

City of La Verkin

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La Verkin City Council Work Meeting Minutes

Wednesday, June 18, 2025, 5:00 pm.

111 S. Main, La Verkin, Utah

Present: Mayor Kelly Wilson; Council Members: Patricia Wise, Blair Gubler, Richard Hirschi, and Darren Prince, Micah Gubler, Allen Bice, John Valenti, Richard Howard, Matt Juluson; Staff: Kyle Gubler, Derek Imlay, Fay Reber, and Nancy Cline.

Called to Order –Mayor Wilson called the work meeting to order at 5:00 pm.

1. Discussion regarding Mixed-use.

Derek explained that the hope is for a business owner to try to start a business and if they are paying a mortgage or rent on the business property, they can get down to one payment. Then they have more ability to invest in their project and maybe make that more viable and hopefully at some point in time it gets big enough they can move into a bigger building and expand. The reason we're bringing this up is the hotel that's coming on the corner across from the Maverick, north of the Farmer's Market. In the back they want a retail area with mixed-use.

Mayor Wilson added it's a retail area with mixed-use. That's similar to what they're doing in St. George across from the old pizza factory there in downtown.

Derek agreed. These items are a big push in St. George right now. We have got to spend some time down there and get a bigger perspective on it. The thing that he liked is the first floor is 100% commercial. St. George does a little different. They do a 20-80, 80% commercial on the second floor, 20% residential. And then by the time you get to the third and fourth floor, then it's completely all residential. Depending on what the situation is, you're always going to want that bottom floor to be your business part because we want the sales tax.

2. Discussion regarding Live-Work

Derek explained that the way our codes work now is if it's on the list it's permitted. If it's not, it's not permitted. This almost takes us back into a conditional use. The owner must come before the planning commission, talk about their business and how they're going to live up to the requirements that are in the code. The planning commission have the ability to make sure they meet the requirements. We're introducing live work, which is different than the mixed use. He thought it's more viable that we keep track, and get the commercial tax base out of it, and have the benefit of having a business and living above it. He made some notes on the permitted and prohibited uses. The city code for zoning analysis is clearly articulated that if a use is included, on the list, it is permitted, if it's absent, it's prohibited. The concept functions, much like the conditional use permit, require applicants to present their proposals to the Planning Commission for thorough consideration and potential approval. This process not only ensures compliance, but also fosters a collaboration approach, to urban development

Kyle clarified that the planning commission would make a recommendation to the council and the council would approve or deny them.

Derek questioned if they include the council or if they keep it with ALUA. We're not really sure how that integrates down. Instead of showing what's permitted they show what's not permitted. He thought that brings a lot of clarity to people that are trying to invest in that type of thing.

Fay is a very good component of the development agreement. The planning commission or the city council decides how they're going to dictate that use or allowance. They can list it in the development agreement along with a penalty phase with it, something the city council and developer would sign, which would give the city more teeth if they violated the agreement.

3. Discussion regarding ADU as short-term rentals.

Derek explained short-term rentals are allowed for a period of 90 days or fewer. When he crossed out the ADU word, it prohibited them. It's not in the actual ADU code. This is in the definition. And so, this is a definition correction that we would make.

Mayor Wilson asked if the planning commission and the city council would be willing to make that change. He didn't want the planning commission to be against something and the city council for it. He would like them all on the same page and to work together on it. There's a lot of details here that we won't go through today, but if we decide we want to take this up, then the planning commission will go through all the details, the city council will do the same thing, and they will decide what to present to the Council for approval. Are you willing as a Planning Commission to undertake this and go through it? The mixed-use and the live-work are coming anyway. Now might be a good time for us to undertake it and look at it and do it the way we need to. He thought sooner or later, we're going to be faced with it.

Councilman Hirschi asked why not discuss it now, no need to have it done twice.

Councilwoman Wise commented she 100% in favor of the planning commission getting on top of the mixed-use and the live-work. We've been talking about this for three-plus years and haven't done it. She thought they wouldn't have The Fields the way it is right now if they had been able to do this a few years ago. She would like another council meeting to decide. This is the first time they have seen the ADUs brought up. She suggested another two weeks to study it before they would take up the planning commission's time on it.

Commissioner Bice agreed to work on the work-live and the mixed-use, the time has come. He thought they had all been in favor of it. They just haven't been able to figure out what it should look like.

Mayor Wilson commented we've got something to work with. You guys can take it, work through it, and present it to the council. Micah and Darren are the two-counsel people that have expressed interest in the ADU's. He asked them to share their thoughts. We discussed it before, but it was too much for the council to consider with the zoning of short-term rentals.

Councilman Prince explained he brought this up when he first came into this position as city councilman and it didn't seem like there was much interest, so he let it die. He explained he loved to travel and loved finding ADUs. He thought it's a nice little benefit for homeowners that they can rent out their ADU. Some of the benefits are if someone lives in that house, and they can rent that ADU, they can keep better track of it before it gets out of control. They become the policemen. When the person lives there, then they can make sure that some of those issues that we're dealing with, like noise, parking and neighborhood disruption can be mitigated. It's hard to buy a house right now, we're at \$530,000 for a median house in Washington County. He didn't think his kids could pay \$530,000 at 7% interest. If they can have an ADU on that property, it might make it more available for younger couples and older couples to make their payments. Older couples want that ADU for their kids when their kids come into town, but the rest of the time they can use that to make a little extra income for them. If it was a long-term rental, then their kids wouldn't have a place to stay when they came into town. Trying to create an ADU in your own house is not really doable. It's obtrusive, it's kind of scary to have someone in your house with you. The gentleman who came and talked to the City Council, Dave Walton, he thought he's right, it's not fair that we live in this area where so many people want to be here, and he has this private property, and he can't rent it out. If you're rich you can utilize it and you can build a hotel, but if you're

just an average person you can't use your own property. There are many parts in Hurricane and Washington County that allow it. It didn't make sense to him that it's not allowed in La Verkin.

Councilwoman Wise commented ADU's are allowed on lots over 10,000 square feet just not short-term rental.

Councilman Micah Gubler added that they want them to be short-term rentals.

Councilman Prince commented that's his property. He asked how come Hurricane can recognize it? And Washington County can recognize that. But here, in La Verkin, we can't recognize that you can use your own property. He felt like he was right. He understood that it's not cut and dry. We do affect our neighbors. We affect our schools. There are issues with them. But he sympathized with him also. The other thing that he liked that Hurricane does is if you have .8 acres or more, you can build two ADUs, one short-term and one long-term. And so that helps alleviate some of the lack of housing. If you could build two rentals on your property, that would be a huge bonus for property owners. And they tax us enough. We ought to be able to make some money on our property.

Councilman Micah Gubler added he was right there at the beginning when we just opened up the vacation rentals and then all of a sudden, we realized we're starting to lose neighborhoods. And so that's why we really put a clamp on it was we don't want to lose the community. And a lot of the vacation rentals at that time were owned by absentee owners. He has got two kids that are married and both of them are saying the only way they can ever afford to get a house and they're looking in areas in Washington County where they can have the house plus the ADU that they can rent out because it's the only way they can afford to be a homeowner. It gives them that opportunity. He didn't see a lot of difference between having that living space inside the home of a homeowner here in La Verkin. Or the homeowner has it in an accessory dwelling. There will still be visitors. Sometimes it's too hard to remodel a house and easier to build an ADU.

Councilwoman Wise asked if they are talking about long-term versus short-term ADU's.

Councilman Micah Gubler replied they are talking about allowing both long-term and short-term.

Councilwoman Wise wondered how much detail they wanted to talk about tonight.

Mayor Wilson explained they wanted to get the feel if the planning commission and the city council's willing to discuss it.

Commissioner John Valenti added when we close the vacation rentals there were probably 60 to 80 people waiting on a waiting list. Those people all have properties. They all want to make some money from those properties. He didn't see that a private residence having vacation rental people in it or somebody using their ADU for a vacation rental is any different. It still affects the neighborhood. It still has all of those impacts, and we've kicked this around and around but that would be his reservation about it. If we were going to open it up, all of those places that have that capacity or that capability of having vacation rentals have significant valuation changes in their property. There were places initially that had half a million or a million dollars added to the price of the home. None of that by the way was taxable. He thought if they start picking and choosing who's a winner and who's a loser, then he would probably have an issue with that.

Mayor Wilson added the idea with the ADU is that you have to live in one of the units.

Councilman Micah Gubler explained the protection for the city is built into how we write it. The only way they can have an ADU is if the property owner lives in one of the two. You can't be an absentee owner.

Mayor Wilson agreed that the absentee owners ruined the neighborhoods, because people from all over the country were buying any house that came up for sale in La Verkin, To turn it into a vacation rental, and so they weren't living here, and whoever was managing it for them didn't deal with the rowdy groups that were coming in and renting the place. But if you were a property owner, and you had an ADU and they were causing some trouble, you're right there. You're the policeman. They're causing trouble for you, too.

Commissioner Bice commented that when we opened the door on the vacation rentals, the argument was these people are here to vacation. They'll be quiet at night because they've been out at Zion and places exercising all day. And living two doors down from one, that's not the case. He has broken beer bottles thrown in his pasture. His mother lives a block away, can hear music at 2 in the morning sometimes. You call the police. They come say don't do that, and before their car is gone, they're back to doing it. The police write them a ticket, and they take that with them back to wherever they come from. It's not enforceable. He wasn't sure it was going to be enforceable living there either.

Councilman Prince added some jurisdictions he has gone to; they fine the homeowner for noise violations. Is that legal?

Commissioner Juluson agreed it's just hard to police. It's hard to get someone out there, and how do you go about doing it.

Councilman Micah Gubler commented it's hard if it's only the renter on the property, and so no one's there.

Commissioner Juluson commented that one place in Hurricane, it's a small cul-de-sac, and more than half the homes have an ADU's detached or attached. And usually those ADUs are smaller, so there's not more than four people. There are not 12 or 16 people that come, multiple cars, usually it's just one small family or a couple. And everything he has heard from them is they really don't notice people on the streets. They can't park on the streets obviously because that cul-de-sac is so small, but they all have separate parking spaces for them, they have signs that say park here, and no one really recognizes them on the street because the ADUs are smaller, and they don't cause as many problems as the bigger whole homes do.

Councilman Prince commented that his brother had that big home on thrill hill, and it was always full of vacationers. The big homes had a lot of problems. It was a nightmare. Three families would rent it, and it was just a lot. He owns those behind Wells Fargo, and they're all one studio, and he has zero problems with them because they are the people that go hiking and then get there late in the evening and then leave early in the morning. The big ones are a pain.

Mayor Wilson commented that he has a vacation rental next to him, a three-bedroom home, it's been there for three, four, five years, he doesn't even notice people coming over there because the people that have been there haven't been rowdy or anything like that. He noticed today there were six young kids that were in there and he didn't even know that they were there until they drove away.

Councilwoman Wise commented that John brought up a couple of good points. So, let's say we did this and all of a sudden people can build ADUs in their backyard to be used as short-term rentals. They can build ADUs in their backyards now and have them for long-term rental, which is a big need. She asked Derek how many building permits has he got in the last year since we passed the ADUs in a backyard, a handful?

Derek replied probably six or seven.

Councilwoman Wise continued now we're going to allow short-term rentals. Those properties just went up dramatically in value. The people who are living there could easily sell it to somebody else, get a good offer on

it, whatever, if they wanted to. And those people would say, yeah, they're going to live there, but maybe they have extended family, and so who's actually the resident? And how do we police that, and all of a sudden that value's gone sky high. It's increased the market so that people, young people who do want to purchase a home now are priced out of availability even more. She thought this was going to end up exactly the same way we saw the short-term rentals. When we did the short-term rentals and we capped it off, she thought at 100 total, and we can't have any more. Christy did a report for us, and only 23 of those 100 units are owned by residents, and 20 people own those 23 units. So out of 100 vacation homes, single-family homes, only 20 of them are residents in town. She thinks that within a short time this would end up being the same thing and look how long it's taken us just to get on board to have to hire a company to police the existing short-term rentals. How are you going to determine if somebody's really the homeowner? Can you imagine the leg work and the time that it would take to go through the County and all of that. She felt that it's foolish to enter this saying that the owner has to be a resident and live in the main house.

Kyle commented that the company that we hired has programs to identify illegal homes.

Councilwoman Wise added they are not doing anything to help the affordability of families here in La Verkin. We're helping people who want investment property, and we're helping just a small handful of people who have the income, and the wherewithal to build an ADU. But if the first time we did this and allowed the ADUs, detached ADUs, if it had been such a great deal for residents, we would have a lot of them right now, and we just don't. She didn't think people could afford to do it. But somebody coming in and buying a property with money could certainly afford to do it.

Councilman Micah Gubler commented having owned one, to get into a full-size vacation rental is a huge investment, where it puts the affordability into a lot more housing if it's an ADU size. Because not many people have the money to be able to own separate rental properties. He thought it's very similar to this mixed-use or live-work. We're saying that there's a way that they can take advantage of the property and make some money. It's a smaller investment.

Councilwoman Wise added that she asked how much it would be to build an ADU. 1200 square feet are allowed, and it was still \$300,000. It does give the potential for those people who could invest that kind of money to build an ADU on their property, the chance to have long-term rentals, which if you look at Facebook, people are just dying to get rentals in La Verkin, so there is a need. She felt making it short-term rentals, it's going to turn into investment property. They will make more money on short-term rentals, that's been documented, that if you have a long-term versus a short-term, and it's full all the time there is a profit to that.

Councilman Blair Gubler commented he has listened to everybody's comments but he lives next to three Airbnb's and they park on the street continually and one of them is a modular with only two bedrooms and they'll, just bring the kids in vans and they sleep out on the lawn or the front, there's no way you're going to stop them. You can call the cops, it's like they don't show up or they'll show up and give them a warning but by the time that happens it's one o'clock. He has had a lot of nightmares with the Airbnb's because he has three of them right next to him. He had kids living in his house for three years as a couple. They had their own bedroom and their own bath. It was great. It's one of the strongest relationships he has in his family. And we have a strong relationship with them. Grow with your kids. Don't stick them out in some shack that they live in. That's no good for them. It isn't any good for you. Isn't what we're here for, is to get raise our kids and love them and help them as much as we can? But that's the human side of it. Patty opened up an avenue where she was looking down the road to see where the prices would go on a piece of real estate if they had one. And those prices will go up, which is going to drive the houses right next to it that can put one in that don't have one. Their price is going to go through the ceiling. There are realtors out there right now that are advertising homes that can be turned into Airbnb's, even though we've outlawed them. The realtors still are pushing them, and yet they're not legal to have anymore. If we open this door up, it's the long-term things we are going to have to look at. It's the

long-term kids, it's the long-term school, it's the long-term street, it's the whole work. He knows, personally, that one individual built homes, turns them into Airbnb's. He's building one right now right across the corner, and he owns four of them in town now. He doesn't live here.

Commissioner Richard Howard commented that if you look at Virgin and what happened to that place, you'd think, oh my goodness, what were they thinking? They have destroyed the center of the town with all of those RV places. There's not really a community, per say. Maybe they weren't looking because there wasn't a yellow light that says, let's slow down and look at it. So it goes back to your point, Mayor, that says, if we're going to look at this. Hugh and

Sherman, they have both long and short-term rentals. There is more money when you can rent it out daily or weekly or monthly, by the month, and in the wintertime that's what Hugh and Sherman will do because they can't get the short-term that pays them. He didn't think La Verkin is going to want to look like Virgin. Going back to your main point of should we examine it because there's an opportunity for our kids to make more money. But what is the real purpose of an ADU and what does it do long-term to the town? The county is saying that 40% of the homes sold here are cash. At least if we look at it, it may be an advantage, but it might need at least a caution light to study.

Mayor Wilson commented that's what he wanted to bring up tonight. Are you willing to take it up now? That doesn't mean it's going to happen, but the Planning Commission can examine it. We can do the same thing as the City Council and make a decision whether we would want it or not. Same with this live-work and the mixed-use. He thinks it's coming, and they might as well make sure it's done right if it is coming.

Councilwoman Wise commented that it's just a request. It's up to Alan who sets the agenda for the Planning Commission. She feels that the mixed-use and live-work are not coming to us, it's already here. She would personally like to see the planning commission be able to focus on those because they're big issues and not take on any other items except for maybe a small study addendum. In other words, do not make the ADUs equal to the time spent on the other two topics until those two topics are resolved a lot further or as far as they can go without a break. That would be a request from her. The CIMPA for interstate rock was very, very important and it was on the timeline so we had to do it but that's taken up almost three months of both planning commission and city council for one permit for a business. She would like to see the weight of the Planning Commission focus on these other things if that's what they want.

Mayor Wilson agreed and was only asking if they were willing to take it on.

Commissioner Bice replied that as a member of the Planning Commission he is hesitant to take the cork out of that bottle just because it's probably been six years ago that we started fiddling with vacation rentals and it seems so good and there were so many unforeseen, at least by him, consequences that happened. Every vacation rental, small vacation rental takes a house away from that young couple trying to find some place to live locally. He is hesitant to but not completely opposed to it because he is appointed and y'all are elected. If they feel strongly about it, we'll go back there again. His knee-jerk reaction right now is they finally kind of got a quirk in the bottle, it doesn't seem wise to pull it back out.

Mayor Wilson added that we've got two councilmen that if they wanted to, they could put it on the agenda for the council. He doesn't want to be fighting each other on it. He likes a spirited debate on these things. He can see the good things about it and the bad.

Commissioner Juluson added that he thought when they initially tabled it and put a cork in it, there was a lot of chatter from the state of Utah, because they had just done the attached ADUs, was going to come through and do something with the detached ADUs. They didn't really want to get ahead of that. They wanted to kind of wait and see what the state of Utah did. But he doesn't think they've done anything. They didn't want to pick it

up because we didn't want to jump in there and then have to switch gears all of a sudden. But we did enough work on it, so if they did bring down the pipeline, we had something that we could quickly put into place.

Commissioner Richard Howard commented that whether it's live-work or mixed-use or rental property, it is so difficult for anybody to live here or even rent. Is the purpose of La Verkin going to be something that would be to expand vacation rentals or is our purpose to make it more possible to find rent.

Councilman Micah Gubler agreed they were so traumatized by the vacation rental. He was at both ends of it, opening the floodgate and closing it. He doesn't view it as promoting vacation rentals but as an opportunity for someone that wants to live in La Verkin to be able to afford to do it. Just having kids that would like to be able to, but there's no way they could ever live in Washington County unless they find a way to supplement their income to help pay for that entry level.

Commissioner Valenti added that we buried in the code somewhere that if you had an older building on your property, a garage or a structure that existed, you could actually make that into a B&B, but you couldn't construct a new building to make a B&B at one time. We've kind of tinkered with the code here and there, but it's brought us to where we are. It's kind of like, as Patty was saying, those that can afford to build a \$200,000 or \$300,000 structure can now use it for basically short-term rental. It's not going to be a home for kids. It's going to be an earning property. And then the cost of that property is just going to inflate. It's going to inflate neighborhood costs. All those properties around it will gain in value no matter what you do.

Councilman Prince replied that that's going to mitigate itself here shortly with all of the vacation rentals that are coming on the market. He didn't agree the value that we are seeing is going to continue to rise. With this development at Gateway over there by Walmart, just that one alone, there's thousands of vacation rentals coming.

Councilwoman Wise added that's another thing, is the surrounding area. What are all these things doing to our hotels that we already have and hotels who want to come in? That's an impact because she avoids hotels, if there's any way she can. She enjoys the short-term rentals. The single-family homes or the apartments, wherever it might be, it's almost like being home with the amenities. But we have so many hotels that need the business or the handful that we have, and all our general commercial property will allow hotels maybe about 10 more hotels.

Mayor Wilson commented that we have hotels that want to provide a section of vacation rentals as well. He didn't think the hotels are against vacation rentals, they realize that people like both.

Commissioner Bice added that years ago the state published ownership of vacation rentals, and he forgets the statistics, but Hilton had like 20% vacation rentals in their hotels in the state of Utah. He agreed that hotels are getting into that game too.

Commissioner Juluson commented by doing this would they not allow patio homes? There would be no room on a small lot to build an ADU. Would we end up taking out patio homes and so then there's fewer smaller homes that are affordable for bigger lots? There could be a casita, and would that decrease the number of homes which then would increase the rate overall so the prices overall. Would that net zero our affordability by doing so or does it make it all affordable. He didn't know if people would still want to make those smaller homes when they could get a bigger lot. and put a casita on it. Then you must pay more for a bigger lot and a casita and everything else another \$200,000 or \$300,000 for that. We've worked on making smaller lots.

Mayor Wilson added he has noticed a lot more smaller lots coming into the surrounding area. Just like the one they just did, the 6,000 square foot lot here in town. That turned out way better than he thought it would. They

have really nice homes in those small lots, and he didn't know if the people could afford those homes, even a small lot.

Councilman Micah Gubler said they were asking over \$600,000 for those homes.

Commissioner Juluson added they are trying to build some small homes in Hurricane Heights. They're just a patio home, 4,000 square feet, takes up pretty much the whole lot, and they're trying to do under \$500,000.

Councilman Micah Gubler added that there's no backyard, there's nothing. He was shocked because he thought that would be kind of affordable, but it was listed over \$600,000.

Commissioner Juluson commented every developer is going to come in and want bigger lots because they can get a premium. They can say this lot is big enough for an ADU, and he is going to sell it for more.

Mayor Wilson asked if the planning commission would take up the mixed-use, live-work. And then maybe after that's done, look at the ADU's, if they want to.

Councilman Prince added there's not any rush. Look at those two and then when they're done with those two, see if we want to look at ADU's. We can look at some other cities and see what they do.

Councilwoman Wise commented that Hurricane still has so much undeveloped property. They can afford to do anything they want on short-term rentals and still have long-term housing. And Washington, they're not in the same boat as Hurricane, but they have so much more land than La Verkin does, so we do need to be very careful with what we do.

Councilman Richard Hirschi asked if they develop the topside does La Verkin provide the water.

Mayor Wilson explained if they are in La Verkin then we supply the water. We have commitments from the Water District that they'll provide water for us. They have a 20-year plan for that, and they'll go beyond that as well and we're working on a deal where we can secure water for probably a complete build out.

Mayor Wilson ended the work meeting and asked everyone to go to the council chamber to start the city council meeting.

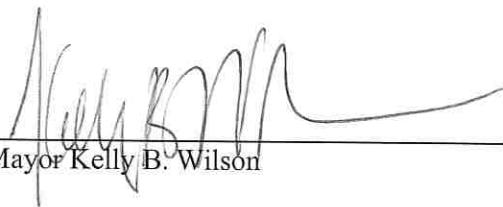
B. Adjourn:

The meeting adjourned at 5:55 p.m.

15 July 2025

Date Approved

ATTEST: Nancy Cline
Nancy Cline
City Recorder



Mayor Kelly B. Wilson