

LA VERKIN CITY PLANNING COMMISSION

Regular Meeting

Wednesday, April 9, 2025, 6:00 pm.

City Council Chambers, 111 South Main Street

La Verkin, Utah 84745

Present: Chair Allen Bice; Commissioners: Hugh Howard, Kyson Spendlove, Matt Juluson, Sherman Howard, Richard Howard and John Valenti; Staff: Derek Imlay, Fay Reber, and Nancy Cline; Public: Patricia Wise, and Blair Gardner.

A. Call to Order: Chair Allen Bice called the meeting to order at 6:43 pm.

The invocation and Pledge of Allegiance were given by Richard Howard.

B. Appointments:

Commissioner Richard Howard was sworn in as Planning Commissioner Alternate.

C. Approval of Agenda:

The motion was made by Commissioner Hugh Howard to approve the agenda, second by Commissioner Matt Juluson. Sherman Howard-yes, Hugh Howard-yes, Spendlove-yes, Juluson-yes, Bice-yes. The motion carried unanimously.

D. Approval of Minutes: March 12, 2025, regular meeting

The motion was made by Commissioner Kyson Spendlove to approve March 12, 2025, a regular meeting, second by Commissioner Sherman Howard. Hugh Howard-yes, Bice-yes, Juluson-yes, Sherman Howard-yes, Spendlove-yes. The motion carried unanimously.

E. Reports:

City Council - Councilwoman Wise reported on the City Council's regular meeting held on April 2, 2025.

Director of Operations Derek reported that there have been discussions on the new settling pond on the Interstate Rocks property. They would run that water with reused water and produce much cleaner irrigation water. The water district has negotiated with the city for a loan of \$16.5 million to bring all of the old irrigation waterlines out of everybody's backyards and put in new main lines up on 100 East and down both lengths of 100 West, down 300 South. In exchange, they become our junior in the water rights position and receive the water we send down the river. This is a 30-year loan. When the loan is paid off, there will be another discussion on how they will pay the city for the water they use. He explained the information he gave them in their packets to discuss tonight.

F. Business:

1. Field trip to La Verkin Fields.
2. Discussion and Direction regarding the Condominium and Commercial Planned Unit Development (CCPUD) Ordinance.

Derek explained the plans from the Fields project that they had toured earlier. The plans show all the easements that allow the separate owners to access the utility lines if they need to be repaired. Currently, the properties are all under the owner's name, and he has applied to have them separated into individual tax ID numbers.

Blair Gardner is the developer and owner of The Fields in La Verkin. He reassured the commissioners that they are a commercial project. He knows that this is not currently under any residential application. He started this project knowing that. He understood that if he never got the residential application, though that is his long-term intention, he understood that these are the steps based upon the current commercial zone. He built these units as commercial buildings. And under that co-verification, individual utilities relative to power are no different than

if there were block walls that separate individual units. The CC&Rs, as he has identified, will be redrafted in a way that when people are purchasing these units, they understand and sign the CC&Rs that any service that needs to be done for utilities that may impact their property, they are allowing that. There are common areas, which are common to the entire project, except their own parking space, and a patio on the back sides of the building, so when you walk out the main door, you have something there. There will be landscaping and more asphalt. He would like the commissioners to allow him to have individual tax ID numbers and record them as such. He addressed the concerns he received in a letter via email from Kyle Gubler. He acknowledged that this was not under the current commercial residential application. He wanted that to be clear.

Email concern: No sales tax will be collected from these commercial properties.

Blair replied that the beauty about it is we don't know who's going to be buying these units, that's number one, number two is if in the future there is any residential application, this is commercially zoned, your property tax does not change when a mixed-use overlay goes on top of a commercial zone. There will be people who don't want to live there because they don't want to pay commercial tax. There will be businesses from which you will receive sales tax. Based on the future of mixed-use, this will always have a primary commercial application, in which every owned unit must have a business license. If and when the mixed-use does come into play, there will always be a business license application. First commercial, and second residential.

Email concern: If people can live above their storage unit, it will most assuredly become an illegal vacation rental.

Blair reiterated that he never intended it to be a vacation rental zone. It's not zoned for it. He wanted to clarify that he understood that, and their CCRs specifically state that this is not a vacation rental. They are not to use that as a nightly rental, and he can do an additional affidavit upon closing their unit. He has gone through those checks and balances to rest assured that it is not the intention, and he will police it as much as possible.

Email concern: How can these units be commercial with no parking?

Blair explained during the tour that he didn't want a big parking lot for several reasons. As a developer, he has to look at projects and decide if they're profitable. He doesn't know who will purchase these units; only the people within the zone and the code within that commercial zone can operate their businesses. The beautiful part about this site is that it allows many uses, which you allow. Again, parking shouldn't be a determining factor in deciding whether he receives an individual tax ID.

Email concern: Other residents would want their properties changed to the same if allowed.

He is not looking for residential. He wants condominiumization and individual tax IDs. He thought it could be addressed if and when mixed-use does come into play. He tried to answer any questions and address the commissioners' concerns.

Commissioner Bice stated he was entirely in favor of giving them their Individual tax IDs and having them individually owned. He thought the likelihood of them being kept by the residents and occupants would be much better if they had ownership there. He sees no downside to doing that. It seems like what they should do.

Commissioner Sherman Howard was concerned about the tax ID they wanted but was satisfied with the explanation.

Commissioner Juluson was hesitant because parking is an issue. He didn't find the current zoning requirements for what's permitted there regarding parking. He disagreed that the garages would be parking spaces. The entire unit is counted as available space, so it can't be a parking space. There is no parking if a restaurant, dance studio, or jewelry store goes in.

Blair explained he didn't want a big parking lot. Parking compliance is within the allowable zone. Allowable parking and identified parking within the garage space qualify.

Commissioner Juluson used the example of a dance studio coming in and using the inside space for the dance studio, so it could not be used for parking. That leaves one parking space in front, which is not enough.

Blair reminded them that his application is for the individual tax ID. He has been approved and designed for the commercial zone. He explained that there are many uses for these buildings. When a business applies, it's up to the city to say no if it doesn't meet the zoning regulations for parking needed.

Derek explained he has spoken with Blair several times, and he asked him to take one building away and provide overflow parking to meet other parking requirements. Blair understands that, as the plans are now, they only allow a smaller version of permitted uses. He can only allow those meeting the parking requirements for this use to go in. We can't dictate what goes in there, as long as it's within permitted uses. So, if a dance studio requires X parking spots, and he can't provide that, that's not an allowable use, even though it's permitted in that zone. That's why the mixed-use ordinance taking off the residential aspect makes more sense because it has more permitted uses, which would combine both the commercial and the tourist commercial, which would be what Blair's after.

Commissioner Sherman Howard added that the parking requirements will just limit the kinds of businesses that can be there.

Commissioner Juluson asked if Derek could send them the parking regulations. He doesn't think the garage should count as a parking space; he thought it should be outside parking.

Derek agreed to email him the parking ordinance.

Blair explained that, as a developer, he looks at a project and builds what he wants it to be. He doesn't want a project with a type of business that requires a lot of parking. He knows he has limited what businesses he can sell them to.

Commissioner Juluson pointed out that contractors can park a few trucks there and fill the rest with materials. Then, there will be parking outside or on the street, and they can walk into the work trucks and do their work.

Blair agreed they could work outside or on the street, walk into the work trucks, and do their work. That has checks and balances relative to what's allowed and not allowed. If they cannot have more than two vehicles outside their unit at any given time, they must comply, just like any other zone of what's allowed.

Commissioner Juluson commented that parking on the street would be a problem because the Elementary school is on that street.

Derek replied that they can legally park on the street if they want to, but he's parking inside his project. He has a smaller market by limiting the amount of parking he can provide for that project. But we can't go in there and say you need 100 stalls if you decide to do this. We need to ensure that whatever goes there is abided by the required parking. He can choose what he wants to allow within those permitted uses and fit the parking requirement.

Commissioner Spendlove asked if, without having these individual tax IDs, the building has to be considered a whole project or a full unit, meaning a five-plex.

Derek replied that right now, it's considered one ownership, one tax ID number.

Commissioner Blair Gubler clarified he wants individual units, not a five plex.

Commissioner Spendlove commented after walking the project, he had reservations about wanting a residential side. He had reservations on the same topic of parking. He does this design for a living and was impressed with the units. It does meet the requirements currently or it would not have been approved. He doesn't see a problem with allowing condominiums to have these additional tax IDs so they can be sold.

Commissioner Juluson addressed the fact that he stated he wanted mixed-use for residential living and working. However, there would not be parking for residential use.

Blair replied that it would still work if they adopted your mixed-use zoning. But that is the second step. The first step is with the tax IDs and individual separation of units, fully complying with the current zone.

Commissioner Hugh Howard asked what type of business would go in with these restrictions.

Blair answered that he has an interior designer who does her office upstairs and her inventory downstairs at his other location. He has a gentleman who makes sleeping bags. Everything he does is just a UPS pick-up and drop-ship business.

Commissioner Hugh Howard wondered about the demand in La Verkin that will fill the number of buildings he puts in.

Blair gave examples of professional attorneys wanting their offices upstairs and usable space downstairs. He has a water conservancy district up north that rents the space and stores water supplies. There are so many different applications, so much versatility, and a lot of online distribution. People are doing drop shipping with inventory.

Commissioner Sherman Howard commented that the shell idea is a good plan. He has seen whenever they change hands, everybody guts them out and updates them anyway. His concern was also about parking until the intent was explained.

Blair agreed that it's risky for him to be so limited within the city's zone, given the demand and the market shift we're seeing. He agreed that if he wanted different types of businesses that require public parking, he needs to add parking, but that's a different look, feel, and touch.

Commissioner Bice added that if we had that sleeping bag factory, we probably wouldn't want a dance studio next to it. You're aiming for a different flavor with these, so it won't be a good place for a Mexican restaurant.

Commissioner Juluson added that, given the space, it would be difficult to accommodate many box truck deliveries.

Blair responded that reading the CC&Rs would calm some of their concerns, because this is designed to keep their stuff inside. The stuff that will impact anybody else. Their application use cannot negatively interfere with anyone's efforts. That is what the CC&Rs are. We don't want cars left out and box truck trailers just left to impact someone else. They cannot park in front of someone else's garage. He wishes he were the first guy to think of this business plan, but he isn't. He has taken what others have done and adjusted it to be better.

Derek commented that everybody's trying to find that little niche. Like when River Rock was built, who would have ever assumed that he would have found that niche of people? Kudos to him for getting where he's gotten at this point. He thinks Blair's after a particular niche, which he feels is a niche that people are downsizing but still need some ability to have some storage in the office. When we put this ordinance together, the conversion was for the building behind Farmer's Market. It was back there in one building, but each one was built to possibly separate. When he reached that point, we didn't even have an ordinance. He only has three stalls per unit. There is a glass company there with an office specializing in glass repairs. There are two other people they just started a business. The first unit is a school, but they worked out a deal with Farmer's Market to provide overflow parking that provided the additional parking requirements they needed. Going back to the taxes, not all businesses contribute to the tax. Vitaplex, LV Swiss, and Sun Warrior. Those global companies ship out and

don't produce one bit of tax basis. Now they provide jobs, and people may go and spend money in La Verkin. The city would rather have businesses that offer a significant tax base. However, if a company meets the zoning and use requirements, we must license them.

Commissioner Bice replied that is why they get nervous.

Derek continued to say the current code restricts what we can allow. By not allowing, we set ourselves up for a lawsuit. There has been a lot of talk about what is being allowed with this project, but not a lot of communication. That is why we did the tour tonight and are discussing this to clear up any miscommunication.

Commissioner Bice replied that people should have the right to do what they choose to do with their property, within the guidelines. So, it's okay for not everybody to be in the retail business. We have State Street and whatever happens to Topside. It amazed him what they're doing with these gray shells. He hadn't heard that term before today. At Purgatory, they're just popping up everywhere, filling. However, the issue we were talking about was the Individual Tax ID.

Commissioner Juluson commented that if it meets the code, there is not much we can do. He is still concerned about parking. Having an individual tax ID is a better way to go. If they meet the requirements for our parking code, then he is okay with it.

Blair added that he has already paid for all of the buildings, the future buildings, and those permits are paid. He explained to them that what they see on the plat is what he is doing. He is not trying to get anything passed that is not allowed. He is obeying all the architectural design rules. Tonight, he is only asking them to approve the condominium allowance for him to get Individual Tax ID numbers.

Brad Robins from Sunrise Engineering spoke about converting existing buildings into individual ones for sale. There's nothing unusual about condo conversions. After being out there, he thought it lends itself to some residential, just because of the size of these things. Can you provide some office space there? Yeah. But the mixed use we put together allowed one employee: one parking space. There's a lot of space in these, so their use will be very important for the parking requirements. The problem you face right now is that this is under construction. From my perspective, whether it's single ownership or multiple owners, it doesn't make much difference. You've got to deal with the issue that you have before you. The fact is that he wants to make them condos as long as you have CC&Rs in place. And you have certain restrictions here in the city. It probably hasn't made a big difference whether it's condos or something else. But bigger picture, if you're going to think about residential, you need to do some overlay that will strip that.

Commissioner Spendlove asked for future discussion. When we discuss mixed-use, more specifically, this type of layout, would it be possible to get some ideas of what will be required for parking? This way, we can see, as we do, this specific project and future ones. There's no question that parking is always an issue, and it depends on what those uses require.

Brad replied that his recommendation to them would be to restrict those uses to those that don't require it or prohibit them, and you can do that in an overlay.

Commissioner Hugh Howard asked if he goes to mixed-use, if we approve for mixed-use, if there is enough parking.

Commissioner Bice replied not only to the parking but also to the trash pick-up.

Derek added that he has put an overlay in their packet for them. He has been putting together a working document based on their conversations. They've talked about residential and mixed-use for four years. He believed they must create a mixed-use zone for citizens who can't afford mortgages and business lease payments. It would give more people an opportunity to own their own business. And we need to have more

discussions. The only reason he gave them everything tonight is so they can start picking it apart. He will make the changes they discussed tonight. This does not require a public hearing as long as the engineers, city attorney, and the chair approve and go through this committee and the city council, and it's recorded like anything else. This is an allowed use, which meets the criteria; you can't stop it. He advised them that they want to prepare now so when the Topside breaks ground, they have a plan and won't get pressured to allow things they don't want. We don't have to give up what La Verkin is and our picture of La Verkin. There is zoning that we have never seen before that we need to consider while still allowing land owners to do what they want with the property, which will benefit them as well. He also thought that with the Hot Springs opening up, the land will start developing fast, and we need to be ready for it.

Commissioner Bice thanked Blair. This hasn't been easy for you, but it's useful for us.

G. Adjourn:

The motion was made by Commissioner Hugh Howard to adjourn, second by Commissioner Sherman Howard. Hugh Howard-yes, Bice-yes, Spendlove-yes, Juluson-yes, Sherman Howard-yes. The motion was carried unanimously at 7:45 pm.

17 Jun 25

Date Approved

Allen Bice

Planning Commission Chair