matter and receive public comment, which facts and comments are found in the public record of  
31 the Board's consideration; and  
32

33 After considering the facts presented to the Agency Governing Board, the Board finds  
34 that (i) the proposed action should be approved as described herein, and (ii) such action furthers  
35 the health, safety, and general welfare of the citizens of Provo City.  
36

37 THEREFORE, the Agency Governing Board resolves as follows:  
38

39 PART I:  
40

41           The Memorandum of Agreement with BCP Ironton, LLC, attached as Exhibit A, is  
42 approved and the Executive Director is authorized to execute the agreement.

43  
44 PART II:

45  
46 This resolution takes effect immediately.

**EXHIBIT “A”**  
**MEMORANDUM OF AGREEMENT**

This Memorandum of Agreement (this “**Agreement**”) memorializes certain agreements and understandings between The Provo City Redevelopment Agency (“**PCRA**”) and BCP Ironton, LLC and/or Assigns (“**Buyer**”) and is effective as of April \_\_, 2025 (the “**Effective Date**”). PCRA and Buyer are sometimes collectively referred to herein as the “**Parties**”.

**BACKGROUND**

- A. PCRA and Hall Property Holdings, LLC, fka NewVista Property Holdings, LLC (“**HPH**”), are parties to a certain Real Estate Purchase Agreement dated July 19, 2016 (the “**REPC**”), pursuant to which HPH agreed to purchase, and PCRA agreed to sell approximately 29.67 acres of real property located in the Ironton area of Provo, Utah and more particularly described on Exhibit “A” attached hereto and incorporated herein by this reference (the “**Original Property**”).
- B. In connection with the purchase of the Original Property from PCRA, HPH delivered to PCRA a Trust Deed Note in the principal amount of \$3,032,243.79 (the “**Original Note**”), representing a portion of the purchase price for the Original Property. The Original Property was conveyed to HPH, and a Trust Deed (the “**Trust Deed**”) was executed and recorded as an encumbrance on the Property in the official records of Utah County, Utah, for the purpose of securing payment of the indebtedness evidenced by the Original Note.
- C. HPH has sold a portion of the Original Property. The remaining portion of the Original Property still owned by HPH and still encumbered by the Trust Deed, is described as follows (the “**Property**”):

Five parcels of land located at 2860 – 3200 S. Sierra Vista Way in the City of Provo, County of Utah, State of Utah 84606, having the following Tax Parcel Identification Numbers: 23:001:0173 - 8.2945 acres, 23:001:0174 - 1.7637 Acres, 46:762:0001 - 9.99 Acres, 46:936:0002 - 4.4962 Acres, and 35:095:0021 - 0.7482 Acres totaling 1,101,632.40 SF consisting of approx. 25.29 acres.
- D. Under the REPC, HPH is entitled to certain credits against the Original Note for costs incurred in connection with the reclamation and remediation of the Property, and HPH has incurred substantial costs for such purposes to date.
- E. Buyer desires to purchase the Property from HPH, and HPH desires to sell the Property to Buyer. In connection with the purchase and sale, Buyer is willing to assume HPH’s remaining obligations under the Original Note and Trust Deed with certain modifications; *provided that* Buyer is allowed to claim the same credits for future reclamation and remediation as were given to HPH under the REPC.

- F. The parties have agreed that PCRA will release the lien of the Trust Deed when Buyer has incurred reclamation and remediation costs equal to the remaining obligations under the Original Note.

In consideration of the foregoing, and other good and valuable consideration, the Parties agree as follows:

1. The balance owing on the Original Note, and the total obligation presently secured by the Trust Deed, is \$1,923,588.03 as of the Effective Date.

2. Simultaneously with the execution of this Memorandum of Agreement, Buyer will deliver to PCRA a Substitute Non-Recourse Note (the “**Substitute Note**”) in the principal amount of \$1,923,588.03, substantially in the form of the attached Exhibit “B”, whereupon the Original Note will be deemed satisfied in full. The term of the Substitute Note will be for a period of three (3) years. The Parties acknowledge that the term of the Substitute Note will extend beyond the term of the Original Note. No interest will accrue or become payable under the Substitute Note. As soon as reasonably possible after the Effective Date, Buyer and Seller shall mutually execute an assumption deed assigning the obligations under the Trust Deed to Buyer in a form and with content reasonably acceptable to PCRA and Buyer. PCRA hereby approves Buyer as the assignee of the Trust Deed.

**Commented [BJ1]:** The timing of this may need to change. Have reached out to discuss.

3. PCRA shall credit the Buyer (against its obligations under the Substitute Note and the outstanding principal balance of the Substitute Note shall be reduced on a dollar for dollar basis for) all reasonable and customary expenses incurred by Buyer (or Buyer’s assignee) in connection with the reclamation and remediation of the Property (“**Reclamation Expenses**”) as supported by third party invoices detailing the services, materials, and charges for which credit is claimed. For purposes of this Agreement, “reclamation” and “remediation” shall refer to those activities to make the Property suitable for development pursuant to Provo City zoning and development standards. These activities include, but are not limited to, removing debris, filling holes, adding replacement fill and soil, stabilizing the soil, and removing or securing hazardous waste. Remediation Expenses shall be applied and credited to the outstanding principal balance of the Substitute Note as outlined in Paragraph 4, below. The Parties agree that the balance of the Substitute Note may be reduced up to an amount not to exceed \$1,923,588.03, and at no point shall PCRA pay Buyer for Reclamation Expenses beyond the amount of the Substitute Note.

4. On or before each annual anniversary of the Substitute Note or at such other dates and Buyer and PCRA agree, Buyer shall give an accounting to PCRA of all Reclamation Expenses for which it claims credit against the Substitute Note and PCRA shall credit the outstanding principal balance of the Substitute Note in an amount equal to all Reclamation Expenses that have been incurred by Buyer (or Buyer’s assignee) in the preceding year or since the last credit was given, as the case may be.

5. Buyer may seek funds from a third-party lender to finance costs associated with improving, remediating and developing the Property. It is anticipated that any third-party lender will require that its third-party loan be secured by a third-party trust deed encumbering the

Property. PCRA agrees that the Trust Deed shall be subordinated, upon Buyer's request, to any such third-party trust deed. PCRA shall promptly sign a subordination agreement or document of similar import in favor of a third-party lender upon request from Buyer.

6. Neither this Agreement nor the Substitute Note or Trust Deed creates a duty, express or implied, for Buyer to remediate or improve the Property or any other property.

7. Buyer may request that PCRA approve the assignment of all of Buyer's rights and obligations under this Agreement, including his obligations under the Substitute Note and Trust Deed, to an assignee who reasonably has the ability to complete the reclamation of the Property. PCRA will not unreasonably withhold approval of a proposed assignment to a third party with the ability to complete the reclamation of the Property, and Buyer may not assign any rights or obligations absent approval from PCRA. Following an approval by PCRA, Buyer shall provide notice to PCRA if and when any assignment of its rights and obligations under this Agreement, the Substitute Note and the Trust Deed occurs. This Agreement shall run with the Property and be binding upon the successors and assigns of the Parties.

8. PCRA and Buyer represent that those signing in representative capacities below for the respective parties have authority to bind PCRA and Buyer to this agreement.

9. This Agreement constitutes the entire agreement between the Parties pertaining to its subject matter, and it supersedes any and all written or oral agreements previously existing between the Parties with respect to such subject matter. No modification of this Agreement shall be binding unless executed in writing by both parties. This Agreement shall be governed and construed in accordance with Utah law, without regard to its rules regarding conflicts of law.

The Parties have signed this Memorandum of Agreement on April \_\_, 2025.

THE PROVO CITY REDEVELOPMENT  
AGENCY

\_\_\_\_\_  
[Name], Chief Administrative Officer

\_\_\_\_\_  
BCP Ironton, LLC

Acknowledged:

HALL PROPERTY HOLDINGS, LLC

\_\_\_\_\_  
David R. Hall, Manager

\_\_\_\_\_  
Date

Approved:

\_\_\_\_\_  
PCRA Chief Administrative Officer – Approved

\_\_\_\_\_  
Date

\_\_\_\_\_  
PCRA Legal – Approved as to Form

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Recorder – Attest

\_\_\_\_\_  
Date

## **EXHIBIT "A"**

### Legal Description for Original Property

Utah County Serial Number 46:936:0001, consists of approximately 4.38 acres, is known by the address 2810 Sierra Vista Way, Provo, UT and further described as:

LOT 1, PLAT G, MOUNTAIN VISTA BUSINESS CENTER SUB AREA 4.377 AC.

Utah County Serial Number 46:936:0002, consists of approximately 4.50 acres, is known by the address 2860 Sierra Vista Way, Provo UT and further described as:

LOT 2, PLAT G, MOUNTAIN VISTA BUSINESS CENTER SUB AREA 4.496 AC

Utah County Serial Number 35:095:0021, consists of approximately 0.75 acres, is known by the address 2810 Sierra Vista Way, Provo, UT and further described as:

PART LOT 11, PLAT F, BILLINGS TECHNOLOGY PARK SUB DESCRIBED AS FOLLOWS. AREA 0.748 AC.

Utah County Serial Number 46:762:0001, consists of approximately 10 acres, is known by the address 3199 South Mountain Vista Parkway, Provo, UT and further described as:

LOT 1, PLAT A, MOUNTAIN VISTA BUSINESS CENTER SUBDV. AREA 9.990 AC

Utah County Serial Number 23:001:0173, consists of approximately 1.76 acres, and further described as:

COM S 2533.52 FT & E 2136.66 FT FR N 1/4 COR. SEC. 20, T7S, R3E, SLB&M.; N 61 DEG 35' 32" E 169.21 FT; S 28 DEG 24' 28" E 251.15 FT; ALONG A CURVE TO R (CHORD BEARS: S 9 DEG 11' 8" E 202.15 FT, RADIUS = 307.1 FT); ALONG A CURVE TO L (CHORD BEARS: S 9 DEG 36' 30" E 277.69 FT, RADIUS = 412.87 FT); N 29 DEG 28' 41" W 705.03 FT TO BEG. AREA 1.764 AC

Utah County Serial Number 23:001:0174, consists of approximately 8.29 acres, and further described as:

COM S 1793.96 FT & E 1497.45 FT FR N 1/4 COR. SEC. 20, T7S, R3E, SLB&M.; S 28 DEG 24' 28" E 954.6 FT; S 60 DEG 31' 53" W 399.19 FT; ALONG A CURVE TO R (CHORD BEARS: N 26 DEG 9' 51" W 323.41 FT, RADIUS = 8395.49 FT); N 24 DEG 56' 5" W 327.52 FT; ALONG A CURVE TO R (CHORD BEARS: N 20 DEG 22' 25" W 337.59 FT, RADIUS = 2113.26 FT); N 65 DEG 35' 50" E 320.22 FT TO BEG. AREA 8.295 AC

**EXHIBIT "B"**

Form Substitute Note

**NON-RECOURSE SUBSTITUTE TRUST DEED NOTE**

\$1,923,588.03

April \_\_, 2025

This Non-Recourse Substitute Trust Deed Note (this "**Note**") is given in substitution for that certain Trust Deed Note, dated September 22, 2016, by NewVistas Property Holdings, LLC in favor of Provo City Redevelopment Agency ("**Lender**"), the obligations of which were assumed (as altered by this Note) by the undersigned.

FOR VALUE RECEIVED, the undersigned promises to pay to Lender

ONE MILLION NINE HUNDRED TWENTY-THREE THOUSAND FIVE HUNDRED AND EIGHTY-EIGHT DOLLARS AND 03/100 DOLLARS (**\$1,923,588.03**)

together with interest from the date of this Note at a rate of **ZERO** per cent (**0.00%**) per annum on the unpaid principal, said principal and interest to be paid as follows:

**ON EACH ANNIVERSARY OF THIS NOTE, BEGINNING APRIL \_\_, 2026, OR ON SUCH OTHER DATE(S) AS THE UNDERSIGNED AND LENDER SHALL AGREE, THE UNDERSIGNED SHALL RECEIVE A CREDIT, ON A DOLLAR FOR DOLLAR BASIS, FOR ALL RECLAMATION EXPENSES (AS THAT TERM IS DEFINED IN THAT CERTAIN MEMORANDUM OF AGREEMENT BETWEEN THE UNDERSIGNED AND LENDER DATED OF EVEN DATE HERewith) THAT HAVE BEEN INCURRED BY THE UNDERSIGNED (OR THE UNDERSIGNED'S ASSIGNEE) IN THE PRECEDING YEAR OR SINCE THE LAST SUCH CREDIT WAS APPLIED, AS THE CASE MAY BE. ALL OUTSTANDING PRINCIPAL AND INTEREST DUE PURSUANT TO THIS NOTE, IF ANY, SHALL BE REPAID IN FULL ON OR BEFORE APRIL \_\_, 2028.**

Each payment shall be applied first to accrued interest and the balance to the reduction of principal. If default occurs in the payment of said installments of principal and interest or any part thereof, or in the performance of any agreement contained in the Trust Deed securing this Note, the holder hereof, at its option and without any notice or demand, may declare the entire balance and accrued interest due and payable.

The undersigned waives presentment for payment, demand and notice of dishonor, and nonpayment of this Note, and consent of any and all extensions of time, renewals, waivers, or modifications that may be granted by the holder hereof with respect to the payment or other provisions of this Note, and to the release of any security, or any part thereof, with or without substitution.

This Note is secured by a Trust Deed, made September 22, 2016, between NewVistas Property Holdings, LLC as Trustor; Bartlett Title Insurance Agency, Inc., as Trustee; and Provo City Redevelopment Agency, as Beneficiary (the “*Trust Deed*”).

The obligation of the undersigned represented by this Note is a non-recourse obligation. In any action or proceeding brought on this Note or under the Trust Deed, the holder hereof shall look solely to the property secured by the Trust Deed for payment of the indebtedness hereunder (including all principal and interest) and, specifically and without limitation, the holder waives any right to seek or obtain a deficiency judgment against the undersigned or to seek or obtain a personal judgment for the payment of money representing principal or interest hereunder.

At any time, the undersigned shall have the right to discharge all of his/her/its remaining obligations under this Note by tendering to the holder all of the property secured by the Trust Deed in lieu of payment. No such tender of property shall impose upon the holder any obligation to return to the undersigned any amounts previously paid for the property or paid under this Note.

Date: April \_\_\_\_, 2025.

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BCP Ironton, LLC

Read and Approved by:

THE PROVO CITY REDEVELOPMENT  
AGENCY

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[Name], Chief Administrative Officer

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** MMCNALLEY  
**Presenter:** Melissa McNalley, RDA Director  
**Department:** Development Services  
**Requested Meeting Date:** 04-22-2025  
**Requested Presentation Duration:** 20 minutes  
**CityView or Issue File Number:** 25-056

**SUBJECT:** 3 A resolution approving an interlocal agreement with Provo City regarding the Freedom Plaza Community Development Project Area. (25-056)

**RECOMMENDATION:** Ultimately approve a resolution to amend the current agreement with PEG development

**BACKGROUND:** The interlocal agreement with PEG development and Provo City for the Freedom Commons CDA was incorrectly executed at 70% participation. The Development Agreement specifies Provo City participating at 100%

**FISCAL IMPACT:** \$74,4282.07

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Economic Development

# PROVO MUNICIPAL COUNCIL STAFF REPORT



**Submitter:** Melissa McNalley  
**Department:** Redevelopment Agency  
**Requested Meeting Date:** April 22, 2025

**SUBJECT:** A resolution approving an amended interlocal agreement with Provo City to increase participation to 100%

**RECOMMENDATION:** Approve the resolution.

**BACKGROUND:** In 2016, Provo City entered into an agreement With PEG Development to construct a parking structure to accommodate parking for the Utah Valley Convention Center in the Freedom Commons Community Development Area. In the Development agreement, Provo City's participation in the tax increment to the developer is defined at 100%. When interlocal agreements were executed in 2020, the City's participation was incorrectly defined at 70%. The County began collecting increment for the Freedom Commons area in 2023 at the 70% rate.

The interlocal agreement with Provo City needs to be amended to reflect 100% participation to honor the commitment in the development agreement.

**FISCAL IMPACT:** \$744,282.07 (15-year estimate on incremental increase spreadsheet attached with calculations)

**PRESENTER'S NAME:** Melissa McNalley Redevelopment Director - Development Services

**REQUESTED DURATION OF PRESENTATION:** 10 minutes

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Support economic growth.

**CITYVIEW OR ISSUE FILE NUMBER:**

## EXHIBIT B

### INTERLOCAL AGREEMENT FOR THE FREEDOM PLAZA COMMUNITY DEVELOPMENT PROJECT AREA

**THIS INTERLOCAL AGREEMENT** is entered into as of the date all parties have executed the agreement, by and between the **REDEVELOPMENT AGENCY OF PROVO CITY**, a political subdivision of the State of Utah (the “**Agency**”), and **PROVO CITY**, a political subdivision of the State of Utah (the “**Taxing Entity**”). The Agency and the Taxing Entity may be referred to individually as a “**Party**” and collectively as the “**Parties**”.

**A. WHEREAS** the Agency was created pursuant to the provisions of Utah redevelopment law, and continues to operate under the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct project area development activities within its boundaries, as contemplated by the Act; and

**B. WHEREAS** the Agency created Freedom Plaza Community Development Project Area (the “**Project Area**”) and adopted a project area plan for the Project Area on July 6, 2010; and

**C. WHEREAS** the Agency and the City adopted an amended project area plan modifying the boundaries of the Project Area (the “**Project Area Plan**”) on September 17, 2024, which is incorporated herein by this reference, and which includes the legal description and map of the Project Area, pursuant to which the Agency desires to provide for redevelopment within the Project Area; and

**D. WHEREAS** the Taxing Entity and the Agency have determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) and other funds in connection with the development of the Project Area as set forth in the Project Area Plan and as allowed by the Act; and

**E. WHEREAS** the Agency anticipates providing funds equal to a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(60) (hereinafter “**Tax Increment**”)), created by development within the Project Area, to assist in the project area development within the Project Area as provided in the Project Area Plan; and

**F. WHEREAS** the Act authorizes the Taxing Entity to consent to the payment to the Agency of amounts equal to all or a portion of the Tax Increment generated from the Project Area for the purposes set forth therein; and

**G. WHEREAS** in order to facilitate development of the Project, the Taxing Entity desires to pay to the Agency an amount equal to a portion of the Tax Increment generated by the Project Area attributable to the Taxing Entity’s tax levy on taxable property within the Project Area in accordance with the terms of this Agreement; and

**H. WHEREAS** UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

**I. WHEREAS** the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the “**Cooperation Act**”).

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**1. Tax Increment.**

**a.** Pursuant to the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid an amount equal to one hundred percent (100%) of the Taxing Entity’s portion of the Tax Increment generated within the Project Area (the “**Agency Share**”) for thirteen (13) years, for tax years 2025 through 2037 inclusive (the “**Project Area Funds Collection Period**”). The Agency Share shall be used for the purposes set forth in the Act and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid and (b) the base year value for purposes of calculating Tax Increment shall be \$9,253,500.00.

**b.** The Taxing Entity hereby authorizes and directs Utah County officials and personnel to pay directly to the Agency all amounts due to the Agency under this Agreement for the periods described herein.

**c.** The Agency Share shall be paid to the Agency no later than April 1<sup>st</sup> of the year following the tax year for which the Agency Share is to be paid.

**d.** The Agency Share may be paid to the Agency from any funding source available to the Taxing Entity.

**e.** The total cumulative amount of Agency Share paid to the Agency under this Agreement shall not exceed \$2,609,868 (the “**Maximum Amount**”).

**f.** The Agency Share shall not include any portion of the Tax Increment generated by the Taxing Entity’s tax levy that is attributable to an increase in the Taxing Entity’s tax rate pursuant to Utah Code § 59-2-919 and applicable hearing procedures that occurs after the effective date of this Agreement.

**g.** All Tax Increment generated by the Taxing Entity’s tax levy in excess of the Maximum Amount or for periods beyond the end of the Project Area Funds Collection Period shall be paid by Utah County directly to the Taxing Entity.

**2. Authorized Uses of Tax Increment and Incentive.** The Parties agree that the Agency may apply the funds collected hereunder to encourage the development of the Project Area as deemed

appropriate by the Agency and contemplated in the Project Area Plan, including but not limited to the cost and maintenance of public infrastructure and other improvements located within or benefitting the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

3. **No Third-Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third-party beneficiary under this Agreement.

4. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

5. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act.

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act.

c. Once executed, a copy of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act.

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act.

e. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all Parties in accordance with Section 11-13-219 of the Cooperation Act, upon which this Agreement shall become effective.

f. No separate legal entity is created by the terms of this Agreement and no facility, improvement, or other asset shall be jointly owned, jointly acquired, or jointly operated by the Parties to this Agreement.

g. The term of this Agreement shall commence on the publication of the notice described in Section 11-13-219 of the Cooperation Act and shall continue through the date that is 180 days after the date on which all of the final payment as contemplated herein has been paid to the

Agency. Notwithstanding any provision in this Agreement to the contrary, this Agreement shall automatically terminate on December 31, 2050.

h. Notwithstanding any provision in this Agreement to the contrary, the total cumulative amount of the Agency Share paid to the Agency shall not exceed the Maximum Amount.

6. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement. Further, in the event of any question regarding the calculation or payment of amounts contemplated hereunder, the Parties shall cooperate in good faith to resolve such issue.

8. **Due Diligence.** Each Party acknowledges for itself that it has performed its own review, investigation, and due diligence as to this Agreement, the Project Area, the Project Area Plan, and the expected benefits to the Parties and that each of the Parties has performed such investigation to its satisfaction and relies on its own understanding of the relevant facts and information.

9. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and the final, complete, and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations, and understandings, whether oral or written and whether express or implied, of the Parties hereto are hereby superseded and merged herein.

10. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

11. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

12. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

13. **Assignment.** No Party may assign any rights, duties, or obligations under this Agreement without the prior written consent of all Parties hereto.

14. **Authorization.** Each of the Parties hereto represents and warrants to the others that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

15. **Time of the Essence.** Time shall be of the essence in the performance of this Agreement.

16. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

17. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

18. **Prior Agreements.** The execution of this Agreement shall be deemed to constitute the termination of any and all prior agreements between the Agency and the Taxing Entity relating to tax increment generated within any portion of the Project Area. All such prior agreements and understandings are hereby terminated and deemed of no further force or effect.

19. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

**ENTERED** into as of the day and year first above written.

*[Remainder of page intentionally left blank; signature pages follow]*

**REDEVELOPMENT AGENCY OF PROVO  
CITY**

\_\_\_\_\_  
Michelle Kaufusi, Chief Executive Officer

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Provo City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
Adam S. Long

\_\_\_\_\_  
Date

*[signatures continue on next page]*

**PROVO CITY**

By: \_\_\_\_\_  
Michelle Kaufusi, Mayor

ATTEST:

\_\_\_\_\_  
Date

By: \_\_\_\_\_

Attorney Review for the Taxing Entity:

The undersigned, as attorney for Provo City has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT is entered into as of the 4, day of August 2022, by and between the REDEVELOPMENT AGENCY OF PROVO CITY (the "Agency") and PROVO CITY, Utah (the "City"). The foregoing are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, the Agency was created and organized pursuant to the provisions of the former Utah Neighborhood Reinvestment Act, Utah Code Annotated ("UCA"), has operated under the replacement acts known as the Utah Redevelopment Agencies Act, UCA §17A-2- 1201 et seq. (2000), and the Community Development and Renewal Agencies Act, Title 17C Chapters 1 through 4, UCA (2006), and currently continues to operate under the provisions of the extant successor statute, the Community Reinvestment Agency Act, Title 17 C, Chapters 1 through 5, UCA (2016) (the "Reinvestment Act"), and is authorized and empowered thereunder to undertake various activities and actions pursuant to the Reinvestment Act; and

WHEREAS, pursuant to applicable law on July 1, 2010, the Agency has established the Freedom Plaza Community Development Project Area (the "Project Area") through adoption of the Freedom Plaza Community Development Project Area Plan, the boundaries of which are described in Exhibit "A"; and

WHEREAS, pursuant to interlocal agreements with taxing entities the Reinvestment Act authorizes funding of community development project areas and plans, such as the Project Area and related Freedom Plaza Community Development Project Area Plan (the "Plan"), with property tax increment and sales tax proceeds; and

WHEREAS, the Agency is willing to use certain property tax increment from the Project Area attributable to the County's tax levy, and the City is willing to consent that certain property tax increment from the Project Area attributable to the City's tax levy be used, to support the construction of improvements within the public right-of-way adjacent to the planned parking structures on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003) and on the west side of the RC Willey block properties located north of 200 North, Provo, Utah (Parcel Nos. 04:085:0001, 04:085:0002, 04:085:0003, 04:085:0004, 04:085:0005, and 04:085:0006) within the Project Area and Plan; and

WHEREAS, Section 17C-4-201 of the Reinvestment Act authorizes a taxing entity to "consent to the Agency receiving the taxing entity's tax increment or sales tax revenues, or both, for the purpose of providing funds to carry out a proposed or adopted community development project area plan"; and

WHEREAS, Section 11-13-215, Utah Code Annotated also authorizes a taxing entity to share its tax and other revenues with other governmental agencies; and

WHEREAS, "for the purpose of providing funds to carry out" the Plan the City desires to consent that the Agency receive certain tax increment from the Project Area attributable to the City's tax levy in accordance with the terms of this Agreement; and

WHEREAS, this Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Reinvestment Act. and the Interlocal Cooperation Act, Title 11, Chapter 13, UCA, as amended (the "Cooperation Act").

NOW, THEREFORE, for the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

1. Base Year and Base Taxable Value: Payment of Tax Increment to Agency by City. This Agreement applies not to the entire Project Area but only to the tax increment collection area described in Exhibit "B" (the "Tax Increment Collection Area"). The Parties agree that for purposes of calculation of the City's share of tax increment from the Tax Increment Collection Area to be paid by the County (as the collector of taxes) to the Agency pursuant to this Agreement, the base year shall be 2017, and the base taxable value shall be the 2017 assessed taxable value of all real and personal property within the Tax Increment Collection Area. Based upon review of City and Utah State Tax Commission records, the Parties believe that the 2017 base taxable value of the Tax Increment Collection Area is approximately \$9,253,500. For the fifteen-year period described in Section 2 below, the property tax revenues from the City's levy that are attributable to the base taxable value shall continue to be paid to the City. A portion of the increase in the property tax revenues attributable to the City's tax levy on both real and personal property within the Tax Increment Collection Area, over and above the property tax revenues attributable to City's tax levy on the base taxable value, or in other words a portion of the tax increment attributable to the City's tax levy (the "Tax Increment"), in accordance with Section 17C-4-203(2) of the Act shall be paid by City to the Agency for the fifteen-year period provided and set forth in Section 2 below.

2. City's Consent. The City, pursuant to Section 17C-4-201 of the Reinvestment Act and Section 11-13-215 of the Cooperation Act, hereby agrees and consents that the Agency, for the fifteen tax years commencing the year that a certificate of occupancy is issued for the parking structure on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003), shall receive and be paid 75% of the Tax Increment attributable to the City's tax levy, including both the basic levy and local levy, on both real and personal property within the Tax Increment Collection Area, for the purpose of providing funds to support the construction of improvements within the public right-of-way adjacent to the planned parking structures on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003) and on the west side of the RC Willey block properties located north of 200 North, Provo, Utah (Parcel Nos. 04:085:0001, 04:085:0002, 04:085:0003, 04:085:0004, 04:085:0005, and 04:085:0006); PROVIDED, HOWEVER, that any portion of the City's taxes resulting from an increase in the City's tax rate pursuant to the requirements of Utah Code Ann. §59-2-919 and applicable hearing procedures, that occurs after the Effective Date (defined below) of this Agreement, or exceeding the total cumulative amount

of \$2,609,868, as defined in paragraph 5.f. hereof, shall not be paid to the Agency. All tax increment attributable to the City's tax levy for tax years beyond the fifteen tax years or in excess of the total cumulative amount of \$2,609,868 shall not be paid by City to the Agency. The calculation of the annual Tax Increment to be paid by the City to the Agency shall be made as required by Utah Code Ann. §17C-1-102(47)(a), using the then current tax levy rate. The City shall pay directly to the Agency the Tax Increment in accordance with Utah Code Ann. §17C-4-203 for the fifteen-year period described above.

3. No Third Party Beneficiary. Nothing in this Agreement shall be deemed or considered to create any obligation in favor of or rights in any person or entity not a party to this Agreement. No person or entity is an intended third party beneficiary of this Agreement. Any obligation of the Agency to make any payments to a developer, business or any person or entity is to be set forth in written agreements between the Agency and the person or entity, in accordance with terms and requirements satisfactory to the Agency.

4. Due Diligence. Each of the Parties acknowledges for itself that it has performed its own review, investigation and due diligence regarding the relevant facts concerning the Project Area and Plan and the expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

5. Interlocal Cooperation Act. In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement shall be authorized by a resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5 of the Cooperation Act;
- c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;
- d. The Chair of the Agency is hereby designated as the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;
- e. The term of this Agreement shall commence on the date of full execution of this Agreement by the Parties and continue through the date that is 180 days after the last payment of Tax Increment by the City to the Agency pursuant to the terms and provisions of this Agreement, but in any event shall terminate by December 31, 2040.
- f. Despite anything contained herein to the contrary, the total cumulative tax

increment to be paid to the Agency hereunder shall not exceed \$ \$2,609,868 . Should that sum not be exceeded prior to the expiration date of December 31, 2040:, then this Agreement shall expire on that date as provided herein. If the total cumulative amount paid to the Agency reaches \$2,609,868 prior to termination date of December 31, 2040, then from and after that amount is paid to the Agency, the Agency's interest in the property tax attributable to the City's tax levy shall automatically cease and thereafter all of the taxes, including any increment as defined herein shall be paid to the City.

- g. No separate legal entity is created by the terms of this Agreement and no facility or improvement will be jointly acquired, jointly owned, or jointly operated by the Parties under this Agreement.

6. Publication of Notice. Immediately after execution of this Agreement by the Parties, each of the Parties shall cause to be published a notice regarding this Agreement and the Party's resolution authorizing this Agreement, as provided and allowed pursuant to Section 11-13-219 of the Cooperation Act. The City agrees that the Agency may cause such notice to be published on the City's behalf in a joint publication.

7. Modification. A modification of, or amendment to, any provision contained in this Agreement shall be effective only if the modification or amendment is in writing and signed by the Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. Further Documents and Acts. Each of the Parties hereto agrees to cooperate in good faith with the other to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the intent and transactions contemplated under this Agreement.

9. Entire agreement. This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

10. Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

11. Assignment. No Party may assign its rights, duties or obligations under this agreement without the prior written consent first being obtained from all Parties.

12. Incorporation of Recitals. The recitals set forth above are hereby incorporated by reference as part of this Agreement.

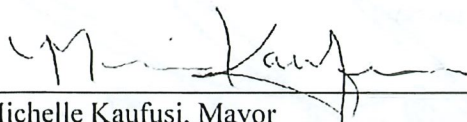
13. Governing Law. This Agreement shall be governed by, and construed and

interpreted in accordance with, the laws of the State of Utah.

14. Effective Date. This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law (See Section 17C- 4-202(3) of the Reinvestment Act).

ENTERED into as of the day and year first above written.

CITY OF PROVO  
UTAH COUNTY, UTAH

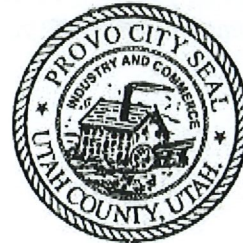
  
Michelle Kaufusi, Mayor

ATTEST:  
City Recorder  
By: \_\_\_\_\_




APPROVED AS TO FORM AND COMPLIANCE  
WITH APPLICABLE LAW

By:   
City Attorney

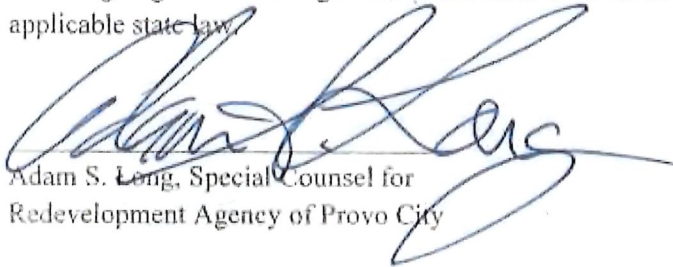


PROVO REDEVELOPMENT AGENCY

By:   
Chief Administrative Officer

Attorney Review for Redevelopment Agency:

The undersigned, as special counsel for the Redevelopment Agency of Provo City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

  
Adam S. Long, Special Counsel for  
Redevelopment Agency of Provo City

**EXHIBIT "A"**  
**Project Area Legal Description**

All of Blocks 87, 90 and 109, Plat "A", Provo City survey

EXHIBIT "B"  
DESCRIPTION AND MAP OF TAX INCREMENT COLLECTION AREA

The Tax Increment Collection Area applicable to this Agreement consists of the following parcels of real property located within the Project Area:

The following is a map showing the Tax Increment Collection Area:



1 RDA RESOLUTION <<Document Number>>

2  
3 A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH  
4 PROVO CITY REGARDING THE FREEDOM PLAZA COMMUNITY  
5 DEVELOPMENT PROJECT AREA. (25-056)  
6

7 RECITALS:  
8

9 On August 4, 2022, an interlocal agreement was entered into between Provo City and the  
10 Redevelopment Agency of Provo City (the Agency). See EXHIBIT A.  
11

12 That agreement was entered into subsequent to a parking settlement agreement between  
13 Provo City, the Agency, Utah County, and PEG Development.  
14

15 Under that parking settlement agreement, the City agreed to contribute 100% tax  
16 increment in the Freedom Plaza Community Development Project Area.  
17

18 However, the 2022 interlocal agreement incorrectly stated the contribution to be 75%.  
19

20 It is proposed that the Agency Governing Board approve an Amendment to the Interlocal  
21 Agreement to correct that error. See EXHIBIT B.  
22

23 On May 6, 2025, the Agency Governing Board met to consider the facts regarding this  
24 matter and receive public comment, which facts and comments are found in the public record of  
25 the Board's consideration; and  
26

27 After considering the facts presented to the Agency Governing Board, the Board finds  
28 that (i) the proposed action should be approved as described herein, and (ii) such action furthers  
29 the health, safety, and general welfare of the citizens of Provo City.  
30

31 THEREFORE, the Agency Governing Board resolves as follows:  
32

33 PART I:  
34

35 The new Interlocal Agreement between Provo City and the Redevelopment Agency of  
36 Provo City for 100% participation in the Freedom Plaza Community Project Area is approved  
37 and the Executive Officer is authorized to execute the agreement as shown in Exhibit B.  
38

39 PART II:  
40

41        This resolution takes effect immediately.

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** MMCNALLEY  
**Presenter:** Melissa McNalley, RDA Director  
**Department:** Development Services  
**Requested Meeting Date:** 04-22-2025  
**Requested Presentation Duration:** 20 minutes  
**CityView or Issue File Number:** 25-056

**SUBJECT:** 4      A resolution approving an interlocal agreement with the Redevelopment Agency of Provo City regarding the Freedom Plaza Community Development Project Area. (25-056)

**RECOMMENDATION:** Ultimately approve a resolution to amend the current agreement with PEG development

**BACKGROUND:** The interlocal agreement with PEG development and Provo City for the Freedom Commons CDA was incorrectly executed at 70% participation. The Development Agreement specifies Provo City participating at 100%

**FISCAL IMPACT:** \$74,4282.07

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Economic Development

# PROVO MUNICIPAL COUNCIL STAFF REPORT



**Submitter:** Melissa McNalley  
**Department:** Redevelopment Agency  
**Requested Meeting Date:** April 22, 2025

**SUBJECT:** A resolution approving an amended interlocal agreement with Provo City to increase participation to 100%

**RECOMMENDATION:** Approve the resolution.

**BACKGROUND:** In 2016, Provo City entered into an agreement With PEG Development to construct a parking structure to accommodate parking for the Utah Valley Convention Center in the Freedom Commons Community Development Area. In the Development agreement, Provo City's participation in the tax increment to the developer is defined at 100%. When interlocal agreements were executed in 2020, the City's participation was incorrectly defined at 70%. The County began collecting increment for the Freedom Commons area in 2023 at the 70% rate.

The interlocal agreement with Provo City needs to be amended to reflect 100% participation to honor the commitment in the development agreement.

**FISCAL IMPACT:** \$744,282.07 (15-year estimate on incremental increase spreadsheet attached with calculations)

**PRESENTER'S NAME:** Melissa McNalley Redevelopment Director - Development Services

**REQUESTED DURATION OF PRESENTATION:** 10 minutes

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Support economic growth.

**CITYVIEW OR ISSUE FILE NUMBER:**

## EXHIBIT B

### INTERLOCAL AGREEMENT FOR THE FREEDOM PLAZA COMMUNITY DEVELOPMENT PROJECT AREA

**THIS INTERLOCAL AGREEMENT** is entered into as of the date all parties have executed the agreement, by and between the **REDEVELOPMENT AGENCY OF PROVO CITY**, a political subdivision of the State of Utah (the “**Agency**”), and **PROVO CITY**, a political subdivision of the State of Utah (the “**Taxing Entity**”). The Agency and the Taxing Entity may be referred to individually as a “**Party**” and collectively as the “**Parties**”.

**A. WHEREAS** the Agency was created pursuant to the provisions of Utah redevelopment law, and continues to operate under the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct project area development activities within its boundaries, as contemplated by the Act; and

**B. WHEREAS** the Agency created Freedom Plaza Community Development Project Area (the “**Project Area**”) and adopted a project area plan for the Project Area on July 6, 2010; and

**C. WHEREAS** the Agency and the City adopted an amended project area plan modifying the boundaries of the Project Area (the “**Project Area Plan**”) on September 17, 2024, which is incorporated herein by this reference, and which includes the legal description and map of the Project Area, pursuant to which the Agency desires to provide for redevelopment within the Project Area; and

**D. WHEREAS** the Taxing Entity and the Agency have determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) and other funds in connection with the development of the Project Area as set forth in the Project Area Plan and as allowed by the Act; and

**E. WHEREAS** the Agency anticipates providing funds equal to a portion of the tax increment (as defined in Utah Code Annotated (“**UCA**”) § 17C-1-102(60) (hereinafter “**Tax Increment**”)), created by development within the Project Area, to assist in the project area development within the Project Area as provided in the Project Area Plan; and

**F. WHEREAS** the Act authorizes the Taxing Entity to consent to the payment to the Agency of amounts equal to all or a portion of the Tax Increment generated from the Project Area for the purposes set forth therein; and

**G. WHEREAS** in order to facilitate development of the Project, the Taxing Entity desires to pay to the Agency an amount equal to a portion of the Tax Increment generated by the Project Area attributable to the Taxing Entity’s tax levy on taxable property within the Project Area in accordance with the terms of this Agreement; and

**H. WHEREAS** UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

**I. WHEREAS** the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the “**Cooperation Act**”).

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**1. Tax Increment.**

**a.** Pursuant to the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid an amount equal to one hundred percent (100%) of the Taxing Entity’s portion of the Tax Increment generated within the Project Area (the “**Agency Share**”) for thirteen (13) years, for tax years 2025 through 2037 inclusive (the “**Project Area Funds Collection Period**”). The Agency Share shall be used for the purposes set forth in the Act and in the Project Area Plan and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid and (b) the base year value for purposes of calculating Tax Increment shall be \$9,253,500.00.

**b.** The Taxing Entity hereby authorizes and directs Utah County officials and personnel to pay directly to the Agency all amounts due to the Agency under this Agreement for the periods described herein.

**c.** The Agency Share shall be paid to the Agency no later than April 1<sup>st</sup> of the year following the tax year for which the Agency Share is to be paid.

**d.** The Agency Share may be paid to the Agency from any funding source available to the Taxing Entity.

**e.** The total cumulative amount of Agency Share paid to the Agency under this Agreement shall not exceed \$2,609,868 (the “**Maximum Amount**”).

**f.** The Agency Share shall not include any portion of the Tax Increment generated by the Taxing Entity’s tax levy that is attributable to an increase in the Taxing Entity’s tax rate pursuant to Utah Code § 59-2-919 and applicable hearing procedures that occurs after the effective date of this Agreement.

**g.** All Tax Increment generated by the Taxing Entity’s tax levy in excess of the Maximum Amount or for periods beyond the end of the Project Area Funds Collection Period shall be paid by Utah County directly to the Taxing Entity.

**2. Authorized Uses of Tax Increment and Incentive.** The Parties agree that the Agency may apply the funds collected hereunder to encourage the development of the Project Area as deemed

appropriate by the Agency and contemplated in the Project Area Plan, including but not limited to the cost and maintenance of public infrastructure and other improvements located within or benefitting the Project Area, incentives to developers or participants within the project area, administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act.

3. **No Third-Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third-party beneficiary under this Agreement.

4. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

5. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

a. This Agreement shall be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act.

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act.

c. Once executed, a copy of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act.

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act.

e. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all Parties in accordance with Section 11-13-219 of the Cooperation Act, upon which this Agreement shall become effective.

f. No separate legal entity is created by the terms of this Agreement and no facility, improvement, or other asset shall be jointly owned, jointly acquired, or jointly operated by the Parties to this Agreement.

g. The term of this Agreement shall commence on the publication of the notice described in Section 11-13-219 of the Cooperation Act and shall continue through the date that is 180 days after the date on which all of the final payment as contemplated herein has been paid to the

Agency. Notwithstanding any provision in this Agreement to the contrary, this Agreement shall automatically terminate on December 31, 2050.

h. Notwithstanding any provision in this Agreement to the contrary, the total cumulative amount of the Agency Share paid to the Agency shall not exceed the Maximum Amount.

6. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

7. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement. Further, in the event of any question regarding the calculation or payment of amounts contemplated hereunder, the Parties shall cooperate in good faith to resolve such issue.

8. **Due Diligence.** Each Party acknowledges for itself that it has performed its own review, investigation, and due diligence as to this Agreement, the Project Area, the Project Area Plan, and the expected benefits to the Parties and that each of the Parties has performed such investigation to its satisfaction and relies on its own understanding of the relevant facts and information.

9. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and the final, complete, and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations, and understandings, whether oral or written and whether express or implied, of the Parties hereto are hereby superseded and merged herein.

10. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

11. **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

12. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

a. such holding or action shall be strictly construed;

b. such provision shall be fully severable;

c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;

d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

13. **Assignment.** No Party may assign any rights, duties, or obligations under this Agreement without the prior written consent of all Parties hereto.

14. **Authorization.** Each of the Parties hereto represents and warrants to the others that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

15. **Time of the Essence.** Time shall be of the essence in the performance of this Agreement.

16. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.

17. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.

18. **Prior Agreements.** The execution of this Agreement shall be deemed to constitute the termination of any and all prior agreements between the Agency and the Taxing Entity relating to tax increment generated within any portion of the Project Area. All such prior agreements and understandings are hereby terminated and deemed of no further force or effect.

19. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

**ENTERED** into as of the day and year first above written.

*[Remainder of page intentionally left blank; signature pages follow]*

**REDEVELOPMENT AGENCY OF PROVO  
CITY**

\_\_\_\_\_  
Michelle Kaufusi, Chief Executive Officer

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_

Attorney Review for the Agency:

The undersigned, as counsel for the Redevelopment Agency of Provo City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
Adam S. Long

\_\_\_\_\_  
Date

*[signatures continue on next page]*

**PROVO CITY**

By: \_\_\_\_\_  
Michelle Kaufusi, Mayor

ATTEST:

\_\_\_\_\_  
Date

By: \_\_\_\_\_

Attorney Review for the Taxing Entity:

The undersigned, as attorney for Provo City has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT is entered into as of the 4, day of August 2022, by and between the REDEVELOPMENT AGENCY OF PROVO CITY (the "Agency") and PROVO CITY, Utah (the "City"). The foregoing are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, the Agency was created and organized pursuant to the provisions of the former Utah Neighborhood Reinvestment Act, Utah Code Annotated ("UCA"), has operated under the replacement acts known as the Utah Redevelopment Agencies Act, UCA §17A-2- 1201 et seq. (2000), and the Community Development and Renewal Agencies Act, Title 17C Chapters 1 through 4, UCA (2006), and currently continues to operate under the provisions of the extant successor statute, the Community Reinvestment Agency Act, Title 17 C, Chapters 1 through 5, UCA (2016) (the "Reinvestment Act"), and is authorized and empowered thereunder to undertake various activities and actions pursuant to the Reinvestment Act; and

WHEREAS, pursuant to applicable law on July 1, 2010, the Agency has established the Freedom Plaza Community Development Project Area (the "Project Area") through adoption of the Freedom Plaza Community Development Project Area Plan, the boundaries of which are described in Exhibit "A"; and

WHEREAS, pursuant to interlocal agreements with taxing entities the Reinvestment Act authorizes funding of community development project areas and plans, such as the Project Area and related Freedom Plaza Community Development Project Area Plan (the "Plan"), with property tax increment and sales tax proceeds; and

WHEREAS, the Agency is willing to use certain property tax increment from the Project Area attributable to the County's tax levy, and the City is willing to consent that certain property tax increment from the Project Area attributable to the City's tax levy be used, to support the construction of improvements within the public right-of-way adjacent to the planned parking structures on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003) and on the west side of the RC Willey block properties located north of 200 North, Provo, Utah (Parcel Nos. 04:085:0001, 04:085:0002, 04:085:0003, 04:085:0004, 04:085:0005, and 04:085:0006) within the Project Area and Plan; and

WHEREAS, Section 17C-4-201 of the Reinvestment Act authorizes a taxing entity to "consent to the Agency receiving the taxing entity's tax increment or sales tax revenues, or both, for the purpose of providing funds to carry out a proposed or adopted community development project area plan"; and

WHEREAS, Section 11-13-215, Utah Code Annotated also authorizes a taxing entity to share its tax and other revenues with other governmental agencies; and

WHEREAS, "for the purpose of providing funds to carry out" the Plan the City desires to consent that the Agency receive certain tax increment from the Project Area attributable to the City's tax levy in accordance with the terms of this Agreement; and

WHEREAS, this Agreement is entered into by the Parties pursuant to the authority of applicable State law, including the Reinvestment Act. and the Interlocal Cooperation Act, Title 11, Chapter 13, UCA, as amended (the "Cooperation Act").

NOW, THEREFORE, for the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

1. Base Year and Base Taxable Value: Payment of Tax Increment to Agency by City. This Agreement applies not to the entire Project Area but only to the tax increment collection area described in Exhibit "B" (the "Tax Increment Collection Area"). The Parties agree that for purposes of calculation of the City's share of tax increment from the Tax Increment Collection Area to be paid by the County (as the collector of taxes) to the Agency pursuant to this Agreement, the base year shall be 2017, and the base taxable value shall be the 2017 assessed taxable value of all real and personal property within the Tax Increment Collection Area. Based upon review of City and Utah State Tax Commission records, the Parties believe that the 2017 base taxable value of the Tax Increment Collection Area is approximately \$9,253,500. For the fifteen-year period described in Section 2 below, the property tax revenues from the City's levy that are attributable to the base taxable value shall continue to be paid to the City. A portion of the increase in the property tax revenues attributable to the City's tax levy on both real and personal property within the Tax Increment Collection Area, over and above the property tax revenues attributable to City's tax levy on the base taxable value, or in other words a portion of the tax increment attributable to the City's tax levy (the "Tax Increment"), in accordance with Section 17C-4-203(2) of the Act shall be paid by City to the Agency for the fifteen-year period provided and set forth in Section 2 below.

2. City's Consent. The City, pursuant to Section 17C-4-201 of the Reinvestment Act and Section 11-13-215 of the Cooperation Act, hereby agrees and consents that the Agency, for the fifteen tax years commencing the year that a certificate of occupancy is issued for the parking structure on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003), shall receive and be paid 75% of the Tax Increment attributable to the City's tax levy, including both the basic levy and local levy, on both real and personal property within the Tax Increment Collection Area, for the purpose of providing funds to support the construction of improvements within the public right-of-way adjacent to the planned parking structures on the west side of the courthouse property located at 182 North Freedom Boulevard, Provo, Utah (Parcel No. 39:251:0003) and on the west side of the RC Willey block properties located north of 200 North, Provo, Utah (Parcel Nos. 04:085:0001, 04:085:0002, 04:085:0003, 04:085:0004, 04:085:0005, and 04:085:0006); PROVIDED, HOWEVER, that any portion of the City's taxes resulting from an increase in the City's tax rate pursuant to the requirements of Utah Code Ann. §59-2-919 and applicable hearing procedures, that occurs after the Effective Date (defined below) of this Agreement, or exceeding the total cumulative amount

of \$2,609,868, as defined in paragraph 5.f. hereof, shall not be paid to the Agency. All tax increment attributable to the City's tax levy for tax years beyond the fifteen tax years or in excess of the total cumulative amount of \$2,609,868 shall not be paid by City to the Agency. The calculation of the annual Tax Increment to be paid by the City to the Agency shall be made as required by Utah Code Ann. §17C-1-102(47)(a), using the then current tax levy rate. The City shall pay directly to the Agency the Tax Increment in accordance with Utah Code Ann. §17C-4-203 for the fifteen-year period described above.

3. No Third Party Beneficiary. Nothing in this Agreement shall be deemed or considered to create any obligation in favor of or rights in any person or entity not a party to this Agreement. No person or entity is an intended third party beneficiary of this Agreement. Any obligation of the Agency to make any payments to a developer, business or any person or entity is to be set forth in written agreements between the Agency and the person or entity, in accordance with terms and requirements satisfactory to the Agency.

4. Due Diligence. Each of the Parties acknowledges for itself that it has performed its own review, investigation and due diligence regarding the relevant facts concerning the Project Area and Plan and the expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

5. Interlocal Cooperation Act. In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement shall be authorized by a resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5 of the Cooperation Act;
- c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;
- d. The Chair of the Agency is hereby designated as the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;
- e. The term of this Agreement shall commence on the date of full execution of this Agreement by the Parties and continue through the date that is 180 days after the last payment of Tax Increment by the City to the Agency pursuant to the terms and provisions of this Agreement, but in any event shall terminate by December 31, 2040.
- f. Despite anything contained herein to the contrary, the total cumulative tax

increment to be paid to the Agency hereunder shall not exceed \$ \$2,609,868 . Should that sum not be exceeded prior to the expiration date of December 31, 2040:, then this Agreement shall expire on that date as provided herein. If the total cumulative amount paid to the Agency reaches \$2,609,868 prior to termination date of December 31, 2040, then from and after that amount is paid to the Agency, the Agency's interest in the property tax attributable to the City's tax levy shall automatically cease and thereafter all of the taxes, including any increment as defined herein shall be paid to the City.

- g. No separate legal entity is created by the terms of this Agreement and no facility or improvement will be jointly acquired, jointly owned, or jointly operated by the Parties under this Agreement.

6. Publication of Notice. Immediately after execution of this Agreement by the Parties, each of the Parties shall cause to be published a notice regarding this Agreement and the Party's resolution authorizing this Agreement, as provided and allowed pursuant to Section 11-13-219 of the Cooperation Act. The City agrees that the Agency may cause such notice to be published on the City's behalf in a joint publication.

7. Modification. A modification of, or amendment to, any provision contained in this Agreement shall be effective only if the modification or amendment is in writing and signed by the Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

8. Further Documents and Acts. Each of the Parties hereto agrees to cooperate in good faith with the other to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the intent and transactions contemplated under this Agreement.

9. Entire agreement. This Agreement and its exhibits constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

10. Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

11. Assignment. No Party may assign its rights, duties or obligations under this agreement without the prior written consent first being obtained from all Parties.

12. Incorporation of Recitals. The recitals set forth above are hereby incorporated by reference as part of this Agreement.

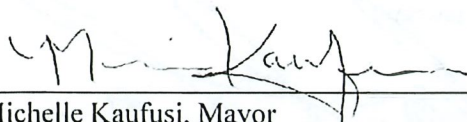
13. Governing Law. This Agreement shall be governed by, and construed and

interpreted in accordance with, the laws of the State of Utah.

14. Effective Date. This Agreement shall become effective upon the publication of the summary of this Agreement as provided by law (See Section 17C- 4-202(3) of the Reinvestment Act).

ENTERED into as of the day and year first above written.

CITY OF PROVO  
UTAH COUNTY, UTAH

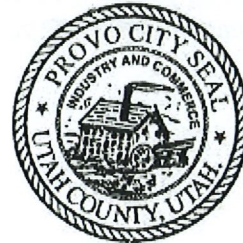
  
Michelle Kaufusi, Mayor

ATTEST:  
City Recorder  
By: \_\_\_\_\_

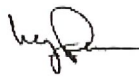


APPROVED AS TO FORM AND COMPLIANCE  
WITH APPLICABLE LAW

By:   
City Attorney

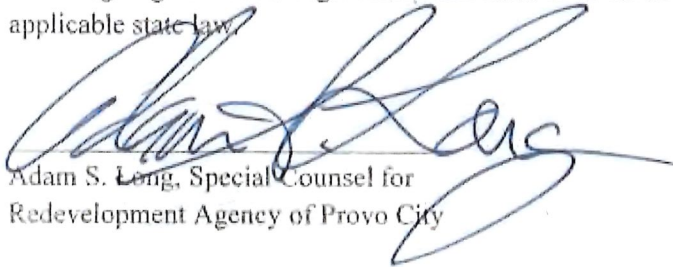


PROVO REDEVELOPMENT AGENCY

By:   
Chief Administrative Officer

Attorney Review for Redevelopment Agency:

The undersigned, as special counsel for the Redevelopment Agency of Provo City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

  
Adam S. Long, Special Counsel for  
Redevelopment Agency of Provo City

**EXHIBIT "A"**  
**Project Area Legal Description**

All of Blocks 87, 90 and 109, Plat "A", Provo City survey

**EXHIBIT "B"**  
**DESCRIPTION AND MAP OF TAX INCREMENT COLLECTION AREA**

The Tax Increment Collection Area applicable to this Agreement consists of the following parcels of real property located within the Project Area:

The following is a map showing the Tax Increment Collection Area:



1 RESOLUTION <<Document Number>>

2  
3 A RESOLUTION APPROVING AN INTERLOCAL AGREEMENT WITH THE  
4 REDEVELOPMENT AGENCY OF PROVO CITY REGARDING THE  
5 FREEDOM PLAZA COMMUNITY DEVELOPMENT PROJECT AREA.  
6 (25-056)

7  
8 RECITALS:

9  
10 On August 4, 2022, an interlocal agreement was entered into between Provo City and the  
11 Redevelopment Agency of Provo City (the Agency). See EXHIBIT A.

12  
13 That agreement was entered into subsequent to a parking settlement agreement between  
14 Provo City, the Agency, Utah County, and PEG Development.

15  
16 Under that parking settlement agreement, the City agreed to contribute 100% tax  
17 increment in the Freedom Plaza Community Development Project Area.

18  
19 However, the 2022 interlocal agreement incorrectly stated the contribution to be 75%.

20  
21 It is proposed that the Municipal Council approve an Amendment to the Interlocal  
22 Agreement to correct that error. See EXHIBIT B.

23  
24 On May 6, 2025, the Municipal Council met to consider the facts regarding this matter  
25 and receive public comment, which facts and comments are found in the public record of the  
26 Council's consideration; and

27  
28 After considering the facts presented to the Municipal Council, the Council finds that (i)  
29 the proposed action should be approved as described herein, and (ii) such action furthers the  
30 health, safety, and general welfare of the citizens of Provo City.

31  
32 THEREFORE, the Provo Municipal Council resolves as follows:

33  
34 PART I:

35  
36 The new Interlocal Agreement between Provo City and the Redevelopment Agency of  
37 Provo City for 100% participation in the Freedom Plaza Community Project Area is approved  
38 and the Mayor is authorized to execute the agreement as shown in Exhibit B.

39  
40 PART II:

41

42       This resolution takes effect immediately.

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** JOHNB  
**Presenter:** Mayor Kaufusi and John Borget, Director of  
Administrative Services  
**Department:** Administrative Services  
**Requested Meeting Date:** 05-06-2025  
**Requested Presentation Duration:** 30 minutes  
**CityView or Issue File Number:** 25-025

**SUBJECT:** 5      A resolution tentatively adopting a proposed budget for Provo City for the fiscal year beginning July 1, 2025 and ending June 30, 2026. (25-025)

**RECOMMENDATION:** Tentatively adopt the proposed budget for Provo City beginning July 1, 2025 and ending June 30, 2026

**BACKGROUND:** The budget is required to be tentatively adopted annually when it is received from the administration.

**FISCAL IMPACT:** Budget for 2026

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Compatible with General Plan

1 RESOLUTION <<Document Number>>  
2  
3

4 A RESOLUTION TENTATIVELY ADOPTING A PROPOSED BUDGET FOR  
5 PROVO CITY FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND  
6 ENDING JUNE 30, 2026. (25-025)  
7

8 RECITALS:  
9

10 The Mayor has prepared a proposed budget for the fiscal year beginning July 1, 2025, and ending  
11 June 30, 2026, as set forth in the attached Exhibit A, (the "Proposed Budget") for Provo City as required  
12 by Utah state law;  
13

14 The Proposed Budget, together with supporting schedules and data, will be available for public  
15 inspection in the office of the City Recorder as required by law;  
16

17 The Municipal Council will consider formal adoption of the Proposed Budget in public  
18 hearings to be held on June 3, 2025 and June 17, 2025;  
19

20 The Municipal Council finds the Proposed Budget should be tentatively adopted as required by  
21 Section 10-6-111(3) of the Uniform Fiscal Procedures Act for Utah Cities; and  
22

23 THEREFORE, the Provo Municipal Council resolves as follows:  
24

25 PART I:  
26

27 1. The Proposed Budget, as set forth in the attached Exhibit A, is tentatively adopted.  
28

29 2. The Municipal Council directs that public hearings to consider the Proposed Budget will be  
30 held on June 3, 2025, and June 17, 2025, and that notice of both hearings must be published at least seven  
31 days prior to the first hearing as required by Section 10-6-113 of the Uniform Fiscal Procedures Act for  
32 Utah Cities.  
33

34 PART II:  
35

36 This resolution takes effect immediately.  
37

38 END OF RESOLUTION.

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** TARAR  
**Presenter:** Tara Riddle, Property Administrator  
**Department:** Development Services  
**Requested Meeting Date:** 05-06-2025  
**Requested Presentation Duration:** 10 Minutes  
**CityView or Issue File Number:** 25-054

**SUBJECT:** 6      A resolution to place an 11.136 acre parcel of ground located on the southeast corner of Bulldog Lane and Lakeview Parkway on the surplus property list and authorize the mayor to dispose of the property. (25-054)

**RECOMMENDATION:** It is requested that the Municipal Council approve the resolution to place a 11.136 acre parcel of ground located on the southeast corner of Bulldog Lane and Lakeview Parkway on the surplus property list and authorize the Mayor to dispose of the property.

**BACKGROUND:** This parcel is a remnant of the property acquired for the future extension of Lakeview Parkway. The property is in the process of being annexed into the Provo City Limits. The city would like to have this property eventually transferred to a developer for a housing project to include both workforce and market rate housing. The details of that agreement are still being negotiated and will be brought to the Council for final approval.

**FISCAL IMPACT:** None

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**

The surplusing of this property is compatible and in compliances with the general plan, policies, goals, and objectives of Provo City.

1 RESOLUTION <<Document Number>>

2  
3 A RESOLUTION TO PLACE AN 11.136 ACRE PARCEL OF GROUND  
4 LOCATED ON THE SOUTHEAST CORNER OF BULLDOG LANE AND  
5 LAKEVIEW PARKWAY ON THE SURPLUS PROPERTY LIST AND  
6 AUTHORIZE THE MAYOR TO DISPOSE OF THE PROPERTY. (25-054)  
7

8 Provo City (the City) owns an 11.136 acre parcel of ground located generally on the  
9 southeast corner of Bulldog Lane and Lakeview Parkway and identified as a portion of Utah  
10 County Tax ID #s 19-044-0049, 19-044-0051, 19-044-0054, and 19-044-0055, which is further  
11 described in Exhibit A;  
12

13 This property is vacant and soon to be annexed into the Provo City limits;  
14

15 Provo City desires to transfer this property to a developer for a housing project to include  
16 both workforce and market rate housing;  
17

18 The Mayor has recommended that this parcel be placed on the surplus property list and  
19 disposed of subject to the conditions set in Provo City Code 3.04.030;  
20

21 On May 6, 2025, the Municipal Council met to consider the facts regarding this matter and  
22 receive public comment, which facts and comments are found in the public record of the Council's  
23 consideration; and  
24

25 After considering the facts presented to the Municipal Council, the Council finds (i) the  
26 proposed action should be approved and (ii) such action reasonably furthers the health, safety, and  
27 general welfare of the citizens of Provo City.  
28

29 THEREFORE, the Provo Municipal Council resolves, as follows:  
30

31 PART I:  
32

33 The real property described in the attached Exhibit A is hereby placed on the Surplus  
34 Property List and the Mayor is authorized to negotiate the transfer of the property subject to the  
35 conditions in Provo City Code 3.04.030 and will bring the terms of the final agreement with the  
36 developer back to the Municipal Council for approval.  
37

38 PART II:  
39

40 This resolution takes effect immediately.  
41

42 END OF RESOLUTION.

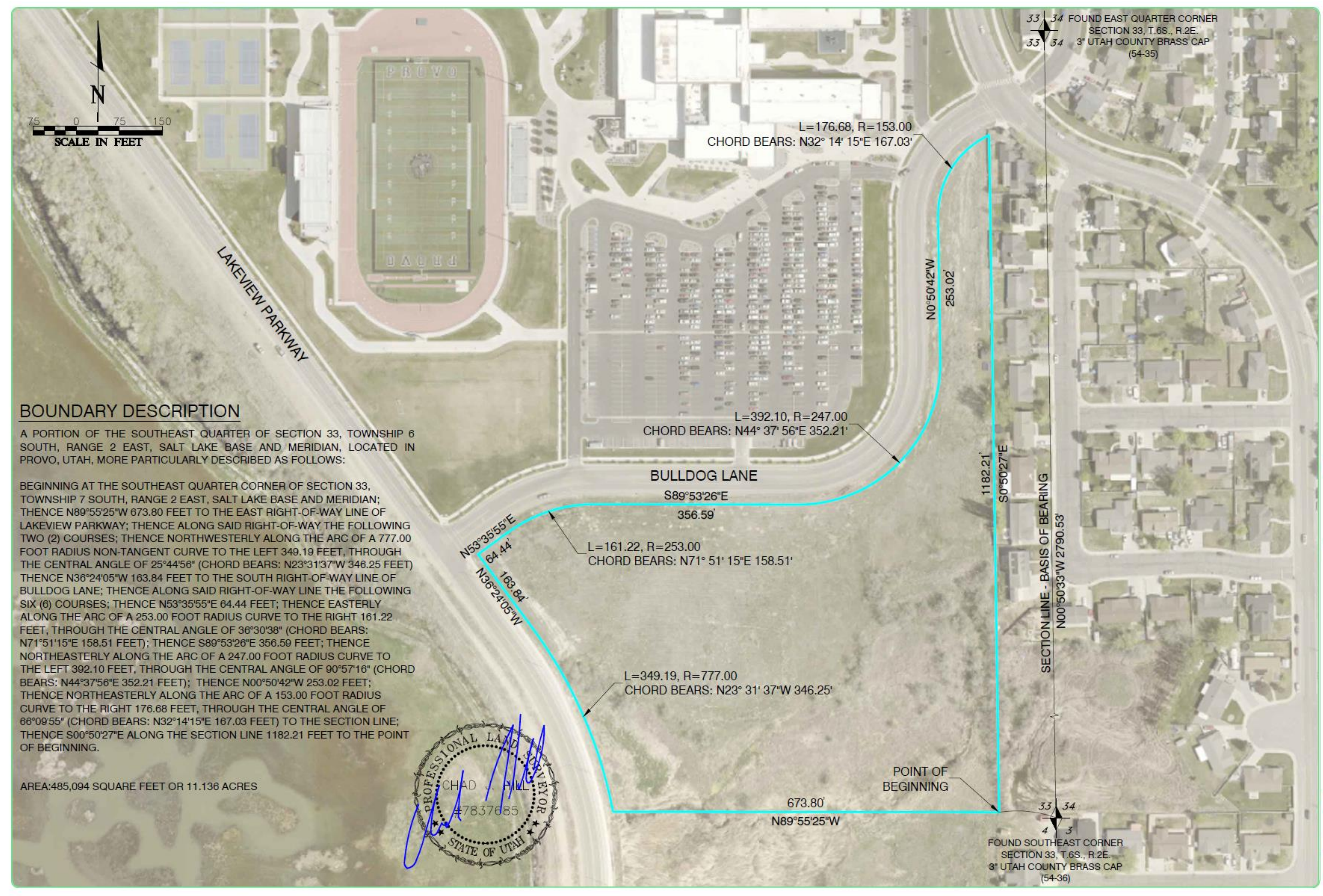
## EXHIBIT A

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 6 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN, LOCATED IN PROVO, UTAH, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST QUARTER CORNER OF SECTION 33, TOWNSHIP 7 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN;  
THENCE N89°55'25"W 673.80 FEET TO THE EAST RIGHT-OF-WAY LINE OF LAKEVIEW PARKWAY; THENCE ALONG SAID RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES; THENCE NORTHWESTERLY ALONG THE ARC OF A 777.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT 349.19 FEET, THROUGH THE CENTRAL ANGLE OF 25°44'56" (CHORD BEARS: N23°31'37"W 346.25 FEET) THENCE N36°24'05"W 163.84 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF BULLDOG LANE; THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING SIX (6) COURSES; THENCE N53°35'55"E 64.44 FEET; THENCE EASTERLY ALONG THE ARC OF A 253.00 FOOT RADIUS CURVE TO THE RIGHT 161.22 FEET, THROUGH THE CENTRAL ANGLE OF 36°30'38" (CHORD BEARS: N71°51'15"E 158.51 FEET); THENCE S89°53'26"E 356.59 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF A 247.00 FOOT RADIUS CURVE TO THE LEFT 392.10 FEET, THROUGH THE CENTRAL ANGLE OF 90°57'16" (CHORD BEARS: N44°37'56"E 352.21 FEET); THENCE N00°50'42"W 253.02 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF A 153.00 FOOT RADIUS CURVE TO THE RIGHT 176.68 FEET, THROUGH THE CENTRAL ANGLE OF 66°09'55" (CHORD BEARS: N32°14'15"E 167.03 FEET) TO THE SECTION LINE; THENCE S00°50'27"E ALONG THE SECTION LINE 1182.21 FEET TO THE POINT OF BEGINNING.

AREA: 485,094 SQUARE FEET OR 11.136 ACRES

Subject is located on the  
southeast corner of  
Bulldog Lane  
and Lakeview Parkway



## The Details

- Parcel contains 11.136 acres of property.
- Parcel is a remnant area remaining from the acquisition in 2014 for the extension of Lakeview Parkway

The Details  
continued.....

- Departmental Review was completed and recommended to be placed on the Surplus Property List.
- Intent is to transfer to a developer for development into housing project which will include both workforce and market rate housing. The details of this agreement are still being negotiated and will be brought to the Council for approval.

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** JMAGNESS  
**Presenter:** Justin Harrison, Council Executive Director  
**Department:** Council  
**Requested Meeting Date:**  
**Requested Presentation Duration:** 15 minutes  
**CityView or Issue File Number:** 25-010

**SUBJECT:** 7      An ordinance amending Provo City Code regarding mayoral compensation.  
(25-010)

**RECOMMENDATION:** Approve the ordinance as written. PCC 4.04.130(4) states "After receipt of the recommendations of the Commission, the Municipal Council shall hold a vote upon said recommendations no later than the third Tuesday in June and shall by majority vote establish any change in the annual compensation for the Mayor and/or Municipal Council members by ordinance. Compensation for the Mayor and Municipal Council members shall be considered in two (2) separate ordinances."

**BACKGROUND:** At the April 8, 2025 Council Meeting, the Chair of the quadrennial Elected Officials Compensation Commission reported its recommendations on Mayoral and Council member compensation.

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for the mayor to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of \$160,959.00. Our recommendation is based on the following data:

- The current salary rate for the Provo City mayor is approximately 6.4% below the median salary of mayors in cities comparable in size to Provo.
- We also estimate that other cities will provide an approximate 2-2.5% Cost of Living Adjustment. This recommended salary includes this anticipated COLA.

Given the extra complexities of serving as a Mayor in Provo, including that Provo has an airport and a municipal power plant, we feel that it is appropriate for a mayor to receive, at a minimum, compensation on par with the median rate.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for the mayor be set at \$160,959.00 per year beginning January 1, 2026. We recommend that the existing benefits remain in effect. Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

**FISCAL IMPACT:** NA

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**

ORDINANCE 2025 <<Document Number>>

AN ORDINANCE AMENDING PROVO CITY CODE REGARDING  
MAYORAL COMPENSATION. (25-010)

It is proposed that Section 4.04.120 of the Provo City Code be amended to adjust the annual salary for Provo's City Mayor be set at \$160,959 per year beginning with 2026 calendar year;

Under Provo City Code Section 4.04.125, the Elected Officials Compensation Commission (Compensation Commission) was created and tasked with recommending an annual salary for the Mayor once every four years;

The Commission identified the average annual salary of mayors serving populations of greater than 85,000 is \$162,458;

The Commission concluded that scope of duties place additional duties and responsibilities on the Provo Mayor which are not faced by the mayors of other Utah Cities of comparable size, combined with all the other issues inherent to a city the size of Provo, warrant a higher level of compensation than the Mayor has been receiving;

The Compensation Commission unanimously recommends that the annual salary for the Provo Mayor be set at \$160,959 per year beginning January 1, 2026;

On April 22 and May 6, 2025, the Municipal Council met to ascertain the facts regarding this matter and receive public comment, which facts and comments are found in the public record of the Council's consideration;

After considering the facts presented to the Municipal Council, the Council finds that (i) the proposed action should be approved, and (ii) such action furthers the health, safety, and general welfare of the citizens of Provo City.

THEREFORE, the Provo Municipal Council ordains as follows:

PART I

Section 4.04.120 of the Provo City Code is hereby amended as follows:

**4.04.120. Mayoral Compensation**

The compensation for the Mayor, who serves as the elected chief executive officer of the City, is set at ~~one hundred twenty thousand dollars (\$120,000.00)~~ one hundred sixty thousand and nine hundred fifty-nine dollars (\$160,959) per annum. Such salary will be adjusted in the same manner and in the same percentage increase as may from time to time be authorized as a cost-of-living adjustment for full-time city employees. The Mayor may:

(1) Elect to participate in the retirement plan, employee cafeteria benefits plan, and healthcare reimbursement arrangement in the same manner as a full-time City employee; and

(2) Have access to the employee assistance plan, wellness programs, and voluntary group benefits that may be available to City employees.

PART II:

- A. If a provision of this ordinance conflicts with a provision of a previously adopted ordinance, this ordinance prevails.
- B. This ordinance and its various sections, clauses, and paragraphs are severable. If any part, sentence, clause, or phrase is judicially determined to be unconstitutional or invalid, the remainder of the ordinance is not affected by that determination.
- C. This ordinance takes effect immediately after it has been posted or published in accordance with Utah Code Section 10-3-711, presented to the Mayor in accordance with Utah Code Section 10-3b-204, and recorded in accordance with Utah Code Section 10-3-713.
- D. This ordinance shall take effect as prescribed in Provo City Code Section 4.04.130 (5), which is December 21, 2025.

END OF ORDINANCE.

# Provo Municipal Council Member Annual Salary Recommendation by the 2025 Elected Officials Compensation Commission

March 20, 2025

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for municipal council members to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of **\$28,846**. Our recommendation is based on the following data:

- Other council members of cities of comparable size receive retirement benefits, valued at 15.19% of their salary.
- We also estimate that other cities will provide an approximate 2-2.5% Cost of Living Adjustment. This recommended salary includes this anticipated COLA.
- We also factored in expense compensation to calculate a councilmembers' total compensation compared to salaries in other cities.
- Given the extra complexities of serving in Provo as a city which uniquely has both an airport and our own municipal power, we feel that it is appropriate and sound for a council member to receive, at a minimum, compensation on par with the median compensation rate inclusive of all benefits.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for each municipal council member be set at **\$28,846** per year beginning January 1, 2026.

We recommend that the existing additional annual compensation for expenses related to communications and travel expenses required by the role remain in effect at \$3,300.00 per year.

Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

## Market Data Analysis

*Prepared as of March 11, 2025*

Council members are universally part-time employees in other agencies but receive health benefits as if they were a full-time employee.

Not all agencies offer retirement contributions to council members. However, all cities with 85,000+ residents do, except for Provo City. The value of the retirement contribution is 15.19%.

Current council member salaries, population, and reported additional compensation for cities and counties with 85,000+ residents are as follows:

Agency	Salary	Pop.	Additional Annual Compensation Reported
Orem	\$16,135	94,000	\$1,800 travel allowance
West Jordan	\$18,000	116,000	--
Provo*	\$23,850	115,000	\$1,800 communications + \$1,500 expense
St. George	\$25,714	108,000	\$1,800 travel allowance
Ogden**	\$26,577	88,000	\$650***
West Valley	\$28,760	133,000	--
Sandy	\$30,716	91,000	--
Salt Lake County	\$52,083	1,200,000	--
Salt Lake City	\$52,941	215,000	--

*\*Provo Council Chair and Vice Chair receive an additional \$1,500 and \$1,020 respectively for expenses.*

*\*\*Ogden Council Chair and Vice Chair receive \$29,470*

*\*\*\*\$150 year for apparel; \$1,000 every other year (average = \$650 annually)*

The average council member salary of the 7 cities with populations of 85,000+ residents is \$28,406. The median salary is \$26,577.

The average compensation for city council members after accounting for reported additional compensation is \$29,005 (excludes the value of retirement contributions). The median compensation is \$27,514.

# Provo Mayor Annual Salary Recommendation by the 2025 Elected Officials Compensation Commission

March 20, 2025

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for the mayor to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of **\$160,959.00**. Our recommendation is based on the following data:

- The current salary rate for the Provo City mayor is approximately 6.4% below the median salary of mayors in cities comparable in size to Provo.
- We also estimate that other cities will provide an approximate 2-2.5% Cost of Living Adjustment. This recommended salary includes this anticipated COLA.

Given the extra complexities of serving as a Mayor in Provo, including that Provo has an airport and a municipal power plant, we feel that it is appropriate for a mayor to receive, at a minimum, compensation on par with the median rate.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for the mayor be set at **\$160,959.00** per year beginning January 1, 2026. We recommend that the existing benefits remain in effect.

Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

## Market Data Analysis:

Full-time mayors are given the same retirement and medical benefits that are offered to the full-time employees in their city.

Historically, full-time mayors are generally not the highest paid position in the city. Their salary is typically less than the city manager and department heads. Salt Lake City deviated from this philosophy in 2024 and adjusted the mayor's salary based on comparisons to city managers in Utah.

In 2013, the commission limited market comparisons to full-time mayors serving populations of approximately 50,000+ residents. This included Logan, Murray, Ogden, Salt Lake City, Salt Lake County, Sandy, and West Jordan.

In 2017, the commission further narrowed comparisons to full-time mayors serving cities with populations of 85,000+ residents. This included Ogden, Salt Lake City, Sandy, and West Jordan (Salt Lake County was excluded as a comparison). The 2021 commission used this same philosophy.

The current salaries of all full-time mayors in Utah are listed in ascending order below. Cities with a population of 85,000+ residents are highlighted in green.

Agency	Salary	Population
Toole	\$117,952	40,000
Eagle Mountain	\$119,800	61,000
Logan	\$121,818	57,000
West Jordan	\$124,000	116,000
Murray	\$139,921	49,000
Ogden	\$143,318	88,000
Provo	\$147,638	115,000
South Salt Lake	\$147,737	27,000
Sandy	\$170,747	91,000
Salt Lake City	\$211,765	215,000
Salt Lake County	\$197,478	1,200,000

The average mayoral salary of the 4 cities with populations of 85,000+ residents is \$162,458. The median salary is \$157,033.

## Provo City Compensation Commission Members

Anna King

David Shipley

David Wright

Jim Tracy

Josh Fillmore

Juan Riboldi

Michaelann Gardner

## Human Resources for Provo City

Daniel Softley

Lillian Montoya

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** JMAGNESS  
**Presenter:** Justin Harrison, Municipal Council Executive Director  
**Department:** Council  
**Requested Meeting Date:** 04-20-2021  
**Requested Presentation Duration:** 15 minutes  
**CityView or Issue File Number:** 25-010

**SUBJECT:** 8 An ordinance amending Provo City Code regarding municipal councilors' compensation. (25-010)

**RECOMMENDATION:** Approve the ordinance as written. PCC 4.04.130(4) states "After receipt of the recommendations of the Commission, the Municipal Council shall hold a vote upon said recommendations no later than the third Tuesday in June and shall by majority vote establish any change in the annual compensation for the Mayor and/or Municipal Council members by ordinance. Compensation for the Mayor and Municipal Council members shall be considered in two (2) separate ordinances."

**BACKGROUND:** At the April 8, 2025 Council Meeting, the Chair of the quadrennial Elected Officials Compensation Commission reported its recommendations on Mayoral and Council member compensation.

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for municipal council members to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of \$28,846. Our recommendation is based on the following data:

- Other council members of cities of comparable size receive retirement benefits, valued at 15.19% of their salary.
- We also estimate that other cities will provide an approximate 2-2.5% Cost of Living Adjustment. This recommended salary includes this anticipated COLA.
- We also factored in expense compensation to calculate a councilmembers' total compensation compared to salaries in other cities.
- Given the extra complexities of serving in Provo as a city which uniquely has both an airport and our own municipal power, we feel that it is appropriate and sound for a council member to receive, at a minimum, compensation on par with the median compensation rate inclusive of all benefits.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for each municipal council member be set at \$28,846 per year beginning January 1, 2026.

We recommend that the existing additional annual compensation for expenses related to communications and travel expenses required by the role remain in effect at \$3,300.00 per year.

Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

**FISCAL IMPACT:** Additional budget costs are ~ \$33,600 per year; FY2022 impact ~ \$16,800

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**

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AN ORDINANCE AMENDING PROVO CITY CODE REGARDING  
MUNICIPAL COUNCILORS' COMPENSATION. (25-010)

It is proposed that Section 4.04.110 of the Provo City Code be amended to adjust the annual salary for Provo's City Council members be set at \$28,846 per year beginning with the 2026 calendar year;

Under Provo City Code Section 4.04.125, the Elected Officials Compensation Commission (Compensation Commission) was created and tasked with recommending an annual salary for the Municipal Council members once every four years;

The Commission identified the average annual salary of city council members serving populations of greater than 85,000 is \$28,846;

The Commission concluded that the scope of duties of Provo Council members, and taking into consideration all the issues inherent in a city the size of Provo, warrant a higher level of compensation than they are currently receiving;

The Compensation Commission unanimously recommends that the annual salary for City Council members be set at \$28,846 per year beginning January 1, 2026;

On April 22 and May 6, 2025, the Municipal Council met to ascertain the facts regarding this matter and receive public comment, which facts and comments are found in the public record of the Council's consideration;

After considering the facts presented to the Municipal Council, the Council finds that (i) the proposed action should be approved, and (ii) such action furthers the health, safety, and general welfare of the citizens of Provo City.

THEREFORE, the Provo Municipal Council ordains as follows:

## PART I.

Section 4.04.110 of the Provo City Code is hereby amended as follows:

#### **4.04.110. Municipal Council Members Compensation, Expenses and Benefits**

Compensation, expense reimbursement, and benefits for members of the Provo Municipal Council shall be as follows:

(1) Each Municipal Council member shall be paid an annual salary of ~~eighteen thousand dollars (\$18,000.00)~~ twenty-eight thousand, eight hundred and forty-six dollars (\$28,846). The foregoing

46 salary shall be adjusted in the same manner and by the same percent increase as may from time to  
47 time be authorized as a cost-of-living adjustment for full-time City employees.

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50 PART II:

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- 52 A. If a provision of this ordinance conflicts with a provision of a previously adopted  
53 ordinance, this ordinance prevails.
- 54
- 55 B. This ordinance and its various sections, clauses, and paragraphs are severable. If any part,  
56 sentence, clause, or phrase is judicially determined to be unconstitutional or invalid, the  
57 remainder of the ordinance is not affected by that determination.
- 58
- 59 C. This ordinance takes effect immediately after it has been posted or published in  
60 accordance with Utah Code Section 10-3-711, presented to the Mayor in accordance with  
61 Utah Code Section 10-3b-204, and recorded in accordance with Utah Code Section 10-3-  
62 713.
- 63
- 64 D. This ordinance shall take effect as prescribed in Provo City Code Section 4.04.130 (5),  
65 which is December 21, 2025.
- 66

67 END OF ORDINANCE.

# Provo Municipal Council Member Annual Salary Recommendation by the 2025 Elected Officials Compensation Commission

March 20, 2025

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for municipal council members to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of **\$28,846**. Our recommendation is based on the following data:

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- We also factored in expense compensation to calculate a councilmembers' total compensation compared to salaries in other cities.
- Given the extra complexities of serving in Provo as a city which uniquely has both an airport and our own municipal power, we feel that it is appropriate and sound for a council member to receive, at a minimum, compensation on par with the median compensation rate inclusive of all benefits.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for each municipal council member be set at **\$28,846** per year beginning January 1, 2026.

We recommend that the existing additional annual compensation for expenses related to communications and travel expenses required by the role remain in effect at \$3,300.00 per year.

Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

## Market Data Analysis

*Prepared as of March 11, 2025*

Council members are universally part-time employees in other agencies but receive health benefits as if they were a full-time employee.

Not all agencies offer retirement contributions to council members. However, all cities with 85,000+ residents do, except for Provo City. The value of the retirement contribution is 15.19%.

Current council member salaries, population, and reported additional compensation for cities and counties with 85,000+ residents are as follows:

Agency	Salary	Pop.	Additional Annual Compensation Reported
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*\*Provo Council Chair and Vice Chair receive an additional \$1,500 and \$1,020 respectively for expenses.*

*\*\*Ogden Council Chair and Vice Chair receive \$29,470*

*\*\*\*\$150 year for apparel; \$1,000 every other year (average = \$650 annually)*

The average council member salary of the 7 cities with populations of 85,000+ residents is \$28,406. The median salary is \$26,577.

The average compensation for city council members after accounting for reported additional compensation is \$29,005 (excludes the value of retirement contributions). The median compensation is \$27,514.

# Provo Mayor Annual Salary Recommendation by the 2025 Elected Officials Compensation Commission

March 20, 2025

Under Provo Utah City Ordinance 4.04.125, the Elected Officials Compensation Commission is created once every four years, in the same year that the mayoral election is held. It is tasked with recommending the annual salary for the mayor to the Provo City Municipal Council.

After deliberation, the Elected Officials Compensation Commission unanimously recommends an annual salary of **\$160,959.00**. Our recommendation is based on the following data:

- The current salary rate for the Provo City mayor is approximately 6.4% below the median salary of mayors in cities comparable in size to Provo.
- We also estimate that other cities will provide an approximate 2-2.5% Cost of Living Adjustment. This recommended salary includes this anticipated COLA.

Given the extra complexities of serving as a Mayor in Provo, including that Provo has an airport and a municipal power plant, we feel that it is appropriate for a mayor to receive, at a minimum, compensation on par with the median rate.

For these reasons, the City of Provo Elected Officials Compensation Commission recommends that the annual salary for the mayor be set at **\$160,959.00** per year beginning January 1, 2026. We recommend that the existing benefits remain in effect.

Submitted unanimously by the members of the Elected Officials Compensation Commission, each of whom is a Provo resident.

## Market Data Analysis:

Full-time mayors are given the same retirement and medical benefits that are offered to the full-time employees in their city.

Historically, full-time mayors are generally not the highest paid position in the city. Their salary is typically less than the city manager and department heads. Salt Lake City deviated from this philosophy in 2024 and adjusted the mayor's salary based on comparisons to city managers in Utah.

In 2013, the commission limited market comparisons to full-time mayors serving populations of approximately 50,000+ residents. This included Logan, Murray, Ogden, Salt Lake City, Salt Lake County, Sandy, and West Jordan.

In 2017, the commission further narrowed comparisons to full-time mayors serving cities with populations of 85,000+ residents. This included Ogden, Salt Lake City, Sandy, and West Jordan (Salt Lake County was excluded as a comparison). The 2021 commission used this same philosophy.

The current salaries of all full-time mayors in Utah are listed in ascending order below. Cities with a population of 85,000+ residents are highlighted in green.

Agency	Salary	Population
Toole	\$117,952	40,000
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South Salt Lake	\$147,737	27,000
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Salt Lake City	\$211,765	215,000
Salt Lake County	\$197,478	1,200,000

The average mayoral salary of the 4 cities with populations of 85,000+ residents is \$162,458. The median salary is \$157,033.

## Provo City Compensation Commission Members

Anna King

David Shipley

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Jim Tracy

Josh Fillmore

Juan Riboldi

Michaelann Gardner

## Human Resources for Provo City

Daniel Softley

Lillian Montoya

# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** MDAYLEY  
**Presenter:** Melia Dayley, Council Policy Analyst  
**Department:** Recorder  
**Requested Meeting Date:**  
**Requested Presentation Duration:** 10 minutes  
**CityView or Issue File Number:** 25-040

**SUBJECT:** 9      An ordinance amending 14.34.450 Elderly Person- Extra Living Space to include health and safety inspection requirements. (25-040)

**RECOMMENDATION:** Approve the proposed ordinance.

**BACKGROUND:** After direction from Council during the March 25, 2025 Work Meeting, Council staff worked with Legal and Code Enforcement to draft the proposed ordinance to amend 14.34.450 to require health and safety inspections as a requirement of registration for Elderly Persons Extra Living Spaces.

**FISCAL IMPACT:** N/A

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**  
Maintain and ensure health and safety of Provo residents

ORDINANCE 2025-\_\_\_\_.

AN ORDINANCE AMMENDING PROVO CITY CODE 14.34.450 ELDERLY  
PERSONS – EXTRA LIVING SPACES (25-040)

RECITALS:

It is proposed that Provo City Code 14.34.450 be amended to include a health and safety inspection requirement, according to the standards given in Provo City Code 6.26.100, as a condition of elderly person extra living space registration;

Protecting the health and safety of residents is an essential function of Provo City;

This ordinance will help to ensure that Provo residents are living in a place that is clean and livable;

On March 25, 2025 and May 6, 2025, the Municipal Council met to ascertain the facts regarding this matter and receive public comment, which facts and comments are found in the public record of the Council's consideration; and

After considering the facts presented to the Municipal Council, the Council finds that (i) Provo City Code should be amended as set forth below, and (ii) such action furthers the health, safety, and general welfare of the citizens of Provo City.

THEREFORE, the Provo Municipal Council o ordains as follows:

PART I:

Provo City Code Chapter 14.34.450 is amended as shown in Exhibit A.

PART II:

- A. If a provision of this ordinance conflicts with a provision of a previously adopted ordinance, this ordinance prevails.
- B. This ordinance and its various sections, clauses, and paragraphs are severable. If any part, sentence, clause, or phrase is adjudged to be unconstitutional or invalid, the remainder of the ordinance is not affected by that determination.
- C. This ordinance takes effect immediately after it has been posted or published in accordance with Utah Code Section 10-3-711, presented to the Mayor in accordance with Utah Code Section 10-3b-204, and recorded in accordance with Utah Code Section 10-3-713.

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D. The Municipal Council directs that the official copy of Provo City Code be updated to reflect the provisions enacted by this ordinance.

EXHIBIT A

**14.34.450 Elderly Persons - Extra Living Space.**

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(5) Upon receipt of a complete registration application and payment of any applicable fee shown on the Consolidated Fee Schedule adopted by the Municipal Council, and a determination that all the requirements of this section have been met, the registration will be approved ~~shall be accepted~~. Extra space within the dwelling may thereafter be occupied by not more than two (2) additional persons over eighteen (18) years old and their minor children.

~~(a) An inspection of the dwelling shall not be conducted as a condition of registration.~~

(a) A health and safety inspection of the dwelling must ~~shall~~ be conducted as a condition of registration. The Mm ~~minimum~~ health and safety requirements in for inspection shall conform with PCC 6.26.100-Provo City Code must be met in order to qualify for registration.

(b) The registration shall expire in one (1) year from the date of acceptance and may be renewed upon:

(i) written certification by each registrant that the requirements of this Section have been met and will continue to be met during the new term of the registration, and

(ii) payment of any applicable fee shown on the Consolidated Fee Schedule adopted by the Municipal Council.

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# PROVO MUNICIPAL COUNCIL COUNCIL MEETING STAFF REPORT



**Submitter:** AARDMORE  
**Presenter:** Aaron Ardmore, Planning Supervisor  
**Department:** Development Services  
**Requested Meeting Date:** 05-06-2025  
**Requested Presentation Duration:** 10 minutes  
**CityView or Issue File Number:** PLRZ20230258

**SUBJECT:** 10 An ordinance amending the zone map classification of real property, generally located at 2087 West Center Street, from the One Family Residential (R1.8) Zone to the General Commercial (CG) Zone. Provo Bay Neighborhood. (PLRZ20230258)

**RECOMMENDATION:** Staff recommend approval, with conditions from PC and attached DA.

**BACKGROUND:** Peggy Case is requesting a zone map amendment from the R1.8 (One-Family Residential) Zone to the CG (General Commercial) Zone for her property at 2087 W Center Street, so that she may establish an event space in an existing accessory structure, which was approved through a 2004 Variance.

Ms. Case has been working towards establishing this proposed use since 2023, when she had asked for the Agritourism Overlay Zone to be applied to this property. However, staff indicated that she would first need to reduce the minimum lot size for that overlay from five acres to one acre to move forward. At the March 11th Council meeting, where the text amendment was heard and approved, Council spoke about the plans for this property and discussed the possibility of a commercial zone being a better tool to move forward. Once Ms. Case spoke in more detail about her property with staff, it was agreed that the zone map amendment request would be changed to ask for the CG Zone.

The CG Zone would meet the General Plan for Mixed-Use and allow for an event space to be approved by a Conditional Use Permit (SLU 6299) and also allow for the existing house to be used as a short-term rental; another goal for the applicant. The details of this plan would have to meet the standards of the CG Zone, and any conditions placed upon the use through the conditional use hearing that would follow if the zone map amendment was approved.

There are a variety of zones and uses within a 500-foot buffer of the subject property. The most common zone within that buffer is the CG Zone, accounting for approximately 5.24 acres of the surrounding land to the north, northwest, northeast, and east (across 2050 West). Within these CG Zones are small businesses, a Family Dollar, a gas station and restaurant, and some vacant land. In addition to the CG Zone, there is approximately 4.5 acres of SC1 (Neighborhood Commercial) Zone to the northeast with a variety of uses and vacant land. The residential areas to the west, south, and east currently include about 22 single-family homes in the R1 Zone.

There is also the Mixed-Use Zone to the east with a concept for 10,000 square feet of commercial space and sixty (60) residential units.

**FISCAL IMPACT:** None

**COMPATIBILITY WITH GENERAL PLAN POLICIES, GOALS, AND OBJECTIVES:**

Staff believe that this request is the best way to get to the desired outcomes for the applicant and believe it will help the area be more congruent with the General Plan map. Further analysis is provided by answering the following standards from Provo City Code 14.02.020:

(a) Public purpose for the amendment in question.

Staff response: The applicant has stated that the request will promote economic development and tourism for the city, and that the purpose is to foster “community engagement” while respecting the character of the area.

(b) Confirmation that the public purpose is best served by the amendment in question.

Staff response: While staff may support a zone change to get to the desired outcomes of the applicant, there is some concern about the variety of uses and activities that could be established by-right under the CG Zone. These concerns should be a point of discussion for the Planning Commission and City Council, and efforts should be made to limit the property uses for the future.

(c) Compatibility of the proposed amendment with General Plan policies, goals, and objectives.

Staff response: Staff believe establishing a variety of zones through this corridor helps to meet the vision of the General Plan map. Additionally, staff feel that the request helps to meet Goal 1 of Chapter 3 to “strike a balanced approach in locating land uses that align transit, land use, economics, and open space”; and Goal 1 of Chapter 5 to “employ innovative approaches to promote local business and create community”.

(d) Consistency of the proposed amendment with the General Plan’s “timing and sequencing” provisions on changes of use, insofar as they are articulated.

Staff response: There are no timing and sequencing provisions articulated for this property.

(e) Potential of the proposed amendment to hinder or obstruct attainment of the General Plan’s articulated policies.

Staff response: Approving this request without careful consideration of uses allowed in the CG Zone could result in obstructing attainment for goals related to protecting single-family neighborhoods and character. However, staff believe that these concerns could be addressed by limiting what uses could be permitted on the property, with agreements from the property owner/applicant.

(f) Adverse impacts on adjacent land owners.

Staff response: There are impacts associated with this request. The adjacent properties could experience increased traffic and parking demands, as well as an increase in noise complaints.

(g) Verification of correctness in the original zoning or General Plan for the area in question.

Staff response: Staff have verified the correctness of the General Plan and zoning for this area.

(h) In cases where a conflict arises between the General Plan Map and General Plan Policies, precedence shall be given to the Plan Policies.

ORDINANCE <<Document Number>>

AN ORDINANCE AMENDING THE ZONE MAP CLASSIFICATION OF  
REAL PROPERTY, GENERALLY LOCATED AT 2087 WEST CENTER  
STREET, FROM THE ONE FAMILY RESIDENTIAL (R1.8) ZONE TO THE  
GENERAL COMMERCIAL (CG) ZONE. PROVO BAY NEIGHBORHOOD.  
(PLRZ20230258)

RECITALS:

It is proposed that the classification on the Provo Zoning Map for approximately 1.15 acres of real property, generally located at 2087 West Center Street (an approximation of which is shown or described in Exhibit A and a more precise description of which is attached as Exhibit B), be amended from the One Family Residential (R1.8) Zone to the General Commercial (CG) Zone;

On April 9, 2025, the Planning Commission held a public hearing to consider the proposal, and after the hearing the Planning Commission recommended **denial** of the proposal to the Municipal Council by a 6:0 vote;

The Planning Commission's recommendation was based on the project design presented to the Commission;

On May 6, 2025, the Municipal Council met to determine the facts regarding this matter and receive public comment, which facts and comments are found in the public record of the Council's consideration; and

After considering the Planning Commission's recommendation and the facts presented to the Municipal Council, the Council finds that (i) the proposed action should be approved, and (ii) such action furthers the health, safety, and general welfare of the citizens of Provo City.

THEREFORE, the Provo Municipal Council ordains as follows:

PART I:

The classification on the Provo Zoning Map is amended from the One Family Residential (R1.8) Zone to the General Commercial (CG) Zone for the real property described in this ordinance.

PART II:

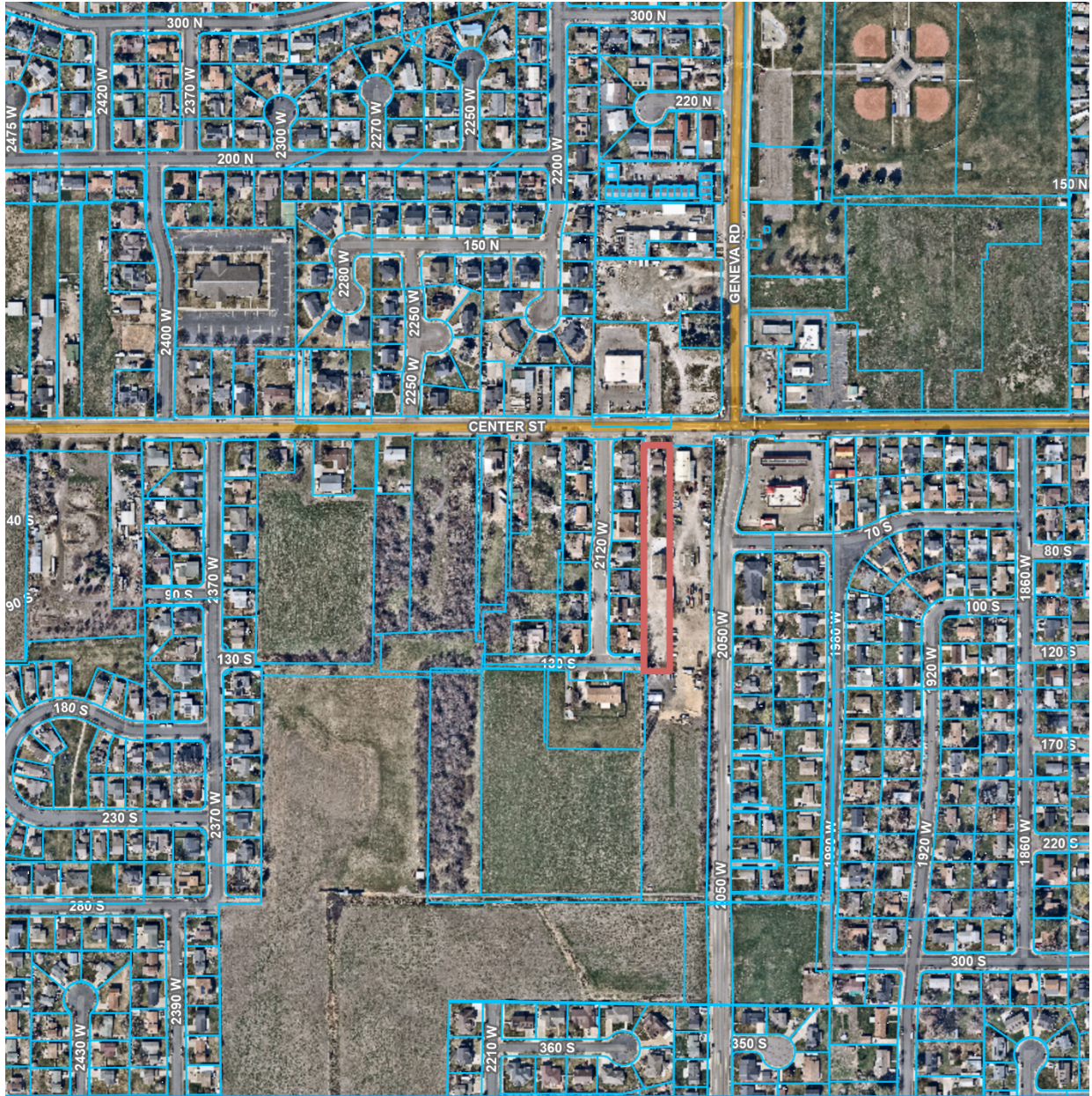
39           The Mayor is authorized to negotiate and execute a development agreement as proposed  
40 by the applicant for this zone change, consistent with the representations made by the applicant  
41 and the applicant's representatives to the Council. The agreement must be in form substantially  
42 similar to the draft attached as Exhibit C. An executed copy of the agreement will be attached as  
43 Exhibit D after execution. The zone map classification change described in Part I is not effective  
44 until the date of final execution of the development agreement.

45 PART III:

- 46
- 47       A. If a provision of this ordinance conflicts with a provision of a previously adopted  
48 ordinance, this ordinance controls.
- 49
- 50       B. This ordinance and its various sections, clauses, and paragraphs are severable. If any part,  
51 sentence, clause, or phrase is judicially determined to be unconstitutional or invalid, the  
52 remainder of the ordinance is not affected by that determination.
- 53
- 54       C. Except as otherwise stated in Part II, this ordinance takes effect immediately after it has  
55 been posted or published in accordance with Utah Code Section 10-3-711, presented to the  
56 Mayor in accordance with Utah Code Section 10-3b-204, and recorded in accordance with  
57 Utah Code Section 10-3-713.
- 58
- 59       D. The Municipal Council directs that the Provo Zoning Map be updated and codified to  
60 reflect the provisions enacted by this ordinance.
- 61
- 62       E. Notwithstanding any provision or language to the contrary in this ordinance, if the  
63 Development Agreement authorized in Part II has not been fully executed by the necessary  
64 parties within one year from the date of the Municipal Council's approval of this ordinance,  
65 the entire ordinance expires, becoming null and void as if it had never been approved.  
66 Because the zone map classification change contemplated in Part I cannot come into effect  
67 if the Development Agreement is not executed, neither the applicant nor any successor(s)  
68 in interest has any vested rights under this ordinance if it expires.
- 69

70  
71

EXHIBIT A



72  
73

EXHIBIT B

Legal Description

COM. 2.30 CHS W & 12.54 CHS N 1 E & N 89 W 2.91 CHS OF SE COR OF SEC 3, T 7 S, R 2 E,  
SLM; S 89 E 4 RODS 10 FT; S 1 W 40 RODS; N 89 W 4 RODS 10 FT; N 1 E 40 RODS TO BEG.  
AREA 1.145 AC.

82 EXHIBIT C

83  
84 DEVELOPMENT AGREEMENT

85 FOR

86 PEGGY CASE CG REZONE

87  
88 (2087 West Center Street)  
89

90 THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_ day  
91 of \_\_\_\_\_, 20\_\_ (the "Effective Date"), by and between the CITY OF PROVO, a Utah municipal  
92 corporation, hereinafter referred to as "City," and \_\_\_\_\_, a Utah limited liability  
93 company, hereinafter referred to as "Developer." The City and Developer are hereinafter collectively  
94 referred to as "Parties."

95 RECITALS

96 A. Developer is the owner of approximately 1.15 acres of land located within the City of  
97 Provo as is more particularly described on EXHIBIT A, attached hereto and incorporated herein by  
98 reference (the "Property").

99 B. On \_\_\_\_\_, the City Council approved Ordinance \_\_\_\_\_, vesting  
100 zoning (the "Vesting Ordinance"), based on the Concept Plan set forth on EXHIBIT B ("Concept Plan"),  
101 attached hereto and incorporated herein by reference, which will govern the density, development and  
102 use of the Property (said density, development, and use constituting the "Project").

103 C. Developer is willing to design and construct the Project in a manner that is in harmony  
104 with and intended to promote the long range policies, goals, and objectives of the City's general plan,  
105 zoning and development regulations in order to receive the benefit of vesting for certain uses and  
106 zoning designations under the terms of this Agreement as more fully set forth below.

107 D. The City Council accepted Developer's proffer to enter into this Agreement to  
108 memorialize the intent of Developer and City and decreed that the effective date of the Vesting  
109 Ordinance be the date of the execution and delivery of this Agreement and the recording thereof as a  
110 public record on title of the Property in the office of the Utah County Recorder.

111 E. The City Council further authorized the Mayor of the City to execute and deliver this  
112 Agreement on behalf of the City.

113 F. The City has the authority to enter into this Agreement pursuant to Utah Code Section  
114 10-9a-102(2) and relevant municipal ordinances, and desires to enter into this Agreement with the  
115 Developer for the purpose of guiding the development of the Property in accordance with the terms and  
116 conditions of this Agreement and in accordance with applicable City Ordinances.

117 G. This Agreement is consistent with, and all preliminary and final plats within the Property  
118 are subject to and shall conform with, the City's General Plan, Zoning Ordinances, and Subdivision  
119 Ordinances, and any permits issued by the City pursuant to City Ordinances and regulations.

H. The Parties desire to enter into this Agreement to specify the rights and responsibilities of the Developer to develop the Property as expressed in this Agreement and the rights and responsibilities of the City to allow and regulate such development pursuant to the requirements of this Agreement.

I. The Parties understand and intend that this Agreement is a “development agreement” within the meaning of, and entered into pursuant to, the terms of Utah Code Ann., §10-9a-102.

J. The Parties intend to be bound by the terms of this Agreement as set forth herein.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Developer hereby agree as follows:

1. Incorporation of Recitals. The foregoing Recitals are hereby incorporated into this Agreement, as a substantive part hereof.

2. Zoning. The Property shall be developed in accordance with (i) the requirements of the CG (General Commercial) Zone, (ii) all other features as generally shown on the Concept Plan, and (iii) this Agreement. The Developer shall not seek to develop the Property in a manner that deviates materially from the Concept Plan as permitted by the aforementioned zoning designations for the Property.

3. Governing Standards. The Concept Plan, the Vesting Ordinance and this Agreement establish the development rights for the Project, including the use, maximum density, intensity and general configuration for the Project. The Project shall be developed by the Developer in accordance with the Concept Plan, the Vesting Ordinance and this Agreement. All Developer submittals must comply generally with the Concept Plan, the Vesting Ordinance and this Agreement. Non-material variations to the Concept Plan, as defined and approved by the City’s Community Development Director, such as exact building locations, exact locations of open space and parking may be varied by the Developer without official City Council or Planning Commission approval. Such variations however shall in no way change the maximum density, use and intensity of the development of the Project.

4. Additional Specific Developer Obligations. As an integral part of the consideration for this agreement, the Developer voluntarily agrees as follows:

a. Developer agrees to limit the uses on the property to the following list of permitted and conditional uses as listed in the CG Zone:

i. Real Estate Office (SLU 6150)

ii. Reception Center (SLU 6299)

iii. Short-Term Rentals, in compliance with PCC Chapter 6.33.

155 iv. Art Exhibitions (SLU 6593)

156 v. Educational Classes (SLU 6830)

157 vi. Photography Studio (SLU 6222)

158 b. Developer agrees that any improvements to the property will include dedication  
159 of future 130 South Street connection.

160 c. Developer agrees that all the above commercial uses will be conducted within  
161 existing structures (and open spaces, as allowed by code) on the property.

162 5. Construction Standards and Requirements. All construction on the Property at the  
163 direction of the Developer shall be conducted and completed in accordance with the City Ordinances,  
164 including, but not limited to setback requirements, building height requirements, lot coverage  
165 requirements and all off-street parking requirements.

166 6. Vested Rights and Reserved Legislative Powers.

167 a. Vested Rights. As of the Effective Date, Developer shall have the vested right to  
168 develop and construct the Project in accordance with the uses, maximum  
169 permissible densities, intensities, and general configuration of development  
170 established in the Concept Plan, as supplemented by the Vesting Ordinance and this  
171 Agreement (and all Exhibits), subject to compliance with the City Ordinances in  
172 existence on the Effective Date. The Parties intend that the rights granted to  
173 Developer under this Agreement are contractual and also those rights that exist  
174 under statute, common law and at equity. The Parties specifically intend that this  
175 Agreement grants to Developer “vested rights” as that term is construed in Utah’s  
176 common law and pursuant to Utah Code Ann., §10-9a-509.

177 i. Examples of Exceptions to Vested Rights. The Parties understand and agree  
178 that the Project will be required to comply with future changes to City Laws  
179 that do not limit or interfere with the vested rights granted pursuant to the  
180 terms of this Agreement. The following are examples for illustrative  
181 purposes of a non-exhaustive list of the type of future laws that may be  
182 enacted by the City that would be applicable to the Project:

183 1. Developer Agreement. Future laws that Developer agrees in writing  
184 to the application thereof to the Project;

185 2. Compliance with State and Federal Laws. Future laws which are  
186 generally applicable to all properties in the City and which are  
187 required to comply with State and Federal laws and regulations  
188 affecting the Project;

189 3. Safety Code Updates. Future laws that are updates or amendments  
190 to existing building, plumbing, mechanical, electrical, dangerous  
191 buildings, drainage, or similar construction or safety related codes,  
192 such as the International Building Code, the APWA Specifications,

193 AAHSTO Standards, the Manual of Uniform Traffic Control Devices  
194 or similar standards that are generated by a nationally or statewide  
195 recognized construction/safety organization, or by the State or  
196 Federal governments and are required to meet legitimate concerns  
197 related to public health, safety or welfare; or,

198 4. Taxes. Taxes, or modifications thereto, so long as such taxes are  
199 lawfully imposed and charged uniformly by the City to all  
200 properties, applications, persons and entities similarly situated.

201 5. Fees. Changes to the amounts of fees for the processing of  
202 Development Applications that are generally applicable to all  
203 development within the City (or a portion of the City as specified in  
204 the lawfully adopted fee schedule) and which are adopted pursuant  
205 to State law.

206 6. Impact Fees. Impact Fees or modifications thereto which are  
207 lawfully adopted, imposed and collected.

208 b. Reserved Legislative Powers. The Developer acknowledges that the City is  
209 restricted in its authority to limit its police power by contract and that the  
210 limitations, reservations and exceptions set forth herein are intended to reserve to  
211 the City all of its police power that cannot be so limited. Notwithstanding the  
212 retained power of the City to enact such legislation of the police powers, such  
213 legislation shall not modify the Developer's vested right as set forth herein unless  
214 facts and circumstances are present which meet the exceptions to the vested rights  
215 doctrine as set forth in Section 10-9a-509 of the Municipal Land Use, Development,  
216 and Management Act, as adopted on the Effective Date, *Western Land Equities, Inc.*  
217 *v. City of Logan*, 617 P.2d 388 (Utah 1980), its progeny, or any other exception to  
218 the doctrine of vested rights recognized under state or federal law.

219 7. Default. An "Event of Default" shall occur under this Agreement if any party fails to  
220 perform its obligations hereunder when due and the defaulting party has not performed the delinquent  
221 obligations within sixty (60) days following delivery to the delinquent party of written notice of such  
222 delinquency. Notwithstanding the foregoing, if the default cannot reasonably be cured within that 60-  
223 day period, a party shall not be in default so long as that party commences to cure the default within  
224 that 60-day period and diligently continues such cure in good faith until complete.

225 a. Remedies. Upon the occurrence of an Event of Default, the non-defaulting  
226 party shall have the right to exercise all of the following rights and remedies against the  
227 defaulting party:

228 1. All rights and remedies available at law and in equity, including  
229 injunctive relief, specific performance, and termination, but not including damages or  
230 attorney's fees.

231 2. The right to withhold all further approvals, licenses, permits or other  
232 rights associated with the Project or development activity pertaining to the defaulting  
233 party as described in this Agreement until such default has been cured.

234 3. The right to draw upon any security posted or provided in connection  
235 with the Property or Project by the defaulting party.

236 The rights and remedies set forth herein shall be cumulative.

237 8. Notices. Any notices, requests and demands required or desired to be given hereunder  
238 shall be in writing and shall be served personally upon the party for whom intended, or if mailed, by  
239 certified mail, return receipt requested, postage prepaid, to such party at its address shown below:

240 To the Developer:

241 Attn: \_\_\_\_\_  
242 \_\_\_\_\_  
243 \_\_\_\_\_  
244 Phone: \_\_\_\_\_  
245

246 To the City:

247 City of Provo  
248 Attention: City Attorney  
249 445 W Center  
250 Provo, UT 84601  
251 Phone: (801) 852-6140  
252

252 9. General Term and Conditions.

253 a. Headings. The headings contained in this Agreement are intended for  
254 convenience only and are in no way to be used to construe or limit the text herein.

255 b. Binding Effect. This Agreement shall inure to the benefit of, and be binding  
256 upon, the parties hereto and their respective heirs, representatives, officers, agents, employees,  
257 members, successors and assigns (to the extent that assignment is permitted). Without limiting  
258 the generality of the foregoing, a "successor" includes a party that succeeds to the rights and  
259 interests of the Developer as evidenced by, among other things, such party's submission of land  
260 use applications to the City relating to the Property or the Project.

261 c. Non Liability of City Officials and Employees. No officer, representative,  
262 consultant, attorney, agent or employee of the City shall be personally liable to the Developer,  
263 or any successor in interest or assignee of the Developer, for any default or breach by the City,  
264 or for any amount which may become due to the Developer, or its successors or assignees, or  
265 for any obligation arising under the terms of this Agreement. Nothing herein will release any  
266 person from personal liability for their own individual acts or omissions.

267 d. Third Party Rights. Except for the Developer, the City and other parties that may  
268 succeed the Developer on title to any portion of the Property, all of whom are express intended  
269 beneficiaries of this Agreement, this Agreement shall not create any rights in and/or obligations  
270 to any other persons or parties. The Parties acknowledge that this Agreement refers to a private  
271 development and that the City has no interest in, responsibility for, or duty to any third parties  
272 concerning any improvements to the Property unless the City has accepted the dedication of  
273 such improvements

e. Further Documentation. This Agreement is entered into by the Parties with the recognition and anticipation that subsequent agreements, plans, profiles, engineering and other documentation implementing and carrying out the provisions of this Agreement may be necessary. The Parties agree to negotiate and act in good faith with respect to all such future items.

f. Relationship of Parties. This Agreement does not create any joint venture, partnership, undertaking, business arrangement or fiduciary relationship between the City and the Developer.

g. Agreement to Run With the Land. This Agreement shall be recorded in the Office of the Utah County Recorder against the Property and is intended to and shall be deemed to run with the land, and shall be binding on and shall benefit all successors in the ownership of any portion of the Property.

h. Performance. Each party, person and/or entity governed by this Agreement shall perform its respective obligations under this Agreement in a manner that will not unreasonably or materially delay, disrupt or inconvenience any other party, person and/or entity governed by this Agreement, the development of any portion of the Property or the issuance of final plats, certificates of occupancy or other approvals associated therewith.

i. Applicable Law. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.

j. Construction. This Agreement has been reviewed and revised by legal counsel for both the City and the Developer, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

k. Consents and Approvals. Except as expressly stated in this Agreement, the consent, approval, permit, license or other authorization of any party under this Agreement shall be given in a prompt and timely manner and shall not be unreasonably withheld, conditioned or delayed. Any consent, approval, permit, license or other authorization required hereunder from the City shall be given or withheld by the City in compliance with this Agreement and the City Ordinances.

l. Approval and Authority to Execute. Each of the Parties represents and warrants as of the Effective Date this Agreement, it/he/she has all requisite power and authority to execute and deliver this Agreement, being fully authorized so to do and that this Agreement constitutes a valid and binding agreement.

m. Termination.

i. Notwithstanding anything in this Agreement to the contrary, it is agreed by the parties hereto that in the event the final plat for the Property has not been recorded in the Office of the Utah County Recorder within ten (10) years from the date of this Agreement (the "Term"), or upon the occurrence of an event of default of this Agreement that is not cured, the City shall have the right, but not the obligation, at the sole discretion of the City Council, to terminate this Agreement as to the defaulting

party (*i.e.*, the Developer). The Term may be extended by mutual agreement of the Parties.

ii. Upon termination of this Agreement for the reasons set forth herein, following the notice and process required hereby, the obligations of the City and the defaulting party to each other hereunder shall terminate, but none of the licenses, building permits, or certificates of occupancy granted prior to expiration of the Term or termination of this Agreement shall be rescinded or limited in any manner.

10. Assignability. The rights and responsibilities of Developer under this Agreement may be assigned in whole or in part by Developer with the consent of the City as provided herein.

a. Notice. Developer shall give Notice to the City of any proposed assignment and provide such information regarding the proposed assignee that the City may reasonably request in making the evaluation permitted under this Section. Such Notice shall include providing the City with all necessary contact information for the proposed assignee.

b. Partial Assignment. If any proposed assignment is for less than all of Developer's rights and responsibilities, then the assignee shall be responsible for the performance of each of the obligations contained in this Agreement to which the assignee succeeds. Upon any such approved partial assignment, Developer shall be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations that were not assigned.

c. Grounds for Denying Assignment. The City may only withhold its consent if the City is not reasonably satisfied of the assignee's reasonable financial ability to perform the obligations of Developer proposed to be assigned.

d. Assignee Bound by this Agreement. Any assignee shall consent in writing to be bound by the assigned terms and conditions of this Agreement as a condition precedent to the effectiveness of the assignment.

11. Sale or Conveyance. If Developer sells or conveys parcels of land, the lands so sold and conveyed shall bear the same rights, privileges, intended uses, configurations, and density as applicable to such parcel and be subject to the same limitations and rights of the City as when owned by Developer and as set forth in this Agreement without any required approval, review, or consent by the City except as otherwise provided herein.

12. No Waiver. Any party's failure to enforce any provision of this Agreement shall not constitute a waiver of the right to enforce such provision. The provisions may be waived only in writing by the party intended to be benefited by the provisions, and a waiver by a party of a breach hereunder by the other party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

13. Severability. If any portion of this Agreement is held to be unenforceable for any reason, the remaining provisions shall continue in full force and effect.

353           14.     Force Majeure. Any prevention, delay or stoppage of the performance of any obligation  
354 under this Agreement which is due to strikes, labor disputes, inability to obtain labor, materials,  
355 equipment or reasonable substitutes therefore; acts of nature; governmental restrictions, regulations or  
356 controls; judicial orders; enemy or hostile government actions; wars, civil commotions; fires or other  
357 casualties or other causes beyond the reasonable control of the party obligated to perform hereunder  
358 shall excuse performance of the obligation by that party for a period equal to the duration of that  
359 prevention, delay or stoppage.

360           15.     Amendment. This Agreement may be amended only in writing signed by the Parties  
361 hereto.  
362

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first hereinabove written.

**CITY:**

CITY OF PROVO

ATTEST:

By: \_\_\_\_\_  
City Recorder

By: \_\_\_\_\_  
Mayor Michelle Kaufusi

**DEVELOPER:**

\_\_\_\_\_, a Utah limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF UTAH           )  
  :ss  
COUNTY OF UTAH        )

On the \_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared before me \_\_\_\_\_, who being by me duly sworn, did acknowledge that he/she executed the foregoing instrument in his/her official capacity as \_\_\_\_\_ of Provo City, a municipal corporation of the State of Utah.

\_\_\_\_\_  
Notary Public

STATE OF UTAH           )  
  :ss  
COUNTY OF UTAH        )

On the \_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared before me \_\_\_\_\_, who being by me duly sworn, did say that he is the \_\_\_\_\_ of \_\_\_\_\_, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company with proper authority and duly acknowledged to me that he executed the same.

\_\_\_\_\_  
Notary Public

409  
410  
411  
412  
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414  
415  
416  
417  
418

**Exhibit A**

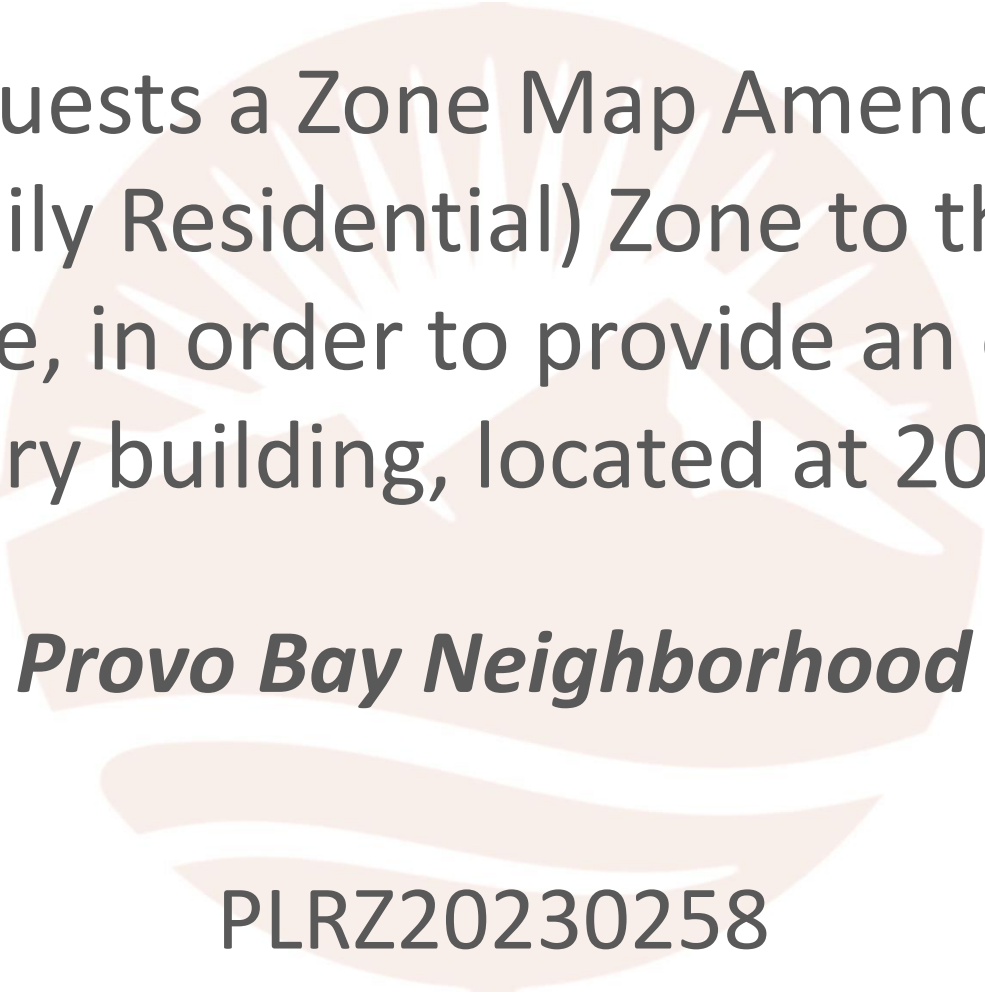
**Legal Description of the Property**

COM. 2.30 CHS W & 12.54 CHS N 1 E & N 89 W 2.91 CHS OF SE COR OF SEC 3, T 7 S, R 2 E, SLM; S 89 E 4  
RODS 10 FT; S 1 W 40 RODS; N 89 W 4 RODS 10 FT; N 1 E 40 RODS TO BEG. AREA 1.145 AC.

**Exhibit B**

**Concept Plan**





Peggy Case requests a Zone Map Amendment from the R1.8 (One Family Residential) Zone to the CG (General Commercial) Zone, in order to provide an event space in an existing accessory building, located at 2087 W Center St.

***Provo Bay Neighborhood***

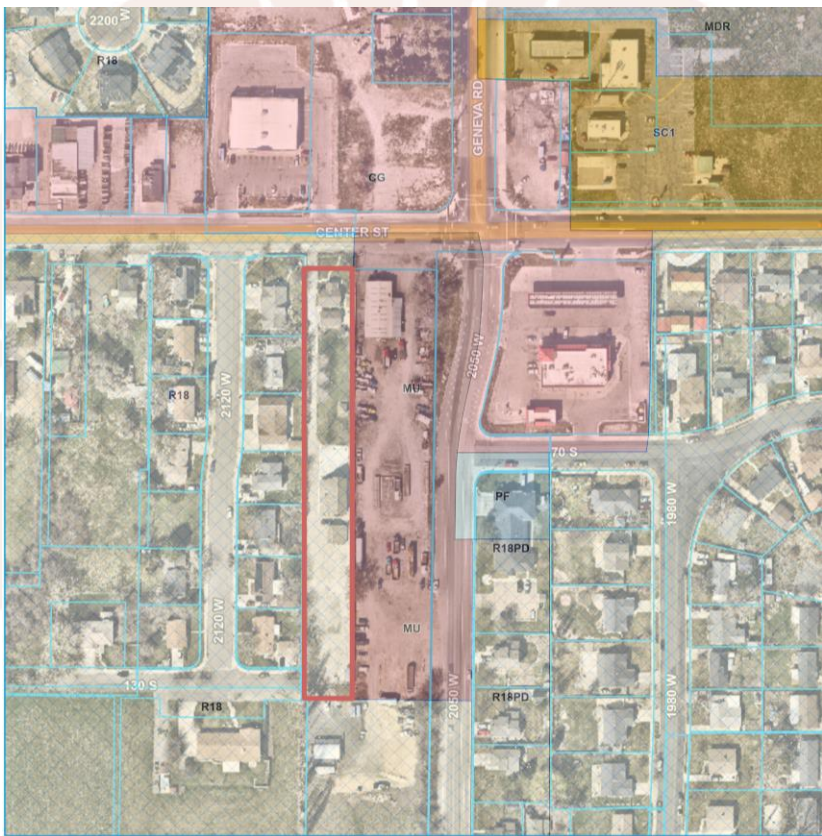
PLRZ20230258



# 2087 W Center Rezone Request



Aerial  
Map



Zone  
Map



General Plan  
Map

# 2087 W Center Rezone Request

- Current Zone: R1.8 (*one-family residential*)
- Proposed Zone: CG (*General Commercial*)
- Proposed Uses: Event Space and Short-Term Rental (*conditional uses under CG Zone*)



Yellow: Driveway and Parking

Orange: Indoor/outdoor event space, Bed and Breakfast, meeting/class space, etc.

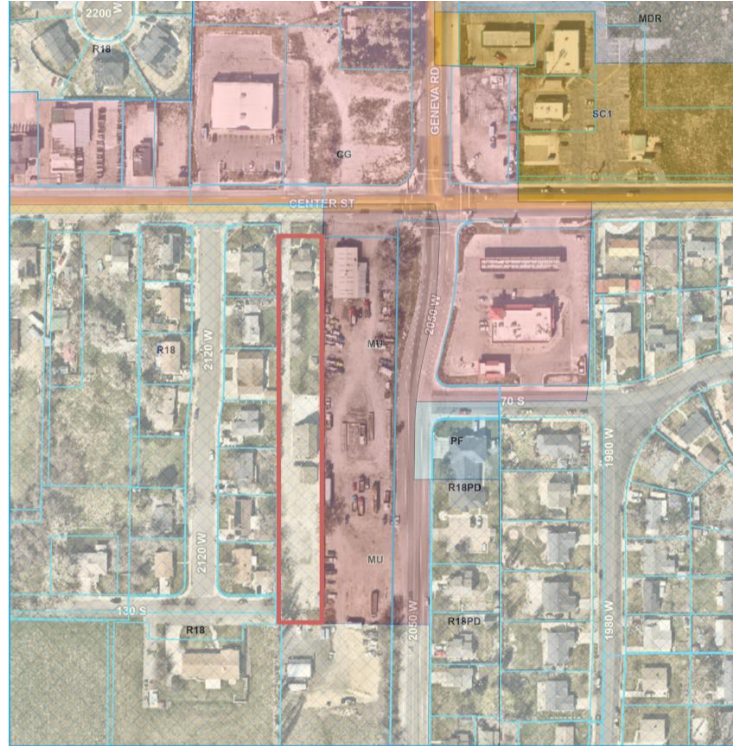
Green: Brides room

Red: Garage/storage



# 2087 W Center Rezone Request

- Current Zone: R1.8 (*one-family residential*)
- Proposed Zone: CG (*General Commercial*)
- Proposed Uses: Event Space and Short-Term Rental (*conditional uses under CG Zone*)
- Reasons for Staff Recommendation:
  1. Area marked for mixed-use in General Plan
  2. Allows small business to grow.
  3. Respects character of area\*.
  4. Good transition from more intense uses to single-family neighborhood. (*moving east to west*)
  5. Conditional Use provides protection/oversight for the neighbors and the city.



\*Subject to limiting uses from CG Zone (14.22.020)

# Applicant Slides

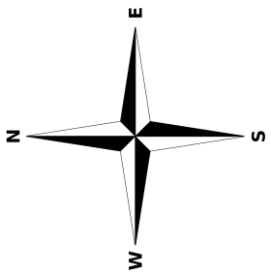
# Rezoning Proposal: R-1 to General Commercial with Limited Use

2087 W Center Street  
Provo, UT 84061

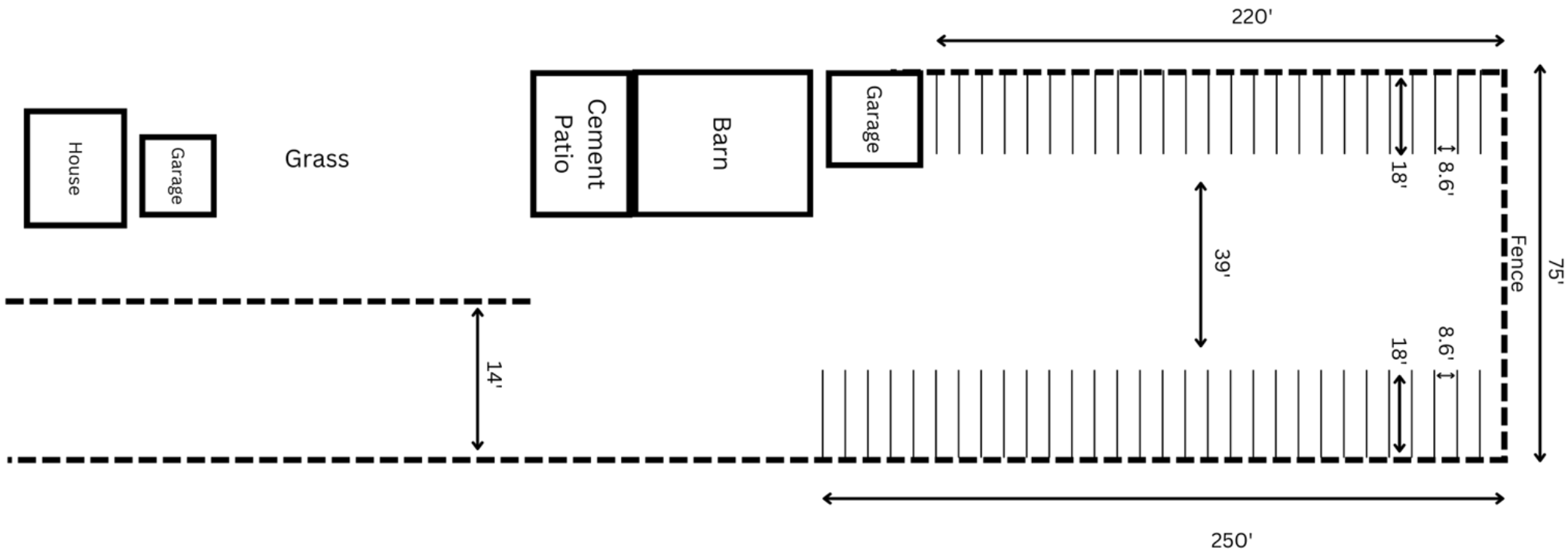
Peggy Case

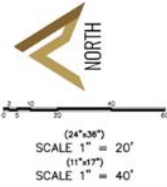
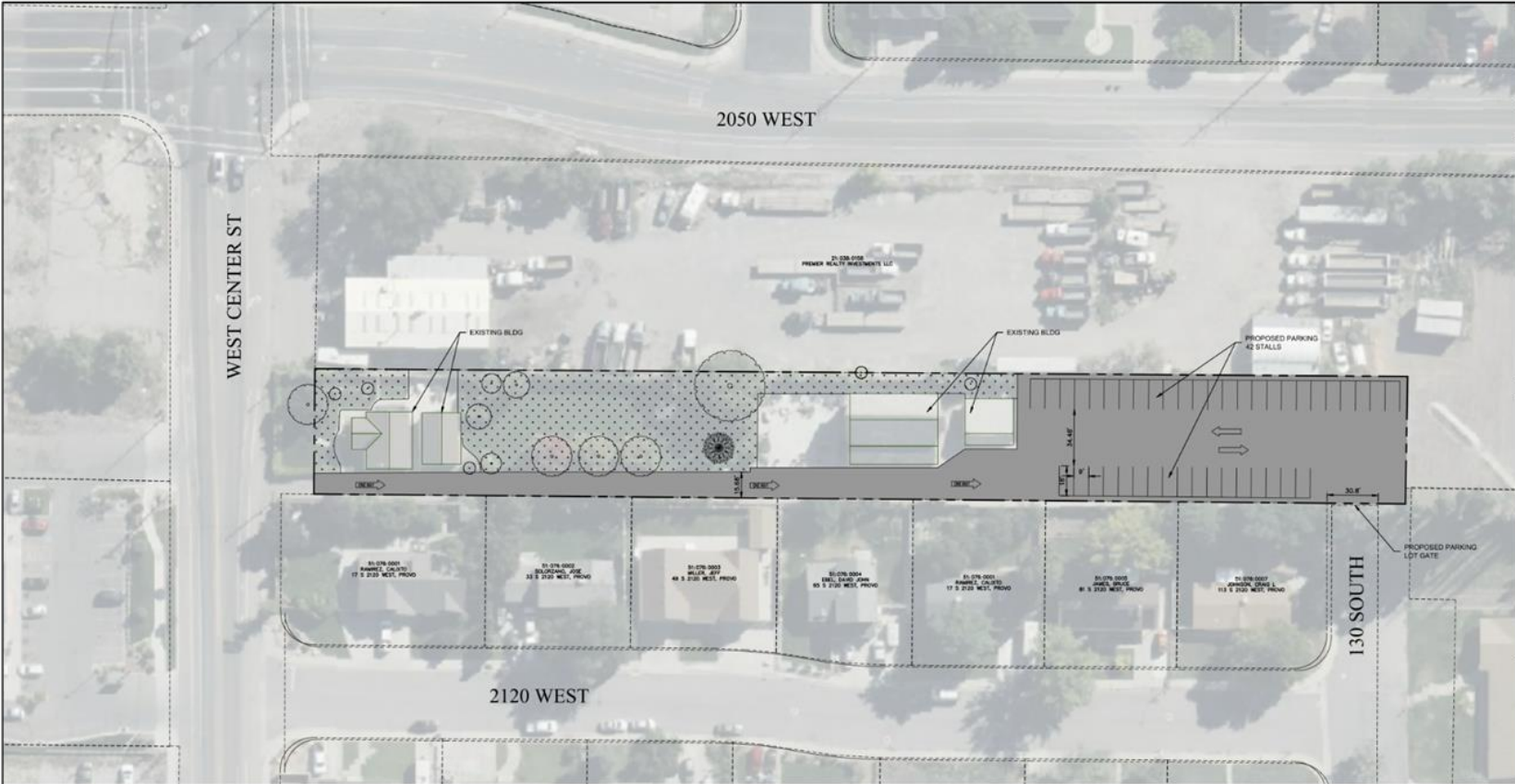
# Summary

- Minimal Neighborhood Impact
  - Strategic property layout with buffer zones
  - Compliance with Provo's noise ordinance ( $\leq 55$  dB at night,  $\leq 65$  dB daytime)
  - Natural sound barriers like trees and fencing
  - Example: Similar venue in Utah County had zero noise complaints in 5 years
- Traffic & Parking Considerations
  - Ample on-site parking to prevent congestion
  - Dedicated entrance & exit for smooth traffic flow
  - Meets or exceeds city parking requirements
  - Visual: Site map with parking layout
- Community & Economic Benefits
  - Enhances Community Engagement
  - Educational workshops for local schools
  - Affordable small event space for families & community groups
  - Supports local businesses by driving tourism
    - i. Example: Similar ag-tourism site generated \$200K annually in local revenue
- Preserving Green Space & Enhancing the General Plan
  - Protects open land while allowing controlled public use
  - Acts as a buffer between residential & commercial zones
  - Supports Provo's long-term sustainable land use goals




Center Street





CASE CONCEPT

ATLAS ENGINEERING  
CIVIL · STRUCTURAL · SURVEY



DAVIDSON INC.

CASE CONCEPT

PROVO, UTAH

SHEET NO.

1

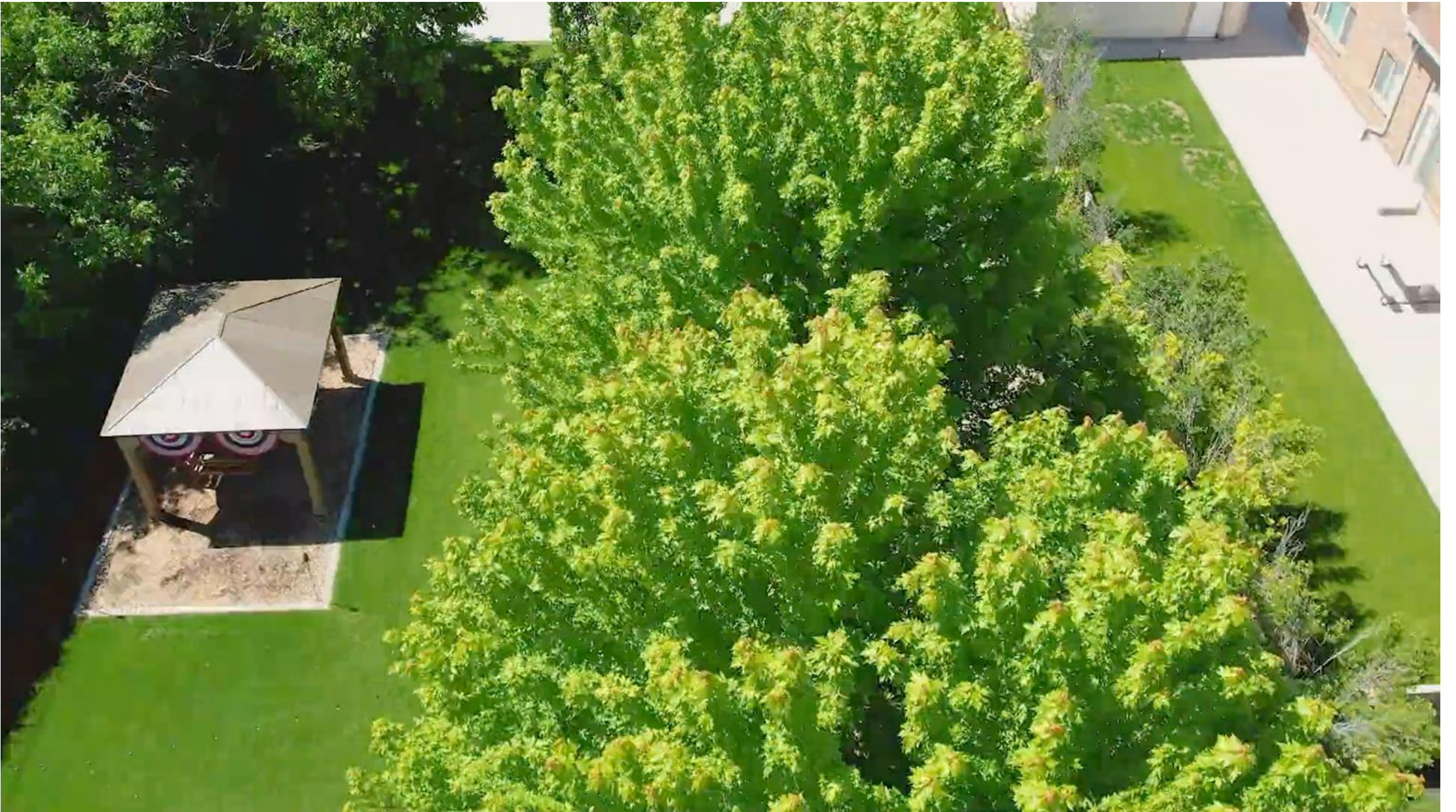
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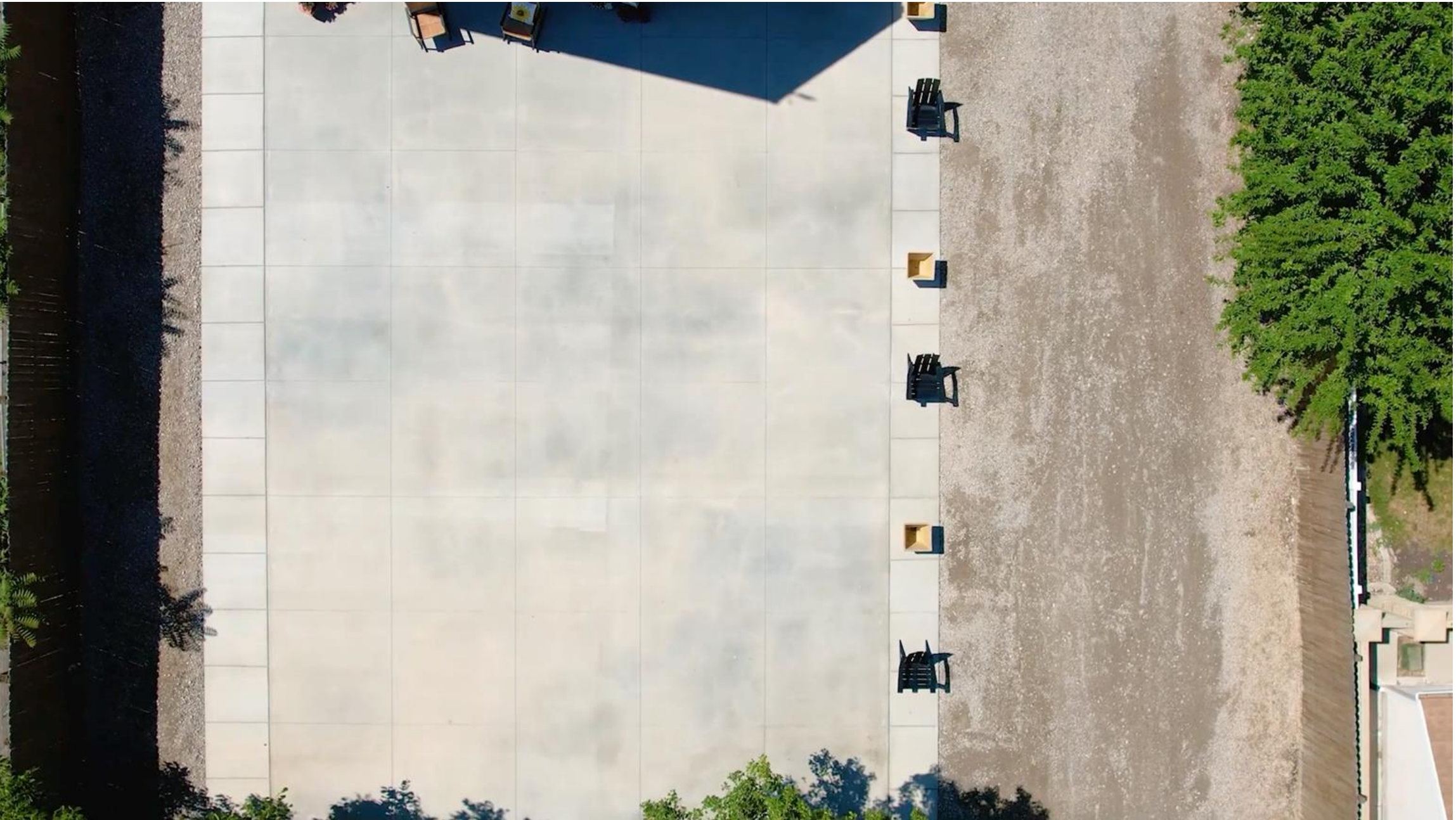
























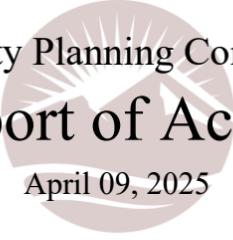








Thank you for your consideration



Provo City Planning Commission

# Report of Action

April 09, 2025

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\*Item 3 Peggy Case requests a Zone Map Amendment from the R1.8 (One Family Residential) Zone to the CG (General Commercial) Zone, in order to provide an event space in an existing accessory building, located at 2087 W Center Street. Provo Bay neighborhood. Aaron Ardmore (801) 852-6404 aardmore@provo.org PLRZ20230258

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The following action was taken by the Planning Commission on the above described item at its regular meeting of April 09, 2025:

## RECOMMENDED DENIAL

On a vote of 6:0, the Planning Commission recommended that the Municipal Council deny the above noted application unless the following items can be addressed with the City Council and/or through a Conditional Use Permit:

1. A limitation on the number of guests for the event space.
2. A limit on sound.
3. Limits on the hours of event space operation.
4. Restriction of alcohol served at events.
5. Limiting use to existing structures.
6. A limitation of all other CG Zone uses, except for the event space and short-term rental conditional uses (noting that there may be discussion on other appropriate permitted CG Zone uses at the Council hearing).

Motion By: Lisa Jensen

Second By: Barbara DeSoto

Votes in Favor of Motion: Melissa Kendall, Lisa Jensen, Jonathon Hill, Andrew South, Anne Allen, Barbara DeSoto  
*Jonathon Hill was present as Chair.*

- Includes facts of the case, analysis, conclusions and recommendations outlined in the Staff Report, with any changes noted; Planning Commission determination is generally consistent with the Staff analysis and determination.

### **LEGAL DESCRIPTION FOR PROPERTY TO BE REZONED**

The property to be rezoned to the CG Zone is described in the attached Exhibit A.

### **RELATED ACTIONS**

A related Concept Plan was continued at the April 9<sup>th</sup>, 2025, hearing (PLCP20230265, Item #4).

### **DEVELOPMENT AGREEMENT**

- May apply with future approvals.

### **STAFF PRESENTATION**

The Staff Report to the Planning Commission provides details of the facts of the case and the Staff's analysis, conclusions, and recommendations. Staff clarified regulations and processes related to the proposal and responded to questions.

### **CITY DEPARTMENTAL ISSUES**

- The Coordinator Review Committee (CRC) has reviewed the application and given their approval.

### **NEIGHBORHOOD MEETING DATE**

- No information was received from the Neighborhood District Chair.

### **NEIGHBORHOOD AND PUBLIC COMMENT**

- The Neighborhood District Chair was not present or did not address the Planning Commission during the hearing.
- Neighbors or other interested parties were present or addressed the Planning Commission.

### **CONCERNS RAISED BY PUBLIC**

Any comments received prior to completion of the Staff Report are addressed in the Staff Report to the Planning Commission. Key issues raised in written comments received subsequent to the Staff Report or public comment during the public hearing included the following:

- Jeffrey Miller summarized his concerns that were also sent in an email to the Commission, noting he is opposed to the proposal because of noise and light coming from events held at the property.
- Staff noted a phone call received from Family Dollar that they would like to make sure that no overflow parking came across the street to their site.

### **APPLICANT RESPONSE**

Key points addressed in the applicant's presentation to the Planning Commission included the following:

- Peggy Case and David Simpson presented their proposal and gave a history of the property since Ms. Case purchased it. Ms. Case stated that she has held friends and family events on the property, which spurred the idea of having a commercial event space, and that with the growth of west Provo the opportunity to maintain the home through a short-term rental seemed like a good opportunity.
- Mr. Simpson shared the documentation that he has shared with the neighbors to the west as they attempted to gauge support and answer any questions.
- Ms. Case stated that she would limit the events to 100 people, not allow alcohol, and ensure that events are done by 9:30pm.

### **PLANNING COMMISSION DISCUSSION**

Key points discussed by the Planning Commission included the following:

- The Commission discussed options if the proposed uses didn't work out or wanted to change, noting that IF the rezone was approved with the recommended restrictions, any other uses or changes would need to come back to a public hearing.
- The Commission verified that no structural changes or additions would come with this proposal.
- The Commission discussed the timing of the uses on the property and the surrounding uses, noting that they need to protect the homes to the west.
- The Commission spoke about the comfort of potentially having two levels of protection through negotiations with the City Council, and if approved, conditions enforced through the Conditional Use Permit.
- Commissioners discussed the General Plan for the area, noting that this proposed use would provide a better buffer from a commercial corner to the residential uses to the west than some alternative commercial use that may be wanted at a future date. If restricted to proposed uses, it would be the best commercial option to satisfy the variety of uses that is called for in the General Plan.
- Andrew South noted that the size and shape of the parcel poses difficulty for other uses, but that investment into this plan could protect this from a more disruptive commercial use or development in the future as commercial pressure increases.
- The Commission created a list of concerns to pass on to the City Council to hopefully address before a decision is made on this request.
- The Commission noted the surrounding commercial uses and the classification of Center Street lends itself to having commercial uses in this area.

### **FINDINGS / BASIS OF PLANNING COMMISSION DETERMINATION**

The Planning Commission identified the following findings as the basis of this decision or recommendation:

- That the Planning Commission wasn't comfortable with the CG Zone being applied to the property without first addressing the concerns that were discussed and noted at the top of this report of action.



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Planning Commission Chair



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Director of Development Services

See Key Land Use Policies of the Provo City General Plan, applicable Titles of the Provo City Code, and the Staff Report to the Planning Commission for further detailed information. The Staff Report is a part of the record of the decision of this item. Where findings of the Planning Commission differ from findings of Staff, those will be noted in this Report of Action.

Legislative items are noted with an asterisk (\*) and require legislative action by the Municipal Council following a public hearing; the Planning Commission provides an advisory recommendation to the Municipal Council following a public hearing.

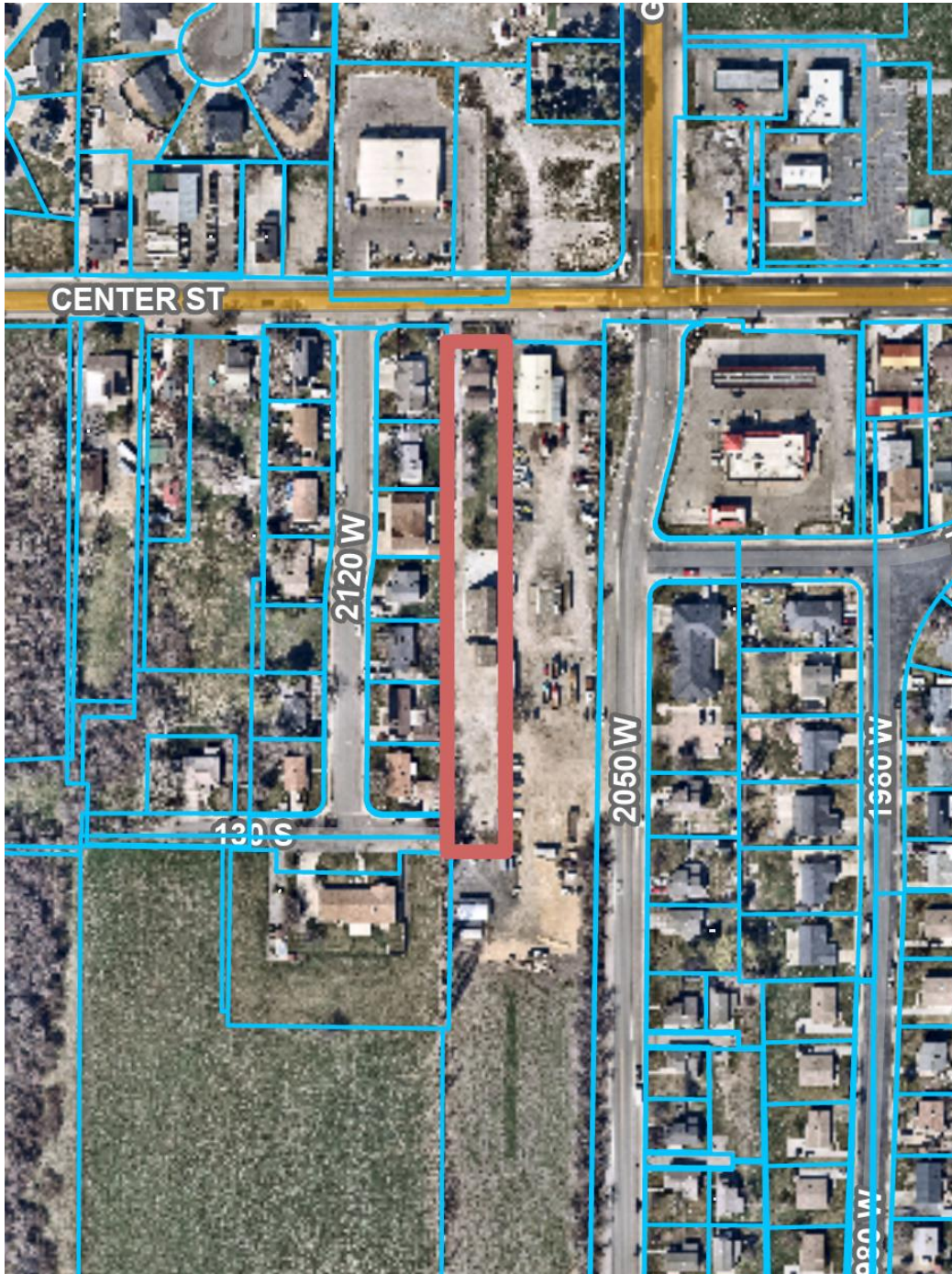
Administrative decisions of the Planning Commission (items not marked with an asterisk) **may be appealed** by submitting an application/notice of appeal, with the required application and noticing fees to the Development Services Department, 445 W Center Street, Provo, Utah, **within fourteen (14) calendar days of the Planning Commission's decision** (Provo City office hours are Monday through Thursday, 7:00 a.m. to 6:00 p.m.).

BUILDING PERMITS MUST BE OBTAINED BEFORE CONSTRUCTION BEGINS

## EXHIBIT A

### Legal Description

COM. 2.30 CHS W & 12.54 CHS N 1 E & N 89 W 2.91 CHS OF SE COR OF SEC 3, T 7 S, R 2 E, SLM; S 89 E 4 RODS 10 FT; S 1 W 40 RODS; N 89 W 4 RODS 10 FT; N 1 E 40 RODS TO BEG. AREA 1.145 AC.



- \*ITEM 3** Peggy Case requests a Zone Map Amendment from the R1.8 (One Family Residential) Zone to the CG (General Commercial) Zone, in order to provide an event space in an existing accessory building, located at 2087 W Center Street. Provo Bay Neighborhood. Aaron Ardmore (801) 852-6404 aardmore@provo.org PLRZ20230258

**Applicant:** Peggy Case

**Staff Coordinator:** Aaron Ardmore

**Property Owner:** CASE, RICHARD & PEGGY

**Parcel ID#:** 21:025:0202

**Acreage:** 1.15

**Number of Properties:** 1

### **ALTERNATIVE ACTIONS**

1. **Continue** to a future date to obtain additional information or to further consider information presented. *The next available meeting date is April 23<sup>rd</sup>, 2025, at 6:00 P.M.*
2. **Recommend Denial** of the requested zone map amendment. *This action would not be consistent with the recommendations of the Staff Report. The Planning Commission should state new findings.*

**Current Legal Use:** The property is recognized as a legal, one-family dwelling.

**Relevant History:** The property received conditional approval for a variance in 2004 for the accessory structure to be larger in footprint and height than the main dwelling. This is the building the applicant would like to use as an event space/reception center with the rezone request. The applicant first sought to apply the A1 (Agricultural) Zone with the Agritourism Overlay to permit this use, but it was found that the property did not meet the minimum standards for an A1 Zone. The request was changed to the CG Zone after the applicant received input from the City Council and Planning Staff during her amendment to the AT Overlay earlier this year.

**Neighborhood Issues:** Staff have not been made aware of any neighborhood issues at the time of this report.

### **Summary of Key Issues:**

- 2023 request to go to A1(AT) Zone was pending change to minimum lot size. That OTA was approved but had Council direction to use a commercial zone instead.
- The CG Zone would require a Conditional Use Permit for the proposed event space (SLU 6299). The existing house would become short-term rental.
- The CG Zone meets the General Plan map designation for the property (Mixed-Use).

**Staff Recommendation:** Staff recommend approval of the zone map amendment.

## **OVERVIEW**

Peggy Case is requesting a zone map amendment from the R1.8 (One-Family Residential) Zone to the CG (General Commercial) Zone for her property at 2087 W Center Street, so that she may establish an event space in an existing accessory structure, which was approved through a 2004 Variance.

Ms. Case has been working towards establishing this proposed use since 2023, when she had asked for the Agritourism Overlay Zone to be applied to this property. However, staff indicated that she would first need to reduce the minimum lot size for that overlay from five acres to one acre to move forward. At the March 11<sup>th</sup> Council meeting, where the text amendment was heard and approved, Council spoke about the plans for this property and discussed the possibility of a commercial zone being a better tool to move forward. Once Ms. Case spoke in more detail about her property with staff, it was agreed that the zone map amendment request would be changed to ask for the CG Zone.

The CG Zone would meet the General Plan for Mixed-Use and allow for an event space to be approved by a Conditional Use Permit (SLU 6299) and also allow for the existing house to be used as a short-term rental; another goal for the applicant. The details of this plan would have to meet the standards of the CG Zone, and any conditions placed upon the use through the conditional use hearing that would follow if the zone map amendment was approved.

There are a variety of zones and uses within a 500-foot buffer of the subject property. The most common zone within that buffer is the CG Zone, accounting for approximately 5.24 acres of the surrounding land to the north, northwest, northeast, and east (across 2050 West). Within these CG Zones are small businesses, a Family Dollar, a gas station and restaurant, and some vacant land. In addition to the CG Zone, there is approximately 4.5 acres of SC1 (Neighborhood Commercial) Zone to the northeast with a variety of uses and vacant land. The residential areas to the west, south, and east currently include about 22 single-family homes in the R1 Zone. There is also the Mixed-Use Zone to the east with a concept for 10,000 square feet of commercial space and sixty (60) residential units.

## **STAFF ANALYSIS**

Staff believe that this request is the best way to get to the desired outcomes for the applicant and believe it will help the area be more congruent with the General Plan map. Further analysis is provided by answering the following standards from Provo City Code 14.02.020:

- (a) Public purpose for the amendment in question.

**Staff response:** The applicant has stated that the request will promote economic development and tourism for the city, and that the purpose is to foster “community engagement” while respecting the character of the area.

(b) Confirmation that the public purpose is best served by the amendment in question.

**Staff response:** While staff may support a zone change to get to the desired outcomes of the applicant, there is some concern about the variety of uses and activities that *could* be established by-right under the CG Zone. These concerns should be a point of discussion for the Planning Commission and City Council, and efforts should be made to limit the property uses for the future.

(c) Compatibility of the proposed amendment with General Plan policies, goals, and objectives.

**Staff response:** Staff believe establishing a variety of zones through this corridor helps to meet the vision of the General Plan map. Additionally, staff feel that the request helps to meet Goal 1 of Chapter 3 to “strike a balanced approach in locating land uses that align transit, land use, economics, and open space”; and Goal 1 of Chapter 5 to “employ innovative approaches to promote local business and create community”.

(d) Consistency of the proposed amendment with the General Plan’s “timing and sequencing” provisions on changes of use, insofar as they are articulated.

**Staff response:** There are no timing and sequencing provisions articulated for this property.

(e) Potential of the proposed amendment to hinder or obstruct attainment of the General Plan’s articulated policies.

**Staff response:** Approving this request without careful consideration of uses allowed in the CG Zone could result in obstructing attainment for goals related to protecting single-family neighborhoods and character. However, staff believe that these concerns could be addressed by limiting what uses could be permitted on the property, with agreements from the property owner/applicant.

(f) Adverse impacts on adjacent land owners.

**Staff response:** There are impacts associated with this request. The adjacent properties could experience increased traffic and parking demands, as well as an increase in noise complaints.

(g) Verification of correctness in the original zoning or General Plan for the area in question.

**Staff response:** Staff have verified the correctness of the General Plan and zoning for this area.

(h) In cases where a conflict arises between the General Plan Map and General Plan Policies, precedence shall be given to the Plan Policies.

## **CONCLUSIONS**

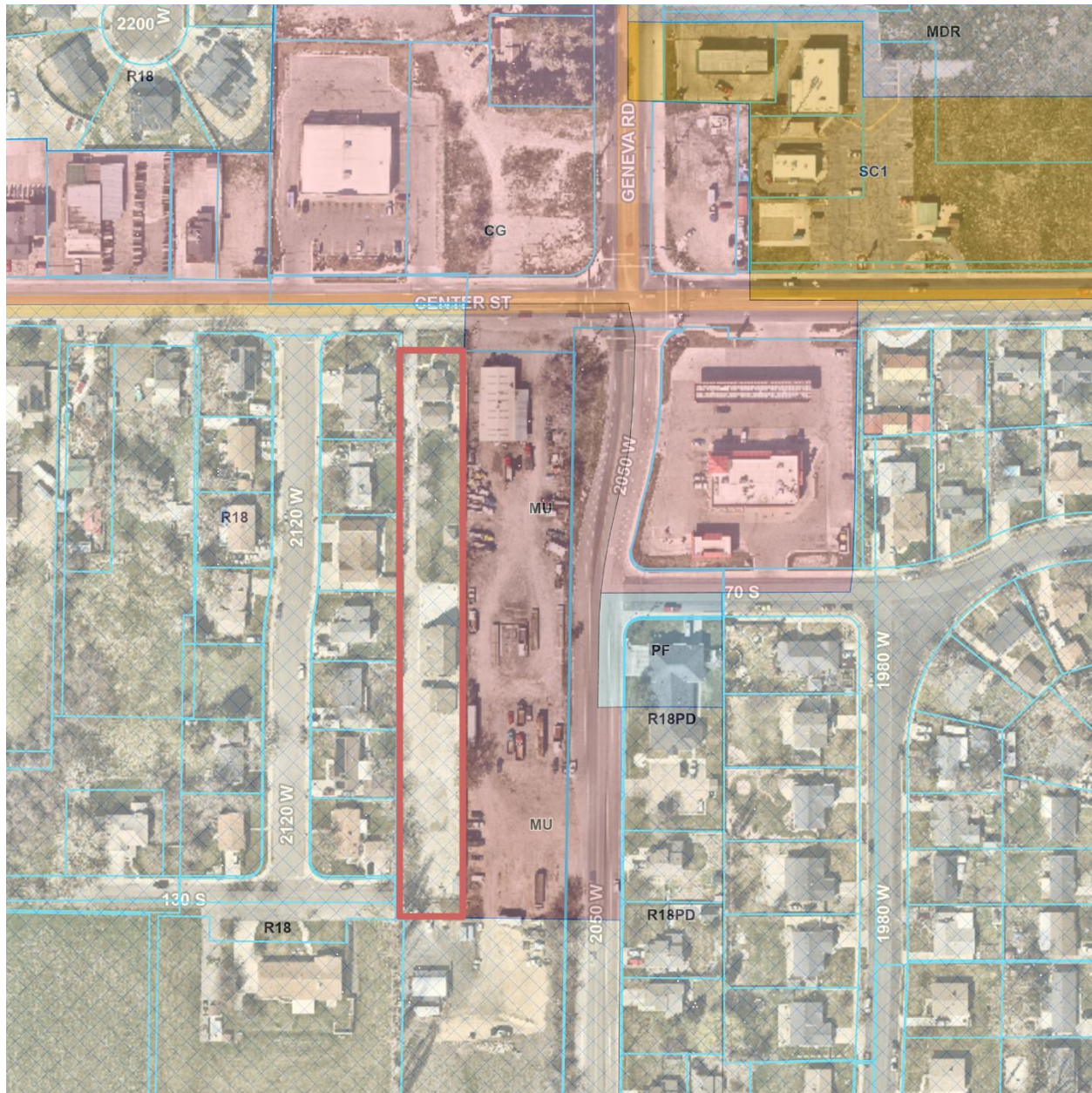
Staff are comfortable with the proposal for the property at 2087 W Center and acknowledge that the use of the CG Zone and Conditional Use Permits is the best way to achieve the goals of the applicant. The Planning Commission and City Council should carefully consider limitations in applying the CG Zone to this property, and if done correctly, the proposal should be a benefit to the people of Provo.

## **ATTACHMENTS**

1. Area Map
2. Zone Map
3. General Plan Map
4. Concept Plans
5. Property Photos

[illegible]

**ATTACHMENT 2 – ZONE MAP**



**ATTACHMENT 3 – GENERAL PLAN MAP**



## **ATTACHMENT 4 – CONCEPT PLANS**

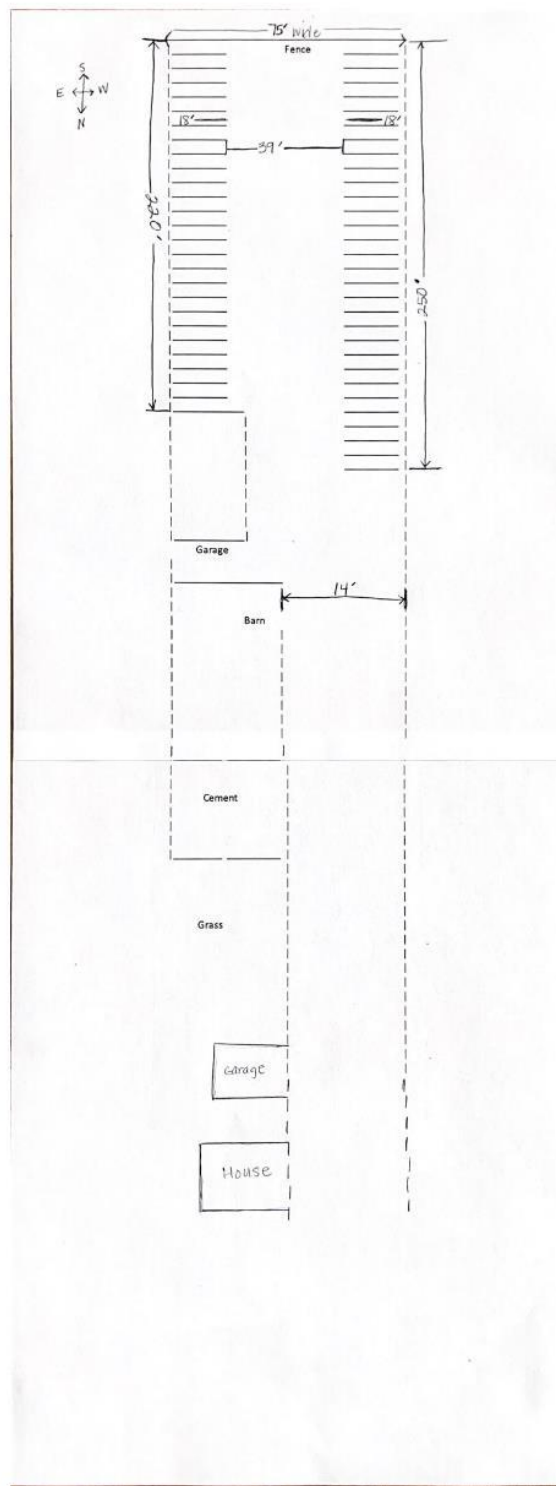


Yellow: Driveway and Parking

Orange: Indoor/outdoor event space, Bed and Breakfast, meeting/class space, etc.

Green: Brides room

Red: Garage/storage



**ATTACHMENT 5 – PROPERTY PHOTOS**



