CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
February 24, 2015

This meeting may be held electronically to allow a Councilmember to participate.

3:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

1. **UPDATE – Master Plan – Utilities**

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

PREVIEW UPCOMING AGENDA ITEMS

2. **Staff will present to the City Council a preview of upcoming agenda items.**

AGENDA REVIEW

3. **The City Council will review the items on the agenda.**

CITY COUNCIL - NEW BUSINESS

4. **This is an opportunity for members of the City Council to raise issues of information or concern.**

6:00 P.M. REGULAR SESSION - COUNCIL CHAMBERS

CALL TO ORDER
INVOCATION/INSPIRATIONAL THOUGHT: By Invitation
PLEDGE OF ALLEGIANCE: By Invitation

APPROVAL OF MINUTES

5. **MINUTES of City Council Meeting – February 10, 2015**

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL CITY COUNCIL MEETINGS.
If you need a special accommodation to participate in the City Council Meetings and Study Sessions, please call the City Recorder's Office at least 3 working days prior to the meeting.
(Voice 229-7074)

This agenda is also available on the City's Internet webpage at orem.org

6. **UPCOMING EVENTS**
7. **APPOINTMENTS TO BOARDS AND COMMISSIONS**
   CARE Advisory Commission.....4 vacancies
   Senior Advisory Commission.....2 vacancies
   Transportation Advisory Commission.....3 vacancies
8. **RECOGNITION OF NEW NEIGHBORHOODS IN ACTION OFFICERS**
9. **REPORT – Beautification Advisory Commission**

CITY MANAGER'S APPOINTMENTS

10. **APPOINTMENTS TO BOARDS AND COMMISSIONS**
    The City Manager does not have any appointments.

PERSONAL APPEARANCES – 15 MINUTES

11. **Time has been set aside for the public to express their ideas, concerns, and comments on items not on the Agenda. Those wishing to speak should have signed in before the beginning of the meeting. (Please limit your comments to 3 minutes or less.)**

CONSENT ITEMS

12. **There are no Consent Items.**

SCHEDULED ITEMS

6:20 P.M. PUBLIC HEARING – Economic Development Strategic Plan

13. **RESOLUTION - Amending Chapter 6, Economics, of the Orem General Plan and approving the Orem Economic Development Strategic Plan**

RECOMMENDATION: The Economic Development Division Manager recommends that the City of Orem, by resolution, amend Chapter 6, Economics, of the Orem General Plan and approve the Orem Economic Development Strategic Plan.

PRESENTER: Ryan Clark and Suzy Becker

POTENTIALLY AFFECTED AREA: Citywide

BACKGROUND: The General Plan is a written guide for the future development of the City. Chapter 6 of the General Plan discusses economics. This chapter currently describes the City's intent to maintain a healthy working relationship with the Commission for Economic Development in Orem (CEDO) in order to achieve the most desirable results in economic development pursuits.

In 2012, CEDO was integrated into the City of Orem and the Economic Development Division (EDD) was created. The EDD is now tasked with the responsibility for economic development in the City. Over the last year, in conjunction with Zion's Bank Public Finance, a new Economic Development Strategic Plan (EDSP) was completed. The EDSP is a guide for City of Orem economic development for the next five to ten years. Many goals associated with the EDSP require zoning and land use coordination. Therefore, in Chapter 6 of the General Plan, reference to the EDSP as a guiding document for economic development should be included to ensure coordination between land development goals and economic development goals.

It is proposed that Chapter 6, Economics, of the Orem General Plan be modified to reflect the dissolution of CEDO, the creation of the Economic Development Division, and the addition of the Economic Development Strategic plan dated December 2014.

6:20 P.M. PUBLIC HEARING – PD Zones

14. ORDINANCE - Amending a portion of Section 22-5-1 of the Orem City Code to include and update the names of various PD zones

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend a portion of Section 22-5-1 of the Orem City Code to include and update the names of various PD zones.

PRESENTER: Jason Bench

POTENTIALLY AFFECTED AREA: Citywide

BACKGROUND: Article 22-5 of the Orem City Code lists the various zones established by City Code including all of the Planned Development (PD) zones. Many new PD zones have recently been adopted and an update to section 22-5 is needed to include the names of these new PD zones. The names of several PD zones have also changed over time and the proposed amendment will show the current names of these PD zones as well.

The proposed changes are as follows:

22-5-1. Establishment.
The City of Orem is hereby divided into zones and districts as follows:
...

PD ZONES

PD-1	Between Center Street and 165 South and between Orem Boulevard and 200 West Street.
PD-2	800 North between 200 East and 400 East.
PD-3	800 North between 100 West and 200 East - Repealed.
PD-4	800 North at 800 East.
PD-5	1200 South to 1400 South between 200 East and 400 West Street
PD-6	Timpanogos Research & Development Park.
PD-7	100 South between 400 West and 200 West.
PD-8	Palisades Drive between 600 North and 800 North.
PD-9	Palisades Drive between 500 North and 600 North.
PD-10	Northwest Corner of 800 North and 800 East.
PD-11	1430 South Sandhill Road.
PD-12	Southwest Corner of 1300 South and Main Street.

PD-13	Southwest Corner of 400 North and Orem Boulevard.
PD-14	Residential Estate Zone.
PD-15	2000 West Springwater Park Drive.
PD-16	400 South 1800 West.
PD-17	1200 South Between 50 East and 150 East.
PD-18	Residential Estate Zone, The Berkshires, 1300 South Carterville Road.
PD-19	South Rim PRD, 1755 South 750 East.
PD-20	Jameson Point PRD, 1559 South 850 East.
PD-21	Student Housing Village Zone, 1200 South Geneva Road.
PD-22	Urban Village.
PD-23	Midtown Village, 320 South State.
PD-24	Carrara Estates, 1300 North 400 East and 1600 North 400 East
PD-25	Verona, 600 South 800 East.
PD-26	Tanglewood, 1600 North 1200 West.
PD-27	Blackhorse Run II, 700 South Geneva Road.
PD-28	North Pointe Plaza, 1600 North 1030 West.
PD-29	Siena Villas at Columbia Lane.
PD-30	Centennial Plaza.
PD-31	Intermodal Center - 1350 West 1000 South.
PD-32	MBARQ Senior Independent Living Facility – 256 East Center.
PD-33	Transit Oriented Development - 800 South Geneva Road.
PD-34	University Place - 1300 South State Street.
PD-35	Windsor Court, 320 West 1360 North.
PD-36	Orem Falls Business Park, 1200 North Geneva Road.
PD-37	Legacy at Orem - 1450 South State Street.
PD-38	Summit Ridge Apartments - 1697 South 400 East.
PD-39	Cascade Village, 920 North and State Street.
PD-40	460 South State Street.
PD-41	1200 West Center Street.

6:20 P.M. PUBLIC HEARING – Utility Connections

15. ORDINANCE - Amending Section 20-3-5 of the Orem City Code pertaining to separate sewer connections

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend Section 20-3-5 of the Orem City Code pertaining to sewer connections.

PRESENTER: Jason Bench

POTENTIALLY AFFECTED AREA: Citywide

BACKGROUND: Article 20-3-5 currently requires separate sewer connections "for every building and for every dwelling unit in buildings having more than one dwelling unit." By implication, this language does not require a separate sewer connection for every commercial unit in a building containing multiple commercial units. By deleting the word "dwelling," the proposed amendment would correct this problem and would require a separate sewer connection for all units of any kind in buildings having more than one unit.

The existing exception allowing multiple connections to a single sewer lateral where justified by a fixture count analysis would continue to apply to buildings containing multiple dwelling units such as an apartment building with 12 units.

The proposed amendment is shown below.

> **20-3-5. Separate connections required.**
> A separate and independent building sewer shall be provided for every building and for every unit in buildings having more than one unit, except that multiple family buildings may perform a fixture count analysis to justify multiple dwelling connections on a single lateral. The analysis will be approved by the Director before the lateral is installed. Where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear building through an adjoining alley, court, yard, or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer, but the City does not and will not assume any obligation or responsibility for damage caused by or resulting from any such single connection.

Advantages

- Allows separate sewer sampling to take place for multi-tenant commercial buildings
- Individual sewer lines can be repaired or replaced without affecting other units in the same building

Disadvantages

- None identified

6:30 P.M. PUBLIC HEARING – Residential Parking Permit Area

16. RESOLUTION – Establishing a Residential Parking Permit Area between 800 South and 925 South and 600 West and 725 West

RECOMMENDATION: The Chief of Police recommends that the City Council, by resolution, establish a residential parking permit area between 800 South and 925 South and 600 West and 725 West in Orem, Utah.

PRESENTER: Gary Giles

POTENTIALLY AFFECTED AREA: Sunset Heights

BACKGROUND: The City of Orem is responsible for protecting the health, safety, and general welfare of the City. With the ongoing enrollment of students and the expansion of Utah Valley University, there has been an increase in the number of nonresidents who are using 600 West, 725 West, 925 South, 950 South and the connected cul-de-sacs as on-street parking during the university's business hours. The nonresident motor vehicles remain on these streets for the majority of the day between 7:00 a.m. and 5:00 p.m. This increase in use of these streets as parking for students and others visiting Utah Valley University has caused increased traffic congestion and has contributed to the inability of residents and their visitors to park near their homes. A group of individuals who reside in this area filed a petition with the Orem City Police Department asking that a study be conducted to determine whether it would be appropriate for the City to create a residential parking permit area between 800 South and 925 South and 600 West and 725 West.

The Orem Police Department has conducted the study and concluded that (1) during business hours, this area is congested with motor vehicles that are not owned by those

living in the neighborhood; and (2) after 5:00 p.m., the majority of the motor vehicles occupying on-street parking are gone.

Having completed the study, the Orem City Police Department recommends that the City Council create a residential parking permit area between 800 South and 925 South and 600 West and 725 West.

If the City Council creates the residential parking permit area as proposed, any resident within the residential parking permit area will be permitted to park any cars registered to his/her dwelling in the residential parking permit area, and each dwelling within the residential parking permit area will be given two (2) visitor/guest permits.

17. RESOLUTION – Authorizing the Transfer $5,000 from the City Council Contingency Account as a City match for the Arson Reward

RECOMMENDATION: City Manager recommends the City Council, by resolution, authorize the transfer of $5,000 from the City Council Contingency Fund to the appropriate account to fund the City's portion of a reward for information leading to the arrest of an arsonist.

PRESENTER: Jamie Davidson

BACKGROUND: The City has had two large fires caused by an arsonist(s) within the past two months. These fires have caused a tremendous amount of property damage. The Council desires to pledge $5,000 as part of a reward being offered by the City and local business owners for information leading to the arrest of the arsonist(s).

COMMUNICATION ITEMS

18. Monthly Financial Summary - Jan 2015.

CITY MANAGER INFORMATION ITEMS

19. This is an opportunity for the City Manager to provide information to the City Council. These items are for information and do not require action by the City Council.

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CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
February 10, 2015

3:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING	Mayor Richard F. Brunst, Jr.
ELECTED OFFICIALS	Councilmembers Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Chris Tschirki, Public Works Director; Karl Hirst, Recreation Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Steve Earl, Deputy City Attorney; Ryan Clark, Economic Development Division Manager; Brandon Stocksdale, Long Range Planner; Jason Bench, Planning Division Manager; Brandon Nelson, Accounting Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder
EXCUSED	Councilmember Hans Andersen

DISCUSSION – Economic Development Strategic Plan

Ryan Clark introduced Suzy Becker, with Zions Bank Public Finance Municipal Consulting Group (ZBPF), who presented information on the direction of the Economic Development Strategic Plan. The Economic Development Strategic Plan would be presented for adoption at the February 24, 2015, City Council meeting.

Ms. Becker said the study combined market analysis with economics and planning, which was a trend she had seen in her field. Many workshops were conducted looking at marketing, RDAs, housing, transportation, etc. with the idea to have all the information combined into an economic and planning document. She said the study looked at Orem to identify different economic districts, and the unique opportunities each could offer in order to balance the City with long-term sustainability.

Implementation Plan Goals:

1. Increase the sustainability of the City's tax base through increased property values
2. Establish Orem as the employment hub of Utah County
    a. Capitalize on investment at University Place – Orem's "downtown"
    b. Cluster of class A office space at the intersection of State and University

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   c. Provide transition between mid-rise office and residential areas
   d. Bring in hotels to serve business development
3. Maintain supremacy as the regional retail hub of Utah County
4. Improve the visual and physical appearance of State Street; develop and strengthen key economic nodes along State Street
   a. Provide better connections between State Street and Orem Blvd.
   b. Long Term: Future expansion of the City Hall
   c. Use Form-based-code to transform 3-4 blocks of Center Street into Orem's "Main Street" – development along Center Street would include residential and first floor retail
   d. Retrofit existing shopping centers to have a more urban street frontage while maintaining big box retail
   e. Transform Orem Boulevard into a pedestrian and bike-friendly corridor lined with residential and neighborhood-serving commercial uses
5. Redevelop Geneva Road – The "Wedge"
   a. Current discussions with Vineyard, MAG, and UTA to align light rail through "@ Geneva" development
      i. Veers west from Geneva Road at 1600 North to parallel FrontRunner southward to 400 North
      ii. Avoids much of Orem, doesn't benefit the Wedge
   b. Near-term: City should influence alignment close to Geneva Road, BRT on University Parkway, and State Street
   c. "The Wedge"
      i. An underdeveloped area with potential for future redevelopment
      ii. Potential "high visibility" class A sites along I-15
      iii. Incubator sites within the interior of the Wedge
      iv. Must be planned for the future
      v. Anchor the west end of Center Street with a civic building and green
      vi. Possibly a new park to incentivize development
6. Increase connectivity with Utah Valley University
   a. Integrate more with community and connection with I-15
   b. UVU – "Wolverine Hill" – Create a student village with a mixture of housing, retail and recreation amenities
7. Develop a new, progressive and sophisticated image for Orem
   a. Branding:

      For the City of Orem's economic development audience, Orem provides great value through a low cost of doing business and a quality workforce. Orem is the epicenter of Utah County, where start-up companies, established businesses and developers prosper.
8. Encourage cultural arts activities
   a. Potential for senior housing close to amenities
   b. Enhanced park gateway and "parking plaza" – can double as farmer's market
   c. Enhance edges of park to better integrate with surroundings
   d. Arts village clustered around the Arts Center
   e. Connect park and Arts Center with Orem Boulevard
9. Thoughts on Implementation
   a. Top 10 Business Decision Factors – EDC Utah

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i. Labor Costs
ii. State and local incentives
iii. Highway accessibility
iv. Availability of skilled labor
v. Energy availability and costs
vi. Proximity to major market
vii. Tax exemptions
viii. Occupancy/construction costs
ix. Corporate tax rate
x. Availability of buildings

Ms. Becker said sales tax revenue generated from retail outperformed any other revenue generator in Orem, including business. Sales tax revenue was important but not always consistent. A more sustainable revenue generator would be class A office space, which would have higher property values. With many businesses in the valley relocating to Lehi, one suggestion was for Orem to develop more class A office space to attract and retain businesses. Ms. Becker said Orem was doing the right things to move forward with developing more class A office space and higher property values.

Mr. Davidson said areas like Knudsen's Corner in Holladay had high property values and were able to have class A office space because they had built business towers, not two- or three-story office buildings. Ms. Becker agreed and said that was something for Orem to consider.

Ms. Becker said the University Mall area would be the "downtown" of Orem and of Utah County. Office towers and hotels could be developed to build up the area, which would transition between mid-rise and residential areas.

Mayor Brunst said two or three hotels were recently proposed in Orem.

Mr. Davidson said Guy Woodbury had said Orem's hotel occupancy was strong, but the price point was lower in Orem than surrounding areas. That limited the kinds of full-service hotels that could be built in Orem, so the price point would have to go up to attract those higher rated hotels.

Ms. Becker said having the class A office space would lead to attracting businesses with higher wages, which would allow for Orem to raise the price point for hotels and rent for office space.

Ms. Becker said along with developing higher property values, it was important to maintain Orem's status as the retail hub in the valley, which provided around of $465 million in sales tax revenue. The University Mall brought in more sales tax revenue than any other retail center in the area. Nodes along State Street were doing well, but there was room for improvement.

At the request of Mr. Davidson, Mr. Manning provided clarification on the categories shown for sales leakage and capture rates.

Mayor Brunst asked if sales tax revenue would likely increase with the move and expansion of RC Willey. Mr. Manning said with the expansion, as well as Ashley Furniture coming in to

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Orem, those numbers were likely to increase. He added that, when construction did well, home furnishings would do well, and they would mirror each other.

Ms. Becker said developing higher densities at nodes and clusters would increase buying power within the walkable district along State Street and Orem Boulevard.

Ms. Becker said redeveloping Geneva Road would provide opportunities to bring in industrial and business developments. Vineyard had large-scale plans to develop residential units along the corridor of Geneva Road. If Orem could situate businesses that would provide more tax revenue in the area, Orem could capitalize on the residential developments of Vineyard.

Ms. Becker said there were many good things about doing business in Utah and Utah County specifically. Of the top ten business decision factors, Orem was strong in eight of them. Two areas where Orem was lacking were offering state and local incentives and availability of class A office space.

Ms. Becker said in 1980 only about $28 million was generated statewide in tax increments. Now redevelopment agencies (RDAs) had developed throughout the state. In 2014 more than $170 million was generated in tax increments, which was used to provide infrastructure or incentives, etc. to encourage development. Almost all the existing RDA areas in Orem were set to expire, or had already expired and were given extensions.

Ms. Becker thanked Ryan Clark and the City for allowing them to work with Orem.

Mr. Sumner asked how Orem compared with Lehi on incentives.

Mr. Davidson said University Parkway had been done with incentive arrangements and the area had thrived. In Lehi, every project was incentivized, which made Orem not as competitive. Economic development, but also re-development, was important. Areas like Lehi had raw ground for development, whereas Orem had existing developments. In order for Orem to increase taxable value of existing parcels, they must be taken down and rebuilt which required significant infrastructure investment.

Ms. Becker said Mr. Davidson was correct, and that construction costs would go up as structures reached four and five levels. There were amenities in Orem that other areas did not have, which would be to Orem's advantage in charging higher rents, but Orem had not kept up with tax increments or incentives.

Ms. Becker said an area Orem was lacking in was the Information Technology (IT) field. Mayor Brunst said Orem incubated many of those businesses, and then they would move. Ms. Becker said the goal then was to lure those businesses downtown and keep them in Orem with class A office space and surrounding amenities.

Mr. Davidson said one of the jewels Orem had yet to polish was the Geneva Road corridor. The type of growth happening in Vineyard was astounding, which showed the potential for Orem in those same areas. There needed to be a greater amount of strategic planning on the part of the City to identify what they wanted that corridor to be with infrastructure, current users, zoning,

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etc. and guide future development. Ms. Becker agreed, and said the first developers in the area would likely need more incentive than later developers.

Mr. Clark said the City had applied for the Brownfield White Area Planning Grant to put together a vision document for the Orem. They would likely hear back on toward the end of February if that grant had been awarded to Orem.

Mr. Manning said the more inviting the area looked to developers the more it would do for the sustainability of the future. Mr. Davidson said the Thanksgiving Point business development was a great example of this, with close proximity to the freeway which gave businesses exposure.

Mr. Davidson said transit was increasingly important to the success of business and other developments in the future by allowing more accessibility to areas Orem was trying to stimulate. The plan was for the City Council to consider adopting this Economic Development Strategic Plan as a component of the General Plan, and reference the plan in going forward as development projects were considered in key, strategic areas of the city.

Mr. Seastrand asked if modifications considering Geneva Road should be considered now before the plan was adopted. Mr. Davidson said staff's recommendation would be to adopt the General Plan and use zoning as a tool to guide development in the future.

DISCUSSION – CARE Survey

Steven Downs introduced Quin Monson, owner of Y2 Analytics, to present the results of a CARE survey that was conducted in December 2014. The goal of the survey was to engage residents on what they were interested in seeing CARE money spent on. The survey was well received, with a high response rate.

Mr. Monson said a survey was conducted first in June of 2014, and a second survey had been conducted in December of 2014. In reviewing the findings of the study, the five things to remember were:

1. The majority of Orem residents saw the city as moving in the right direction.
2. A supermajority of Orem residents approved of the CARE tax.
3. Residents strongly leaned toward using CARE money for upgrades to existing facilities rather than purchasing new ones.
4. The most popular upgrades focused on improving playgrounds, the Orem Fitness Center (OFC), and adding bike lanes
5. If the City decided to invest in new facilities, residents would lean away from larger projects and instead would prefer smaller projects.

Mr. Monson reviewed the survey methodology and said there was a 51 percent response rate for the survey, which was high. He said those invited to participate in the survey also had the option to opt out, which only twelve participants did. There was a good subset of random respondents, including those who subscribe to the Orem newsletter, UVU students, etc.

The survey asked respondents to answer questions related to the following:

- Environment and Direction
    - Overall direction

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    - CARE Tax support
    - Family recreational priorities
    - General preference for funds
- Recreation Demographics
    - Dog ownership & park demand
    - Children in the home
    - Recreational activities for children
    - Recreational activities for adults
- Maintenance Priorities
    - Park traffic
    - Favorite Orem city park or facility
    - Other parks outside of Orem used by Orem residents
    - Perceived park maintenance quality
    - Upgrade priorities
- New Facilities Priorities
    - General preference for funds
    - Large new facility vs. smaller projects
    - New facility priorities (ranked in order from survey)
        - Splash pad
        - Indoor kid-friendly play area
        - New playground, including handicapped accessibility
        - Bouldering wall
        - Dog park
        - Skate park
- Orem Fitness Center (OFC)
    - OFC membership
    - Respondents screened for responsibility
    - Activities at the OFC

Mr. Monson said the survey was almost entirely about recreation, but there was a push to get more information about arts and culture participation in the community. Most respondents leaned toward the parks and recreation side, but there was a stronger representation of arts enthusiasts than initially anticipated. He said a majority of respondents preferred the CARE money be used to upgrade and maintain existing parks, fields, and facilities. Respondents thought the parks were generally well-maintained but were looking to see improvements like added shade and weather protection, replaced and upgraded playground equipment, added bike lanes, and upgrades at the OFC.

Mr. Macdonald said it was easy to call a park a failure based on its use across the city, but the ratings were according to those who were using it. So those neighborhood or niche parks were viewed favorably, and those using them were looking to see upgrades and maintenance of those parks.

Mr. Hirst said the OFC was listed as one of the most heavily used recreation facilities, but was mismatched in terms of quality. Mr. Monson said respondents heavily favored upgrades at the OFC.

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Mayor Brunst asked if there were many playgrounds that needed replacing. Mr. Tschirki said that several were older and in disrepair, many of which would cost approximately $50,000 to $100,000 to replace and upgrade. Mr. Downs added that much of the existing equipment was no longer available to purchase for upgrades, so older equipment was cannibalized to maintain those playgrounds.

Mr. Davidson some of the parks needing the attention were the smaller, neighborhood parks. Tennis was an item of interest for most respondents, and most of the courts in Orem parks were in poor condition, which could reflect badly on the park overall. He said Orem was heading into CARE season. There were established programs for both Arts and Rec enthusiasts, and it was anticipated that residents would speak to council members about their preferences of how CARE money would be used.

Mr. Monson said if the City wanted to maintain the popularity of the CARE tax, the smart thing to do was make noticeable upgrades parks and recreation facilities, and make sure residents knew that CARE money paid for those upgrades. Most respondents said they would prefer the upgrades at existing facilities to a new facility but gave feedback on the types of new facilities they would like to see if the City went that direction.

Mr. Hirst said Mr. Spencer and Recreation Advisory Commission (RAC) members had visited recreation facilities in Wasatch, American Fork, Springville and other neighboring communities and gathered information to present a recommendation to the City Council. No vote had taken place within the RAC, but there had been discussions. A "freshen up" plan for the OFC and City parks was being considered, as was the building of a large indoor multisports facility. The RAC had no official position or recommendation yet but would continue to meet and discuss to eventually present an official recommendation to the City Council.

Mrs. Black said the survey provided important feedback and asked if the recommendation was to use all CARE money on one facility or divide it.

Mr. Hirst said to build a new facility would require a bond that would be $6.5 million or so, which would take a significant portion of the CARE money over the next ten years.

Mr. Macdonald said there was a temptation to build the large, new project because fixing up existing facilities and parks was not as flashy or exciting. However, the feedback was that the public wanted those existing parks and facilities to be nicer and more used. Bonding would likely not be popular to build a new facility when the public was asking for upgrades and maintenance.

Mayor Brunst said it would be important to listen to public opinion on the use of CARE money.

Mrs. Black said a splash pad was a popular idea she had heard from many people. Mr. Hirst said there had been discussion about changing the fencing of the Scera Park Pools to put the existing splash pad outside of the park, which was not ideal but was an option that had been discussed. That option would cost significantly less than building new.

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Mayor Brunst asked where a large indoor recreation facility would go. Mr. Hirst said there was no easy or clear location currently, but a preferred spot would be across from the OFC at the Community Park.

Mr. Seastrand said a large facility like that reminded him of the Smith Fieldhouse, and thought it would be utilized by the community. He wondered how significant a drain on CARE monies upgrading smaller parks would be.

Mr. Davidson said they would need upwards of $2 million or more for improvement in the parks for updating play structures, parking, pavilions, bathrooms, resurfacing tennis courts, etc.

Mr. Bybee said that playground equipment had greatly improved over the years, so improving and upgrading those might be a more exciting project than was perhaps perceived. The parks would become more heavily used because the playground play structure would be much improved.

Mr. Sumner asked about the splash pad issue. As popular as it could be, it could have a negative impact on the Scera Park Pools. They were expensive to install and maintain, especially for a facility that would not generate revenue but would require parking, bathrooms, etc. Mr. Hirst agreed and said it would cost between $750,000 and $1 million or more to build a new splash pad.

Mr. Spencer said the gymnasium-type facility would be a return on investment, because it would sustain itself. The facility in Heber was most often full and would generate revenue. He said constructing a new facility would use CARE money to be built but would sustain itself for maintenance into the future.

Mrs. Black said she saw the value in that, but people wanted to use their neighborhood parks and have them be safe, functional, and attractive. She did not support having everything shift to a large, new facility and leave family neighborhood parks in the dust.

Mr. Hirst said it was a complicated topic, and the RAC would continue to review and look at the possibilities.

Mr. Tschirki said he had $1.5 million scheduled to go toward big-ticket upgrades at smaller parks, which would only cover a small portion of the maintenance and upgrades that were needed at all the parks.

Mr. Hirst said if a large facility was built, the $2 million left over would not go very far at the OFC and smaller parks. They were coming to a crossroads, and a decision would need to be made.

Mr. Davidson said one of the things the City staff was trying to do was identify and plan for five-year capital improvement plans, which included parks, streets, and other improvements.

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Mr. Seastrand asked if any future budget was scheduled for the repairs Mr. Tschirki had mentioned. Mr. Tschirki said playground improvement and maintenance budget was minimal. Mr. Hirst said only $50,000 was dedicated overall for park upgrades across the board.

BUDGET DISCUSSION/PREVIEW – Fiscal Year 2015/2016 Revenues

Richard Manning said the budget discussion would be focused on general fund revenues. Putting a city budget together was not just looking at what the budget was the year before, but looking at where the budget was supposed to go according to direction received from the Council and what was specified in the Master Plan. Mr. Manning said revenues supported many things in the general fund for everything to come together and support the big picture. With that it was hard to say that certain taxes like sales, property, or franchise tax only paid for certain things when realistically they each fed into the general fund.

Mr. Manning said Utah was ahead in the job growth employment rate in the west. Unemployment and wage growth were inversely related. The wage rate was not going up as fast as history said it should be. When unemployment came down, well-qualified employees had more leverage and negotiating power because there was a smaller pool of candidates to hire from. Wages would come up to meet the demand, but with the most recent recession so many unemployed workers were so glad to get a job they did not negotiate for a higher wage and so wages stayed lower generally.

Mayor Brunst asked if the jobs being created, on average, were paying less than the jobs they were replacing. Mr. Manning said that was the case.

Mr. Manning said total fertility was incredibly important in the long-run. If enough children were being produced per family, the culture would remain whole. Utah's total fertility numbers were above the sustainability line. The national average was below the sustainability line, which was not a good thing for the country long-term because it kept employees in the work force longer because there were not enough to replace them. That would also lead to fewer opportunities for advancement because employees stayed working longer and held their positions longer.

Mr. Manning said sales tax was composed of retail sales, business investment purchases, and taxable services. Utah economic indicators for sales tax projections were (1) population, (2) nonfarm employment, (3) unemployment rate, (4) average pay, (5) home prices, and (6) retail sales. The rate of change was slowing down but was still positive, with 5 percent growth projected in retail sales tax.

Mr. Manning showed graphs of where and when sales tax was generated, as well as sales projections for Fiscal Year 2016. He said general merchandise made up 25 percent of sales tax revenues, with automotive coming in second. Automotive was a growing industry in Orem.

Mr. Manning said sales tax were not as dependent on the items bought at Christmas as they had been in the past.

Mr. Seastrand asked if that was perhaps a byproduct of more people making purchases on the Internet.

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Mr. Manning said he did not see that as a significant factor but the State had not been tracking that data long enough to say for certain. He said it was difficult to guess sales tax in the future, but there were good things happening in Orem to boost that.

Mr. Manning said making conservative projections for property and franchise taxes was always better than projecting too aggressively. Mr. Macdonald asked about Orem's share of the $80,247. Mr. Manning said 10 to 12 percent.

Mr. Davidson said the current projects and growth Orem was having would not be visible in the next fiscal year but more likely the following year. Orem's property tax was still very low, and he cautioned that there should be no expectation of dramatic growth for the next few years' property tax revenues, even with new projects.

Mayor Brunst asked how much of Orem's franchise tax was what categories. Mr. Manning said the biggest was electricity, then Questar natural gas, and telecommunications. If telecommunication providers shifted to providing internet, there would be no franchise tax.

Mr. Manning said Orem was strong in the number of business licenses, more than population would suggest. Orem was near the top for the state in business licenses.

Ambulance fees had seen a change over the last few years. The laws allowed for billing according to the services paramedics were capable of providing. Industry practices were shifting to only billing for services provided instead, which was what Orem had done.

Mr. Davidson said the State set the rate a city could assess, but Medicare/Medicaid set the maximum rate they would pay. Every time a truck rolled, the bill might be $1,000 but would only get a $300 return because that was the ceiling Medicare had set.

Mr. Sumner said that, regardless of paying the $300, those people with a $1,000 bill were sought after for collection on the difference. Mr. Manning agreed—if they had supplemental insurance—but one could not "squeeze blood from a turnip".

Mr. Manning said Orem's cemetery was doing well. The City wanted it to lead the market but not be the low-cost alternative.

He said Orem was doing very well in business permits, but they were one-time fees that could not be looked at as a growing revenue generator. Because of that, they purposely kept building fee projections below expectations.

Mr. Manning said Orem's Justice Court was running efficiently, and their operation costs were low. Small claims brought in less revenue than originally projected, but the court revenues were strong.

Mayor Brunst asked why court fines were up. Mr. Davidson said that could be a philosophical focus of the department on traffic enforcement.

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Mr. Manning said all together these areas generated $51 million in revenues for the general fund. 2015 to date had been the best year Orem had seen in a long time, with sales tax just slightly under the high before the bubble burst. Housing had taken a nose dive during the recession, but it was building back, and there was pent up demand now being felt.

UPDATE – Arson Investigation

Chief Gurney updated the City Council on recent events in Orem involving fires at construction sites. He said fires at construction sites were a worrying trend not only in Orem and Utah generally, but across the country. Construction projects valued as high as $50 million had seen fires, with a recent fire at a $40 million residential project in Los Angeles, California that was linked to arson.

Chief Gurney said he was proud at how staff had come together to address the situation, particularly the cooperation between Fire, Police, and City Manager's departments in working together to find solutions. He said the City was proactively working toward resolving the issue, and that Fire Marshall Bret Larsen and Fire Battalion Chief Ryan Peterson had visited every multifamily complex project that was under construction. A special meeting took place on February 9, 2015, to inform developers and contractors in the area of investigation updates.

Mr. Downs said Pete Wolfley in the City Manager's office and Battalion Chief Peterson had put together a flier that was being mailed to over 2,400 businesses in Orem. The flier had information and suggestions of strategies business owners could implement to protect their businesses and property against further incidents. A similar flier with information for home owners would likely be distributed later.

Chief Giles said arson investigation would be in conjunction with the Fire Department, with investigators from both fire and police. He joined Chief Gurney in praising staff for working together so well. Chief Giles said ongoing investigations were not public information so he could not give details, but gave a brief update of the two arson incidents in Orem on December 20, 2014, and February 5, 2015, respectively. He said the fires had similar patterns, of a smaller fire being set likely to distract fire personnel while larger fires were set at construction sites nearby. Because of that precedent, fire and police personnel were directed to check surrounding areas if smaller fires were reported.

Chief Giles said at this point they had reason to believe the Orem fires were not connected with recent fires that had taken place in Provo. He said it was unclear if those fires were part of a trend or a political statement, but police and fire officers would continue to conduct extra patrols and exhaust every lead. Chief Giles said a possible reward had been discussed with some businessmen interested in protecting their businesses and projects.

Mr. Macdonald asked if multiple people were involved because of the distraction fires being set at a separate location. Chief Giles said at that point they did not know.

Mrs. Black asked if the City would offer a portion of the reward. Mr. Davidson said the City could, and also the City Council would have discretionary money they could contribute. He continued that the amount of the reward was not as important as the statement a reward made. If the reward was never claimed, no one was out any money.

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Chief Giles said that offering a reward would often draw someone out who otherwise would not come forward.

Mr. Davidson asked what the recommended reward would be. Chief Gurney said the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) indicated a standard reward for arson information would start at $5,000.

Chief Giles said the smallest thing could lead to the person(s) responsible being caught. Concerned citizens calling in suspicious vehicles or people could give the police leads they may not already have.

Mayor Brunst and Mr. Davidson recognized the efforts of both Orem and Provo's police and fire departments for their diligence and hard work in protecting the community.

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING	Mayor Richard F. Brunst, Jr.
ELECTED OFFICIALS	Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Chris Tschirki, Public Works Director; Karl Hirst, Recreation Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Steve Earl, Deputy City Attorney; Ryan Clark, Economic Development Division Manager; Brandon Stocksdale, Long Range Planner; Jason Bench, Planning Division Manager; Brandon Nelson, Accounting Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder
EXCUSED	If applicable

Preview Upcoming Agenda Items

Staff presented a preview of upcoming agenda items.

Agenda Review

The City Council and staff reviewed the items on the agenda.

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City Council New Business

There was no new City Council business.

The Council adjourned at 5:54 p.m. to the City Council Chambers for the regular meeting.

6:00 P.M. REGULAR SESSION

CONDUCTING	Mayor Richard F. Brunst, Jr.
ELECTED OFFICIALS	Councilmembers Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner
APPOINTED STAFF	Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Chris Tschirki, Public Works Director; Karl Hirst, Recreation Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Jason Bench, Planning Division Manager; Brandon Nelson, Accounting Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

INVOCATION / INSPIRATIONAL THOUGHT	Bob Wright
PLEDGE OF ALLEGIANCE	Nicholas Parker

APPROVAL OF MINUTES

Mr. Macdonald **moved** to approve the January 13, 2015, City Council meeting minutes. Mr. Spencer **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

Mr. Macdonald **moved** to approve the January 14, 2015, Joint City Council meeting minutes. Mr. Spencer **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

Mr. Macdonald **moved** to approve the January 27, 2015, City Council meeting minutes. Mr. Spencer **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously

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MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

Upcoming Events

The Mayor referred the Council to the upcoming events listed in the agenda packet.

Appointments to Boards and Commissions

There were no appointments to boards and commissions.

Recognition of New Neighborhoods in Action Officers

There were no new Neighborhoods in Action Officers recognized.

CITY MANAGER'S APPOINTMENTS

Appointments to Boards and Commissions

There were no City Manager appointments.

PERSONAL APPEARANCES

Time was allotted for the public to express their ideas, concerns, and comments on items not on the agenda. Those wishing to speak should have signed in prior to the meeting, and comments were limited to three minutes or less.

Annette Anderson, resident of American Fork, said she was concerned about the involvement of entities she paid taxes to being involved with the University Place CDA. It was illegal for any single entity that got a portion of property taxes from Utah County, Alpine School District, and Central Utah Water Conservancy District to enter into a rebate program that was solely directed to one city. Ms. Anderson said she felt it was wrong for any entity that received tax money outside of Orem to make a commitment to rebate a development in Orem. That tax money paid toward the school district should only stay with the school district, and she objected to the CDA. Ms. Anderson thanked the Mayor and City Council for their time.

CONSENT ITEMS

There were no Consent Items.

SCHEDULED ITEMS

RESOLUTION – Review and Update the Moderate Income Housing Element of the City of Orem

Mr. Bench reviewed with the City Council the Planning Commission's recommendation that the City Council, by resolution, update the proposed 2014 Moderate Income Housing element of the Orem General Plan as required by State law. He noted that State law required that the City Council biennially review the Moderate Income Housing element of the General Plan. According to Section 10-9a-408 of the Utah Code, each report must include a description of:

- efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to moderate income housing;

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- actions taken by the city to encourage preservation of existing moderate income housing and development of new moderate income housing;
- progress made within the city to provide moderate income housing, as measured by permits issued for new units of moderate income housing; and
- efforts made by the city to coordinate moderate income housing plans and actions with neighboring municipalities.

State Code defined moderate income housing as housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city was located.

As an example, a family of four living in the Orem/Provo metropolitan statistical area would have to earn $51,350 or less to be considered a moderate income household. Housing stock for households with moderate incomes was usually limited to attached apartment units, accessory apartments, townhomes, and condominiums as the rent/cost is usually less than the monthly mortgage payment on a single-family dwelling.

The City provided several mechanisms for creating moderate income housing. The PRD zone and many PD zones allowed for high density development. Since March 2013, the City had approved over 1,331 attached units (as shown below) within various PD zones and in the PRD zone. All but 120 of these units were currently under construction. Accessory apartments, multifamily exceptions, and the assisted senior housing overlay zone also provided opportunities for creating moderate income housing.

According to 2010 Census figures, Orem's housing stock consisted of 30.4% "housing units in multiunit structures." The statewide average was 21.4 percent. Staff estimated that the percentage of multifamily units was closer to 35% of the existing housing stock in the City.

Since March 2013, the following multifamily projects had been approved:

- Residences at Monte Vista at 920 North State Street will provide 132 apartment units. This project was approved as the PD-39 zone on property which previously was zoned C2 and was undeveloped.
- Sun Canyon Villas at 460 South State Street will provide 84 apartment units. This project was approved as the PD-40 zone on property that was previously zoned C2 and was undeveloped.
- Legacy at Orem at 1500 South State Street with 180 apartment units. This project was approved as the PD-37 zone on property that was partially vacant and partially occupied by several old commercial buildings that have been removed.
- Summit Ridge Apartments at 1750 South 400 East with 74 new units. This property was developed in the early 1970s with 96 multifamily units. It was recently rezoned to the PD-38 zone to facilitate construction of additional units. The previous zone of R6.5 did not allow new high density construction.
- Center Street Marketplace at 100 North Orem Boulevard with 112 units. This property was approved as the PD-30 zone on property that was vacant.
- Promenade Place at 865 South Geneva Road with 120 units. This project was approved as the PD-33 zone and was designed as a transit oriented development to take advantage of the property's proximity to UTA Frontrunner.

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- Ivory Homes at University Mall at 900 South 800 East with 461 units in the PD-34 zone.
- Wasatch Orem Center Street at 1100 West Center Street with 168 units in the PD-41 zone.

The City was currently working on a State Street Master Plan which would identify additional possible housing options along State Street. Multiunit residential would be the only appropriate residential use along this corridor. The City was working with Mountainland Association of Governments, Provo City, UDOT, and UTA to develop this plan.

Mr. Seastrand asked if the majority of representation was based on multifamily dwellings.

Mr. Bench said about 35 percent of the city was multifamily. Multifamily dwellings and accessory apartments would typically have lower rents, but that was not always the case. Some apartments paid specifically to target moderate rent amounts.

Mr. Seastrand asked if any individual, single-family units would qualify, and if there was any real expectation of the percentage of housing that was multifamily from the State.

Mr. Bench said it was possible for single-family units to qualify, but it was typically multifamily units with lower rental rates. He said the federal government had no expectation of percentage, but they just wanted to guarantee that opportunity was not denied anyone based on income.

Mr. Seastrand asked how Orem compared to neighboring communities. Mr. Bench said Provo was similar to Orem, but he did not know comparisons to Lindon.

Mayor Brunst asked if they were aware of lower-income, multiunit complexes for seniors. Mr. Bench said two were currently under construction on State Street, but he had not heard of any others.

Mayor Brunst **moved**, by resolution, to update the proposed 2014 Moderate Income Housing element of the Orem General Plan as required by State law. Mr. Seastrand **seconded**. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

6:20 P.M. PUBLIC HEARING – Vasa General Plan & Rezone
RESOLUTION - General Plan Amendment – Amending the Orem General Plan by changing the land use designation from low density residential (LDR) to community commercial (CC) on approximately 0.25 acres located generally at 556 West 1830 North
ORDINANCE - Rezone – Amending Article 22-5-3(A) of the Orem City Code and the zoning map of Orem City by changing the zone from the R8 zone to the C2 zone on approximately 0.25 acres located generally at 556 West 1830 North

Mr. Bench reviewed with the Council the applicant's request that the City Council amend the General Plan by changing the land use designation from low density residential (LDR) to community commercial (CC) and amend Section 22-5-3(A) of the Orem City Code and the zoning map of Orem City by changing the zone from the R8 zone to the C2 zone on

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approximately 0.25 acres located generally at 556 West 1830 North. Mr. Bench introduced applicant Kevin Hawkins, with Hawkins Development.

The applicant owned a parcel of property located directly south of the new Kneaders restaurant and consisting of approximately .25 acres. The applicant wanted to combine the subject property with adjoining parcels (which were already zoned C2) for the construction of a new Vasa fitness center and other retail pads. It was anticipated that the subject property would be used primarily as parking area for those uses.

In 2012, the City Council denied a rezone request for a multifamily development on this property. The land was currently vacant.

The property was designated as low density residential on the General Plan and was zoned R8. In order to use the property for the proposed development, the General Plan designation needed to be changed from low density residential to community commercial and the zone from R8 to C2.

A neighborhood meeting regarding the proposal was held on December 15, 2014, and five neighbors attended. Concern was expressed regarding fencing materials, dumpster location, traffic and accesses for the proposed development.

The proposed General Plan amendment and rezone request was heard by the Planning Commission on Wednesday, February 4, 2015, and the Planning Commission recommended approval of the request.

The Planning Commission and staff recommended the City Council amend the General Plan by changing the land use designation from low density residential (LDR) to community commercial (CC) and amend Article 22-5-3(A) of the Orem City Code and the zoning map of Orem City by changing the zone from R8 to C2 on approximately 0.25 acres located generally at 556 West 1830 North.

Mayor Brunst asked about neighborhood meetings. Mr. Bench said a meeting was held with few neighbors in attendance, and the majority of those were in favor of moving forward with the rezone and change. The parcel of land was looked at for high density residential development some years before, but that project had been denied.

Mr. Seastrand asked Mr. Hawkins if he had already purchased the land, or if that was contingent on the outcome of the rezone.

Mr. Hawkins said the three plus acre area was under contract with Mr. Allen, contingent on the rezone and site plan approval. Mr. Hawkins said that, when the purchase was made, he had not been aware the 0.25 acre area was not zoned appropriately so he was going through the proper channels and coming to City Council.

Mr. Macdonald asked if Mr. Hawkins had the rights to drive through the parking lot to the north, and if he owned that land. Mr. Hawkins said he did not own the land, and there was a recorded, dedicated easement in place for cross traffic.

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Mr. Macdonald asked if there was access from State Street through Mr. Hawkins property. Mr. Hawkins said through the cross easement there was access to State Street, but that ingress and egress was not on the property he owned. The road was a UDOT road, and his property did not meet spacing requirements for a curb cut.

Mr. Sumner asked about the other VASA facility on University Parkway, and whether the parking would be comparable to that. Mr. Hawkins said there would be more parking at his facility per square foot, and they were hoping to take some of the parking pressure off that other location.

Mr. Spencer said during a recent planning meeting, an idea was mentioned of flipping the building so most vehicles would not need to come through 1830 North. Mr. Hawkins said they would look at that.

Mrs. Black asked the City had been talking about was getting the buildings closer to the streets instead of having the parking lot out front. Mr. Bench said they had requested that, but there was nothing that required the developers to do that.

Mr. Hawkins said an economic development presentation was made to the Planning Commission, and another objective of the City was to increase tax base. On his site, if the buildings were pushed to State Street his project would not have room, or be a part of the cross easement.

Mr. Seastrand asked if this lined up with the current Kneaders building. Mr. Hawkins said it did.

Mr. Macdonald asked if there were thoughts of a future pad on State Street for further development. Mr. Hawkins said it was possible, but they did not have the parking to support that. The Kneaders land had several platted pads on State Street that had not been developed yet, and VASA as a tenant generated traffic. Mr. Hawkins said he believed the pairing would be a symbiotic relationship.

Mayor Brunst opened the public hearing. No public comment came forward, and Mayor Brunst closed the public hearing.

Mrs. Black **moved**, by resolution, to amend the Orem General Plan by changing the land use designation from low density residential (LDR) to community commercial (CC) on approximately 0.25 acres located generally at 556 West 1830 North. Mayor Brunst **seconded**. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Mrs. Black **moved**, by ordinance, to amend Article 22-5-3(A) of the Orem City Code and the zoning map of Orem City by changing the zone from R8 to C2 on approximately 0.25 acres located generally at 556 West 1830 North. Mayor Brunst **seconded**. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

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6:20 P.M. Public Hearing – Quarterly Budget Amendments
ORDINANCE – Amending the Current Fiscal Year 2014-2015 Budget

Richard Manning and Brandon Nelson reviewed recommendations that the City Council hold a public hearing to discuss amending the current Fiscal Year 2014-2015 Budget and, by ordinance, amend Fiscal Year 2014-2015 Budget.

The Fiscal Year 2014-2015 City of Orem budget had many adjustments that occur throughout the fiscal year. These adjustments included grants received from Federal, State, and other governmental or private entities/organizations; refunding of the Series 2005 & 2006 General Obligation bonds and transferring the savings from this refunding to the CIP Projects Fund in order to reconstruct Center Street from State Street to approximately 1000 West; transferring funds to the CIP Projects Fund due to maximum fund balance limitations; and various other smaller technical corrections or minor budget adjustments that need to be made.

Mr. Nelson said that, with item one, Orem had received various grants, most of which were public safety grants. With item two, Orem did a general obligation bond refunding in November, so that transaction needed to be accounted for auditing reasons. With item three, there were two corresponding items, one within the general fund and one within the improvement fund. The intent of the transaction was to move money from general fund's balance to Capital Improvement Projects (CIP) Fund in order to complete soon to be identified projects.

Mr. Nelson said another reason to transfer those funds was that Orem was close to, if not already at, the maximum allowed fund balance by the State of Utah. The transfer was to help alleviate being up against the maximum, which was 25 percent of the fund balance. That excluded items which were restricted or non-spendable in nature.

Mayor Brunst asked what the reserve fund balance would be if the Council were to proceed. Mr. Nelson said round 15 percent, which did not take into account activity in the year 2015.

Mr. Seastrand asked in converting percentage to dollars what 25 percent would equate to. Mr. Nelson said around $12 to 15 million.

Mr. Nelson said item four related to items two and three. Part of the reason for the general obligation bond refunding was not only to get better rates, but be able to use those savings to reconstruct Center Street. The proposal to move funds was again to avoid the maximum fund balance.

Mayor Brunst asked why reaching the maximum fund balance was a problem. Mr. Nelson said state auditors would reprimand the City, and it would become a bigger issue if it was a persistent problem. The maximum fund balance had been 18 percent and was raised to 25 percent by state legislature.

Mayor Brunst opened the public hearing.

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Bob Wright, resident, said he was concerned about transferring general fund money for CIP and wondered if grants could be applied to those projects instead. Mr. Wright also asked for clarification on refunding the bond.

Mr. Manning said grant money could not be used for CIP or general fund. Mr. Nelson added that grant funds were only allowed to be used for the specific purposes the grant was awarded for. Grant money was restricted in its use, whereas money being transferred from the general fund had "no strings attached" and could be used for various things.

Mr. Davidson explained that the budget amendment regarding the bond refund was a formal recognition of action taken in 2014, not a new action.

Mr. Wright asked if any CIP funds could be used to retire the bond.

Mr. Davidson said they could not, and the purpose for refunding bond money in 2014 was to garner better interest rates that would allow the City to dedicate the funds toward construction projects from those savings instead of paying interest on debt. It was a more appropriate use of those resources.

Mr. Wright thanked Mr. Davidson and Mr. Nelson for the clarification.

Mayor Brunst closed the public hearing.

Mayor Brunst **moved**, by ordinance, to amend the Current Fiscal Year 2014-2015 Budget changing the amount going to Capital Improvement Projects to be $2,795,000 instead of $2,800,000. Mr. Seastrand **seconded**. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

ORDINANCE – Amend Amplified Sound language addition to Chapter 13 of the Orem City Code

Mr. Hirst reviewed staff recommendation that the City Council add, by ordinance, the following language to Chapter 13 Parks and Recreation of the Orem City Code:

13-1-13. Sound Generating Activities - Restrictions in Recreation Areas and Parks.

A. It shall be unlawful for any person to conduct live bands, DJs, dance concerts, movies, or similar activities in any Recreation Area or Park.

1. Exemption: City-sponsored events and activities conducted in any Park or Recreation Area are exempt from this prohibition.

B. It shall be unlawful for any person to use sound systems, microphones, speakers, or any other sound amplification device in or on any Recreation Area or Park.

1. Exemption: The following are exempt from the prohibitions in subsection B:

a. City-sponsored events or activities;

b. Events and activities at one of the following locations subject to the conditions included in any rental agreement or use permit issued by the City:

(1) The Stage at City Center Park;

(2) The Large Pavilion at Scera Park;

(3) The Bowery at Nielsen's Grove;

(4) The Hosting Center at Timpanogos Park;

(5) The Pavilion at Lakeside Park; or

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(6) The Scera Shell.

c. Personal sound amplification devices that are played or operated in such places and at such times so as not to disturb other persons in their use of any Park or Recreation Area.

2. The City shall take into consideration the following factors when determining whether to enter into a rental agreement or issue a use permit under subsection B.1.b:

a. The impact of the event or activity on other Park or Recreation Area users;

b. The impact of the event or activity on adjacent property owners;

c. The benefit the event or activity provides to the residents of the City; and

d. The general public's access to the event or activity.

Activities in the parks were managed either by policy or ordinance. Policies were established by the Director of Recreation and worked best for minor issues like gates, faucets, access, geocaching etc. Ordinances were adopted by the City Council and were better suited for the major park regulations: curfew, smoking, alcohol, animals etc.

The recommended language had been part of the park policies for decades, and had worked well for managing sound generating activities in the parks. Since sound generating activities in the parks were of major concern, moving the current policy language into ordinance form would help in the management of the parks. The proposed amendment made clear that large, potentially disruptive events and activities would not be allowed in City parks and recreation areas. The amendment would, however, provide for the use of sound amplification devices at limited locations within certain City parks and recreation areas subject to a user entering into a rental agreement or being issued a use permit. These locations had been exempted from the sound amplification restriction because they had sufficient facilities to accommodate sound amplification use and had sufficient buffer zones to insulate adjacent property owners from possible disturbances. In determining whether to issue a user permit or enter into a rental agreement, the City was required to consider a number of objective factors to determine whether the proposed event or activity would cause disruption within the parks and recreation areas and surrounding areas and whether the public will benefit.

The amendment would also allow anyone that was researching City parks for an activity that would involve sound, the ability to search and locate the sound regulation. It was recommended that the above language be added to Chapter 13 of the Orem City code and listed as ordinance 13-1-13.

Mayor Brunst asked about the stage at the City Center Park and the kinds of complaints neighbors had about those uses of the stage.

Mr. Hirst said if complaints had been made in the past, they had not reached him. Typically the stage was only used for City-sponsored events.

Mrs. Black **moved**, by ordinance, to amend amplified sound language addition to Chapter 13 of the Orem City Code. Mr. Macdonald **seconded**. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

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COMMUNICATION ITEMS

BUDGET REPORT – December 2014

The Budget Report was included in the packets distributed to the City Council.

CITY MANAGER INFORMATION ITEMS

Mr. Davidson reminded the City Council that the library was closed for the week for maintenance and new carpet going in the children's wing.

Mr. Davidson said he was having conversations about the court building that was part of the City Center campus. He had met with the court's property manager and the discussions were moving forward for consideration of purchasing that building. Mr. Bell was coordinating with staff for inspections to ensure the building was mechanically operational. Mr. Davidson said that no decision had been made, but the City was doing the due diligence before moving forward. He said the City could own and continue to lease the space to state agencies that needed to stay in Orem.

Mayor Brunst asked if the City would be doing its own appraisal. Mr. Davidson said the property assessment would be first, but an appraisal would be the next step.

Mr. Davidson gave a brief update on items of note being discussed in the State's legislative session.

ADJOURNMENT

Mr. Macdonald **moved** to adjourn the meeting. Mr. Spencer **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

The meeting adjourned at 6:56 p.m.

CITY OF OREM **CITY COUNCIL MEETING** FEBRUARY 24, 2015	
REQUEST:	**6:20 P.M. PUBLIC HEARING** **RESOLUTION – Amending Chapter 6, Economics, of the Orem General Plan and approving the Orem Economic Development Strategic Plan.**
APPLICANT:	City of Orem Economic Development Division
FISCAL IMPACT:	N/A

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on the State noticing website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PLANNING COMMISSION RECOMMENDATION
Vote: 6-0 for Approval

PREPARED BY:
Ryan L. Clark EDD Manager

RECOMMENDATION:
The Economic Development Division Manager recommends that the City of Orem, by resolution, amend Chapter 6, *Economics*, of the Orem General Plan and approve the Orem Economic Development Strategic Plan.

BACKGROUND:
The General Plan is a written guide for the future development of the City. Chapter 6 of the General Plan discusses economics. This chapter currently describes the City's intent to maintain a healthy working relationship with the Commission for Economic Development in Orem (CEDO) in order to achieve the most desirable results in economic development pursuits.

In 2012, CEDO was integrated into the City of Orem and the Economic Development Division (EDD) was created. The EDD is now tasked with the responsibility for economic development in the City. Over the last year, in conjunction with Zion's Bank Public Finance, a new Economic Development Strategic Plan (EDSP) was completed. The EDSP is a guide for City of Orem economic development for the next five to ten years. Many goals associated with the EDSP require zoning and land use coordination. Therefore, in Chapter 6 of the General Plan, reference to the EDSP as a guiding document for economic development should be included to ensure coordination between land development goals and economic development goals.

It is proposed that Chapter 6, Economics, of the Orem General Plan be modified to reflect the dissolution of CEDO, the creation of the Economic Development Division, and the addition of the Economic Development Strategic plan dated December 2014. The proposed changes are shown below.

General Plan Chapter 6, Economics

~~The City of Orem is interested in maintaining a healthy level of economic growth. Such growth is a means of providing a balanced, vibrant economy in Orem. It is a means of expanding the tax base for better schools and public services. It is also a means of providing enhanced employment opportunities, which allow our citizens to have a higher quality of life.~~

~~The City also recognizes the importance of establishing and maintaining an appropriate level of community sustainability. While total sustainability is not possible, any reduction in the percentage of imported goods and services strengthens the community's ability to survive both economically and environmentally. The export of native goods and services to nearby communities will also provide long-term benefits to the City of Orem. Those benefits will be in terms of opportunities and entrepreneurship, stable employment and increased economic well being.~~

~~The City of Orem has clearly established itself as the regional shopping area of Utah Valley. Taxable retail sales in Orem increased by 300% during the period of 1985 to 1998, and the City currently enjoys more taxable sales than any other community in Utah County.~~

~~The main thrust for economic development occurs through the Commission on Economic Development in Orem (CEDO), a nonprofit, community based development organization. CEDO's seven member Board of Trustees is comprised of community business executives and professionals who volunteer their time and expertise to enhance the economic welfare of the City.~~

~~It is the City's intent to maintain a healthy working relationship with CEDO in order to achieve the most desirable results in economic development pursuits. Focus needs to be placed on 1) increasing Orem's status as a major center for regional retail, office, technological research, and service uses; 2) encouraging the attraction, retention, and development of business and industry that gives Orem economic vitality; and 3) encouraging the development of mixed residential and commercial uses.~~

The City of Orem is well-known and highly respected in the State of Utah as a great place to do business. It is additionally known for its entrepreneurship, especially in technology-oriented companies. Orem is also the regional retail hub of Utah County. The City accounts for one-third of retail sales countywide. This economic vitality is exciting to businesses and is attractive to employers who are drawn to the strong workforce from area universities, the low cost of living, and the recreational opportunities in the City's backyard.

Even with all these advantages, Orem, like all cities, has its challenges. The City's regional market share of sales is declining, and growth in the City has slowed and is projected to be modest through 2040. Cities to the north, such as American Fork and Lehi are rapidly growing, creating strong competition in the Valley to attract employers and new retail. Vineyard to the west is beginning to show signs of growth and may present significant competition in the future. These areas have a substantial advantage for development that Orem lacks – abundant vacant land. However, while vacant land allows easy, straightforward development, Orem has the opportunity to take economic growth and development to the next level by creating a more sophisticated urban environment that establishes Orem as not only the retail hub of the County, but the employment and entertainment

hub as well.

In 1983, the Commission for Economic Development in Orem (CEDO) was founded as a non-profit organization with a primary function to help build Orem's economy. At the time, steel was Orem's main industry and the City's economy was greatly affected by the ups and downs of the steel market. In addition to an unstable economy, jobs were scarce and Orem was losing its large base of local college graduates to other areas. CEDO's original focus was on attraction and retention of businesses in areas not currently represented in the City.

In order to meet today's economic challenges, capitalize on the economic strengths of the City, grow the City's economic base, and increase coordination and collaboration between economic development staff and City staff, CEDO was integrated into the City of Orem as the Economic Development Division in 2012. The Economic Development Division has since joined forces with Zions Bank Public Finance to develop a new Economic Development Strategic Plan (EDSP) to guide the City's economic development and growth over the next five to ten years.

The purpose of the EDSP is to provide the City with a sustainable vision for economic growth and to provide a plan to implement and encourage said vision. Sustainable growth is a means of providing a balanced, vibrant economy in Orem. Additionally, it is a means of expanding the tax base and increasing assessed values. Public services and schools will benefit, enhanced employment opportunities will develop, and citizens will benefit from a higher quality of life.

As the City moves forward, economic development should follow the recommendations in the Economic Development Strategic Plan dated December 2014, and more specifically, the Implementation and Action Plan located on pages 103-105. The EDSP should be consulted on a regular basis to ensure that ongoing land development and business development in the City of Orem meets not only land-use goals, but also meets economic development goals.

DRAFT

RESOLUTION NO. _____

A RESOLUTION BY THE OREM CITY COUNCIL AMENDING CHAPTER 6, ECONOMICS, OF THE OREM GENERAL PLAN AND APPROVING THE OREM ECONOMIC DEVELOPMENT STRATEGIC PLAN

WHEREAS on December 31, 2014, the Economic Development Division filed an application with the City of Orem requesting the City amend Chapter 6, Economics, of the Orem General Plan and approve the Orem Economic Development Strategic Plan; and

WHEREAS the intent of the revised Plan is to update Chapter 6 to reflect the dissolution of the Commission for Economic Development in Orem (CEDO), the creation of the Economic Development Division, and to specify that ongoing economic development efforts in the City of Orem should follow the recommendations in the Orem Economic Development Strategic Plan dated December 2014; and

WHEREAS the Orem City Planning Commission considered the subject application at a public meeting held on February 4, 2015, and the Planning Commission recommended approval of the application; and

WHEREAS the City posted the City Council agenda in the City Offices at 56 North State Street, at www.orem.org, and at www.utah.gov/pmn; and

WHEREAS a public meeting to consider the subject application was held before the City Council on February 24, 2015; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; and the special conditions applicable to the request.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council finds that this request is in the best interest of the City because it will provide guidelines and vision for economic development in the City.

2. The City Council hereby amends Chapter 6, Economics, of the Orem General Plan and approves the Orem Economic Development Strategic Plan as shown on Exhibit 'A' which is attached hereto and incorporated herein by reference.

3. If any part of this resolution shall be declared invalid, such decision shall not affect the validity of the remainder of this resolution.

DRAFT

4. All resolutions or policies in conflict herewith are hereby repealed.
5. This resolution shall take effect immediately upon passage.

PASSED and APPROVED this **24th** day of **February** 2015.

_____
Richard F. Brunst, Jr., Mayor

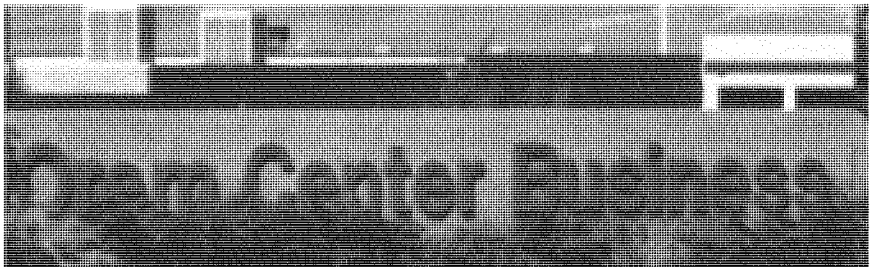
ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"	COUNCIL MEMBERS VOTING "NAY"

Chapter Six

Economics



6.1. INTRODUCTION

~~The City of Orem is interested in maintaining a healthy level of economic growth. Such growth is a means of providing a balanced, vibrant economy in Orem. It is a means of expanding the tax base for better schools and public services. It is also a means of providing enhanced employment opportunities, which allow our citizens to have a higher quality of life.~~

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Chapter Six

Economics

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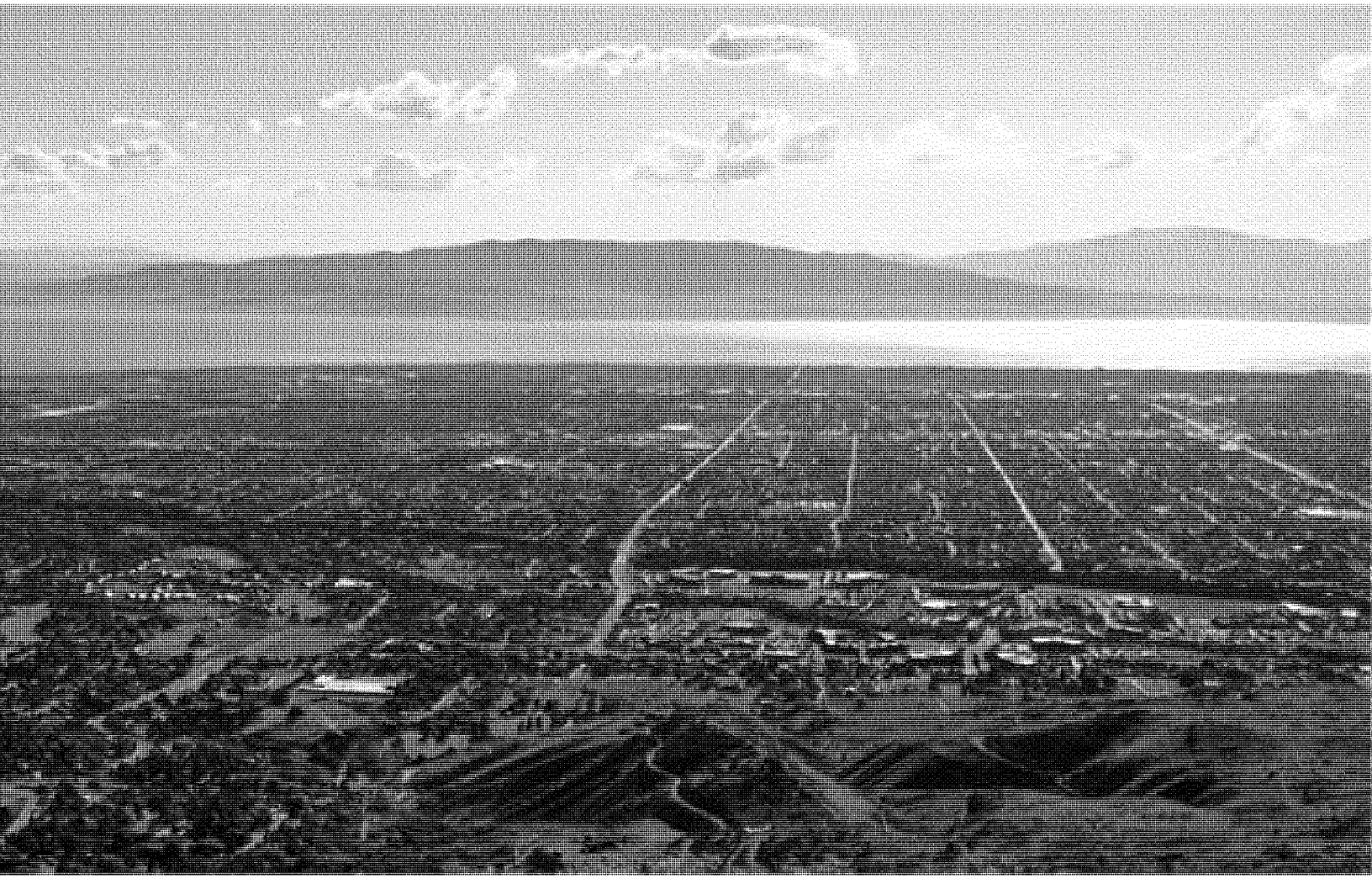

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Contents

Contents 2
Introduction and Executive Summary 4
Process 4
Summary of Findings 5
Orem Overview and Economic Base 7
Awards and Recognitions Received 7
Demographics 8
Population and Population Growth 8
Population and Age 9
Household Size 11
Educational Attainment 12
Income 13
Employment and Wages 14
Current Employment 14
Employment Projections 18
Housing 19
Economic Infrastructure 22
Buying Power 25
Market Conditions – Sales, Revenue, and Area Opportunities 28
Sales Leakage and Capture Rates 28
Retail Sales by Economic District 35
City Revenue Sources and Economic Stability 39
Redevelopment Areas 46
Retail Market Share and Analysis 52
Utah County Market Overview 55
Industrial Market in Utah County 57
Office Market Analysis 60
Transit – Current, Future and Creating Beneficial Design 62
2040 Metropolitan Transportation Plan Transit Scenario 62
Vineyard Alignment Scenario 63
Provo/Orem BRT Outlook 63

Beneficial Design Alternatives for Orem Economic Development 63
Branding 68
Definition of Branding 68
Orem's Economic Development Brand Attributes 68
Brand Positioning Statement 69
Recommendations 70
Economic Development Nodes – Where are Opportunities? 72
University Place 74
Economic Base of District 74
Vision and Placemaking 78
Orem City Center: Center & State, Orem Boulevard 83
Orem City Center Retrofit - Steps 85
Orem Boulevard 88
University Parkway ("Golden Mile") 89
UVU Campus 90
Canyon Park/North Orem 92
"The Wedge" 93
SW Annexation Area 97
SCERA Arts Node 100
State and 800 N 101
State and 400 N 102
Implementation and Action Plan 103
Value of Placemaking – Case Studies 111
Appendix A: Retail Category Maps 125
Appendix B: Additional Maps 149

Introduction and Executive Summary

Orem City is well-known and highly respected in the State and nationally as a great place to live and do business, as a desirable place to raise a family, for its safety (low crime rates) and for its entrepreneurship, especially in technology-oriented companies. In addition, Orem is the regional retail hub of Utah County. The City accounts for one-third of retail sales countywide. This economic vitality is exciting to businesses and is attractive to employers who are drawn to the strong workforce from area universities, the low cost of living, and the recreation opportunities in the City's backyard.

Even with all these advantages, Orem, like all cities, has its challenges. The City's regional market share of sales is declining, and growth in the City has slowed and is projected to be modest through 2040. Cities to the north, such as American Fork and Lehi are rapidly growing, creating strong competition in the Valley to attract employers and new retail. Vineyard to the west is finally beginning to show signs of growth and could present significant competition in the future. These areas have a substantial advantage for development that Orem lacks – abundant vacant land. However, while vacant land allows easy, straightforward development, Orem has the opportunity to take economic growth and development to the next level to create a more sophisticated urban environment that establishes Orem as not only the retail hub of the County, but the employment and entertainment hub as well.

Process

The approach to this economic plan is holistic, involving experts and workshops in planning, marketing, real estate, transportation, housing and finance. During the week of August 18 – 21, 2014, a weeklong charrette was held in Orem, which included numerous workshops and public meetings intended to bring together a wide variety of perspectives and depth of experience in the various aspects of economic development. Through this process, the consulting team identified strengths and weaknesses, developed a vision/mission statement for the City and crafted development configurations that would enhance the tax base and quality of life in the City. This

economic plan outlines these findings, presenting a sustainable vision for economic growth and a plan to implement and encourage this vision.

Summary of Findings

Strengths

- Orem is the regional retail hub of Utah County, capturing over one-third of retail sales in the County, yet representing only 17 percent of the population
- Prime location in the center of Utah County
- Demographic profiles include a highly-educated population, young median age and large household sizes
- Large student population which provides one of the most attractive and skilled workforces in the entire nation
- Known for incubating start-up companies that are innovative and creative – a good startup culture
- Good access and visibility from I-15 and excellent traffic counts on major arterials
- Low cost of doing business
- City-owned utilities
- Multiple healthcare options
- Proximity to world-class recreation areas
- Arts and culture, including the Timpanogos Storytelling Festival
- Family-friendly culture
- Safe: low crime rates

Weaknesses

- Over-reliance on sales tax revenues which creates volatility in City revenues and loss of economic sustainability
- Lack of quality office space, especially Class A space, to attract mature companies; startup companies relocate as they mature to other locations in Utah County
- Lack of vacant land
- Lack of City identity and image – "Who is Orem?"
- Strip-mall, rundown appearance along State Street

- UVU remains "unconnected" with the City
- Little population growth projected
- Threat of competition from Vineyard development – large areas of open land

Opportunities

- Promote vision statement: *For the City of Orem's economic development audience, Orem provides great value through a low cost of doing business and a quality workforce. Orem is the epicenter of Utah County, where start-up companies, established businesses and developers prosper.*
- Promote the idea of Orem as the epicenter of Utah County – "It all starts here!"
- Become the regional employment hub of Utah County, with Class A office space, at University Place
- Become the regional, employment and entertainment center of Utah Valley
- Attract more technology-oriented businesses
- Create an urban, sophisticated and dynamic "downtown" at University Place – become the "Downtown Rising" of Utah County
- Develop a walkable City Center at Center Street by bringing development up to the street and creating walkable blocks, using form based codes and making connections through blocks, such as with State Street and Orem Boulevard
- Capitalize on large amount of residential development at Vineyard (@Geneva) by encouraging retail development at "The Wedge" along Geneva Road
- Use redevelopment tools to clean up blighted areas along Geneva Road
- Add retail development at I-15 interchanges
- Create a business park in southwest annexation area
- Create a student gathering place near UVU – "Wolverine Hill" – to better integrate the students with the community
- Increase transit options along key corridors of the City
- Bring hotel development to the downtown of the City
- Expand the Arts District to include more activities, senior housing and higher-density housing

Orem Overview and Economic Base

Awards and Recognitions Received

Orem is well known for being business-friendly and has a history of innovation and economic start-ups. Entrepreneur Magazine named Orem the top area for entrepreneurs in mid-sized companies. Proximity to two large university campuses provides dynamism and energy to the area, in addition to low taxes, affordable business and living costs, and area amenities that encourage the area to be a center for business growth. Companies that got their start in Orem include Novell, Blendtec, Omniture (now owned by Adobe), doTERRA, WordPerfect, and MyFamily.com. Other awards that Orem (or the Orem/Provo region) has received in recent years include:

Table 1: Orem Awards and Recognitions

Ranking	Title	Organization
1	2014 Best Well-Being	Gallup
1	2013 Best Cities for Successful Aging	Milken Institute
2	2013 Best Performing Cities	Milken Institute
2	2013 Best Midsize Cities for Jobs	Forbes Magazine
2	2013 Best Places for Business and Careers	Forbes Magazine
12	2013 Most Secure Midsize Cities	Farmers Insurance
24	2013 Safest Cities	CQ Press
25	2014 Best Places to Live	Time Money
30	2014 America's 50 Best Cities to Live	24/7 Wall Street

Source: Orem Economic Development

In addition to the overwhelming recognition Orem has received, the City also benefits from the strong economic and pro-business climate of Utah. Utah is consistently ranked in the top states for categories in strong economic outlook,[1] best states for business,[2] and technology concentration.[3] Other awards given to Utah recognize strong growth rates, low utility prices, high volunteerism, good health, and overall happiness of residents.

EDCUtah has compiled a list of factors that are most important to national site selectors as they look for business locations – Orem shines on almost all factors, and has the ability to improve in those factors that it does not. Things like crime rate or proximity of universities are things that cities often cannot change, but Orem stands out in many of these unchangeable categories providing true assets to a potential business. Other things that the City can improve, such as the availability of buildings, are more readily open to City action.

Table 2: National Site Selection Decision Factors

Top 10 Business Decision Factors	Top 9 Quality of Life Factors
Labor Costs	Low Crime Rate
State and Local Incentives	Colleges or Universities
Highway Accessibility	Housing Costs
Availability of Skilled Labor	Ratings of Public Schools
Energy Availability and Costs	Health Care Facilities

[1] Ranked first, ALEC-Laffer, Rich States Poor States (2013)
[2] Ranked third, Forbes magazine, Best States for Business and Careers (2013);
[3] Ranked first in "Technology Concentration and Dynamism Composite Index", Milken Institute (2013)

Top 10 Business Decision Factors	Top 9 Quality of Life Factors
Proximity to Major Markets	Housing Availability
Tax Exemptions	Climate
Occupancy/Construction Costs	Cultural Opportunities
Corporate Tax Rate	Recreational Opportunities
Availability of Buildings	

Source: EDCUtah, PPBH

Demographics

The City's demographics are strong for economic development, with a youthful, educated population and a strong family culture. The City is the retail heart of the County, and the County provides an even larger base population that is also young and family-oriented. A large student population provides an energy and vitality to the region. However, population growth in Orem has leveled out as there is little developable and open land within the City. Other areas in the County are rapidly surpassing Orem in growth. These trends are projected to continue unless the City focuses on attractive in-fill development with higher housing and office density along key nodes and corridors (explored in later chapters) to attract and retain the youthful population as they search for jobs and homes.

Population and Population Growth

The City's population is estimated to be about 88,820 making it the second largest city in Utah County behind Provo.

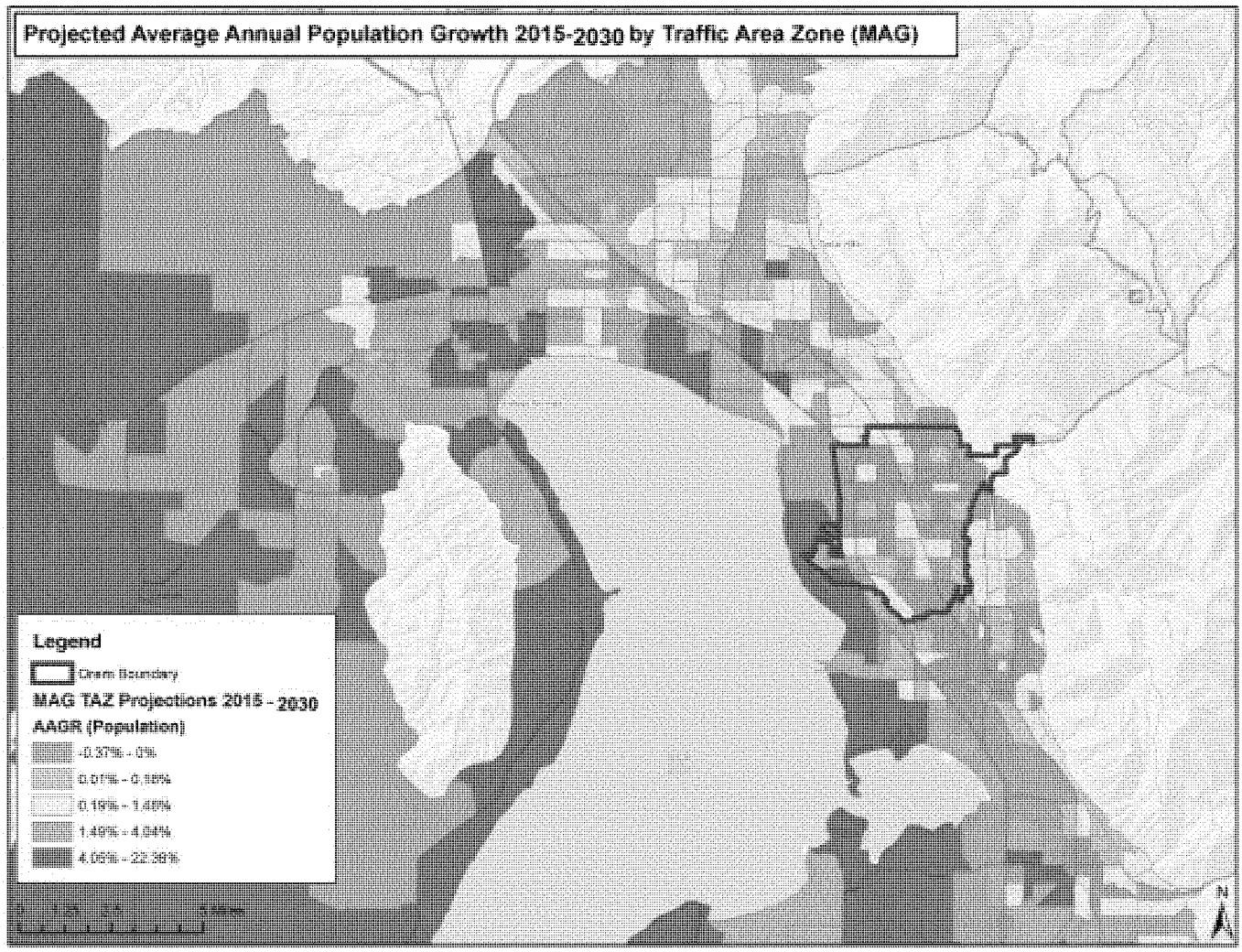
Orem is projected to have an annual average growth rate (AAGR) of less than one percent until 2030, the same as Provo and the lowest in the County except for Cedar Hills. In comparison, cities that are projected to have high growth are those in the County that still have open land available to develop, such as Lehi, Saratoga Springs, and Eagle Mountain.

Table 3: Population Growth Projections in Utah County

	2010 as % of Total	Absolute Growth 2030	2030 as % of Total	AAGR 2010-2030
Utah County		316,537		2.4%
Alpine	2%	2,112	1%	1.0%
American Fork	5%	13,372	5%	2.1%
Cedar Hills	2%	1,088	1%	0.5%
Eagle Mountain	4%	32,680	6%	4.7%
Highland	3%	5,189	2%	1.5%
Lehi	9%	35,182	10%	2.8%
Lindon	2%	2,389	1%	1.1%
Orem	17%	14,993	12%	0.8%
Pleasant Grove	6%	8,553	5%	1.1%
Provo	22%	18,580	16%	0.8%
Saratoga Springs	3%	40,715	7%	6.1%
Spanish Fork	7%	19,452	6%	2.3%
Vineyard	0%	8,276	1%	22.8%

Source: MAG TAZ Estimates

Analyzing AAGR at a detailed Traffic Area Zone ("TAZ") level out to 2040, many areas in in Orem are projected to have negative population growth.



Population and Age

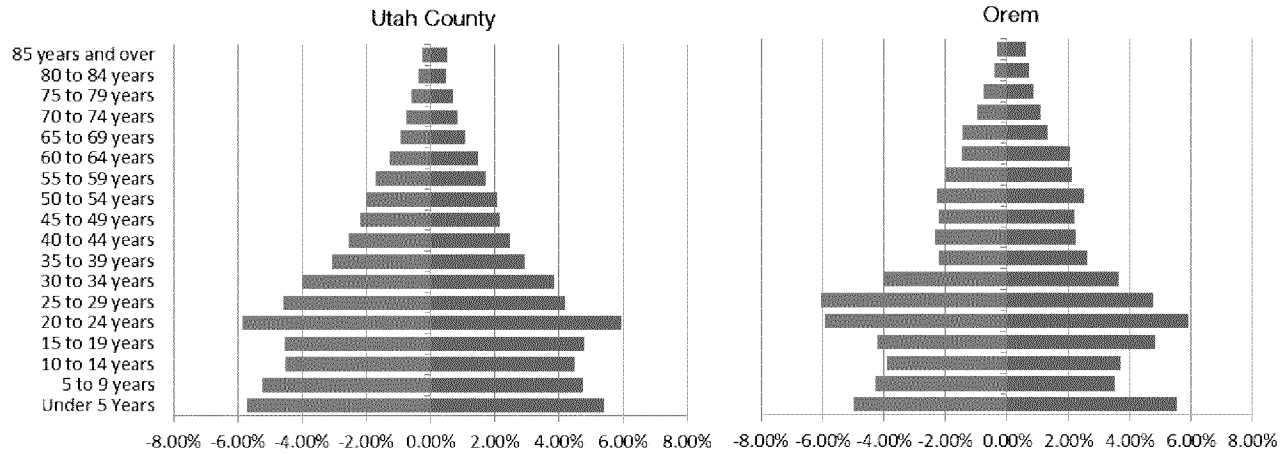
Utah has a very young population in comparison to the nation, and Utah County has among the lowest median ages in Utah with Orem being no exception. Utah County's median age is 24.5 compared to the State's at 29.3 and the national median of 36.8. While Orem is not the youngest in the County at 26.5 years, it is still well below the State median. Orem has the lowest percentage of its population under 20 in the County, indicating there are less young families in Orem than in other cities. However, there is a strong student population with 22.6 percent of the population in their twenties. Only Provo has a higher proportion of student-aged residents. This high student population could be skewing Orem's figures on its proportion of children in the City.

Table 4: Age Characteristics in Utah County

	Median Age	% of Population <20 Years Old	% of Population 20-30 Years Old
Utah	29.3	34.5%	16.6%
Utah County	24.5	39.4%	20.6%
Alpine	29.6	41.8%	8.7%
American Fork	27.2	41.0%	13.3%
Cedar Hills	23.6	46.8%	9.1%
Eagle Mountain	21.7	48.7%	18.0%
Highland	20.6	49.2%	7.5%
Lehi	23.5	46.3%	13.1%
Lindon	26.3	42.1%	11.8%
Orem	26.5	34.9%	22.6%
Pleasant Grove	25.9	40.5%	15.8%
Provo	23.5	31.7%	39.6%
Saratoga Springs	19.7	50.2%	10.6%
Spanish Fork	25.2	42.9%	14.0%
Vineyard	21.9	45.8%	7.8%

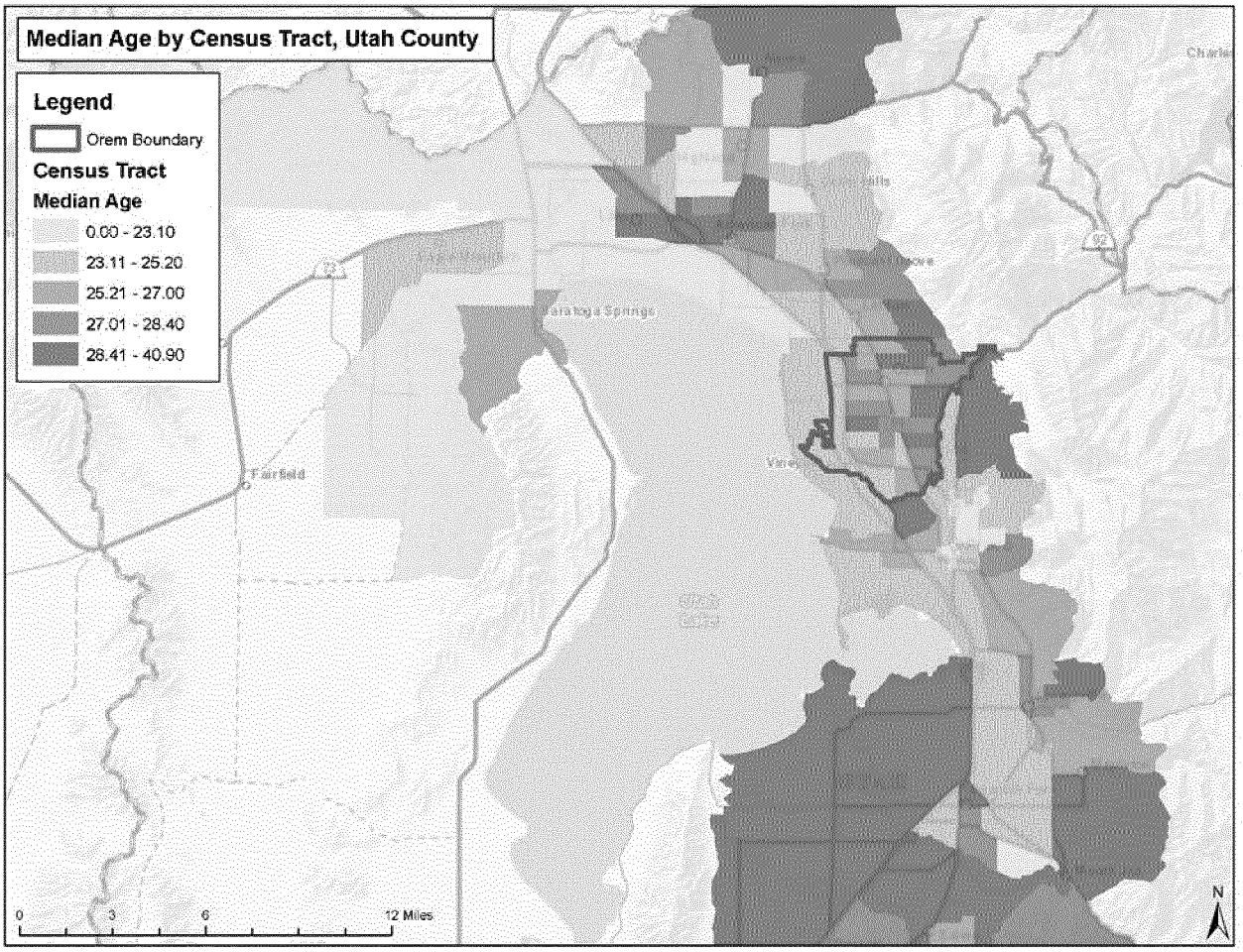
Source: 2012 ACS 3-Year Estimate

This distribution between children and students can be seen in the population pyramids shown below. Orem's largest population block is in the student population, with lower proportions in the child and middle-aged population categories.



Source: 2012 ACS 3-Year Estimate

Although Orem doesn't have the youngest population on a city-wide basis compared to other cities in the County, the map below shows that median age is highly varied within the City on a Census Tract Level. Rapidly growing areas in Lehi and Eagle Mountain still have younger median ages, but there are areas within Orem that are comparable, especially around UVU and University Parkway. Areas with higher median ages are the more established and older neighborhoods near the Foothills.



Household Size

Orem has the second smallest household size in the valley, behind Provo. These figures are again lower on average due to the smaller household sizes of the student population. Orem's household size is still larger than the State's already high average of 3.09 persons per household and much higher than the national average of 2.58 persons per household.

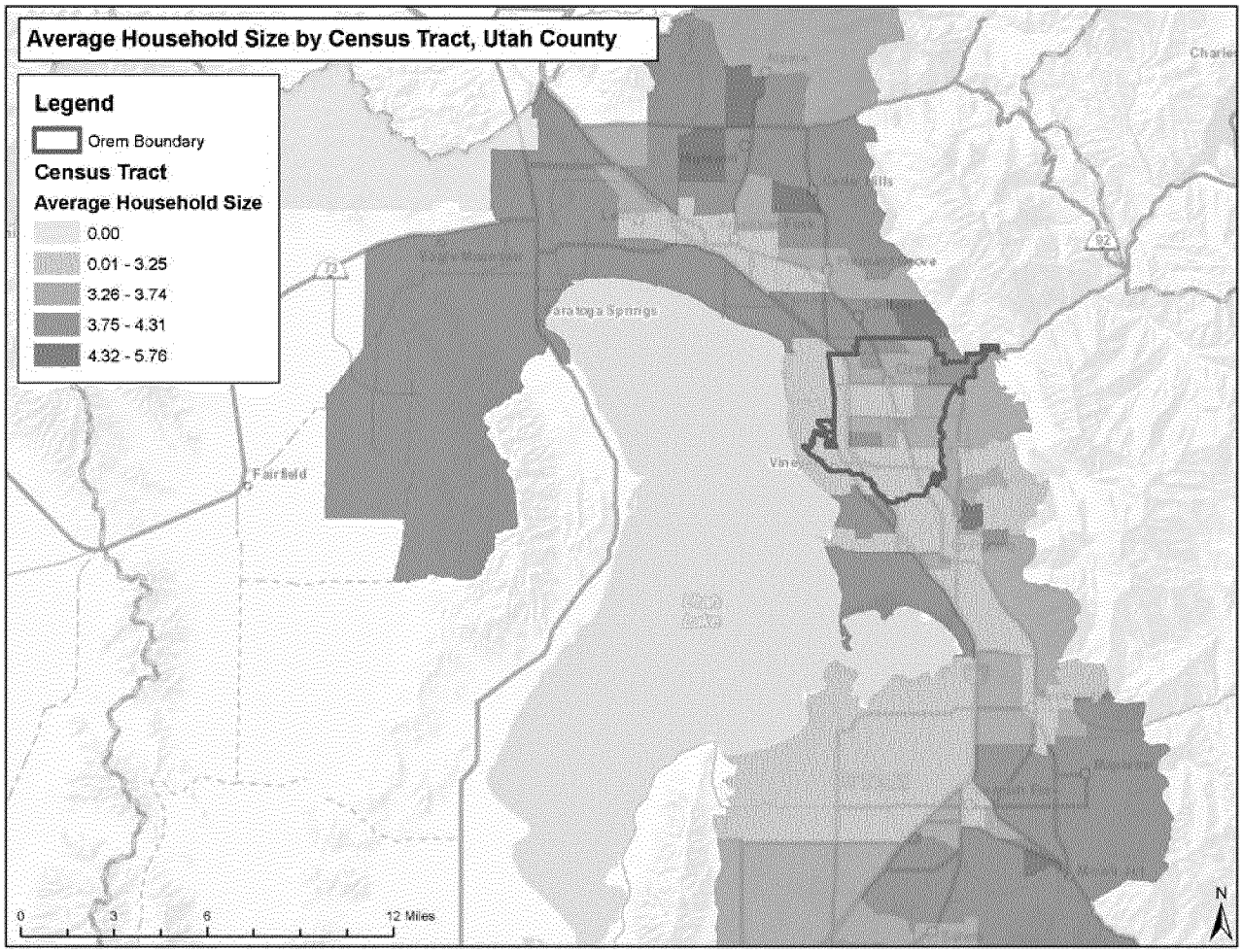
Table 5: Average Household Size in Utah County

	Average Household Size
Utah	3.09
Utah County	3.57
Alpine	3.81
American Fork	3.54
Cedar Hills	4.03
Eagle Mountain	4.16
Highland	4.48
Lehi	3.90
Lindon	4.12
Orem	3.34
Pleasant Grove	3.55

	Average Household Size
Provo	3.28
Saratoga Springs	4.13
Spanish Fork	3.67
Vineyard	4.31

Source: 2012 ACS 3-Year Estimate

The map below shows household sizes throughout the County at a detailed Census Tract level. Orem and Provo generally have lower household sizes, with areas in the north of Orem having larger households.



Educational Attainment

Residents in Orem, like residents in Utah, are highly educated, with over ten percent holding graduate degrees. Orem has, on average, more high school graduates, and people with Bachelor's or Graduate degrees than the Statewide proportions. Neighboring communities are also well-educated, adding to a strong workforce pool that is attractive to high-paying companies looking to locate in the area.

Table 6: Educational Attainment by City in Utah County

	Percent High School Graduate or Higher	Percent Bachelor's Degree or Higher	Percentage with Graduate Degree
Utah	90.6%	29.9%	9.7%
Utah County	93.6%	35.7%	10.8%
Alpine	99.0%	47.9%	17.8%
American Fork	93.5%	33.6%	10.9%
Cedar Hills	99.1%	53.9%	20.4%
Eagle Mountain	94.7%	29.5%	4.8%
Highland	99.3%	59.4%	22.6%
Lehi	95.3%	36.6%	9.3%
Lindon	95.3%	38.3%	13.4%
Orem	92.8%	34.8%	10.2%
Pleasant Grove	94.7%	35.7%	9.2%
Provo	90.5%	38.7%	12.0%
Saratoga Springs	97.9%	40.3%	11.6%
Spanish Fork	92.2%	26.7%	7.6%
Vineyard	88.3%	42.6%	10.6%

Source: 2012 ACS 3-Year Estimate

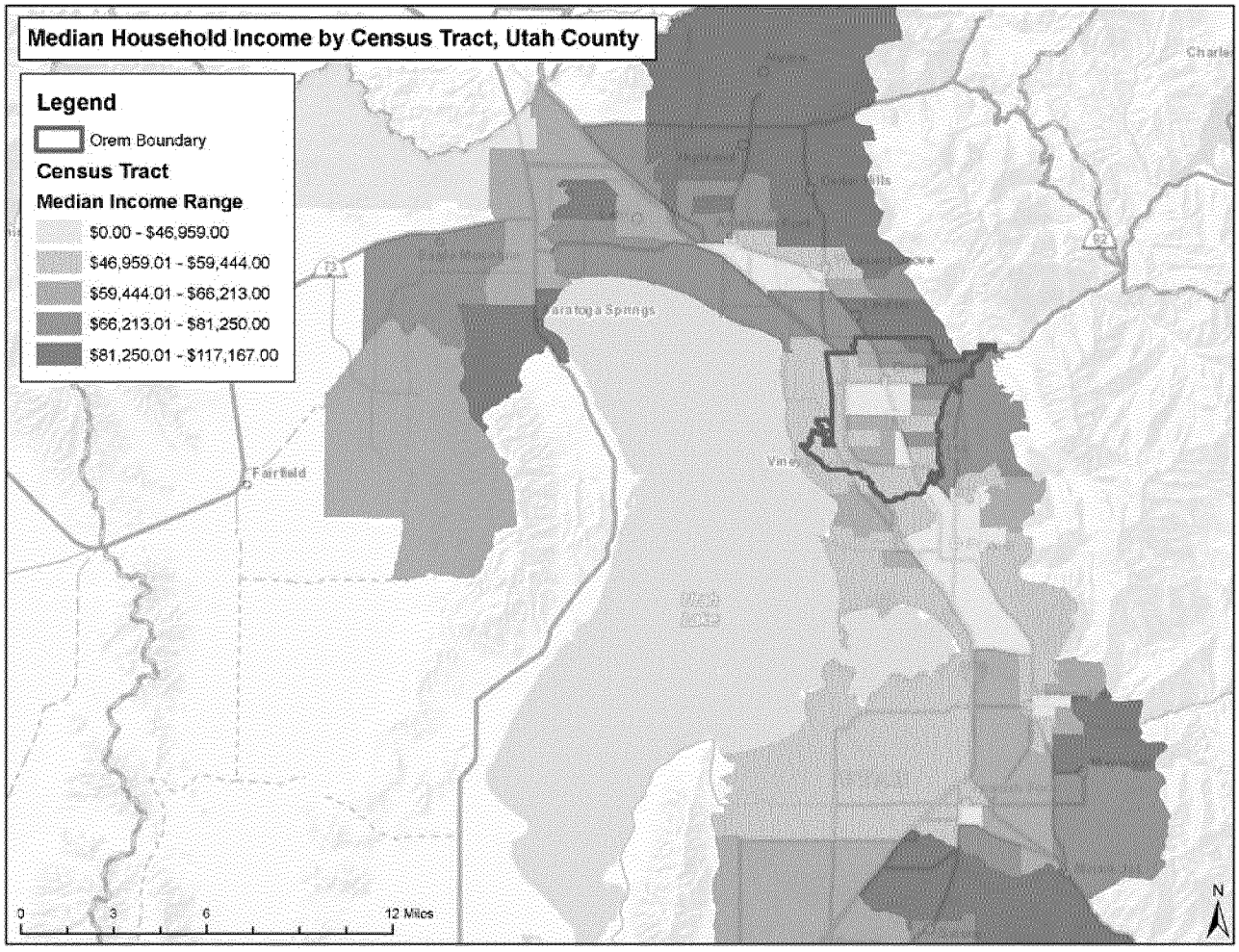
Income

While Orem's household income is among the lowest in the County, the per capita income levels keep pace with the other high-income cities, indicating that the spending ability of Orem residents is still equal to that of high-income households. Orem's median household income and per capita income levels are both significantly higher than Provo's income levels.

Table 7: Income Levels by City in Utah County

	Median Household Income	Per Capita Income
Utah	$58,164	$23,794
Utah County	$59,864	$20,853
Alpine	$97,449	$34,245
American Fork	$66,504	$21,277
Cedar Hills	$95,873	$25,786
Eagle Mountain	$66,238	$18,012
Highland	$99,516	$28,041
Lehi	$71,652	$21,867
Lindon	$92,642	$24,434
Orem	$52,876	$21,045
Pleasant Grove	$63,920	$21,684
Provo	$40,288	$16,865
Saratoga Springs	$72,733	$21,070
Spanish Fork	$61,737	$18,904
Vineyard	$62,708	$16,438

Source: 2012 ACS 3-Year Estimate

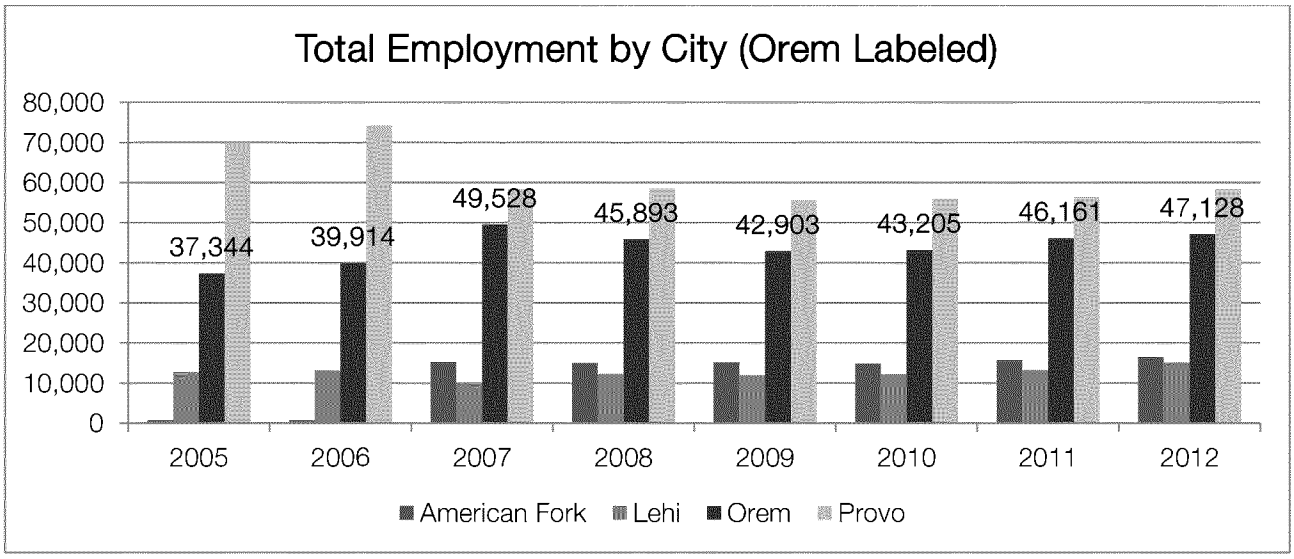


Employment and Wages

Orem is well-known for hosting start-up technology and information businesses. The two universities in Provo and Orem have an atmosphere of innovation and entrepreneurial energy, especially in the internet and technology sectors. This entrepreneurial spirit leads to creative new companies that add to Utah's successful "Silicone Slopes" identity. However, throughout interviews, public meetings and data analysis for this report, the sentiment was clear that many businesses move out of Orem once they grow out of their start-up phase, primarily due to the lack of move-up and Class A office space availability. The reasons for this will be analyzed in further detail later in this report, but this section will analyze employment and wage conditions that exist as a result.

Current Employment

Employment in the City has remained fairly steady in recent years, with the exception of a large leap in employment from 2006 to 2007. Since 2007, Orem and other cities competitive with Orem have all remained fairly even with small increases as cities recover from the recession.



Source: Utah Department of Workforce Services

The City is slightly above average in the County for wages, but its employment represents a sizable 25 percent of all employment in the County. Only Provo has more employment share, but only Orem and Provo are in double digits – no other cities come close to being such large employment centers. While Provo does have higher average wages, Orem's are lower on average due to the high amount of retail employment in the City. Considering the heavy retail concentration in the City, average wages are actually very strong given that they could be much lower.

Table 8: 2012 Employment and Wages in Utah County

City	Average Monthly Wages	Total Employment	% of Total Employment
Lindon	$3,820	8,001	4%
Lehi	$3,668	15,207	8%
Provo	$3,401	58,486	31%
Alpine	$3,285	1,413	1%
Springville	$3,019	10,863	6%
American Fork	$2,853	16,547	9%
Orem	$2,801	47,128	25%
Mapleton	$2,616	1,318	1%
Pleasant Grove	$2,557	6,052	3%
Highland	$2,542	2,759	1%
Elk Ridge & Woodland Hills	$2,541	339	0%
Spanish Fork	$2,474	10,676	6%
Eagle Mountain	$2,371	1,025	1%
Cedar Hills	$2,365	755	0%
Salem	$2,355	1,429	1%
Saratoga Springs	$2,327	1,630	1%
Payson	$2,321	5,553	3%
Genola	$1,940	153	0%
Santaquin	$1,898	777	0%
Utah County	$3,057	190,112	100%

Source: Utah Department of Workforce Services, Annual Report of Labor Market Information

The table below breaks the average monthly wages down by industry, showing the average wage in the Trade, Transportation & Utilities category (which includes retail) as a lower wage industry.

Table 9: Average Monthly Wages by Sector and City, 2012

	Utah County	American Fork	Lehi	Orem	Provo
Mining	$5,084	$0	$5,196	$7,118	$2,018
Construction	$3,264	$3,698	$3,584	$2,744	$3,664
Manufacturing	$4,040	$3,836	$5,895	$4,181	$3,845
Trade, Transportation & Utilities	$2,799	$2,617	$2,795	$2,425	$3,475
Information	$6,441	$5,878	$4,370	$6,666	$6,747
Financial Activities	$4,294	$3,363	$9,270	$3,904	$3,955
Professional & Business Services	$3,625	$3,562	$4,568	$3,413	$3,438
Education & Health Services	$2,601	$2,503	$1,983	$1,993	$3,107
Leisure & Hospitality	$1,137	$1,171	$1,221	$1,209	$1,191
Other Services	$2,192	$1,832	$3,015	$2,245	$2,094
Government	$2,704	$2,553	$2,563	$2,773	$3,040

Source: Utah Department of Workforce Services, Annual Report of Labor Market Information

Orem's largest employment category is in Trade, Transportation & Utilities, one of the lowest wage categories. Provo, which has higher wages on average, has more employment in higher-paying industries such as Information. This is a category where Orem should strive to increase market share, and the addition of Class A office space is critical in attracting these types of businesses. When comparing wages within industries, Orem is competitive in most categories.

Table 10: Employment 2012[4] by Industry Sector and City

	Employees				% of total			
Employment	American Fork	Lehi	Orem	Provo	American Fork	Lehi	Orem	Provo
Mining	-	56	4	7	0%	84%	6%	10%
Construction	855	2,005	1,398	2,870	12%	28%	20%	40%
Manufacturing	459	2,168	3,413	2,469	5%	25%	40%	29%
Trade, Transportation & Utilities	3,209	3,129	9,458	6,359	14%	14%	43%	29%
Information	1,062	396	1,390	4,784	14%	5%	18%	63%
Financial Activities	535	687	1,877	1,800	11%	14%	38%	37%
Professional & Business Services	1,954	1,949	8,960	6,360	10%	10%	47%	33%
Education & Health Services	3,496	1,416	8,813	22,381	10%	4%	24%	62%
Leisure & Hospitality	1,636	1,433	3,818	4,412	14%	13%	34%	39%
Other Services	455	375	1,132	1,206	14%	12%	36%	38%
Government	2,877	1,592	6,868	5,838	17%	9%	40%	34%
TOTAL	16,538	15,206	47,131	58,486				

Source: Utah Department of Workforce Services, Annual Report of Labor Market Information

[4] DWS has yet to release their 2013 annual report on employment. 2012 is the most recent data available.

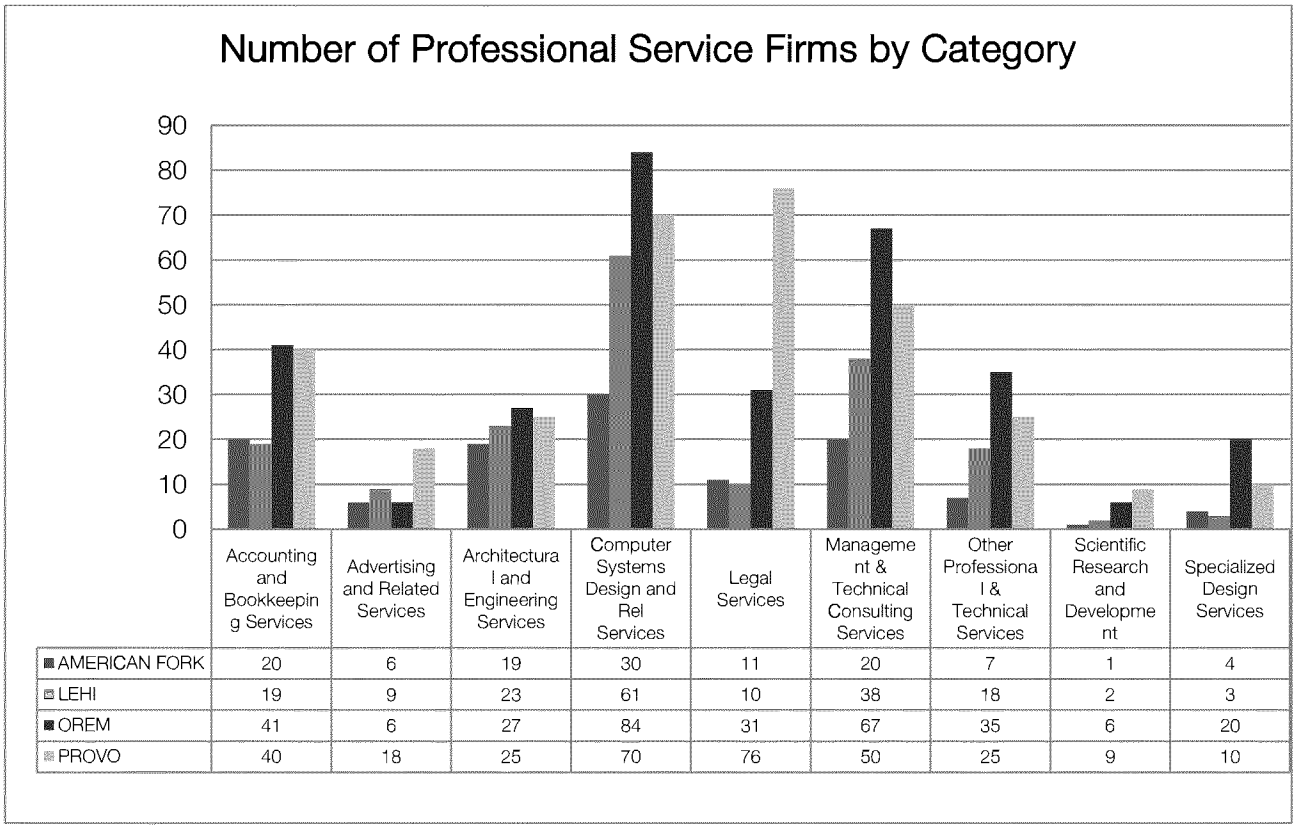
When Lindon and Pleasant Grove are added to the analysis, Orem's share of the Information Industry sector stays fairly constant, with the major player in this area being Provo.

Table 11: 2012 Employment – Information Industry Sector

City	% of County
American Fork	12%
Lehi	5%
Lindon	7%
Orem	16%
Pleasant Grove	0%
Provo	56%

Source: Utah Department of Workforce Services

Since non-retail jobs generally have higher wages, it is important that Orem be able to attract and retain these jobs in professional services, information, and finance. Orem currently has the highest number of firms compared to competitive cities in Computer Systems Design and Management & Technical Consulting Services and other professional service categories, a position the City can strive to maintain through attracting high-quality, high-paying employers and providing adequate office space for new or growing businesses.



	Accounting and Bookkeeping Services	Advertising and Related Services	Architectural and Engineering Services	Computer Systems Design and Rel Services	Legal Services	Management & Technical Consulting Services	Other Professional & Technical Services	Scientific Research and Development	Specialized Design Services
AMERICAN FORK	20	6	19	30	11	20	7	1	4
LEHI	19	9	23	61	10	38	18	2	3
OREM	41	6	27	84	31	67	35	6	20
PROVO	40	18	25	70	76	50	25	9	10

Source: DWS Firm Find

The following table shows the City's largest employers by the number of employees. Utah Valley University is the largest, as expected. Other employers represent a good mix of manufacturing, technology, and retail.

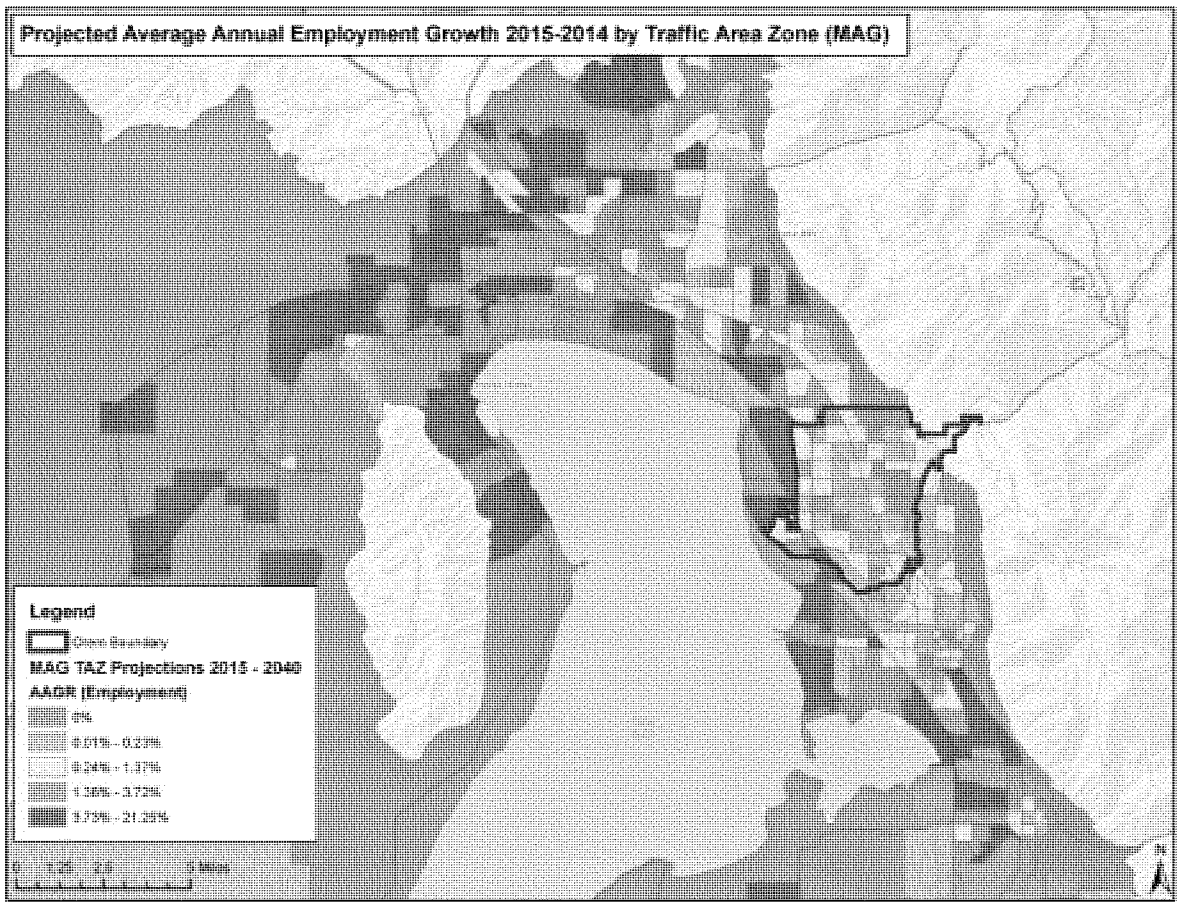
Table 12: Top 15 Employers in Orem

Employees	Name	Address
3,000-3,999	Utah Valley University	800 W University Pkwy
1,000-1,999	Nexeo Staffing, LLC	230 N State St
	Utah Valley University Foundation	800 W University Parkway
500-999	Chrysalis Utah, Inc.	570 E 1400 S
	Convergys Cm Delaware, LLC	1409 N Research Way Bldg J
	Doterra International, LLC	384 W Center St
	Timpanogos Regional Medical Service	750 W 800 N
	US Synthetic Corporation	1260 S 1600 W
250-499	Costco Wholesale	648 E 800 S
	K-Tec, Incorporated	1206 S 1680 W
	Response Marketing Group, LLC	703 South State Suite 4
	Securitymetrics, Inc.	1275 W 1600 N
	Target	175 W Center St
	Wal Mart	1355 S Sandhill Rd

Source: Department of Workforce Services, FirmFind

Employment Projections

Under current trends, employment growth is generally projected to remain low, especially compared to other parts of the County. Like population growth projections, this is primarily related to land availability for office space development, but Orem can avoid this trend and encourage positive growth by facilitating in-fill office development. Office development should be high-quality, Class A space to attract and retain the high-paying jobs in Utah's fast-growing technology field.



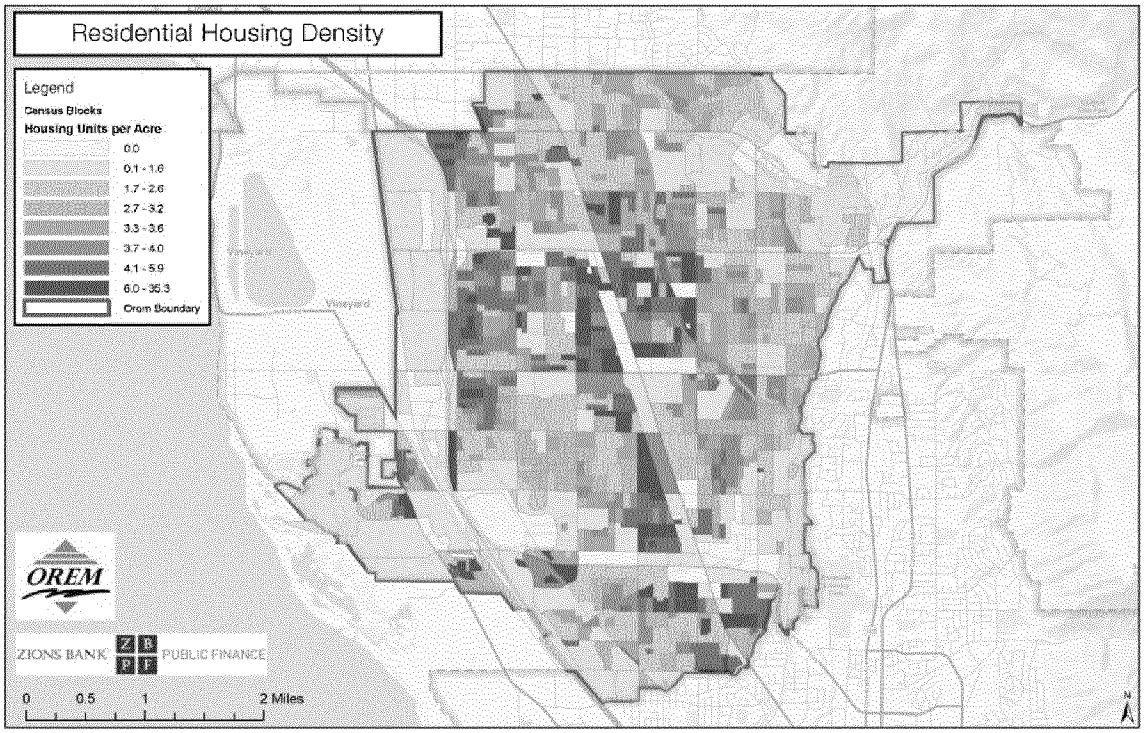
Improving offerings for office space and incentivizing employers to locate in Orem should target higher wage-paying industries that add value to the City and provide great opportunities for residents, including advanced manufacturing and information technology.

Advanced manufacturing has wages that are on average 1.4 times greater than the average wage. These positions look for workforce skills coming from area universities such as IT, engineering, CAD and CAM skills. In addition to being strong employment opportunities, the employers have significant investment in physical infrastructure. This improves property tax revenues to the City through high personal property values and also ensures a long-term investment and stability to the City. Important niches in advanced manufacturing for the future include electronics, energy (especially clean energy), circuitry and semiconductors, and nanotechnology.

Information technology provides even higher wages at 1.8 times the average wage plus similar investments in infrastructure. This is also a strong area to capitalize on university and student resources. Niches in information technology include data centers, digital media/animation, and software applications.

Housing

As with most development in the City, housing is largely built-out with few new developments. A quarter of the housing stock was built in the 1970's, 16 percent in the 1980's and another quarter in the 1990's.[5] The City has a high rental rate of 37 percent of all housing units as a result of the large student population. However, it is not nearly as high as Provo's at 59 percent. Housing density, shown in the map below, is concentrated along State Street and between 800 North and Center Streets.



Source: MAG, ZBPF

[5] ACS 2013 3 year estimates

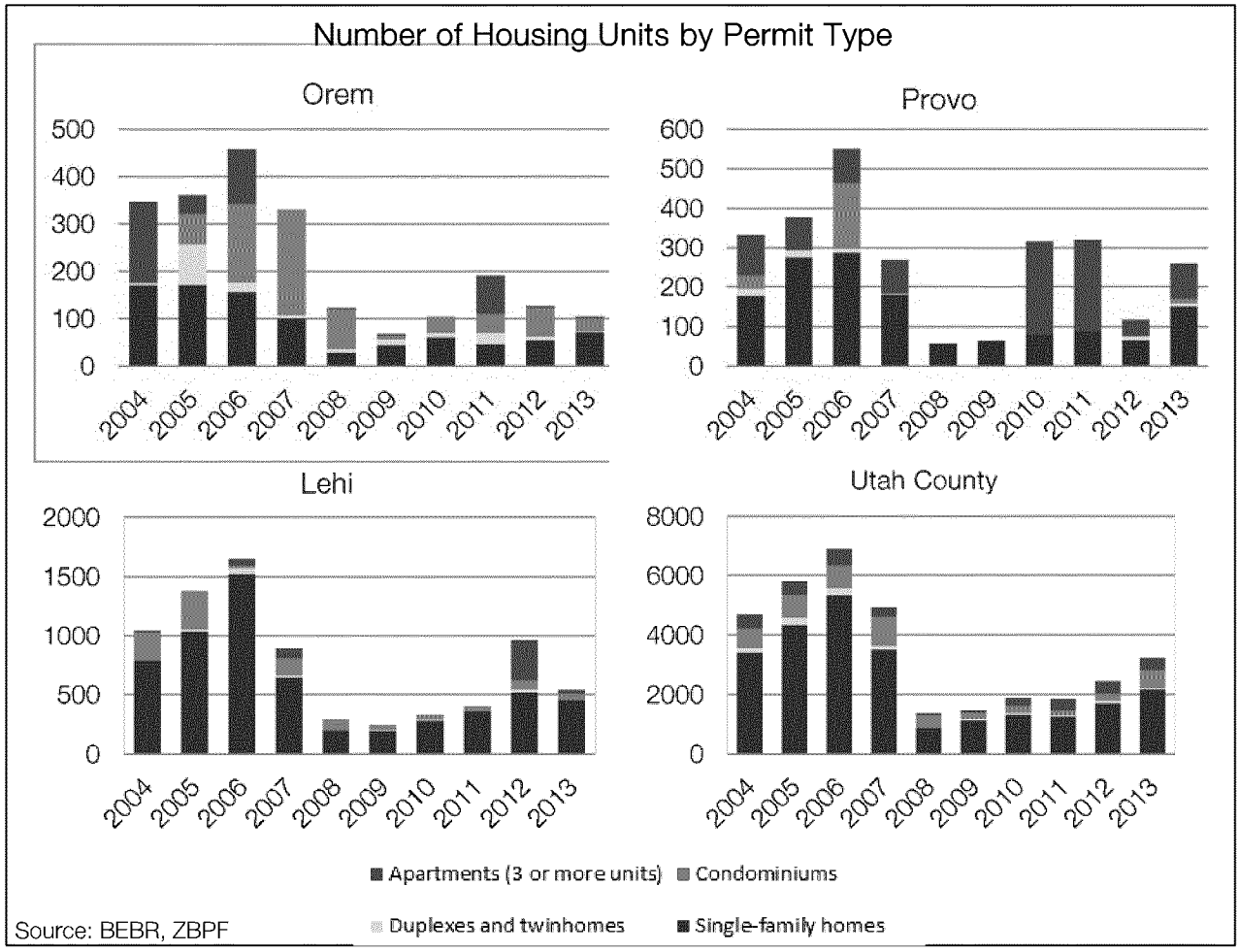
In the years since the recession and housing bust, Orem's building permits have not seen the gradual rebound in quantity to the extent that other cities in the County have. However, other cities have vacant land available. This land allows for builders to build a full neighborhood or planned community of new homes at a lower cost compared to the in-fill and redevelopment a similar housing development in Orem would require. Even Provo, which is generally similar in development density to Orem, has available land near Utah Lake with newly-developed communities in the last decade. In 2013 Orem had 105 new building permits compared to Provo's 259 and Lehi at 540.

Table 13: Number of Housing Units Permitted per Year by City

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Orem	347	361	458	331	123	68	105	191	127	105	2,216
Provo	333	378	550	268	57	64	317	321	117	259	2,664
American Fork	116	195	215	138	55	44	53	52	105	112	1,085
Lehi	1,045	1,382	1,649	889	294	247	333	400	963	540	7,742
Lindon	65	43	28	127	35	15	20	27	23	36	419
Pleasant Grove	457	579	509	318	72	60	55	54	54	717	2,875

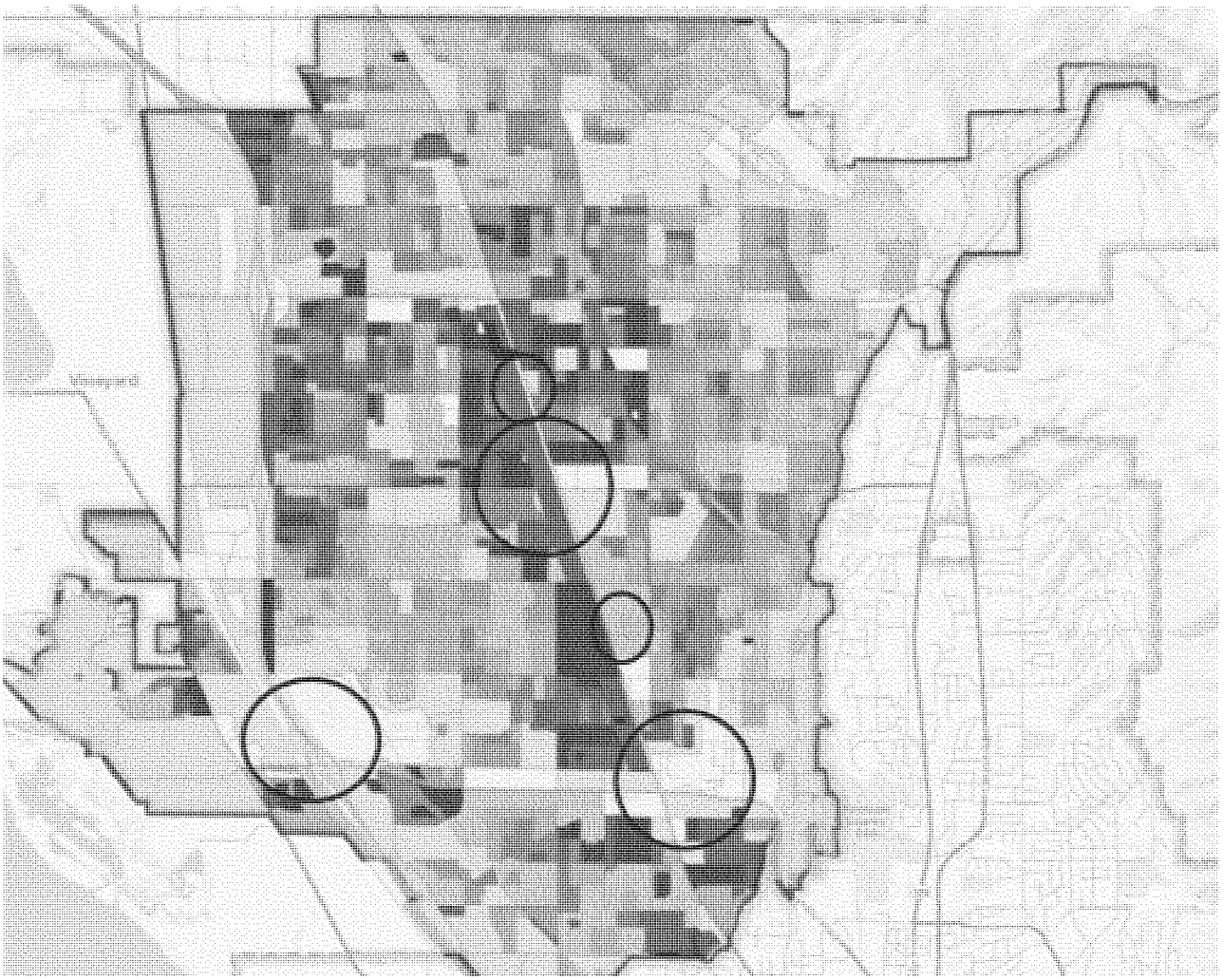
Source: BEBR

The graphs below show permit numbers in competitive cities and the County broken down by permit type. While most permits county-wide have been for single-family homes, Orem has had a proportionately higher number of permits for higher-density units, especially condos.



Source: BEBR, ZBPF

Since land is limited for large single-family developments, Orem is in a position to redevelop property in key locations to improve land values, such as including higher-density housing in commercial corridors to improve walkability in the City and develop a downtown environment in Utah County. Specific options are explored in detail in the "Economic Development Nodes" chapter, but the map below shows in red the general areas where housing density should be explored. These areas are ideal to build upon commercial improvements and social needs. Additionally, these areas are located in corridors with housing already found in high-density concentrations without encroaching on single-family neighborhoods.

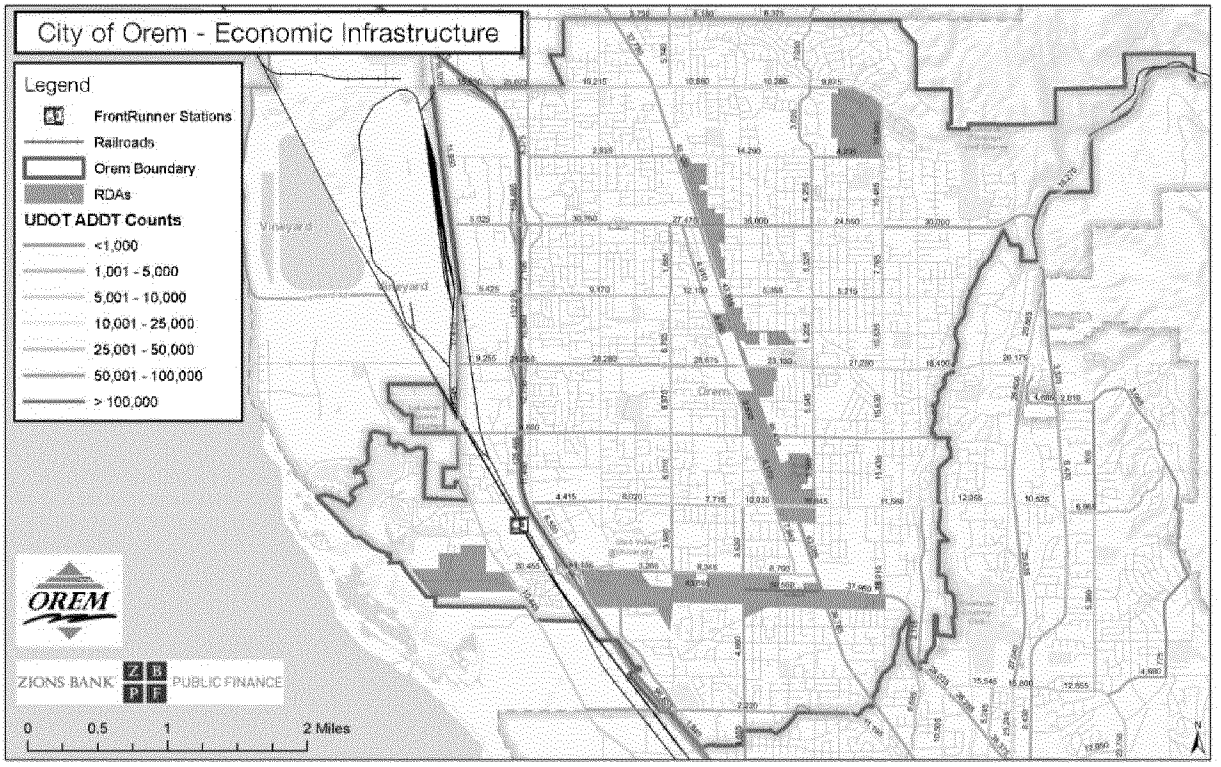


Source: BEBR, ZBPF

Economic Infrastructure

Physical conditions of the City such as traffic counts, land use, and property values influence economic potential. This section describes these in Orem as they relate to economic development.

Strong traffic counts are an indicator of a city's ability to support retail outlets. Orem has strong traffic counts throughout the City, especially along the main corridors. The map and table below show these counts. Supported by high traffic, sales figures show the City is already in a strong position to support retail; existing retail is performing well. The strongest traffic counts are along I-15, which has great access to the entire City through multiple interchanges. These assist the City in its status as a retail hub for the County, but there are significant additional opportunities to develop additional retail near the I-15 interchanges themselves.



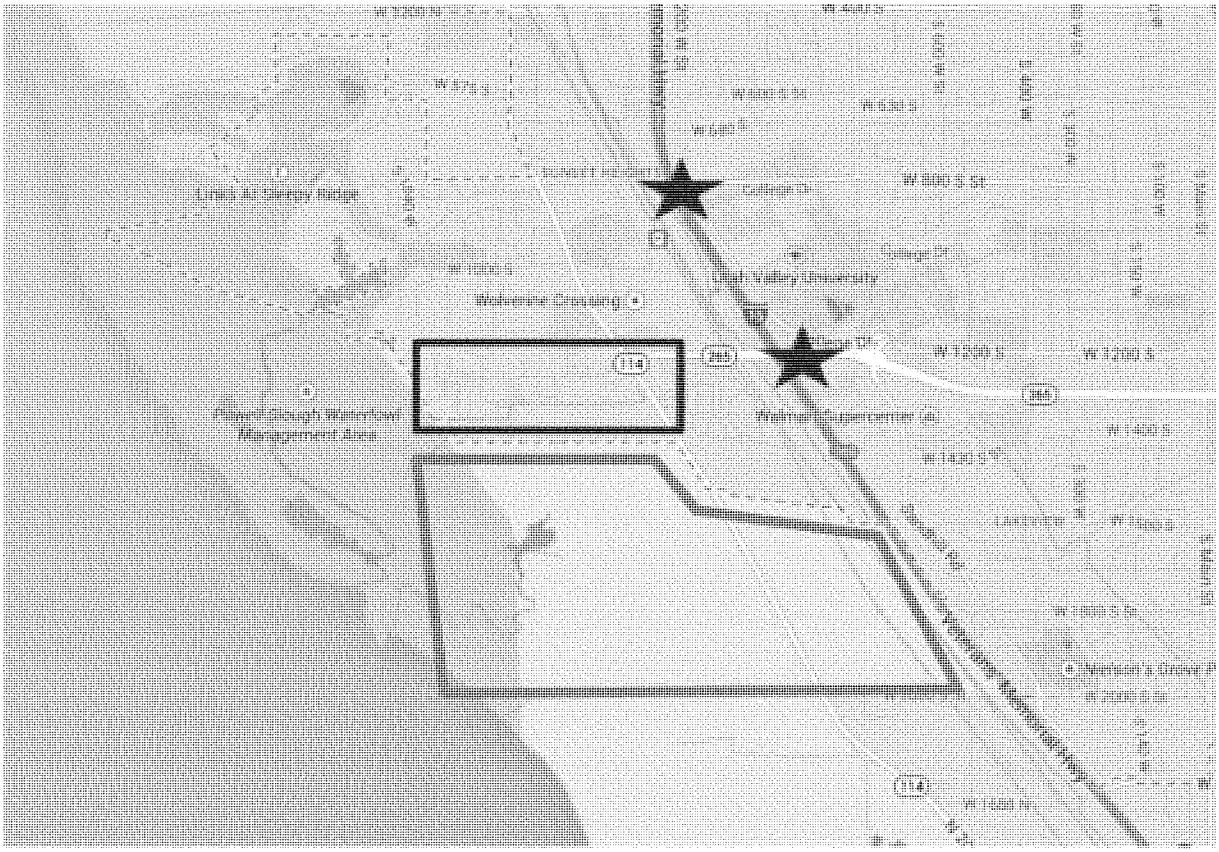
Source: UDOT, ZBPF, Utah AGRC

Table 14: Top Ten Highest Traffic Road Segments in Orem

Road Segment	AADT 2012
I-15 Between 1600 N and 800 N	139,665
I-15 Between 800 N and Center	132,270
I-15 Between Center and University Parkway	125,495
I-15 South of University Parkway	96,855
University Parkway from Main to State	50,560
State Street Between Center and 800 S	46,630
University Parkway from Interchange to Sandhill Road	44,155
University Parkway from Sandhill to Main	43,695
State Between 800 N and Center	43,515
State Between 800 S and University Parkway	43,085

Source: UDOT, ZBPF

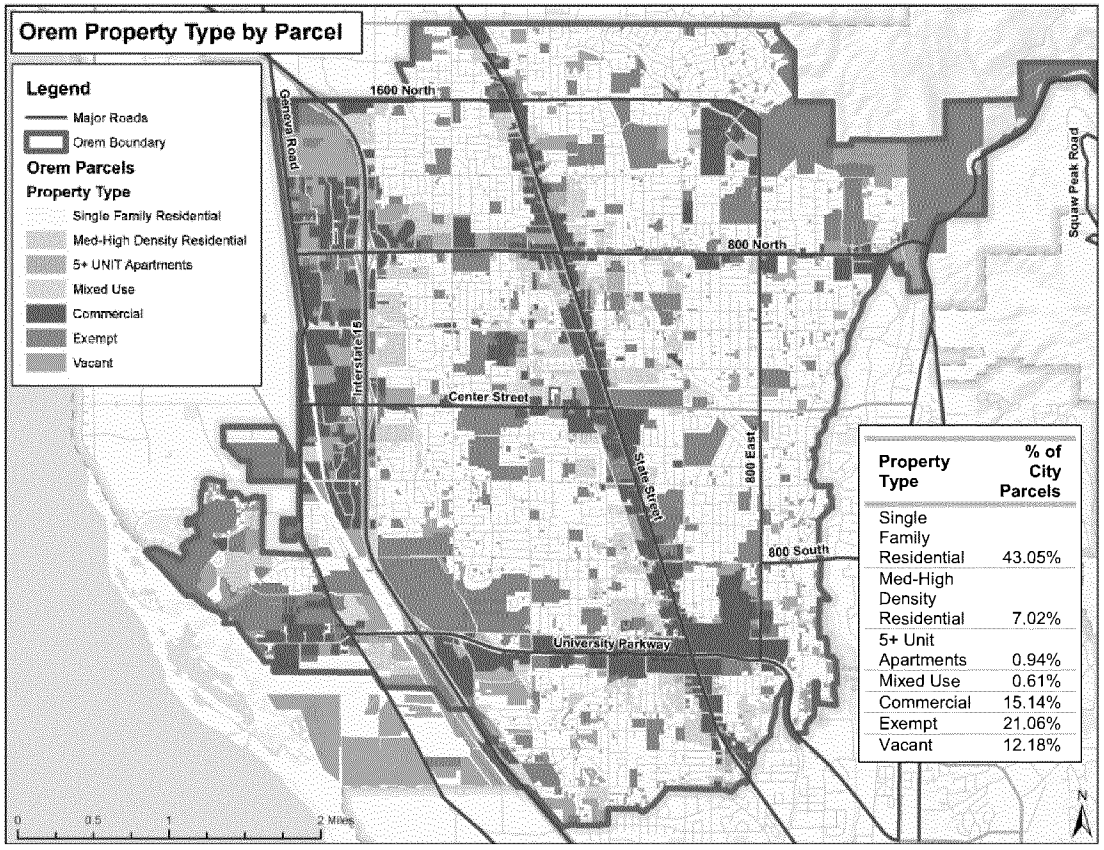
In addition to the four current interchanges that bring high traffic counts to the City, there is also a potential HOV off-ramp at 800 South that could further improve access to the area near ongoing TOD development. This off-ramp also would alleviate pressure from the congested University Parkway Exit, providing better access to advanced manufacturing space in the southwest corner of the City (in red), including a potential for manufacturing development in an annexation area (in blue).

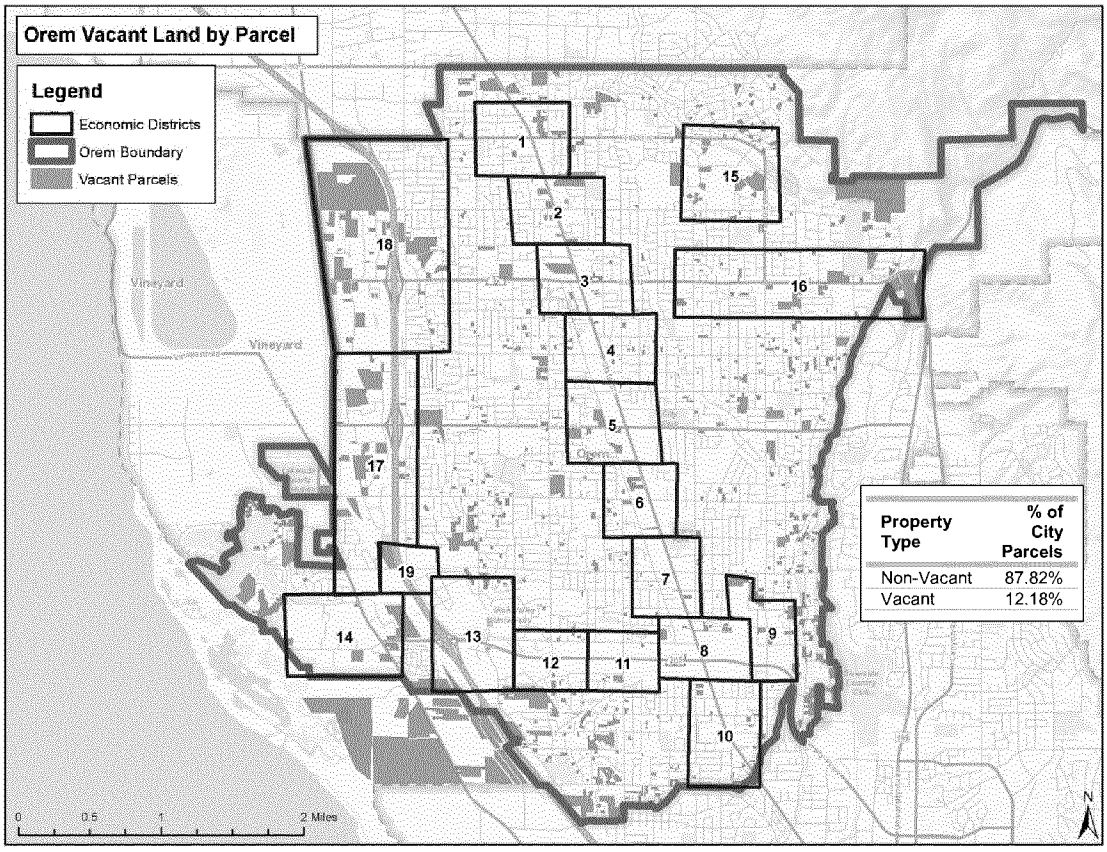


Source: ZBPF, MAG, UDOT

With land-use, the City has well-established commercial corridors along State Street and University Parkway, as well as along the freeway, with little vacant land available in the City. The maps below show these attributes. In exploring options for commercial development and improvement in the City, the chapter on Economic Development Nodes explores ways to improve these corridors without seeing the lack of vacant land as a hindrance. These ideas will help the City elevate and add to these existing areas without the need for expanding the acreage of commercial areas.

Also important in the vision for the City, these development shifts will help to better integrate these commercial corridors with the fabric of the City. As the property type map shows, the commercial corridors sit starkly segregated from residential neighborhoods. This vision will bring commercial to a more integrated neighborhood feel throughout the City. Any vacant land, especially in the southwest corner of the City, will then be available for the addition high-paying advanced manufacturing employers to the City.

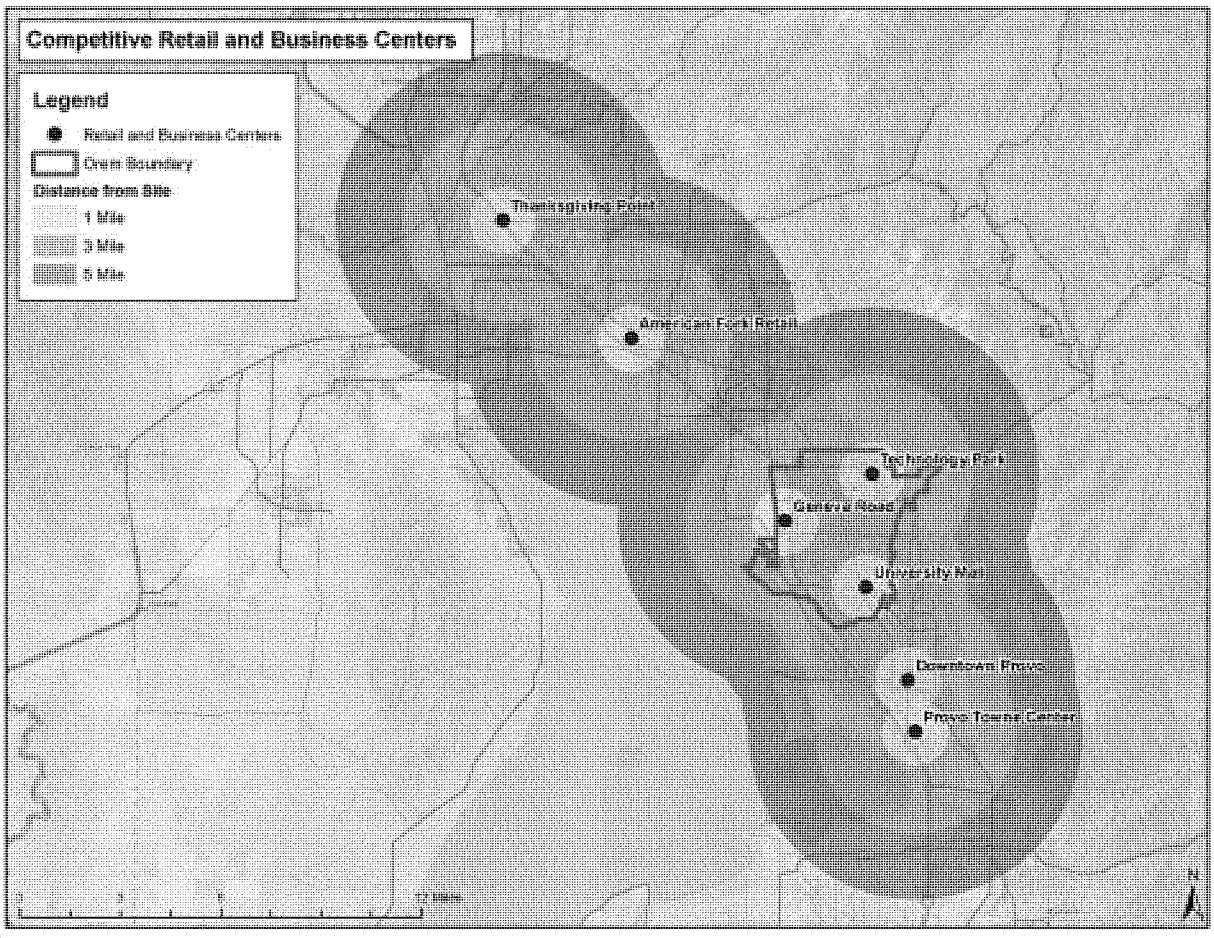




Source: ZBPF, Utah County

Buying Power and Competitive Site Analysis

Retailers consider population and employment levels to determine whether a new outlet would be sustainable at a given site. For example, Super Target generally seeks a population of at least 100,000 within a three to five-mile radius. Using population and employment projections developed by Mountainland Association of Governments (MAG) in Traffic Analysis Zones (TAZ), the projected growth in employment and population within one, three and five-mile radii of a sampling of sites in Orem was analyzed compared to other competitive sites in the County. The map below shows these sites with the distance of these radii.



Using these circles to pull the current and projected population and employment indicates that Orem – especially at University Place – has a strong retail base supporting the City's position as a retail hub in the County. The tables below for employment and population show that University Place has the highest numbers in both categories at three and five miles. Only Downtown Provo has higher numbers at a one mile distance, but that captures the very dense population at BYU. All three sites in Orem have a strong population and employment base to support a wide diversity of economic activity. These tables can be used in tandem with the Retail Tenant Database given to the City electronically to compare with various retailers' population and employment guidelines.

Table 15: Population within 1, 3, and 5 Miles from Commercial Cites, Projected to 2040

Population	2015	2020	2030	2040
Thanksgiving Point				
1 Mile	7,793	9,063	10,976	12,763
3 Miles	37,944	46,071	65,874	85,448
5 Miles	100,839	119,240	157,390	194,218
American Fork Retail				
1 Mile	8,498	9,485	10,565	11,464
3 Miles	69,039	75,719	84,875	91,662
5 Miles	140,396	153,906	176,521	195,166
Technology Park				
1 Mile	14,848	14,926	14,853	14,804
3 Miles	93,239	95,378	98,689	99,831
5 Miles	176,877	183,927	197,305	208,395
Geneva Road				
1 Mile	10,377	10,800	11,648	12,472
3 Miles	89,869	94,253	104,929	113,834
5 Miles	185,312	194,189	210,490	223,283
University Mall				
1 Mile	19,032	19,199	19,413	19,658
3 Miles	*154,297*	*157,937*	*164,416*	*167,940*
5 Miles	*227,652*	*235,460*	*254,457*	*267,043*
Downtown Provo				
1 Mile	33,703	33,717	33,826	33,756
3 Miles	116,006	118,173	124,813	128,092
5 Miles	174,898	180,755	195,751	204,421
Provo Towne Center				
1 Mile	3,672	3,809	4,398	4,499
3 Miles	76,888	78,765	85,895	89,303
5 Miles	154,737	162,375	179,793	188,850

Source: MAG, ZBPF

Table 16: Employment within 1, 3, and 5 Miles from Commercial Cites, Projected to 2040

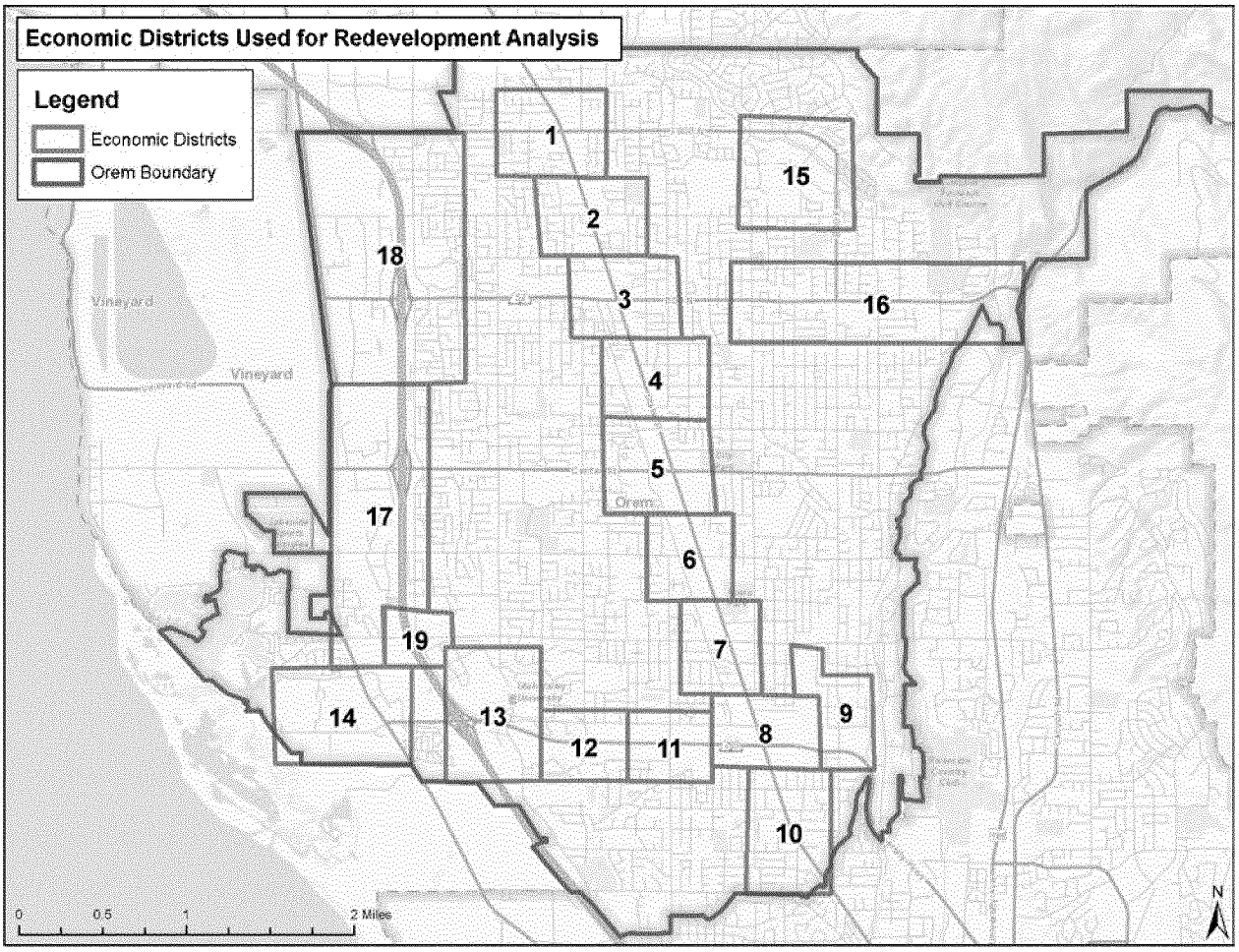
Employment	2015	2020	2030	2040
Thanksgiving Point				
1 Mile	6,470	8,443	10,871	12,618
3 Miles	14,182	20,515	30,642	39,595
5 Miles	38,824	51,516	74,240	95,515
American Fork Retail				
1 Mile	9,114	10,245	11,481	12,672
3 Miles	34,980	38,237	42,463	46,637
5 Miles	62,236	72,907	88,040	101,714
Technology Park				

1 Mile	8,763	8,896	9,071	9,301
3 Miles	52,557	54,904	58,426	60,694
5 Miles	120,451	128,195	140,740	150,419
Geneva Road				
1 Mile	8,963	9,706	12,073	13,762
3 Miles	70,139	75,349	84,116	89,683
5 Miles	128,073	136,971	151,148	162,394
University Mall				
1 Mile	21,835	22,333	22,934	23,465
3 Miles	*109,212*	*111,947*	*115,521*	*118,837*
5 Miles	*161,955*	*168,934*	*180,867*	*190,565*
Downtown Provo				
1 Mile	25,023	25,643	26,649	28,031
3 Miles	84,099	87,186	93,061	98,709
5 Miles	131,374	137,500	149,477	162,325
Provo Towne Center				
1 Mile	14,467	15,834	17,991	19,990
3 Miles	69,976	73,639	81,629	90,419
5 Miles	116,589	122,505	134,133	147,708

Source: MAG, ZBPF

Market Conditions – Sales, Revenue, and Area Opportunities

Market conditions in the City inform the strengths, weaknesses, and opportunities individual to Orem's economic development potential. Orem is large and its economic character can vary greatly depending on the area. In order to analyze data at this detailed level, economic districts were identified along key commercial corridors and sites in the City. These districts are compared in the analysis to show differences within the City, as appropriate. Later in the chapter on Economic Development Nodes, these districts are combined and associated with broader development nodes based on their character and potential. The map below shows these detailed analysis districts, along with the number they will be referenced by throughout the report.



Sales Leakage and Capture Rates

Orem is the regional retail hub for the County and performs very well in many retail categories, providing a strong sales tax base for the City. A sales gap analysis shows the estimated amount of retail purchases made by residents of Orem City[6] and the percentage of those purchases being

[6] Estimated consumer purchases are based on average annual consumer purchases in the State of Utah.

made within City boundaries (as reflected by the "Capture Rate"). Where the capture rate is less than 100 percent, this indicates that residents are leaving the City to make purchases elsewhere. Where the capture rate is greater than 100 percent, such as for Clothing and Clothing Accessories Stores, this indicates that consumers from outside of the City are making purchases within City boundaries.

Corresponding to the capture rate is the leakage amount in each category. Since Orem has high capture rates in most categories, the overall leakage is actually positive indicating the City is capturing more than its "fair share" of retail sales as compared to other communities. Categories where the capture rate is less than 100 percent and City residents are making purchases in other cities show a negative leakage amount. This is the amount Orem is losing in sales annually for that category. For example, Orem has a lower capture rate for gasoline sales, which translates into a loss of about $6.7 million per year in potential sales in the City.

Table 17: 2013 Sales Leakage and Capture Rates in Orem

Category	2013 Leakage	2013 Capture Rate
General Merchandise Stores	$123,428,141	165.16%
Motor Vehicle and Parts Dealers	$105,724,362	165.24%
Clothing and Clothing Accessories Stores	$69,146,835	234.44%
Furniture and Home Furnishings Stores	$46,365,720	289.01%
Miscellaneous Store Retailers	$34,632,928	170.15%
Sporting Goods, Hobby, Book, and Music Stores	$34,487,643	210.33%
Electronics and Appliance Stores	$29,058,628	211.20%
Food and Beverage Stores	$23,709,935	119.55%
Food Services and Drinking Places	$22,618,204	119.27%
Building Material and Garden Equipment and Supplies Dealers	$12,573,804	117.66%
Repair and Maintenance	$9,204,849	128.39%
Health and Personal Care Stores	$1,982,276	114.01%
Nonstore Retailers	$477,230	102.87%
Museums, Historical Sites, and Similar Institutions	-$821,440	6.34%
Amusement, Gambling, and Recreation Industries	-$2,734,797	77.98%
Performing Arts, Spectator Sports, and Related Industries	-$3,522,080	2.03%
Personal and Laundry Services	-$4,171,128	58.20%
Gasoline Stations	-$6,706,634	77.77%
Accommodation	-$29,813,411	28.62%
TOTAL	**$465,641,067**	**146.28%**

Source: Utah State Tax Commission, ZBPF

The City's low capture rate for performing arts is likely skewed due to the fact that the SCERA and Hale Center Theater are non-profit and their sales are not taxable (thus do not appear in State sales data), but the market need is likely being fulfilled more than the numbers indicate.

As the sales leakage table demonstrates, Orem has a high overall capture rate of 146 percent and over $465 million in sales annually coming from residents of surrounding communities. While the City is very strong in most retail categories, indicating that there is little opportunity to actively pursue retail growth, the areas where there is sales leakage represent opportunities for the City to

increase sales and capture purchases within the City at a higher rate. The categories with the most opportunity are in Accommodation and Gasoline Sales. Accommodation will especially complement the City's growth in office development and will be a benefit to other large existing employers such as UVU. And, while the City is highly saturated with retail development, there are opportunities to add unique one-of-kind retail outlets such as Trader Joe's or Fish and Stream outlets that will continue to expand the regional draw to Orem. Further, there is potential for increased retail development near the freeway interchanges, such as a grocery store near the 1600 North interchange or other areas near Vineyard.

The following tables give sales leakage and capture rates in further detail by retail category, both for 2013 and 2009. While an overall category may have a positive capture rate, some sub-categories within the broader category may individually have a capture rate of less than 100 percent and be showing sales leakage.

Table 18: Detailed Sales Leakage and Capture Rates, 2009 and 2013

	2009 Leakage	2009 Capture Rate	2013 Leakage	2013 Capture Rate
Motor Vehicle and Parts Dealers				
New Automobile Dealers	$67,824,749	199.60%	$90,645,223	190.66%
Used Car Dealers	$1,598,875	111.50%	$16,649,594	164.76%
Other Motor Vehicle Dealers	-$3,321,100	66.68%	-$5,155,919	60.42%
Automotive Parts, Accessories, and Tire Stores	$3,318,773	117.28%	$3,585,463	115.36%
Subtotal	$69,421,297	162.44%	$105,724,362	165.24%
Furniture and Home Furnishings Stores				
Furniture Stores	$34,572,919	293.00%	$37,746,816	302.42%
Home Furnishings Stores	$10,207,593	304.94%	$8,618,904	246.49%
Subtotal	$44,780,511	295.60%	$46,365,720	289.01%
Electronics and Appliance Stores				
Appliance, Television and Other Electronics	$35,617,126	249.10%	$29,058,628	211.20%
Camera & Photographic Supplies	$0	$0	$0	0.00%
Computer & Software Stores	$0	$0	$0	0.00%
Subtotal	$35,617,126	249.10%	$29,058,628	211.20%
Building Material and Garden Equipment and Supplies Dealers				
Building Material and Supplies Dealers	$4,618,842	108.41%	$6,596,586	109.56%
Lawn and Garden Equipment and Supplies Stores	$4,649,589	322.10%	$5,977,219	376.36%
Subtotal	$9,268,432	116.27%	$12,573,804	117.66%
Food and Beverage Stores				
Grocery Stores	-$8,229,612	91.84%	$19,295,506	117.68%
Specialty Food Stores	$9,048,543	423.23%	$9,978,751	389.91%
Beer, Wine, and Liquor Stores	-$3,564,437	48.87%	-$5,564,321	36.09%
Subtotal	-$2,745,506	97.52%	$23,709,935	119.55%

	2009 Leakage	2009 Capture Rate	2013 Leakage	2013 Capture Rate
Health and Personal Care Stores				
Cosmetics & Perfume	$2,364,917	211.53%	$3,681,639	203.07%
Optical Goods	$797,394	154.08%	$166,300	109.96%
Other Health & Personal Care	-$1,077,778	76.56%	-$1,739,462	74.94%
Pharmacies & Drug Stores	$173,455	110.27%	-$126,201	93.59%
Subtotal	$2,257,989	122.85%	$1,982,276	114.01%
Gasoline Stations				
Gasoline Stations	-$5,255,560	79.17%	-$6,706,634	77.77%
Other Gas Stations	$0	$0	$0	0.00%
Subtotal	-$5,255,560	79.17%	-$6,706,634	77.77%
Clothing and Clothing Accessories Stores				
Clothing Stores	$67,252,525	300.21%	$59,238,051	237.43%
Shoe Stores	$1,989,226	161.44%	$4,327,217	194.69%
Jewelry, Luggage, and Leather Goods Stores	$5,834,917	286.34%	$5,581,567	248.46%
Subtotal	$75,076,669	287.88%	$69,146,835	234.44%
Sporting Goods, Hobby, Book, and Music Stores				
Books, Periodical, and Music	$12,001,410	325.11%	$7,933,392	283.07%
Hobby, Toys & Games	$16,367,270	458.34%	$11,786,330	395.01%
Musical Instruments	$2,273,919	269.38%	$3,571,900	361.40%
Sewing, Needlework & Piece Goods	$2,648,867	342.38%	$1,576,726	346.36%
Sporting Goods	$3,587,841	122.80%	$9,619,296	145.98%
Subtotal	$36,879,307	231.37%	$34,487,643	210.33%
General Merchandise Stores				
Department Stores	$137,203,350	189.81%	$124,216,659	174.04%
Warehouse Club & Other General Merchandise Stores	$276,289	101.45%	-$788,517	96.36%
Subtotal	$137,479,640	180.04%	$123,428,141	165.16%
Miscellaneous Store Retailers				
Florists	$1,219,548	204.01%	-$760,667	31.10%
Office Supplies, Stationery, and Gift Stores	$7,946,237	191.57%	$3,554,588	142.73%
Other Miscellaneous Store Retailers	$17,275,492	155.11%	$29,479,298	177.06%
Used Merchandise	$3,826,633	397.11%	$2,359,710	239.38%
Subtotal	$30,267,909	171.24%	$34,632,928	170.15%
Nonstore Retailers				
Electronic Shopping and Mail-Order Houses	-$263,640	94.95%	$2,768,237	131.49%
Vending Machine Operators	-$972,950	9.15%	-$1,096,396	8.71%
Direct Selling Establishments	$725,092	113.82%	-$1,194,611	81.97%
Subtotal	-$511,497	95.57%	$477,230	102.87%

	2009 Leakage	2009 Capture Rate	2013 Leakage	2013 Capture Rate
Performing Arts, Spectator Sports, and Related Industries				
Performing Arts, Spectator Sports & Related Industries	-$3,229,758	1.87%	-$3,522,080	2.03%
Spectator Sports	$0	$0	$0	0.00%
Promoters of Performing Arts, Sports, and Similar Events	$0	$0	$0	0.00%
Agents and Managers for Artists, Athletes, Entertainers and Other Public Figures	$0	$0	$0	0.00%
Independent Artists, Writers, and Performers	$0	$0	$0	0.00%
Subtotal	-$3,229,758	1.87%	-$3,522,080	2.03%
Museums, Historical Sites, and Similar Institutions				
Museums, Historical Sites, and Similar Institutions	-$868,626	5.05%	-$821,440	6.34%
Subtotal	-$868,626	5.05%	-$821,440	6.34%
Amusement, Gambling, and Recreation Industries				
Amusement, Gambling & Recreation Industries	-$1,614,886	84.65%	-$2,734,797	77.98%
Subtotal	-$1,614,886	84.65%	-$2,734,797	77.98%
Accommodation				
Bed & Breakfast & Other Accommodation	$10,196	0.00%	$23,064	0.00%
Hotels & Motels	-$21,416,140	24.65%	-$28,760,225	29.32%
RV Parks & Recreational Camps	-$743,589	0.00%	-964425.1654	0.00%
Rooming and Boarding Houses	-$115,013	0.00%	-$111,824	0.00%
Subtotal	-$22,264,546	23.96%	-$29,813,411	28.62%
Food Services and Drinking Places				
Full-Service Restaurants	$14,266,886	116.58%	$23,016,142	122.12%
Limited-Service Eating Places	$0	$0	$0	0.00%
Caterers & Other Special Food Services	$2,618,716	137.45%	2683753.658	1.265162148
Drinking Places (Alcoholic Beverages)	-$2,531,073	0.00%	-$3,081,692	4.03%
Subtotal	$14,354,529	115.02%	$22,618,204	119.27%
Repair and Maintenance				
Automotive Repair and Maintenance	$6,822,953	130.10%	$8,623,847	131.70%
Electronic and Precision Equipment Repair and Maintenance	$1,354,529	234.60%	$1,965,002	348.01%
Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	-$776,145	16.51%	-$1,551,764	2.29%
Personal and Household Goods Repair and Maintenance	$339,340	113.99%	$167,763	105.91%
Subtotal	$7,740,677	128.64%	$9,204,849	128.39%

	2009 Leakage	2009 Capture Rate	2013 Leakage	2013 Capture Rate
Personal and Laundry Services				
Personal & Laundry Services	-$1,037,549	83.74%	-$2,352,332	69.06%
Private Households	-$13,047	32.57%	-$4,493	72.96%
Religious, Grantmaking, Civic, Professional & Similar	-$1,519,489	11.24%	-$1,814,303	23.07%
Other Personal Services	$0	$0	$0	0.00%
Subtotal	-$2,570,085	68.32%	-$4,171,128	58.20%
TOTAL	$424,083,622	151.14%	$465,641,067	146.28%

Source: Utah State Tax Commission, ZBPF

Competitive Market Leakage Analysis

Orem, the regional retail hub of the County, has an exceptionally strong sales tax base. A review of the capture rates and sales leakage amounts comparing other cities in the County show that Orem is the retail leader in the area. The analysis below compares capture rates according to each City's median income making Orem's rates appear slightly different than those figures shown above.

Orem has higher capture rates in almost all categories compared to Spanish Fork, Provo, Lehi, Lindon and Pleasant Grove. Provo does better in Arts, Entertainment and Recreation, but Orem also is underrepresented financially in this category due to the non-profit status of the two major theaters in the City. Provo also has the largest hospital in the valley, raising the figures in Health and Personal Care from complementary businesses. Pleasant Grove shows better numbers in accommodations, an area that Orem can decidedly improve upon. Pleasant Grove also has better capture rates in Sporting, Hobby & Music and Miscellaneous Retail. Lehi also has a higher capture rate in Sporting, Hobby and Music, likely because of the regional draw of Cabela's in Lehi. Lindon has higher rates in Motor Vehicles, Building Materials and General Merchandise, but is very low compared to Orem's rates in most other categories.

Table 19: Retail Sales Capture Rates in Utah County, 2013

Retail Area	American Fork	Lehi	Lindon	Pleasant Grove	Provo	Spanish Fork	Orem
Motor Vehicle	341%	17%	413%	42%	91%	36%	181%
Furniture & Home Furnishings	69%	31%	116%	116%	80%	39%	317%
Electronics & Appliance	248%	41%	97%	133%	124%	27%	232%
Building Materials & Garden	176%	51%	619%	104%	105%	6%	129%
Food & Beverage	35%	80%	9%	143%	104%	77%	131%
Health & Personal Care	184%	42%	9%	75%	167%	15%	125%
Gasoline Stations	68%	62%	0%	103%	83%	78%	85%
Clothing	148%	140%	12%	115%	86%	18%	257%
Sporting, Hobby & Music	207%	250%	29%	355%	80%	43%	231%
General Merchandise	209%	99%	220%	64%	73%	116%	181%
Miscellaneous Retail	174%	70%	82%	316%	105%	71%	113%
Non-Store Retail	57%	27%	123%	13%	72%	51%	187%
Services:							
Arts, Entertain. & Recreation	39%	72%	7%	39%	210%	32%	64%
Accommodation	14%	27%	0%	62%	72%	3%	32%
Food Services	179%	47%	48%	122%	122%	61%	131%
Other	169%	43%	101%	112%	102%	95%	123%
Total	176%	66%	176%	99%	93%	59%	161%

Source: State Tax Commission, ZBPF

When looking at overall sales leakage, Orem is clearly the leader, with the largest positive leakage in the most categories – in other words, Orem is attracting shoppers from outside of City limits. The City's total leakage is not only positive, indicating gains from consumers in other cities, but the amount gained is more than double that of American Fork. While American Fork appears very competitive by capture rates, Orem has the largest amount captured in many categories, including ones where American Fork has the higher capture rate. The capture rate shows what portion of that City's sales are being made in the City while leakage shows these portions translated into how much money is lost or gained by the City. In that respect, Orem is still gaining the most and pulling the most in terms of dollars from residents in the County. Orem is clearly the regional retail hub of the County.

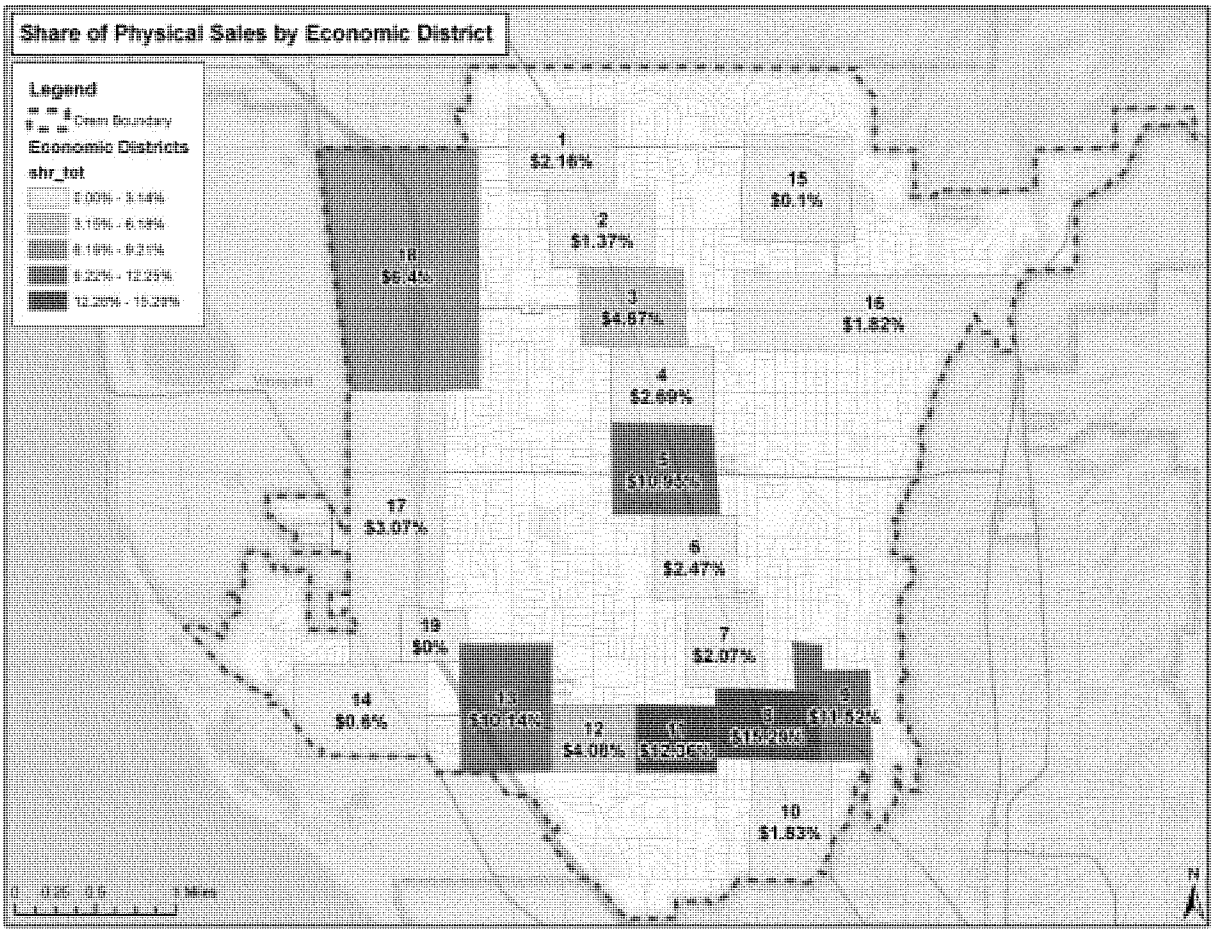
Table 20: Retail Sales Leakage Amounts in Utah County, 2013

Retail Area	American Fork	Lehi	Lindon	Pleasant Grove	Provo	Spanish Fork	Orem
Motor Vehicle	$138,066,145	-$100,374,894	$90,185,439	-$38,703,307	-$13,016,521	-$48,738,015	$120,143,014
Furniture & Home Furnishings	-$2,655,356	-$12,571,821	$696,932	$1,641,110	-$4,302,231	-$7,051,544	$48,548,373
Electronics & Appliance	$13,690,743	-$11,406,684	-$127,574	$3,534,206	$5,395,337	-$9,057,412	$31,383,738
Building Materials & Garden	$19,120,602	-$26,125,201	$65,678,091	$1,185,398	$3,096,329	-$31,793,624	$18,907,761
Food & Beverage	-$27,978,783	-$18,446,174	-$19,566,506	$21,376,575	$4,343,310	-$13,084,720	$34,500,499
Health & Personal Care	$4,205,259	-$6,061,835	-$2,301,765	-$1,486,199	$8,238,854	-$5,671,129	$3,241,405
Gasoline Stations	-$3,395,620	-$8,580,128	-$5,364,735	$419,788	-$4,450,511	-$3,158,964	-$4,022,448
Clothing	$8,801,121	$15,484,066	-$8,087,279	$3,290,835	-$6,272,113	-$19,854,191	$73,718,630
Sporting, Hobby & Music	$11,786,239	$34,865,424	-$3,946,330	$33,002,943	-$5,466,360	-$8,444,396	$37,268,244
General Merchandise	$72,636,983	-$926,121	$40,521,527	-$28,148,079	-$44,225,565	$14,695,592	$140,282,479
Miscellaneous Retail	$12,971,615	-$3,660,428	-$1,547,446	$14,844,083	$740,334	-$2,253,467	$1,955,759
Non-Store Retail	-$2,547,907	-$26,888,341	$688,172	-$17,700,548	-$12,078,477	-$11,536,157	$38,980,045
Services:							
Arts, Entertain. & Recreation	-$3,660,791	-$3,565,716	-$2,803,410	-$4,238,297	$16,059,606	-$5,440,866	-$5,575,595
Accommodation	-$12,739,096	-$22,578,167	-$7,427,593	-$6,650,567	-$10,005,470	-$19,151,636	-$26,052,168
Food Services	$32,835,913	-$46,234,503	-$10,816,364	$10,699,750	$22,674,675	-$21,724,130	$33,062,765
Other	$10,386,614	-$18,055,699	$66,503	$2,167,798	$597,347	-$993,213	$8,806,097
Total	**$271,523,683**	**-$255,126,223**	**$135,847,663**	**-$6,028,073**	**-$61,485,784**	**-$193,257,871**	**$555,148,596**

Source: State Tax Commission, ZBPF

Retail Sales by Economic District

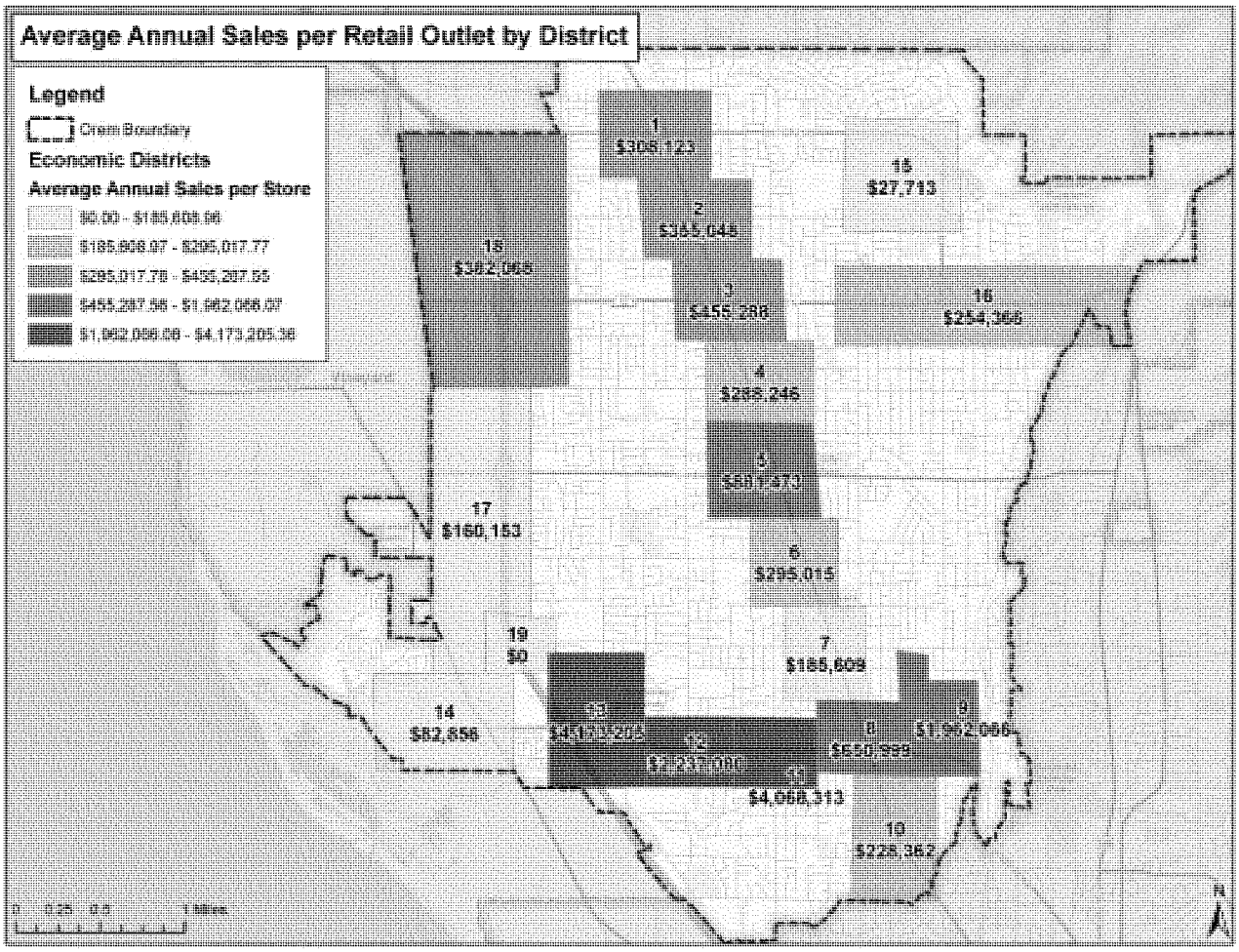
While the City as a whole is affected by sales leakage and capture rates, each economic district has a different character in its type of sales and its performance as a retail center. Some districts are not really retail centers at all, but serve other purposes such as employment or education. The map below shows which areas represent retail centers in the City by showing what portion of the City's physical sales[7] are made in each district. District Eight, University Place, at over fifteen percent has the highest share of the City's sales as it includes the mall and retail at the intersection of University Parkway and State Street. District Fifteen – primarily office space – has the lowest with less than one percent of sales.



Source: Utah State Tax Commission, ZBPF

While a district may have a high portion of sales due to simply having a lot of stores, some districts perform well by having high sales per retail outlet. They provide high sales revenues to the City with high efficiency from only a few stores. For example, District 12 has a good portion of the City's sales but it isn't the highest. However, it has the third highest sales per store at over $2 million annually per store.

[7] Online sales, listed separately by the State Tax Commission, are not included as they cannot be associated to a geographic location in the City.



Source: Utah State Tax Commission, ZBPF

The high sales per store at District 12 can be explained by the predominance of car dealerships in this district with high value purchases. Comparatively, while District Eight has the highest portion of Orem's sales, its sales per store is much lower than neighboring districts on University Parkway. District Eight has a high number of small clothing and accessory stores at the mall that don't sell big-ticket items. The following tables detail the retail character at each district by showing what proportion of their sales come from each retail category.

Table 21: Percentage of Sales by Retail Category at Each Economic District (Table 1 of 2)

	1	2	3	4	5	6	7	8	9
Accommodation	0%	0%	0%	0%	0%	0%	0%	0%	0%
Amusement and Recreation	0%	0%	2%	0%	1%	1%	0%	0%	2%
Building and Garden Supply	0%	7%	0%	18%	4%	0%	1%	0%	0%
Clothing and Accessories	0%	0%	2%	1%	9%	0%	0%	33%	2%
Electronics and Appliances	1%	1%	0%	2%	1%	2%	0%	14%	5%
Food and Beverage	9%	0%	27%	24%	15%	0%	0%	4%	0%

	1	2	3	4	5	6	7	8	9
Food Services	25%	7%	7%	12%	14%	6%	4%	20%	5%
Furniture and Home Furnishings	4%	0%	2%	4%	2%	3%	8%	3%	0%
Gasoline and Convenience Stores	3%	7%	5%	4%	0%	0%	5%	0%	1%
General Merchandise	0%	0%	1%	15%	42%	0%	0%	6%	84%
Health and Personal Care	2%	0%	6%	0%	1%	0%	11%	3%	0%
Health Care and Social Assistance	0%	0%	0%	0%	0%	0%	0%	0%	0%
Motor Vehicle and Parts Dealer	27%	39%	35%	5%	0%	31%	46%	3%	0%
Personal Services	0%	1%	0%	0%	0%	3%	0%	0%	0%
Professional Services	13%	1%	0%	1%	0%	6%	0%	0%	0%
Professional Services	13%	1%	0%	1%	0%	6%	0%	0%	0%
Repair and Maintenance	0%	27%	7%	9%	1%	15%	9%	0%	0%
Specialty Retail - Hobby, Books, Music, etc	2%	10%	6%	5%	8%	27%	17%	13%	1%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Utah State Tax Commission, ZBPF

Table 22: Percentage of Sales by Retail Category at Each Economic District (Table 2 of 2)

	10	11	12	13	14	15	16	17	18
Accommodation	0%	0%	5%	2%	29%	0%	0%	0%	3%
Amusement and Recreation	2%	0%	0%	1%	0%	0%	1%	0%	0%
Building and Garden Supply	1%	13%	0%	0%	2%	0%	0%	54%	8%
Clothing and Accessories	4%	1%	34%	0%	0%	0%	0%	0%	1%
Electronics and Appliances	5%	0%	0%	0%	13%	8%	0%	0%	0%
Food and Beverage	22%	1%	1%	0%	0%	0%	83%	7%	43%
Food Services	21%	2%	11%	6%	28%	0%	6%	1%	3%
Furniture and Home Furnishings	2%	24%	3%	0%	0%	0%	1%	2%	0%
Gasoline and Convenience Stores	4%	0%	0%	0%	21%	0%	3%	3%	5%
General Merchandise	0%	0%	0%	56%	0%	0%	0%	0%	0%
Health and Personal Care	2%	0%	0%	0%	0%	0%	0%	0%	0%
Health Care and Social Assistance	0%	0%	0%	0%	0%	0%	0%	0%	0%
Motor Vehicle and	10%	53%	31%	35%	0%	0%	0%	8%	10%

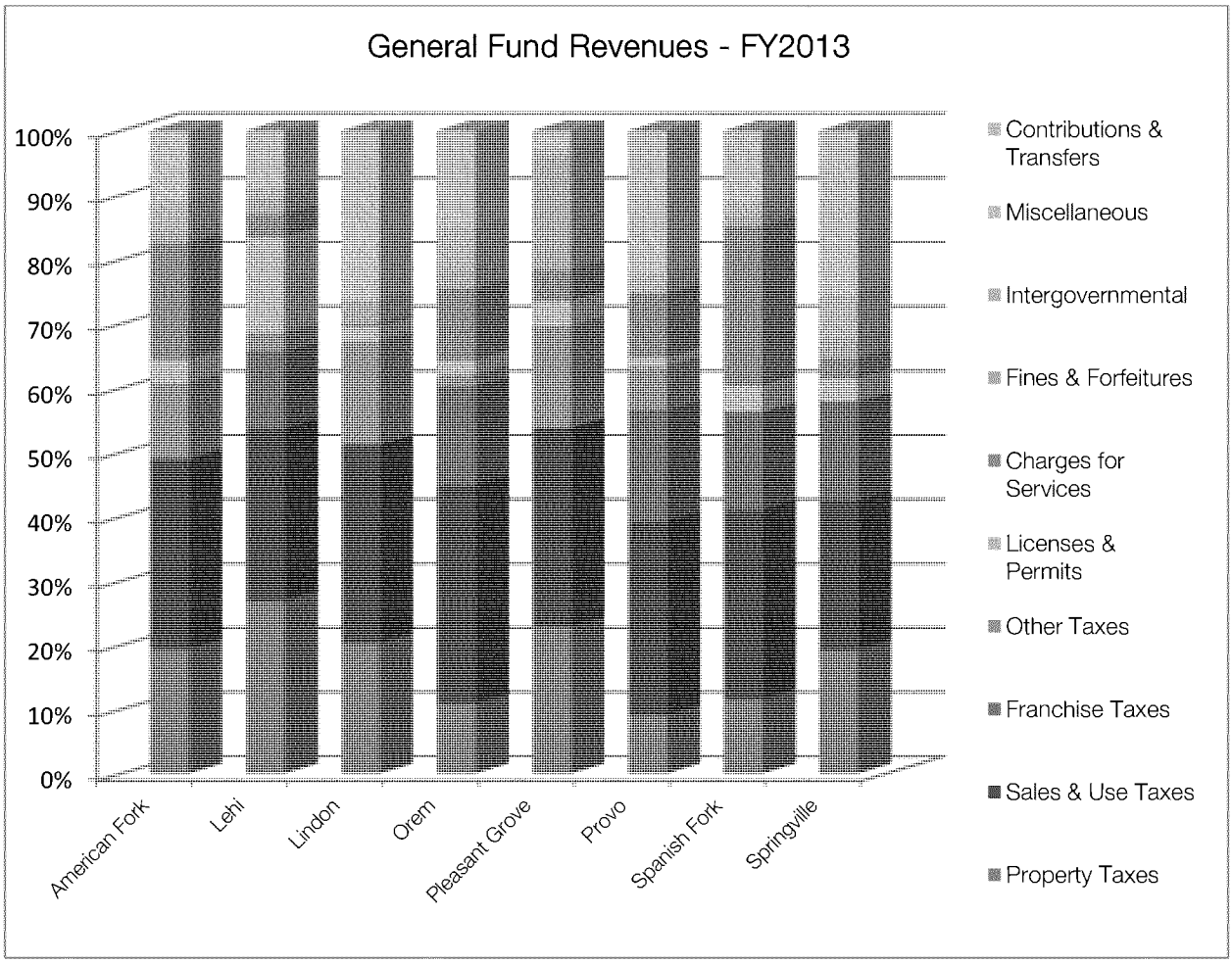
	10	11	12	13	14	15	16	17	18
Parts Dealer									
Personal Services	0%	0%	0%	0%	0%	0%	2%	0%	1%
Professional Services	0%	0%	0%	0%	0%	42%	0%	0%	1%
Professional Services	0%	0%	0%	0%	0%	42%	0%	0%	1%
Repair and Maintenance	9%	1%	0%	0%	0%	0%	0%	6%	6%
Specialty Retail - Hobby, Books, Music, etc	17%	5%	14%	0%	7%	7%	4%	20%	16%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Utah State Tax Commission, ZBPF

City Revenue Sources and Economic Stability

Important to economic stability in the City is the fiscal stability of the City government. A stable revenue stream to the City ensures that the City is able to provide basic services that businesses and development relies on to function. Stability also assists the City to better make long-term planning decisions. A healthy City budget is necessary for a City to be competitive in the market in attracting business, not only through guaranteeing services but also in the City's ability to offer financial incentives.

Orem currently has a strong and healthy sales tax base providing a robust income source; however, the City is heavily reliant on these sales which can be volatile and unsteady, like during the recent recession. The graph and table below show that Orem has the highest proportion of General Fund Revenues coming from sales tax at 34 percent of all revenues. Comparatively, the City has among the lowest proportion coming from the more stable property taxes. Eleven percent of revenues come from property taxes, the same as Spanish Fork and only higher than Provo at nine percent. The rest of the cities in the County are near twenty percent of revenues coming from property taxes.



Source: Financial Reports of Local Governments, Office of the Utah State Auditor, ZBPF

Table 23: General Fund Revenues by City in Utah County, FY 2013

	American Fork	Lehi	Lindon	Orem	Pleasant Grove	Provo	Spanish Fork	Springville
Property Taxes	19%	27%	20%	11%	23%	9%	11%	19%
Sales & Use Taxes	29%	27%	31%	34%	31%	30%	30%	23%
Franchise Taxes	0%	12%	0%	15%	0%	17%	15%	15%
Other Taxes	12%	3%	16%	2%	16%	7%	0%	0%
Licenses & Permits	4%	15%	2%	2%	4%	1%	4%	4%
Charges for Services	18%	4%	0%	11%	5%	10%	25%	3%
Fines & Forfeitures	2%	2%	4%	3%	18%	0%	1%	3%
Intergovernmental	5%	2%	0%	7%	1%	3%	2%	7%
Miscellaneous	11%	2%	13%	3%	2%	4%	4%	7%
Contributions & Transfers	0%	7%	13%	12%	1%	18%	7%	19%
Total General Fund Revenues	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Financial Reports of Local Governments, Office of the Utah State Auditor, ZBPF

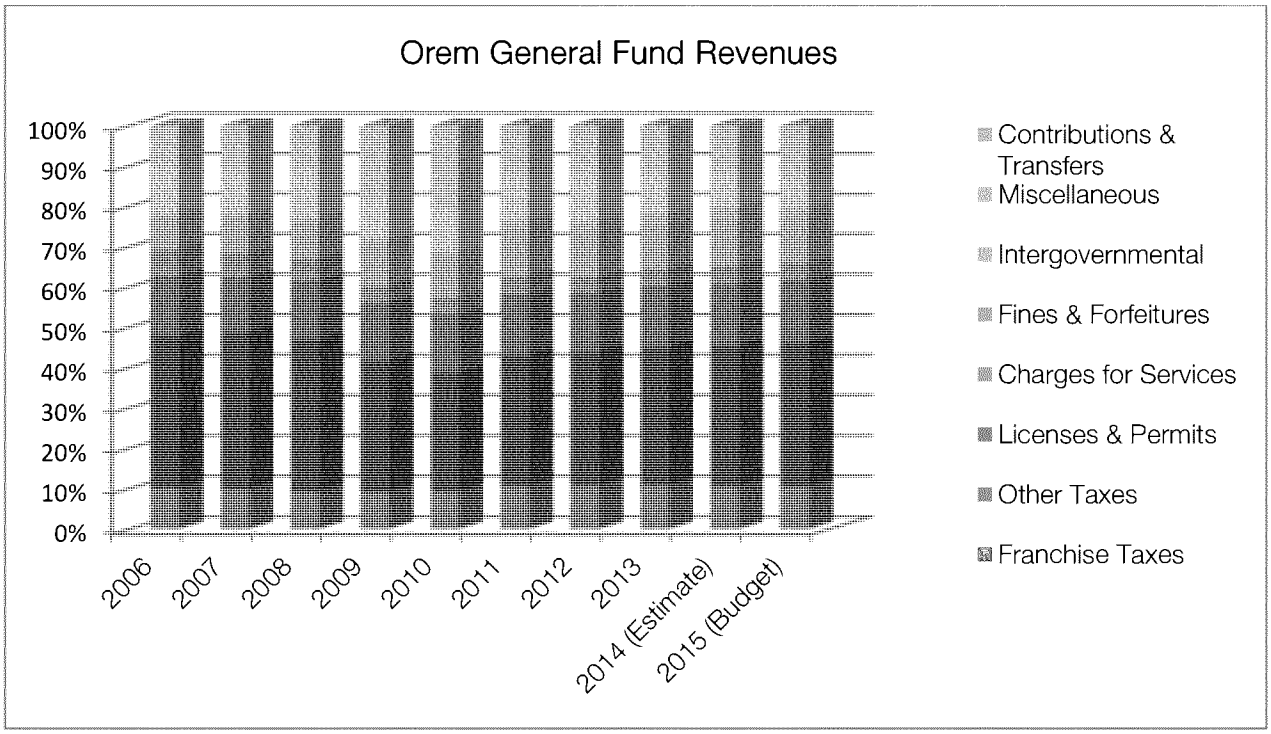
In the past decade the rate of growth in taxable sales has been slower in Orem and Provo than much of the County. Orem had an average annual growth rate of 3.7 percent from 2003 to 2013, which keeps the City ahead of recent sluggish inflation rates, but only at pace with rates pre-recession.

Table 24: Growth in Taxable Sales, 2003-2013

	Absolute $	AAGR, 2003-2013
American Fork	$419,159,069	7.9%
Lehi	$516,822,906	14.7%
Lindon	$276,829,586	9.5%
Orem	$630,548,820	3.7%
Payson	$126,240,574	9.0%
Pleasant Grove	$96,174,932	6.0%
Provo	$262,881,321	2.4%
Spanish Fork	$187,926,569	6.5%
Springville	$91,025,624	3.2%
TOTAL	$2,607,609,401	5.3%

Source: Utah State Tax Commission, ZBPF

Sales tax revenues are far more volatile than property tax revenues due to their tendency to respond immediately to market changes. Orem experienced this volatility first-hand during the recession, seeing sales tax revenues dip significantly – in 2007 sales tax revenues represented 39 percent of the general fund revenues, but by 2010 it dropped to 29 percent. Comparatively, property tax revenues stayed stable throughout the recession.



Source: Financial Reports of Local Governments, Office of the Utah State Auditor, ZBPF

Table 25: Orem Actual Sales Tax Revenue by Year

Year	Sales & Use Tax Revenue
2006	$17,510,210
2007	$19,220,147
2008	$18,684,690
2009	$16,414,378
2010	$15,277,498
2011	$15,538,986
2012	$16,453,749
2013	$17,233,172
2014 (Estimate)	$17,981,211
2015 (Budget)	$18,200,246

Given the relative stability of property tax revenues, it is important that Orem work to improve property tax values in the City in tandem with business development. This can be achieved through the development of high-quality office space and advanced manufacturing. Specific ideas and plans are given in the chapter "Economic Development Nodes" later in this study.

One reason that property taxes are more stable is due to truth-in-taxation that automatically adjusts property tax rates for changes in property appreciation or depreciation. However, while this protects against decreasing revenues, it also does not allow for increasing property tax revenues needed to pay

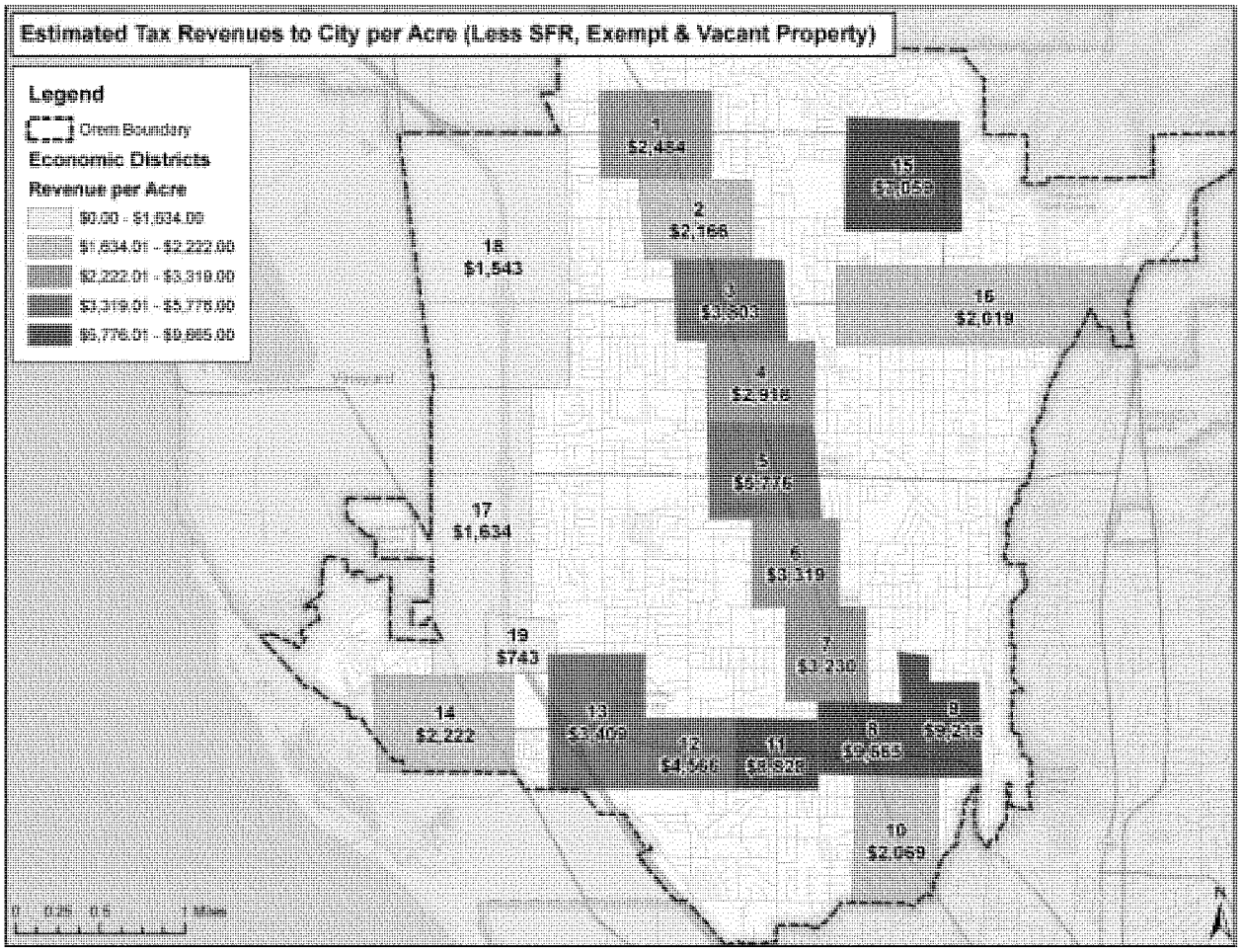
Table 26: Assessed Value Change

	Total Assessed Value Percent Change (2007-2012)
American Fork	1%
Lehi	12%
Lindon	7%
Orem	**-4%**
Pleasant Grove	-7%
Provo	-9%

Source: Utah County, ZBPF

for rising costs of government. Orem has had its assessed value drop four percent since 2007, while Lehi has increased 12 percent. Improving office spaces and overall property development can help to reverse this trend.

It is often assumed that improving sales tax revenues through retail development is the primary way to improve City revenues. While sales taxes are a great source of direct revenue and are certainly one of the strongest tools, Orem is a great example of the power of property taxes even when compared to strong retail sales tax revenues. The map below shows the estimated tax revenues to the City from each of the economic districts studied. Tax revenues include sales tax and property tax from commercial, industrial, and high-density residential property. The values and acres from single-family residential (SFR), exempt and vacant property are excluded. The districts with the highest revenues per acre are Districts Eight and Nine (University Place), Eleven (University Parkway) and Fifteen (Canyon Park). Districts Eight, Nine, and Eleven are retail centers; District Fifteen has almost no retail and is primarily office space.



Source: Utah State Tax Commission, ZBPF

These same numbers are shown in the table below, compared to taxable retail sales alone. Again, the top four districts in total revenues from both property and sales tax include District Fifteen with $7,059 per acre. However, looking at taxable sales alone that then translate to sales tax revenues, district fifteen is almost the lowest with only $6,438 in taxable sales per acre – less than one

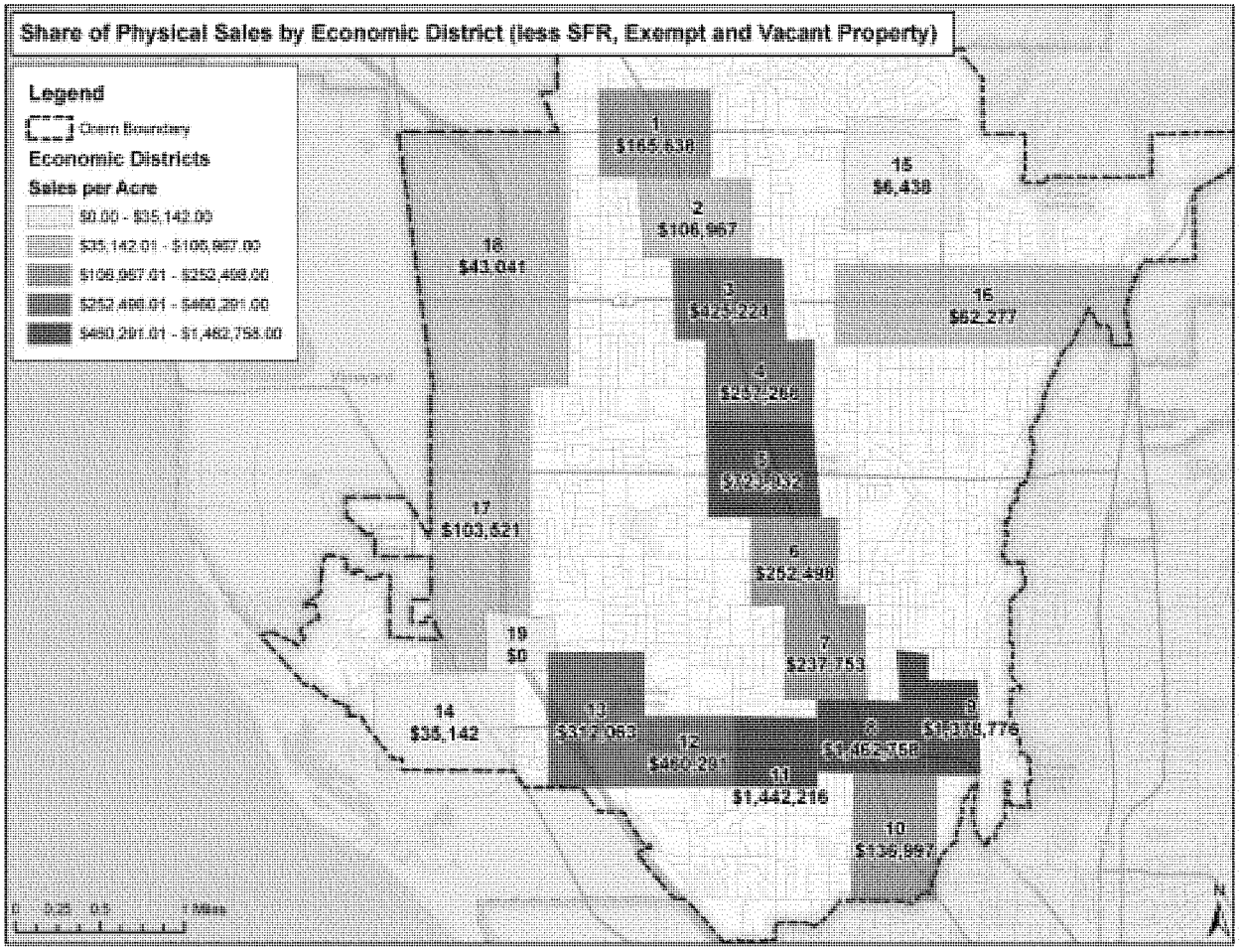
percent of the amount of sales per acre at District Eight. District Fifteen successfully relies on high property values to generate revenue, making it among the highest revenue earners in the City with almost no retail sales to generate sales tax revenues. The retail centers have to bring in significant sales to bring in comparative revenues to the City.

Table 27: Estimated Tax Revenues by Economic District and Taxable Sales by District

District	Est Revs (Prop and Sales) per Acre - Less SF, Exempt & Vacant	District	Taxable Sales per Acre
8	$9,665	8	$1,462,758
9	$9,218	11	$1,442,216
11	$8,828	9	$1,378,776
15	$7,059	5	$723,932
5	$5,776	12	$460,291
12	$4,566	3	$425,224
3	$3,803	13	$312,063
13	$3,409	4	$257,268
6	$3,319	6	$252,498
7	$3,230	7	$237,753
4	$2,918	1	$165,638
1	$2,484	10	$136,997
14	$2,222	2	$106,967
2	$2,166	17	$103,521
10	$2,069	16	$62,277
16	$2,019	18	$43,041
17	$1,634	14	$35,142
18	$1,543	15	$6,438
19	$743	19	$0

Source: Utah State Tax Commission, ZBPF

The following map shows the taxable sales per acre for each district, showing District Fifteen being among the lowest.



Source: Utah State Tax Commission, ZBPF

If each district were to meet its current combined sales and property tax revenues per acre with property taxes alone, the following tables show the development levels that would be needed either from commercial/office space or from multi-family housing. The first is in commercial or office space, which assumes a property assessment average of $160 per square foot. Based on that property value, District Eight would need a Floor Area Ratio (FAR) of 0.74 to get property values of $5,165,828 per acre to compare to similar revenues that include sales tax. Given plans for development at Districts Eight and Nine, this is a density that is realistic and shows the potential to easily increase property tax revenue potential on top of a strong sales tax base. These are not mutually exclusive goals.

Table 28: Equivalent Commercial Property Value and FAR to Achieve Revenue Levels by District

District	Est Revs per Acre - Less SF, Exempt & Vacant	Commercial Property Value per Acre Required to Meet this Amount	Office FAR at $160 (assessed) per sf
8	$9,665	$5,165,828	0.74
9	$9,218	$4,926,746	0.71
11	$8,828	$4,718,154	0.68
15	$7,059	$3,772,951	0.54
5	$5,776	$3,087,246	0.44
12	$4,566	$2,440,329	0.35

District	Est Revs per Acre - Less SF, Exempt & Vacant	Commercial Property Value per Acre Required to Meet this Amount	Office FAR at $160 (assessed) per sf
3	$3,803	$2,032,614	0.29
13	$3,409	$1,821,904	0.26
6	$3,319	$1,774,051	0.25
7	$3,230	$1,726,165	0.25
4	$2,918	$1,559,596	0.22
1	$2,484	$1,327,593	0.19
14	$2,222	$1,187,581	0.17
2	$2,166	$1,157,936	0.17
10	$2,069	$1,105,706	0.16
16	$2,019	$1,079,269	0.15
17	$1,634	$873,426	0.13
18	$1,543	$824,750	0.12
19	$743	$397,049	0.06

Source: ZBPF, Utah State Tax Commission

The following table shows a similar analysis for multi-family housing in order to estimate the housing density needed to meet revenue levels through property values. While it's not realistic to assume a District would be covered completely by housing or could necessarily support the number of units indicated, this illustrates that housing can be another tool to increase property values in combination with retail and commercial development.

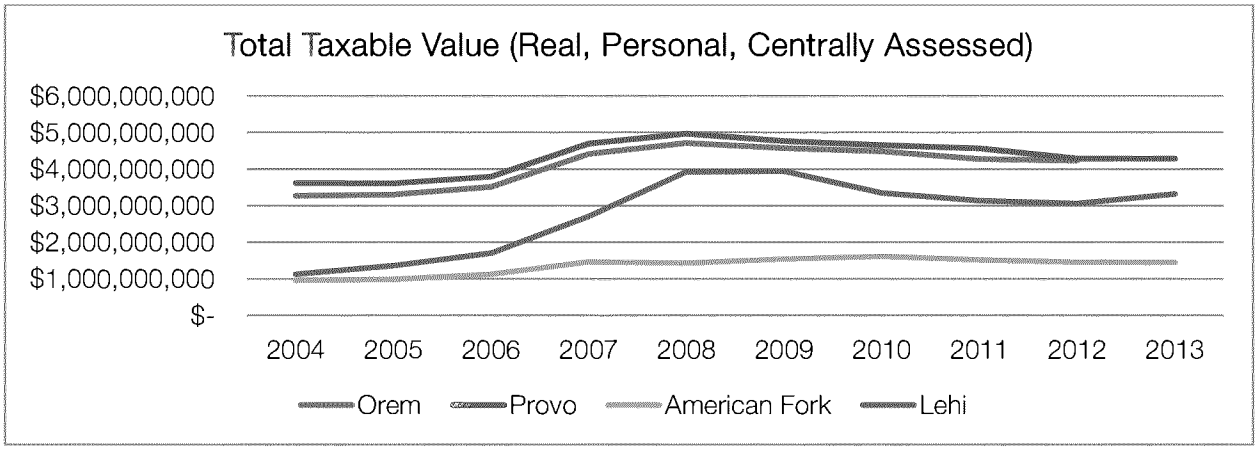
Table 29: Equivalent Medium-High Density Residential Development to Achieve Revenue Levels by District

District	Est Revs per Acre - Less SF, Exempt & Vacant	Multi-Family Property Value per Acre Required to Meet this Amt	# of Units per Acre at $200,000/Door	# of Units per Acre at $150,000/Door	# of Units per Acre at $120,000/Door
8	$9,665	$9,392,415	85	114	142
9	$9,218	$8,957,720	81	109	136
11	$8,828	$8,578,462	78	104	130
15	$7,059	$6,859,911	62	83	104
5	$5,776	$5,613,175	51	68	85
12	$4,566	$4,436,962	40	54	67
3	$3,803	$3,695,662	34	45	56
13	$3,409	$3,312,553	30	40	50
6	$3,319	$3,225,547	29	39	49
7	$3,230	$3,138,482	29	38	48
4	$2,918	$2,835,629	26	34	43
1	$2,484	$2,413,806	22	29	37
14	$2,222	$2,159,238	20	26	33
2	$2,166	$2,105,339	19	26	32
10	$2,069	$2,010,375	18	24	30
16	$2,019	$1,962,307	18	24	30
17	$1,634	$1,588,047	14	19	24
18	$1,543	$1,499,545	14	18	23
19	$743	$721,907	7	9	11

Source: ZBPF, Utah State Tax Commission

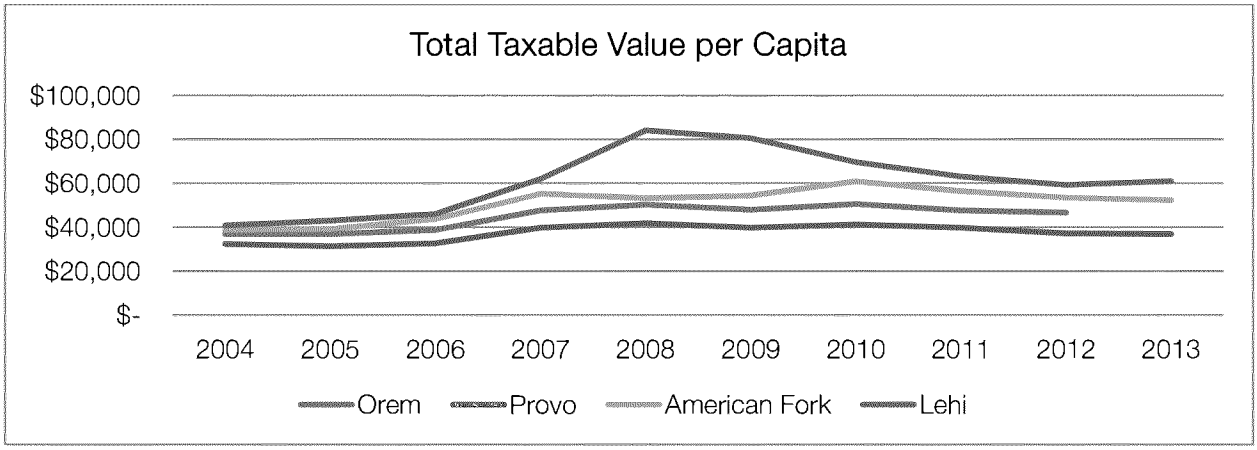
Property Tax Valuation

The City's taxable value base has remained fairly constant in recent years after a significant increase prior to the recession and slight decrease during the recession. Trends in the City's total taxable value have very closely mirrored values in Provo as the trends have simply been market trends on a largely built-out property base. In comparison, Lehi has had more dramatic changes due to heavy construction.



Source: Financial Reports of Local Governments, Office of the Utah State Auditor, ZBPF

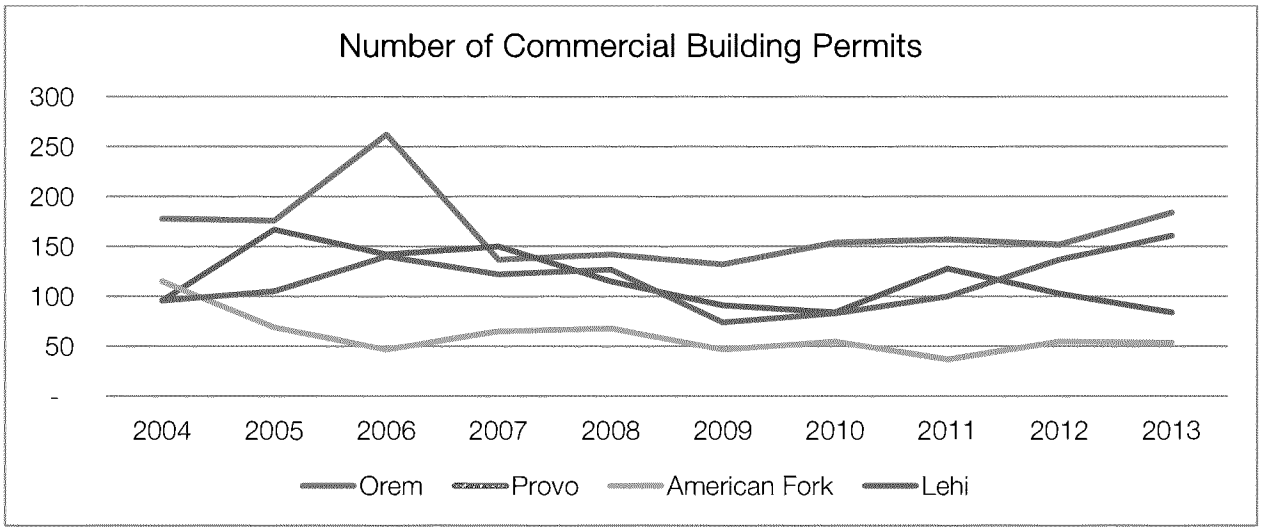
Total taxable value is largely dependent on the overall size of the city, making comparison difficult between differently-sized cities. In order to better compare these competitive cities, total taxable value was divided on a per capita basis. Again we see similar trends over time with Orem and Provo trending together and Lehi with significant gains with new construction. However, while the totals for Orem and Provo were higher in the graph above due to their size, this graph shows Lehi having overall higher taxable value per capita. Lehi is able to gain more property taxes per resident with its new construction compared to Orem and Provo. Also, while Provo has overall more taxable value, Orem has better taxable value on a per capita basis.



Source: Financial Reports of Local Governments, Office of the Utah State Auditor, ACS, ZBPF

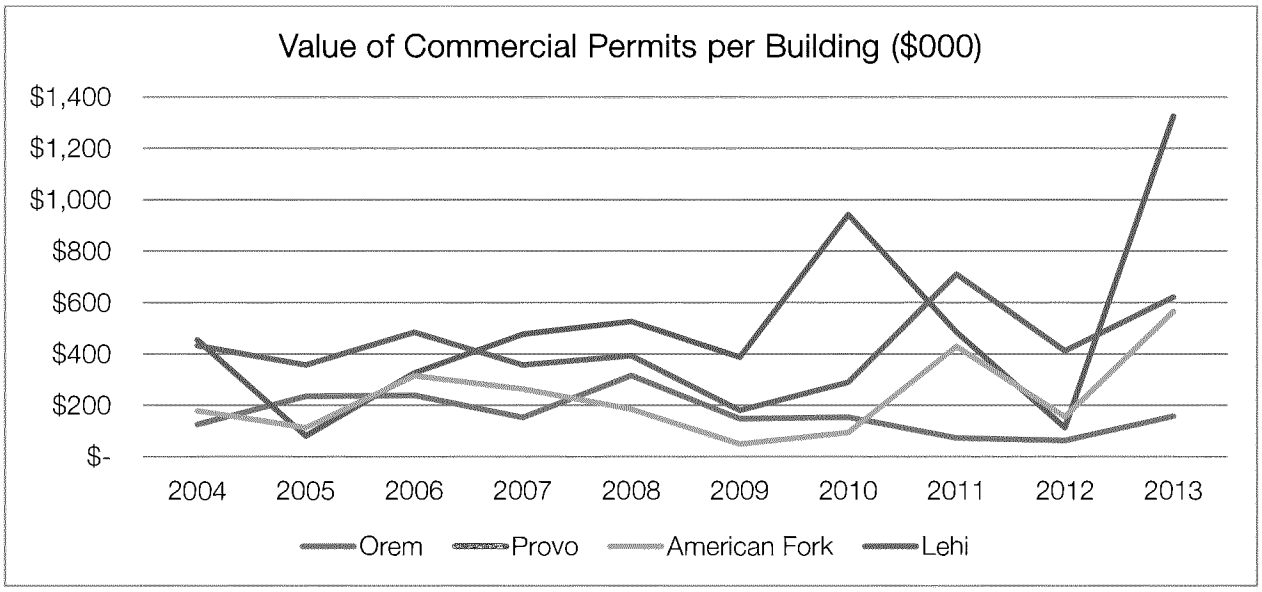
Building permits for commercial and residential permits were analyzed to compare potential property tax values from new construction in these cities.

Orem has had the highest overall number of building permits in recent years, compared to decreasing numbers in Provo. While Lehi is still below Orem, it has been close in the last few years – significant when comparing the sizes of the two cities.



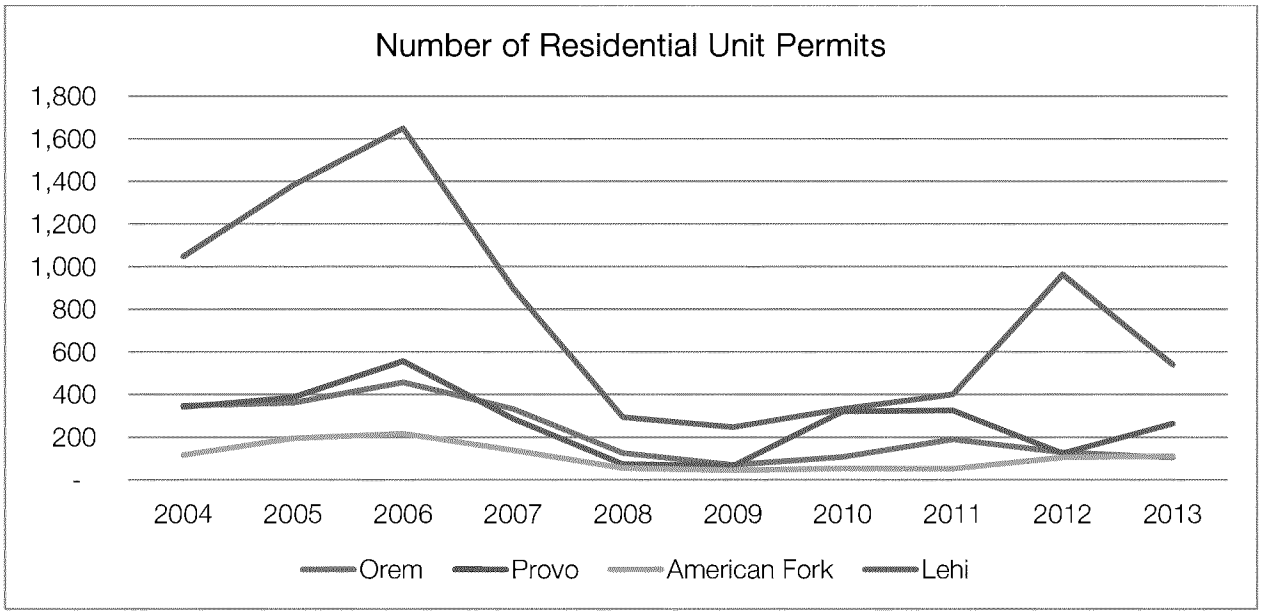
Source: BEBR, ZBPF

While Orem has had the most commercial permits, they have had low building values on average. Lehi's have been steadily high per building while Provo's have been varied. As commercial buildings with higher average values are built they can provide higher taxes to the City with less drain on City resources.



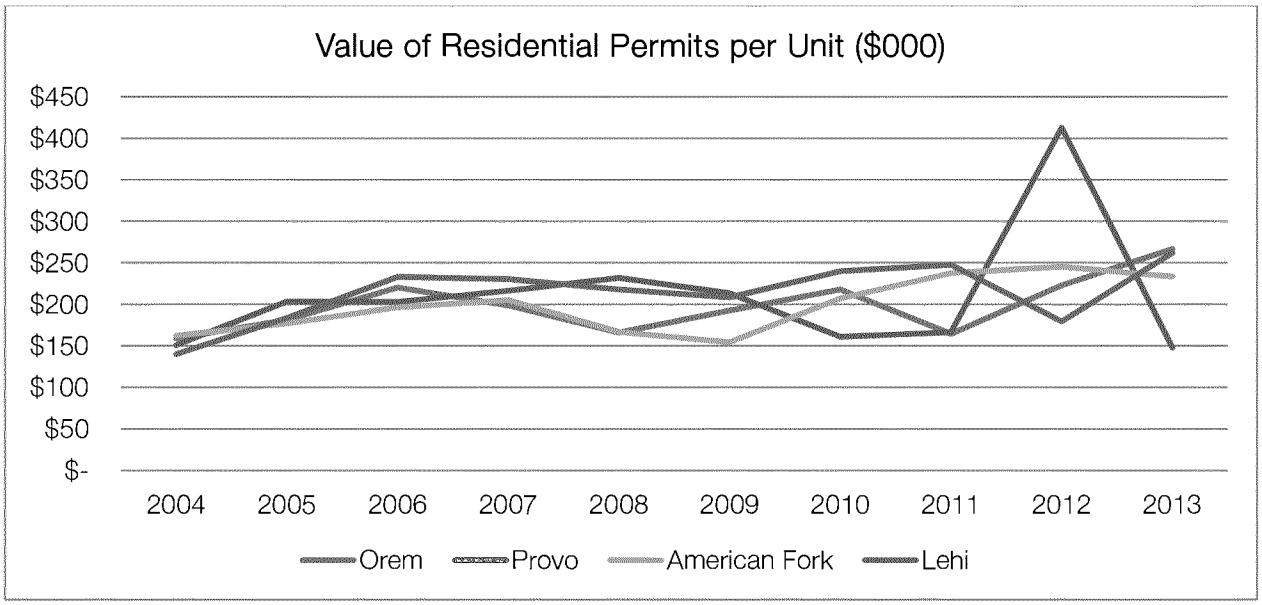
Source: BEBR, ZBPF

While Orem, Provo and American Fork have had similar trends and lower numbers in residential units permitted, Lehi has consistently had more each year. All Cites show the housing bubble prior to the recession with a sharp drop-off in 2008 and 2009.



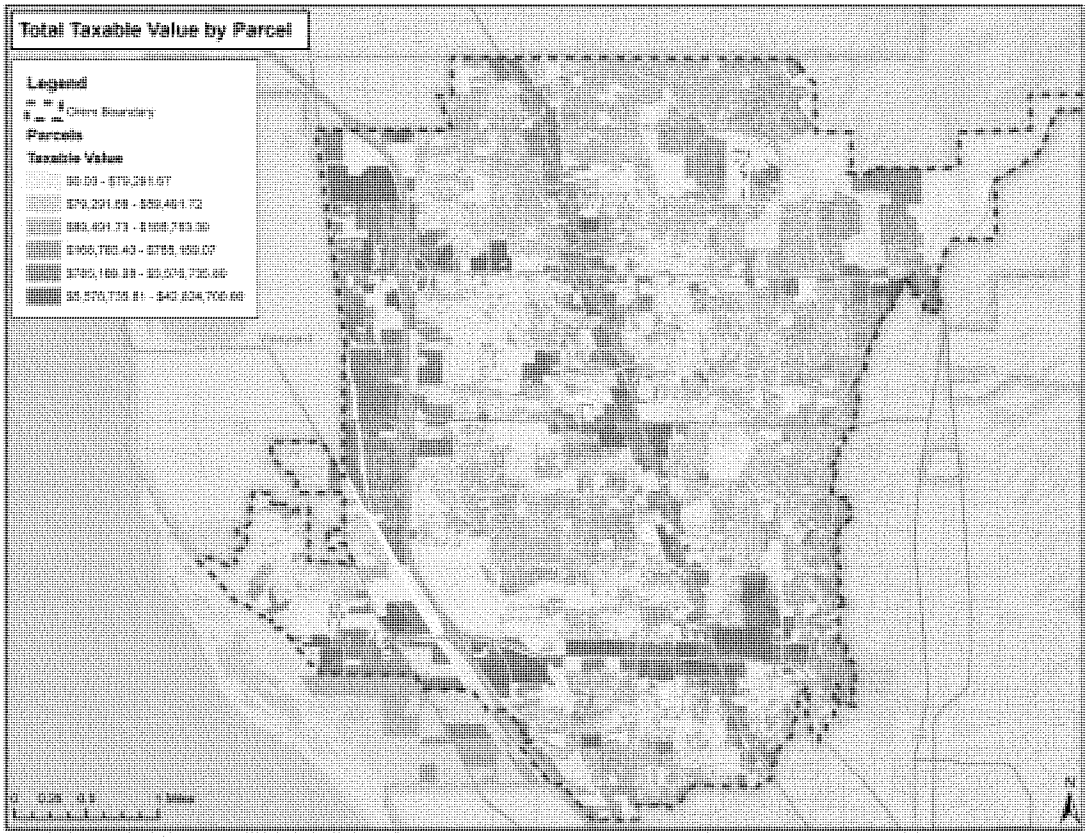
Source: BEBR, ZBPF

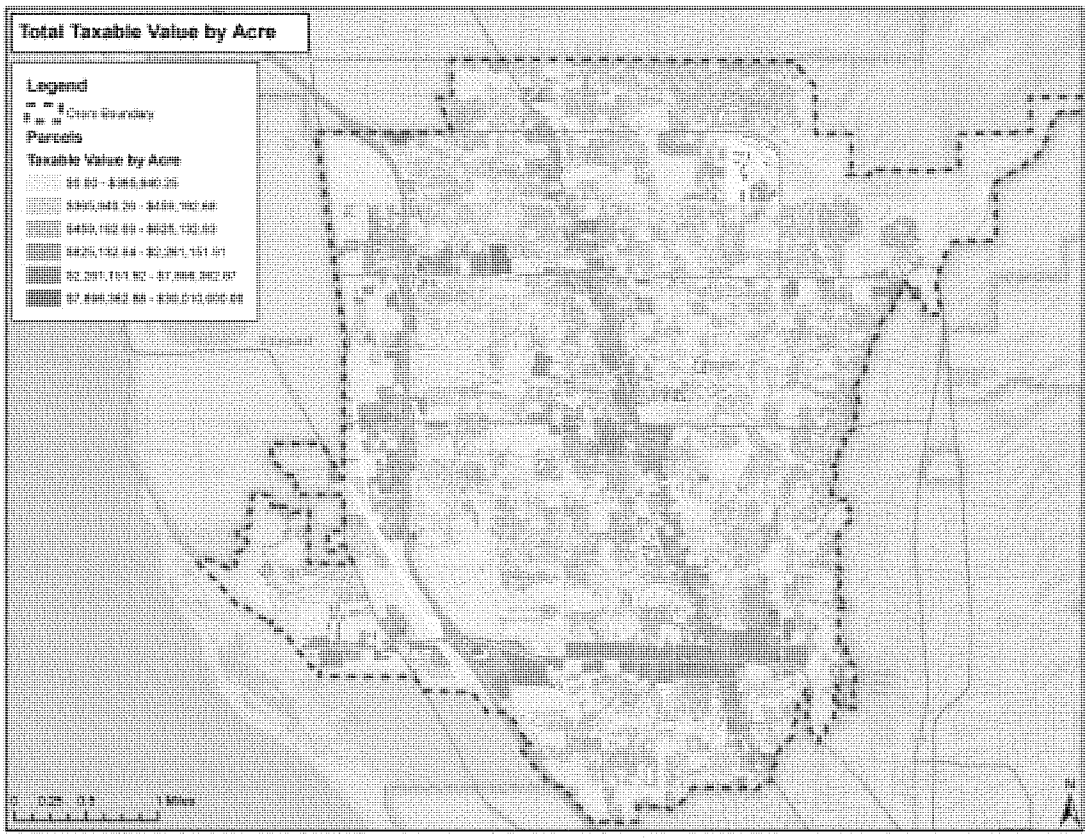
Compared to commercial buildings, the value of residential units built in recent years show few cohesive trends. Like commercial buildings, it is advantageous to the City to encourage higher valued property to generate higher property taxes.



Source: BEBR, ZBPF

The following maps show the current taxable values in the City by parcel and by acre. The first map shows by parcel and, as to be expected, primarily commercial and industrial parcels have the highest values. From the perspective of property taxes, this shows that the City can receive more tax revenues per property by encouraging business development. These parcels also are not subject to the residential exemption, thus providing a higher property tax value for the property. Similarly, commercial parcels usually have the highest taxable value per acre. However, some higher valued residential are also comparable per acre.


Total Taxable Value by Parcel
Legend
Orem Boundary
Parcels
Taxable Value


Total Taxable Value by Acre
Legend
Orem Boundary
Parcels
Taxable Value by Acre

Redevelopment Areas

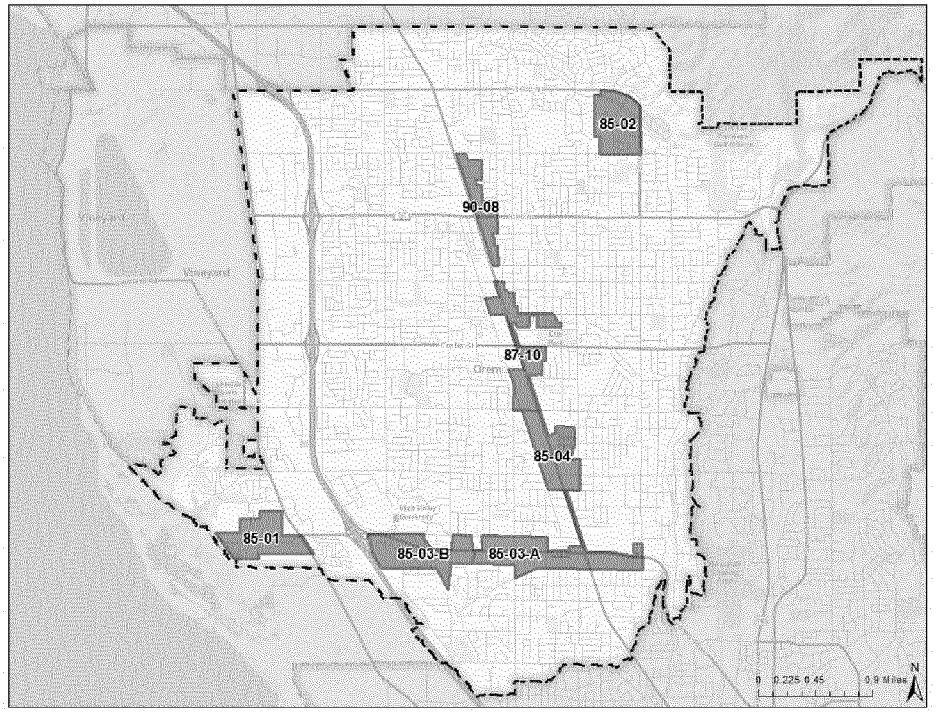
Orem has seven active redevelopment areas, six with regular increment expiring this year or last year. All of these RDAs were established pre-1993 when the "haircut" provision (i.e., declining percentages of tax increment paid to the Agency over time) was available to each of them. All seven have had the "haircut" provision applied to the increment and have extended the collection of the areas to about 2020. However, the increment collected from these additional years has already been allocated to a parks and recreation bond. This effectively locks up the ability for new increment to be generated for economic development at these sites in the near term.

Table 30: Current Orem RDAs

RDA #	RDA Location	Year Regular Increment Expires	Amount of Unappropriated Regular Increment	Haircut Year Expiration
85-01	Orem Business Park	2014	$260,000	2021
85-02	Timp Research & Tech Park	2013	$1,100,000	2020
85-03A	University Mall	2013	$1,170,000	2020
85-03B	Golden Mile	2013	$3,260,000	2020
85-04	State St & 800 S	2013	$402,000	2020
87-10	State St & Center; Midtown Village; City Center	2014	$0	2021
90-08	State St & 800 N	2020	$78,000	2023

Source: Orem City

The current RDAs heavily cover the major commercial areas in the City along State Street, University Parkway, and Districts Fifteen and Fourteen. Fifteen is the Canyon Park offices and Fourteen includes the City's high-quality industrial and manufacturing center. There is currently movement to create a CDA at University Place to assist in the development plans for higher-rise buildings and increased density.



Source: ZBPF, Orem City

Since there is very little vacant land in the City, future development will be largely infill and redevelopment of existing buildings. While many of the commercial areas studied in this report are already within RDAs, there are some additional

potential areas that could benefit from tax increment in spurring development and high-value property uses.

In addition to the pending CDA at University Mall, the City should consider the addition of redevelopment areas in Districts Seventeen and Eighteen along I-15 and Geneva Road. Those areas, collectively known as "the Wedge" (see "Economic Development Nodes" Chapter), are prime for conversion from underdeveloped industrial uses to high-quality, freeway-visible office space, in addition to retail and advanced manufacturing.

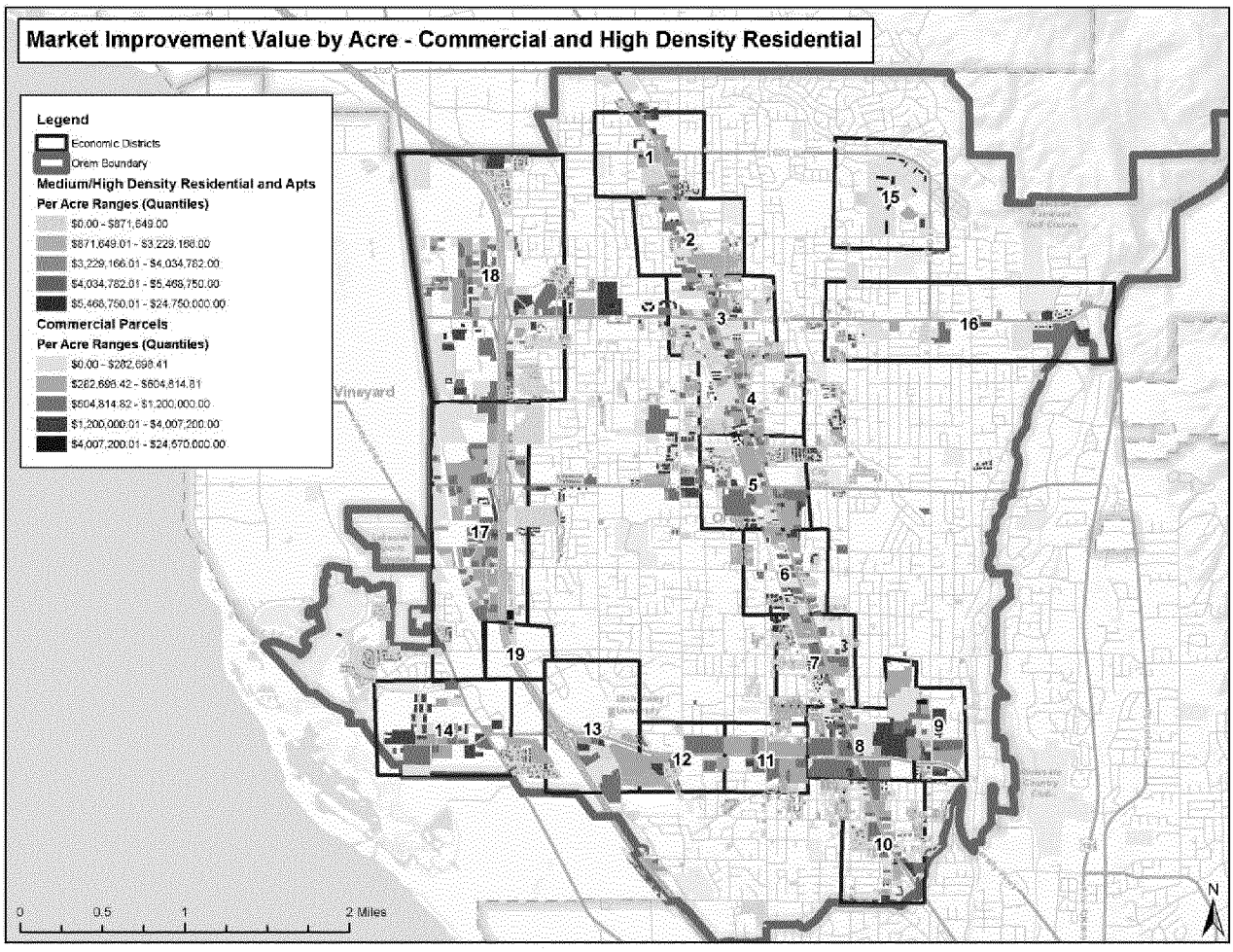
One way of identifying areas for redevelopment is by comparing improvement values per acre to the rest of the City. Districts Seventeen and Eighteen have low improvement values in both commercial and medium-high density residential categories.

Table 31: Improvement Values per Acre by Economic District

District	Commercial Improvement Value per Acre	District	Medium-High Density Residential Imp. Value per Acre
19	$0	1	$639,948
11	$465,637	10	$663,562
17	$475,720	17	$668,854
3	$485,669	16	$781,538
18	$532,526	18	$783,669
13	$548,080	4	$938,233
2	$587,127	7	$1,127,775
4	$588,675	9	$1,144,048
5	$595,298	15	$1,163,638
1	$597,137	2	$1,236,071
6	$661,298	11	$1,270,144
10	$667,138	3	$1,297,044
12	$716,156	8	$1,424,525
9	$747,128	19	$1,576,482
7	$764,119	6	$1,607,915
8	$765,473	13	$2,175,621
16	$829,754	12	$2,191,470
14	$911,490	5	$3,208,659
15	$3,865,810	14	$4,947,684

Source: ZBPF, Utah County Assessor

The map below shades improvement values by acre for both property types in the full City. Commercial properties in Seventeen and Eighteen are generally lower than other commercial areas of the City. The redevelopment potential for these districts is explored in detail in the "Economic Development Nodes" chapter under "The Wedge" analysis. Close up detail of this map is also shown in that analysis.



Source: ZBPF, Utah County Assessor

Retail Market Share and Analysis

In the Utah County retail market, there has been significant development of new retail space at Thanksgiving Point, mainly from food-related businesses such as Carl's Jr., Starbucks, J-Dawgs, Mountain West Burrito, Firehouse Subs and Popeye's Chicken. Walmart Neighborhood Grocery Stores have signed deals at two Utah County locations – Provo and Pleasant Grove. And, there has been significant new retail development approved for University Place in Orem.

Retail sales in the County have been steadily increasing in all communities, with sales growth especially strong in communities located north of Orem – American Fork, Lehi and Lindon.

Table 32: Retail Sales, 2003 - 2007

City	2003	2004	2005	2006	2007
American Fork	$366,115,948	$444,946,407	$522,522,596	$615,714,312	$692,927,525
Lehi	$175,218,788	$167,087,359	$251,783,912	$361,896,812	$460,120,851
Lindon	$188,545,035	$241,094,202	$348,623,015	$428,563,958	$435,680,986
Orem	$1,445,548,785	$1,571,989,866	$1,712,285,910	$1,963,019,149	$2,047,292,507

City	2003	2004	2005	2006	2007
Payson	$91,889,730	$133,231,511	$146,469,801	$167,398,383	$189,612,899
Pleasant Grove	$122,357,728	$136,401,549	$148,326,292	$176,837,456	$208,098,731
Provo	$979,382,417	$1,013,559,220	$1,089,256,641	$1,192,250,575	$1,260,856,225
Spanish Fork	$213,064,178	$227,595,952	$243,459,408	$283,928,992	$315,690,083
Springville	$246,155,671	$247,595,445	$265,698,409	$302,562,193	$321,221,650
TOTAL	$3,828,278,280	$4,183,501,511	$4,728,425,984	$5,492,171,830	$5,931,501,457

Table 33: Retail Sales, 2008 - 2013

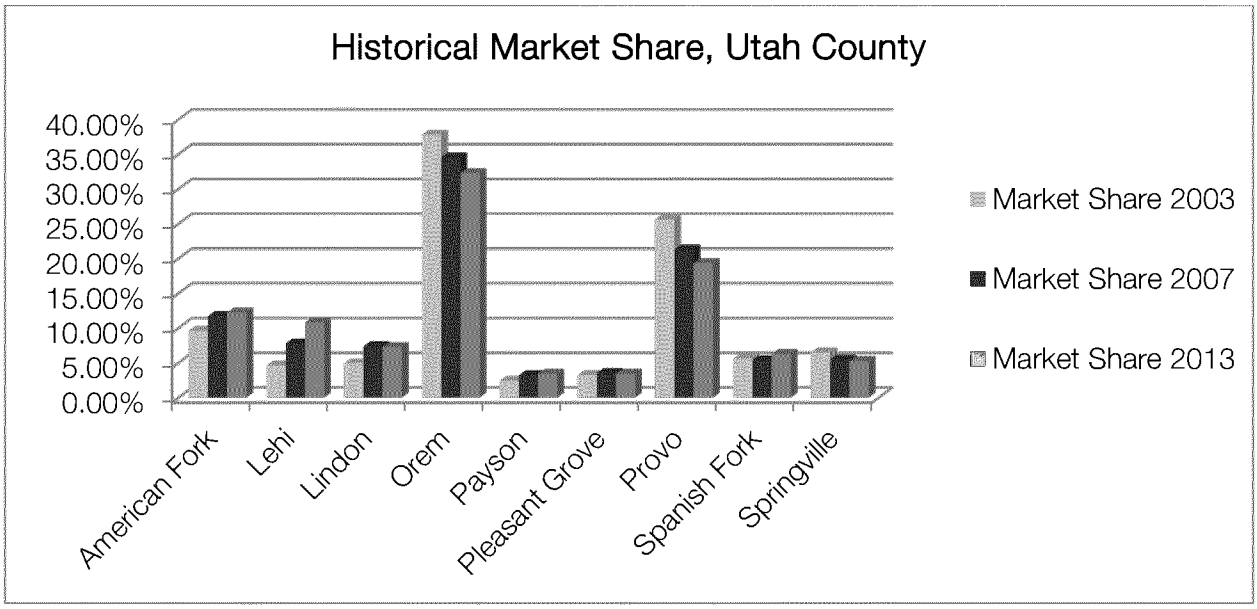
City	2008	2009	2010	2011	2012	2013
American Fork	$708,125,922	$620,153,855	$613,085,650	$663,326,769	$736,774,186	$785,275,017
Lehi	$486,485,510	$475,623,891	$486,685,648	$539,917,411	$672,811,519	$692,041,694
Lindon	$394,202,419	$319,815,353	$341,010,210	$390,477,510	$415,020,138	$465,374,621
Orem	$1,981,523,494	$1,714,693,384	$1,768,348,060	$1,857,063,330	$1,966,232,793	$2,076,097,605
Payson	$205,509,652	$187,209,528	$194,641,217	$207,693,857	$218,201,260	$218,130,304
Pleasant Grove	$227,676,674	$179,591,623	$188,004,659	$218,956,833	$203,705,317	$218,532,660
Provo	$1,267,498,680	$1,071,282,738	$1,071,798,703	$1,154,862,004	$1,215,514,099	$1,242,263,738
Spanish Fork	$327,246,048	$287,243,509	$290,172,880	$286,755,325	$324,401,541	$400,990,747
Springville	$338,852,043	$291,271,188	$302,825,274	$301,890,797	$310,309,810	$337,181,295
TOTAL	$5,937,120,442	$5,146,885,069	$5,256,572,301	$5,620,943,836	$6,062,970,663	$6,435,887,681

Sales in Orem took a fairly steep drop from over $2 billion in 2007, to $1.7 billion in 2009, and are just recovering today to 2007 levels. Large fluctuations in sales impact the City with increased or decreased, as in this case, sales tax revenues to the City's General Fund.

Orem's market share of retail sales has been steadily decreasing from 2003 to 2013, as growth takes place further north in the County and retail development expands in that area.

Table 34: Retail Sales, % Change 2003-2013; Market Share Analysis

City	% Change 2003 - 2013	% Change 2007 - 2013	% Change 2010 - 2013	Market Share 2003	Market Share 2007	Market Share 2013
American Fork	7.93%	2.11%	8.60%	9.6%	11.7%	12.2%
Lehi	14.72%	7.04%	12.45%	4.6%	7.8%	10.8%
Lindon	9.46%	1.10%	10.92%	4.9%	7.3%	7.2%
Orem	3.69%	0.23%	5.49%	37.8%	34.5%	32.3%
Payson	9.03%	2.36%	3.87%	2.4%	3.2%	3.4%
Pleasant Grove	5.97%	0.82%	5.14%	3.2%	3.5%	3.4%
Provo	2.41%	-0.25%	5.04%	25.6%	21.3%	19.3%
Spanish Fork	6.53%	4.07%	11.38%	5.6%	5.3%	6.2%
Springville	3.20%	0.81%	3.65%	6.4%	5.4%	5.2%
Total	5.33%	1.37%	6.98%	100.0%	100.0%	100.0%



Orem has absorbed, on average, about 100,000 square feet of new retail space per year over the past ten years. However, as the following table shows, more than half of retail growth is occurring in Utah County North. Most absorption has taken place in community centers such as The Meadows in American Fork.

Table 35: Retail Market Data

	Total Absorption 2004-2013	Average Annual Absorption 2004-2013
Orem	947,832	105,315
Provo	702,937	78,104
Utah County North	3,229,001	358,778
Utah County South	595,323	66,147
Overall	5,475,093	608,344
By Type:		
Freestanding		
Anchorless Strip	93,605	10,401
Neighborhood Center	(317,124)	(35,236)
Community Center	3,586,849	398,539
Regional Center		
Mall Space	637	71
Overall	5,475,093	608,344

Orem is uniquely and favorably situated with several strong retail factors in its favor:

1. Buying power (population and employment) around University Place are the highest of any competitive retail sites in Utah County;
2. University Place is well established as the regional retail hub of the area;
3. BYU and UVU provide strong employment centers and buying power at both ends of the University Parkway Corridor

4. Several freeway interchanges and excellent access and visibility provide opportunities for further retail development, especially at a neighborhood/community scale along I-15 and "The Wedge" that could capitalize on the increased development expected to occur at Vineyard
5. Opportunities to attract unique one-of-a-kind retailers to University Place to further distinguish and define the character and identity of Orem

Current retail conditions in Utah County are good, with CAP rates decreasing, showing increased developer confidence in the market.

Table 36: Utah County CAP Rates and Values

Utah County – 2013	
CAP Rate	7.75%
CAP Rate Range	(6% to 9%)
Land Values per SF	$12.05
Land Values Range	($8 - $16)
Average Asking Lease Rate, NNN psf	$16.80

Source: Commerce CRG

Maps of all retail outlets by retail category are given in Appendix A.

Utah County Market Overview

Utah County has an unemployment rate of 4.9 percent, well below the national average. The County is attractive to national employers because of its exceptional workforce, known for its strong work ethic and moral values. Utah County and various communities within the County have won numerous awards as great places to do business.

Recent large projects announced or underway in the County include the construction of Xactware's 200,000 plus square foot office campus in Lehi, the North Pointe industrial Buildings in American Fork, Google Fiber in Provo, Geneva Project (1,750 acres of land near Utah Lake), and the renovation of University Mall in Orem. Over $1 billion of commercial construction permits were pulled in Utah County during 2013, more than double that of 2009. However, more than 25 percent of the permit values come from Lehi City.

Table 37: Projects Announced in Utah County 2014

Development Type	Size
Hotel	105 rooms
Industrial/Flex	439,362
Medical Office	73,800
Office	2,233,000
Retail	1,198,350

All of the projects announced in Utah County for 2014 are located in American Fork and Lehi, with 21 percent of the new construction square footage announced for American Fork and 79 percent announced for Lehi.

Table 38: Projects Announced in Utah County 2014 by City

Development Type	American Fork	Lehi
Hotel		105 rooms
Industrial/Flex	439,362	0
Medical Office	25,800	48,000
Office	357,000	1,876,000
Retail		1,198,350
Total	822,162	3,122,350

Specific projects announced in Orem are shown in the following table.

Table 39: Recent and Underway Projects in Orem

Project	Address	Description
Under Construction:		
Chick-Fil-A	121 North State Street	New free standing fast food restaurant
Dollar Tree	130 East University Parkway	New retail store in former Castle of Chaos location
Swig	584 West 1600 North	Drinks and cookies store, remodel of existing building
RC Willey (Relocation)	University Mall	Remodel of the former Nordstrom anchor building. RC Wiley to relocate in Nov 2014
Charming Charlie	University Mall	New retail store in the mall.
Sorrento Park	900 North 1030 West	59 townhome units.
Tropical Smoothie Café	1163 South State Street	New restaurant in the former Quiznos location.
Lucy's Pizzeria	55 South State Street	New restaurant next to Café Zupas.
Roxberry Juice Co.	190 East University Parkway	New store in the former Red Mango location.
Recently Completed:		
Treeo	280 East Center Street	143 Senior housing Apartments
Site Plan Approved:		
Marriott Fairfield Inn	900 North 1200 West	90 room hotel, developer is considering modifications to the site plan.
Seven Peaks Hotel	168 South 1200 West	240 room hotel, I heard this is in litigation, current Trafalga Fun Center
Center Street Marketplace	73 North Orem Blvd	110 apartment units, site preconstruction meeting complete.
Legacy at Orem	1450 South State Street	188 apartment units.
Cascade Village	920 North State	125 apartment units.
Lexington Townhomes	540 West 1430 South	143 townhome units.
Sun Canyon Plaza	460 South State Street	84 apartment units, 4 retail units on State Street
Summit Ridge	1675 South 400 East	72-74 apartment units.
Promenade Place	877 South Geneva Road	112 apartment units.

Source: Orem City

Industrial Market in Utah County

The industrial market is active in Utah County with recent expansions by prominent companies such as Doterra, Blendtec, US Synthetics, UIS, Blender Bottle, Flowserve and Best Vinyl. North Pointe Industrial Park has also broken ground in American Fork. North Utah County has seen the most interest from companies looking to expand, but also has the most vacant land for business park development. If Orem were to create a business park along I-15 or The Wedge, it would be a highly competitive site for this type of development.

Orem has absorbed, on average, 415,129 square feet of industrial space per year over the past eight years. Assuming a floor area ratio of 0.35, this represents absorption of roughly 27 acres per year which, according to the broker charrette meeting, is very achievable in Orem. Orem is an attractive industrial location due to its proximity and access to I-15.

Table 40: Historical Industrial Absorption

Area	Total Absorption 2004-2012	Average Absorption per Year 2004-2012
Orem	3,321,032	415,129
Provo	2,393,535	299,192
Utah County North	6,127,468	765,934
Utah County South	5,573,244	696,656
Totals	17,415,279	2,176,910

Current rates and values in Utah County are shown in the table below.

Table 41: Industrial Market Data, 2014

Utah County	Amount
CAP Rate	8.9%
CAP Rate Range	8% to 10%
Land Values per SF	$4.25
Land Values Range	$3.00 - $7.00
Avg Asking Lease Rate, NNN, psf/mo	$0.44

Table 42: Industrial SF Available in Utah County as of July 2014

County Areas	Industrial SF Available
Orem	193,648
Provo	166,200
Utah County North	1,377,498
Utah County South	1,304,377
Total Available	3,041,723

Table 43: Industrial SF Available in Utah County North as of July 2014

Utah County North	Industrial SF Available
American Fork	674,877
Lindon	648,302
Pleasant Grove	43,550
Saratoga Springs	5,894
Vineyard	4,875
Total	1,377,498

Business and industrial parks range greatly in size, with a typical size being approximately 200 acres. The only location where Orem could accommodate this size of development is on the southwest portion of the City.

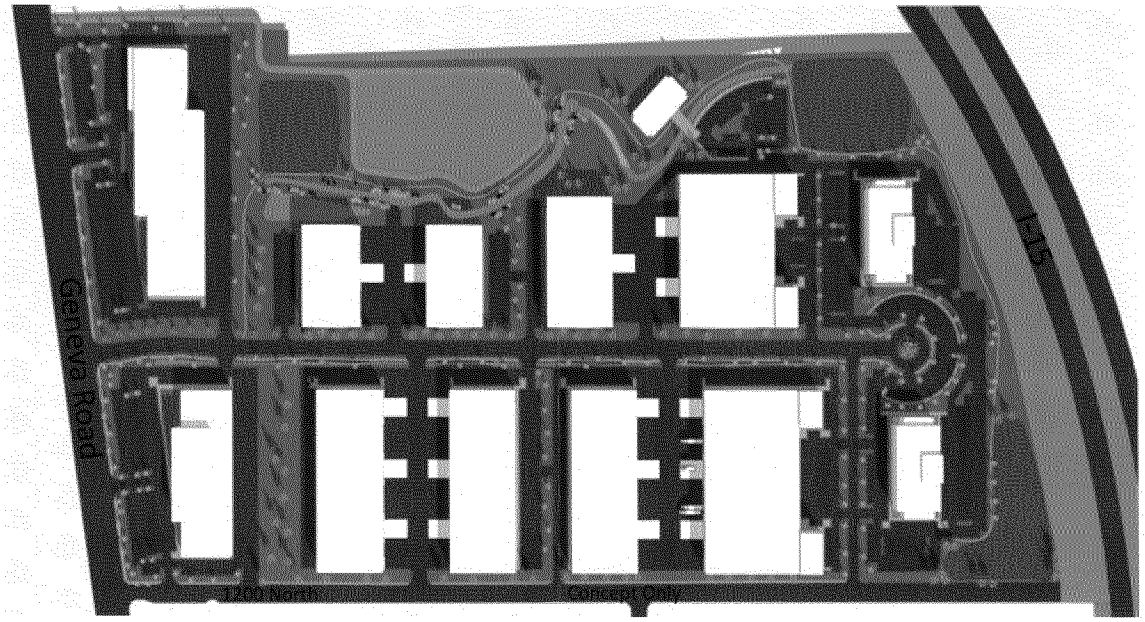
Table 44: Comparative Office Parks in Utah

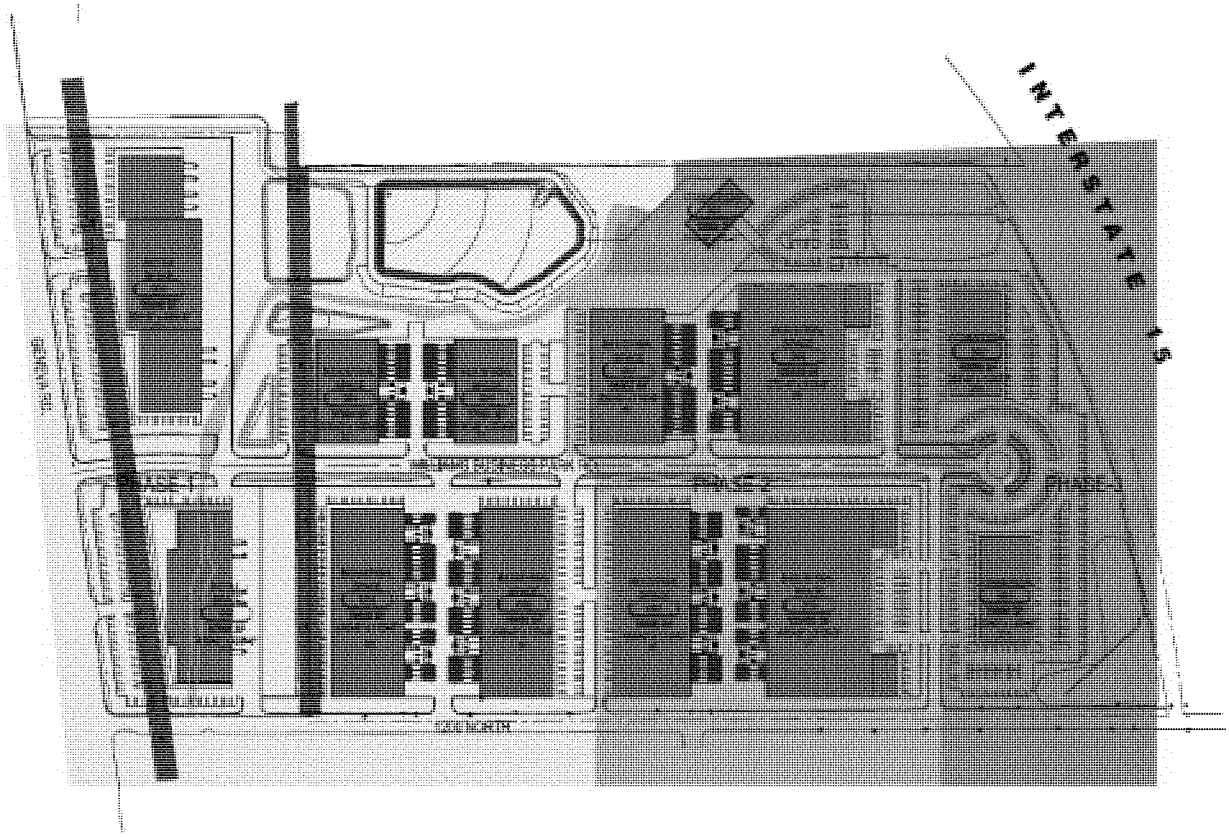
This Year's Rank	Company	Acres	Building Square Footage
1	Freeport Center	735 Acres	7,720,000
2	Centennial Park	1,596 Acres	6,794,085
3	Business Depot Ogden	1,118 Acres	6,607,000
4	Wagner Park	500 Acres	5,201,957
5	Salt Lake International Center	720 Acres	4,777,888
6	Decker Lake Business Center	1,024 Acres	4,320,727
7	Utah Industrial Depot	1,500 Acres	3,000,000
8	Sorenson Technology Park	125	2,643,917
9	Ninigret Park	178 Acres	2,579,958
10	University of Utah Research Park	320 Acres	2,400,000
11	Landmark at Salt Lake City	450 Acres	1,783,526
12	Freeport West Industrial Park/Freeport West Industrial Park SLC	71.5 Acres	1,415,425
13	Tremonton City Industrial Park	200 Acres	1,100,000
14	West Jordan Industrial Park	420 Acres	1,100,000
15	Pioneer Industrial Park	78 Acres	1,042,770
16	Commerce Park	102 Acres	980,283
17	Jordan Industrial Center	120 Acres	840,000
18	Metro Business Park I	60 Acres	835,000
19	Bingham Business Park	250 Acres	730,000
20	Presidential Business Park	89 Acres	675,000
21	Price Business Center/Pioneer Square	78 Acres	673,334
22	Crossroads Corporate Center	30 Acres	637,800
23	21st Century Industrial Park	225 Acres	635,000
24	Draper Business Park	63 Acres	626,756
25	Sandy Parkway Business Center	22 Acres	600,000

Plans for a business park in the north portion of The Wedge are under development, utilizing some of the limited vacant land in that portion of the City. Preliminary drawings of this park are shown in the following diagrams.

Orem Business Park

1 Million Square Feet of Retail, Office, & Industrial Space





Office Market Analysis

North Utah County continues to be the center of office market growth for the County. Class A space is especially attractive in this market and suggests that if Orem could offer this type of space, demand exists for it. Most Class A office space development is centered on Thanksgiving Point, Traverse Mountain and Thanksgiving Center.

Absorption data suggests that Orem is struggling in the office market, especially in the development of Class A office space. Provo, while still lagging behind Utah County North, absorbs more than twice the office space of Orem, on a yearly basis. Class A office space is generally associated with higher-wage paying industries and, as such, should be especially attractive to the City.

Table 45: Office Space Absorption by City and Office Type

Office Space by Type	Total Absorption 2004-2012	Average Annual Absorption 2004-2012
Orem	390,694	48,837
Class A	332,776	41,597
Class B	80,622	10,078
Class C	-22,704	-2,838
Provo	1,028,835	128,604
Class A	688,953	86,119
Class B	187,179	23,397
Class C	152,703	19,088
Utah County North	1,448,358	181,045
Class A	464,220	58,028
Class B	1,001,159	125,145
Class C	-17,021	-2,128
Utah County South	132,401	16,550
Class A	6,400	800
Class B	43,512	5,439
Class C	82,489	10,311
Overall	3,000,288	375,036
Class A	1,492,349	186,544
Class B	1,312,472	164,059
Class C	195,467	24,433

Table 46: Office Market Data, 2014

Category	Amount
CAP Rate	8.25%
CAP Rate Range	7.0% - 10.0%
Land Values per SF	$8.75
Land Values Range	$5.00 - $12.00
Avg Asking Lease Rate, NNN psf	$13.55

Source: Commerce CRG

Orem has only 40 percent of the Class A office space that is found in Provo and absorbs less than half as much Class A space each year as Provo. This is an area on which Orem should focus – increasing the amount and availability of Class A office space. The most logical location for development of this type of space is at University Place.

Table 47: Class A Office Space Summary

City	Total Square Feet	Average Absorption 2001-2012
Orem	706,166	41,597
Provo	1,754,810	86,119
Utah North	2,144,200	58,028
Utah South	80,328	800

Table 48: Class B Office Space Summary

City	Total Square Feet	Average Absorption 2001-2012
Orem	1,204,246	10,078
Provo	1,608,754	23,397
Utah North	1,227,377	125,145
Utah South	162,121	5,439

Table 49: Class C Office Space Summary

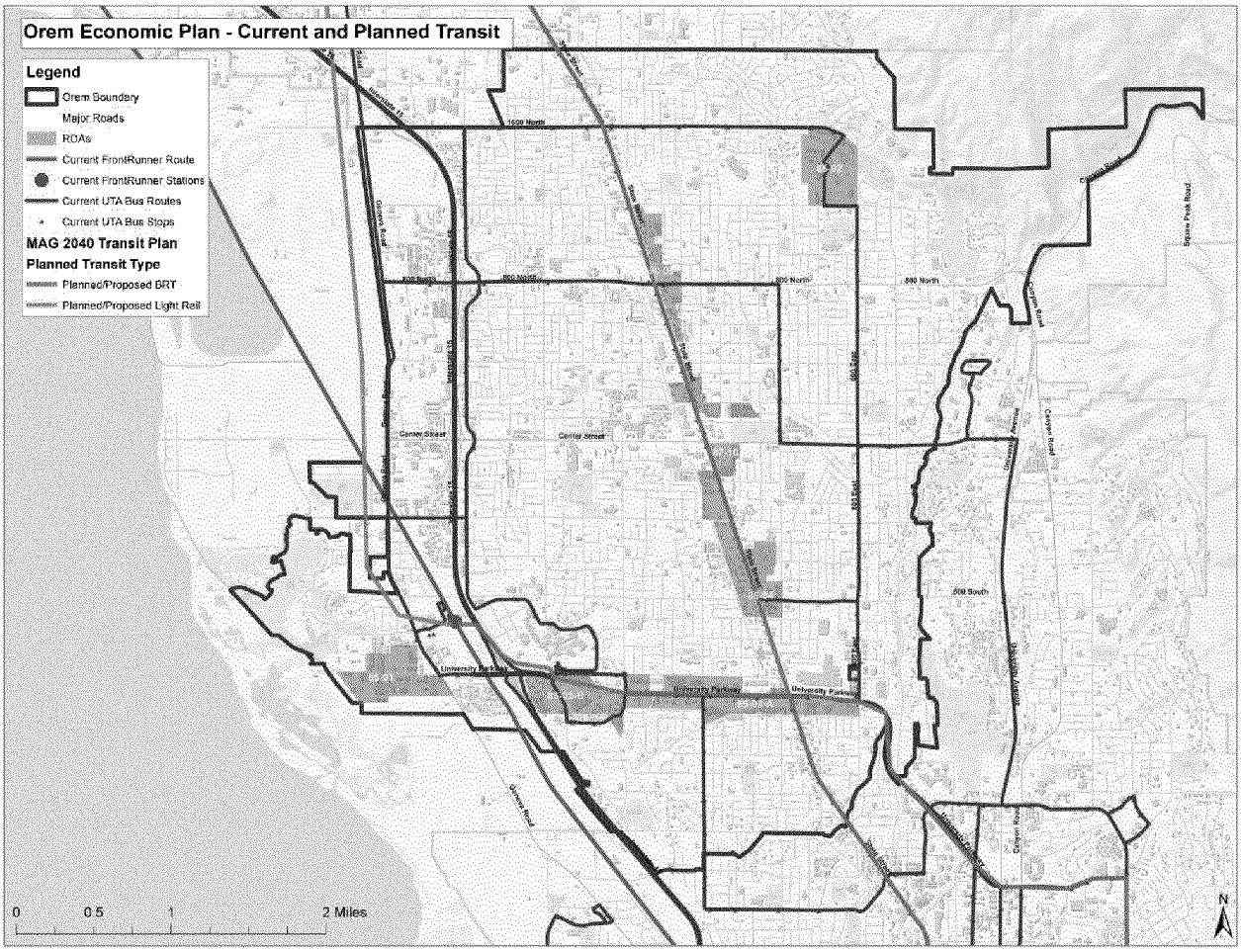
City	Total Square Feet	Average Absorption 2001-2012
Orem	444,276	-2,838
Provo	580,198	19,088
Utah North	73,017	-2,128
Utah South	60,588	10,311

Transit and TOD – Current, Future and Creating Beneficial Design

Orem currently has one FrontRunner station located on the west side of I-15, across from Utah Valley University. Plans for future transit options, including light rail and Bus Rapid Transit (BRT) are still in the forming stages with many options proposed. This section examines the different proposals being considered. Additionally, scenarios that would best serve Orem's economic development are explored with input from community leaders and transit experts. These scenarios would help Orem develop transit-oriented development (TOD) at key nodes and assist in future growth.

2040 Metropolitan Transportation Plan Transit Scenario

The map below shows the current transit routes in Orem from bus and commuter rail. It also shows some of the possible transit scenarios for planned and proposed BRT and light rail routes as projected by Mountainland Association of Governments in the 2040 Metropolitan Transportation Plan. These projected routes developed in 2011 are not official, although input was given from UDOT and UTA in the development of these routes. In these scenarios, light rail would bypass Orem along an existing rail corridor to run through Vineyard until reaching the Orem FrontRunner stop for an intermodal station. BRT would also start at this station to run along University Parkway, going to BYU. BRT is also projected to include a State Street Route.



Source: MAG, AGRC, ZBPF

Vineyard Alignment Scenario

MAG and UTA more recently have been in discussions about the alignment of light rail through the "@ Geneva" master development in Vineyard, which would put light rail even further from Orem. This scenario proposes it follow the same rail corridor through Vineyard but include a rail realignment to veer west of Geneva Road just north of 1600 North. It would then parallel the FrontRunner tracks southward to 400 North. It would have a stop in Vineyard combined with a future FrontRunner Stop in Vineyard. The rail realignment then would veer east to Geneva Road at 400 North and turn southward to meet at the Orem FrontRunner Intermodal Station.

Under this scenario, City staff see two options for Orem at 400 South Geneva Road:

1. Continue the light rail extension southward along the existing rail line to the Orem Intermodal Station (where light rail, commuter rail, bus rapid transit, etc., will come to one focal point). Provo would like Orem City to consider a light rail alignment that would then proceed southward to the Provo Airport; or

2. Build a light rail spur (or trolley, street car, etc.) eastward on 400 North to either Orem Boulevard or State Street and then proceed southward to the University Mall or some other high transit use destination.

Provo/Orem BRT Outlook

Plans for the Provo/Orem BRT route are currently deep in the planning and funding process and are likely to happen if funding becomes available. This route would connect the Orem and Provo FrontRunner stations, running generally along University Avenue and University Parkway to provide better connectivity for BYU, UVU and area amenities. Representatives from both cities, the County and UTA have been working with the State and Congress to find funding options for this project. The County has pledged up to $75 million to match federal funding through bonds and real estate. It is estimated to cost $15 million per mile to fund the project.

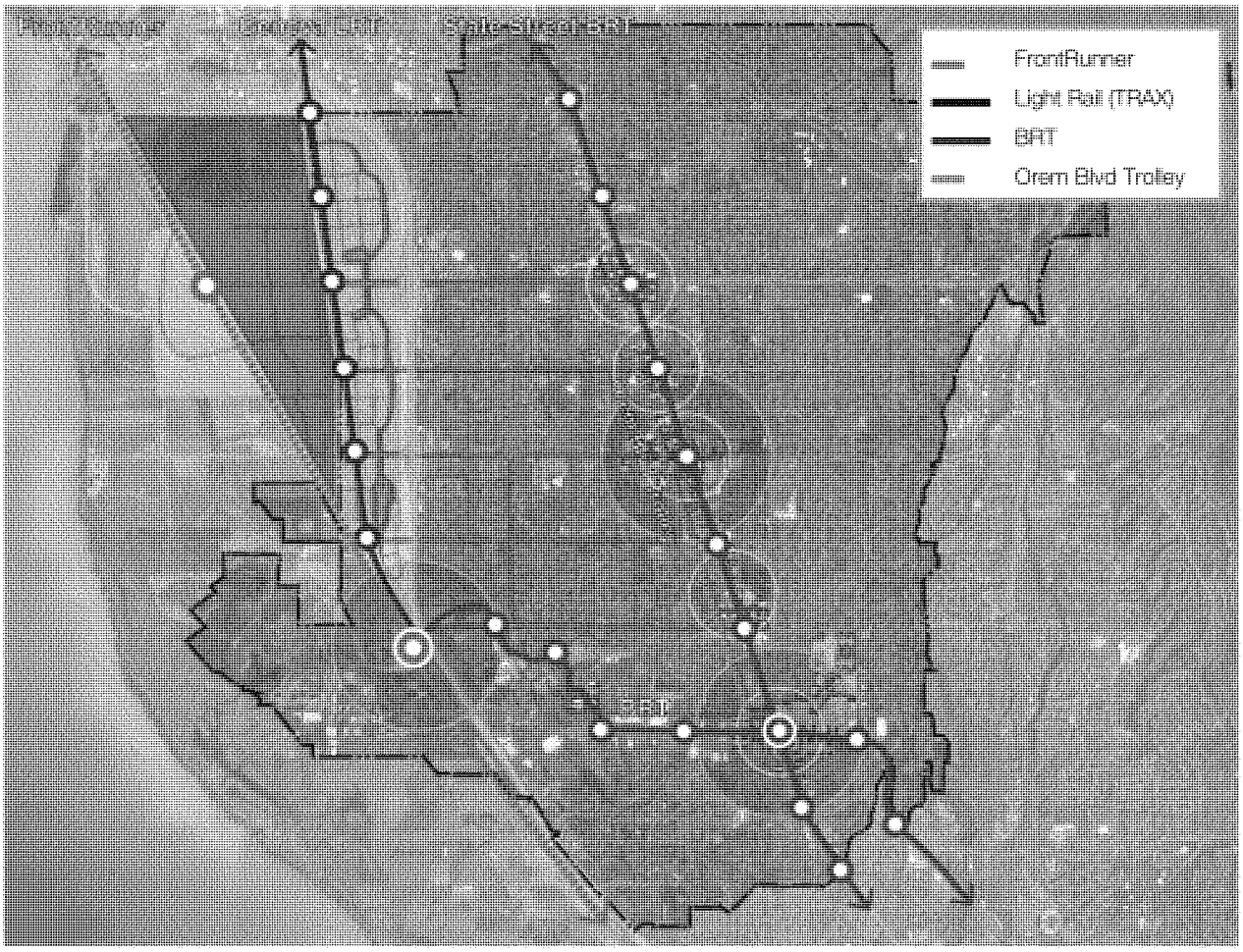
Priority Scenarios - Beneficial Design Alternatives for Orem Economic Development

During the on-site Charrette, a large meeting was held with City staff, community leaders, and transit planners from various organizations and agencies in the State to discuss future transit options and scenarios that would be feasible, likely, and beneficial to Orem. The following plan was developed as part of these discussions. It takes into account ongoing or other possible transit plans underway, such as those through Vineyard and the Provo/Orem BRT.

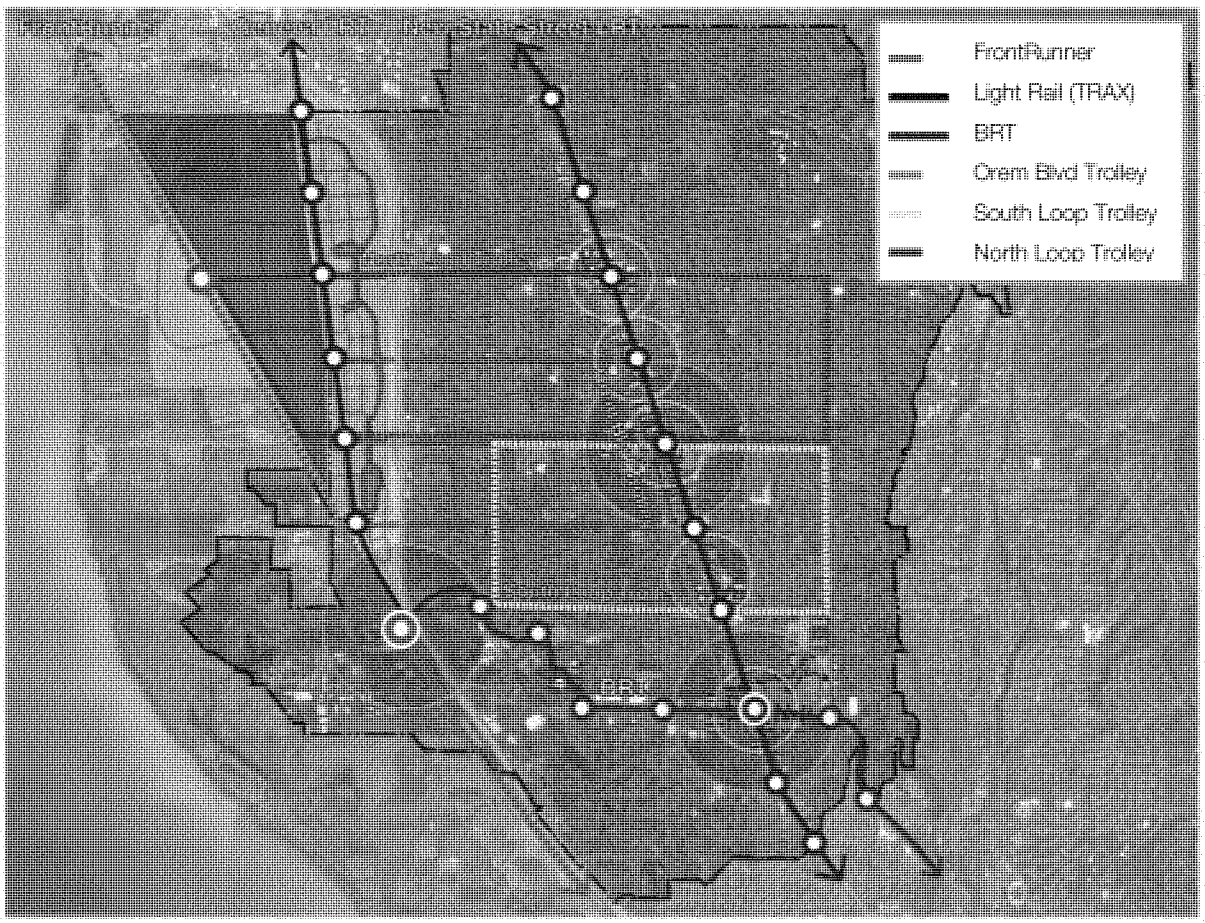
These scenarios complement the proposed visions of each of the Economic Development Nodes analyzed in detail later in these reports and influence transit-oriented development at key nodes. The top priority and strategy of the City is to advocate and lobby for these scenarios that bring transit options to the City, rather than bypassing key economic nodes through Vineyard-centric routes.

Vineyard's plans to build its own light rail line along Geneva Road can be complemented by a parallel transit line along State Street that serves Orem directly. The State Street line can begin as a BRT line that serves all of the proposed urban centers on the State Street corridor (see "Economic Development Nodes" chapter). A proposed trolley line along Orem Blvd will serve the corridor with

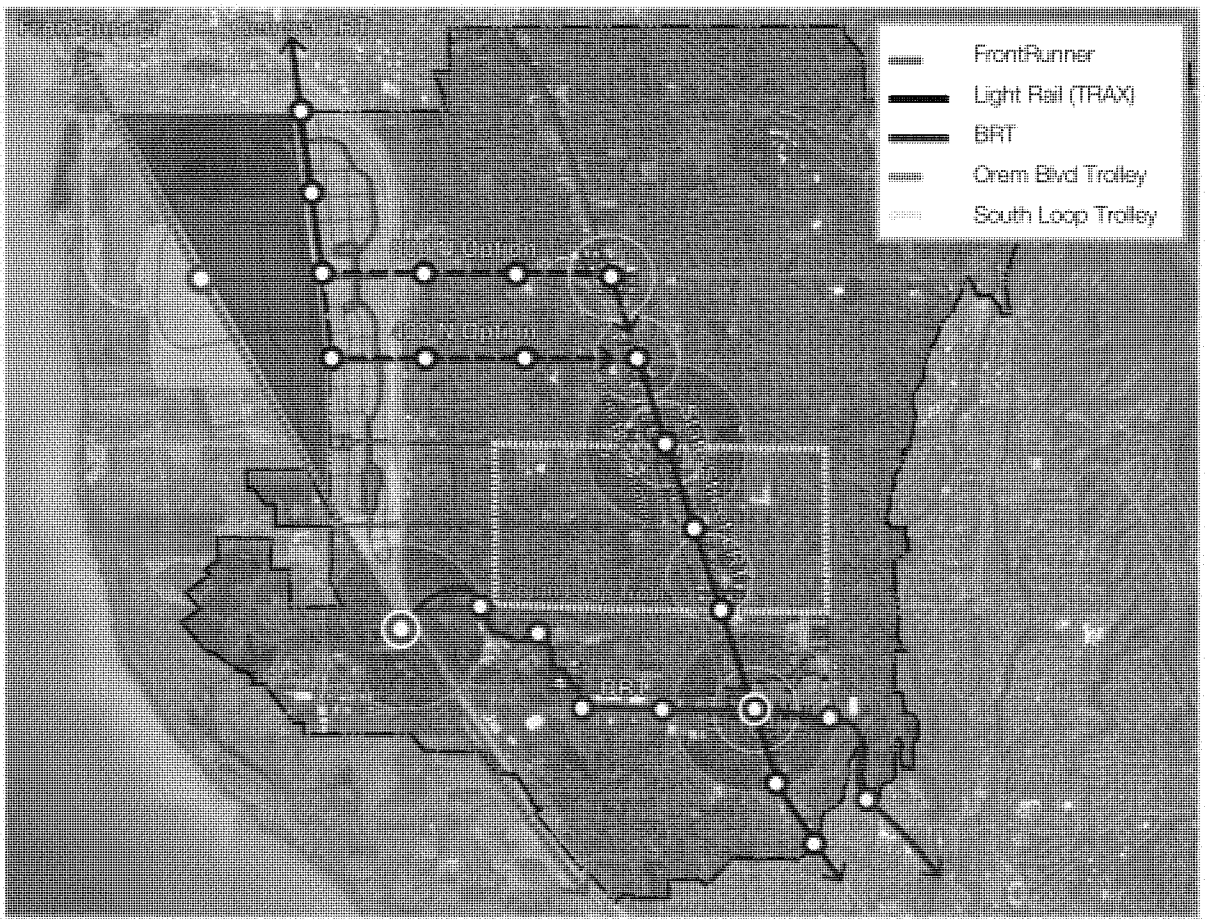
more frequent stops. UDOT is not interested in reducing lanes on State Street to fit BRT. However, they state there is room in the corridor, especially with most retail set far back from the road and with wide shoulders, to include transit without reducing lanes.



In the future, the State Street BRT can upgrade to light rail. BRT can establish the space needs to essentially reserve the road area for light rail. Two additional trolley loops (pink and yellow) will connect both light rail lines, and serve Orem's neighborhoods by placing a major transit line within half mile of most households. The trolleys also connect Orem's centrally-located schools and parks.



Should only one major transit line be built between Orem and Vineyard, Orem should work together with Vineyard to guide the planned Geneva light rail line into Orem either along 800 N or 400 N eastward toward State Street. With this option, both cities will be sufficiently served by a single line. This option works best if Vineyard does not shift its existing rail line westward toward the planned FrontRunner station, so area between I-15 and Geneva Road (shaded in peach, also known as “The Wedge” - See “Economic Development Nodes” chapter) may also be served by the line. This area is proposed to focus on office and retail space, which would be well served by transit options.



Integrating Transit Planning with TOD Development

Strategies

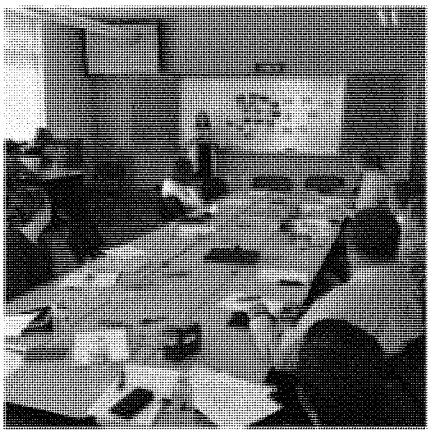
1. Employ multi-family units in single-family blocks that suit the character of the surrounding neighborhoods.
2. Integrate small housing units to provide options for low-income families, students and recent graduates.
3. Incorporate housing in commercial areas.
4. Infill interstitial spaces such as parking lots and residual green space with new blocks and walkable streets within the TOD district. "Wrap" big box stores with smaller scale retail and housing units to conceal large blank walls and create interesting frontages along the new streetscape.
5. Incorporate affordable commercial and retail space that supports start-ups and small businesses.
6. Provide the vast majority of a person's daily needs and services within a 5-minute walk of their residence within the TOD. The TOD should be no wider than a 10-minute walk (approximately ½ mile.)
7. Provide public space, well defined by pedestrian-friendly building frontages, in each TOD district, and enhance existing public spaces within those districts.

8. Preserve historic structures as much as possible. State Street has several examples of historic pedestrian-friendly retail frontages that could be incorporated into a complete streets program for the city.

Priorities

1. Pass a form-based zoning code to determine the character and quality of each TOD district. The code should support the strategies outlined above.
2. Adopt a citywide Complete Streets policy.
3. For each TOD district, select 1/4 mile of street frontage around its respective LRT or BRT station to transform into a complete street as a pilot project for the district. Each pilot project should aim to create a complete street experience on both sides of the street. Expand each pilot project as market forces allow. Orem City Center and The University District should be the first to undergo these transformations.
4. Begin implementation of the State Street Corridor LRT/BRT to connect major points of interest.

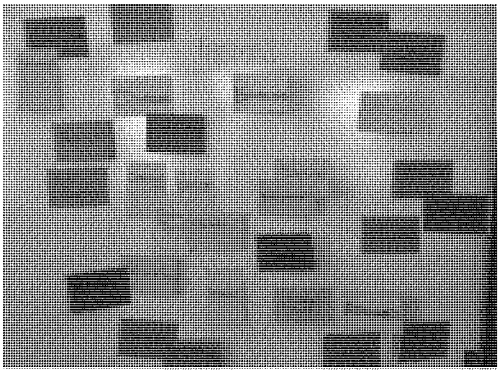
Branding



As part of the Economic Charrette in August 2014, City of Orem staff and consultants held a branding workshop during the weeklong economic development strategic planning effort. The purpose of the workshop was to discuss the marketable features of the City from an economic development perspective. Penna Powers Brian Haynes (PPBH), a member of the consultant team, conducted the workshop.

Attendees included Orem staff including planning, business services, public relations, public works and economic development representatives attended the workshop. The workshop was also attended by consultants from Zions Bank Public Finance and Duany Plater-Zyberk & Company.

This meeting included training on the definition of branding, context of branding in economic development, and a workshop with participants to develop Orem's brand.



Participants brainstormed brand attributes that are authentic and unique to Orem. Themes that emerged from the brainstorm were Orem's prime, central location; its young, skilled workforce; the history and hospitable environment for successful start-up companies; and the low cost of doing business in Orem.

This section reports on this meeting in detail and includes recommendations for furthering Orem's economic development brand.

Definition of Branding

PPBH defines a brand as a relationship between an individual and an organization, its product or service. There are three critical elements to a brand:

1. Authenticity: The brand is anchored to reality. It relates directly to the product and/or services delivered.
2. Targeted: The brand appeals to the right audience. It is easy for the target audience to understand.
3. Different: The brand accentuates unique and special attributes. It is resistant to imitation.

These attributes provided the framework to brainstorm Orem's brand attributes.

Orem's Economic Development Brand Attributes

Participants developed four leading brand attributes for Orem:

1. Prime, central location
2. Young, skilled workforce
3. Successful start-up culture
4. Low cost of doing business

1. Prime, central location
    - Situated in a prime location at the center of Utah Valley
    - Highly visible from its central hillside location
    - Accessible with major transportation corridors, transit and commuter rail
    - "Prime" in more than just location – Orem is established and experienced
    - Strong sense of community
    - "Downtown" – opportunity to enhance downtown feeling at State Street & University Parkway, a Utah Valley "Downtown Rising" effect
    - Epicenter – a place where there is an energy igniting economic activity
    - Regional retail center pulling shoppers in from outside
    - Location near two universities (with one university within City limits)
    - Orem is the Main Street of Utah County

2. Young, skilled workforce
    - With location near universities, Orem has many college students and recent graduates looking for work
    - Lower cost of living = lower overhead costs of employees
    - Community is known for clean and healthy living, meaning a healthy workforce (less absence from work)
    - Many Orem residents have experience speaking different languages and living among different cultures of the world

3. Successful start-up culture
    - History of successful companies that started in Orem
    - Low cost of doing business
    - Quality workforce
    - Entrepreneurial culture
    - College town
    - Incubator node at 800 North

4. Low cost of doing business
    - City-owned utilities
    - Developer-friendly City
    - Low impact fees
    - Multiple healthcare options (other Utah Valley communities have one healthcare option)
    - Young, educated workforce

The discussion yielded additional points of differentiation that are worth consideration:

5. Culture: Orem was the first city in Utah Valley to self-fund arts, culture and recreation through a tax increment. The City also has its own library. Other cultural assets include the annual Timpanogos Storytelling Festival, Hale Centre Theatre and SCERA.

6. Family-friendly: The previous tagline for Orem is "Family City, USA." Orem is still a safe, friendly, welcoming home to families of all ages. It has abundant parks and recreation.

Brand Positioning Statement

The workshop discussion can be summarized in a simplified brand positioning statement:

For the City of Orem's economic development audience, Orem provides great value through a low cost of doing business and a quality workforce. Orem is the epicenter of Utah County, where start-up companies, established businesses and developers prosper.

In a longer format, a brand position for Orem could be:

Orem is the epicenter of Utah Valley
Shockwaves of economic activity are rolling to the outer rings of Utah County, but Orem is the epicenter where positive growth trends originate. Successful companies, careers, families and progressive government policies all start here. With its central location, its retail and cultural offerings, Orem is the Main Street of Utah County.

Orem has a long history of growing start-ups into successful, world-class companies. Omniture began in Orem and was acquired by the leading software company Adobe. MyFamily.com has evolved into the trailblazing genealogical resource Ancestry.com. Technology giant Symantec acquired Orem's PowerQuest.

In addition to companies, Orem is a great place to start a family. Historically known as "Family City, USA," Orem is friendly and safe. The community is known for its healthy and clean living. Its residents value different cultures based on their diverse experiences of living and traveling outside the United States.

Orem's love of culture is evident in its investment in the arts. It was the first city in Utah County to self-fund its own arts and cultural assets, including the Orem City Library and the SCERA Center for the Arts. Orem also has abundant parks and recreation programs and is home to the famous Timpanogos Storytelling Festival.

Orem is the unofficial Main Street of Utah County. It's a regional retail destination, drawing shoppers and visitors in from throughout the valley. It has an established network of roads and highways and a master-planned city center, with more development on the way. Orem is the only city in Utah situated between two major universities. Orem is at the epicenter of Utah County's economy.

Recommendations

Now that the City of Orem has had the opportunity to discuss its most marketable brand attributes, the following steps can further develop Orem's brand in economic development:

1. **Incorporate the brand attributes into marketing efforts.** As meetings, presentations, and marketing materials are planned and developed, consider whether Orem is presenting itself authentically to a targeted audience and differently than the competition. Include messages and visuals that reflect the brand attributes brainstormed in the workshop, promoting Orem's central location, start-up-friendly culture, quality workforce and low cost of doing business.

2. **Benchmark against the best.** Study how other successful cities and economic development areas are presenting their brands both visually and verbally. Consider how to adapt best branding practices for Orem's circumstances.

3. In addition to talking authentically about all that Orem already has to offer, **promote Orem's future**. Create summary information about future plans and developments to share with citizens and economic development audiences. Put this information on Orem's economic development website, press releases and in collateral materials. Promote project milestones on social media. Promote announcements about major companies and development opening in Orem.

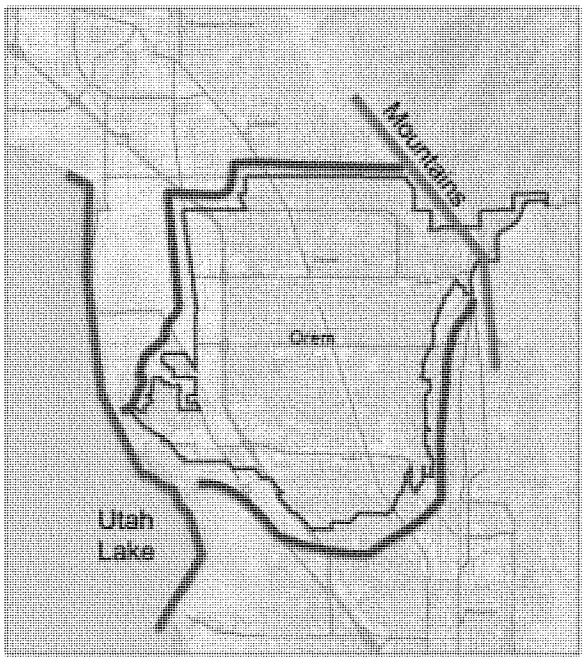
4. **Assemble talking points** about each of Orem's best brand attributes. Share these talking points with elected officials, potential developers/businesses, city staff and citizens. Include appropriate talking points in marketing materials, on the city's economic development website, in press releases, in speeches, or as social media posts. Sample talking points:
    a. **What makes Orem a regional retail center:** ___% of Orem shoppers come from outside the City. (Name of business)'s top-performing franchise/location is in Orem.
    b. **Orem's legacy as the start-up capital of Utah:** Create a list of all the prominent companies that started here.
    c. **Workforce:** Orem residents are fluent in ____ languages, or ___% of Orem residents are college-educated.
    d. **Cost of doing business:** Orem's utility rates are ___% lower than average Utah County utilities.

5. **Develop case studies about past successes.** Research and write case studies about successful businesses, start-ups and developments in Orem. Include case studies about how the City of Orem overcame challenges or helped solve problems for businesses trying to locate there. Collect quotes and endorsements from business leaders and developers who have had a positive experience in Orem. Use the case studies in presentations, proposals, or as one-page flyers for economic development prospects.

6. **Make sure you're targeted to the right audience.** Review your list of economic development prospects. Prioritize the prospects who are most benefitted by Orem's strengths – the things that Orem uniquely has to offer. Seek out prospects who value Orem's brand attributes.

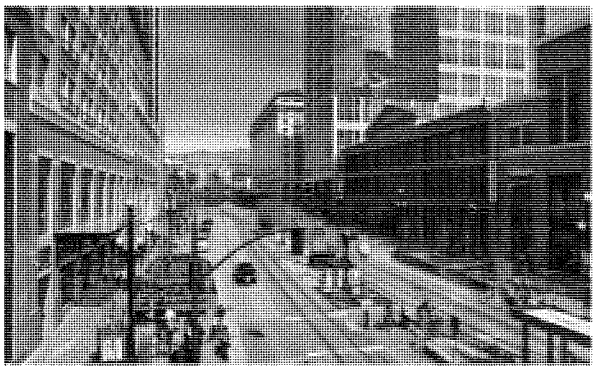
Economic Development Nodes – Where are Opportunities?

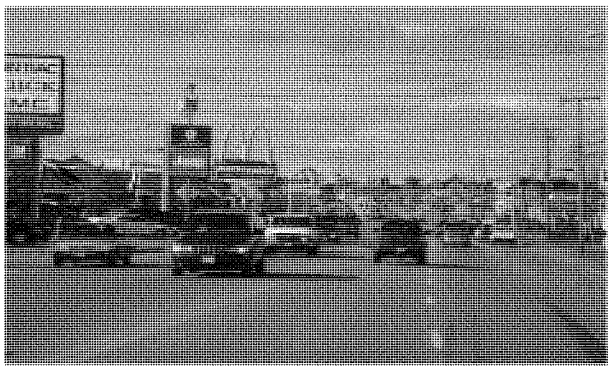
While strategically located in Utah Valley, Orem has little room to grow in terms of physical size. With the mountains to the east, Utah Lake to the west, and adjacent communities to the north and south, Orem must find ways to make the most of its limited geography.



This could be seen as a constraint to economic development, but it is also an opportunity. Instead of "sprawling" outward, Orem must constantly strive to improve and grow within its boundaries through a process called "placemaking" at key sites. By doing so, it has the potential to be a more dynamic and efficient economy that provides its residents with ample opportunities and preserves a high quality of life. Placemaking is a planning process that improves commercial areas to be recognizable, for people (not just cars), to have spatial definition and architectural character, and to make that place a destination in and of itself.

Examples: With and Without Placemaking

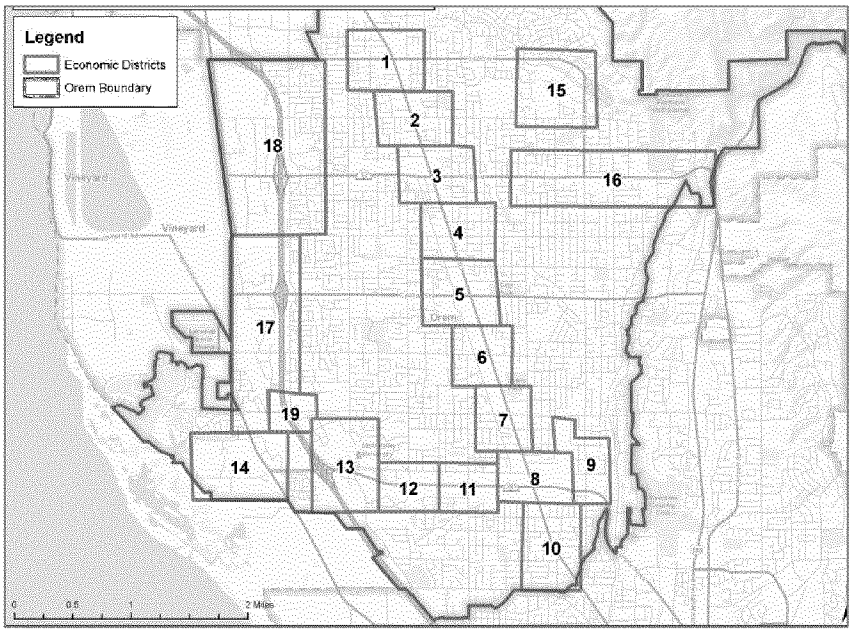




Using the background and analysis completed for the City in previous sections, this section provides a detailed analysis of specific economic nodes – areas of special opportunity to the City to build on strengths and weaknesses to enhance the City's economic and community strength. These nodes are the economic centers with the most potential to focus growth and improvement within the boundaries. By focusing on a vision for each node, Orem will be able to build a community identity at each center, such as a downtown or a civic center.

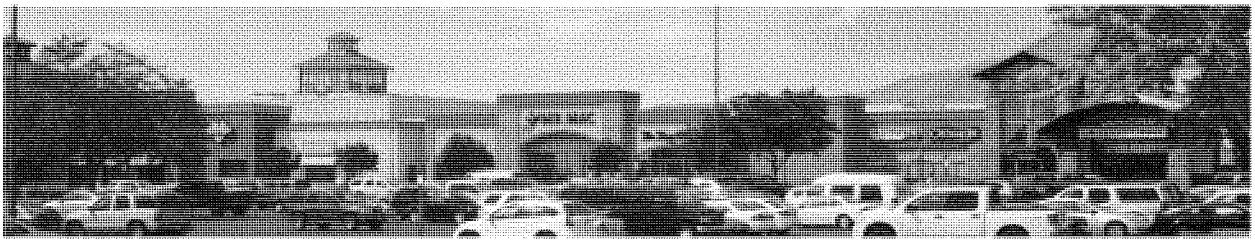
Potential nodes in Orem are located primarily along major transportation routes and intersections within the City. Along State Street, the greatest potential is centered at each major intersection. Focusing improvement and developing identities at these intersections will encourage growth along the full corridor. Other major nodes include University Parkway, UVU campus, and the current industrial area along I-15. The map below gives an overview of where these nodes are located in the City.

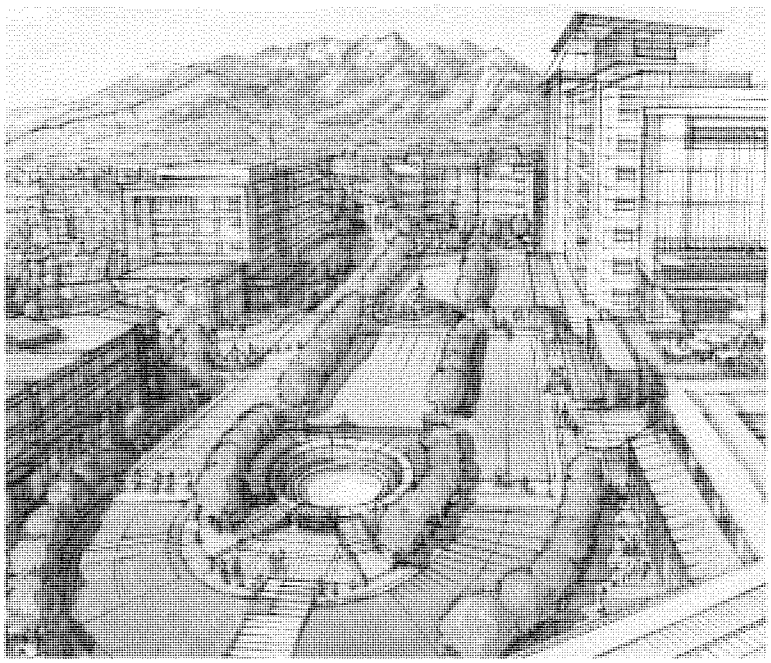
The analysis at each node is based in grouping the detailed economic districts numbered and analyzed earlier in this report. For example, the analysis of University Place as a broader economic node is based on data from Economic Districts Seven through Ten. See the "Market Conditions" chapter for detail.



University Place

Located at the busiest intersection in Utah County (and the third busiest in the State) at State Street and University Parkway, this node centered at University Mall has the potential to become Orem's downtown and a central district for the County as a whole – a downtown experience for the entire Valley. This district has incredible potential as a sophisticated urban center and the City is working closely with the developer to renovate this area. Current plans to revitalize the mall include an integrated mixed-use development with mid-rise office buildings (five to nine stories in height), open space, residential buildings and walkable shopping.



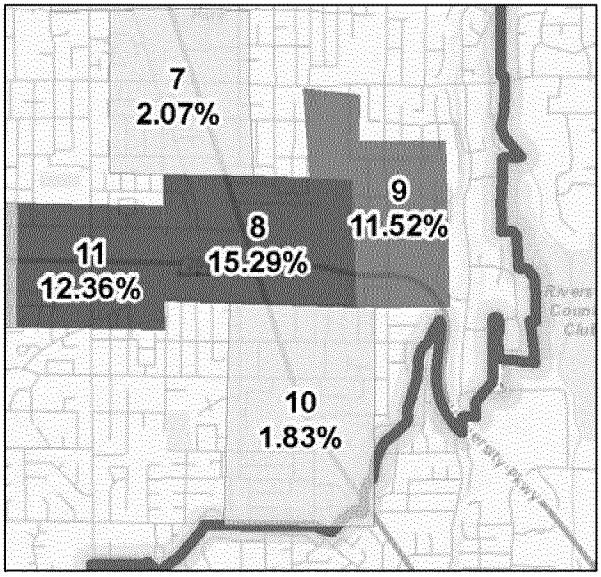


Developing this intersection as a modern, attractive, urbanized space with Class A office space provides one of the biggest economic assets possible to the City while addressing one of the City's current biggest weaknesses: providing an employment center for start-ups to grow into. Orem is strong in entrepreneurship and creation of strong, innovative companies. However, the City lacks sufficient Class A space for successful companies to use once they grow and the City is losing high-paying employers to northern Utah County who leave Orem when they grow out of their startup space. Developing an employment center rich with retail and housing opportunities will renew Orem's competitive edge with matured companies that started in the City.

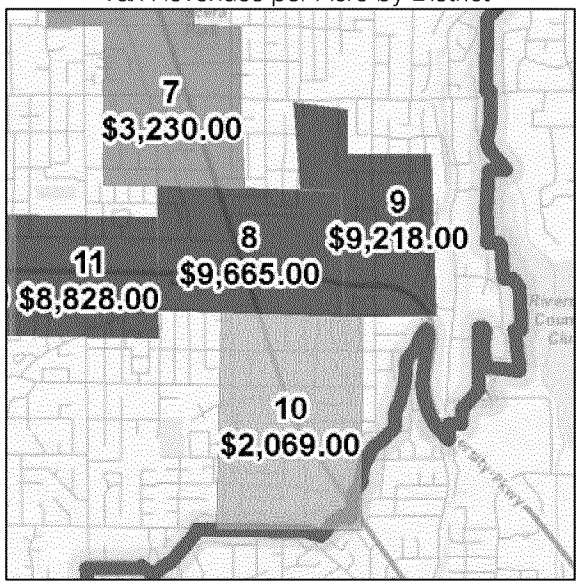
Economic Base of District

The University Place District, represented by economic districts eight and nine below, is the strongest economic epicenter in Orem. This area combined represents 27 percent of all City sales. This area is also the strongest in tax revenues in both property and sales taxes. Comparatively, districts seven and ten that directly neighbor this area are among the lowest in both sales and tax revenues, indicating potential to redevelop and improve these areas as University Place grows and improves the economic demand in the area.

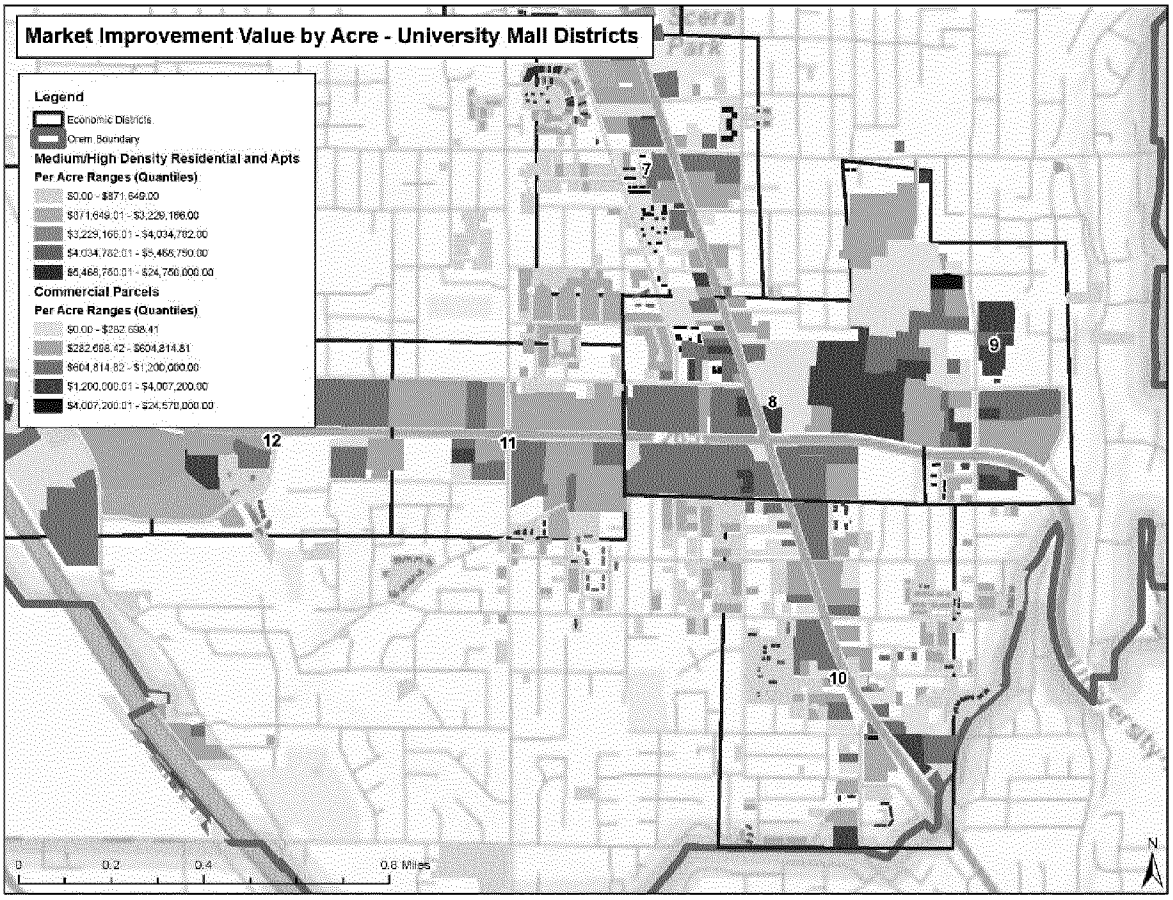
Share of City Sales by District



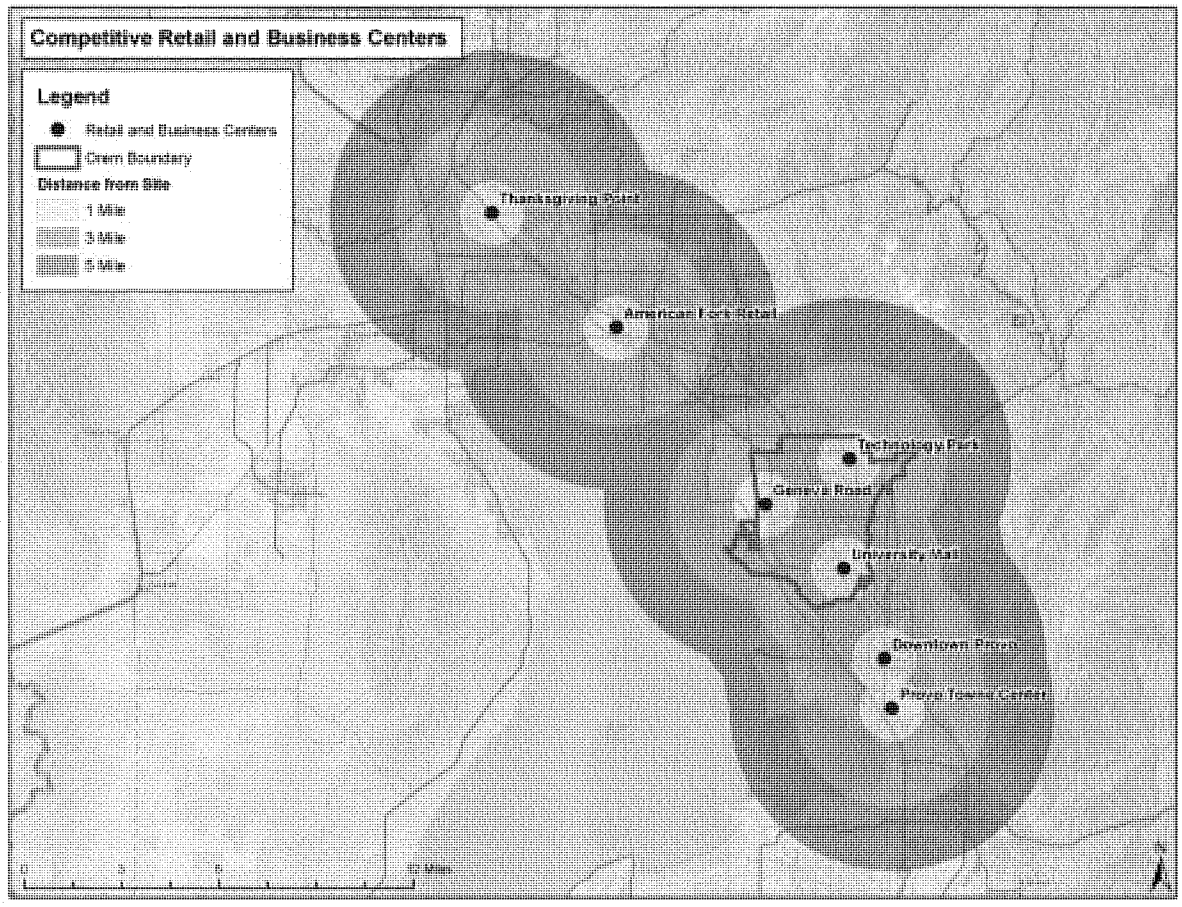
Tax Revenues per Acre by District



This trend holds true in comparing market improvement values per acre. Values per acre in eight and nine are much higher than in seven and ten. Low values per acre indicate that a property is ready to be redeveloped as it is undervalued with its current use in its market.



This district has among the best buying power in the County through high population and employment levels, in addition to traffic counts of over 50,000 cars daily. Retailers consider the traffic, population and employment levels within a certain area to determine if there is a large enough base to support retail sales, both now and in the future. Employment and population based on Traffic Analysis Zones[8] was measured from distances from one, three and five miles from various economic centers in the County, including University Place. These measurements also include future projections. The map below shows these sites and the measurement distances.



At the three and five mile distances, University Place has the highest population both now and through the future. This indicates the current strength and staying power this intersection has in the retail market in the County.

Table 50: Population within 1, 3, and 5 Miles from Commercial Cites, Projected to 2040

Population				
	2015	2020	2030	2040
Thanksgiving Point				
1 Mile	7,793	9,063	10,976	12,763
3 Miles	37,944	46,071	65,874	85,448
5 Miles	100,839	119,240	157,390	194,218

[8] Moutainland Association of Governments and Wasatch Front Regional Council

American Fork Retail				
1 Mile	8,498	9,485	10,565	11,464
3 Miles	69,039	75,719	84,875	91,662
5 Miles	140,396	153,906	176,521	195,166
Technology Park				
1 Mile	14,848	14,926	14,853	14,804
3 Miles	93,239	95,378	98,689	99,831
5 Miles	176,877	183,927	197,305	208,395
Geneva Road				
1 Mile	10,377	10,800	11,648	12,472
3 Miles	89,869	94,253	104,929	113,834
5 Miles	185,312	194,189	210,490	223,283
University Mall				
1 Mile	19,032	19,199	19,413	19,658
3 Miles	154,297	157,937	164,416	167,940
5 Miles	227,652	235,460	254,457	267,043
Downtown Provo				
1 Mile	33,703	33,717	33,826	33,756
3 Miles	116,006	118,173	124,813	128,092
5 Miles	174,898	180,755	195,751	204,421
Provo Towne Center				
1 Mile	3,672	3,809	4,398	4,499
3 Miles	76,888	78,765	85,895	89,303
5 Miles	154,737	162,375	179,793	188,850

The trends in employment figures are similar. This district has a significant economic base around employment compared to other major economic sites in the County.

Table 51: Employment within 1, 3, and 5 Miles from Commercial Cites, Projected to 2040

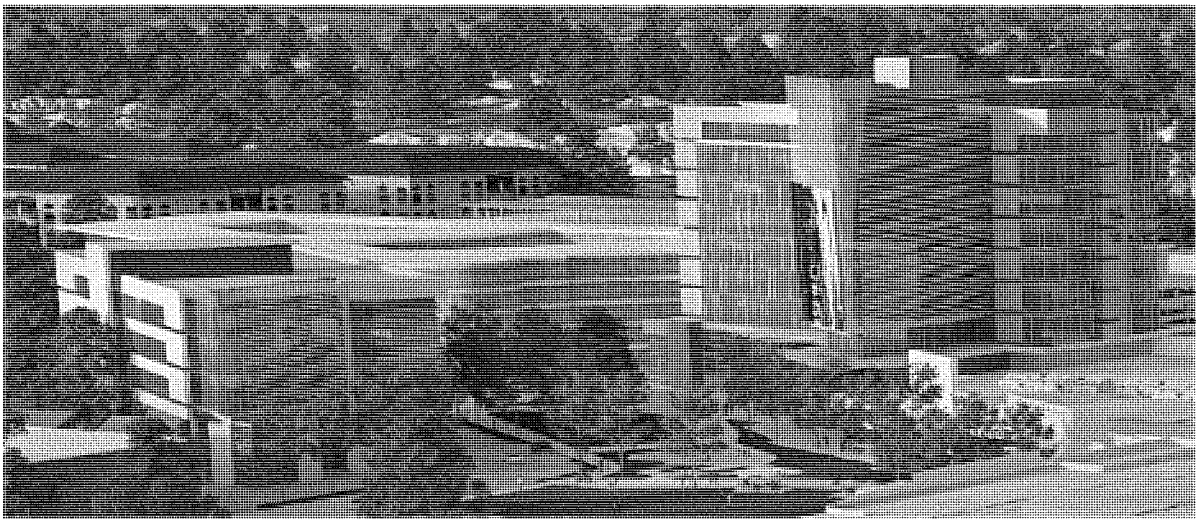
Employment				
	2015	2020	2030	2040
Thanksgiving Point				
1 Mile	6,470	8,443	10,871	12,618
3 Miles	14,182	20,515	30,642	39,595
5 Miles	38,824	51,516	74,240	95,515
American Fork Retail				
1 Mile	9,114	10,245	11,481	12,672
3 Miles	34,980	38,237	42,463	46,637
5 Miles	62,236	72,907	88,040	101,714
Technology Park				
1 Mile	8,763	8,896	9,071	9,301
3 Miles	52,557	54,904	58,426	60,694
5 Miles	120,451	128,195	140,740	150,419
Geneva Road				
1 Mile	8,963	9,706	12,073	13,762

3 Miles	70,139	75,349	84,116	89,683
5 Miles	128,073	136,971	151,148	162,394
University Mall				
1 Mile	21,835	22,333	22,934	23,465
3 Miles	109,212	111,947	115,521	118,837
5 Miles	161,955	168,934	180,867	190,565
Downtown Provo				
1 Mile	25,023	25,643	26,649	28,031
3 Miles	84,099	87,186	93,061	98,709
5 Miles	131,374	137,500	149,477	162,325
Provo Towne Center				
1 Mile	14,467	15,834	17,991	19,990
3 Miles	69,976	73,639	81,629	90,419
5 Miles	116,589	122,505	134,133	147,708

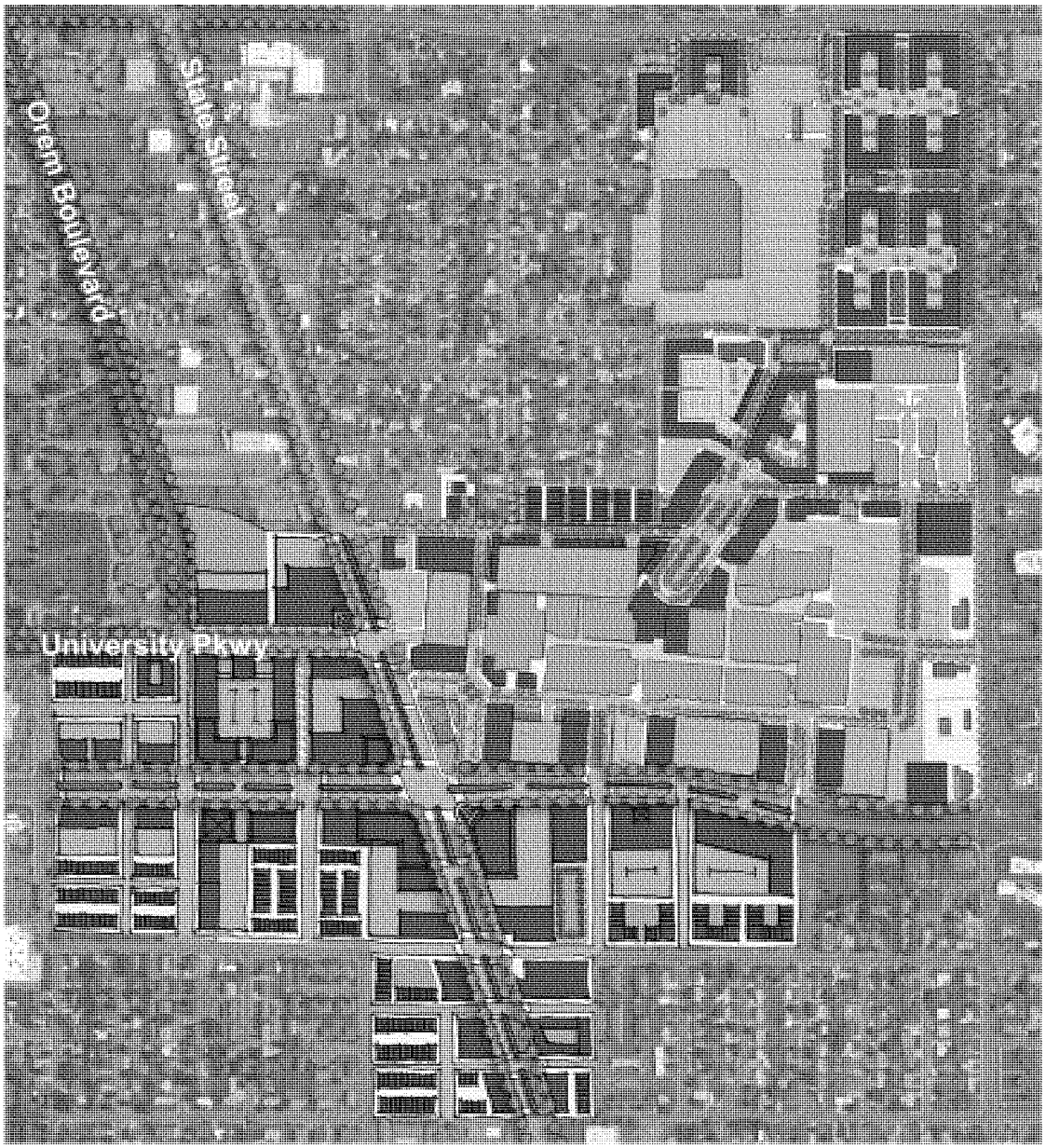
Although Provo's downtown has higher figures at the one mile distance pulling from a dense student population, that site doesn't maintain such strong levels at a broader geographic level compared to Orem's University Place – Orem's potential downtown. With the development of a skyline at this site, University Place not only has to the potential to be Orem's downtown, but also the County's downtown shopping and employment center.

Vision and Placemaking

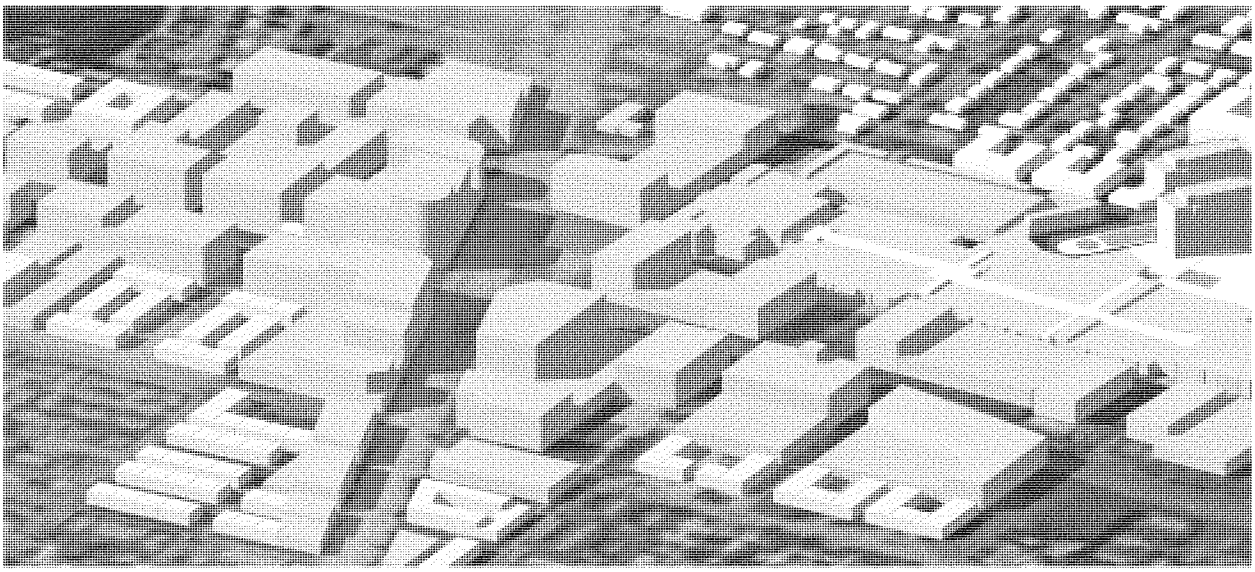
University Place is proposed to be a regional office and commercial center with Class A office space that takes advantage of its proximity to retail and recreation amenities provided by the Mall. The project transforms the mall from a retail-only destination into a vibrant, mixed-use urban center for the entire community. Garage parking enables urban density and the plan extends existing public transportation lines. An elongated plaza connects the mall's retail components with the urban redevelopment site to the north. Building on these current plans and investment by Woodbury, the economic vision uses the energy at the site to envision a downtown development making Orem the center of the County.



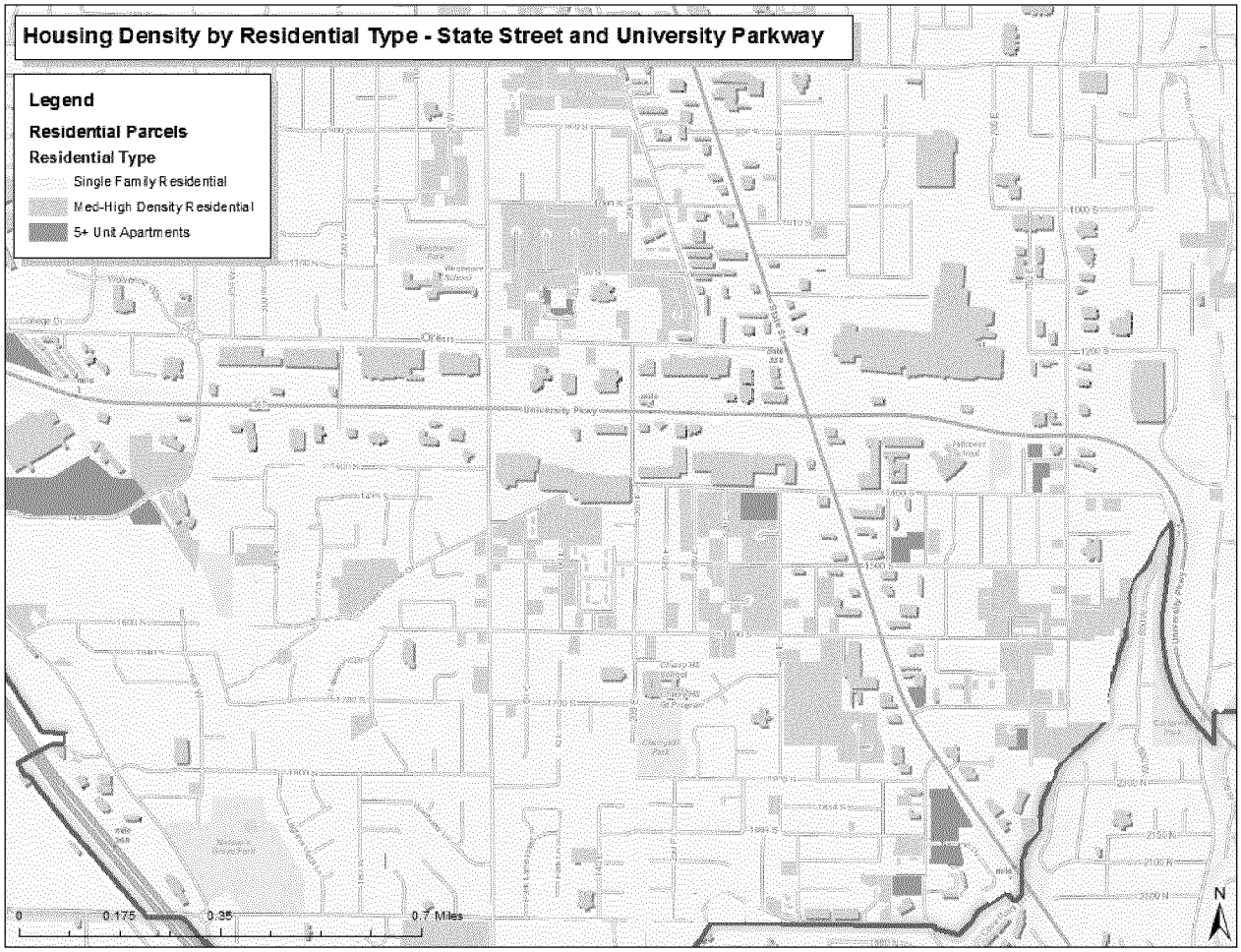
Expanding this vision beyond the University Mall property, this vision expands Orem's "downtown" to include the intersection and nearby neighborhoods to facilitate mid-high rise office and mixed-use development. It also connects the downtown experience into University Parkway shopping and creates connections to Orem Boulevard. In addition to developing office and residential space, this area would also be a prime location for hotels. Orem could currently support more hotel development given the sales leakage in the accommodation category and high-quality accommodation in this district would service the business development.

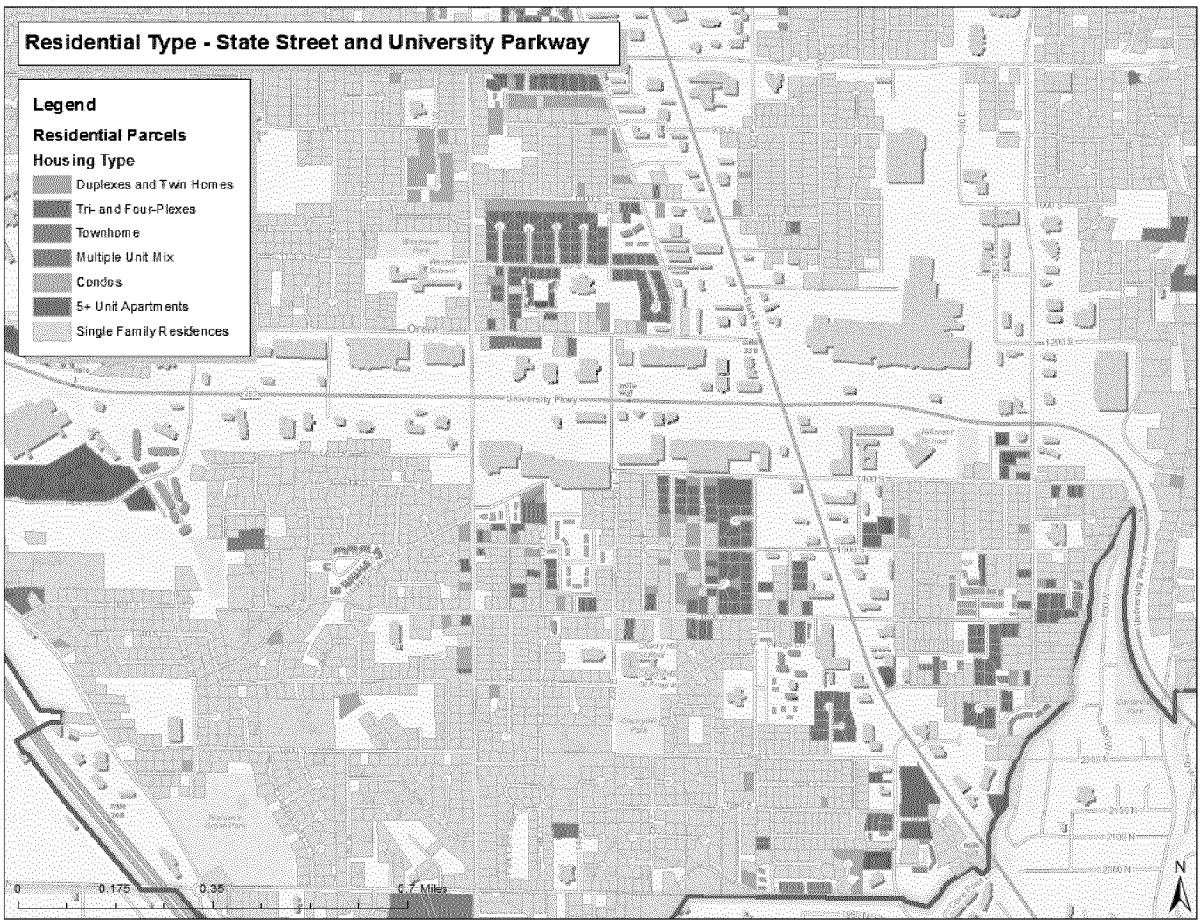


This 3-D study model shows the scale of the proposed new office developments at State Street and University Parkway. Important to this vision is providing transition between large scale development and single-family residential neighborhoods to prevent disruption to residential communities. The buildings modeled in yellow are low-rise buildings used to transition between the larger scale developments and the residential neighborhoods.

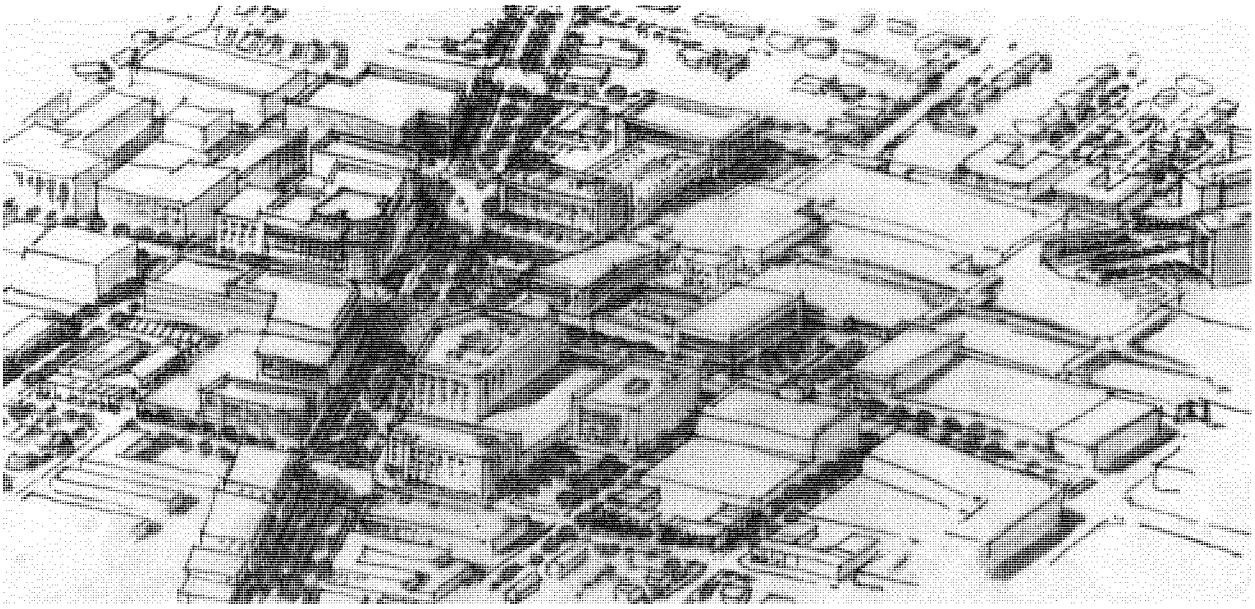


There is already some level of this transition of residential density moving outwards from the commercial areas. This plan continues and improves this pattern.

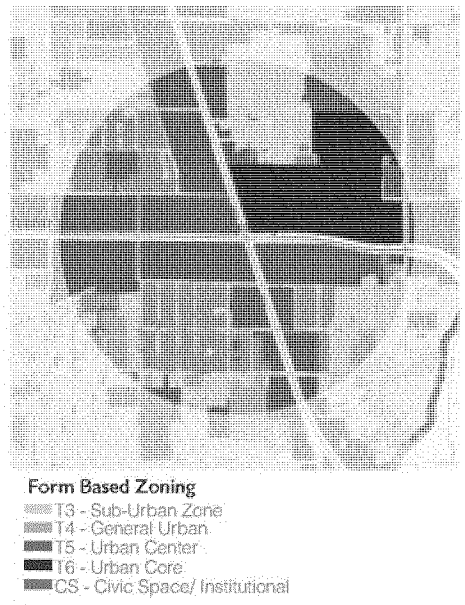


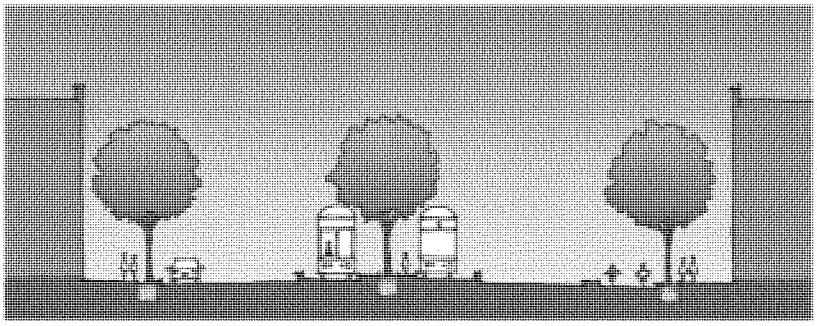


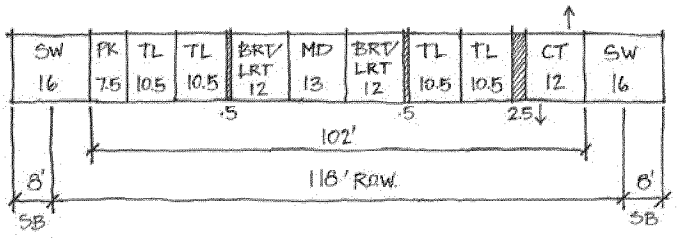
The rendering below illustrates the higher building scale proposed for the intersection of State Street and University Parkway. The Mall occupies the upper right side of the drawing and is the anchor for future development. The building scale steps down as it approaches the surrounding neighborhoods.



In addition to developing attractive buildings at the intersection, University Place will also benefit by integrating transit and pedestrian options, along with landscaping, along University Parkway, State Street and the intersection to make the downtown inviting, give it visual identity, and improve access. Shown in the above rendering and the pictures below, this can be accomplished through Complete Street development and a form-based code.



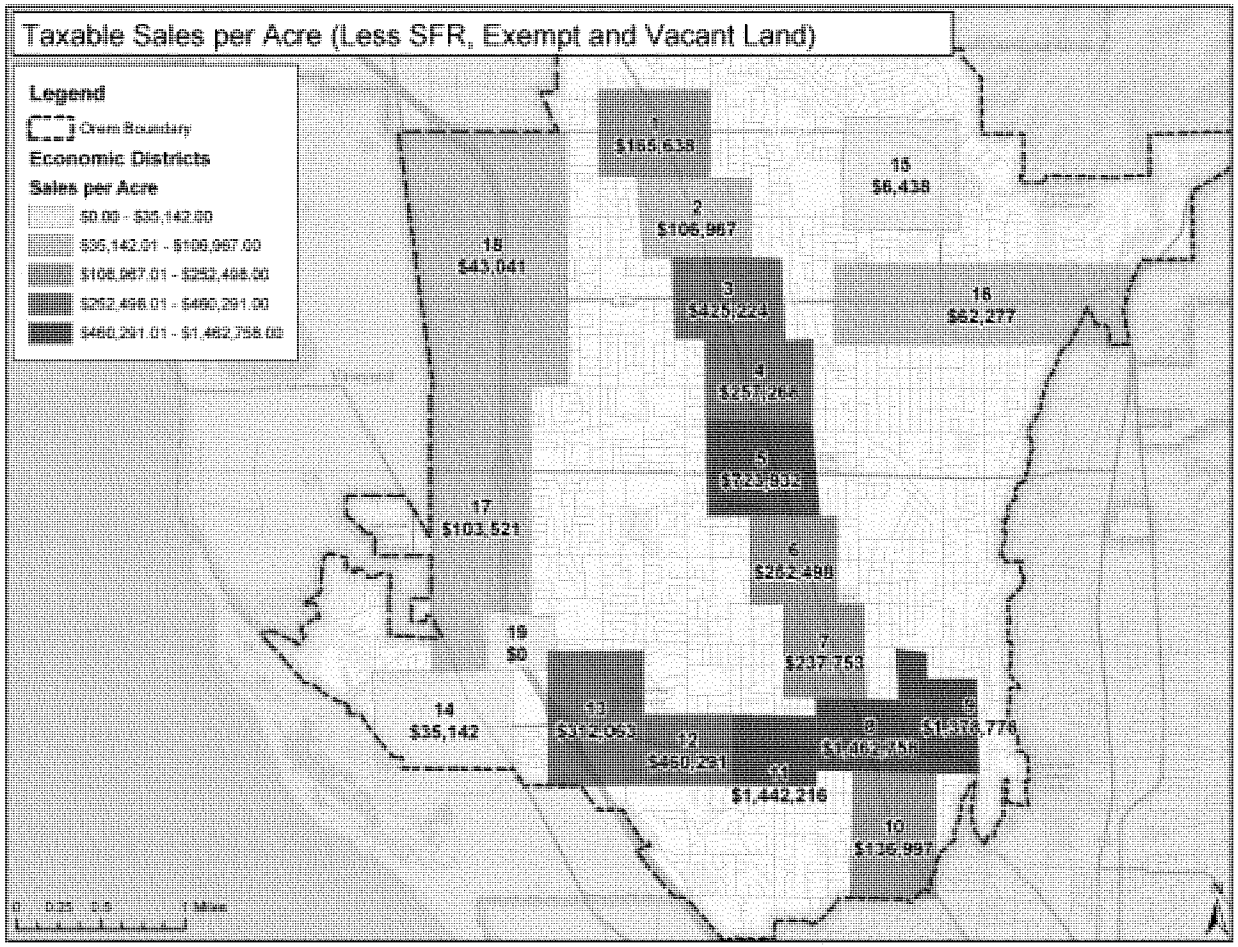




Orem City Center: Center & State, Orem Boulevard

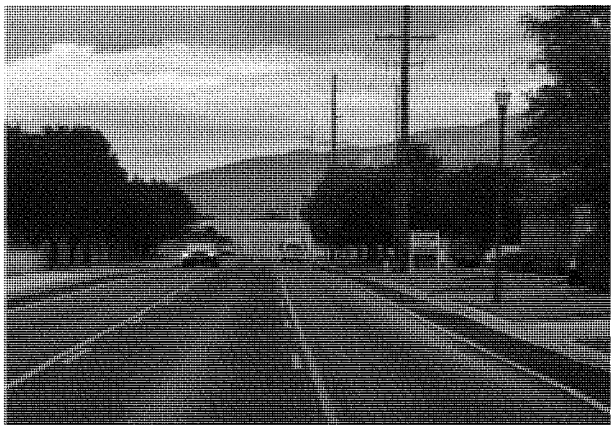
The area in the vicinity of State Street and Center Street is proposed to be reinforced as Orem's civic center. This node currently contains the City Hall, the library, a park, and is located at a centralized location in the City, making it a great potential spot to become the City's "main street" or the civic heart of the City. In addition to civic amenities, there are also three grocery stores in walking distance and the potential to connect Midtown Village (soon to be "360 Place") as a walkable residential community to these amenities. Parallel to State Street is Orem Boulevard, a more residential street with opportunity to better connect to the economic activity along Center and State Streets.

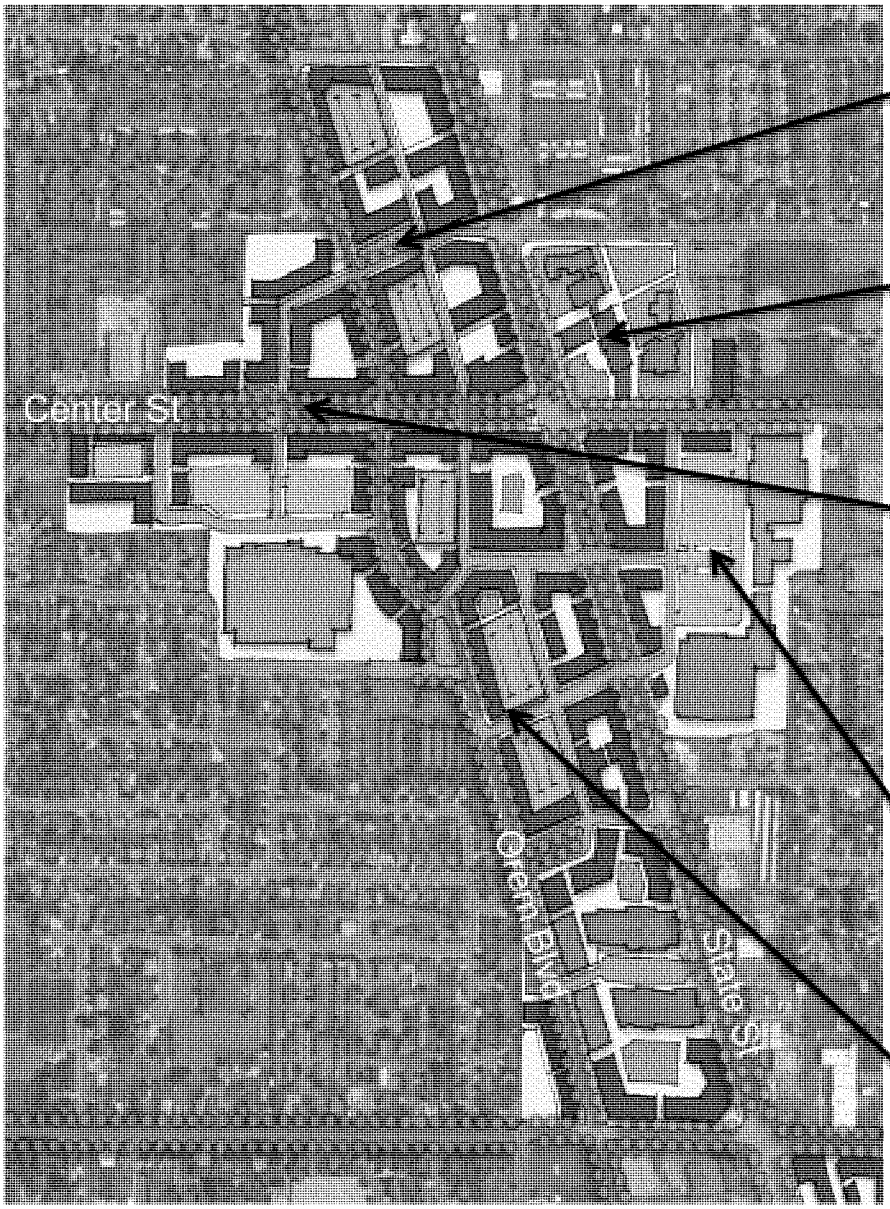
This intersection already has strong sales in the City, with 11 percent of total City sales – the third highest sales of the economic districts in the City behind those at University Mall and University Parkway. These sales are also densely concentrated per acre, making efficient use of the



commercial area it uses compared to other parts of the City.

Center Street has the potential to become Orem's "Main Street" featuring low-rise, mixed-use buildings with professional office space above commercial. Orem Boulevard could be transformed into a more pedestrian-friendly street with a predominance of residential uses. The two existing big box retail stores could also be retrofitted to establish a more urban character.





Provide better connections between State Street and Orem Blvd.

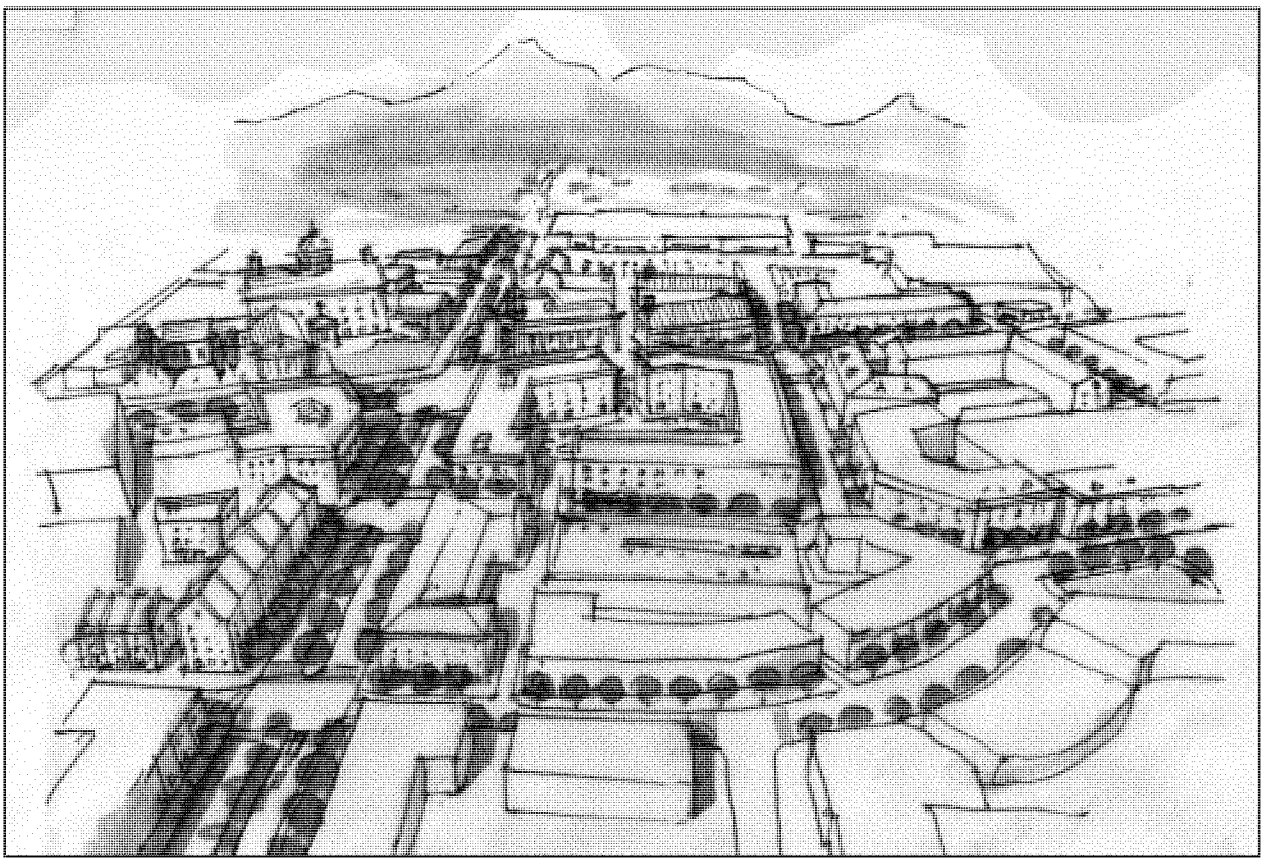
Long Term: Future expansion of the City Hall.

Use Form-based-code to transform 3-4 blocks of Center Street into Orem's "Main Street". Development along Center would include residential and first floor retail.

Retrofit existing shopping centers to have a more urban street frontage while maintaining big box retail.

Transform Orem Boulevard into a pedestrian and bike-friendly corridor lined with residential and neighborhood-serving commercial uses.

This district has the potential to have a visually rich and inviting character as a walkable "main street" in the City. The rendering below looks down Center Street towards an expanded City Hall, welcoming visitors coming from I-15. In contrast to University Place, the scale is low-rise with 2-5 story buildings and a more traditional character.

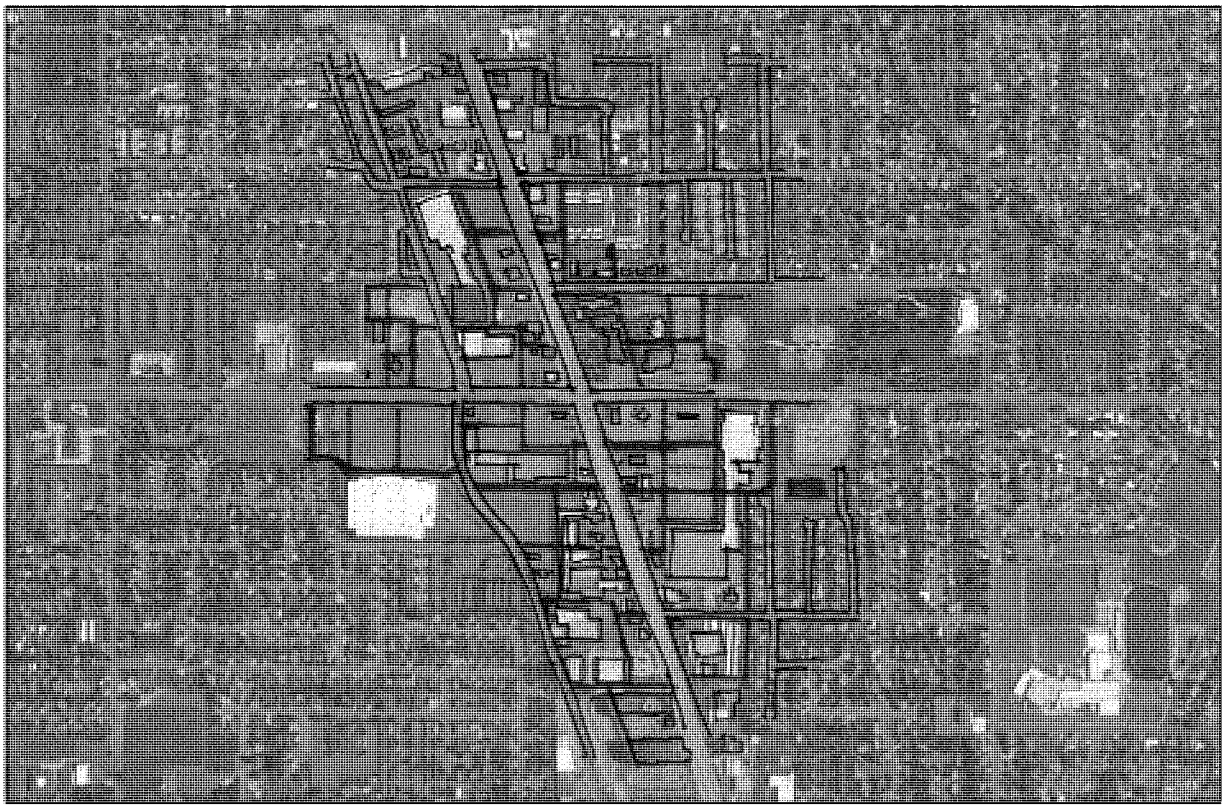


Orem City Center Retrofit - Steps

In order to achieve the vision rendered above, the steps below outline the process to transform the intersection from today's development to a traditional feeling center of the community rich for families and true to Orem's character. This plan allows for densification to connect a walkable area at the intersection, while largely keeping existing development untouched.

Step 1: Examine the neighborhood's existing conditions.
The City Center's commercial areas consist of quarter mile long blocks and approximately 60 percent asphalt for roads and parking.

Step 2: Add new streets where appropriate.
This will reduce block sizes to approximately 300 feet per side, maximizing retail frontage, creating walkability, and establishing additional connections between State Street and Orem Blvd.



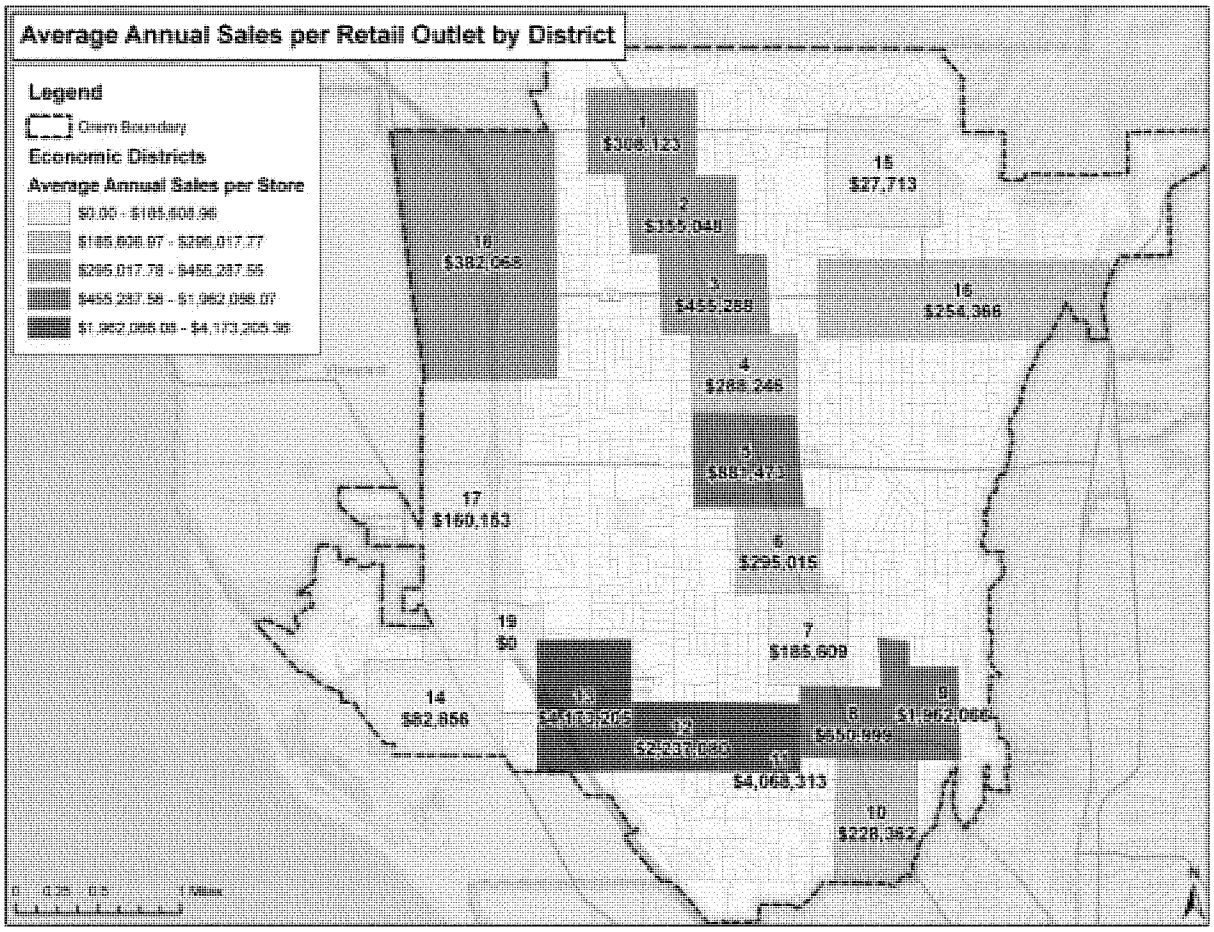
Step 3: Add infill buildings.
Complete the new blocks by adding urban infill, consolidating parking, and creating new public spaces for the surrounding neighborhoods. In this scheme, approximately 95 percent of existing structures remain untouched.

Orem Boulevard

In the University Place Node and the City Center Node visions, in addition to some of the following visions for smaller districts and along State Street, Orem Boulevard plays an important role as a potential corridor for improvement. Running parallel to State Street, Orem Boulevard has the potential to transform into a pedestrian and bike friendly street that serves retail along State Street. The potential to improve housing along this corridor and create a neighborhood feeling would further enhance State Street retail support and access.

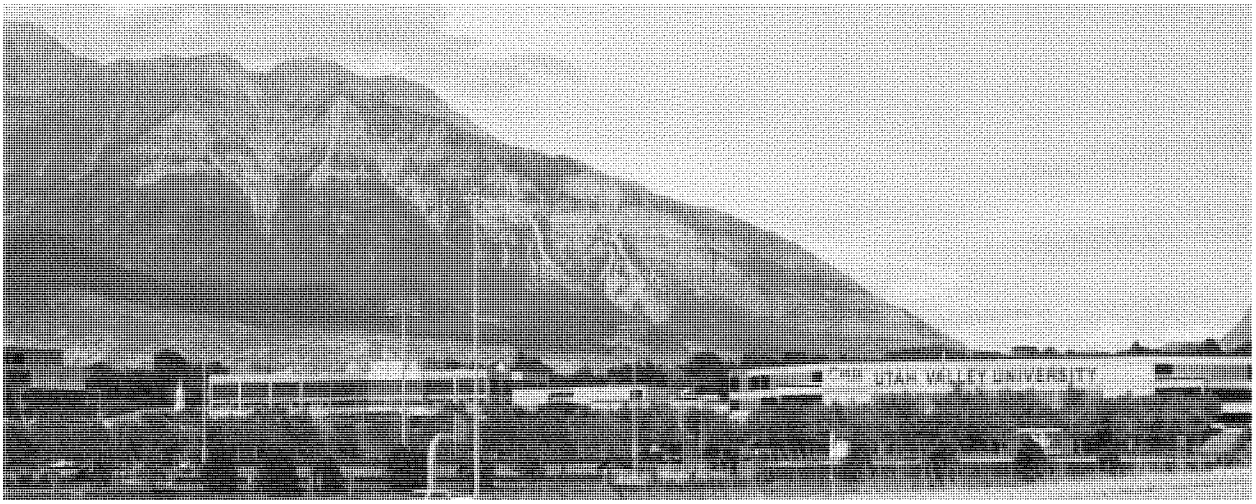
University Parkway ("Golden Mile")

The economic node along University Parkway currently yields great economic results to the City. It is a major route to the mall and BYU from the North, serving as the connection between two major student populations. Compared to State Street, it benefits from major retail outlets, improved access and pleasant landscaping. It has strong sales per acre, has a large portion of all City sales, provides good revenues to the City in both sales and property taxes, and has the strongest sales per store in the City.



Going forward, this corridor has few needs to improve its health, but continued maintenance of appearance and access will ensure its stability for the future.

UVU Campus

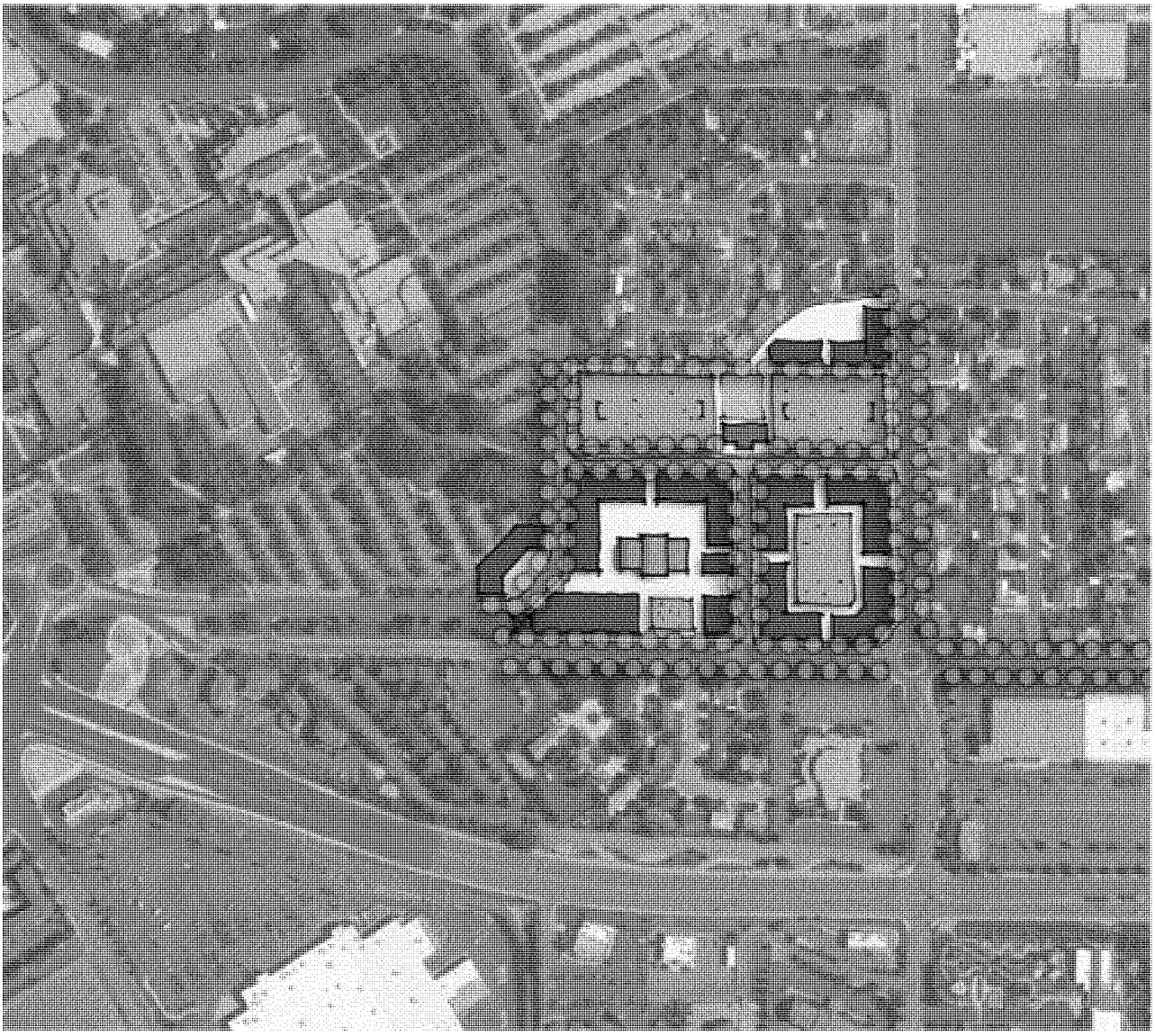


Utah Valley University (UVU) is a great economic asset to the City. It brings students to the region, provides an educated workforce, and the University works with local employers to provide economic resources to the community. However, traditionally UVU has been a commuter campus and its position on I-15 fails to draw commuting students deeper into Orem's community – both economically and socially. The only significant walkable retail available to students in Orem is Walmart and McDonalds on the other side of a busy intersection at the I-15 interchange.

Orem can capitalize on this economic and cultural powerhouse by encouraging development around UVU that keeps students more locally engaged. Shopping and entertainment that appeals to millennials includes options that are green, healthy, artistic and have character. Student-friendly amenities that have these attributes include fast-casual dining, healthy sandwich shops and delis, bakeries, ice-cream, personal care and beauty stores (such as Walgreens or Rite-aid), bookstores, recreation supplies and rentals, and a small-format, specialty grocery store.

One way to bring this type of development near campus is to build a student village with a mixture of housing, retail and recreation amenities. One vision of this would be a "Wolverine Hill" on campus. The plan below illustrates the concept for a proposed student "village" that would accommodate student-oriented commercial space, housing and recreational amenities. This may

or may not be the ideal location for such a proposal, but it illustrates the potential for better integration of UVU with the City of Orem.



Other great efforts to incorporate UVU to the Orem community currently include integrating TOD housing and retail on the opposite side of I-15 through connections to transit and considerations of a pedestrian walkway over the freeway.

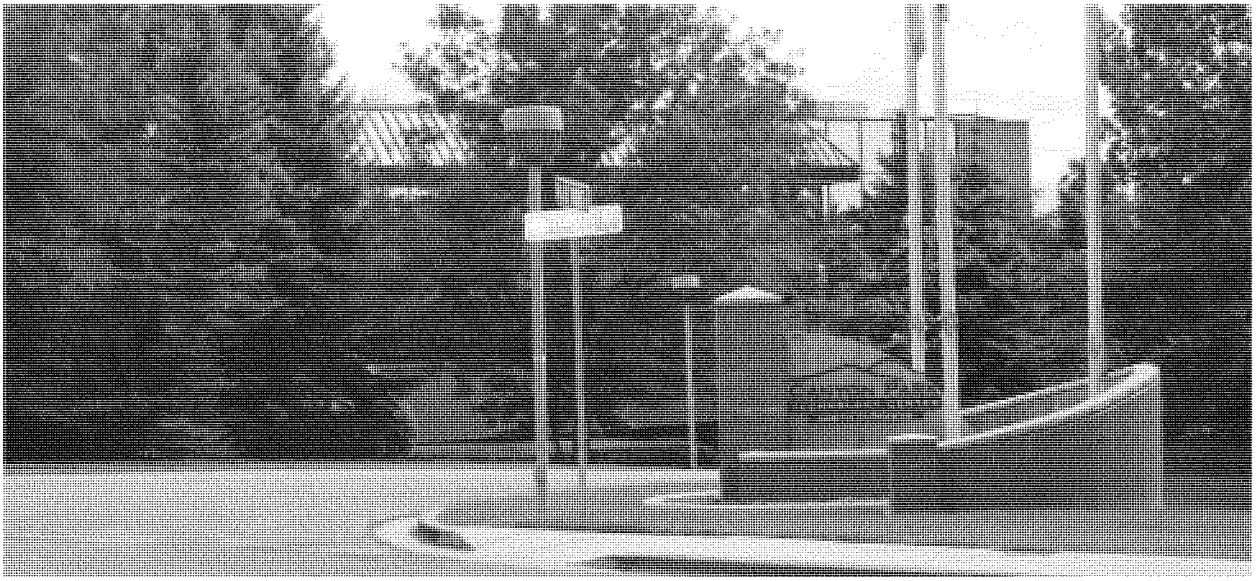
Canyon Park/North Orem

In the northeast portion of the City there is a cluster of high-quality office space, including Canyon Park Technology Center. This cluster of office space provides a good case study to show that strong retail development is not necessary to provide the City strong tax revenues. Of the economic districts studied, this area has very strong tax revenues per acre – fourth highest in the City at $7,059 per acre. However, even though the actual sales tax revenues to the City are strong, the area actually has the lowest taxable sales per acre at $6,438. For comparison, District Eight at University mall brings $9,665 per acre in tax revenues to the City, but only achieves this by having very high taxable sales of nearly $1.5 million per acre and relies on sales tax from these sales.

The Canyon Park region achieves its high revenues through the very stable source of property taxes on its high quality buildings. Additionally, this area provides high-paying jobs in the City and brings revenues without the high burden on City services (such as police) that would increase the expenditures that often accompany retail uses. There is some vacant land in this area that could extend the office space and business parks in the area to meet the demand for office space in Orem, and provide more space to retain start-ups in the City.

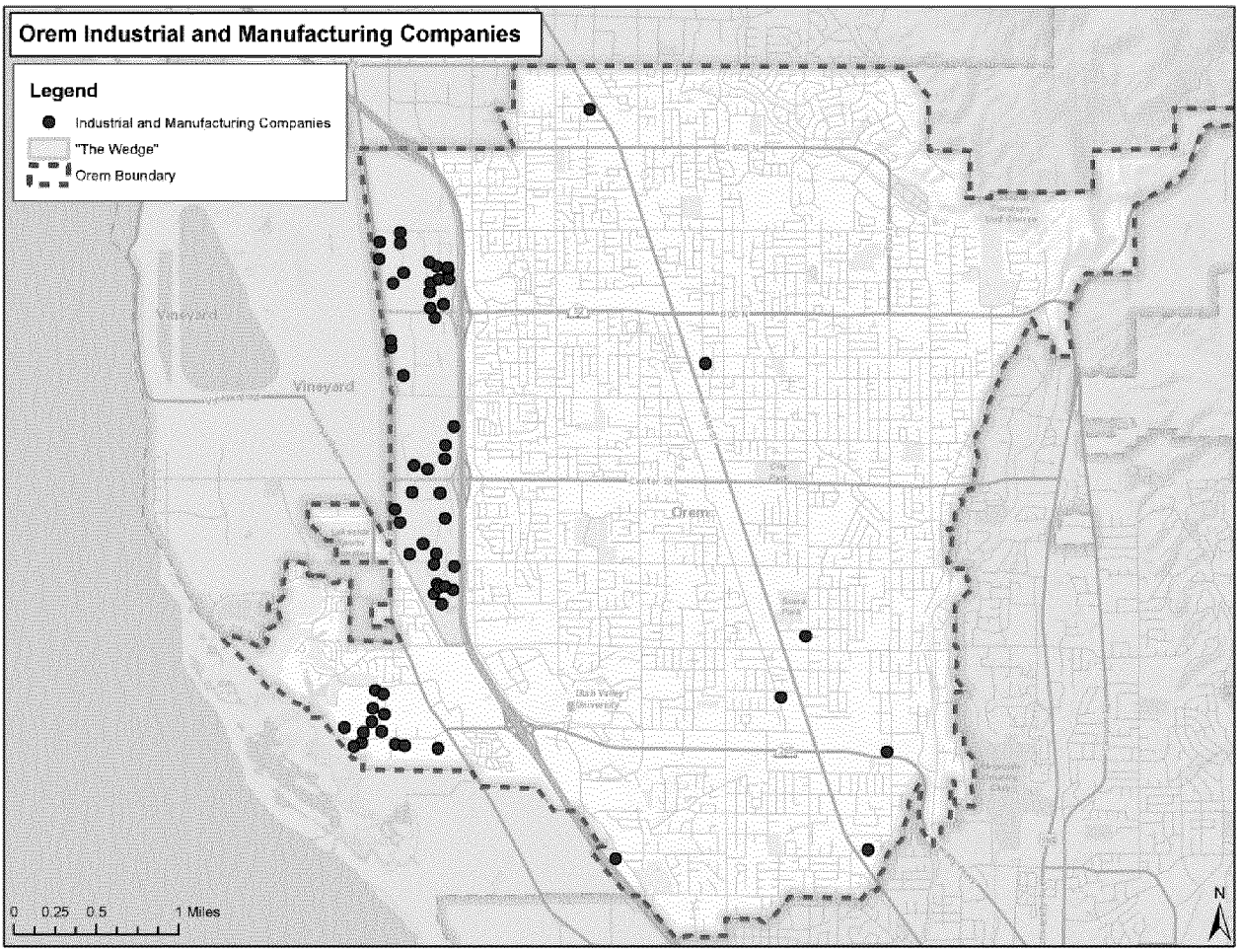
The jobs provided in this node come as a result of the area being a strong business incubator. It is home to technology start-ups and small businesses looking to grow rapidly. Examples include businesses such as Doba, Mozenda, Propay, Fishbowl Inventory, Advanced Learning Systems, and Unicity. The business park is successful as an incubator space because it has low rental rates, shared space and clustering of technology businesses.

Canyon Park has a mix of Class A and Class B office space. It has the flexibility to create Class A build-outs per tenant requirements. In addition to hosting start-up s and incubator businesses, the park is also home to large established companies with hundreds of employees, including Wayfair.com, Bluehost, Vivint Solar, and Convergys. As University Place grows with Class-A office space, additional growing businesses from this district could also easily transition to the office space in "downtown" Orem as they grow and thrive and stay in the City.

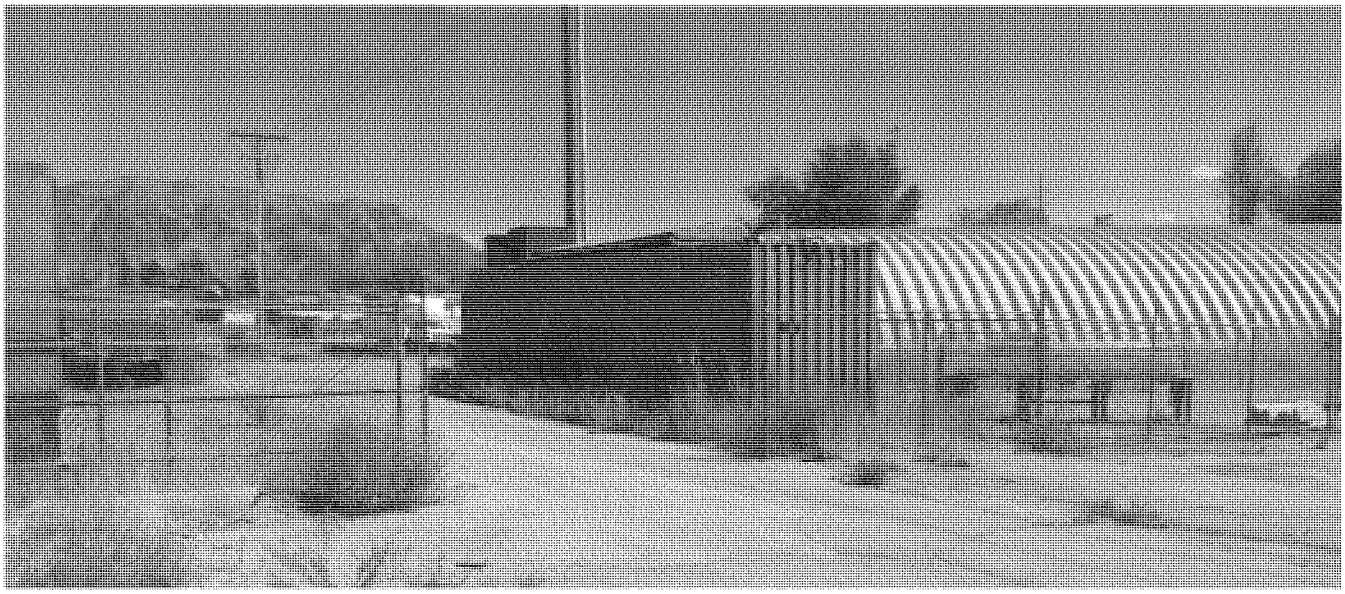


"The Wedge"

"The Wedge" is an underdeveloped area between I-15 and Geneva Road, with primarily industrial and manufacturing uses. The map below shows that of the City's industrial and manufacturing companies, most are clustered in this area between the freeway and Geneva Road. However, this node has many qualities that make it desirable for higher uses in office and retail development. In order to maximize its economic potential, the area needs to be a subject of further planning efforts.



This area has many qualities that could make it desirable and suitable for Class A and B Corporate offices – something Orem is in great need of to stay competitive and retain start-ups. It has high visibility along the I-15 corridor, with multiple interchange accesses at 1600 N, 800 N, Center Street and University Parkway. With the right development conditions, this area could be a business center to compete with Lehi buildings at the Point of the Mountain. The area is also ideal for incubator sites within the interior. In addition to providing employment opportunities, office development would provide the City a strong source of revenues from property taxes to ensure stability to offset the uncertainty in sales tax revenues.



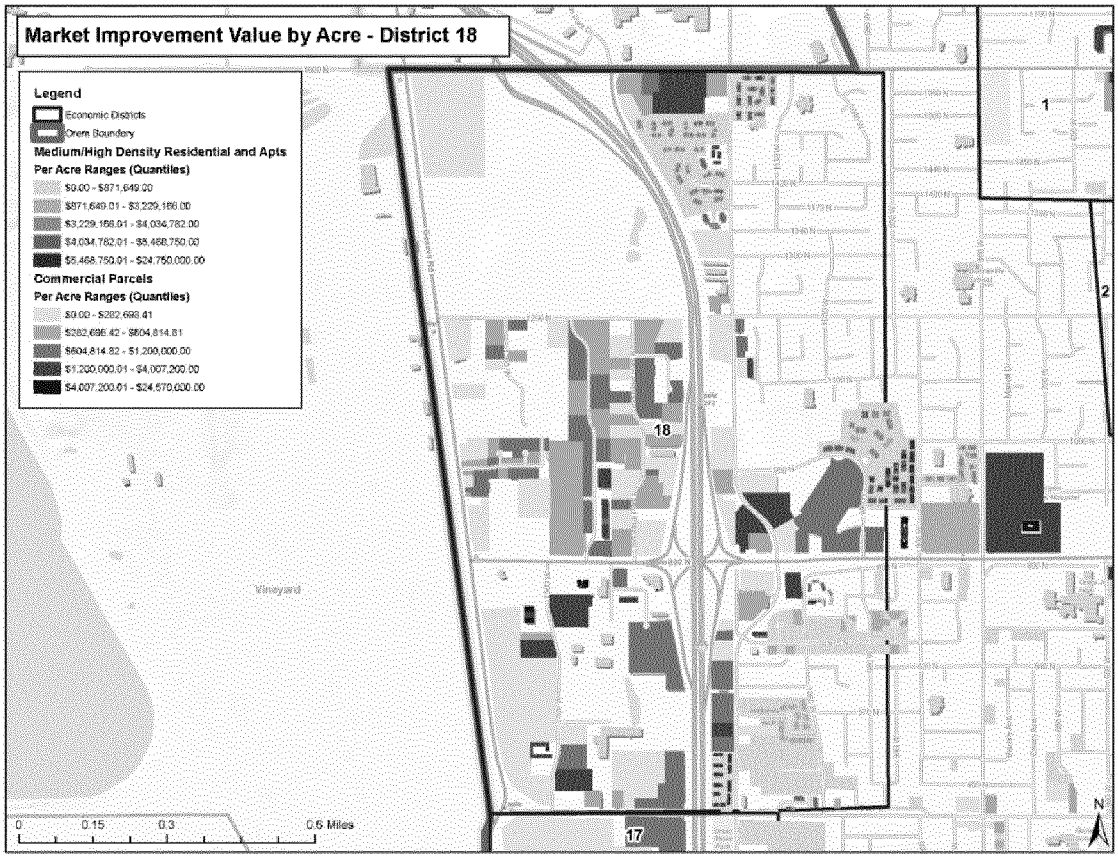
The most important aspect to this district's long-term plan is its proximity and access to future development at Vineyard. Planned development in Vineyard is significant with a projected 7,500 residential units (about 20,000+ population) with access to I-15 only through "The Wedge." Orem can strategically build retail at interchanges to serve this population growth, as well as current traffic and Orem residents exiting along I-15.

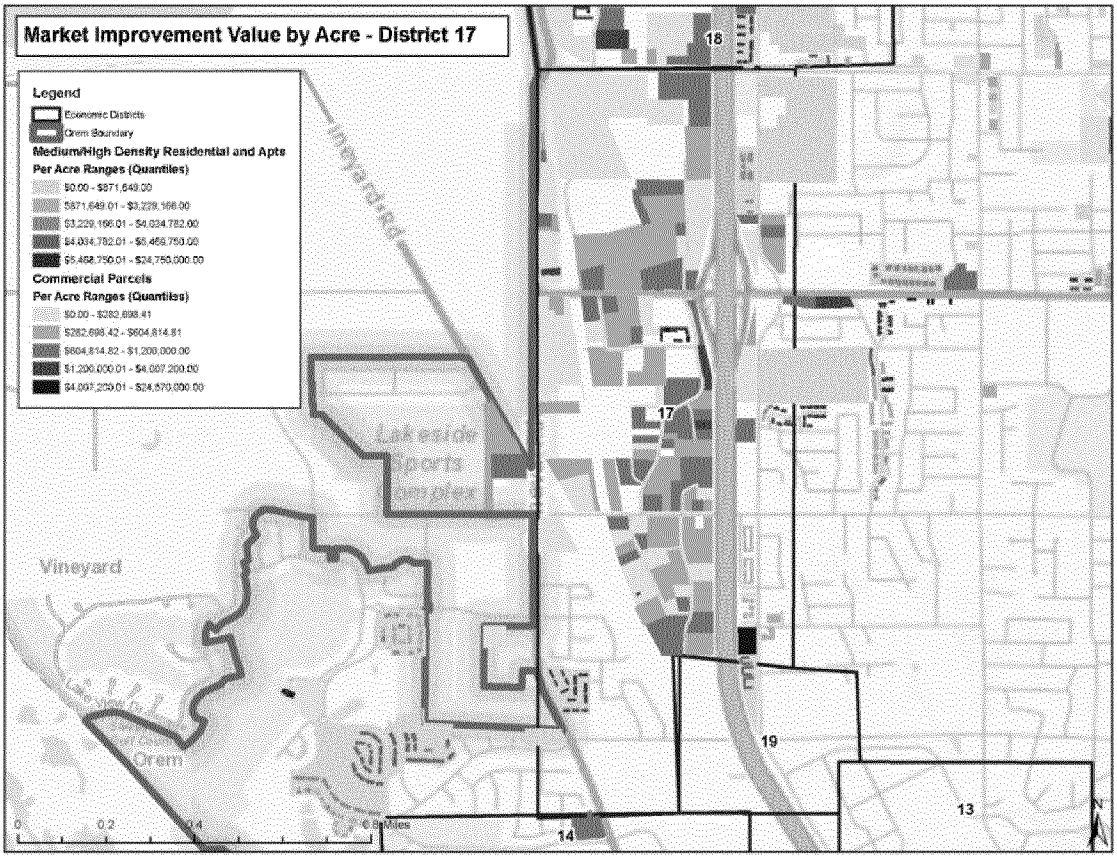
One example is to build a grocery store and supportive retail at an interchange. Grocery stores are generally needed for each 10,000 new residents, meaning there is projected buying power for two grocery stores to capture sales from the new Vineyard development and Orem residents on the West side. In addition to capturing this new development, grocery stores are already thin on this side of Orem. Capturing these opportunities early is important before they are lost to Vineyard.

Table 52: Improvement Value per Acre

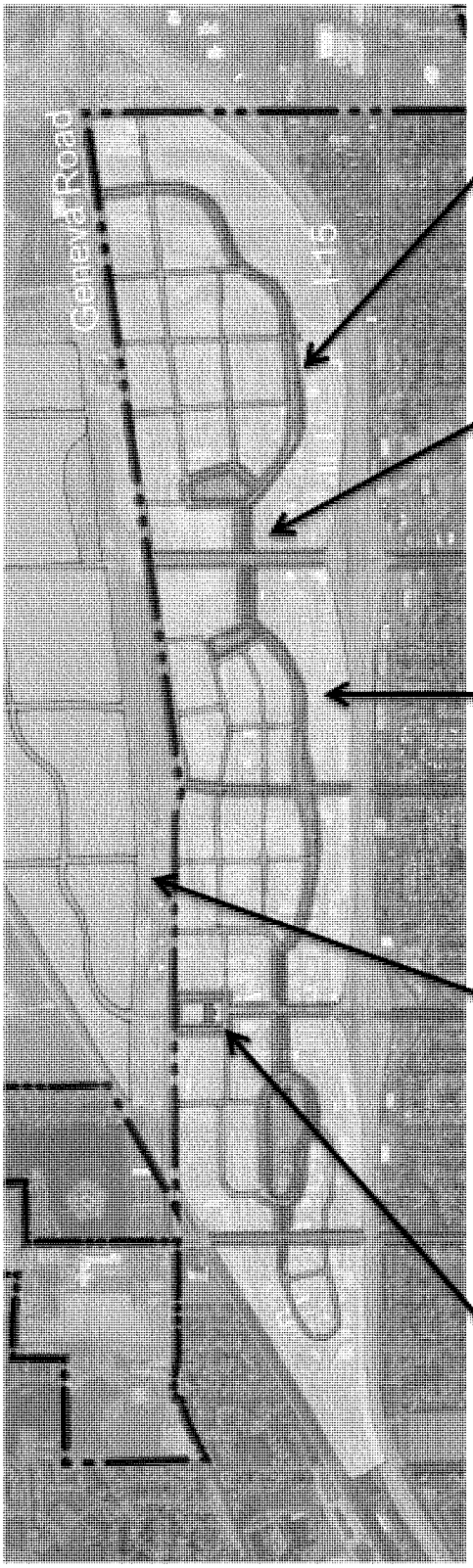
District	Commercial Improvement Value per Acre
19	$0
11	$465,637
17	$475,720
3	$485,669
18	$532,526
13	$548,080
2	$587,127
4	$588,675
5	$595,298
1	$597,137
6	$661,298
10	$667,138
12	$716,156
9	$747,128
7	$764,119
8	$765,473
16	$829,754
14	$911,490
15	$3,865,810

To achieve this long-term vision, first steps would include creating redevelopment areas (RDAs, EDAs or CDAs) in the area. There are currently none in "The Wedge" and these could spur properties to development through economic incentives. These redevelopment areas can focus on priority areas with especially low improvement values. Low improvement values lend to redevelopment as shown in the table where areas 17 and 18 (the analysis districts that make up "The Wedge") have among the lowest commercial improvement values per acre in the City. There are also small pockets of vacant land to capitalize upon. Shifting development from current industrial uses could be challenging due to highly fragmented ownership. The two maps below show improvement values in areas 17 and 18.


Market Improvement Value by Acre - District 18
Legend
Economic Districts
Orem Boundary
Medium/High Density Residential and Apts
Per Acre Ranges (Quantiles)
$0.00 - $871,649.00
$871,649.01 - $3,229,166.00
$3,229,166.01 - $4,034,782.00
$4,034,782.01 - $5,468,750.00
$5,468,750.01 - $24,750,000.00
Commercial Parcels
Per Acre Ranges (Quantiles)
$0.00 - $282,698.41
$282,698.42 - $604,814.81
$604,814.82 - $1,200,000.00
$1,200,000.01 - $4,007,200.00
$4,007,200.01 - $24,570,000.00
1
2
18
17
Vineyard
0
0.15
0.3
0.6 Miles
N


Market Improvement Value by Acre - District 17
Legend
Economic Districts
Orem Boundary
Medium/High Density Residential and Apts
Per Acre Ranges (Quantiles)
$0.00 - $871,649.00
$871,649.01 - $3,229,166.00
$3,229,166.01 - $4,034,782.00
$4,034,782.01 - $5,468,750.00
$5,468,750.01 - $24,750,000.00
Commercial Parcels
Per Acre Ranges (Quantiles)
$0.00 - $282,698.41
$282,698.42 - $604,814.81
$604,814.82 - $1,200,000.00
$1,200,000.01 - $4,007,200.00
$4,007,200.01 - $24,570,000.00
18
17
19
13
14
Vineyard
Orem
0
0.2
0.4
0.8 Miles
N

Incubator and start-up offices and workspaces are envisioned for the interior of the site. A well-planned system of streets and open spaces would catalyze new development. The plan below shows a general long-term vision for this area to encourage high-quality growth.



A well-planned system of streets and open spaces catalyzes development.

Create commercial uses at interchanges.

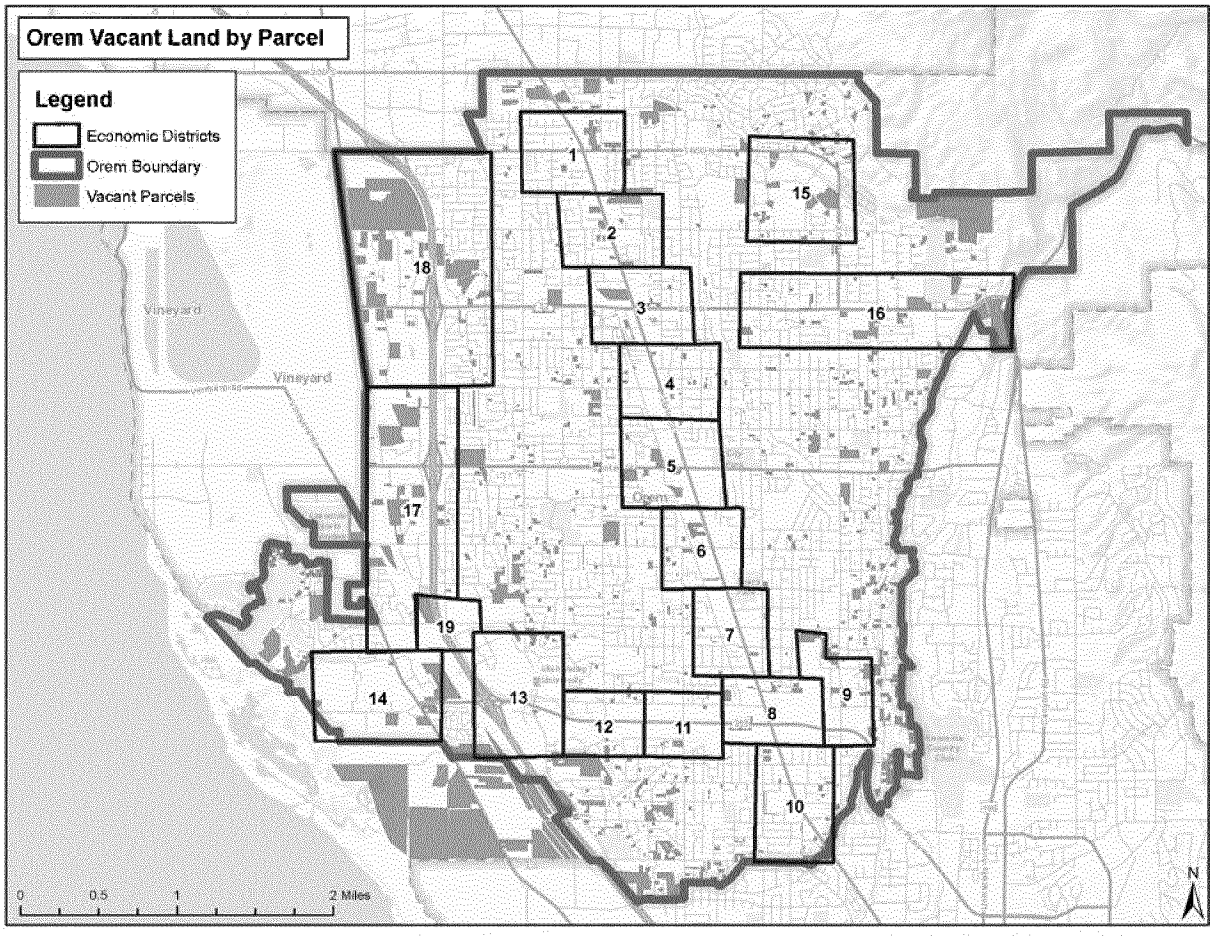
Potential "high visibility" Class 'A' office sites along I-15.

Include an alternative or parallel route for commuter/light rail along Geneva Road to provide access to workplaces.

A proposed civic building at the western terminus of Center Street can act as formal gateway to Orem. This building and green space anchors the west end of the City as a gathering place and incentivizes housing and office development.

SW Annexation Area

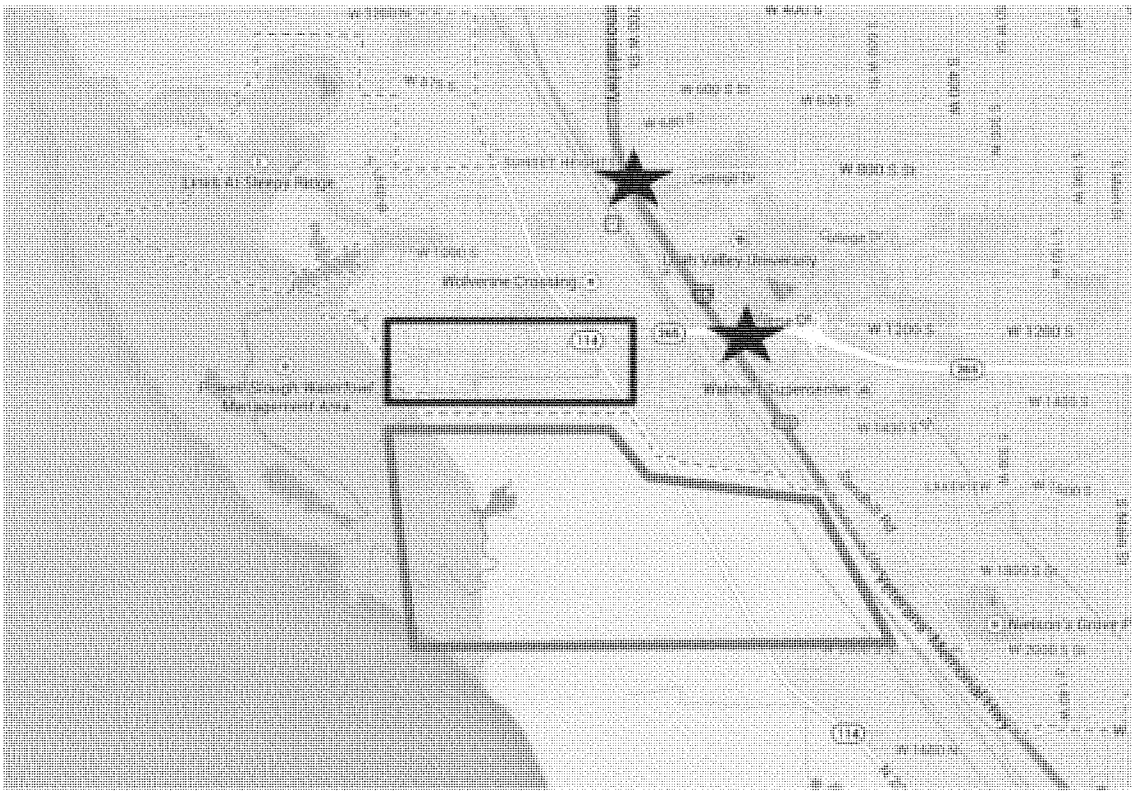
One of the few areas with significant vacant land in the City isn't within Orem yet. An area to the southwest near Utah Lake is planned for annexation, with significant developer interest. The area currently proposed for annexation consists of 228 acres, but there is a total of 784 acres in the general unincorporated area extending to the lake.



Current development interest is primarily focused on bringing high-density residential to this vacant land, but there may be better uses economically for the City to pursue based on the location and surrounding land uses. The City's strongest manufacturing and light-industrial, including companies like BlendTec, are located in District 14 (see map above). Given that this area of vacant land to be annexed is near this cluster of strong industrial businesses, it would be a natural extension to further strengthen the City's advanced manufacturing and job offerings. Without this use, there are no other areas in the City available with the open land needed for business park development. There is very close access to I-15, although there may be some traffic flow issues discussed below. The location is also offset from residential uses and buffered by the freeway to keep any industrial interruptions or annoyances away from neighborhoods.

Further, as the City is interested in strengthening the placemaking and economic support within the central part of the City, especially along State Street, any development of higher density housing should be focused on the other districts discussed in this study. For example, demand for high-density housing should be filled by building up the City's downtown at University Place, or improving and creating a walkable residential area around the City's civic center at Center Street. Building high-density housing in this location pulls population growth away from the City's commercial center.

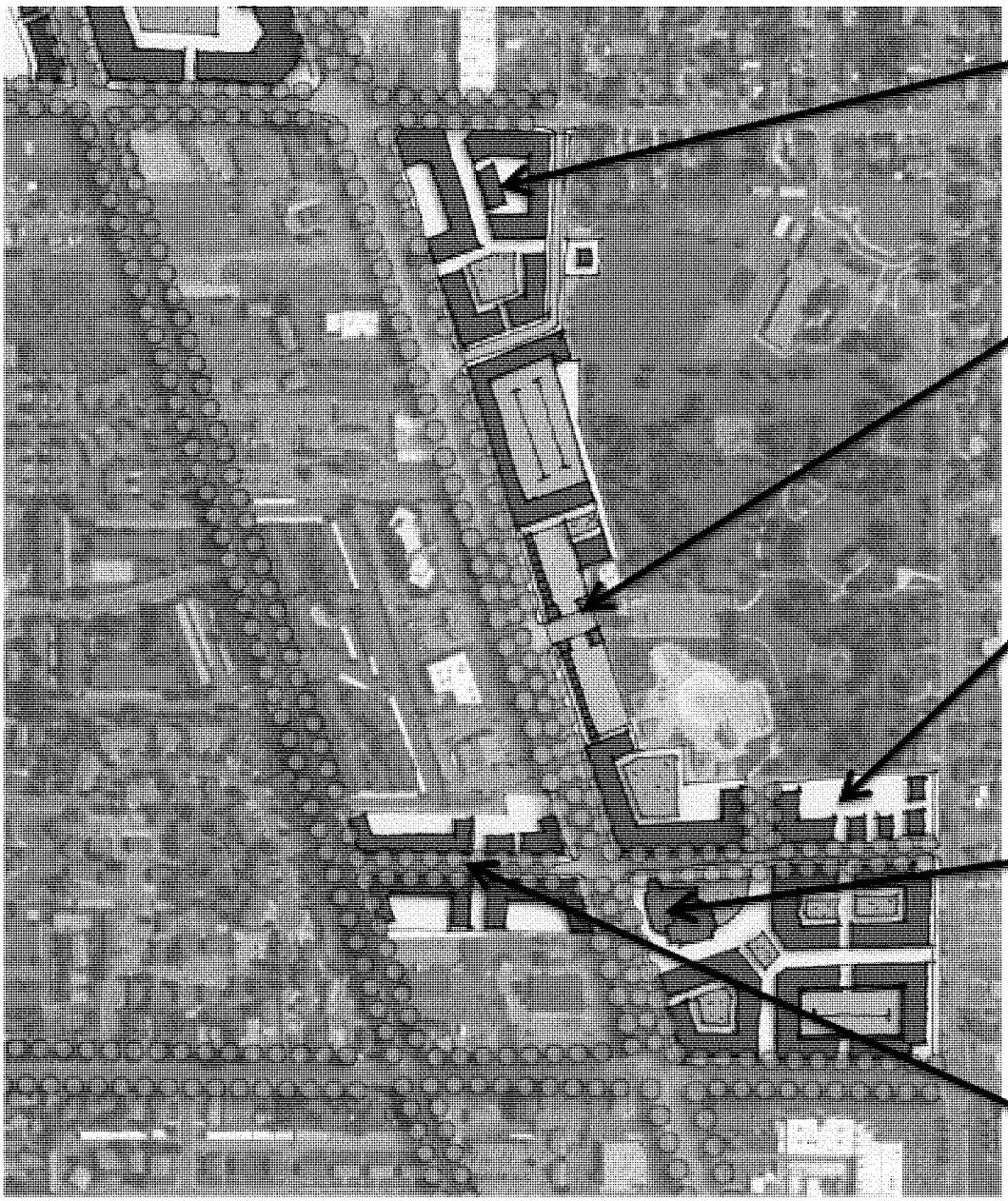
There have been concerns about infrastructure limitations at this site for industrial or manufacturing uses; however, some of those may be addressed or offset by current transportation plans. The main concern is that the primary off-ramp from I-15 for this area is at University Parkway. This very busy interchange is not currently ideal for large trucks, especially going west to this proposed annexation area due to high traffic volumes and configurations that primarily serve cars going east. This has been noted for businesses currently in this area in the City. However, there are plans to build an HOV off-ramp north of this exit at 800 South. The map below shows the annexation area in blue, next to current industrial in red, with the current and proposed interchanges starred. This addition could significantly lower traffic volumes on University Parkway and ease access at that interchange.



Another planned addition to the area could be of significant benefit to the area for industrial or manufacturing uses – a north/south road directly to the Provo airport. The Provo airport is growing and direct access to freight shipping could be a significant benefit to a manufacturing or industrial business depending on the product.

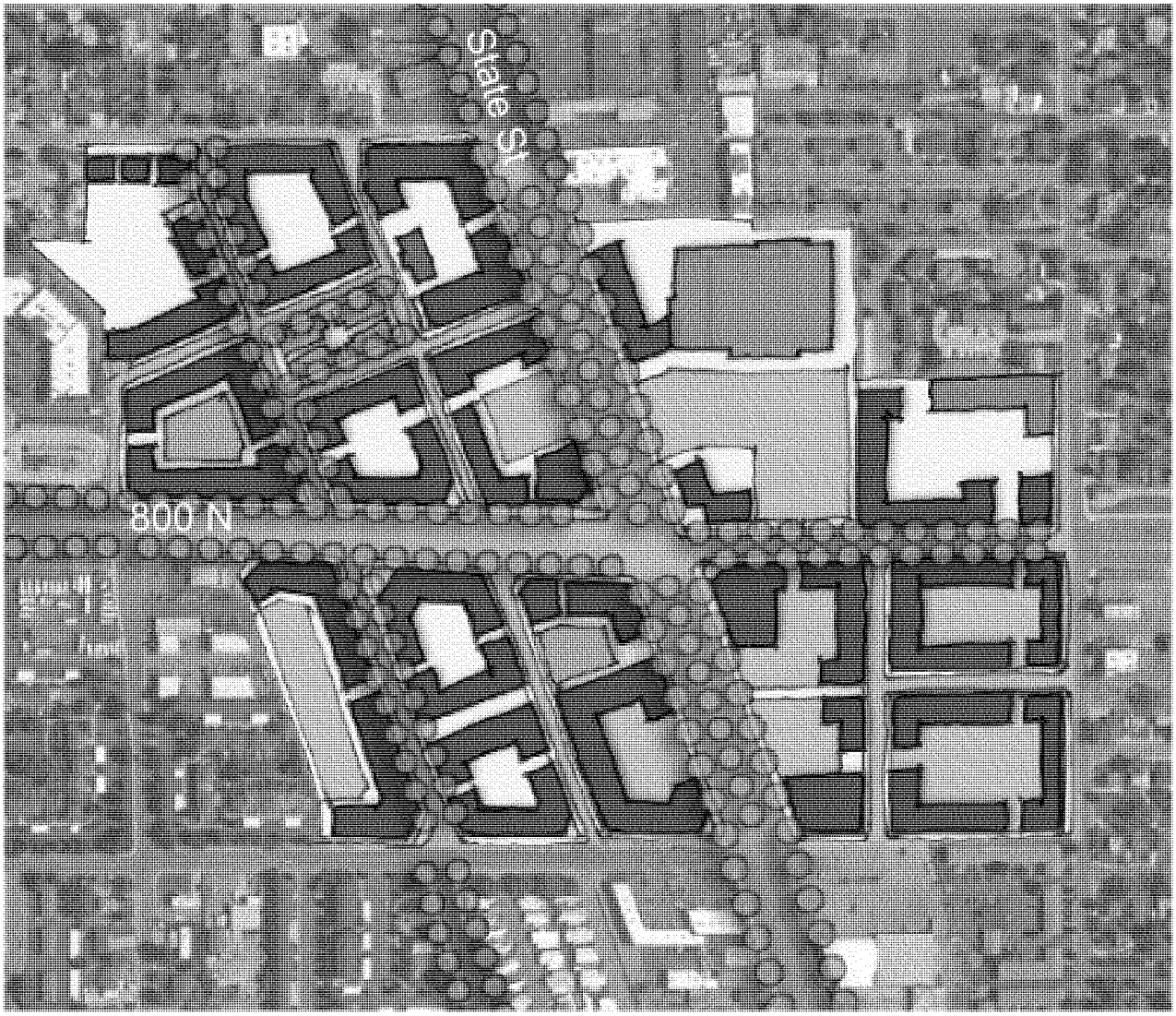
SCERA Arts Node

The SCERA Park Arts Node, featuring a recreational park, amphitheater, and adjacent Arts Center, is an important civic amenity for Orem. While not a source of City revenues, this area is vital to the City's character and draw in the region. The plan below shows a vision of an expanded arts village centered on the Arts Center building. The Arts Node can function as a catalyst for new development, including senior and family housing. Further, this new development can be used to better integrate the park with State Street and the surrounding neighborhoods and create a more attractive street.



State and 800 N

The node in the vicinity of State Street and 800 N is envisioned to be a low-rise residential and commercial center. The plan shows new housing clustered around a public green on a currently vacant parcel, with new pedestrian and vehicular connections between Orem Boulevard and State Street.



State and 400 N

The area around the intersection at State Street and 400 N is envisioned to be a residential neighborhood center with commercial uses anchoring the corners at State Street. Housing, possibly senior housing, would work well along Orem Boulevard to continue a walkable housing neighborhood along the street.

Implementation and Action Plan

Based on the major findings of this study and the recognition of strengths, weaknesses and opportunities, the following goals and action items are key to building on Orem's strengths and to address weaknesses in economic development.

Table 53: Action Plan and Implementation Priorities

GOAL	STRATEGY	TIMEFRAME	FUNDING/ACTION
1. Increase the sustainability of the City's tax base through increased property values	Pursue Class A office development at University Place; assist with incentives as required to gain height, a City skyline and sense of a "downtown"	1-10 Years	Adjust zoning to allow for greater building heights in key economic areas, such as University Place. Pursue CDA funding for Class A office and top quality (i.e., high property value) business park development.
	Encourage business park development at southwest annexation area	1-5 Years	Complete annexation process for southwest area. Ensure utilities are in place in this area through impact fees, developer contributions and potentially a CDA
2. Establish Orem as the employment hub of Utah County	Concentrate Class A development in the University Place downtown area in order to create a synergistic effect from clustered office development and a sophisticated urban office campus atmosphere, in conjunction with the retail at the site	1-10 Years	Adjust zoning to allow for greater building heights. Pursue greater public transit options to and from University Place. Pursue CDA funding for Class A office.
	Proactively contact startup businesses and major employers in the area to determine their interest in relocating "downtown" if and when they need expanded space	1-2 Years	Conduct one-on-one meetings with existing, expanding businesses. Provide quarterly "business breakfast" meetings and updates to local business owners to build a sense of community
	Work with EDCUtah to recruit technology companies to Orem; local incentives, such as a CDA, will be required if State EDTIF funds are used	1 Year	Meet with EDCUtah's representative, Ross Fotheringham, on a regular basis to assess opportunities
	Develop a City policy regarding the use of economic incentives	1 Year	City staff to review policies from other communities and devise a policy for Orem. Policy should be coordinated with County and Alpine School District.
3. Improve the visual and physical appearance of State Street	Establish a revolving low-interest loan fund for façade renovations and exterior improvements for properties located on State Street	1-10 years	General Fund revenues could be used to establish a fund; if in a CDA area, then tax increment monies could capitalize the fund.

GOAL	STRATEGY	TIMEFRAME	FUNDING/ACTION
	Increase the connectivity with Orem Blvd., through street connections that make places of a walkable scale – especially near Center Street	5-10 Years	Hire a planning firm to develop small area master plans for key areas in the City. Estimated cost: $50,000 - $70,000. Center Street should be a priority. Work with MAG to provide planning funds just as WFRC does.
	Retrofit the exteriors of shopping centers to have a more urban street frontage	1-20 Years	General Fund revenues could be used to establish a revolving loan fund; if in a CDA area, then tax increment monies could capitalize the fund.
	Make streetscape improvements to State Street	1-10 Years	B & C Road Funds Special Assessment Area
4. Create a Civic Center at Center Street	Develop a form-based code to transform 3-4 blocks of Center Street into a walkable Main Street	5-10 Years	Hire a planning consultant to develop a form-based code.
	Retrofit exteriors of big box stores to keep sales tax base from large-scale retail, yet bring a more urban environment to the area	5-10 Years	General Fund revenues could be used to establish a revolving loan fund; if in a CDA area, then tax increment monies could capitalize the fund.
	Prioritize and focus initial incentives and City assistance at key economic nodes along the State Street Corridor in order to obtain a "cluster" of improvements that will spur further improvements	1-20 Years	Strategically create CDA areas to clean up blight and make improvements along State Street Use CDA increment to promote development at key sites. Work with the City's Public Works Department to prioritize and focus improvements at key economic nodes.
5. Redevelop and increase the viability of the Geneva Road "Wedge" area of Orem	Pursue light rail alignment along Geneva Road rather than through the interior of Vineyard	1-2 Years	Lobby UTA to align light rail along Geneva Road; demonstrate that it is a key focus of the City's Economic Plan.
	Promote retail development on the east side of Geneva Road, neighborhood scale, such as a grocery store to draw from the increased buying power of the @Geneva development	3-5 Years	Contact grocery stores that do business in Utah to determine "what it would take" to locate on Geneva Road Provide necessary public infrastructure Increase code enforcement along Geneva Road Assist in the aggregation of properties at key sites along Geneva Road
	Promote office and retail development at the I-15 interchanges where visibility is high and access is good	5-10 Years	Assist in the aggregation of properties at the I-15 interchanges; contact existing property owners. Work closely with brokers, such as Commerce, to identify and contact potential tenants for these sites.

GOAL	STRATEGY	TIMEFRAME	FUNDING/ACTION
6. Develop a new and progressive image for Orem based on the mission statement developed as part of this study	Increase the reputation and image of Orem City through a new and vibrant marketing strategy.	1-2 years	Hire a marketing firm, such as Penna Powers, to prepare a marketing plan for the City
7. Increase cultural and arts activity in the City	Encourage development of a variety of cultural activities in the SCERA district, thereby creating an arts and entertainment district for the City; advertise the area as the City's "Arts District"	2-5 Years	Contact existing arts and entertainment organizations (i.e., Flowrider in Ogden, art galleries in Salt Lake who could have a second store in Orem, etc.)
	Add senior housing in the arts district, as well as higher-density housing to increase vitality in this district	5-10 Years	Adjust zoning to allow for increased residential densities
8. Increase connectivity with Utah Valley University	Develop small-scale, walkable retail near UVU with a distinct sense of place – such as "Wolverine Hill"	2-5 Years	Hire a planning consultant to develop a small area master plan for this area; work with MAG to provide planning funds just as WFRC does. Work with UVU to integrate campus with City and retail
9. Maintain supremacy as the regional retail hub of Utah County	Pursue "one-of-a-kind: retail destinations, or highly popular retail outlets, such as Trader Joe's or Field & Stream that will set Orem apart and add to the City's image as "the place to be"	1-5 Years	Work closely with brokers such as Commerce to keep current on retail trends Attend ICSC and bring marketing materials
10. Recapture lost sales tax leakage in the accommodations category	Pursue development of a hotel either near UVU or at University Place	1-2 Years	Work with a hotel consultant, such as Bob Benton of Boulder, CO (compiles the Rocky Mtn Lodging Report) to pursue hotel development
11. Develop and strengthen key economic nodes along State Street	Allow for higher-density housing and taller buildings at key intersections – Center Street, 800 North, etc., in order to create a destination	1-20 Years	Strategically create CDA areas to clean up blight and make improvements along State Street Use CDA increment to promote development at key sites. Work with the City's Public Works Department to prioritize and focus improvements at key economic nodes.
12. Proactively pursue transit development and alignment to benefit the City	Work with UTA, UDOT, and MAG to ensure Orem is a strong voice in decisions regarding transit planning and alignment. Stay competitive with Vineyard in providing transit within the City along economic nodes.	1-5 Years	Create CDAs at key sites to encourage TOD

Priorities

Priorities for economic development often change as opportunities arise. For example, if a developer is willing and ready to move, that project may move up the list in terms of importance. If UTA is making plans to move forward in the near term with transit, then the City needs to work with them to ensure that Orem's best interests are met.

However, given current conditions, the consultants feel that the greatest priority for Orem, at this time, is to increase its property tax base through increasing office and business park development in the City. Therefore, goals #1 and #2 above should receive the most attention, as well as financial and staff resources. It is important for the City to reduce its volatility in general fund revenues due to its heavy reliance on sales taxes. This can be done through increasing the property tax base of the City. Property taxes see the greatest increase through top-quality office and business park development with high building and personal property values. This type of development also requires less from City services than does residential or retail development, thereby providing the City with more financial resources.

The next priority should be to maintain supremacy as the regional retail hub of the County. Retail sales are vital to Orem and the City needs to stay abreast of retail trends in order to maintain its position as the center of shopping activity. This priority is reflected in Goal #9 above. Retail activity should be combined with increased entertainment options in order to create an image of Orem as the "happening place to be." This combination will also work well with the large student population in Orem and Provo.

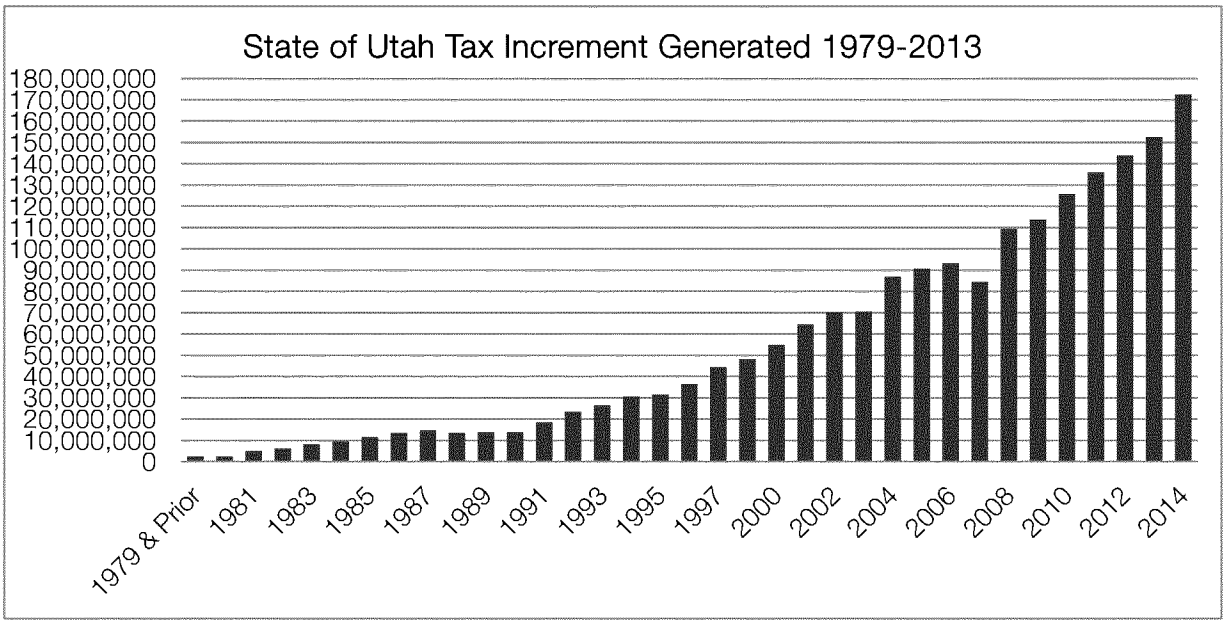
The top priorities should therefore be goals #1, #2 and #9 above. Other goals may depend on development timeframes for projects such as @Geneva and the buying power generated along Geneva Road. The redevelopment of State Street will be a long-term project that will take place over many years in the future. Key economic nodes – University Place being the chief node – should have priority over strip development between nodes.

Financial Tools – Economic Incentives

There are a wide variety of tools available to help the City in achieving its goals. Several of these tools have been discussed in more detail below

Redevelopment Areas – Tax Increment Project Areas

By far and away the most widely-used tool for economic development is the creation of some form of tax increment district – URA, EDA or CDA. The use of tax increment has increased dramatically throughout the State of Utah over the past 30 to 35 years. In 1980, only about $2.5 million of tax increment was generated statewide; by 2013, this figure had increased to over $170 million. There are many more communities participating today than there were 30 years ago, and those communities who are not actively involved are at somewhat of a disadvantage compared to those who participate.



Source: Utah State Office of Education

If the State of Utah provides economic development incentives, known as EDTIF, it requires that local communities participate with some kind of contribution. Local tax increment is the most commonly-used form of local contribution.

Urban renewal areas require a finding of blight, and require taxing agency approval of project area plans and budget. Economic development areas require the proof of job creation (not transference) and also require taxing agency approval of project area plans and budget. Community development areas are targeted to general municipal development, are more flexible in their formation, but are limited to the use of municipal sales and municipal property tax, unless other taxing entities opt-in.

Orem City may award incentives to companies locating in CDA, RDA or EDA districts. Incentives are generally based on a percentage of the property tax increment generated by a specific development or within the project area. Tax increment dollars are often returned to the developer in the form of infrastructure development, land cost write-down, or other appropriate means. Tax increment financing is dependent on *increment* – additional property value over the baseline property value at the time that the project area plan and budget are approved. Tax increment from a project area is available for a specific number of years only or to a specified increment amount as agreed upon with the taxing entities. Therefore, timing becomes especially important in the creation of project areas, in order to maximize the amount of increment generated and returned to development within the project area boundaries.

Existing redevelopment areas are shown in the map and table below.

Table 54: Orem RDA Increment

Orem RDA #	RDA Location	Amt of Unappropriated Regular Increment
85-01	Orem Business Park	$260,000
85-02	Timp Research & Tech Park	$1,100,000
85-03A	University Mall	$1,170,000
85-03B	Golden Mile	$3,260,000
85-04	State St & 800 S	$402,000
87-10	State St & Center; Midtown Village; City Center	$0
90-08	State St & 800 N	$78,000

Revolving Loan Funds and Grants

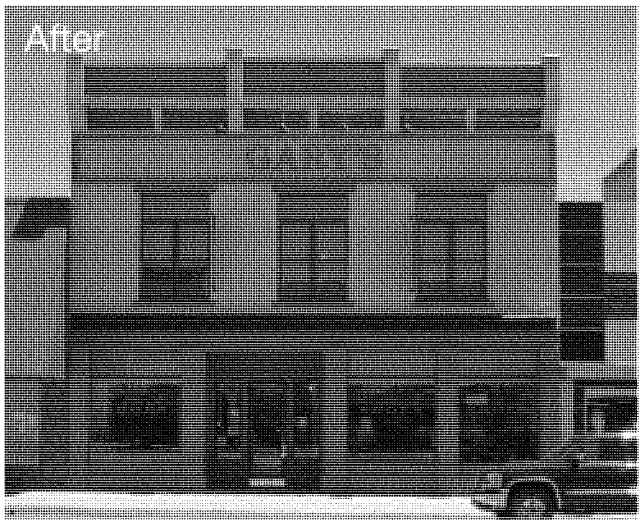
A revolving loan fund ("RLF") is a source of money from which loans are made for small business development projects. A loan is made to a business and as repayments are made, funds become available for new loans to other businesses. The major purpose is to provide a source of financing, which may not otherwise be available within the community, for local, expanding, or start-up

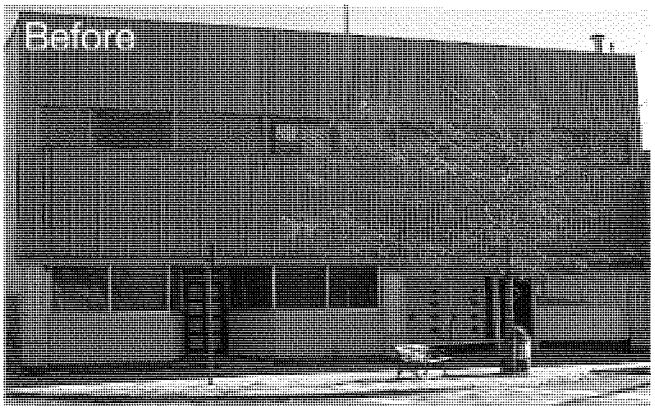
businesses. Often they are used to fill a "financing gap" in a business development project. A gap occurs when the business lacks the funds to meet the equity requirements of bank financing or needs a lower interest rate.

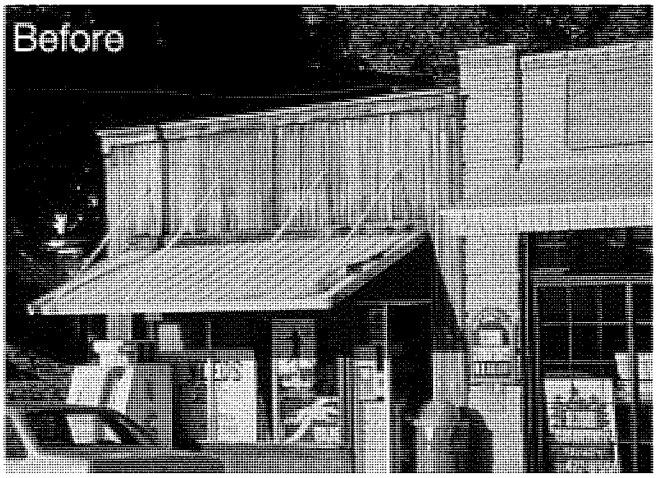
The source of capitalization (the funds used to create the RLF) may have regulations governing program design. For example, RLF's which are capitalized with Community Development Block Grant (CDBG) funds must follow the rules and regulations established by the U.S. Department of Housing and Urban Development (HUD), and must show some benefit to low- and moderate-income households.

A revolving loan fund may be a good tool for Orem to use in encouraging façade and building renovations along State Street. Capitalization could potentially be obtained through CDBG funds. There are many businesses along State Street that could benefit from storefront improvements. It is our experience that revolving loan funds are more successful during periods when interest rates are relatively high, rather than in the recent marketplace where low-interest loans have been fairly easy to obtain from the private sector.

Matching grants or revolving loan funds have been highly successful in a wide variety of communities. Businesses that choose to participate generally report increased sales from the improved appearance of their properties. Research shows that improvements that create more of a place increase property values and sales generation.







Orem may also want to sponsor a "building doctor" day, similar to the former Utah Main Street program, where interested businesses can sign up to have an architect visit their building and make specific suggestions for façade renovation. This program would cost Orem City approximately $1,500 for a full day of services.

ZAP or RAP Taxes

Many communities have initiated Zoo, Arts, and Parks (ZAP) or Recreation, Arts, and Parks (RAP) taxes which have been very effective in raising funds to complete parks, recreation, trails and open space projects. They are generally administered by a municipality or county. Orem has enacted this tax for 0.10 percent.

Business Improvement District

The State Street business owners could potentially benefit from forming a Business Improvement District to facilitate State Street projects, including joint marketing opportunities, ad campaigns, festivals and events in the downtown area, signage, assistance with business recruitment, planning for parking facilities, and storefront improvement programs.

Community Development Block Grants

Community Development Block Grants (CDBG) can be used for development in areas of the City that qualify as low and moderate income areas. Additionally, CDBG funds may be used for projects that remove barriers to access for the elderly and for persons with severe disabilities.

Utah Arts Council

The Utah Arts Council offers grants to non-profit organizations and entities for arts education programs and program grants. The funding is limited and requires a match, and may be useful in developing a program or event within the community; however, these funds are not designed to develop arts facilities or enhance building programs.

Utah Historic Preservation Tax Credit

Historic homes can benefit from a 20 percent nonrefundable tax credit for the rehabilitation of historic buildings which are used as owner-occupied residences or residential rentals. Twenty percent of all qualified rehabilitation costs may be deducted from Utah income or corporate franchise taxes.

Streamlined Permitting Process
Generally permits are processed in the order they are received, and the City already prides itself on a fairly quick turnaround. However, the process can be further streamlined for those businesses that are dependent on a fast process. This can include allowing a fee to move to the front of the queue (a fee the City can waive as a developer incentive), reducing the number of items that have to in front of the city council, and the implementation of a form-based code to reduce further Council approval.

Retail Incentives
For businesses that are highly desirable to the City, sales tax incentives could be provided for a period of time. These would be considered on a case-by-case basis for a major tax-generating retailer to retain or improve the business.

Bonding
Prior to summarizing the financing mechanisms that may be used for each type of capital project, key federal tax laws that come into play when contemplating the issuance and timing of issuance of tax exempt bonds are listed below:

- With the exception of some facilities that can be funded through tax-increment bonds, all facilities funded must be owned by the tax-exempt issuer and generally cannot be utilized for the benefit of a single private entity unless allowed to do so free of charge;
- If the issuer chooses to utilize capitalized interest in the structuring of the debt, the capitalized interest can only be funded for a three-year period or less;
- With the exception of general obligation bonds, revenue bonds will sometimes require a debt service reserve fund, either funded from bond proceeds or with a surety policy;
- Generally, debt service can be structured to match estimated available revenues that will be used to pay the debt; and
- State law does not allow for the use of "double-barrel" bonds, those that pledge both an asset and a revenue stream.

Financing alternatives that are available to local governments in Utah are summarized as follows:

General Obligation Bonds. General Obligation bonds ("GO") are subject to simple majority voter approval by the constituents of the issuing entity. General obligation elections can be held once each year, in November, following certain notification procedures that must be adhered to in accordance with State Statutes in order to call the election (pursuant to Utah State Code 11-14-2 through 12). Following a successful election, it is not necessary to issue bonds immediately, but all bonds authorized must be issued within ten years. Once given the approval to proceed with the issuance of the bonds, it would take approximately 90 days to complete the bond issuance.

General obligation bonds can be issued for any governmental purpose as detailed in Utah Code §11-14-1. The amount of general obligation debt is subject to the following statutory limitations:

- Counties are limited to two percent (2%) of the total taxable value of the County;
- School Districts are limited to four percent (4%) of the total taxable value in the District;
- Cities of the 1st and 2nd class are limited to a total of eight percent (8%) of the total taxable value, four (4%) for general purposes and four (4%) for water, sewer and lights; and
- Cities of other classes or towns are limited to a total of twelve percent (12%) of total taxable value, four percent (4%) for general purposes and eight percent (8%) for water, sewer and lights.

Notwithstanding the limits noted above, most local governments in Utah have significantly less debt than the statutory limitations. Practical limitations imposed on the market will be based on ratios such as general obligation debt per capita and general obligation debt compared to total taxable value. Medians vary somewhat depending on the size of the issuer. A summary of medians can be provided upon request.

Pursuant to state law, general obligation bonds must mature in not more than forty years from their date of issuance. Typically, however, most GO bonds mature in 15- 20 years.

Advantages of G.O. Bonds:

- Lowest cost form of borrowing
- 'New' source of revenues identified
- No encumbrance of utility system revenues
- No requirement to raise utility rates to meet debt service coverage requirements
- Lowest bond issuance costs
- No Debt Service Reserve Fund requirement

Disadvantages of G.O. Bonds:

- Timing issues; limited date to hold required G.O. election
- Risk of a "no" vote while still incurring costs of holding a bond election
- Possibility of election failure due to lack of perceived benefit to majority of voters
- Must levy property tax on all property even if some properties receive limited or no benefit from the proposed improvements
- Can only bond for physical facilities, not ongoing or additional operation and maintenance expense

Utility System Revenue Bonds. To some extent, a city operates in a manner similar to a private business in that it provides utility services for which city residents and businesses pay fees. The fees charged for service should be sufficient to allow a city to pay ongoing operation and maintenance costs, fund periodic replacement of capital facilities, issue debt when prudent and construct new facilities as demand for its services increase.

State law allows a city to issue debt secured by a pledge of the net revenues[9] generated by the operation of the system. Bonds structured in this manner are typically referred to as System Revenue Bonds or Revenue Bonds and are commonly used by utility service providers to finance capital costs.

[9] Net Revenues: Total system revenues less operation and maintenance expenses.

Under Utah law, Revenue Bonds may not be secured by a pledge of the physical assets of a city. Bondholders can look only to system revenues as the source of bond repayment. A city is obligated to (i) maintain the system in good operating condition such that the revenue stream is maintained and (ii) charge user rates sufficient to operate the system, service the debt and maintain net revenue coverage levels as required under the terms of such debt.

Revenue bonds do not require a bond election and may therefore be issued much more quickly than G.O. bonds. If revenue sufficiency exists, Revenue Bonds can typically be issued in as little as 90 days. Generally, entities that issue Revenue Bonds are required under the terms of the bond documents to maintain a rate structure that will insure net revenues are sufficient to provide debt service coverage of 125 percent. In other words, there should be net revenues of $1.25 for each $1.00 of Revenue Bond debt service.

Because Revenue Bonds are not secured by a city's ability to levy property taxes, but solely from revenues generated by the utility system, bond purchasers are likely to require a slightly higher interest rate to compensate them for the perceived increase in the risk related to the underlying security. Historically, the interest rate differential between a G.O. bond and a Revenue bond is between 10 and 25 basis points.[10] Large cities that serve a wide customer base, including a diverse mix of residential and commercial users, and are not overly reliant on a small percentage of its users to generate the majority of its revenues, will be able to issue bonds at interest rates much closer to G.O. rates.

While G.O. bonds require that a city impose a property tax on all property within a city, System Revenue bonds are repaid from the service charges paid by all system users regardless of whether or not the individual system user benefits from a particular system addition or upgrade. Typically, all system revenues are pledged for the bond repayment and not just those within various service areas within a city even if the rate structure is different in different areas. Additionally, no revenues would be collected from properties until they are developed and using the utility services, which is unpredictable. Also, a city would be pledging all of its system revenues and would be required to covenant to raise its rates to meet the debt covenants. If revenues were insufficient to make the debt service payments, system rates would likely need to be increased.

Revenue bonds can be issued for any capital facility associated with the operation of the utility enterprise of the issuer. The amount of revenue bonds that a local government can issue is not subject to any specific statutory limitations. That stated, there are many practical limitations imposed by the tax-exempt bond market that may limit the capacity of an issuer to issue utility system revenue bonds. In addition, there are legal restrictions, including an Additional Bonds Test coverage ratio established in the bond documents that limits issuance. Credit considerations include, but are not limited to, the following;

- Availability of source (water, gas, electricity) to run the enterprise and meet projected demand
- Comparability of utility system user rates to the surrounding area
- Number of system users
- Revenue and expense history
- Reasonable debt service coverage ratios (1.25x coverage is typical but lower coverage factors have been negotiated down to as low as 1.10x)

[10] Basis Point: 1/100th of a percent. (i.e. 25 basis points equals ¼ percent)

- Utility system not being overly dependent on impact fees
- Cash balances

In order to strengthen its credit or provide enough net revenues to support the issuance of bonds, an issuer, prior to the issuance of utility system revenue bonds, may need to go through a rate study and adjust its rate structure. New utility rates are implemented by resolution under the requirements of Utah Code Section 10-3-7. The Resolution may become effective any time within three months of passage of the Resolution, as determined by the governing body (10-3-719). The form of the Resolution will follow that of an Ordinance, as described in 10-3-704.

Since net revenues can, to a large degree, be controlled by the issuer, revenue bonds are considered low risk investments and generally viewed as strong credits in the bond market. Pursuant to state law, utility system revenue bonds, like G.O. bonds, must mature in not more than forty years from their date of issuance. Typically, however, most system revenue bonds mature in twenty to twenty-five years and are always constrained by the useful life of the facilities being financed that will be used to produce the system revenues.

In addition to issuing bonds through the public markets, the State of Utah has four state revolving loan funds that obtain funding through both state and federal sources that may be available. These entities are the Board of Water Quality, the Drinking Water Board, the Board of Water Resources, and the Community Impact Fund Board. Depending on the type of project, perceived need and benefits, and the current availability of funds at each of the boards, they may provide significant no or low interest loan funding or possibly some grant funding. The level of interest charged is generally a function of the utility rates being charged compared to the median gross household income in the area.

Advantages of Utility System Revenue Bonds:

- Low cost form of borrowing only slightly higher than G.O. Bonds
- No requirement to hold a bond election
- Can be completed relatively quickly

Disadvantages of System Revenue Bonds:

- Non system-wide improvements could end up being paid for by all users even though no benefit is realized by those outside the specific development area
- May require a user rate increase to all City residents to meet debt service coverage tests
- Revenues may be slow to materialize since they are somewhat dependent on new construction
- Typically require a Debt Service Reserve Fund

Excise Tax Revenue Bonds. Revenue bonds payable from excise tax revenues are governed pursuant to Utah State Code Section 11-14-307. Without the need for a vote, Cities and Counties may issue bonds payable solely from excise taxes levied by the City, County or those levied by the State of Utah and rebated to the City or County such as gasoline taxes or sales taxes. State law limits the amount of bonds that can be issued through this mechanism by limiting annual bond debt service to a maximum of 80 percent of the preceding fiscal year's receipts.

Class B&C Road Bonds. Gasoline taxes are collected and distributed pursuant to Cities and Counties in a formula that is based upon population and number of City or County road miles

within the local government's boundaries. These funds can be utilized by cities and counties to construct, repair and maintain City and County roads and can be utilized as a sole pledge for repayment of debt issued for those purposes.

State law limits the amount of bonds that can be issued through this mechanism by limiting annual bond debt service to a maximum of 80 percent of the preceding fiscal year's receipt of Class B & C road funds. These bonds may not exceed ten years. This state law matches well with the general requirements of the market relative to revenue bonds as it automatically serves to create a 1.25X debt service coverage ratio.

Practical consideration for the issuance of this type of debt for most cities and counties lies with the fact that most local governments spend these funds and more on the maintenance of roads. Therefore, while it is used as the means for securing the debt, other general funds may actually be utilized by the issuer to make the annual payments or to pay for maintenance while the excise tax bonds are being retired with Class B&C road fund revenues.

While toll roads are common in the east, they have only been used rarely in Utah for two specialized road projects.

Depending on the ownership of the road(s) being financed, the City or possibly the County could issue the excise tax revenue bonds. The issuer would need to adopt a Notice of Intent to Issue Bonds, hold a public hearing, and allow for a thirty-day contestability period prior to closing on the bonds. Once the Notice of Intent has been adopted it would take approximately 90 days to complete an issuance of these bonds.

While neither the City nor the State can control the amount of gas tax generated, there exists in State law a non-impairment clause (11-14-307 (a)) that restricts the State's ability to change the distribution formula in such a way that would harm bondholders while local governments have debt outstanding.

Sales Tax Revenue Bonds. Sales taxes are also collected and distributed by the State of Utah. With a change in the State's constitution in November of 2000, and with a clarification from the Attorney General's office regarding a technical matter, the first non-voted sales tax revenue bond was issued in July 2001. Sales tax revenues can also be utilized as a sole pledge for repayment of debt without a vote of the constituents and funds can be utilized for the acquisition and construction of any capital facility owned by the issuing local government. They are frequently used for parks and recreation facilities or other city buildings such as City Hall or Public Safety buildings.

Just as with Class B&C road bonds, state law limits the amount of bonds that can be issued through this mechanism by limiting annual bond debt service to a maximum of 80 percent of the preceding fiscal year's receipt of sales tax revenues. However, sales taxes are not limited to a pledge for a ten-year period but can legally be issued for up to forty years. While this state law provides an 1.25X debt service coverage ratio, due to the elasticity of sales tax revenues and local governments typical heavy reliance on these revenues for general government operations, the market will usually demand a significantly higher debt service coverage ratio of at least two or three times revenues to debt. Most sales tax revenue bonds are structured to mature in twenty-five years or less.

Depending on the ownership of the capital facilities to be financed, the City or the County could issue sales tax revenue bonds. The issuer would need to adopt a Notice of Intent to Issue Bonds, hold a public hearing, and allow for a thirty-day contestability period prior to closing on the bonds. Once the Notice of Intent has been adopted it would take approximately 90 days to complete an issuance of these bonds.

Municipal Building Authority Lease Revenue Bonds ("MBA"). Pursuant to the Utah Municipal Building Authority Act (17D-2-1) cities, counties and school districts[11] are allowed to create a non-profit organization solely for the purpose of accomplishing the public purpose of acquiring, constructing, improving and financing the cost of a project on behalf of the public body that created it.

The security for a MBA bond is a first trust deed on the real property, any buildings or improvements and a security interest in any furniture, fixtures and equipment financed pursuant to a particular MBA transaction and an annual lease payment from the City to the MBA. Bonds structured in this fashion are not considered long-term debt as the lease payments are subject to an annual appropriation by the City.

Due to the security structure, the best types of capital facilities to finance under this mechanism are those that are deemed as "essential purpose" by the bond market. Municipal buildings such as city halls, public safety buildings and public works buildings are typically considered essential public purpose. That stated, many other capital improvements and facilities have been funded using MBA bonds including parks and recreation facilities. To strengthen the credits of facilities that are not deemed as essential purpose, it is common to cross collateralize facilities. However, under Utah law once a facility has been completely paid for and is owned outright by the local government it cannot be utilized to collateralize debt on another facility.

The legal limitation for maturity on bonds issued pursuant to the Building Authority Act is forty years. From a market perspective however, the final term on this type of debt will be governed by the maximum useful life of the facility(ies). Most MBA bond transactions are structured to mature in 25 or less.

Due to the real property nature of the transaction it may take some additional time to process and close an MBA bond due to the need to run a title report and clear any liens or encumbrances that may appear on the title so that clear title policies can be provided to the owner and lenders.

Impact Fee Revenue Bonds. Utah State law allows the City to charge new development for the cost of providing service to newly-developed areas through the imposition of Impact Fees once a complete impact fee analysis has been completed and adopted. Impact fees are calculated to cover the cost of bringing new development up to the same or proposed service standard (if less than the existing standard), often referred to as the "level of service."

Although impact fees can technically be pledged as a repayment source on bonds, due to the uncertainty related to timing of collection of impact fees, they are not considered a secure enough source of revenue on their own to secure financing at a reasonable cost. Typically impact fee revenues are utilized as one portion of the funding available to make debt payments when system revenue bonds are issued, with the bulk of the revenues coming from user fees. A city, if it wished

[11] Although available for use by school districts, the mechanism is rarely utilized by them.

to finance a capital project using impact fees, would still need to issue either G.O. Bonds or Revenue Bonds as previously discussed to secure the bonds and then use any impact fees received to offset the debt service payments due from the actual pledged sources. In this case, the city takes the risk that the impact fees will materialize and be available for debt repayment rather than investors.

Advantages of Impact Fee Revenue Bonds:

- Those benefiting from the improvements, pay for the improvements
- No requirement to hold a bond election

Disadvantages of Impact Fee Revenue Bonds:

- Unpredictable nature of source of revenues would significantly drive up the cost of financing and in today's market may be difficult
- In order for this type of financing to be marketable, the City would most likely have to pledge other revenue sources (such as user fees) as a backstop
- Would require a Debt Service Reserve Fund

Special Assessment Area Bonds. Special Assessment Areas ("SAAs"), formerly known as Special Improvement Districts or "SID"s, are a financing mechanism that allows governmental entities to designate a specific area which will be benefited by public improvement(s) and levy a special assessment, on parity with a tax lien, to pay for those improvements. The special assessment is then pledged to retire bonds, known as Special Assessment Bonds, issued to finance construction of the project.

The underlying rationale of an SAA is that only those property owners who benefit from the public improvements will be assessed for the improvement costs as opposed to previously discussed financing structures in which all City residents pay either through property taxes or increased service fees.

While not subject to a bond election as is required for the issuance of General Obligation bonds, SAAs may not be created if 50 percent or more of those liable for the assessment payment[12] protest its creation. Despite this legal threshold, most local government governing bodies tend to find it difficult to create an SAA if 10-20 percent of property owners oppose the SAA.

Once created, an SAA's ability to levy an assessment has similar collection priority / legal standing as a property tax assessment. However, since it is not a property tax, any financing secured by that levy would likely be done at higher interest rates than either of the other options discussed in this analysis. Interest rates will depend on a number of factors including the ratio of the market value to the assessment bond amount, the diversity of property ownership and the perceived willingness and ability of property owners to make the assessment payments as they come due. Even with the best of special assessment credit structure, the bonds are likely to be non-rated and therefore would be issued at rates quite a bit higher than similar General Obligation Bonds that would likely be rated. Compared to an 'A' rated GO bond, a special assessment bond will likely carry an interest rate about 300 basis points (three percent) higher. All improvements financed via an SAA must be owned by the City and the repayment period cannot exceed twenty (20) years.

[12] Based on the method of assessment selected, i.e. acreage, front footage, per-lot, etc.

If an SAA is used, the City will have to select a method of assessment (i.e. per lot, per unit (ERU), per acre, by front-footage, etc.) which is reasonable, fair and equitable to all property owners within the SAA. Typically for utility improvements, we would expect the City to utilize an assessment based on acreage, buildable acreage, or equivalent residential units ("ERUs") rather than basing assessments on such factors such as front-footage which have no correlation to the utilization of utility services. State law does not allow property owned by local government entities such as cities or school districts to be assessed.

One possible advantage of SAA's is their ability to finance the project during its construction phase through the use of Interim Warrants or Bond Anticipation Notes which work in a fashion similar to a construction loan on a new house. In our current market it is difficult to find buyers willing to take the construction risk without actual assessments levied, however, a lender is secured through either a negotiated or a competitive process and, as construction proceeds, advances are taken by the City against a pre-authorized loan amount. The use of Interim Warrants has two compelling advantages over bonding for all of the construction costs before actually beginning construction. First, interest accrues only on the amount actually drawn upon for actual construction whereas a bond begins to accrue interest on the entire par amount of the bonds as soon as the bonds are issued. Second, it allows the City to complete all construction, gather accurate cost data and calculate the assessment on each property once all actual costs are known rather than estimating the costs in advance. This second advantage is most pronounced in a time of escalating construction costs because once the assessment is levied on each property, it cannot be increased even if the actual construction costs exceed the original estimate on which the assessment was based. In such a circumstance, the City would have to pay any cost over-runs.

Advantages of Special Assessment Bonds:

- Tax-exempt interest cost although not as low as a GO or revenue bond but interest cost is passed along to the property owners who are assessed
- No requirement to hold a bond election but the City must hold a meeting for property owners to be assessed before the SAA can be created
- Only benefited property owners pay for the improvements
- Improvements are owned by the City
- Assessment lien is on parity with tax levy
- Expedited foreclosure procedures in the event of non-payment of assessment
- Limited risk to the City as there is no general tax or revenue pledge
- City controls the construction and can insure work is done to City standards
- Flexibility since property owners may pre-pay their assessment prior to bond issuance or annually thereafter as the bond documents dictate
- Diversity of property ownership reduces default risk
- Ability to issue interim warrants during construction phase
- Assessments can begin as soon as construction is completed

Disadvantages of Special Assessment Bonds:

- Fifty percent of the assessed liability, be it one property owner or many could defeat the effort to create the SAA if they do not want to pay the assessment
- Some increased administrative burden for the City although State law permits an additional amount to be included in each assessment to either pay the City's increased administrative costs or permit the City to hire an outside SAA administrator
- The City cannot assess certain government-owned property within the SAA (none or little anticipated)

Community Development (CDA), Urban Renewal (RDA) and Economic Development Area (EDA) Tax Increment Revenue Bonds. Under Utah law, redevelopment agencies may create Community Development Project Areas (CDA's), Economic Development Areas (EDA's) and Urban Renewal Areas (URA's). Urban renewal areas are governed by Title 17C of the Utah State Code and can be created by a city or county for the general purpose of providing for redevelopment and economic development through various tools associated with the buying and selling of property and utilizing tax increment as a means to promote development.
The availability of property tax increment for urban renewal and economic development project areas is impacted by a number of matters including the date of adoption of the project area plan budget, the first taking of increment and the rate at which development occurs and property tax values increase.

Unfortunately, but understandably, the bond market will severely discount the projected tax increment cash flows due to the fact that they are solely reliant on tax-increment as the source for repayment of the debt and at the outset of a new project, little if any tax-increment is being generated. Without multiple years of historical tax-increment revenue receipts, the bonds may not be marketable at reasonable rates and at best projected increment will be discounted by at least half, if buyers are willing to buy at all.

One method that has been used to overcome the market challenges posed by direct tax-increment financing is to use a SAA in conjunction with the use of tax increment. This provides a means to leverage the potential tax-increment at an earlier stage in the development process by collateralizing land as opposed to immaterial future incremental dollars.

Under this structure, a tax increment project area (URA, EDA or CDA) is created and the developer / landowner enters into an Agreement to Develop Land ("ADL") with the local government wherein the developer negotiates receipt of a portion of the tax increment to be generated. Then, SAA bonds are issued and assessments are placed on the benefited property of the developer / landowner who provide security to the bonds noting that the property then serves as the ultimate security for the debt (not projected increment receipts). If the developers proceed with development and building in a timely fashion, they can utilize the increment received to make the assessment payments, although they are not pledging this stream of revenues.

Industrial Revenue Bonds. Industrial revenue bonds can be issued by Orem City. There is a $10 million cap per issue for small manufacturing facilities and a $150 million total annual state allocation cap. Industrial revenue bonds have strict regulations regarding business types that are eligible; a 501(c)(3) can generally use them for a wider variety of projects.

Bond or Tax Anticipation Notes (BAN's or TAN's). State statute (11-14-311) allows for the issuance of Notes in anticipation of a bond issue or future tax receipts if the legislative body of a City, County or School District deems it advisable and beneficial. These are sold in advance of bonds being sold and may only have to do with time.

TAN's are typically utilized by school districts that receive nearly all of their revenues in one lump sum in November when property tax revenues are received. Knowing that expenses occur monthly, or more frequently, the timing of revenues and expenses may not always be synchronized.

Special Service Districts (SSD's). Special Service Districts are not a type of debt security, but rather the creation of a legal entity that can provide some governmental services and issue debt. Special Service Districts have been widely used throughout the State for water, sewer and fire protection services.

Special Service Districts can be created by a county, city or town for the purpose of providing water service, sewer service, storm retention, electrical or natural gas services, fire protection, recreation, mosquito abatement and public transit.

Creation and appointment of board members is dependent on the type of district, who forms the district and when it is formed.

Local Districts. Local districts were authorized by the Utah Legislature to provide services for: 1) the operation of an airport; 2) the operation of a cemetery; 3) fire protection, paramedic, and emergency services; 4) garbage collection and disposal; 5) health care, including health department or hospital service; 6) the operation of a library; 7) abatement or control of mosquitoes and other insects; 8) the operation of parks or recreation facilities or services; 9) the operation of a sewage system; 10) street lighting; 11) the construction and maintenance of curb, gutter, and sidewalk; 12) transportation, including public transit, streets and roads; 13) operation of a system for the collection, storage, retention, control, conservation, treatment, supplying, distribution, or reclamation of water, including storm, flood, sewage, irrigation, and culinary water, whether the system is operated on a wholesale or retail level or both; 14) extended police protection; and 15) underground installation of an electric utility line.

A local district may not be created to provide, and may not after its creation provide, more than four of the services listed above.

Business Retention

Many of the same strategies that work for attracting businesses also work for business retention. In particular, business retention becomes important when a local company is looking to expand and then their new needs must be met as if the City were attracting them anew. The consultants conducted numerous interviews with City businesses and found that Orem is perceived as a good place to do business, with knowledgeable and helpful staff.

The following were mentioned as advantages to doing business in Orem. The City should make every effort to maintain these advantages:

- Young, well-educated and inexpensive workforce
- Geographic location at the center of Utah County
- Low permit fees in Orem
- Low utility rates in Orem
- Family friendly
- Diverse population
- Lower-cost space is available for startup businesses
- Proximity to two universities
- Safe, low crime rates
- Proximity to recreational facilities

- Regional, retail hub for the County

On the other hand, the following were mentioned as disadvantages to doing business in Orem:

- No space to grow your business into Class A office space
- Rundown appearance of State Street
- Perceived lack of community support for improving the City
- Lack of identity, lack of unified marketing
- Traffic congestion

One of the best approaches to retaining existing businesses is through a Business Expansion and Retention program (BEAR). In these types of programs, City staff meet regularly with a variety of business owners to assess their needs and concerns. Questions asked during these interviews may include:

- Do you have plans to expand your business during the coming year?
- What are the greatest obstacles you face in conducting your business?
- What can Orem City do to help in your business success?

These meetings are also a good time to provide local businesses with updated demographic and buying power information in order to encourage expanded development. The most successful BEAR programs then provide one-on-one assistance in helping businesses obtain the support they need, whether it is in locating funding sources, SBA assistance, etc.

The City may also want to consider holding quarterly breakfast meetings, open to all business owners in the City, to discuss development opportunities.

Keeping in close touch with local businesses is the single best means of encouraging business retention. In addition, the City can provide leadership in the following areas, which will make Orem an attractive place to do business:

- Marketing
- Assistance with land assemblage
- Infrastructure assistance. Streetscape improvements and beautification
- Financial assistance in helping businesses locate available capital
- Workforce training availability (support programs through UVU)
- Technical assistance, technology resources through SBA and other government programs
- Energy efficiency assistance
- Streamlining of permit and license processes

Value of Placemaking – Case Studies

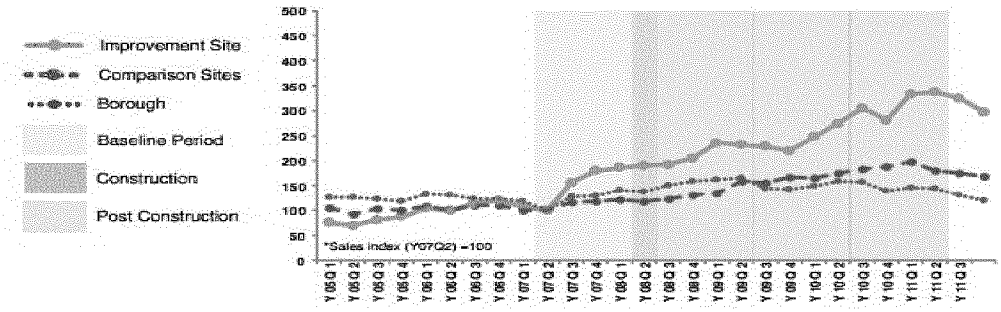
Placemaking has been indicated throughout this strategic plan as Orem's next step forward – the tool that the City can use to redevelop at economic nodes to become a sophisticated urban center. Orem will be able to grow beyond basic strip-mall development and to be a more dynamic and efficient economy that provides its residents with ample opportunities and preserves a high quality of life. Placemaking is a planning process that improves commercial areas to be recognizable, for people (not just cars), to have spatial definition and architectural character, and to make that place a destination in and of itself.

While placemaking is good for residents and improves the aesthetic quality of the City, research has extensively shown that placemaking improves economic outputs and business performance. Improvements in walkability, green space, bike access, and business appearance have a significant impact in the performance of local businesses.

New York City's Department of Transportation performed the most in-depth study on placemaking factors – specifically addressing walkability – finding that businesses in these improved areas saw significant increases in sales compared to similar areas over the same time period. A sample of these projects and their resulting sales increases include:

1. Bronx Hub, the Bronx – Changed traffic patterns and signals to cater to pedestrians, increased public space, added bicycle infrastructure and added greenery.
    a. Results: Reduced injuries while maintaining the same level of service for traffic. The intersection had improved sales compared to the rest of the Bronx – by the third year post-construction, sales had increased 50 percent compared 18 percent in the Bronx.
2. St. Nicholas Avenue/Amsterdam Avenue, Manhattan – Improved pedestrian mobility with safety and business access in mind.
    a. Results: Sales in the intersection increased each year post-construction, with a 48 percent increase by the third year compared to 39 percent improvement in Manhattan.
3. 8th and 9th Avenues, Manhattan – Established bike paths.
    a. Results: Local business retail sales were up 49 percent compared to three percent borough-wide.
4. Vanderbilt Avenue, Brooklyn – Reduced to one lane each way, parking adjustments, added a bicycle lane and landscaped medians.
    a. Results: Increased sales each year post improvement with a 102 percent increase in sales by year three compared to the overall 18 percent in all of Brooklyn.

Combined Sales : Improvement Sites vs. Comparisons Sites - Vanderbilt Avenue



5. Union Square North, Manhattan – Expanded walking facilities.
    a. Results: Commercial vacancies reduced by 49 percent, compared to a 5 percent increase in vacancies borough-wide
6. Pearl Street, Brooklyn – Converted an underused parking lot into a public park.
    a. Results: Nearby retail sales volumes increased by 172 percent, compared to only 18 percent borough-wide.
7. Fordham Road, Bronx – Established a bus lane and other transit improvements.

a. Results: Increased nearby retail sales 71 percent compared to 23 percent borough-wide

8. First and Second Avenue, Manhattan – Developed bus and bike lanes along streets.
    a. Results: Commercial vacancies were reduced by 47 percent compared to a small average two percent reduction in the rest of Manhattan over the same time period.

Another study completed by Kansas State University found that façade improvements improved gross sales after the improvements. Of the businesses studied, all experienced an increase in the annual percentage increase in the gross sales the year after improvements averaging 272 percent. The majority of businesses sustained an increase in sales an average increase of 222 percent in the average annual percentage increase in gross sales. A majority also experienced an increase in sales after façade improvements above their own business's average before improvements and above the performance of other local businesses over the same time period. Two-thirds of those owners that participated in the study stated that the improvements significantly impacted the increase in sales and all of the businesses reported favorable customer responses to the improvements.

San Francisco found that their Community Benefit Districts (CBDs) and Business Improvement Districts (BIDs) were insulated from the effects of the 07/09 recession: they retained value in properties, had less reduction in sales tax revenues, and maintained lower vacancy rates than rest of City. CBDs/BIDs are partnerships in which property and or business owners elect to make a collective contribution to the maintenance, development, and promotion of their mixed use neighborhood through a special assessment to their property or business. Four of five districts retained more value during the Recession. These districts only lost 8.9 percent of their value, while citywide declines reached 19.45 percent. Two districts grew by 50.02 percent and 23.93 percent in real value from 2006-2012, while citywide commercial office property values grew only 15.79 percent. Additionally, during the recession, citywide sales tax revenues declined by 20%. All 9 studied districts fared better during the recession, on average retaining 4.8% more value. Two districts grew sales tax revenues in real value by 7% and 5% during the recession. At the point of implementing services through the FY10-11 period, 6 of 9 Districts outperformed the City's growth pattern over the same period by an average of 8%.

The Brookings Institute studied how walkability in Washington, D.C. finding that increases in walkability were correlated with improvements in rental rates, retail sales and home values. Walkability in neighborhood sna commercial centers in the City were scored on their walkability from one to five, with one being poor walkability and five being good. The following table shows the correlation with these scores on various economic performance measures.

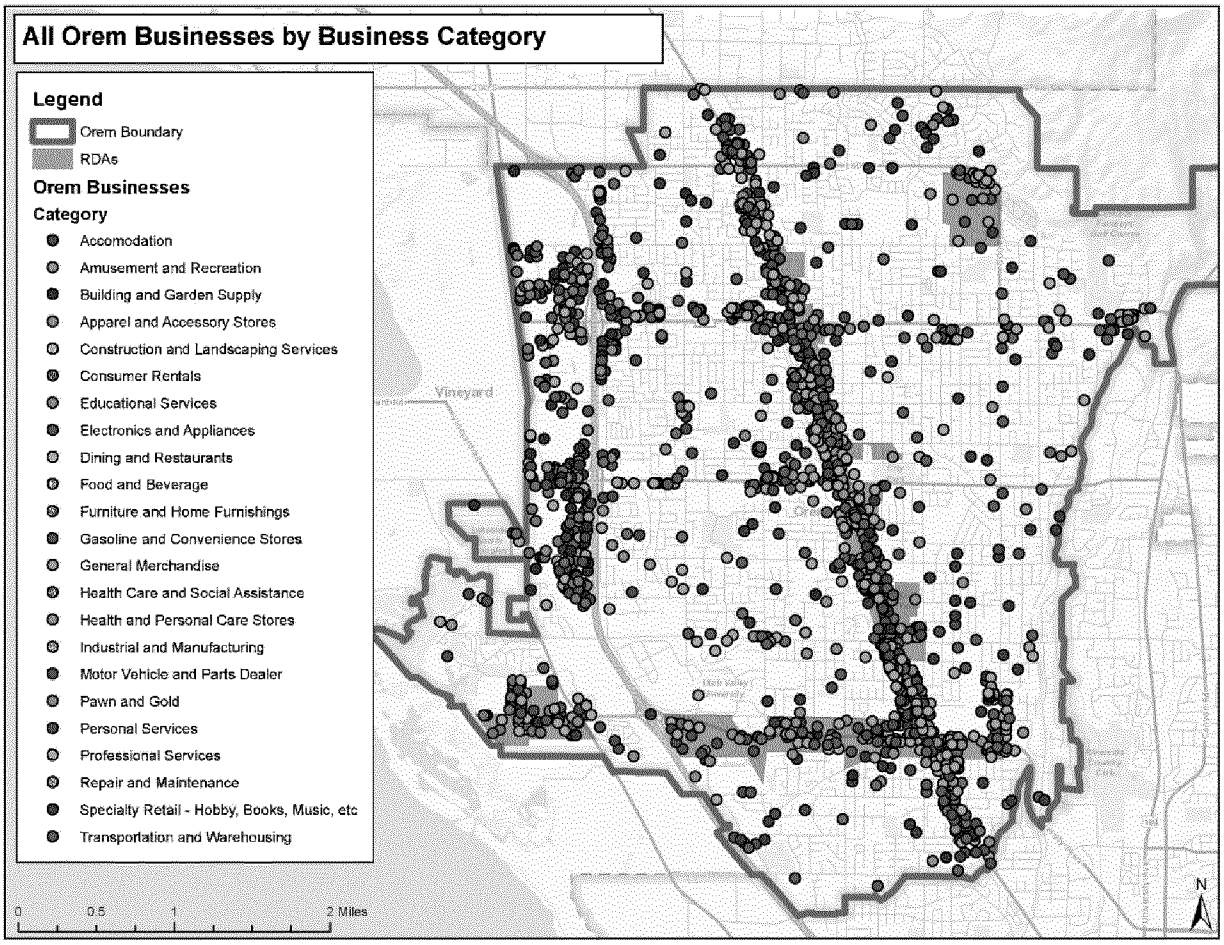
Table 55: Economic Improvements with Walkability Increase

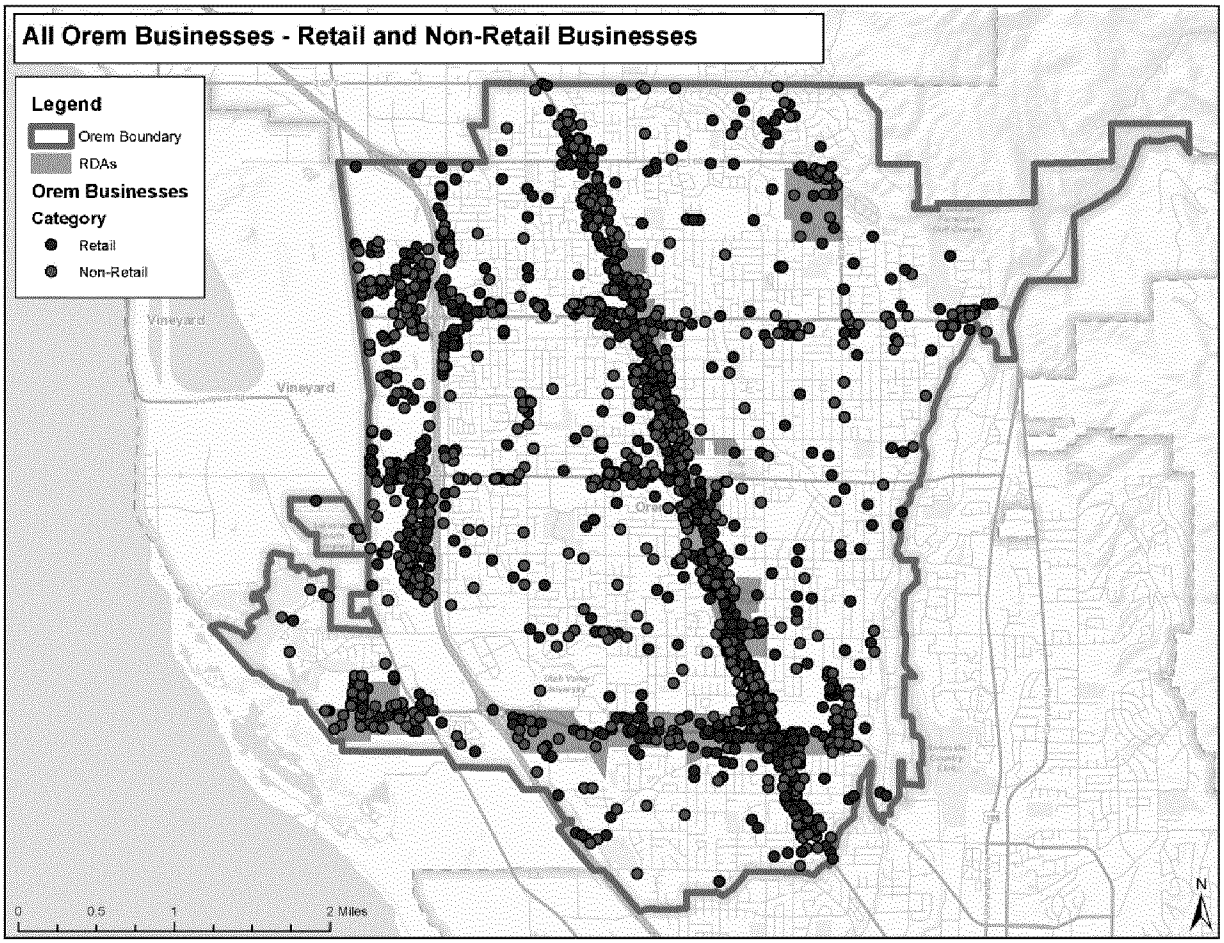
Economic Performance Measure	Increase with 1 Point Walkability Score Increase
Average Office Rent per Square Foot	$8.88
Average Retail Rent per Square Foot	$6.92
Percent Retail	80%
Average Residential Rent per Month	$301.76
Average For-Sale Home Value per Square Foot	$81.54

Other smaller case studies and various reports on placemaking factors show the following economic impacts as a result of placemaking efforts:

- Michigan Municipal League: "Streetscape improvements increase storefront occupancy rates, encourage private sector investments, and have shown to improve commercial trading by up to 40 percent."
- Lancaster, CA: $10M redesign with new lighting, landscaping, street furniture and promotions. Within 2 years, it spurred $125M in private investment, a 26 percent increase in sales tax revenues, and 800 new jobs
- Lodi, CA: $4.5M invested to retrofit five main street blocks with sidewalk widening, curb bump-outs, colored paving stones, street furniture, lighting, and other amenities. Resulted in 60 new businesses, drop in vacancy rate from 18 percent to six percent and a 30 percent increase in sales tax revenues in three years
- West Palm Beach, FL: Improvements in pedestrian crossings, traffic calming and streetscape. Went from 80 percent vacancy to 80 percent occupancy over 20 years. Property values increased from $10-$40/sq ft to $50-$100/sq ft. There was also $350M in new private investment
- Toronto Clean Air Partnership: "Patrons of retail business who arrive by foot and bicycle in a neighborhood shopping area visit the most often and spend the most money per month."
- Urban Land Institute: "Walkable retail areas with unique [...] qualities provide competitive advantages. Their 'place-making dividend' attracts people to visit often, stay longer and spend more money."
- Boarnet Study: "In LA, walkable, densely-built shopping districts saw retail activity up to four times greater than strip shopping."

Appendix A: Retail Category Maps




All Orem Businesses - Retail and Non-Retail Businesses
Legend
Orem Boundary
RDAs
Orem Businesses
Category
Retail
Non-Retail
Vineyard
0
0.5
1
2 Miles
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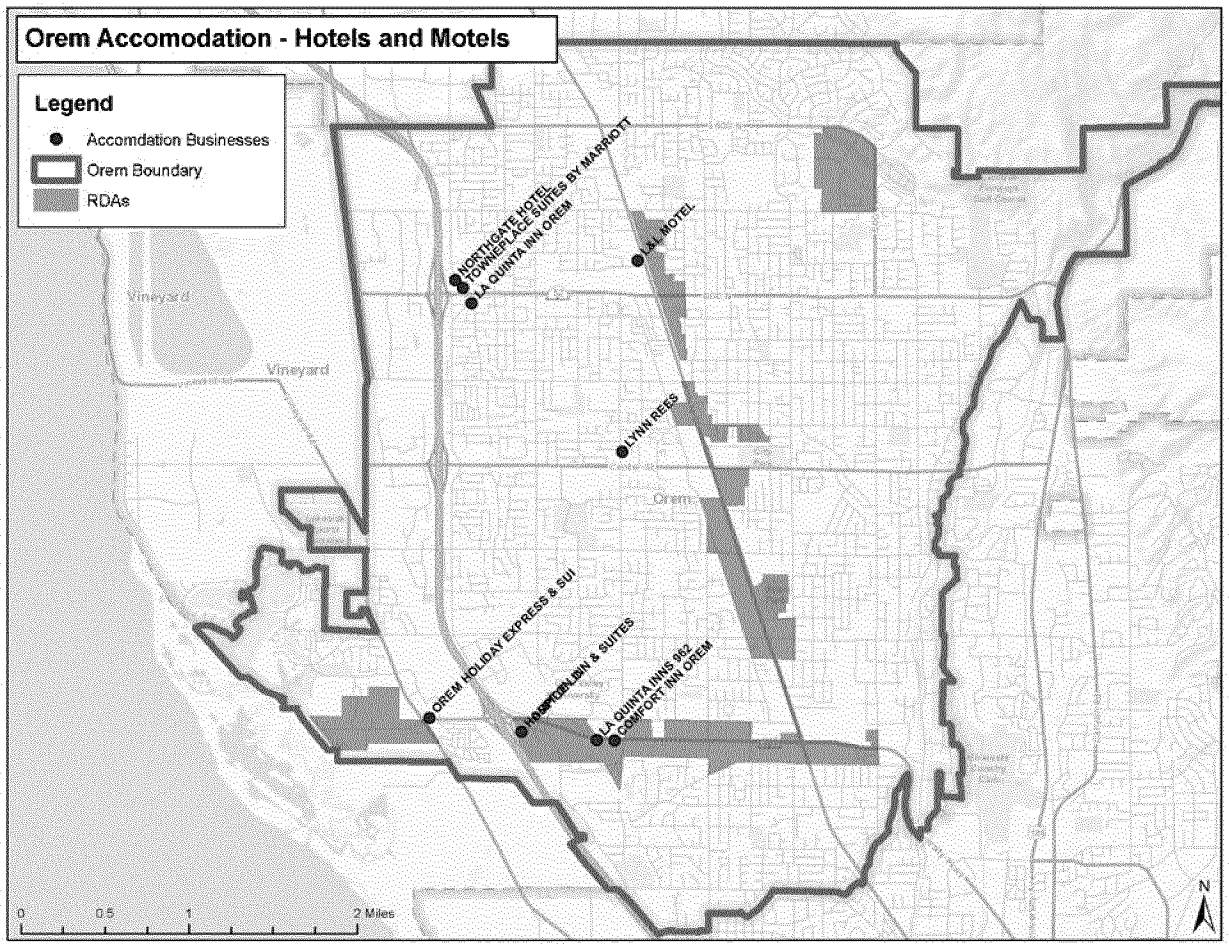
Orem Accomodation - Hotels and Motels
Legend
Accomdation Businesses
Orem Boundary
RDAs
NORTHGATE HOTEL
TOWNEPLACE SUITES BY MARRIOTT
LA QUINTA INN OREM
LA L MOTEL
Vineyard
Vineyard
LYNN REES
Orem
OREM HOLIDAY EXPRESS & SUI
LA QUINTA INNS 962
COMFORT INN OREM
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2 Miles
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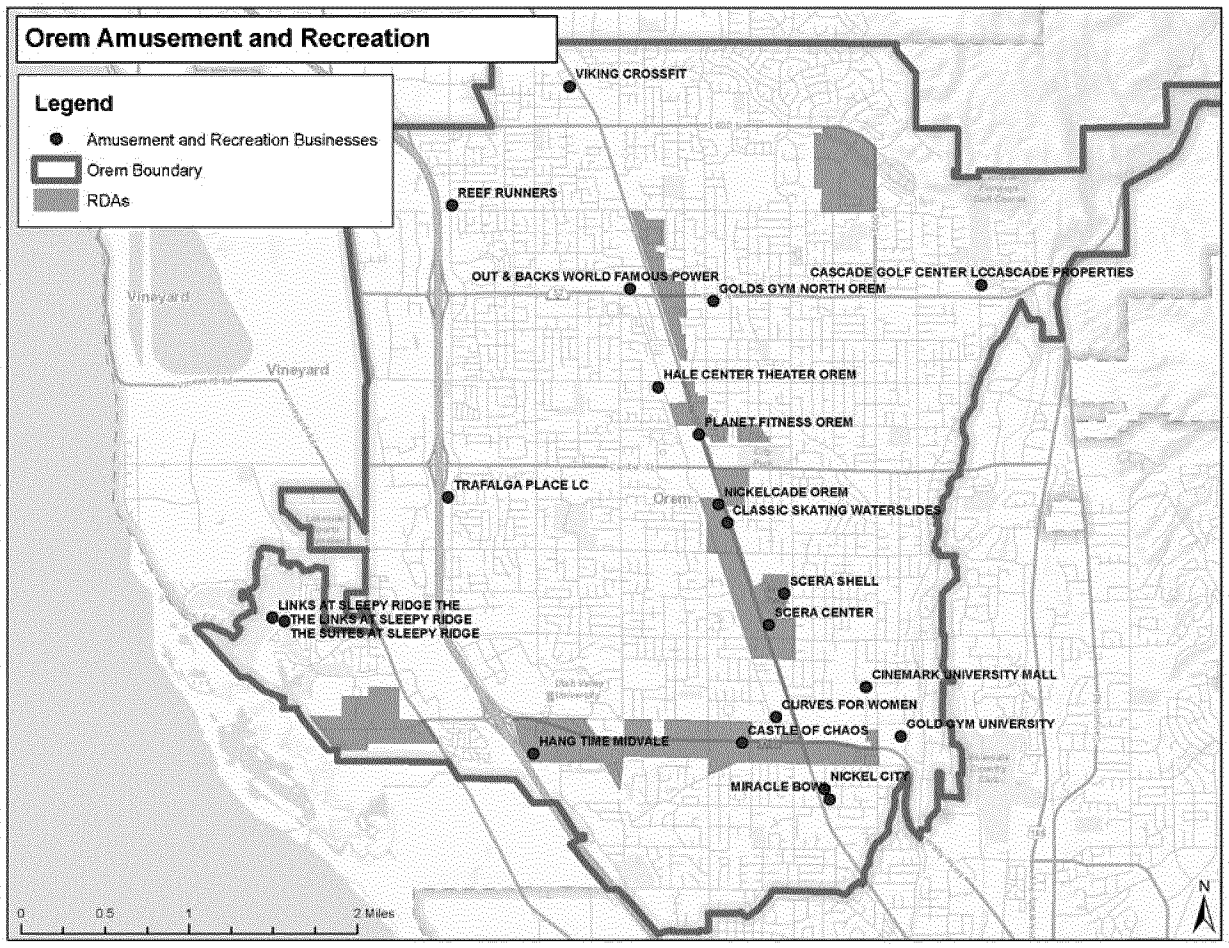
Orem Amusement and Recreation
Legend
Amusement and Recreation Businesses
Orem Boundary
RDAs
VIKING CROSSFIT
REEF RUNNERS
OUT & BACKS WORLD FAMOUS POWER
GOLDS GYM NORTH OREM
CASCADE GOLF CENTER LCCASCADE PROPERTIES
HALE CENTER THEATER OREM
PLANET FITNESS OREM
TRAFALGA PLACE LC
NICKELCADE OREM
CLASSIC SKATING WATERSLIDES
SCERA SHELL
SCERA CENTER
LINKS AT SLEEPY RIDGE THE
THE LINKS AT SLEEPY RIDGE
THE SUITES AT SLEEPY RIDGE
CINEMARK UNIVERSITY MALL
CURVES FOR WOMEN
CASTLE OF CHAOS
GOLD GYM UNIVERSITY
HANG TIME MIDVALE
NICKEL CITY
MIRACLE BOWL
Vineyard
Vineyard
Orem
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2 Miles
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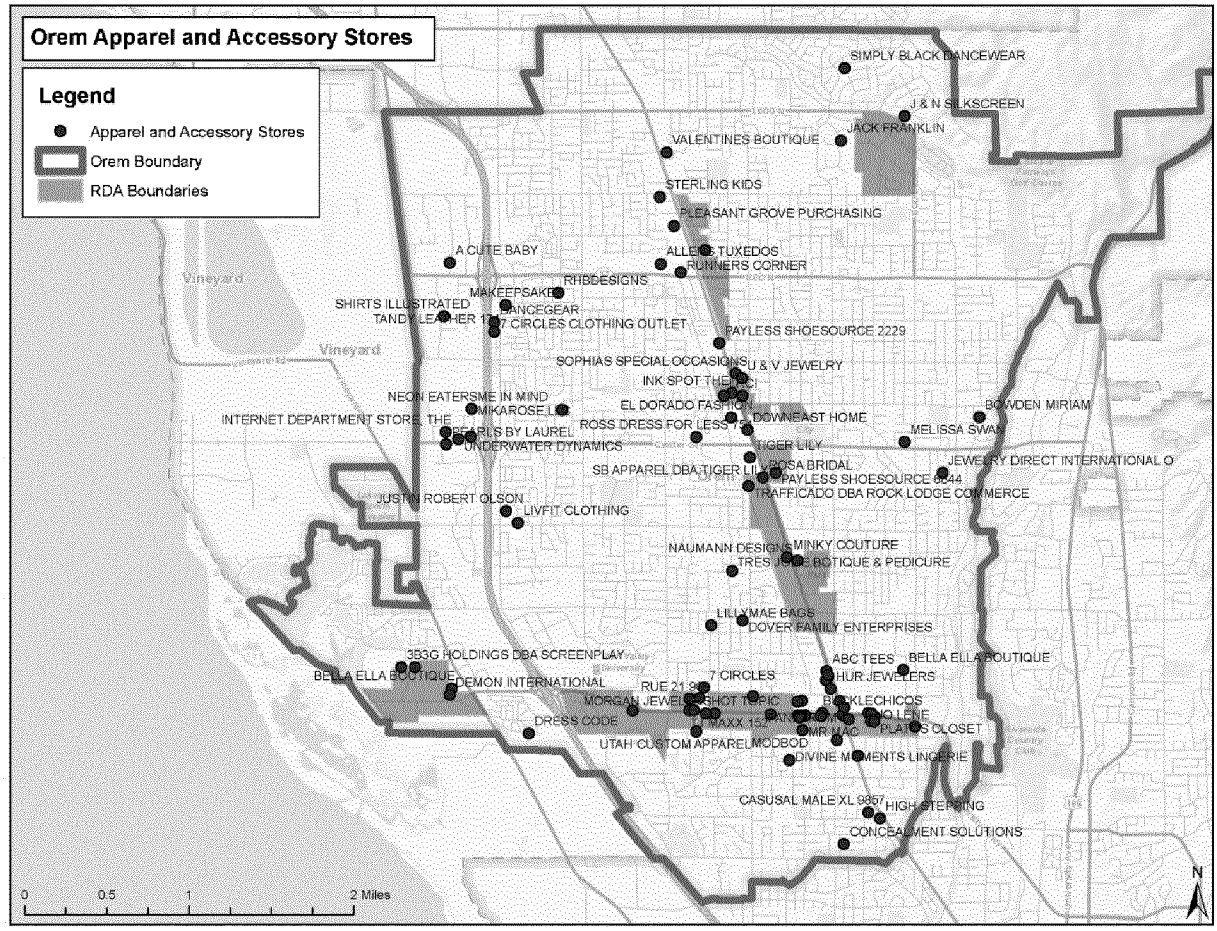
Orem Apparel and Accessory Stores
Legend
Apparel and Accessory Stores
Orem Boundary
RDA Boundaries
SIMPLY BLACK DANCEWEAR
J & N SILKSCREEN
JACK FRANKLIN
VALENTINES BOUTIQUE
STERLING KIDS
PLEASANT GROVE PURCHASING
A CUTE BABY
ALLENS TUXEDOS
RUNNERS CORNER
RHBDESIGNS
MAKEEPSAKE
SHIRTS ILLUSTRATED
DANCEGEAR
7 CIRCLES CLOTHING OUTLET
PAYLESS SHOESOURCE 2229
SOPHIAS SPECIAL OCCASIONS
U & V JEWELRY
INK SPOT THE
NEON EATERSME IN MIND
MIKAROSE L
EL DORADO FASHION
INTERNET DEPARTMENT STORE, THE
ROSS DRESS FOR LESS
DOWNEAST HOME
BOWDEN MIRIAM
MELISSA SWAN
PEARLS BY LAUREL
UNDERWATER DYNAMICS
TIGER LILY
SB APPAREL DBA TIGER LILY
ROSA BRIDAL
JEWELRY DIRECT INTERNATIONAL O
PAYLESS SHOESOURCE 6844
TRAFFICADO DBA ROCK LODGE COMMERCE
JUSTIN ROBERT OLSON
LIVFIT CLOTHING
NAUMANN DESIGNS
MINKY COUTURE
TRES JOLIE BOTIQUE & PEDICURE
LILLYMAE BAGS
DOVER FAMILY ENTERPRISES
3B3G HOLDINGS DBA SCREENPLAY
ABC TEES
BELLA ELLA BOUTIQUE
BELLA ELLA BOUTIQUE
DEMON INTERNATIONAL
7 CIRCLES
HUR JEWELERS
RUE 21
MORGAN JEWELERS
HOT TOPIC
BACKLECHICOS
DRESS CODE
MAXX 152
MR MAC
PLATOS CLOSET
UTAH CUSTOM APPAREL
MODBOD
DIVINE MOMENTS LINGERIE
CASUSAL MALE XL 9857
HIGH STEPPING
CONCEALMENT SOLUTIONS
Vineyard
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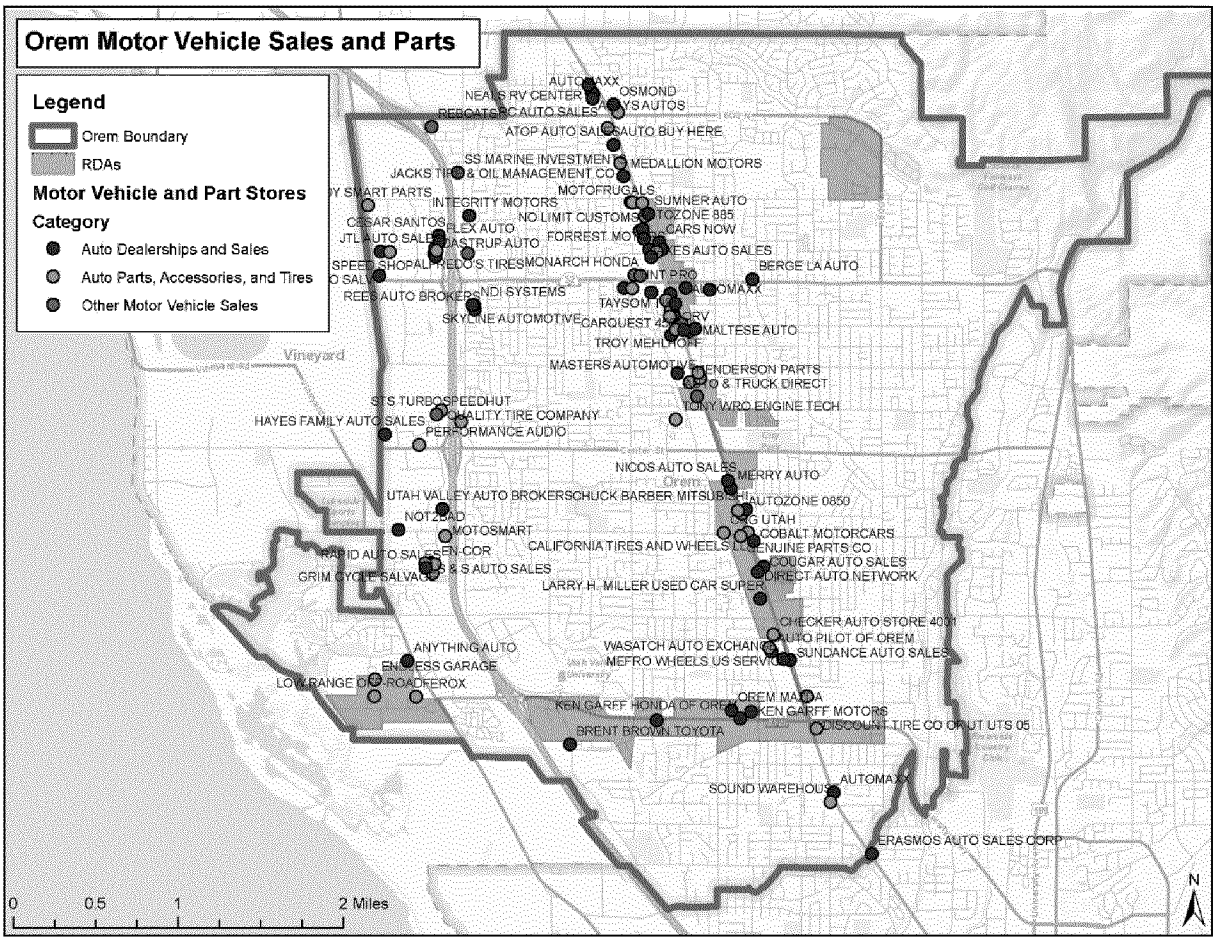
Orem Motor Vehicle Sales and Parts
Legend
Orem Boundary
RDAs
Motor Vehicle and Part Stores
Category
Auto Dealerships and Sales
Auto Parts, Accessories, and Tires
Other Motor Vehicle Sales
AUTOMAXX
OSMOND
NEALS RV CENTER
ATOP AUTO SALES
AUTO BUY HERE
MEDALLION MOTORS
JACKS TIRE & OIL MANAGEMENT CO
MOTOFRUGALS
INTEGRITY MOTORS
SUMNER AUTO
NO LIMIT CUSTOMS
TOZONE 885
CARS NOW
CESAR SANTOS
FLEX AUTO
JTL AUTO SALES
MONARCH HONDA
BERGE LA AUTO
REES AUTO BROKERS
SKYLINE AUTOMOTIVE
TAYSOM
MALTESE AUTO
TROY MEHLHOFF
MASTERS AUTOMOTIVE
HENDERSON PARTS
TONY WRO ENGINE TECH
STS TURBOSPEEDHUT
HAYES FAMILY AUTO SALES
QUALITY TIRE COMPANY
PERFORMANCE AUDIO
NICOS AUTO SALES
MERRY AUTO
UTAH VALLEY AUTO BROKERS
CHUCK BARBER MITSUBISHI
AUTOZONE 0850
NOTZBAD
MOTOSMART
COBALT MOTORCARS
CALIFORNIA TIRES AND WHEELS
GENUINE PARTS CO
COUGAR AUTO SALES
DIRECT AUTO NETWORK
LARRY H. MILLER USED CAR SUPER
CHECKER AUTO STORE 4031
AUTO PILOT OF OREM
SUNDANCE AUTO SALES
ANYTHING AUTO
WASATCH AUTO EXCHANGE
METRO WHEELS US SERVICE
ENGLESS GARAGE
LOW RANGE OFF-ROAD
FEROX
OREM MAZDA
KEN GARFF HONDA OF OREM
KEN GARFF MOTORS
DISCOUNT TIRE CO OF UT UTS 05
BRENT BROWN TOYOTA
SOUND WAREHOUSE
AUTOMAXX
ERASMOS AUTO SALES CORP
Vineyard
Orem
0 0.5 1 2 Miles
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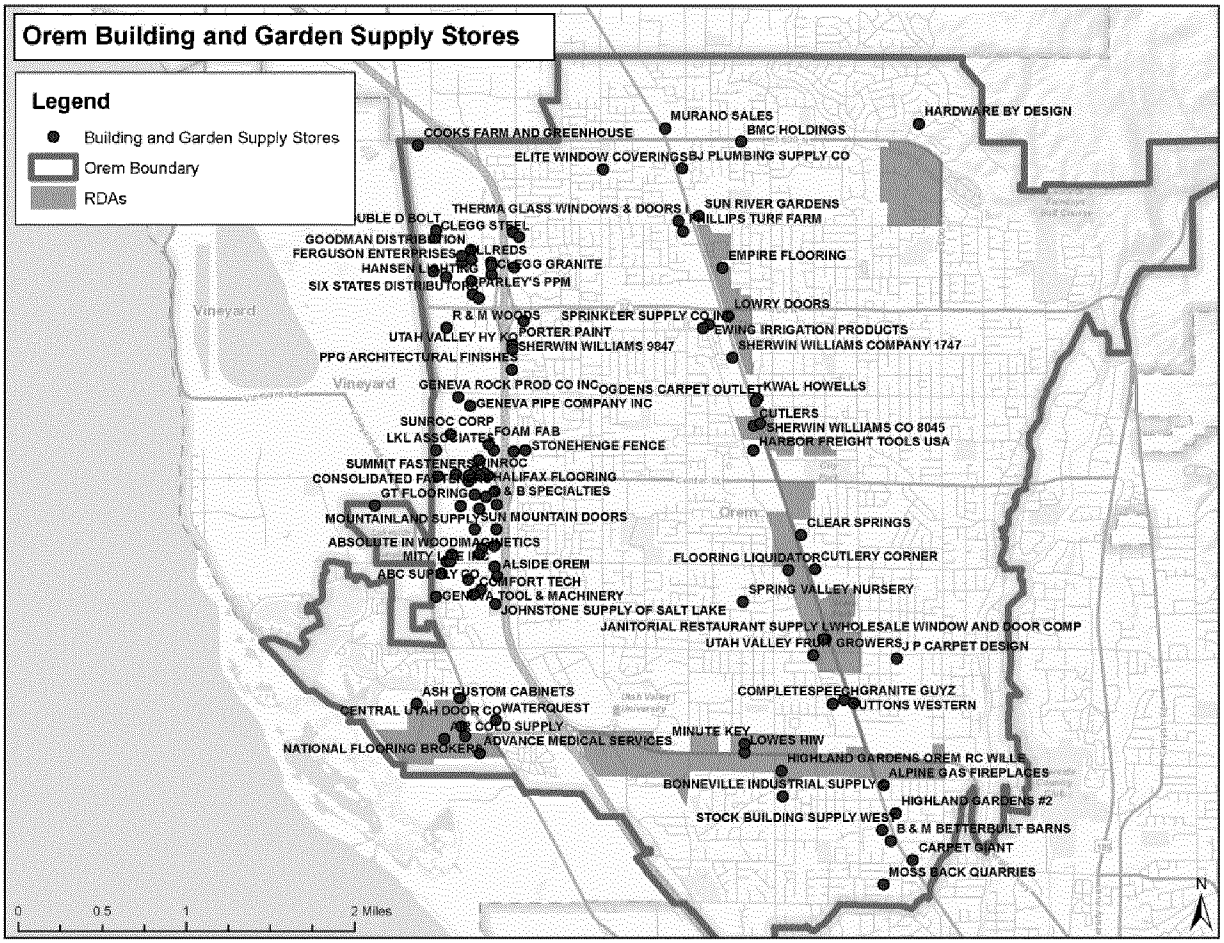
Orem Building and Garden Supply Stores
Legend
Building and Garden Supply Stores
Orem Boundary
RDAs
MURANO SALES
HARDWARE BY DESIGN
BMC HOLDINGS
COOKS FARM AND GREENHOUSE
ELITE WINDOW COVERINGS
BJ PLUMBING SUPPLY CO
THERMA GLASS WINDOWS & DOORS
SUN RIVER GARDENS
PHILLIPS TURF FARM
CLEGG STEEL
GOODMAN DISTRIBUTION
FERGUSON ENTERPRISES
ALLREDS
EMPIRE FLOORING
HANSEN LIGHTING
CLEGG GRANITE
SIX STATES DISTRIBUTOR
PARLEY'S PPM
LOWRY DOORS
R & M WOODS
SPRINKLER SUPPLY CO INC
EWING IRRIGATION PRODUCTS
UTAH VALLEY HY KO
PORTER PAINT
SHERWIN WILLIAMS 9847
SHERWIN WILLIAMS COMPANY 1747
PPG ARCHITECTURAL FINISHES
Vineyard
GENEVA ROCK PROD CO INC
OGDENS CARPET OUTLET
KWAL HOWELLS
GENEVA PIPE COMPANY INC
CUTLERS
SUNROC CORP
SHERWIN WILLIAMS CO 8045
LKL ASSOCIATES
FOAM FAB
HARBOR FREIGHT TOOLS USA
STONEHENGE FENCE
SUMMIT FASTENERS
INROC
CONSOLIDATED FA
HALIFAX FLOORING
GT FLOORING
& B SPECIALTIES
MOUNTAINLAND SUPPLY
SUN MOUNTAIN DOORS
Orem
CLEAR SPRINGS
ABSOLUTE IN WOODIMAGINETICS
MITY LITE INC
FLOORING LIQUIDATOR
CUTLERY CORNER
ALSIDE OREM
ABC SUPPLY CO
COMFORT TECH
SPRING VALLEY NURSERY
GENEVA TOOL & MACHINERY
JOHNSTONE SUPPLY OF SALT LAKE
JANITORIAL RESTAURANT SUPPLY L
WHOLESALE WINDOW AND DOOR COMP
UTAH VALLEY FRUIT GROWERS
J P CARPET DESIGN
ASH CUSTOM CABINETS
COMPLETESPEECH
GRANITE GUYZ
CENTRAL UTAH DOOR CO
WATERQUEST
UTTONS WESTERN
AIR COLD SUPPLY
MINUTE KEY
ADVANCE MEDICAL SERVICES
LOWES HIW
NATIONAL FLOORING BROKERS
HIGHLAND GARDENS OREM RC WILLE
ALPINE GAS FIREPLACES
BONNEVILLE INDUSTRIAL SUPPLY
HIGHLAND GARDENS #2
STOCK BUILDING SUPPLY WES
B & M BETTERBUILT BARNS
CARPET GIANT
MOSS BACK QUARRIES
0
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1
2 Miles
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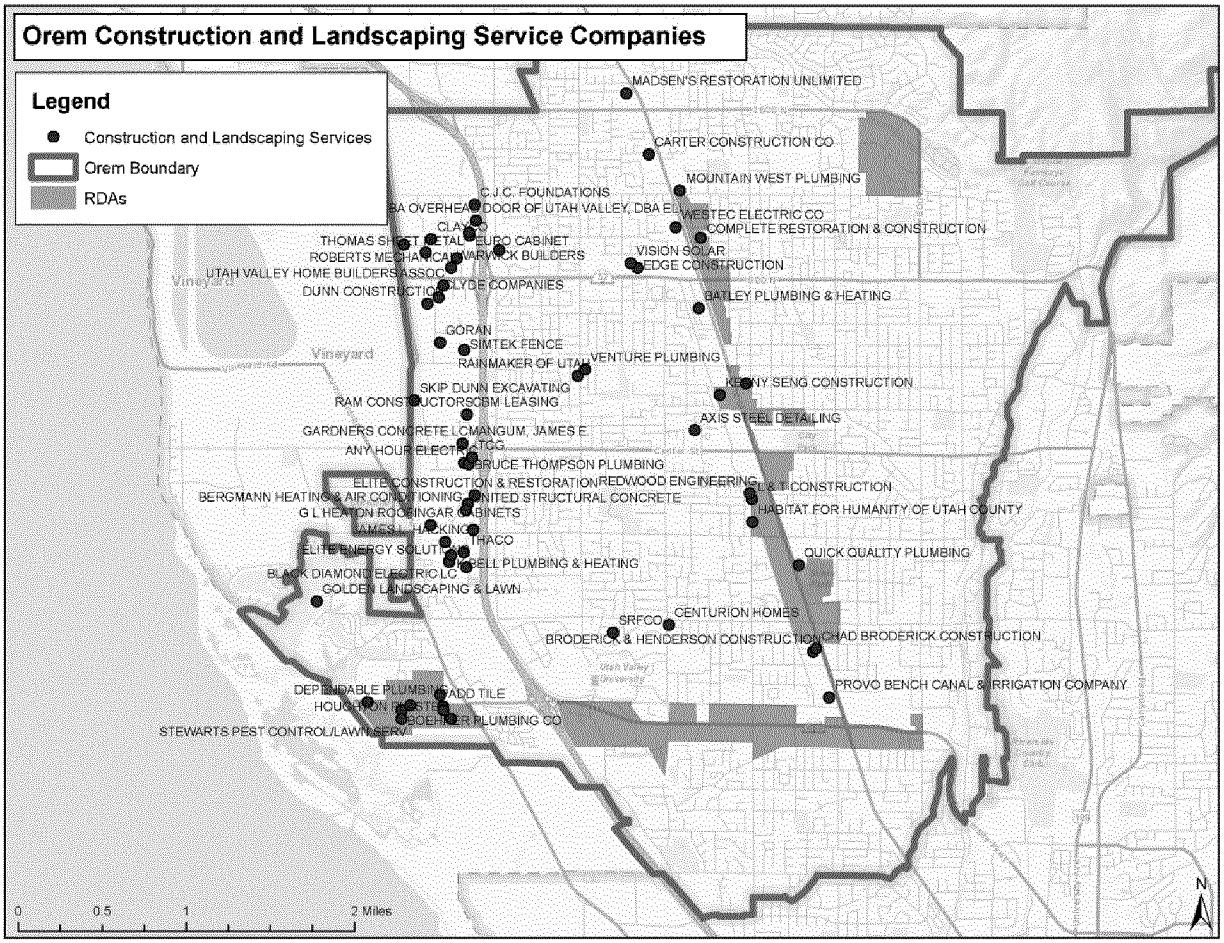
Orem Construction and Landscaping Service Companies
Legend
Construction and Landscaping Services
Orem Boundary
RDAs
MADSEN'S RESTORATION UNLIMITED
CARTER CONSTRUCTION CO
MOUNTAIN WEST PLUMBING
C.J.C. FOUNDATIONS
WESTEC ELECTRIC CO
COMPLETE RESTORATION & CONSTRUCTION
VISION SOLAR
EDGE CONSTRUCTION
BATLEY PLUMBING & HEATING
GORAN
SIMTEK FENCE
VENTURE PLUMBING
SKIP DUNN EXCAVATING
KENNY SENG CONSTRUCTION
AXIS STEEL DETAILING
GARDNERS CONCRETE
ANY HOUR ELECTRICAL
BRUCE THOMPSON PLUMBING
REDWOOD ENGINEERING
ELITE CONSTRUCTION & RESTORATION
UNITED STRUCTURAL CONCRETE
BERGMANN HEATING & AIR CONDITIONING
G L HEATON ROOFING
HABITAT FOR HUMANITY OF UTAH COUNTY
QUICK QUALITY PLUMBING
BLACK DIAMOND ELECTRIC LLC
GOLDEN LANDSCAPING & LAWN
CENTURION HOMES
SRFCO
BRODERICK & HENDERSON CONSTRUCTION
CHAD BRODERICK CONSTRUCTION
PROVO BENCH CANAL & IRRIGATION COMPANY
STEWARTS PEST CONTROL/LAWN SERV
Vineyard
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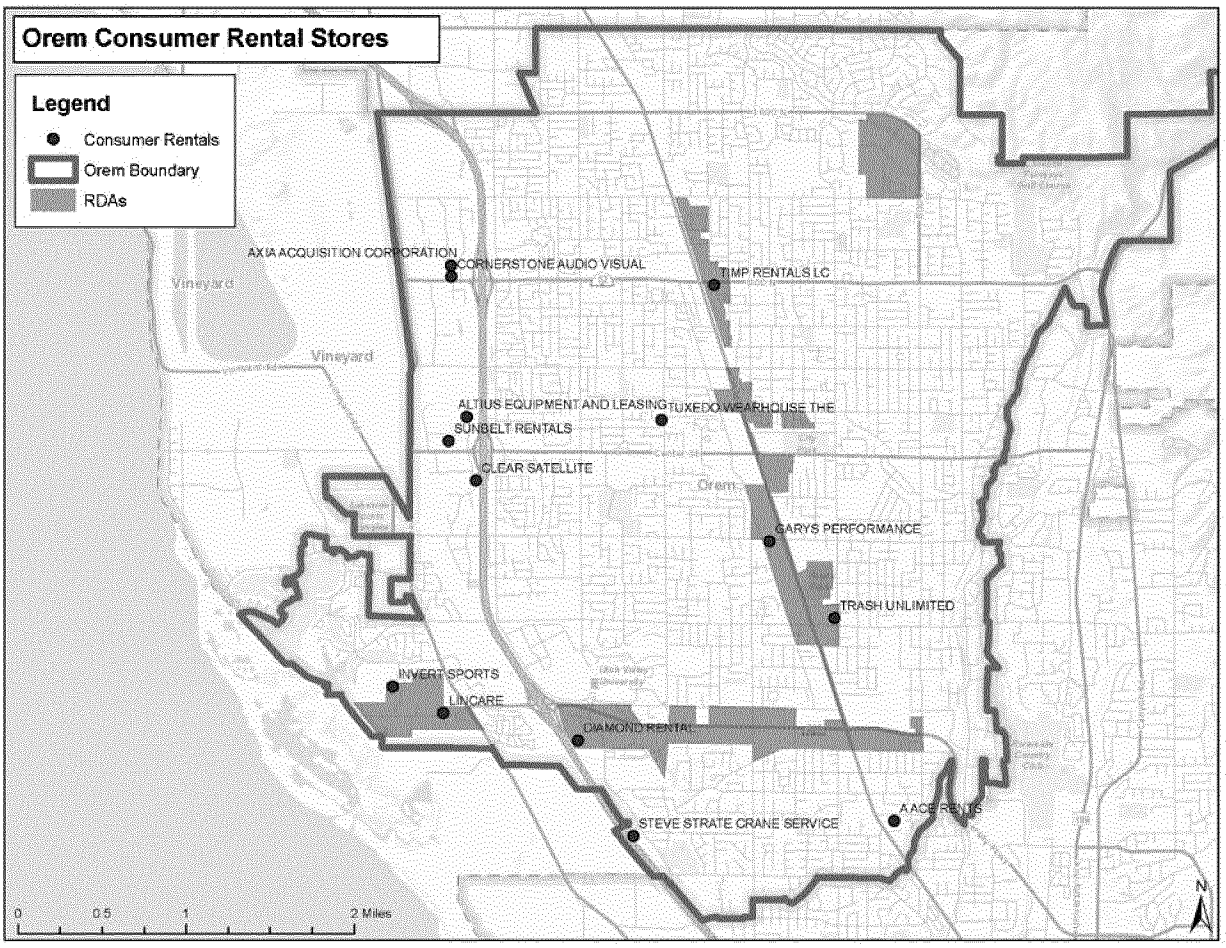
Orem Consumer Rental Stores
Legend
Consumer Rentals
Orem Boundary
RDAs
AXIA ACQUISITION CORPORATION
CORNERSTONE AUDIO VISUAL
TIMP RENTALS LC
Vineyard
Vineyard
ALTIUS EQUIPMENT AND LEASING
TUXEDO WEARHOUSE THE
SUNBELT RENTALS
CLEAR SATELLITE
Orem
GARYS PERFORMANCE
TRASH UNLIMITED
INVERT SPORTS
LINCARE
DIAMOND RENTAL
AACE RENTS
STEVE STRATE CRANE SERVICE
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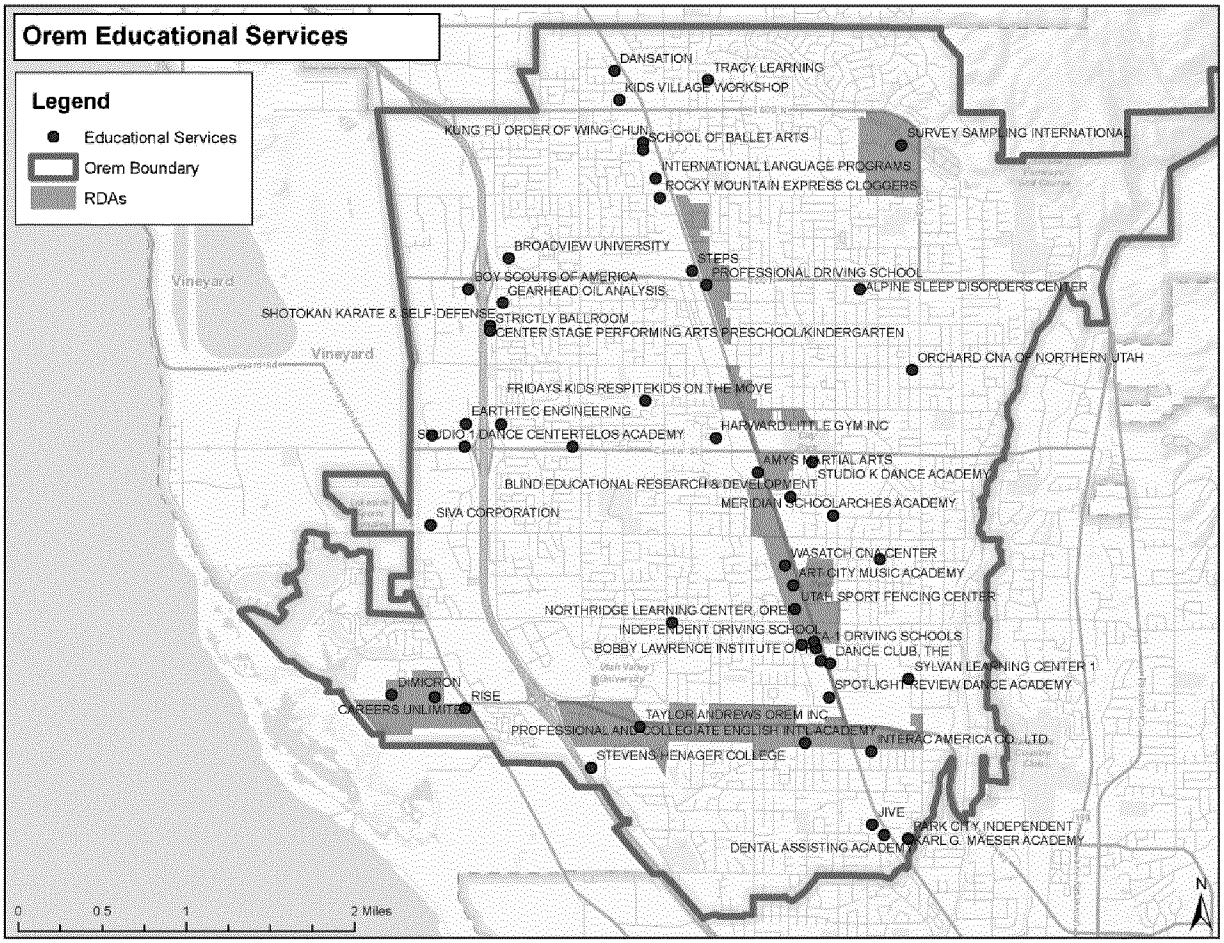
Orem Educational Services
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Educational Services
Orem Boundary
RDAs
DANSATION
TRACY LEARNING
KIDS VILLAGE WORKSHOP
KUNG FU ORDER OF WING CHUN
SCHOOL OF BALLET ARTS
SURVEY SAMPLING INTERNATIONAL
INTERNATIONAL LANGUAGE PROGRAMS
ROCKY MOUNTAIN EXPRESS CLOGGERS
BROADVIEW UNIVERSITY
STEPS
PROFESSIONAL DRIVING SCHOOL
BOY SCOUTS OF AMERICA
GEARHEAD OIL ANALYSIS
ALPINE SLEEP DISORDERS CENTER
SHOTOKAN KARATE & SELF-DEFENSE
STRICTLY BALLROOM
CENTER STAGE PERFORMING ARTS PRESCHOOL/KINDERGARTEN
ORCHARD CNA OF NORTHERN UTAH
FRIDAYS KIDS RESPITE
KIDS ON THE MOVE
EARTHTEC ENGINEERING
STUDIO 1 DANCE CENTER
TELOS ACADEMY
HARWARD LITTLE GYM INC
AMYS MARTIAL ARTS
STUDIO K DANCE ACADEMY
BLIND EDUCATIONAL RESEARCH & DEVELOPMENT
MERIDIAN SCHOOL
ARCHES ACADEMY
SIVA CORPORATION
WASATCH CNA CENTER
ART CITY MUSIC ACADEMY
UTAH SPORT FENCING CENTER
NORTHRIDGE LEARNING CENTER, OREM
INDEPENDENT DRIVING SCHOOL
A 1 DRIVING SCHOOLS
BOBBY LAWRENCE INSTITUTE OF
DANCE CLUB, THE
SYLVAN LEARNING CENTER 1
SPOTLIGHT REVIEW DANCE ACADEMY
DIMICRON
RISE
CAREERS UNLIMITED
TAYLOR ANDREWS OREM INC
PROFESSIONAL AND COLLEGIATE ENGLISH INTL ACADEMY
INTERAC AMERICA CO., LTD
STEVENS HENAGER COLLEGE
JIVE
PARK CITY INDEPENDENT
KARL G. MAESER ACADEMY
DENTAL ASSISTING ACADEMY
Vineyard
Vineyard
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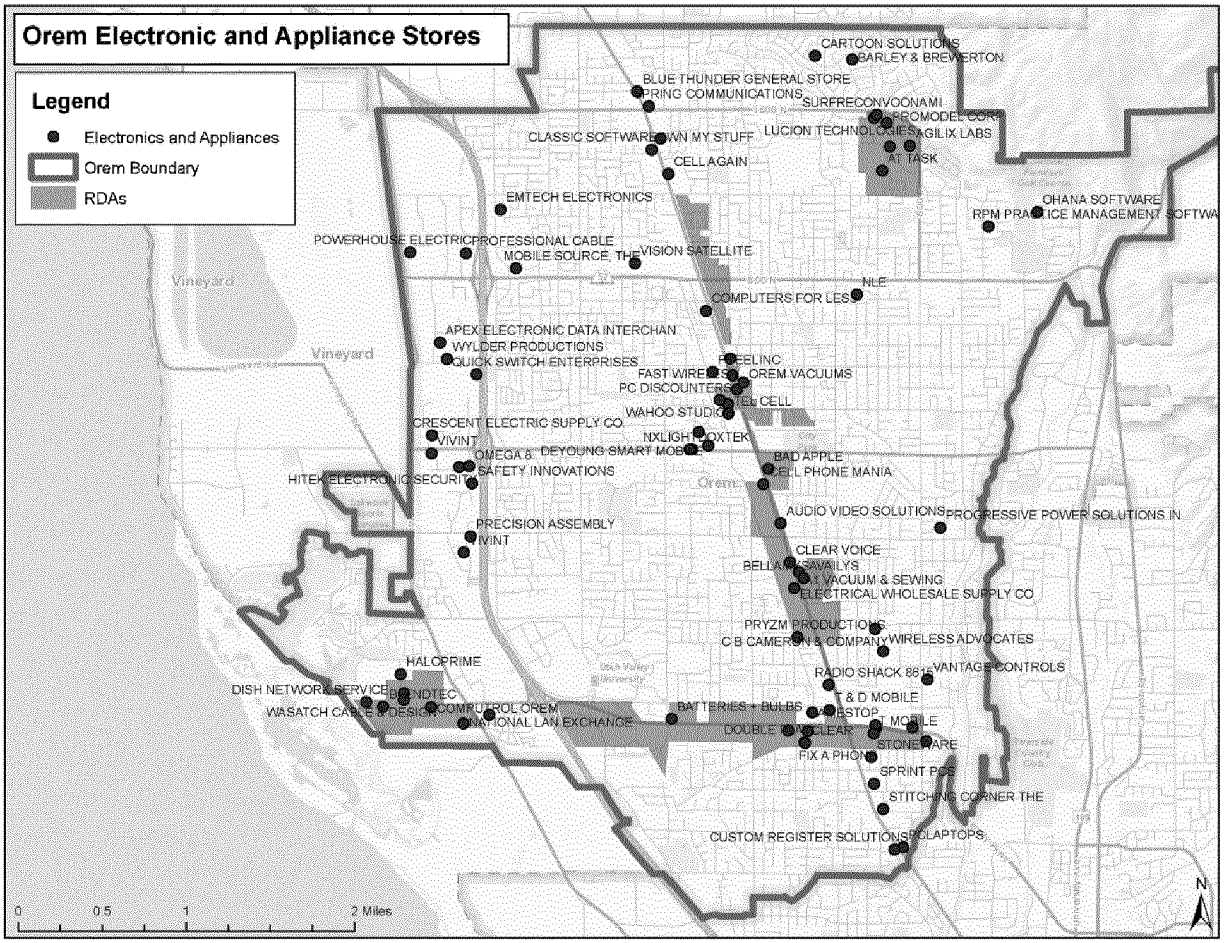
Orem Electronic and Appliance Stores
Legend
Electronics and Appliances
Orem Boundary
RDAs
CARTOON SOLUTIONS
BARLEY & BREWERTON
BLUE THUNDER GENERAL STORE
PRING COMMUNICATIONS
SURFRECONVOONAMI
PROMODEL CORP
LUCION TECHNOLOGIES
AGILIX LABS
CLASSIC SOFTWARE
WN MY STUFF
CELL AGAIN
AT TASK
EMTECH ELECTRONICS
OHANA SOFTWARE
RPM PRACTICE MANAGEMENT SOFTWA
POWERHOUSE ELECTRIC
PROFESSIONAL CABLE
MOBILE SOURCE, THE
VISION SATELLITE
Vineyard
NLE
COMPUTERS FOR LESS
APEX ELECTRONIC DATA INTERCHAN
WYLDER PRODUCTIONS
QUICK SWITCH ENTERPRISES
FREELINC
FAST WIRELESS
OREM VACUUMS
PC DISCOUNTERS
TEL CELL
WAHOO STUDIO
CRESCENT ELECTRIC SUPPLY CO.
VIVINT
NXLIGHT
OXTEK
OMEGA 8
DEYOUNG SMART MOBILE
BAD APPLE
SAFETY INNOVATIONS
CELL PHONE MANIA
HITEK ELECTRONIC SECURITY
Orem
AUDIO VIDEO SOLUTIONS
PROGRESSIVE POWER SOLUTIONS IN
PRECISION ASSEMBLY
VIVINT
CLEAR VOICE
BELLAM SAVAILYS
VACUUM & SEWING
ELECTRICAL WHOLESALE SUPPLY CO
PRYZM PRODUCTIONS
C B CAMERON & COMPANY
WIRELESS ADVOCATES
HALOPRIME
RADIO SHACK 8615
VANTAGE CONTROLS
DISH NETWORK SERVICE
BLENDTEC
T & D MOBILE
WASATCH CABLE & DESIGN
COMPUTROL OREM
BATTERIES + BULBS
AMESTOP
NATIONAL LAN EXCHANGE
DOUBLE TOW CLEAR
T MOBILE
STONEWARE
FIX A PHONE
SPRINT PCS
STITCHING CORNER THE
CUSTOM REGISTER SOLUTIONS
PCLAPTOPS
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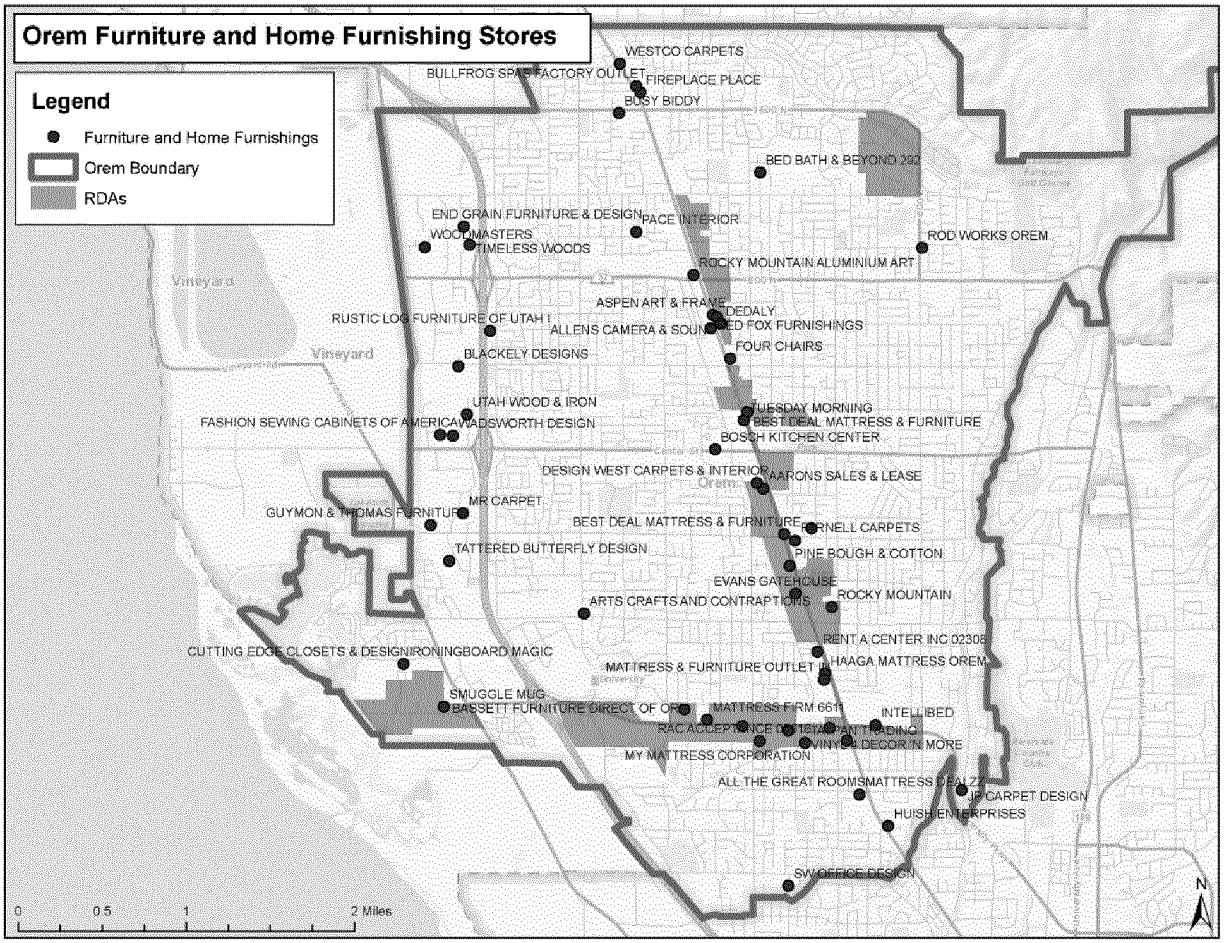
Orem Furniture and Home Furnishing Stores
Legend
Furniture and Home Furnishings
Orem Boundary
RDAs
WESTCO CARPETS
BULLFROG SPAS FACTORY OUTLET
FIREPLACE PLACE
BUSY BIDDY
BED BATH & BEYOND 292
END GRAIN FURNITURE & DESIGN
PACE INTERIOR
WOODMASTERS
TIMELESS WOODS
ROD WORKS OREM
ROCKY MOUNTAIN ALUMINIUM ART
Vineyard
ASPEN ART & FRAME
DEDALY
RUSTIC LOG FURNITURE OF UTAH I
ALLENS CAMERA & SOUND
RED FOX FURNISHINGS
FOUR CHAIRS
BLACKELY DESIGNS
UTAH WOOD & IRON
TUESDAY MORNING
FASHION SEWING CABINETS OF AMERICA
WADSWORTH DESIGN
BEST DEAL MATTRESS & FURNITURE
BOSCH KITCHEN CENTER
DESIGN WEST CARPETS & INTERIOR
AARONS SALES & LEASE
Orem
MR CARPET
GUYMON & THOMAS FURNITURE
BEST DEAL MATTRESS & FURNITURE
FORNELL CARPETS
TATTERED BUTTERFLY DESIGN
PINE BOUGH & COTTON
EVANS GATEHOUSE
ARTS CRAFTS AND CONTRAPTIONS
ROCKY MOUNTAIN
RENT A CENTER INC 02308
CUTTING EDGE CLOSETS & DESIGN
IRONINGBOARD MAGIC
MATTRESS & FURNITURE OUTLET
HAAGA MATTRESS OREM
SMUGGLE MUG
BASSETT FURNITURE DIRECT OF OREM
MATTRESS FIRM 6611
INTELLIBED
MY MATTRESS CORPORATION
ALL THE GREAT ROOMS
MATTRESS DEALZ
JP CARPET DESIGN
HUISH ENTERPRISES
SW OFFICE DESIGN
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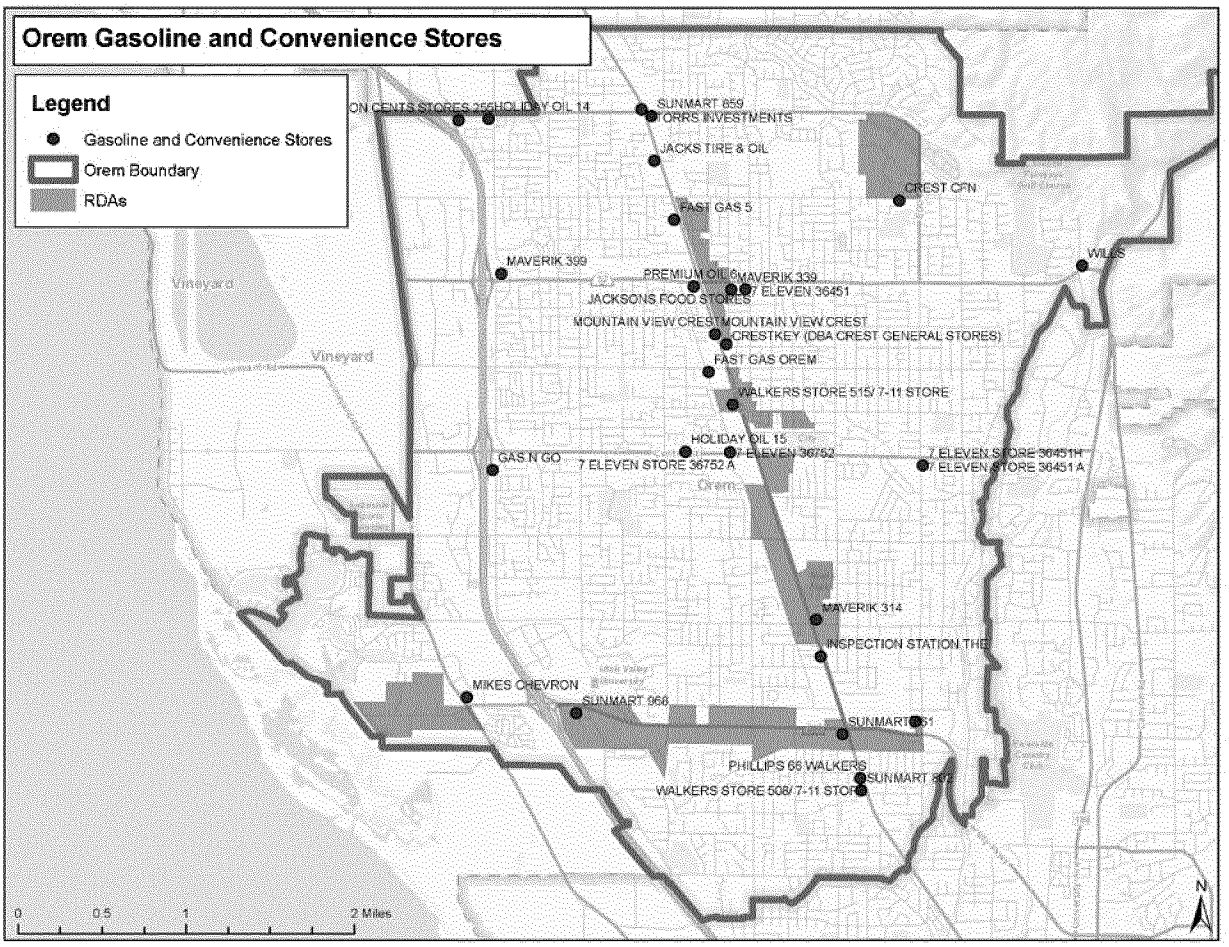
Orem Gasoline and Convenience Stores
Legend
Gasoline and Convenience Stores
Orem Boundary
RDAs
SUNMART 859
ORRS INVESTMENTS
JACKS TIRE & OIL
CREST CFN
FAST GAS 5
MAVERIK 399
PREMIUM OIL
MAVERIK 339
7 ELEVEN 36451
JACKSONS FOOD STORES
MOUNTAIN VIEW CREST
MOUNTAIN VIEW CREST
CRESTKEY (DBA CREST GENERAL STORES)
FAST GAS OREM
WALKERS STORE 515/ 7-11 STORE
WILES
HOLIDAY OIL 15
7-ELEVEN 36752
GAS N GO
7 ELEVEN STORE 36752 A
7 ELEVEN STORE 36451H
7 ELEVEN STORE 36451 A
Vineyard
Vineyard
Orem
MAVERIK 314
INSPECTION STATION THE
MIKES CHEVRON
SUNMART 966
SUNMART
PHILLIPS 66 WALKERS
WALKERS STORE 508/ 7-11 STORE
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0.5
1
2 Miles
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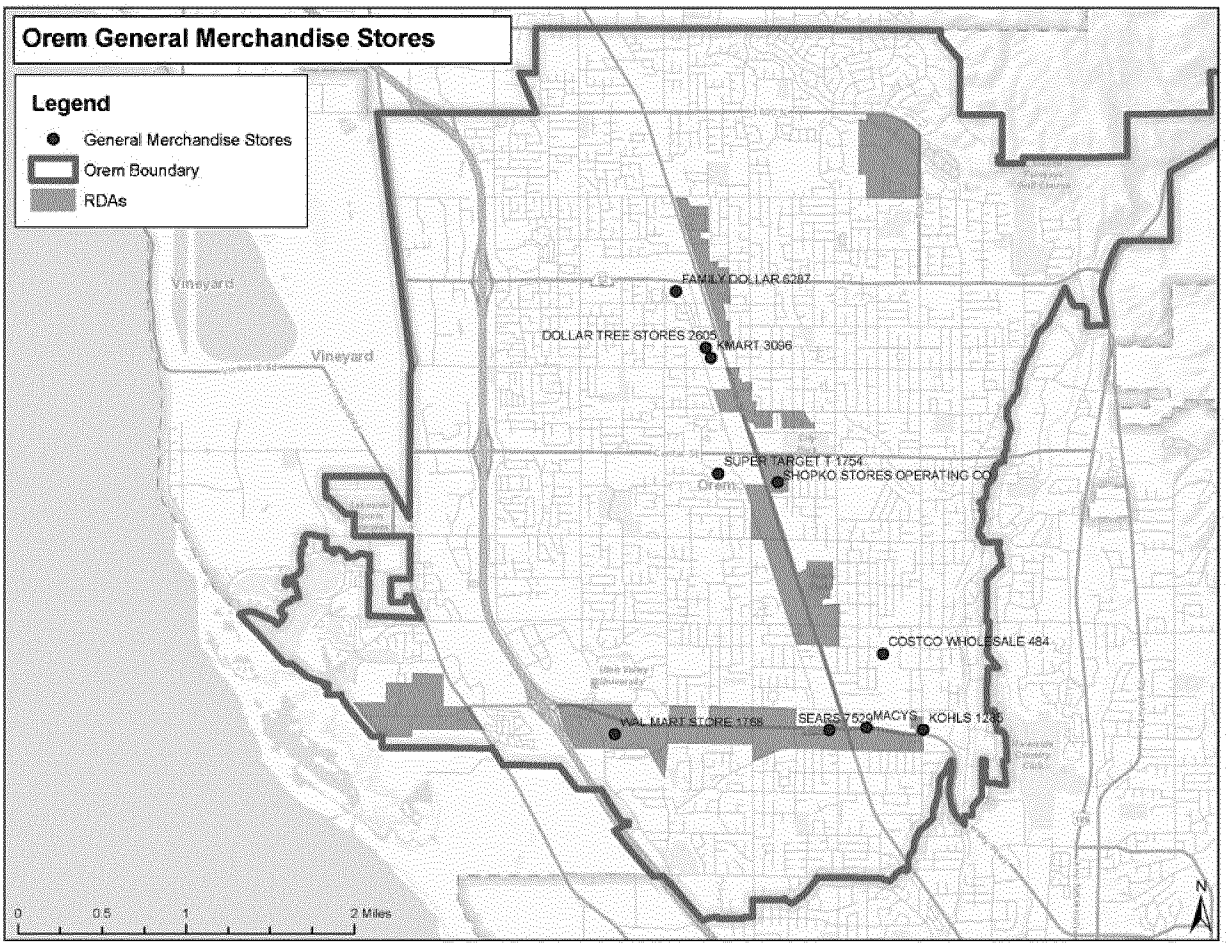
Orem General Merchandise Stores
Legend
General Merchandise Stores
Orem Boundary
RDAs
FAMILY DOLLAR 6287
DOLLAR TREE STORES 2605
KMART 3096
SUPER TARGET T 1754
SHOPKO STORES OPERATING CO
COSTCO WHOLESALE 484
WAL MART STORE 1768
SEARS 7529
MACYS
KOHLS 1285
Vineyard
Vineyard
Orem
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1
2 Miles
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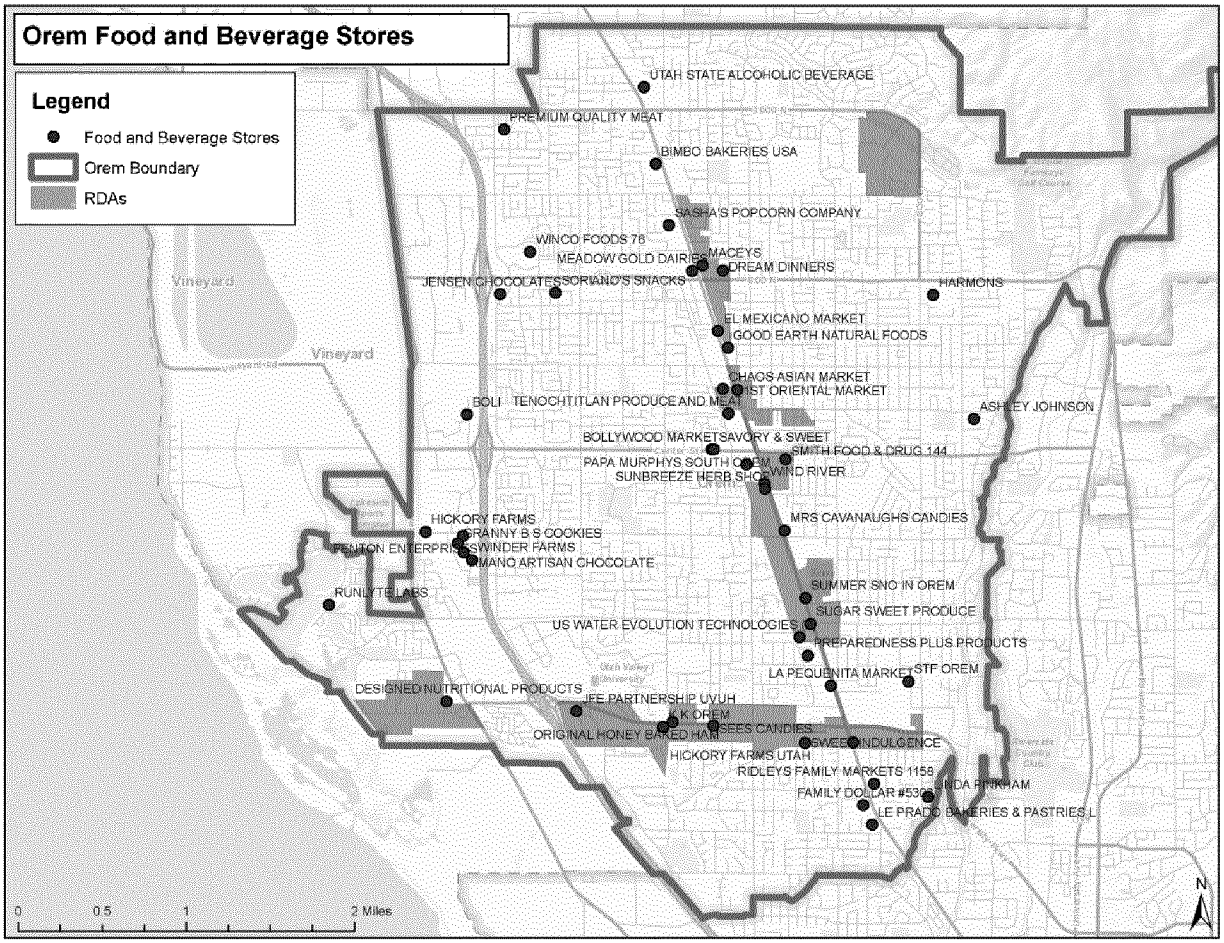
Orem Food and Beverage Stores
Legend
Food and Beverage Stores
Orem Boundary
RDAs
UTAH STATE ALCOHOLIC BEVERAGE
PREMIUM QUALITY MEAT
BIMBO BAKERIES USA
SASHA'S POPCORN COMPANY
WINCO FOODS 78
MEADOW GOLD DAIRIES
MACEYS
DREAM DINNERS
JENSEN CHOCOLATES
SORIANO'S SNACKS
HARMONS
EL MEXICANO MARKET
GOOD EARTH NATURAL FOODS
CHAOS ASIAN MARKET
BOLI
TENOCHTITLAN PRODUCE AND MEAT
ASHLEY JOHNSON
BOLLYWOOD MARKET
SAVORY & SWEET
SMITH FOOD & DRUG 144
PAPA MURPHYS SOUTH OREM
SUNBREEZE HERB SHOP
WIND RIVER
HICKORY FARMS
MRS CAVANAUGHS CANDIES
GRANNY B S COOKIES
SWINDER FARMS
MANO ARTISAN CHOCOLATE
RUNLYTE LABS
SUMMER SNO IN OREM
SUGAR SWEET PRODUCE
US WATER EVOLUTION TECHNOLOGIES
PREPAREDNESS PLUS PRODUCTS
LA PEQUENITA MARKET
STF OREM
DESIGNED NUTRITIONAL PRODUCTS
LIFE PARTNERSHIP UVUH
K OREM
ORIGINAL HONEY BAKED HAM
SEES CANDIES
SWEET INDULGENCE
HICKORY FARMS UTAH
RIDLEYS FAMILY MARKETS 1158
FAMILY DOLLAR #5398
LINDA PINKHAM
LE PRADO BAKERIES & PASTRIES L
Vineyard
Vineyard
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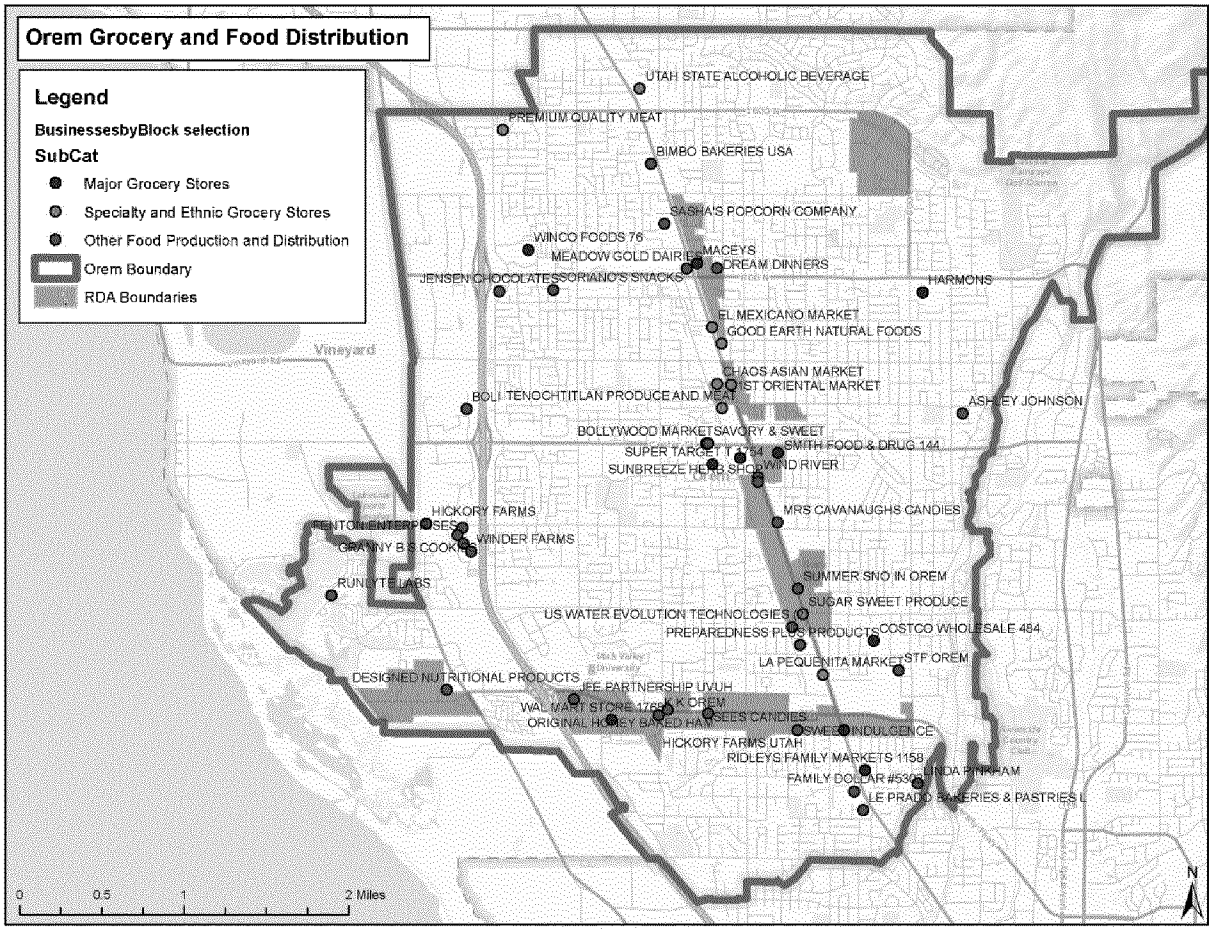
Orem Grocery and Food Distribution
Legend
BusinessesbyBlock selection
SubCat
Major Grocery Stores
Specialty and Ethnic Grocery Stores
Other Food Production and Distribution
Orem Boundary
RDA Boundaries
UTAH STATE ALCOHOLIC BEVERAGE
PREMIUM QUALITY MEAT
BIMBO BAKERIES USA
SASHA'S POPCORN COMPANY
WINCO FOODS 76
MEADOW GOLD DAIRIES
MACEYS
DREAM DINNERS
JENSEN CHOCOLATES
SORIANO'S SNACKS
HARMONS
EL MEXICANO MARKET
GOOD EARTH NATURAL FOODS
Vineyard
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TENOCHTITLAN PRODUCE AND MEAT
ASHLEY JOHNSON
BOLLYWOOD MARKET
SAVORY & SWEET
SUPER TARGET T 1754
SMITH FOOD & DRUG 144
SUNBREEZE HERB SHOP
WIND RIVER
HICKORY FARMS
MRS CAVANAUGHS CANDIES
FENTON ENTERPRISES
WINDER FARMS
GRANNY B S COOKIES
RUNLYTE LABS
SUMMER SNO IN OREM
SUGAR SWEET PRODUCE
US WATER EVOLUTION TECHNOLOGIES
PREPAREDNESS PLUS PRODUCTS
COSTCO WHOLESALE 484
LA PEQUENITA MARKET
STF OREM
DESIGNED NUTRITIONAL PRODUCTS
JEE PARTNERSHIP UVUH
WAL MART STORE 1765
K K OREM
ORIGINAL HONEY BAKED HAM
SEES CANDIES
SWEET INDULGENCE
HICKORY FARMS UTAH
RIDLEYS FAMILY MARKETS 1158
FAMILY DOLLAR #5308
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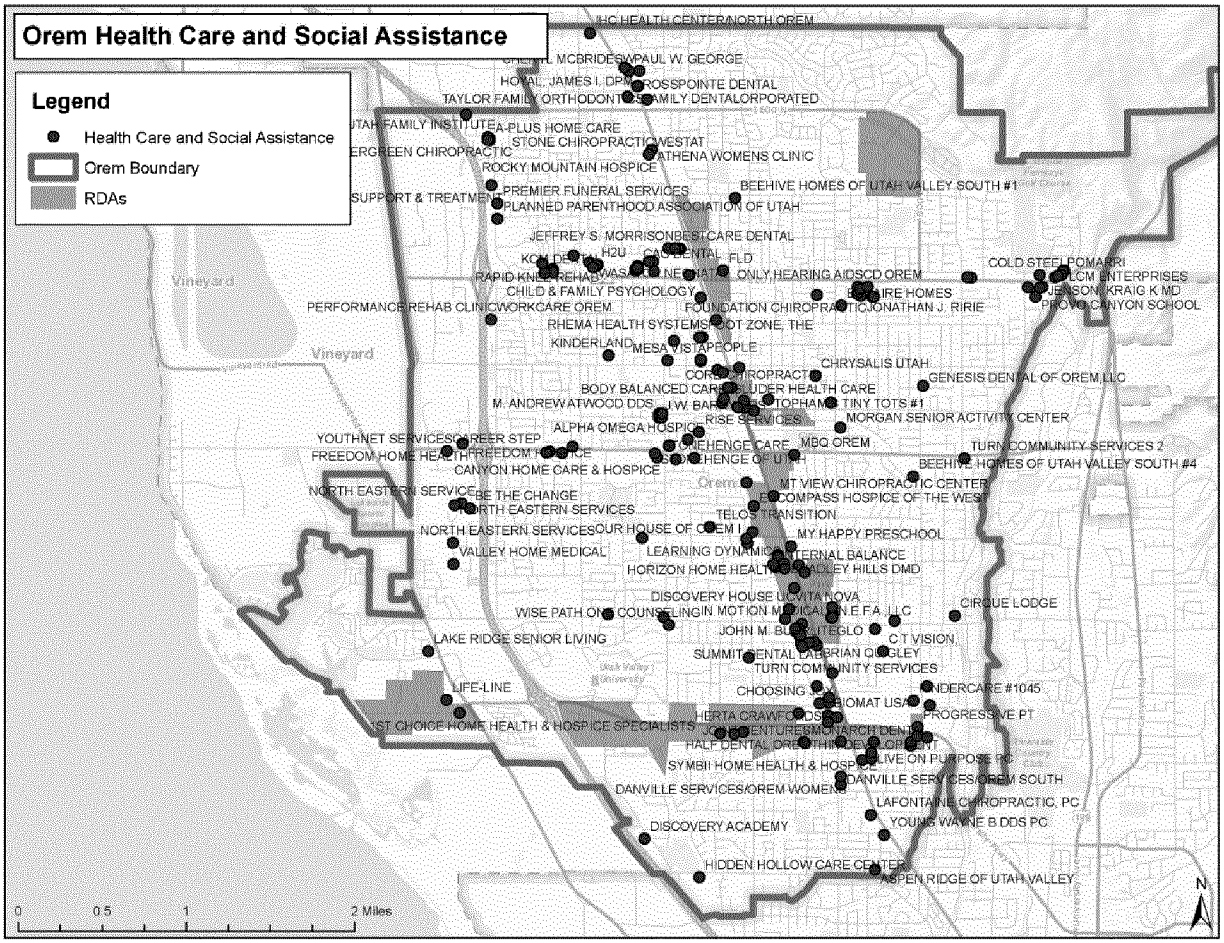
Orem Health Care and Social Assistance
Legend
Health Care and Social Assistance
Orem Boundary
RDAs
IHC HEALTH CENTER/NORTH OREM
PAUL W. GEORGE
ROSSPOINTE DENTAL
TAYLOR FAMILY ORTHODONTICS
FAMILY DENTALORPORATED
STONE CHIROPRACTIC
WESTAT
ATHENA WOMENS CLINIC
ROCKY MOUNTAIN HOSPICE
PREMIER FUNERAL SERVICES
BEEHIVE HOMES OF UTAH VALLEY SOUTH #1
PLANNED PARENTHOOD ASSOCIATION OF UTAH
JEFFREY S. MORRISON
BEST CARE DENTAL
COLD STEEL POMARRI
LCM ENTERPRISES
RAPID KNEE REHAB
CHILD & FAMILY PSYCHOLOGY
FOUNDATION CHIROPRACTIC
JONATHAN J. RIRIE
PROVO CANYON SCHOOL
PERFORMANCE REHAB CLINIC
WORKCARE OREM
RHEMA HEALTH SYSTEMS
KINDERLAND
MESA VISTA PEOPLE
CHRYSALIS UTAH
GENESIS DENTAL OF OREM LLC
BODY BALANCED CARE
UNDER HEALTH CARE
M. ANDREW ATWOOD DDS
TINY TOTS #1
MORGAN SENIOR ACTIVITY CENTER
ALPHA OMEGA HOSPICE
YOUTHNET SERVICES
CAREER STEP
FREEDOM HOME HEALTH
FREEDOM HOSPICE
CANYON HOME CARE & HOSPICE
MBQ OREM
TURN COMMUNITY SERVICES 2
BEEHIVE HOMES OF UTAH VALLEY SOUTH #4
NORTH EASTERN SERVICES
BE THE CHANGE
MT VIEW CHIROPRACTIC CENTER
COMPASS HOSPICE OF THE WEST
TELOS TRANSITION
MY HAPPY PRESCHOOL
VALLEY HOME MEDICAL
LEARNING DYNAMICS
INTERNAL BALANCE
HORIZON HOME HEALTH
DISCOVERY HOUSE
CIRQUE LODGE
WISE PATH
LAKE RIDGE SENIOR LIVING
C T VISION
SUMMIT DENTAL
TURN COMMUNITY SERVICES
LIFE-LINE
CHOOSING
BIOMAT USA
PROGRESSIVE PT
FIRST CHOICE HOME HEALTH & HOSPICE SPECIALISTS
HERTA CRAWFORD DDS
MONARCH DENTAL
SYMBII HOME HEALTH & HOSPICE
LIVE ON PURPOSE PC
DANVILLE SERVICES/OREM SOUTH
DANVILLE SERVICES/OREM WOMENS
LAFONTAINE CHIROPRACTIC, PC
YOUNG WAYNE B DDS PC
DISCOVERY ACADEMY
HIDDEN HOLLOW CARE CENTER
ASPEN RIDGE OF UTAH VALLEY
Vineyard
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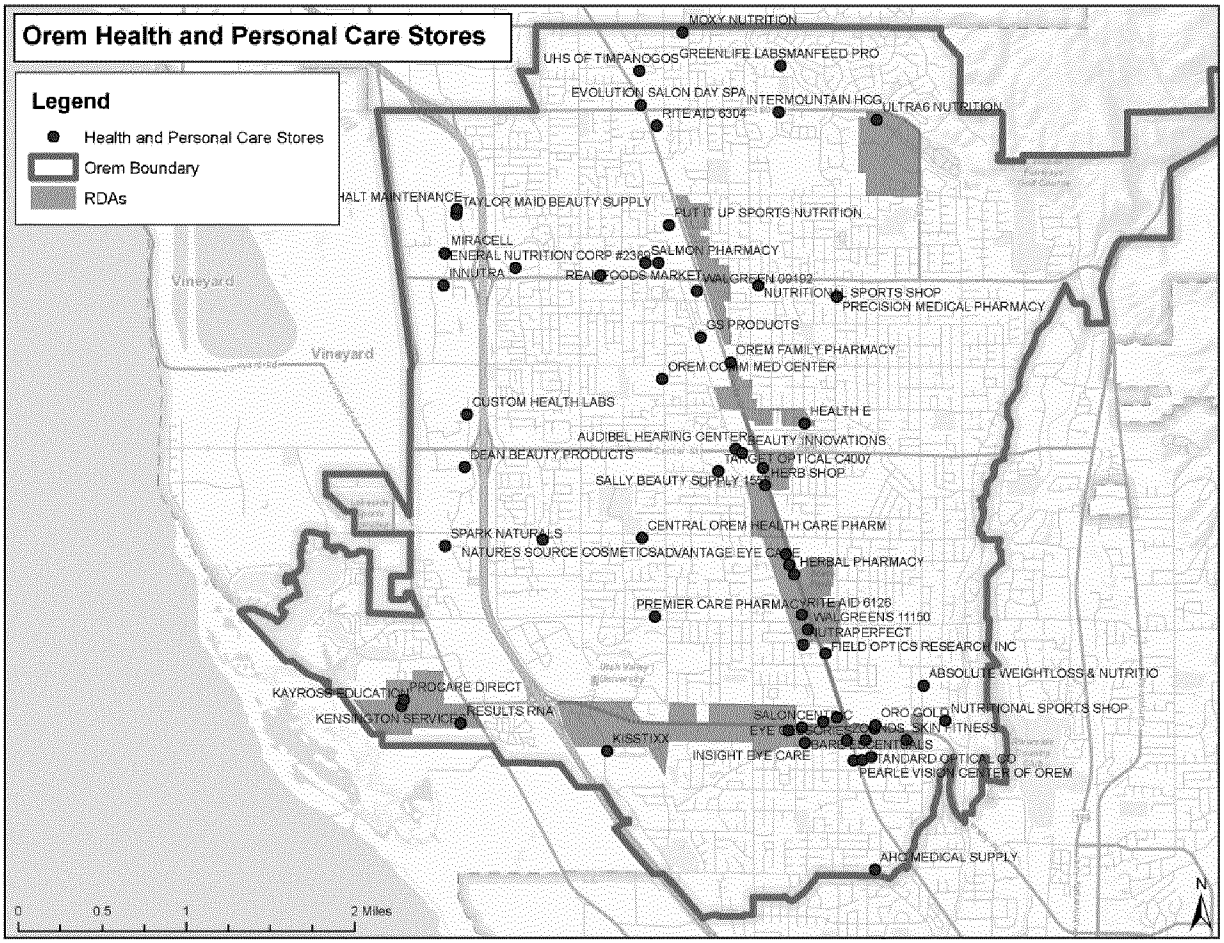
Orem Health and Personal Care Stores
Legend
Health and Personal Care Stores
Orem Boundary
RDAs
MOXY NUTRITION
UHS OF TIMPANOGOS
GREENLIFE LABS
MANFEED PRO
EVOLUTION SALON DAY SPA
RITE AID 6304
INTERMOUNTAIN HCG
ULTRA6 NUTRITION
TAYLOR MAID BEAUTY SUPPLY
PUT IT UP SPORTS NUTRITION
MIRACELL
SALMON PHARMACY
INNUTRA
REAL FOODS MARKET
WALGREEN 09192
NUTRITIONAL SPORTS SHOP
PRECISION MEDICAL PHARMACY
GS PRODUCTS
OREM FAMILY PHARMACY
OREM COMMUNITY MED CENTER
CUSTOM HEALTH LABS
HEALTH E
AUDIBEL HEARING CENTER
BEAUTY INNOVATIONS
DEAN BEAUTY PRODUCTS
OPTICAL C4007
HERB SHOP
SALLY BEAUTY SUPPLY
CENTRAL OREM HEALTH CARE PHARM
SPARK NATURALS
NATURES SOURCE COSMETICS
ADVANTAGE EYE CARE
HERBAL PHARMACY
PREMIER CARE PHARMACY
RITE AID 6126
WALGREENS 11150
ULTRAPERFECT
FIELD OPTICS RESEARCH INC
ABSOLUTE WEIGHTLOSS & NUTRITIO
KAYROS EDUCATION
PROCARE DIRECT
KENSINGTON SERVICES
RESULTS RNA
ORO GOLD
NUTRITIONAL SPORTS SHOP
SKIN FITNESS
KISSTIXX
INSIGHT EYE CARE
STANDARD OPTICAL CO
PEARLE VISION CENTER OF OREM
AHC MEDICAL SUPPLY
Vineyard
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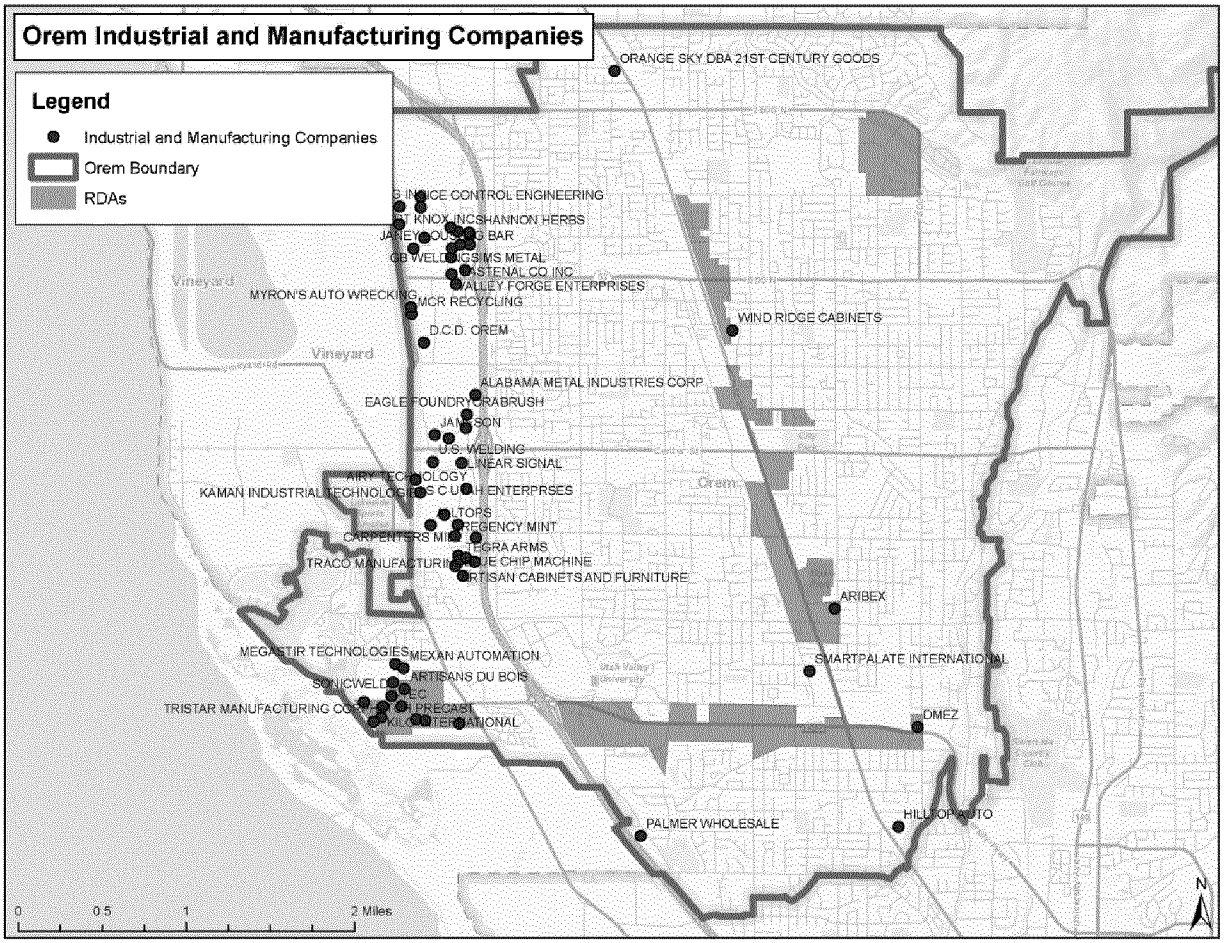
Orem Industrial and Manufacturing Companies
Legend
Industrial and Manufacturing Companies
Orem Boundary
RDAs
ORANGE SKY DBA 21ST CENTURY GOODS
WIND RIDGE CABINETS
ALABAMA METAL INDUSTRIES CORP
EAGLE FOUNDRY
CRABRUSH
U.S. WELDING
LINEAR SIGNAL
KAMAN INDUSTRIAL TECHNOLOGIES
TOPS
REGENCY MINT
TRACO MANUFACTURING
ARTISAN CABINETS AND FURNITURE
ARIBEX
MEGASTIR TECHNOLOGIES
MEXAN AUTOMATION
ARTISANS DU BOIS
SMARTPALATE INTERNATIONAL
TRISTAR MANUFACTURING
DMEZ
PALMER WHOLESALE
HILLTOP AUTO
MYRON'S AUTO WRECKING
MCR RECYCLING
D.C.D. OREM
Vineyard
Orem
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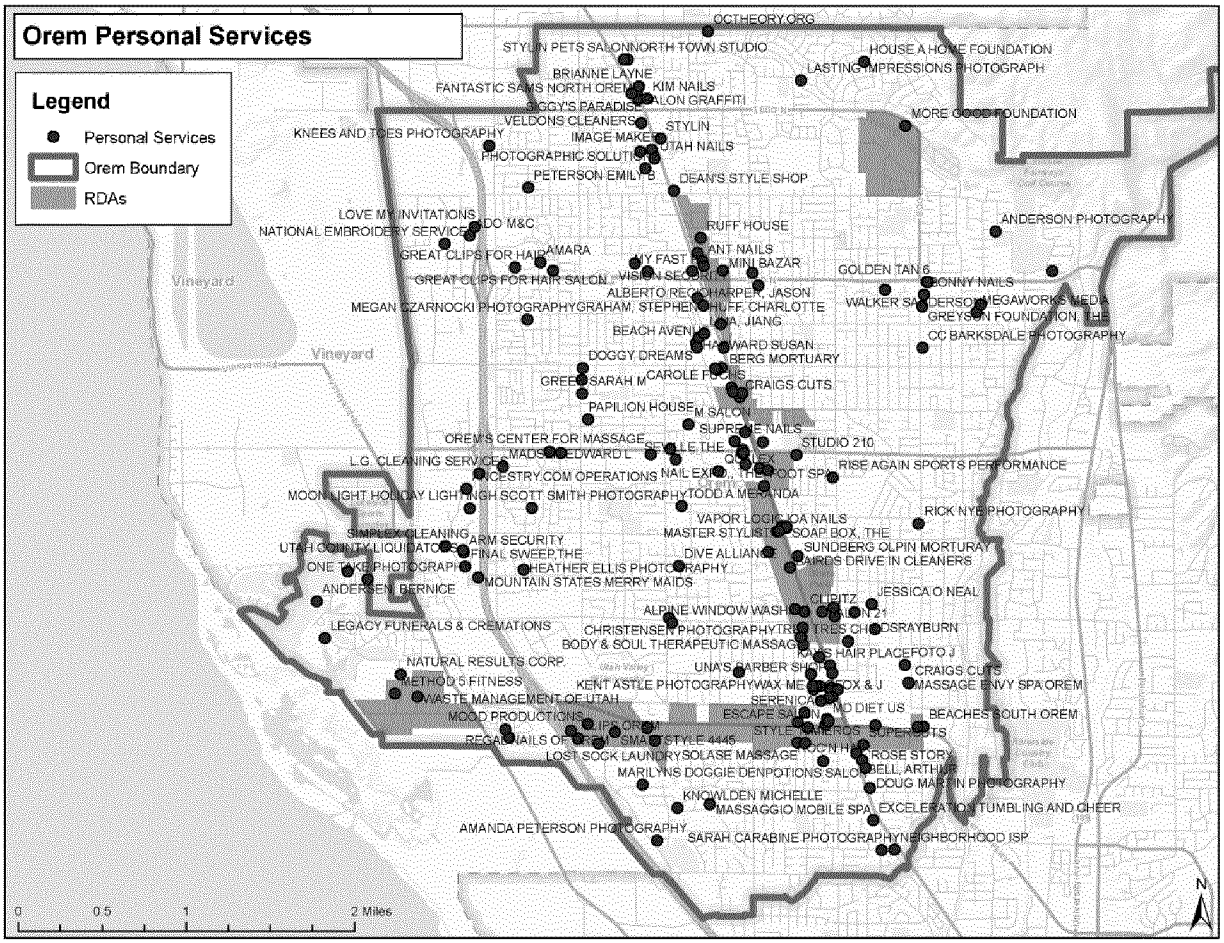
Orem Personal Services
Legend
Personal Services
Orem Boundary
RDAs
OCTHEORY.ORG
STYLIN PETS SALON
NORTH TOWN STUDIO
HOUSE A HOME FOUNDATION
LASTING IMPRESSIONS PHOTOGRAPH
BRIANNE LAYNE
FANTASTIC SAMS NORTH OREM
KIM NAILS
SALON GRAFFITI
GIGGY'S PARADISE
VELDONS CLEANERS
MORE GOOD FOUNDATION
KNEES AND TOES PHOTOGRAPHY
IMAGE MAKER
STYLIN
UTAH NAILS
PHOTOGRAPHIC SOLUTIONS
PETERSON EMILY B
DEAN'S STYLE SHOP
LOVE MY INVITATIONS
NATIONAL EMBROIDERY SERVICE
ADO M&C
RUFF HOUSE
ANDERSON PHOTOGRAPHY
GREAT CLIPS FOR HAIR
AMARA
MY FAST
ANT NAILS
MINI BAZAR
GOLDEN TAN 6
GREAT CLIPS FOR HAIR SALON
VISION SECURITY
BONNY NAILS
ALBERTO RECIO
HARPER, JASON
WALKER SANDERSON
MEGAWORKS MEDIA
MEGAN CZARNOCKI PHOTOGRAPHY
GRAHAM, STEPHEN
HUFF, CHARLOTTE
GREYSON FOUNDATION, THE
BEACH AVENUE
CC BARKSDALE PHOTOGRAPHY
DOGGY DREAMS
HAYWARD SUSAN
BERG MORTUARY
GREEN SARAH M
CAROLE FUCHS
CRAIGS CUTS
PAPILION HOUSE
M SALON
SUPREME NAILS
OREM'S CENTER FOR MASSAGE
STUDIO 210
L.G. CLEANING SERVICE
MADSON EDWARD L
RISE AGAIN SPORTS PERFORMANCE
ANCESTRY.COM OPERATIONS
NAIL EXPO
THE FOOT SPA
MOON LIGHT HOLIDAY LIGHTING
SCOTT SMITH PHOTOGRAPHY
TODD A MERANDA
RICK NYE PHOTOGRAPHY
VAPOR LOGIC IOA NAILS
SIMPLEX CLEANING
MASTER STYLIST
SOAP BOX, THE
UTAH COUNTY LIQUIDATORS
ARM SECURITY
FINAL SWEEP, THE
DIVE ALLIANCE
SUNDBERG OLPIN MORTURAY
ONE TAKE PHOTOGRAPHY
HEATHER ELLIS PHOTOGRAPHY
AIRDS DRIVE IN CLEANERS
MOUNTAIN STATES MERRY MAIDS
ANDERSEN, BERNICE
CLIPITZ
JESSICA O NEAL
ALPINE WINDOW WASHING
LEGACY FUNERALS & CREMATIONS
CHRISTENSEN PHOTOGRAPHY
TRUE TRES CHIC
DSRAYBURN
BODY & SOUL THERAPEUTIC MASSAGE
KASS HAIR PLACE
FOTO J
NATURAL RESULTS CORP.
UNA'S BARBER SHOP
CRAIGS CUTS
METHOD 5 FITNESS
KENT ASTLE PHOTOGRAPHY
WAX ME
FOX & J
MASSAGE ENVY SPA OREM
WASTE MANAGEMENT OF UTAH
SERENICA
MOOD PRODUCTIONS
ESCAPE SALON
MD DIET US
BEACHES SOUTH OREM
LIPS OREM
STYLE
SUPERCUTS
REGAL NAILS OF OREM
SMART STYLE 4445
LOST SOCK LAUNDRY
SOLASE MASSAGE
ROSE STORY
MARILYNS DOGGIE DENPOTIONS SALON
BELL, ARTHUR
DOUG MARTIN PHOTOGRAPHY
KNOWLDEN MICHELLE
MASSAGGIO MOBILE SPA
EXCELERATION TUMBLING AND CHEER
AMANDA PETERSON PHOTOGRAPHY
SARAH CARABINE PHOTOGRAPHY
NEIGHBORHOOD ISP
Vineyard
Vineyard
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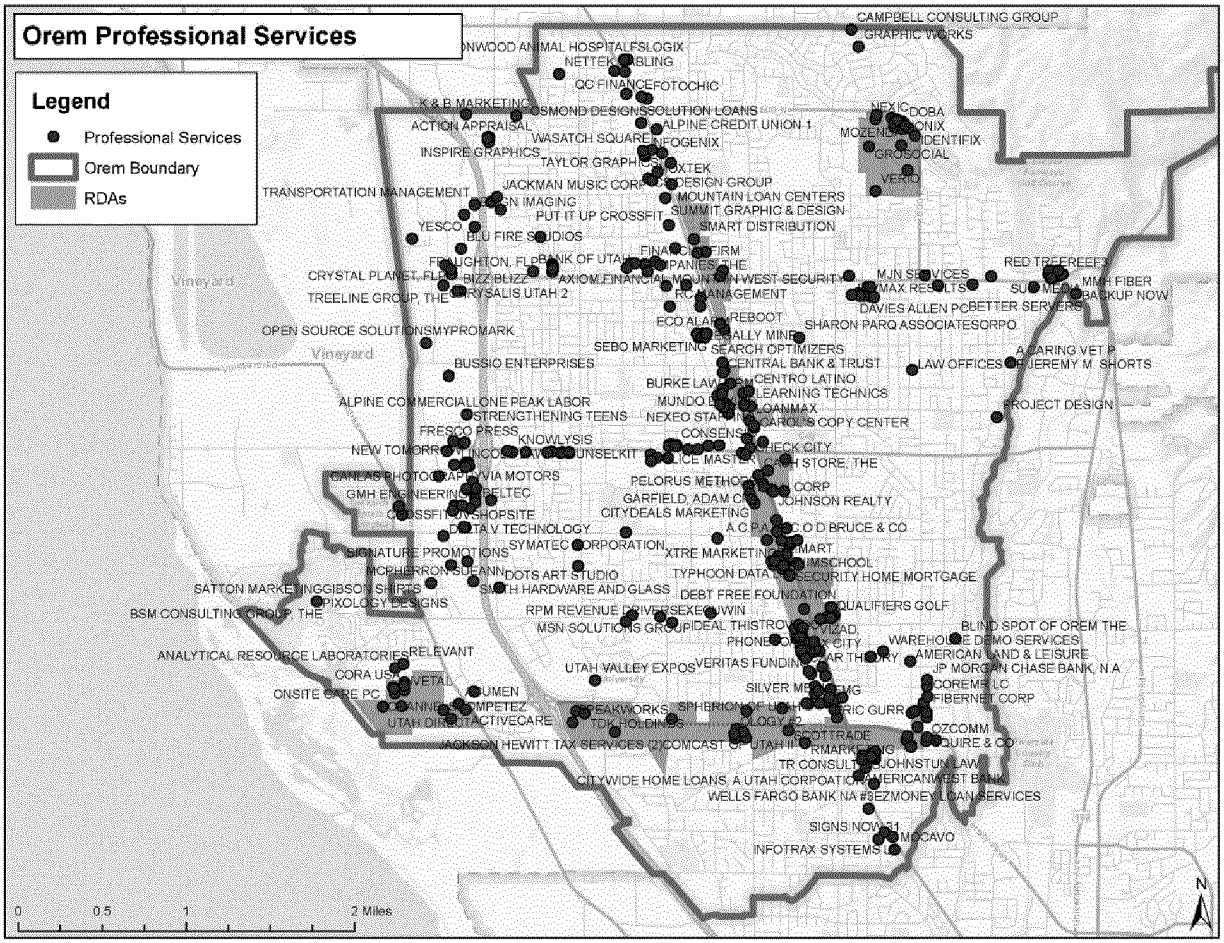
Orem Professional Services
Legend
Professional Services
Orem Boundary
RDAs
CAMPBELL CONSULTING GROUP
GRAPHIC WORKS
NETTEK
QC FINANCE
FOTOCHIC
K & B MARKETING
OSMOND DESIGNS
SOLUTION LOANS
ALPINE CREDIT UNION 1
ACTION APPRAISAL
WASATCH SQUARE
INFOGENIX
INSPIRE GRAPHICS
TAYLOR GRAPHICS
OXTEK
DESIGN GROUP
TRANSPORTATION MANAGEMENT
JACKMAN MUSIC CORP
MOUNTAIN LOAN CENTERS
SUMMIT GRAPHIC & DESIGN
PUT IT UP CROSSFIT
SMART DISTRIBUTION
YESCO
BLU FIRE STUDIOS
CRYSTAL PLANET, FLP
BIZZ BLIZZ
AXIOM FINANCIAL
TREELINE GROUP, THE
RYSALIS UTAH 2
RC MANAGEMENT
MJN SERVICES
MAX RESULTS
DAVIES ALLEN PC
BETTER SERVERS
RED TREEREEF
MMH FIBER
BACKUP NOW
OPEN SOURCE SOLUTIONS
MYPROMARK
ECO ALARM
REBOOT
SHARON PARQ ASSOCIATES
ORPO
SEBO MARKETING
SEARCH OPTIMIZERS
CENTRAL BANK & TRUST
LAW OFFICES
A CARING VET P
JEREMY M. SHORTS
BUSSIO ENTERPRISES
CENTRO LATINO
LEARNING TECHNICS
ALPINE COMMERCIAL
LONE PEAK LABOR
STRENGTHENING TEENS
LOANMAX
NEXEO STAFFING
CAROL'S COPY CENTER
PROJECT DESIGN
FRESCO PRESS
KNOWLYSIS
CONSENSUS
NEW TOMORROW
UNSELKIT
CHECK CITY
CANLAS PHOTOGRAPHY
VIA MOTORS
PELORUS METHOD
GMH ENGINEERING
PELTEC
GARFIELD, ADAM C
JOHNSON REALTY
CITYDEALS MARKETING
CROSSFIT
SHOPSITE
DATA V TECHNOLOGY
A C P A
C O D BRUCE & CO
SIGNATURE PROMOTIONS
SYMATEC CORPORATION
XTRE MARKETING
MCPHERRON SUEANN
DOTS ART STUDIO
TYPHOON DATA
SECURITY HOME MORTGAGE
SATTON MARKETING
GIBSON SHIRTS
SMITH HARDWARE AND GLASS
DEBT FREE FOUNDATION
PIXOLOGY DESIGNS
BSM CONSULTING GROUP, THE
RPM REVENUE DRIVER
SEXEGUWIN
QUALIFIERS GOLF
MSN SOLUTIONS GROUP
PIDEAL THISTROVER
BLIND SPOT OF OREM THE
WAREHOUSE DEMO SERVICES
ANALYTICAL RESOURCE LABORATORIES
RELEVANT
AMERICAN LAND & LEISURE
UTAH VALLEY EXPOS
VERITAS FUNDING
JP MORGAN CHASE BANK, N A
CORA USA
VETAL
ONSITE CARE PC
SILVER MEDIA
COREMB LC
FIBERNET CORP
PEAKWORKS
SPHERION OF UTAH
ERIC GURR
UTAH DIRECT
ACTIVECARE
TDK HOLDINGS
LOGY
OZCOMM
JACKSON HEWITT TAX SERVICES (2)
COMCAST OF UTAH II
SCOTTRADE
RMARKETING
TR CONSULTING
JOHNSTUN LAW
CITYWIDE HOME LOANS, A UTAH CORPORATION
AMERICAN WEST BANK
WELLS FARGO BANK NA #8
EZMONEY LOAN SERVICES
SIGNS NOW
MOCAVO
INFOTRAX SYSTEMS
Vineyard
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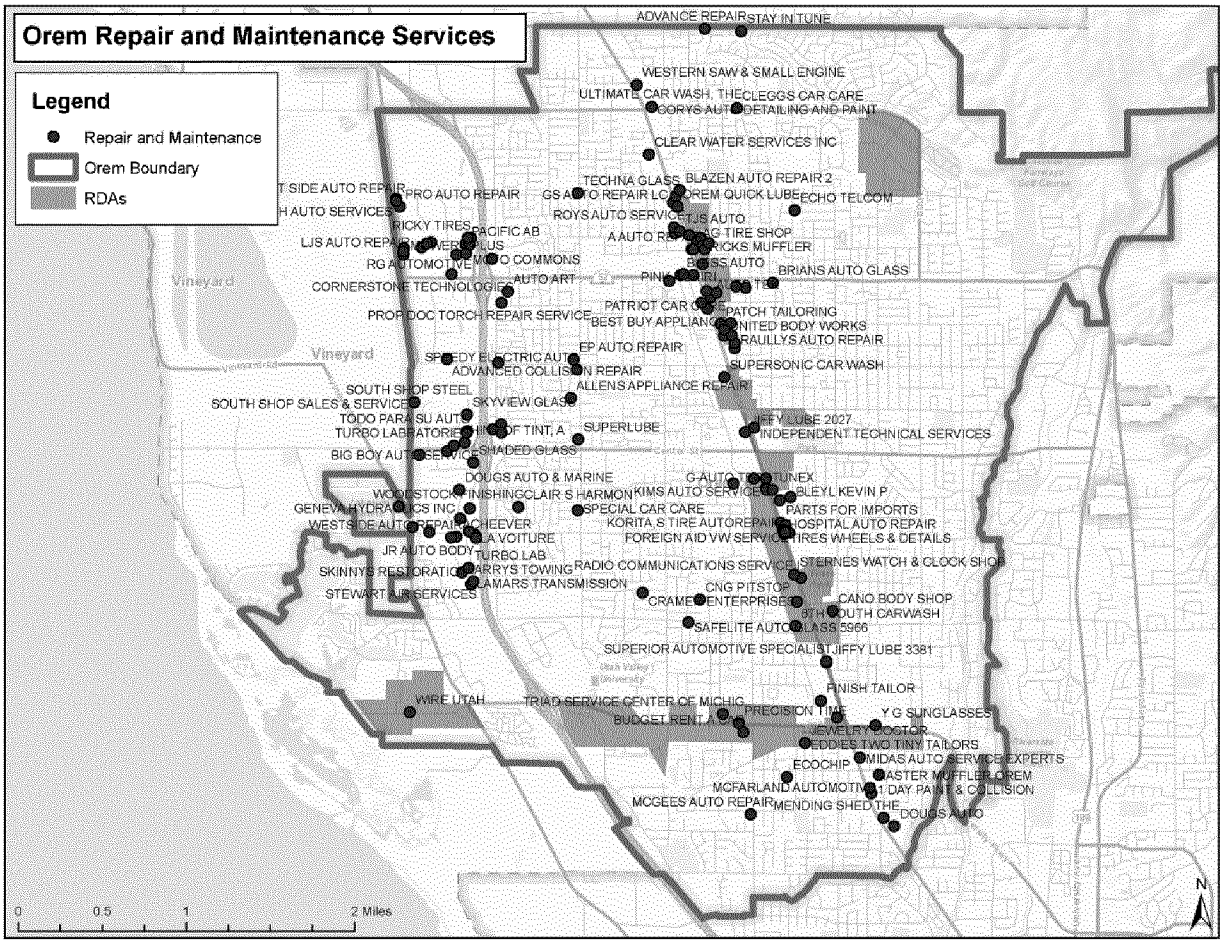
Orem Repair and Maintenance Services
Legend
Repair and Maintenance
Orem Boundary
RDAs
ADVANCE REPAIR
STAY IN TUNE
WESTERN SAW & SMALL ENGINE
ULTIMATE CAR WASH, THE
CLEGGS CAR CARE
CLEAR WATER SERVICES INC
TECHNA GLASS
BLAZEN AUTO REPAIR 2
ECHO TELCOM
PRO AUTO REPAIR
RICKY TIRES
PACIFIC AB
ROYS AUTO SERVICE
BRIANS AUTO GLASS
AUTO ART
CORNERSTONE TECHNOLOGIES
PROP DOC TORCH REPAIR SERVICE
PATCH TAILORING
EP AUTO REPAIR
SUPERSONIC CAR WASH
ALLENS APPLIANCE REPAIR
SOUTH SHOP STEEL
SOUTH SHOP SALES & SERVICE
SKYVIEW GLASS
SUPERLUBE
INDEPENDENT TECHNICAL SERVICES
SHADED GLASS
DOUGS AUTO & MARINE
KIMS AUTO SERVICE
PARTS FOR IMPORTS
SPECIAL CAR CARE
HOSPITAL AUTO REPAIR
TURBO LAB
RADIO COMMUNICATIONS SERVICE
STERNES WATCH & CLOCK SHOP
CNG PITSTOP
CANO BODY SHOP
SUPERIOR AUTOMOTIVE SPECIALIST
JIFFY LUBE 3381
FINISH TAILOR
WIRE UTAH
TRIAD SERVICE CENTER OF MICHIG
PRECISION TIME
Y G SUNGLASSES
EDDIES TWO TINY TAILORS
ECOCHIP
MIDAS AUTO SERVICE EXPERTS
MCFARLAND AUTOMOTIVE
MCGEES AUTO REPAIR
MENDING SHED THE
DOUGS AUTO
Vineyard
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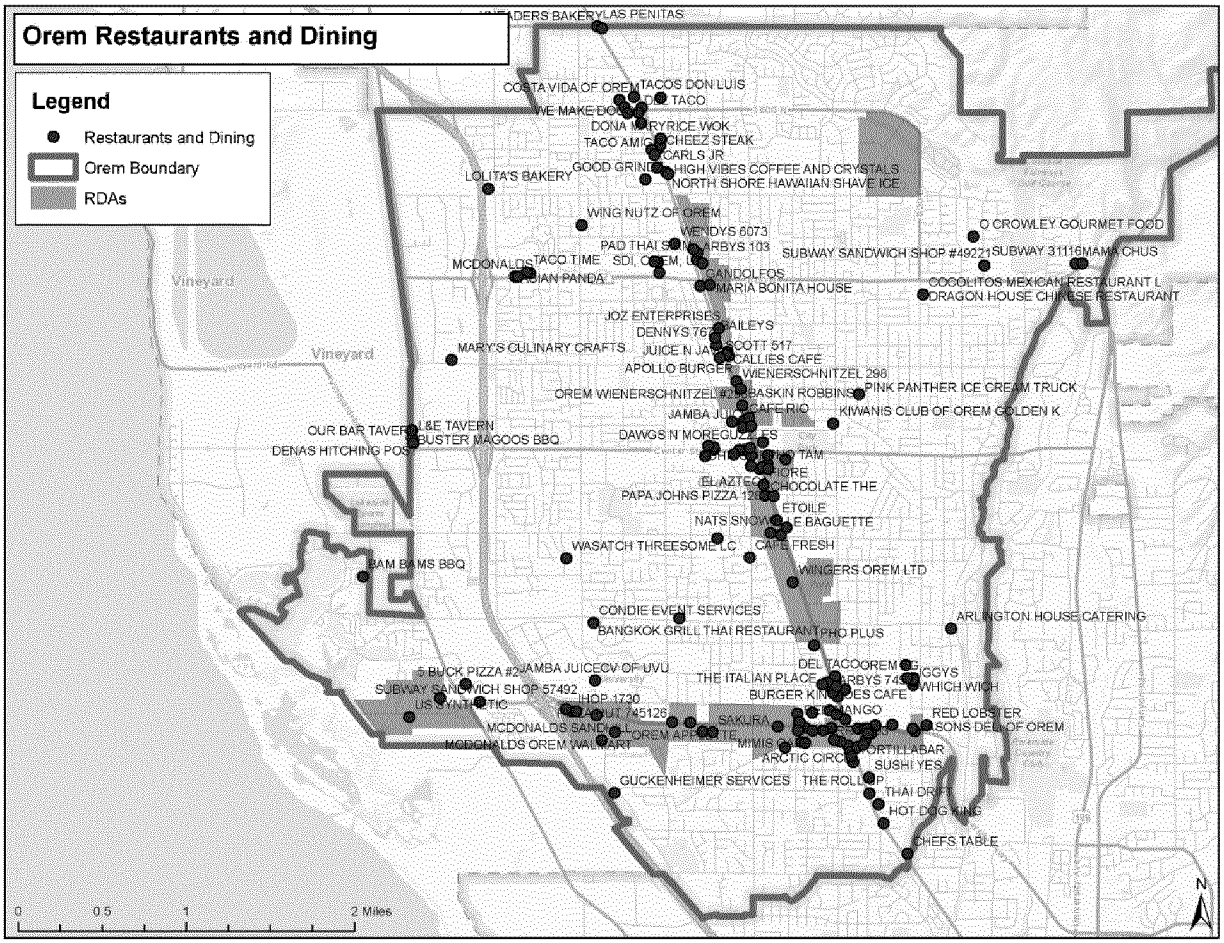
Orem Restaurants and Dining
Legend
Restaurants and Dining
Orem Boundary
RDAs
Vineyard
Vineyard
LAS PENITAS
COSTA VIDA OF OREM
TACOS DON LUIS
DEL TACO
WE MAKE DO
DONA MARY
RICE WOK
TACO AMIGO
CHEEZ STEAK
CARLS JR
GOOD GRIND
HIGH VIBES COFFEE AND CRYSTALS
NORTH SHORE HAWAIIAN SHAVE ICE
LOLITA'S BAKERY
WING NUTZ OF OREM
WENDYS 6073
PAD THAI SAN
ARBYS 103
SUBWAY SANDWICH SHOP #49221
SUBWAY 31116
MAMA CHUS
O CROWLEY GOURMET FOOD
MCDONALDS
TACO TIME
SDI, OREM, UT
CANDOLFOS
MARIA BONITA HOUSE
COCOLITOS MEXICAN RESTAURANT L
DRAGON HOUSE CHINESE RESTAURANT
JOZ ENTERPRISES
DENNYS 767
BAILEYS
MARY'S CULINARY CRAFTS
JUICE N JAM
SCOTT 517
CALLIES CAFE
APOLLO BURGER
WIENERSCHNITZEL 298
OREM WIENERSCHNITZEL #2
BASKIN ROBBINS
PINK PANTHER ICE CREAM TRUCK
JAMBA JUICE
CAFE RIO
KIWANIS CLUB OF OREM GOLDEN K
OUR BAR TAVERN
L&E TAVERN
BUSTER MAGOOS BBQ
DENAS HITCHING POST
DAWGS N MOREGUZZLES
TAM
FIORE
EL AZTEC
CHOCOLATE THE
PAPA JOHNS PIZZA 12
ETOILE
NATS SNOW
LE BAGUETTE
WASATCH THREESOME LC
CAFE FRESH
BAM BAMS BBQ
WINGERS OREM LTD
CONDIE EVENT SERVICES
ARLINGTON HOUSE CATERING
BANGKOK GRILL THAI RESTAURANT
PHO PLUS
5 BUCK PIZZA #2
JAMBA JUICE
CV OF UVU
DEL TACO
OREM
GGYS
THE ITALIAN PLACE
ARBYS 745
WHICH WICH
SUBWAY SANDWICH SHOP 57492
IHOP 1730
BURGER KING
DES CAFE
US SYNTHETIC
AUT 745126
SAKURA
RED LOBSTER
MCDONALDS SANDWICH
OREM APPLETTE
MIMIS CAFE
SONS DELI OF OREM
MCDONALDS OREM WALMART
ARCTIC CIRCLE
ORTILLABAR
SUSHI YES
GUCKENHEIMER SERVICES
THE ROLL UP
THAI DRIFT
HOT DOG KING
CHEFS TABLE
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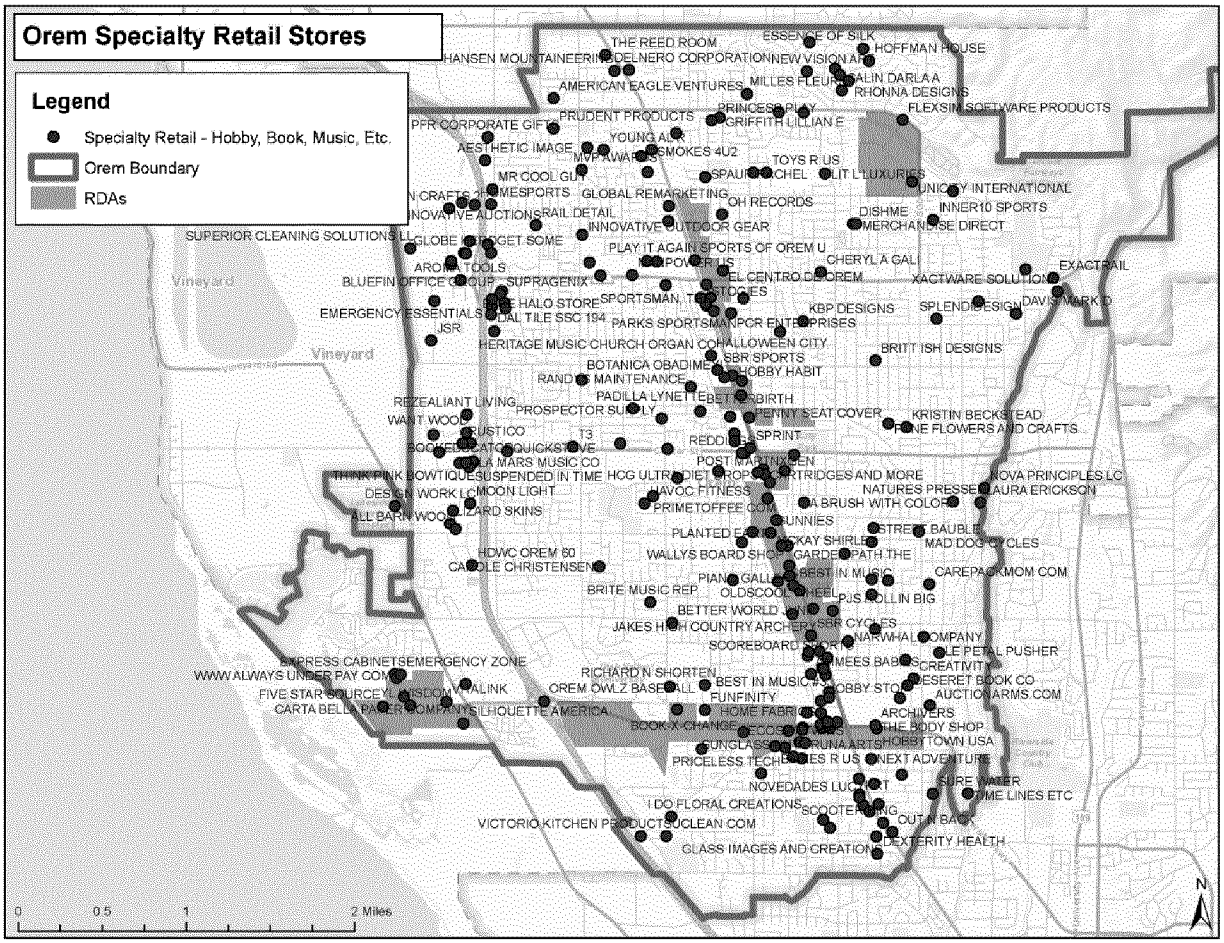
Orem Specialty Retail Stores
Legend
Specialty Retail - Hobby, Book, Music, Etc.
Orem Boundary
RDAs
Vineyard
Vineyard
0
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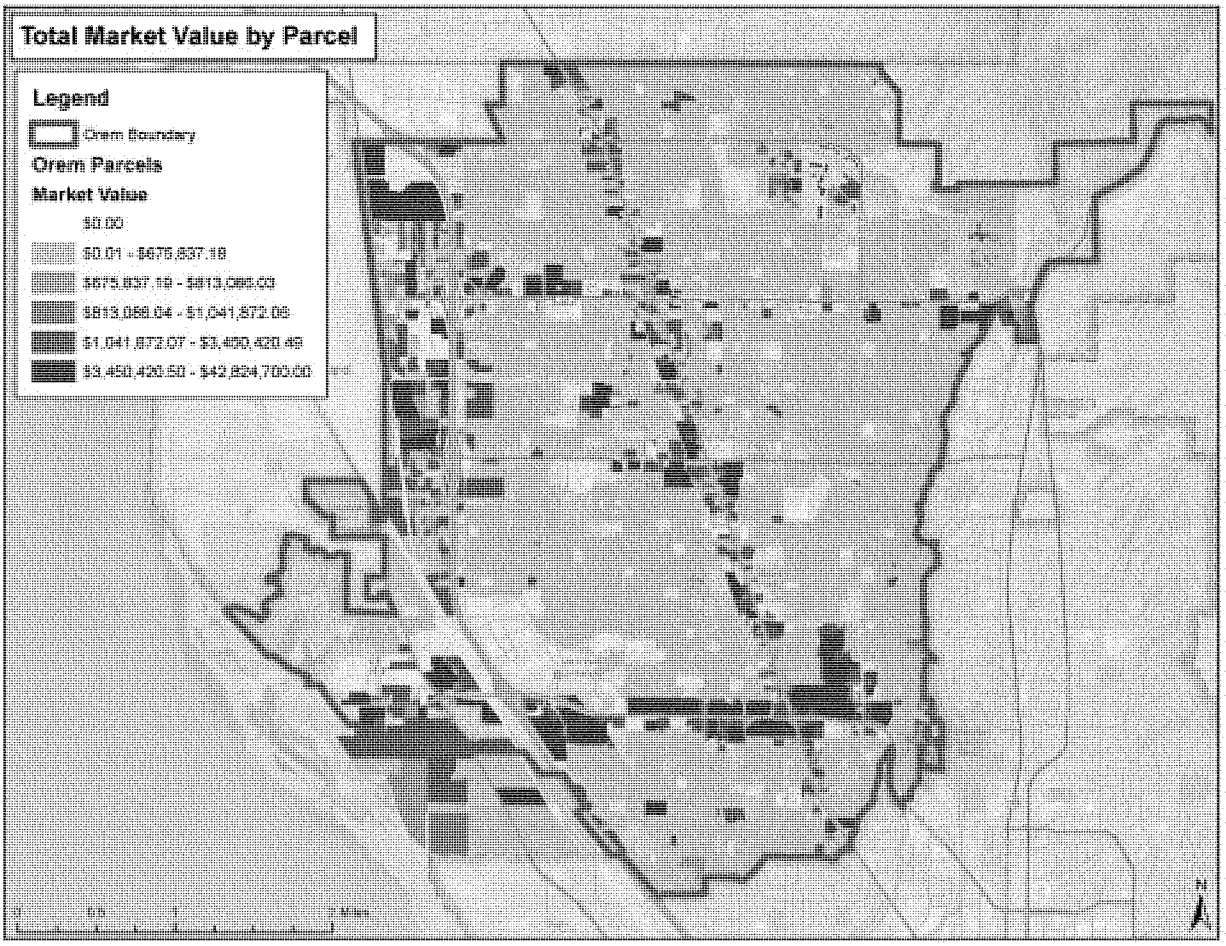
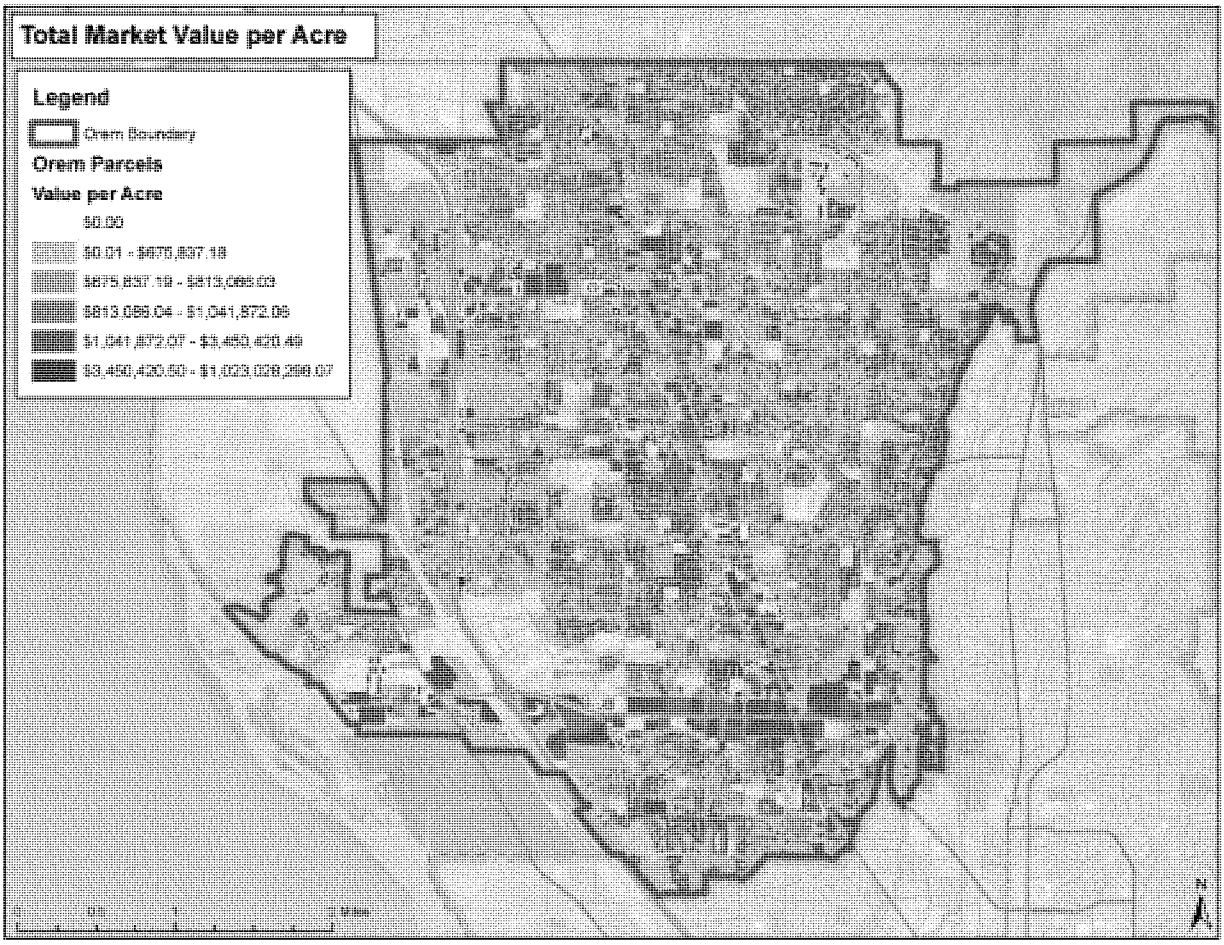
1
2 Miles
N

Appendix B: Additional Maps




Total Market Value per Acre
Legend
Orem Boundary
Orem Parcels
Value per Acre
$0.00
$0.01 - $875,837.18
$875,837.19 - $813,088.03
$813,088.04 - $1,041,872.09
$1,041,872.07 - $3,450,420.49
$3,450,420.50 - $1,029,028,288.07
N

CITY OF OREM **CITY COUNCIL MEETING** FEBRUARY 24, 2015	
REQUEST:	**6:20 PM PUBLIC HEARING – PD Zones** **Amending a portion of Section 22-5-1 of the Orem City Code to include and update the names of various PD zones**
APPLICANT:	Development Services
FISCAL IMPACT:	None

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Faxed to newspapers
-E-mailed to newspapers
-Posted at utah.gov/pmn

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PLANNING COMMISSION RECOMMENDATION
Vote: Approve 4-0

PREPARED BY:
DAVID STROUD, AICP
PLANNER

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend a portion of Section 22-5-1 of the Orem City Code to include and update the names of various PD zones.

BACKGROUND: Article 22-5 of the Orem City Code lists the various zones established by City Code including all of the Planned Development (PD) zones. Many new PD zones have recently been adopted and an update to section 22-5 is needed to include the names of these new PD zones. The names of several PD zones have also changed over time and the proposed amendment will show the current names of these PD zones as well.

The proposed changes are as follows:

22-5-1. Establishment.
The City of Orem is hereby divided into zones and districts as follows:
…

PD ZONES
PD-1 Between Center Street and 165 South and between Orem Boulevard and 200 West Street.
PD-2 800 North between 200 East and 400 East.
PD-3 800 North between 100 West and 200 East - Repealed.
PD-4 800 North at 800 East.
PD-5 1200 South to 1400 South between 200 East and 400 West Street
PD-6 Timpanogos Research & Development Park.
PD-7 100 South between 400 West and 200 West.
PD-8 Palisades Drive between 600 North and 800 North.
PD-9 Palisades Drive between 500 North and 600 North.
PD-10 Northwest Corner of 800 North and 800 East.
PD-11 1430 South Sandhill Road.
PD-12 Southwest Corner of 1300 South and Main Street.
PD-13 Southwest Corner of 400 North and Orem Boulevard.
PD-14 Residential Estate Zone.
PD-15 2000 West Springwater Park Drive.
PD-16 400 South 1800 West.
PD-17 1200 South Between 50 East and 150 East.
PD-18 Residential Estate Zone, The Berkshires, 1300 South Carterville Road.
PD-19 South Rim PRD, 1755 South 750 East.
PD-20 Jameson Point PRD, 1559 South 850 East.
PD-21 Student Housing Village Zone, 1200 South Geneva Road.
PD-22 Urban Village.
PD-23 Midtown Village, 320 South State.
PD-24 Carrara Estates, 1300 North 400 East and 1600 North 400 East
PD-25 Verona, 600 South 800 East.
PD-26 Tanglewood, 1600 North 1200 West.

PD-27 Blackhorse Run II, 700 South Geneva Road.
PD-28 North Pointe Plaza, 1600 North 1030 West.
PD-29 Siena Villas at Columbia Lane.
PD-30 Centennial Plaza.
PD-31 Intermodal Center - 1350 West 1000 South.
PD-32 MBARQ Senior Independent Living Facility – 256 East Center.
PD-33 Transit Oriented Development - 800 South Geneva Road.
PD-34 University Place - 1300 South State Street.
PD-35 Windsor Court, 320 West 1360 North.
PD-36 Orem Falls Business Park, 1200 North Geneva Road.
PD-37 Legacy at Orem - 1450 South State Street.
PD-38 Summit Ridge Apartments - 1697 South 400 East.
PD-39 Cascade Village, 920 North and State Street.
PD-40 460 South State Street.
PD-41 1200 West Center Street.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING SECTION 22-5-1 OF THE OREM CITY CODE TO INCLUDE AND UPDATE THE NAMES OF VARIOUS PD ZONES

WHEREAS on December 15, 2014, the Department of Development Services filed an application requesting the City Council amend Section 22-5-1 of the Orem City Code to include and update the names of various PD zones; and

WHEREAS a public hearing considering the subject application was held by the Planning Commission on January 21, 2015, and the Planning Commission recommended approval of the application; and

WHEREAS a public hearing considering the subject application was held by the City Council on February 24, 2015; and

WHEREAS the City posted the City Council agenda in the City Offices at 56 North State Street, at www.orem.org, and a public hearing notice was published in local newspapers and at www.utah.gov/pmn; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; and the special conditions applicable to the request.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby finds this request is in the best interest of the City because it will update Section 22-5-1 to include new PD zones that have recently been created and will reflect the current names of other PD zones which have changed over time.

2. The City Council hereby amends a portion of Section 22-5-1 as shown on Exhibit 'A' which is attached hereto and incorporated herein by reference.

3. This ordinance shall take effect immediately upon passage and publication in a newspaper in general circulation in the City of Orem.

4. All other ordinances and policies in conflict herewith, either in whole or in part, are hereby repealed.

PASSED and APPROVED this **24th** day of **February** 2015.

DRAFT

Richard F. Brunst, Jr., Mayor

ATTEST:

Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"

COUNCIL MEMBERS VOTING "NAY"

PLANNING COMMISSION MINUTES – JANUARY 21, 2015

AGENDA ITEM 3.1 is a request by Development Services to **AMEND SECTION 22-5-1, PERTAINING TO THE ESTABLISHMENT OF PD ZONES** of the Orem City Code.

Staff Presentation: Mr. Stroud said that Article 22-5 of the Orem City Code pertains to the establishment of zones in the City. When a rezone is approved, Section 22-5-3(A) and the zoning map of the City is amended. This is the procedure of any rezone. However, when a PD zone is approved, that particular PD zone is also to be listed in Section 22-5-1. This is the only specific zone which is required to be listed individually. The last several PD zones that have been approved have not been listed in Section 22-5-1. This does not negate any of the previous PD rezone approvals by the City Council, however. The proposed amendment brings Section 22-5-1 up to date with the last several PD zone approvals. The amendment is as follows:

22-5-1 (footnotes of this section)

(Ord. No. 661, Revised, 04/10/1990; Ord. No. 672, Amended, 08/07/1990; Ord. No. 685, Amended, 03/26/1991; Ord. No. O-97-0051, Amended, 10/21/1997; Ord. No. O-99-0049, Amended, 10/26/1999; Ord. No. O-99-0055, Amended, 12/14/1999; Ord. No. O-00-0024, Amended, 05/09/2000; Ord. No. O-00-0046, Amended, 10/24/2000; Ord. No. O-01-0021, Amended, 06/12/2001; Ord. No. O-00-20047, Enacted, 11/26/2002; Ord. No. O-00-20048, Enacted, 12/10/2002; Ord. No. O-03-0037, Amended, 11/11/2003; Ord. No. O-04-0036, Enacted, 7/27/2004; Ord. No. O-04-0038, Enacted, 7/27/2004; Ord. No. O-05-0037, Amended, 10/25/2005; O-07-0007, Amended, 1/23/2007; O-08-0008, Amended, 3/11/2008; O-08-0029, Amended, 10/28/2008; O-11-0023, Amended, 12/13/2011; O-12-0015, Amended, 5/22/2012; O-13-0002, Amended, 1/22/2013; O-13-0003, Amended, 1/22/2013; O-13-0014, Amended, 5/28/2013; O-13-0018, Amended, 7/9/2013; O-13-0026, Amended, 10/22/2013; O-13-0033, Amended, 12/10/2013; O-13-0036, Amended, 12/10/2013; O-14-0005, Amended, 1/14/2014; O-14-0004, Amended, 1/28/2014; O-14-0036, Amended, 10/28/2014)

(PD-28) O-07-0007, Amended, 1/23/2007
(PD-29) O-08-0008, Amended, 3/11/2008
(PD-30) O-08-0029, Amended, 10/28/2008
(PD-31) O-11-0023, Amended, 12/13/2011
(PD-11) O-12-0015, Amended, 5/22/2012
(PD-33) O-13-0002, Amended, 1/22/2013
(PD-32) O-13-0003, Amended, 1/22/2013
(PD-35) O-13-0014, Amended, 5/28/2013
(PD-36) O-13-0018, Amended, 7/9/2013
(PD-38) O-13-0026, Amended, 10/22/2013
(PD-34) O-13-0033, Amended, 12/10/2013
(PD-39) O-13-0036, Amended, 12/10/2013
(PD-40) O-14-0005, Amended, 1/14/2014
(PD-37) O-14-0004, Amended, 1/28/2014
(PD-41) O-14-0036, Amended, 10/28/2014

Recommendation: The Development Review Committee requests the Planning Commission forward a positive recommendation to the City Council the request to amend Section 22-5-1 of the Orem City Code pertaining to the establishment of PD zones.

Chair Moulton asked if the Planning Commission had any questions for Mr. Stroud.

Chair Moulton opened the public hearing and invited those from the audience who had come to speak to this item to come forward to the microphone.

When no one came forward, Chair Moulton closed the public hearing and asked if the Planning Commission had any more questions for the applicant or staff. When none did, he called for a motion on this item.

Planning Commission Action: Ms. Jeffreys said she is satisfied that the Planning Commission has found this request complies with all applicable City codes. She then moved to recommend the City Council amend Section 22-5-1 pertaining to the establishment of PD zone in the Orem City Code. Ms. Larsen seconded the motion. Those voting aye: Karen Jeffreys, Lynnette Larsen, David Moulton, and Derek Whetten. The motion passed unanimously.

CITY OF OREM **CITY COUNCIL MEETING** FEBRUARY 24, 2015	
REQUEST:	**6:20 PM PUBLIC HEARING – Utility Connections** **Amending Section 20-3-5 of the Orem City Code pertaining to separate sewer connections**
APPLICANT:	Development Services
FISCAL IMPACT:	None

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Faxed to newspapers
-E-mailed to newspapers
-Posted at utah.gov/pmn

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PLANNING COMMISSION RECOMMENDATION
Vote: Approve 4-0

PREPARED BY:
DAVID STROUD, AICP PLANNER

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend Section 20-3-5 of the Orem City Code pertaining to sewer connections.

BACKGROUND: Article 20-3-5 currently requires separate sewer connections "for every building and for every dwelling unit in buildings having more than one dwelling unit." By implication, this language does not require a separate sewer connection for every *commercial* unit in a building containing multiple commercial units. By deleting the word "dwelling," the proposed amendment would correct this problem and would require a separate sewer connection for all units of any kind in buildings having more than one unit.

The existing exception allowing multiple connections to a single sewer lateral where justified by a fixture count analysis would continue to apply to buildings containing multiple dwelling units such as an apartment building with 12 units.

The proposed amendment is shown below.

> **20-3-5. Separate connections required.**
> A separate and independent building sewer shall be provided for every building and for every unit in buildings having more than one unit, except that multiple family buildings may perform a fixture count analysis to justify multiple dwelling connections on a single lateral. The analysis will be approved by the Director before the lateral is installed. Where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear building through an adjoining alley, court, yard, or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer, but the City does not and will not assume any obligation or responsibility for damage caused by or resulting from any such single connection.

Advantages
- Allows separate sewer sampling to take place for multi-tenant commercial buildings
- Individual sewer lines can be repaired or replaced without affecting other units in the same building

Disadvantages
- None identified

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING SECTION 20-3-5 OF THE OREM CITY CODE PERTAINING TO SEPARATE SEWER CONNECTIONS

WHEREAS on December 15, 2014, the Department of Development Services filed an application with the City of Orem requesting the City Council amend Section 20-3-5 of the Orem City Code as it pertains to separate sewer connections for all units in multi-unit buildings; and

WHEREAS a public hearing considering the subject application was held by the Planning Commission on January 21, 2015, and the Planning Commission recommended approval of the application; and

WHEREAS a public hearing considering the subject application was held by the City Council on February 24, 2015; and

WHEREAS the City posted the City Council agenda in the City Offices at 56 North State Street, at www.orem.org, and a public hearing notice was published in local newspapers and at www.utah.gov/pmn; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; and the special conditions applicable to the request.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Council hereby finds this request is in the best interest of the City because it will require separate sewer connections for all multi-tenant buildings which will allow separate sewer sampling to take place for all multi-tenant buildings and will allow individual sewer lines to be repaired or replaced without affecting other units in the same building.

2. The City Council hereby amends Section 20-3-5 as shown on Exhibit 'A' which is attached hereto and incorporated herein by reference.

3. This ordinance shall take effect immediately upon passage and publication in a newspaper in general circulation in the City of Orem.

4. All other ordinances and policies in conflict herewith, either in whole or in part, are hereby repealed.

PASSED, APPROVED and ORDERED PUBLISHED this **24th** day of **February** 2015.

DRAFT

Richard F. Brunst, Jr., Mayor

ATTEST:

Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"

COUNCIL MEMBERS VOTING "NAY"

PLANNING COMMISSION MINUTES – JANUARY 21, 2015
AGENDA ITEM 3.2 is a request by Development Services to **AMEND SECTION 20-3-5 AS IT PERTAINS TO SEPARATE UTILITY CONNECTIONS** of the Orem City Code.

Staff Presentation: Mr. Stroud said Article 20-3-5 requires separate utility connections but the wording applies only to a dwelling and not a commercial condominium or multi-tenant building. Removal of the word "dwelling" as shown below then allows this Code section to apply to commercial buildings with more than one tenant. There is an exception already written in the Code to exempt, if the developer so chooses, to allow one sewer lateral to be used for a single building with multiple dwellings such as an apartment building with 12 units, for example.

> 20-3-5. Separate connections required.
>
> A separate and independent building sewer shall be provided for every building and for every ~~dwelling~~ unit in buildings having more than one ~~dwelling~~ unit, except that multiple family buildings may perform a fixture count analysis to justify multiple dwelling connections on a single lateral. The analysis will be approved by the Director before the lateral is installed. Where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear building through an adjoining alley, court, yard, or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer, but the City does not and will not assume any obligation or responsibility for damage caused by or resulting from any such single connection.

Recommendation: Development Services requests the Planning Commission forward a positive recommendation to the City Council on the request to amend Section 20-3-5 of the Orem City Code pertaining to separate utility connections.

Chair Moulton asked if the Planning Commission had any questions for Mr. Stroud.

Chair Moulton asked how this applies to accessory apartments. Mr. Stroud said for zoning purposes the accessory apartment is classified as a single family home with an accessory apartment and would not be affected.

Ms. Larsen said that large apartments will have one sewer connection. Mr. Stroud said that when there are a lot of units there will be one sewer for the building. When the large apartments come before the City, it can be determined what is best for them.

Chair Moulton opened the public hearing and invited those from the audience who had come to speak to this item to come forward to the microphone.

When no one came forward, Chair Moulton closed the public hearing and asked if the Planning Commission had any more questions for the applicant or staff. When none did, he called for a motion on this item.

Planning Commission Action: Mr. Whetten said he is satisfied that the Planning Commission has found this request complies with all applicable City codes. He then moved to recommend the City Council amend Section 20-3-5 pertaining to sewer utility connections for multi-family dwellings in the Orem City Code. Ms. Jeffreys seconded the motion. Those voting aye: Karen Jeffreys, Lynnette Larsen, David Moulton, and Derek Whetten. The motion passed unanimously.

CITY OF OREM **CITY COUNCIL MEETING** FEBRUARY 24, 2015	
REQUEST:	**6:30 P.M. PUBLIC HEARING** **RESOLUTION – Establishing a Residential Parking Permit Area between 800 South and 925 South and 600 West and 725 West**
APPLICANT:	Police Department – City of Orem
FISCAL IMPACT:	The City will incur the cost of issuing and administering the permits and enforcing the residential parking permit area.

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on the State website
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
Sunset Heights
Neighborhood Chair:
Shaun Heaton

PREPARED BY:
Gary Giles
Chief of Police

RECOMMENDATION: The Chief of Police recommends that the City Council, by resolution, establish a residential parking permit area between 800 South and 925 South and 600 West and 725 West in Orem, Utah.

BACKGROUND: The City of Orem is responsible for protecting the health, safety, and general welfare of the City. With the ongoing enrollment of students and the expansion of Utah Valley University, there has been an increase in the number of nonresidents who are using 600 West, 725 West, 925 South, 950 South and the connected cul-de-sacs as on-street parking during the university's business hours. The nonresident motor vehicles remain on these streets for the majority of the day between 7:00 a.m. and 5:00 p.m. This increase in use of these streets as parking for students and others visiting Utah Valley University has caused increased traffic congestion and has contributed to the inability of residents and their visitors to park near their homes. A group of individuals who reside in this area filed a petition with the Orem City Police Department asking that a study be conducted to determine whether it would be appropriate for the City to create a residential parking permit area between 800 South and 925 South and 600 West and 725 West.

The Orem Police Department has conducted the study and concluded that (1) during business hours, this area is congested with motor vehicles that are not owned by those living in the neighborhood; and (2) after 5:00 p.m., the majority of the motor vehicles occupying on-street parking are gone.

Having completed the study, the Orem City Police Department recommends that the City Council create a residential parking permit area between 800 South and 925 South and 600 West and 725 West.

If the City Council creates the residential parking permit area as proposed, any resident within the residential parking permit area will be permitted to park any cars registered to his/her dwelling in the residential parking permit area, and each dwelling within the residential parking permit area will be given two (2) visitor/guest permits.

DRAFT

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING A RESIDENTIAL PARKING PERMIT AREA BETWEEN 800 SOUTH AND 925 SOUTH AND 600 WEST AND 725 WEST

WHEREAS the City Council is concerned for the health, safety and welfare of all neighborhoods within the City; and

WHEREAS the City Council has determined that the area between 800 South and 925 South and 600 West and 725 West within the City of Orem has had an influx of motor vehicles owned by nonresidents; and

WHEREAS based on a parking study conducted by the Orem City Police Department, the City Council has determined that these nonresident vehicles compete for the limited number of on-street parking spaces of the neighborhood residents, congest City streets, detract from neighborhood housing values, and disrupt basic essential functions; and

WHEREAS a large number of the residents residing in this area are supportive of creating a residential parking permit area; and

WHERAS the City Council finds that the designation of this area as a residential parking permit area will be a benefit to the health, safety, peace, morals, comfort, and general welfare of the neighborhood residents residing within this residential parking permit area; and

WHEREAS the City Council has determined that the red-marked streets of the attached City map, which map is incorporated herein and referred to as Exhibit "A", shall be a residential parking permit area; and

WHEREAS the City Council has determined that the hours of the parking regulations in this designated area will be in force from 7:00 a.m. until 5:00 p.m., Monday through Friday, excluding federal and Utah state holidays.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, AS FOLLOWS:

1. The City Council hereby creates a residential parking permit area including the red-marked portions of Exhibit "A".

2. The City Council hereby directs that the hours of the parking regulations shall be in force from 7:00 a.m. until 5:00 p.m., Monday through Friday excluding federal and Utah state holidays.

DRAFT

3. The City Council directs that each dwelling in the permit parking area receive two (2) visitor/guest parking permits.

PASSED and APPROVED this **24th** day of **February** 2015.

_____
Richard F. Brunst, Jr., Mayor

ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"	COUNCIL MEMBERS VOTING "NAY"

DRAFT

EXHIBIT "A"

City of Orem
Police Department

Gary Giles
Chief of Police

January 27, 2015

To: Chief of Police, Gary Giles

From: Lieutenant Craig Martinez
Subj: Proposed Creation of a Residential Parking Permit in Orem Neighborhood

I received a petition from all of the residents in a neighborhood near Utah Valley University. They are petitioning for the creation of a residential parking district from 7:00am-5:00pm, Monday-Friday (School hours) adopted by the Orem City Council.

Chief I have concluded my traffic study and have found that students do inundate the area during school hours and that parking is a problem in this area. I am FOR the proposed creation of the parking district.

The streets that are affected are; 725 West from 800 South to 925 South, the Cul-de-sac on 700 West off of 925 South, 925 South from 725 West to 600 West, Cul-de-sac on 635 West off of 925 south and 600 West from 800 South to 925 South. I have attached a map (See below).

95 EAST CENTER ST OREM, UTAH 84057 (801) 229-7062 (801) 229-7300 FAX
www.orem.org

W 800 S St
W 800 S

CITY OF OREM

CITY COUNCIL MEETING

FEBRUARY 24, 2015

REQUEST:	**RESOLUTION - Authorizing the Transfer $5,000 from the City Council Contingency Account as a City match for the Arson Reward**
APPLICANT:	City Manager
FISCAL IMPACT:	$5,000

NOTICES:
-Posted in 2 public places
-Posted on City webpage
-Posted on City hotline
-Faxed to newspapers
-E-mailed to newspapers
-Neighborhood Chair

SITE INFORMATION:
General Plan Designation:
N/A
Current Zone:
N/A
Acreage:
N/A
Neighborhood:
N/A
Neighborhood Chair:
N/A

PREPARED BY:
Richard B Manning
Admin. Services Dir.

RECOMMENDATION:
City Manager recommends the City Council, by resolution, authorize the transfer of $5,000 from the City Council Contingency Fund to the appropriate account to fund the City's portion of a reward for information leading to the arrest and conviction of an arsonist.

BACKGROUND:
The City has had two large fires caused by an arsonist(s) within the past two months. These fires have caused a tremendous amount of property damage. The Council desires to pledge $5,000 as part of a reward being offered by the City and local business owners for information leading to the arrest of the arsonist(s).

DRAFT

RESOLUTION NO. _____

A RESOLUTION BY THE OREM CITY COUNCIL AUTHORIZING THE TRANSFER OF $5,000 FROM THE CITY COUNCIL CONTINGENCY ACCOUNT TO FUND THE CITY ARSON REWARD ACCOUNT

WHEREAS an arsonist(s) has burned two large construction projects in the past two months and

WHEREAS the Arson Task Force is seeking any information that will lead to the arrest and conviction of the arsonist(s); and

WHEREAS the use of reward money is a useful tool in leading to the arrest and conviction of criminals.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The City Manager is hereby authorized to transfer $5,000 in total from the City Council Contingency Fund to the appropriate accounts to fund the City's portion of the arson reward fund.
2. All ordinances, resolutions, or policies in conflict herewith are repealed.
3. This resolution shall take effect immediately upon passage.

PASSED AND APPROVED this 24th day of February 2015

_____
Richard F. Brunst, Jr., Mayor

ATTEST:

_____
Donna R. Weaver, City Recorder

COUNCIL MEMBERS VOTING "AYE"	COUNCIL MEMBERS VOTING "NAY"
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JANUARY 2015

Percent of Year Expired: 58%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2015	% To Date FY 2014	Notes
10 GENERAL FUND								
Revenues	45,266,104	4,821,165	26,851,156			59%		
Appr. Surplus - Current	3,792,170		3,792,170			100%		
Appr. Surplus - Prior Year	1,753,433		1,753,433			100%		
Std. Interfund Transactions	4,646,102		4,646,102			100%		
Total Resources	55,457,809	4,821,165	37,042,861		18,414,948	67%	60%	
Expenditures	55,457,809	7,149,666	30,988,740	1,241,612	23,227,457	58%	57%	
20 ROAD FUND								
Revenues	2,305,000	392,713	1,150,403			50%		
Appr. Surplus - Prior Year	953,808		953,808			100%		
Total Resources	3,258,808	392,713	2,104,211		1,154,597	65%	71%	
Expenditures	3,258,808	92,819	1,828,522	234,452	1,195,834	63%	68%	
21 CARE TAX FUND								
Revenues	1,710,000	147,557	767,122			45%		
Appr. Surplus - Prior Year	1,881,958		1,881,958			100%		
Total Resources	3,591,958	147,557	2,649,080		942,878	74%	86%	
Expenditures	3,591,958	3,000	1,024,389	23,040	2,544,529	29%	52%	1
30 DEBT SERVICE FUND								
Revenues	20,391,447	1,253,351	17,007,953			83%		
Appr. Surplus - Prior Year	13,221		13,221			100%		
Total Resources	20,404,668	1,253,351	17,021,174		3,383,494	83%	52%	2
Expenditures	20,404,668	3,301	14,446,356		5,958,312	71%	37%	2
45 CIP FUND								
Revenues	4,029,170	3,862,044	3,998,922			99%		
Appr. Surplus - Prior Year	875,159		875,159			100%		
Total Resources	4,904,329	3,862,044	4,874,081		30,248	99%	96%	
Expenditures	4,904,329	93,492	1,012,789	321,623	3,569,917	27%	22%	
51 WATER FUND								
Revenues	12,611,377	770,985	8,873,435			70%		
Appr. Surplus - Current Year	300,000		300,000			100%		
Appr. Surplus - Prior Year	4,427,227		4,427,227			100%		
Total Resources	17,338,604	770,985	13,600,662		3,737,942	78%	71%	
Expenditures	17,338,604	543,592	7,305,475	1,822,726	8,210,403	53%	44%	
52 WATER RECLAMATION FUND								
Revenues	7,027,851	587,290	4,473,363			64%		
Appr. Surplus - Prior Year	1,666,509		1,666,509			100%		
Total Resources	8,694,360	587,290	6,139,872		2,554,488	71%	68%	
Expenditures	8,694,360	392,167	4,082,601	616,080	3,995,679	54%	49%	
55 STORM SEWER FUND								
Revenues	3,110,500	254,583	1,858,490			60%		
Appr. Surplus - Prior Year	386,367		386,367			100%		
Total Resources	3,496,867	254,583	2,244,857		1,252,010	64%	71%	
Expenditures	3,496,867	144,027	1,711,625	85,753	1,699,489	51%	73%	3
56 RECREATION FUND								
Revenues	1,667,200	172,132	985,936			59%		
Appr. Surplus - Current Year	158,888		158,888			100%		
Appr. Surplus - Prior Year	4,857		4,857			100%		
Total Resources	1,830,945	172,132	1,149,681		681,264	63%	45%	4
Expenditures	1,830,945	122,682	1,137,457	51,918	641,570	65%	61%	
57 SOLID WASTE FUND								
Revenues	3,397,000	265,836	1,974,256			58%		
Appr. Surplus - Prior Year	24,450		24,450			100%		
Total Resources	3,421,450	265,836	1,998,706		1,422,744	58%	58%	
Expenditures	3,421,450	199,037	1,793,827	130,451	1,497,172	56%	59%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JANUARY 2015

Percent of Year Expired: 58%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2015	% To Date FY 2014	Notes
58 STREET LIGHTING FUND								
Revenues	1,485,000	74,713	1,135,658			76%		
Appr. Surplus - Prior Year	231,180		231,180			100%		
Total Resources	1,716,180	74,713	1,366,838		349,342	80%	78%	
Expenditures	1,716,180	38,825	445,277	167,263	1,103,640	36%	31%	
61 FLEET MAINTENANCE FUND								
Std. Interfund Transactions	652,000		652,000			100%		
Total Resources	652,000		652,000			100%	100%	
Expenditures	652,000	38,354	394,832	12,727	244,441	63%	63%	
62 PURCHASING/WAREHOUSING FUND								
Revenues		15	105			100%		
Appr. Surplus - Current Year	33,000		33,000			100%		
Std. Interfund Transactions	330,000		330,000			100%		
Total Resources	363,000	15	363,105		-105	100%	100%	
Expenditures	363,000	24,721	232,838	460	129,702	64%	61%	
63 SELF INSURANCE FUND								
Revenues	500,000	37,704	288,863			58%		
Std. Interfund Transactions	1,175,000		1,175,000			100%		
Total Resources	1,675,000	37,704	1,463,863		211,137	87%	88%	
Expenditures	1,675,000	-8,612	1,063,995	17,468	593,537	65%	60%	
74 CDBG FUND								
Revenues	814,408	17,986	116,552			14%		
Appr. Surplus - Prior Year	471,313		471,313			100%		
Total Resources	1,285,721	17,986	587,865			46%	35%	
Expenditures	1,285,721	49,505	451,239	1,098	833,384	35%	25%	
CITY TOTAL RESOURCES	126,375,519	12,583,361	91,892,018		33,785,645	73%	65%	
CITY TOTAL EXPENDITURES	126,375,519	8,847,751	67,474,685	4,559,408	54,341,426	57%	53%	

NOTES TO THE BUDGET REPORT FOR THE MONTH ENDED JANUARY 2015:

1) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances ($23,040) being significantly less than in the prior fiscal year ($1,800,257) at this date in time. Primarily due to the Fitness Center pool expansion.

2) Both revenues and expenditures are higher in the current year when compared to the prior year due to the accounting entries needed in the current year to record the refunding of the 2005 & 2006 General Obligation bonds.

3) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances ($85,753) being significantly less than in the prior fiscal year ($368,328) at this date in time. Primarily due to the Williams Farm capital project.

4) The current year revenues are higher in comparison to the prior year due to the opening of the new pool area which appears to have had a positive impact on fitness center pass sales.

Note: In earlier parts of a fiscal year, expenditures may be greater than the collected revenues in a fund. The City has accumulated sufficient reserves to service all obligations during such periods and does not need to issue tax anticipation notes or obtain funds in any similar manner. If you have questions about this report, please contact Richard Manning (229-7037) or Brandon Nelson (229-7010).

U.S. Department of Transportation
Federal Highway Administration
1200 New Jersey Avenue, SE
Washington, DC 20590
202-366-4000

Safety

Technical Summary

Mini-Roundabouts

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Safe Roads for a Safer Future
Investment in roadway safety saves lives

Federal Highway Administration
Office of Safety

FHWA-SA-10-007

Foreword

This technical summary is designed as a reference for State and local transportation officials, Federal Highway Administration (FHWA) Division Safety Engineers, and other professionals who may be involved in the design, selection, and implementation of mini-roundabout intersections. Because experience with mini-roundabouts is limited in the United States, the information presented here draws primarily upon guidance and experience from other countries with reference to American guidance as appropriate. This technical summary explores the unique characteristics of mini-roundabouts while reinforcing the need to apply the principles-based approach common to all roundabout design. It provides readers with an overview of the key considerations for planning, analysis, and design of single-lane mini-roundabouts.

Section 1 of this document summarizes the characteristics of mini-roundabouts. Section 2 presents benefits of mini-roundabout intersections compared to alternative intersection solutions. Sections 3-6 provide an overview of user, location, operational and design considerations respectively.

The information presented herein is a summary of principles outlined in the FHWA document Roundabouts: An

Summary [3]. Figures are from the Roundabout Guide unless otherwise noted.

This publication does not supersede any publication; and is a Final version.

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Contents

Introduction

Section 1: Characteristics of Mini-Roundabouts

Section 2: Benefits of Mini-Roundabouts

Section 3: User Considerations

- 3.1 Motorists
- 3.2 Pedestrians
- 3.3 Bicycles
- 3.4 Emergency Vehicles

Section 4: Location Considerations

- 4.1 Common Site Applications
- 4.2 Site Constraints

Section 5: Operational Analysis

Section 6: Design Considerations

6.1 Horizontal Design
6.2 Pedestrian Design Treatments
6.3 Bicycle Design Treatments
6.4 Sight Distance and Visibility
6.5 Vertical Design
6.6 Pavement Markings and Signs
6.7 Lighting
6.8 Landscaping
6.9 Other Design Details and Applications

Section 7: Costs

Section 8: References

Introduction

Mini-roundabouts are a type of roundabout characterized by a small diameter and traversable islands (central island and splitter islands). Mini-roundabouts offer most of the benefits of regular roundabouts with the added benefit of a smaller footprint. As with roundabouts, mini-roundabouts are a type of intersection rather than merely a traffic calming measure, although they may produce some traffic calming effects. They are best suited to environments where speeds are already low and environmental constraints would preclude the use of a larger roundabout with a raised central island. Mini-roundabouts are common in the United Kingdom (U.K.) and France and are emerging in the United States (including states such as Maryland and Michigan), Germany, and other countries.

This technical summary focuses on single-lane mini-roundabouts. Because experience with mini-roundabouts is limited in the United States, the information presented here draws primarily upon guidance and experience from other countries with reference to American guidance as appropriate. This technical summary explores the unique characteristics of mini-roundabouts while reinforcing the need to apply the principles-based approach common to all roundabout design. It provides readers with an overview of the key considerations for planning, analysis, and design of mini-roundabouts.

The information presented herein is a summary of principles outlined in the FHWA document *Roundabouts: An Informational Guide* [1] and the forthcoming 2nd Edition [2] (hereafter referred to as the Roundabout Guide), which is in progress at the time of this writing and due to be published in 2010. Specific considerations for single-lane and multilane roundabouts are summarized in a separate FHWA document titled *Roundabout Technical Summary* [3]. Figures are from the Roundabout Guide unless otherwise noted.

Adapted from Photo by Lee Rodegerdts (used with permission)

Section 1: Characteristics of Mini-Roundabouts

A mini-roundabout is a type of intersection that can be used at physically-constrained locations in place of stop-controlled or signalized intersections to help improve safety problems and reduce excessive delays at minor approaches [1]. Figure 1 illustrates the design features of a mini-roundabout; these features are described further later in this summary. Mini-roundabouts generally have an inscribed circle that is small enough to stay within the existing right-of-way (or within the existing curb lines if adequate space is available). Mini-roundabouts operate in the same manner as larger roundabouts, with yield control on all entries and counterclockwise circulation around a mountable (traversable) central island.

Mini-roundabouts are distinguished from neighborhood traffic circles primarily by their traversable islands and yield control on all approaches, which allows them to function as other roundabouts do. Neighborhood traffic circles are typically built at the intersections of local streets for reasons of traffic calming and/or aesthetics. They typically are operated as two-way or all-way stop-controlled intersections and frequently do not include raised channelization to guide approaching traffic into the circulatory roadway. At some neighborhood traffic circles, left-turning vehicles must turn in front of the central island, potentially conflicting with other circulating traffic.

To help promote safe operations, the design of mini-roundabouts generally aligns passenger cars on the approach in such a way as to naturally follow the circulatory roadway and minimize running over the central island to the extent possible. Due to the small footprint, large vehicles are typically required to over-run the fully traversable central island (as shown in Figure 1).

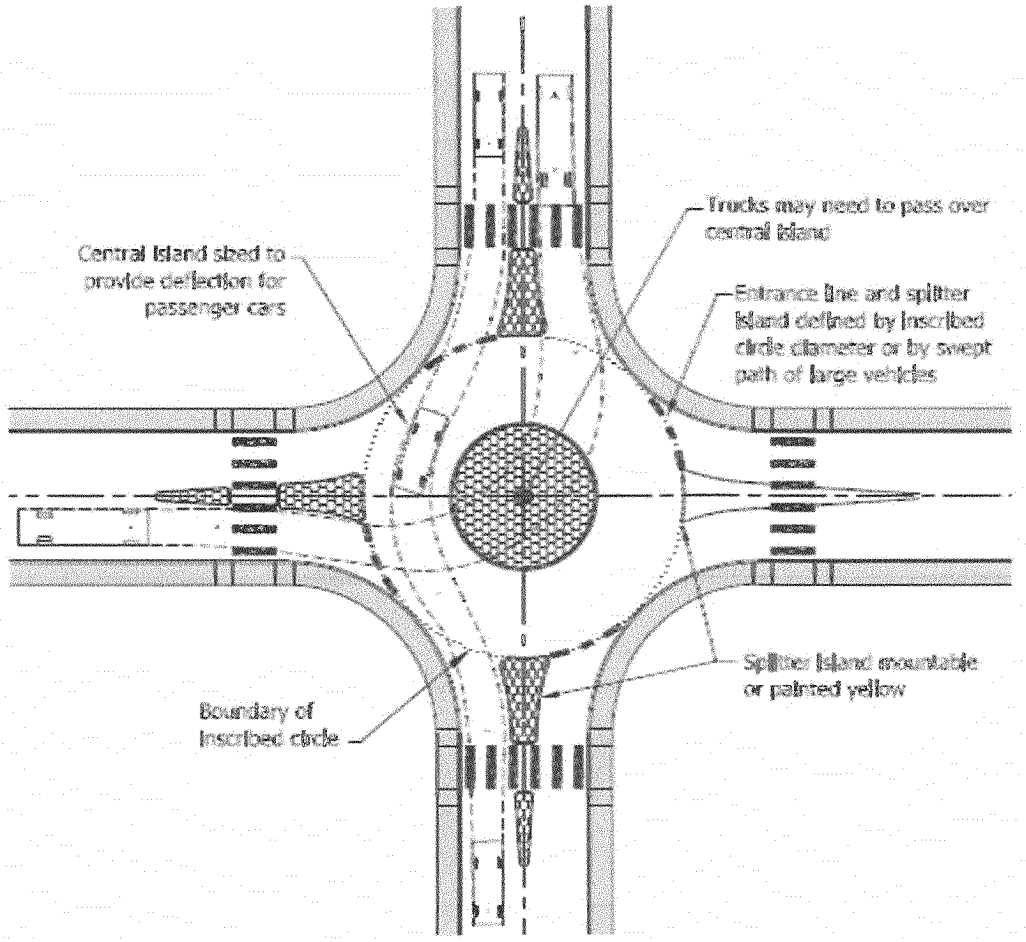


Figure 1: Design Features of a Mini-Roundabout

Section 2: Benefits of Mini-Roundabouts

Mini-roundabouts are emerging in the United States as a potential intersection type. They may be an optimal solution for a safety or operational issue at an existing stop-controlled or signalized intersection where there is insufficient right-of-way for a standard roundabout installation. Of course, mini-roundabouts are not always feasible or optimal solutions for every problem. The benefits of mini-roundabouts, and some constraining factors (derived largely from international experience, particularly in the U.K., where mini-roundabouts were invented), are described below [4].

- **Compact size** – A mini-roundabout can often be developed to fit within existing right-of-way constraints. Note that mini-roundabouts are generally not recommended for intersections with more than four legs. However, in some cases there may be adequate spacing between legs to allow for two closely-spaced mini-roundabouts
- **Operational Efficiency** – A mini-roundabout may provide less delay for a critical movement or for an overall intersection in comparison to other intersection alternatives. However, as with all roundabout types, mini-roundabouts do not provide explicit priority to specific users such as trains, transit, or emergency vehicles.
- **Traffic Safety** – Mini-roundabouts have been used successfully in the U.K. to improve safety at intersections with known crash problems, with reported crash rate reductions of approximately 30 percent as compared to signalized intersections [5].
- **Traffic Calming** – Designed properly, a mini-roundabout reduces speeds and can be implemented as

part of a broader traffic calming scheme. The low-speed environment also enhances the intersection for nonmotorized users. However, mini-roundabouts cannot provide the same level of speed reduction as their larger counterparts and thus are less suited for roadways with speeds exceeding 30 to 35 mph (50 to 55 km/h).

- **Access Management** – A mini-roundabout can be used to provide efficient access to a new or existing development. However, in the cases of large trucks and other large vehicles, the diameter may be too small to accommodate U-turn maneuvers that would be readily accommodated at a larger roundabout.
- **Aesthetics** – In comparison to full-size roundabouts, mini-roundabouts do not allow opportunities for landscaping in the central island. As with comparably sized traditional intersections, landscaping opportunities are limited to the periphery of the intersection.
- **Environmental Benefits** – A mini-roundabout may offer an environmental benefit compared to conventional intersections through reduced delay, fuel consumption, and vehicle emissions.

Section 3: User Considerations

The various user types of a mini-roundabout have unique characteristics that should be considered in the planning and design process. Some of the characteristics of four user groups–motorists, pedestrians, bicyclists, and emergency vehicles–are discussed here; a more complete discussion can be found in the Roundabout Guide.

3.1 Motorists

As with other types of roundabouts, mini-roundabouts can enhance the safety for drivers, including older drivers, by:

- Allowing more time to make decisions, act, and react;
- Reducing the number of directions in which a driver needs to watch for conflicting traffic; and
- Reducing the need to judge gaps in fast traffic accurately.

Attention should be paid to the placement of signs and pavement markings to make them clear, visible, and unambiguous to all users, including older drivers. Trucks and other large vehicles can be accommodated at a mini-roundabout by using mountable islands. Further details on design vehicles are provided later in this technical summary.

3.2 Pedestrians

Pedestrians are accommodated at pedestrian crosswalks around the perimeter of the mini-roundabout. The splitter islands at mini-roundabouts typically do not provide the same degree of refuge as those at other roundabouts, thus typically requiring pedestrians to cross the street in one stage (as with many conventional intersections).

The Americans with Disabilities Act requires that all new and modified intersections, including roundabouts, be accessible to and usable by people with disabilities. The accessibility of mini-roundabouts to pedestrians with vision disabilities has not been specifically researched but is not expected to require treatments beyond those provided for similar single-lane roundabouts. Further discussion can be found in the Roundabout Guide.

3.3 Bicycles

Mini-roundabouts are generally located in environments where bicyclists are comfortable negotiating the roundabout as a motor vehicle. In the event a bicyclist desires to navigate the intersection as a pedestrian, sidewalks and crosswalks are provided.

3.4 Emergency Vehicles

Because of the traversable design of the central island and splitter islands, emergency vehicles are unlikely to have significant difficulty negotiating a mini-roundabout.

Section 4: Location Considerations

As noted previously, mini-roundabouts are an intersection form that may have some traffic calming properties. Because of their design characteristics, mini-roundabouts are most effective in lower speed environments in which all approaching roadways have posted speed of 30 mph or less and an 85th-percentile speed of less than 35 mph (55 km/h) near the proposed yield and/or entrance line [6]. For any location with an 85th-percentile speed above 35 mph (55 km/h), the mini-roundabout can be included as part of a broader system of traffic calming measures to achieve an appropriate speed environment.

There are a number of locations where mini-roundabouts are commonly found to be advantageous and a number of situations that may adversely affect their feasibility. As with any decision regarding intersection treatments, care should be taken to understand the particular benefits and trade-offs for each project site.

4.1 Common Site Applications

Mini-roundabouts can be used at existing intersections to replace two-way stop control, all-way stop control, or a traffic signal. Mini-roundabouts can improve the operation of an intersection by reducing the dominance of the traffic flow from one direction over others, facilitating access and reducing delay to minor street movements, and improving overall intersection capacity [4].

Mini-roundabouts generally have a narrower range of applications than other types of roundabouts. The following applications represent some of the situations at which mini-roundabouts may be advantageous (further discussion can be found in the Roundabout Guide):

- **Space-constrained locations with reasonable approach speeds (30 mph [50 km/h] or less)** – Because mini-roundabouts require less space than larger roundabouts, they may be a solution where a larger roundabout will not fit, provided that speeds are reasonable.
- **Residential environments** – Mini-roundabouts offer a low-speed, low-noise intersection option that requires little ongoing maintenance.
- **Intersections with high delay** – A roundabout can be an ideal application to reduce delay at stop-controlled intersections that do not meet signal warrants.

4.2 Site Constraints

Due to their smaller proportions, mini-roundabouts are not suitable for all locations. Certain site-related factors may significantly influence the design, requiring that a more detailed investigation of some aspects of the site be carried out. A number of these factors (many of which are valid for any intersection type) are listed below:

- High volumes of trucks will significantly reduce the capacity of a mini-roundabout, as trucks will occupy most of the intersection when turning [1]. Additionally, high volumes of trucks overrunning the central island may lead to rapid wear of the roadway markings.
- Mini-roundabouts are not recommended in locations in which U-turn truck traffic is expected, such as at the ends of street segments with medians or other access restrictions. However, in the expectation that U-turns are likely to occur, the design of a mini-roundabout should accommodate U-turns for passenger cars. Due to the small inscribed circle diameter, larger vehicles may not be capable of making a U-turn movement.
- Locations with light volumes of minor street traffic may not provide a suitable location for a mini-roundabout. Major street vehicles may become conditioned over time to ignore the intersection control due to a lack of minor street vehicles presence, which requires major street drivers to slow and proceed cautiously through the intersection. One rule of thumb used in the U.K. is to have at least 10 percent of the total intersection volume generated from the minor street [7]. Another measure used in the U.K. is that mini-roundabouts should not be considered at intersections with volumes below 500 daily vehicles on the minor street [6].
- Challenges for other types of roundabouts, including physical complications, proximity to significant generators of traffic, and proximity to other traffic control devices (e.g., signalized intersections, at-grade rail crossings) or bottlenecks, etc., may make it politically or economically infeasible to construct a mini-roundabout. These and other conditions are discussed further in the Roundabout Guide and in the Technical Summary on Roundabouts.

The existence of one or more of these conditions does not necessarily preclude the installation of a mini-roundabout. Experience in the United States is limited to date, but there may be comparable conditions in other countries where mini-roundabouts have successfully overcome one or more of the conditions listed above. To address these conditions, additional analysis, design work, and coordination with affected parties may be needed to resolve conflicts and help in the decisionmaking process. In some cases, the conditions identified above cannot be overcome, and another intersection type may be more suitable.

Section 5: Operational Analysis

Mini-roundabouts are generally recommended for intersections in which the total entering daily traffic volume is no more than approximately 15,000 vehicles. While a mini-roundabout may perform acceptably at higher volume locations, there has been limited experience for such sites in the United States. Multilane mini-roundabouts have been used in the U.K. but are rare elsewhere.

Operational performance models for mini-roundabouts have not been developed for U.S. conditions as of this writing. The calibration to U.S. drivers of international models, such as those from the U.K., has not been determined as of this writing.

Section 6: Design Considerations

The geometric design of a mini-roundabout, as with other types of roundabouts, requires the balancing of competing design objectives. Roundabouts operate most safely when their geometry forces traffic to enter and circulate at slow speeds. Poor roundabout geometry has been found to negatively impact roundabout operations by affecting driver lane choice and behavior through the roundabout. Many of the geometric parameters are governed by the maneuvering requirements of the design vehicle and the accommodation of nonmotorized users.

Thus, designing a roundabout is a process of determining the optimal balance between safety provisions, operational performance, and accommodation of design users. For these reasons, roundabout design techniques are difficult to standardize, and there is rarely only one "right" way to design a roundabout.

Mini-roundabout design applies many of the same principles used for other types of roundabouts, including:

- Provide slow entry speeds and consistent speeds through the roundabout by using deflection;
- Provide smooth channelization that is intuitive to drivers;
- Provide adequate accommodation for the design vehicles;
- Design to meet the needs of pedestrians and bicyclists; and
- Provide appropriate sight distance and visibility.

The Roundabout Guide and/or the Technical Summary on Roundabouts provide more detailed design guidelines [2, 3]. The remainder of this document focuses on the design aspects and considerations that are unique to mini-roundabouts.

6.1 Horizontal Design

Mini-roundabout design applies many of the same principles and details of the design of larger roundabouts but with different emphasis areas. Given that the central island of a mini-roundabout is fully traversable, the overall design should provide channelization that naturally guides drivers to the intended path. Sub-optimal designs may result in drivers turning left in front of the central island (or driving over the top of it), improperly yielding, or traveling at excess speeds through the intersection. The following key horizontal design areas for considerations are highlighted below: size, design vehicle, design speed, central island, entrance line placement, and splitter islands.

6.1.1 Size

A mini-roundabout is often considered as an alternative to a larger, single-lane roundabout due to a desire to minimize impacts outside of the existing intersection footprint. Therefore, the existing intersection curb line is a typical starting point for establishing the mini-roundabout inscribed circle diameter. Mini-roundabouts should be made as large as possible within the intersection constraints. However, a mini-roundabout inscribed circle diameter generally should not exceed 90 ft (30 m). Above 90 ft (30 m), the inscribed circle diameter is typically large enough to accommodate the design vehicles navigating around a raised central island. A raised central island provides physical channelization to control vehicle speeds; therefore, a single-lane roundabout design is preferred where a diameter greater than 90 ft (30 m) can be provided.

6.1.2 Design Vehicle

The location and size of a mini-roundabout central island (and the corresponding width of the circulatory roadway) is dictated primarily by passenger car swept path requirements. The island location should be at the center of the left-turning inner swept paths which will be near, but not necessarily on, the center of the inscribed circle. The off-tracking of a large design vehicle should be accommodated by the footprint of the central island; meanwhile, passenger cars should be able to navigate through the intersection without being required to overrun the central island.

As with single and multilane roundabouts, it is desirable to also accommodate buses within the circulatory roadway to avoid jostling passengers by over-running the central island. However, for very small inscribed circle diameters, the bus turning radius is typically too large to navigate around the central island while staying within the circulatory roadway, thus requiring buses to travel over the central island. The potential trade-off to designing for a bus instead of a passenger car is that the design may result in a wider circulatory roadway and smaller central island.

6.1.3 Design Speed

The location of the central island should allow for all movements to be accommodated at the intersection with counterclockwise circulation. Designing the central island size and location to provide deflection through the roundabout will encourage proper circulation and reduced speeds through the intersection.

6.1.4 Central Island

The central island is typically fully traversable and may either be domed or raised with a mountable curb and flat top for larger islands. Although painted central islands are commonly used in the U.K., flush central islands are discouraged in other countries to maximize driver compliance. Composed of asphalt concrete, Portland cement concrete, or other paving material, the central island should be domed using 5 to 6 percent cross slope, with a maximum height of 5 in (12 cm). Although fully mountable and relatively small, it is essential that the central island be clear and conspicuous. Islands with a mountable curb should be designed in a similar manner to truck aprons on normal roundabouts.

6.1.5 Placement of Entrance Line

The entrance line is integral to the geometric design of a mini-roundabout, and incorrect placement can introduce undesirable driver behavior. Figure 2 illustrates one particular situation where the design allows passenger cars to turn left in front of the central island. In this case, the combination of the intersection skew angle, small size of the central island, small size of the splitter islands, and large width of the circulatory roadway makes it comfortable for a driver to turn left in front of the central island instead of navigating around it introducing the risk of drivers taking this undesirable action.

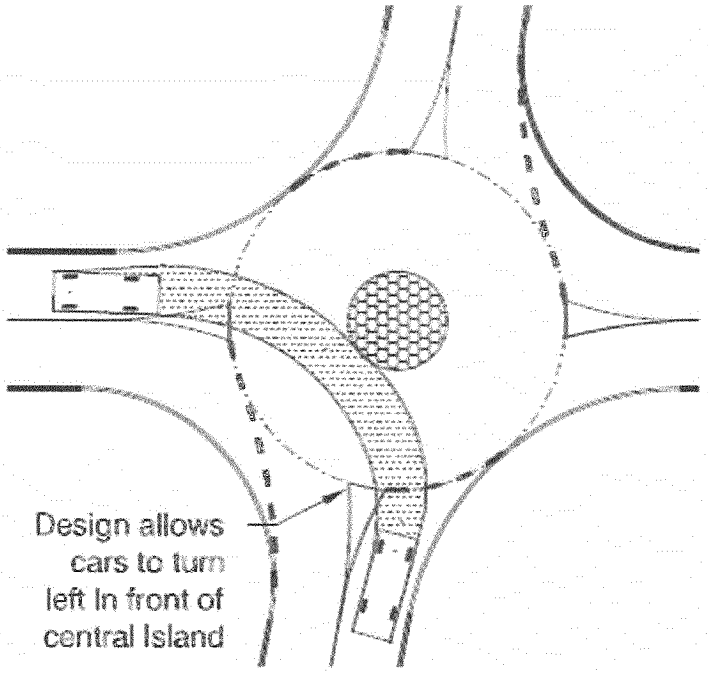
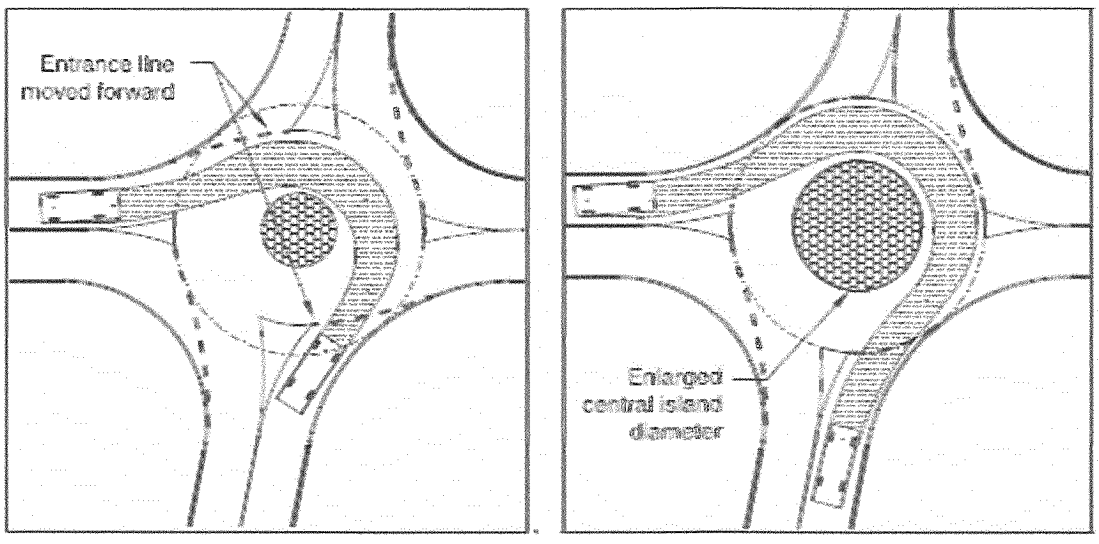


Figure 2: Undesirable Design that Allows Left Turns in Front of Central Island

Two possible design improvements are illustrated in Figure 3: (a) advancing the entrance line forward, or (b) simultaneously enlarging the central island and reducing the circulatory roadway width, with the entrance line coincident with the inscribed circle of the roundabout. For the option of advancing the entrance line forward, the outer swept path of passenger cars and the largest vehicle likely to use the intersection are identified for all turning movements, and the advanced entrance line is placed at least 2 ft (0.6 m) outside of the vehicle paths. Skewed approaches are one particular situation where advancing the yield line may be beneficial to discourage vehicles from making a left-turn in front of the central island. However, this may result in a reduction of capacity, as advancing the yield line may affect yielding behavior at the entry.



(a) Move entrance line forward (b) Enlarge central island

Figure 3: Possible Design Improvements

6.1.6 Splitter Islands

As with larger roundabouts, splitter islands are generally used at mini-roundabouts to align vehicles, to encourage

deflection and proper circulation, and to provide pedestrian refuge. Splitter islands are raised, mountable, or flush depending upon the size of the island and whether trucks will need to track over the top of the splitter island to navigate the intersection. In general, raised islands are preferred over flush islands. The following are general guidelines for the types of splitter islands under various site conditions:

- Consider a **raised (nontraversable)** island if one or more of the following conditions exist:
  - All design vehicles can navigate the roundabout without tracking over the splitter island area;
  - Sufficient space is available to provide an island with a minimum area of 50 ft2 (4.6 m2); and
  - Pedestrians are present at the intersection with regular frequency.
- Consider a **mountable (traversable)** island if:
  - Some design vehicles must travel over the splitter island area and truck volumes are minor; and
  - Sufficient space is available to provide an island with a minimum area of 50 ft2 (4.6 m2).
- Consider a **flush (painted)** island if:
  - Vehicles are expected to travel over the splitter island area with relative frequency to navigate the intersection;
  - An island with a minimum area of 50 ft2 (4.6 m2) can not be achieved; and
  - The approach has low vehicle speeds (preferably no more than 25 mph [40 km/h]).

Figure 4 displays recommended longitudinal dimensions for splitter islands at mini-roundabouts. In some cases it may not be feasible to achieve the dimensions in Figure 4 due to narrow approach widths. Where necessary, the islands may only extend between the entrance line and the crosswalk. More details related to the design of the pedestrian refuge area are discussed in the next section on Pedestrian Design Treatments.

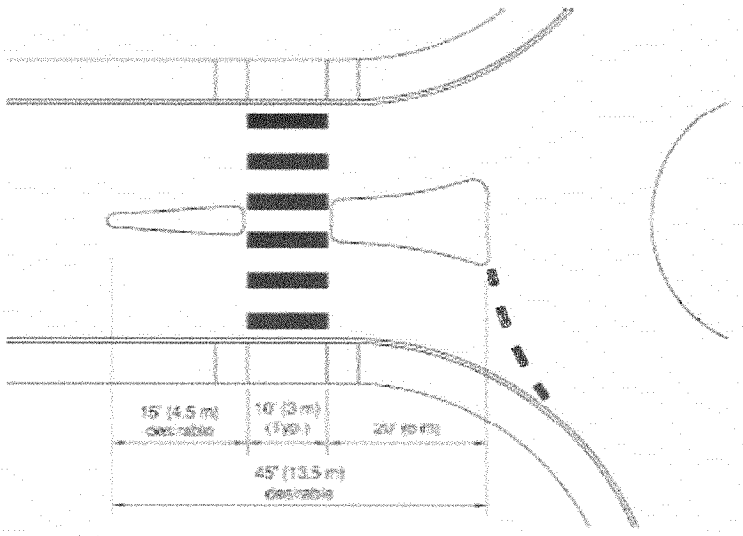


Figure 4: Recommended Longitudinal Dimensions for Splitter Islands at Mini-Roundabouts

In some cases, sufficient space may be available to provide a raised island within the pedestrian refuge area, but does not extend fully to the entrance line. An example of a raised island being terminated prior to the entrance line to accommodate the design vehicle is illustrated in Figure 5. If raised islands are used, care should be taken to ensure that they are visible to approaching motorists.

Figure 5: Raised Splitter Island Terminated in Advance of the Entrance Line
Photo: Lee Rodegerdts (used with permission)

6.2 Pedestrian Design Treatments

At conventional intersections, pedestrian ramps and pedestrian crossings are typically located near the curb returns at the corners of the intersection. When converting to a mini-roundabout, these corner pedestrian crossing locations will likely require relocation. The pedestrian crossing is recommended to be located 20 to 25 ft (6.1 to 7.6 m) upstream of the entrance line to accommodate one vehicle queue ahead of the crossing.

Where a mountable or raised splitter island is used, the walkway through the splitter island should be "cutthrough" instead of ramped. This is less cumbersome for wheelchair users and allows the cut-through walkway to be aligned with the crosswalks, providing guidance for all pedestrians, but particularly for those who are visually-impaired. The cut-through walkway should be approximately the same width as the crosswalk, ideally a minimum width of 10 ft (3 m).

Sidewalk ramps are provided to connect to the sidewalks at each end of the crosswalk. Wherever sidewalks are separated from the roadway by a planting strip, ramps do not need flares and instead can have curbed edges aligned with the crosswalk, which provide alignment cues for pedestrians with visual impairments. A detectable warning surface consisting of raised truncated domes, as required by the Americans with Disabilities Act, should be applied to each ramp.

Where a minimum splitter island width of 6 ft (1.8 m) is available on the approach, a pedestrian refuge can be provided within the splitter island. In some cases, the available roadway width may not be sufficient to provide an adequate refuge area, in which case pedestrians will need to cross in one stage. Where a pedestrian refuge is provided, the refuge area must be defined with detectable warning surfaces that begin at the curb line and extend into the cut-through area a distance of 2 ft (0.6 m). This results in at least 2 ft (0.6 m) of clear space between detectable warning surfaces on a splitter island. Detailed standards for detectable warning surfaces can be found in the ADA Accessibility Guidelines (ADAAG) and through the U.S. Access Board [8].

6.3 Bicycle Design Treatments

Since typical on-road bicycle travel speeds are approximately 12 to 20 mph (20 to 30 km/h), the speeds of vehicles approaching and traveling through mini-roundabouts are similar to those of bicyclists. Bicyclists are encouraged to navigate through a mini-roundabout as if they were a vehicle. Where bicycle lanes are provided on the approaches to a mini-roundabout, they should be terminated to alert drivers and bicyclists of the need for bicyclists to merge into traffic. One suggested practice is to terminate the bike lane at least 100 ft (30 m)

upstream of the entrance line, provide a 50-ft (15-m) taper ending prior to the crosswalk at the roundabout entry, and use a dotted bike lane stripe for the last 50 to 200 ft (15 to 60 m) prior to the beginning of the taper [1]. For a more detailed description of bicycle design techniques, refer to the Roundabout Guide.

6.4 Sight Distance and Visibility

The principles of sight distance and visibility at mini-roundabouts are consistent with other roundabouts and other intersections. Detailed guidelines for evaluating sight distance and visibility are provided in the Roundabout Guide [2] and the Technical Summary on Roundabouts [3].

6.5 Vertical Design

Mini-roundabouts should generally be designed to be outward draining to place the central island at the highest point of the intersection for maximum visibility. This technique of sloping outward is recommended primarily because it:

- Promotes safety by raising the height of the central island and improving its visibility;
- Promotes lower circulating speeds;
- Minimizes breaks in the cross slopes of the entrance and exit lanes; and
- Drains surface water to the outside of the roundabout.

This is consistent with most standard intersection grading, where the high-point is located near the center of the intersection and slopes towards the outer curbs. Therefore, in most retrofit situations, installation of a mini-roundabout would not necessarily require significant grade modifications to the intersection.

6.6 Pavement Markings and Signs

At mini-roundabouts, pavement markings and signs work together to create a comprehensive system to guide and regulate road users. Pavement markings and signs are simpler at mini-roundabouts than at other types of roundabouts.

The Federal Highway Administration has published the 2009 Edition of the Manual on Uniform Traffic Control Devices, which includes major revisions and additions related to signage and markings at roundabouts. For more detailed guidelines, designers should refer to the 2009 MUTCD and the Roundabout Guide [2, 9].

6.6.1 Pavement Markings

Pavement markings for mini-roundabouts are largely similar to those for other roundabouts. However, because the islands may be either flush or mountable, additional pavement markings can be used to improve the visibility of key features, including the direction of circulation and splitter islands. A sample pavement marking plan for a mini-roundabout is given in Figure 6. A wide white dotted line is used to designate the entrance location, similar to other roundabouts. Some optional features include the following (not necessarily shown on Figure 6):

- Pavement marking arrows in the circulatory roadway in front of each entry to indicate the direction of circulation;
- Yield lines and/or legends;

- For flush splitter islands, an appropriate hatching pattern (e.g., a diagonal hatch similar to those used for marking obstructions, such as those shown in Figure 3B-15 of the 2009 MUTCD [9]) within the splitter island envelope to further emphasize the splitter island location;
- Rumble strips or raised pavement markers within the envelope of a flush splitter island to discourage light passenger vehicles from driving over top of the islands; and
- Yellow color over the entire central island.

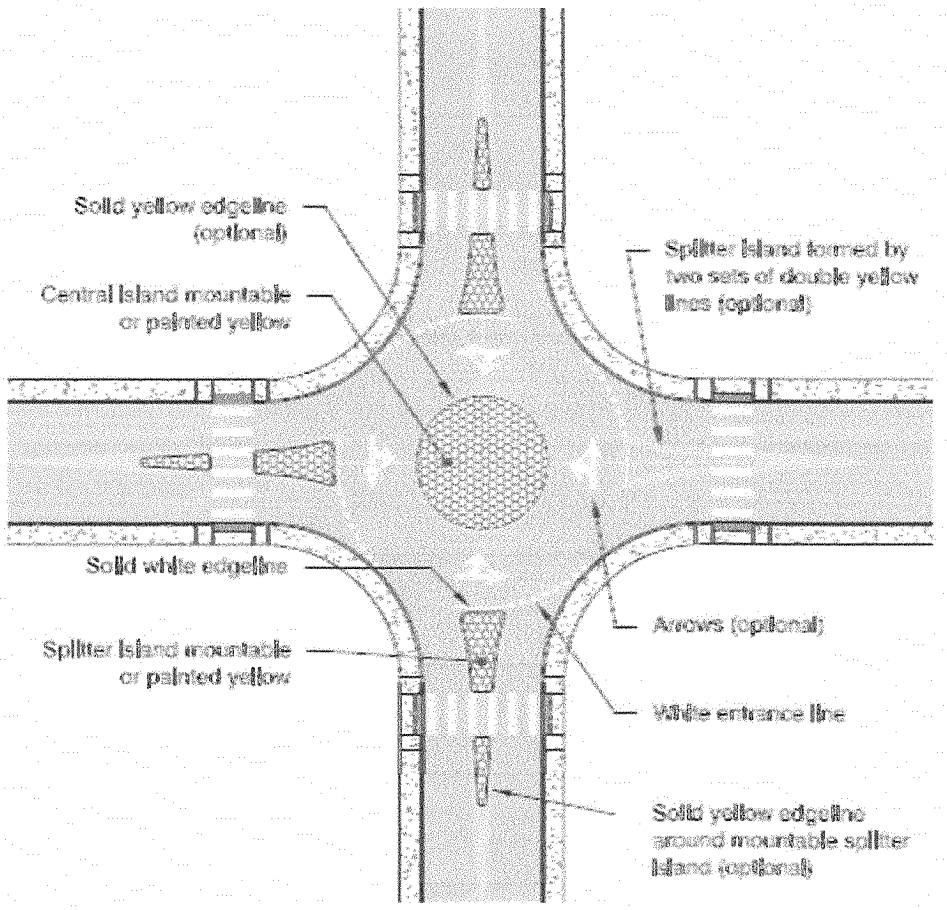


Figure 6: Sample Pavement Marking Plan for a Mini-Roundabout

If the entire center island is colored yellow, an anti-skid surface is recommended to increase surface friction and avoid slick surfaces, particularly for bicycles and motorcycles. A textured surface that provides a visible differentiation from the circulatory roadway and is accompanied by a solid yellow line may also be used. Note that vehicles overrunning a textured surface may create additional noise, which may be perceived as a problem in residential areas.

6.6.2 Signing

The principal difference in signing at mini-roundabouts compared to other roundabouts is that no signs can be located within the fully mountable central island. As a result, the Circular Intersection (W2-6) warning sign is typically used on each approach in advance of the YIELD sign. YIELD signs are typically placed as close as practical to the entrance line and can be supplemented with a Roundabout Circulation plaque (R6-5P). Advance directional guide signs and exit guide signs are typically unnecessary given the size of the mini-roundabout and the nature of the approach roadways (generally low speed local streets). However, standard street name signs should be used and are typically mounted on the same posts as the yield signs (similar to conventional

intersections). Figure 7 gives a sample signing plan for a mini-roundabout.

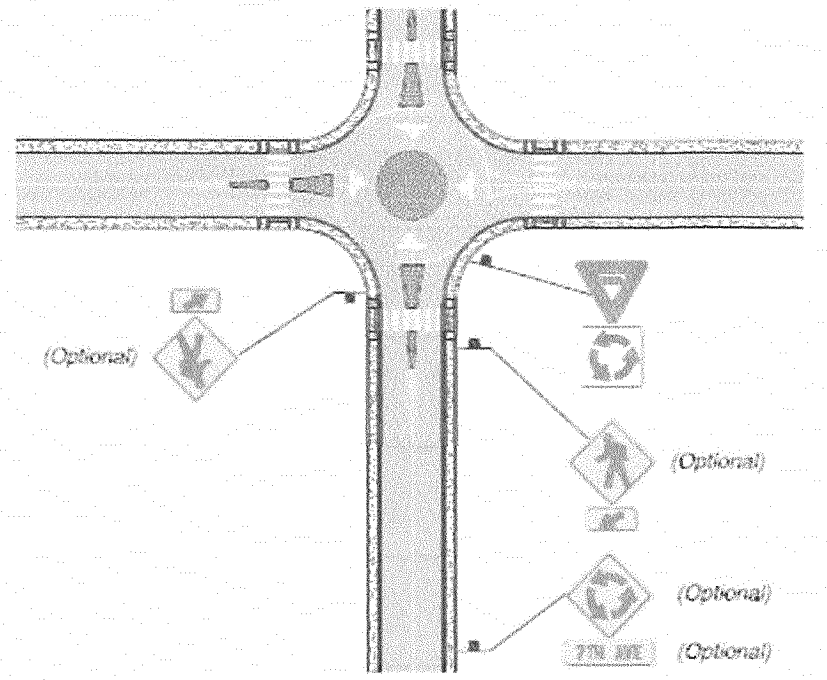


Figure 7: Sample Signing Plan for a Mini-Roundabout

For splitter islands that are either painted or are fully mountable, KEEP RIGHT signs cannot be used. KEEP RIGHT signs may be provided for raised non-mountable islands, particularly where a pedestrian refuge is provided; however, care should be taken to ensure the sign does not obscure the view of the central island approaching the mini-roundabout. Some agencies are experimenting with illuminated bollards to mark splitter islands.

6.7 Lighting

It is important that mini-roundabouts, including their pedestrian crossing areas, be visible to approaching drivers. Consideration needs to be given to ensuring the intersection is conspicuous at night, which may mean providing additional street lighting. The Design Guide for Roundabout Lighting [10], published by the Illuminating Engineering Society, is the primary resource that should be consulted in completing a lighting plan for all roundabout types including mini-roundabouts.

The Roundabout Guide also provides a summary of lighting principles, and the same principles for lighting traditional intersections apply to mini-roundabouts.

6.8 Landscaping

Landscaping of mini-roundabouts is minimal due to the traversable nature of the central island and (often) splitter islands. However, it is possible to provide landscaping around the perimeter of the intersection. Any landscaping that is provided should be designed to minimize roadside hazards and to maintain adequate stopping and intersection sight distance throughout the roundabout.

6.9 Other Design Details and Applications

More design details and applications of mini-roundabouts exist than are covered in this technical summary; however, some of the more notable considerations are described below:

- **Right-turn bypass lanes** – Roundabouts and mini-roundabouts can employ right-turn bypass lanes similar to those used at conventional intersections. Bypass lanes are designed either to yield to exiting traffic or to form an additional lane next to exiting traffic (which may then merge into the exiting traffic).
- **Access management** – Driveways in the vicinity of roundabouts and mini-roundabouts may experience restrictions in access similar to those in the vicinity of signalized intersections. Mini-roundabouts may offer the opportunity to include driveways as a curb cut or a fully developed approach with splitter islands depending on the volume characteristics and other factors.
- **At-grade rail crossings** – At-grade rail crossings through or near a mini-roundabout introduce challenges related to the control of the rail crossing itself, queue clearance on the tracks, and the associated effects on the mini-roundabout. Mini-roundabouts have been installed near at-grade rail crossings in the U.K.
- **Evacuation routes** – Mini-roundabouts can be located on evacuation routes by using similar manual control treatments (e.g., flagging, police control) that are used at other types of intersections. Vehicles are allowed to travel over the central island, if necessary.
- **Bus stops** – Bus stops can be provided on either the entry or exit side of a mini-roundabout. Bus stops should not be provided within the circulatory roadway. Pedestrian access to and from the bus stop, including the location of the bus stop relative to the nearest crosswalk, should be carefully considered.

Refer to the Roundabout Guide for additional information on these and other topics.

Section 7: Costs

Construction costs for mini-roundabouts vary widely depending upon the extent of sidewalk modifications or other geometric improvements and the types of materials used. In most cases, mini-roundabouts have been installed with little or no pavement widening and with only minor changes to curbs and sidewalks as shown in the example in Figure 8. Construction costs have ranged from about $50,000 for an installation consisting entirely of pavement markings and signage to $250,000 or more for mini-roundabouts that include raised islands and pedestrian improvements.

A benefit-cost analysis may be useful for programming purposes, as it is recognizes that not all of the benefits and costs can be quantified by pure construction costs. The safety, operational, and environmental benefits of mini-roundabouts can be quantified and compared to the initial construction and ongoing maintenance cost over the life cycle of the roundabout. Although research is needed on the service lives of mini-roundabouts in the United States, they are likely to be comparable to the intersections they replace, depending on construction materials, weather conditions, traffic conditions, and other factors. When compared to signalized intersections, mini-roundabouts are likely to have longer service lives due to less maintenance. More detail can be found in the Roundabout Guide.

Figure 8: Example Mini-Roundabout *Photo: Maryland State Highway Administration (used with permission)*

Section 8: References

1. Robinson, B. W., L. Rodegerdts, W. Scarbrough, W. Kittelson, R. Troutbeck, W. Brilon, L. Bondzio, K. Courage, M. Kyte, J. Mason, A. Flannery, E. Myers, J. Bunker, and G. Jacquemart. *Roundabouts: An Informational Guide*. Report FHWA-RD-00-067. FHWA, U.S. Department of Transportation, June 2000.

2. Rodegerdts, L. A., et al. *Roundabouts: An Informational Guide, 2nd Edition*. National Cooperative Highway Research Program Project 03-65A. Transportation Research Board, National Academy of Sciences, Washington, D.C., Work in progress, estimated publication 2010.

3. Rodegerdts, L. A., W. E. Scarbrough, and J. A. Bansen. R*oundabout Technical Summary*. FHWA, Washington, D.C., 2010.

4. Department for Transport and the County Surveyors Society. *Mini Roundabouts, Good Practice Guidance*. Department for Transport, United Kingdom, November 27, 2006. http://www.dft.gov.uk/pgr/roads/tss/gpg/ miniroundaboutsgoodpractice.pdf, accessed July 23, 2009.

5. Bodé, Christian, and Faber Maunsell. "Mini-Roundabouts: Enabling Good Practice." Proceedings, European Transport Conference, Strasbourg, France, September 18-20, 2006.

6. Department for Transport. "TD 54/07, Design of Mini-Roundabouts." *Design Manual for Roads and Bridges*, Volume 6, Road Geometry; Section 2, Junctions, Part 2. Department for Transport, United Kingdom, August 2007.

7. Sawers, C. *Mini-Roundabouts: A Definitive Guide for Small and Mini-Roundabouts (Right Hand Drive Version)*. Moor Value Ltd. (U.K.), 2007.

8. United States Access Board. Americans with Disabilities Act Accessibility and Architectural Barriers Act Accessibility Guidelines, July 2004.

9. Federal Highway Administration (FHWA). *Manual on Uniform Traffic Control Devices*. FHWA, Washington, D.C., 2009.

10. Illuminating Engineering Society. *Design Guide for Roundabout Lighting*. Publication IES DG-19-08. Illuminating Engineering Society of North America, New York, February 2008.

Page last modified on September 4, 2014.

Safe Roads for a Safer Future
Investment in roadway safety saves lives

Item to be considered on March 10, 2015

1. Amending Section 14-3-3 **Freestanding Signs: (Pole & Monument)** by enacting Section 14-3-3(7) of the Orem City Code by adding Sign Zone F to the sign zone table, and changing the sign zone for property located generally at 780 North 1200 West from Sign Zone E to Sign Zone F. (Culver's Restaurant)

Sign Zone "E"

1. Freestanding pole signs may not be oriented toward 1200 West or Sandhill Road except for businesses which cater to the traveling public* and which are located within 660 feet of a freeway interchange. Freestanding pole signs shall be set back from 1200 West or Sandhill Road street right-of-way line a distance equal to the height of the sign structure.
2. A business or business complex located along 1200 West or Sandhill Road, which has a portion of its property adjacent to Interstate 15 may have a freestanding pole sign oriented toward the freeway. Such freestanding pole sign shall be placed no further from the freeway right-of-way than a distance equal to the height of the sign.
3. The area and height of freestanding signs shall be in accordance with Sign Zone "A" provided however that in no case shall the height of the sign exceed thirty-five feet (35') above the natural grade of the property at the location of the sign, or twenty-five feet (25') above the grade of the interstate perpendicular to the sign's location, whichever is greater.

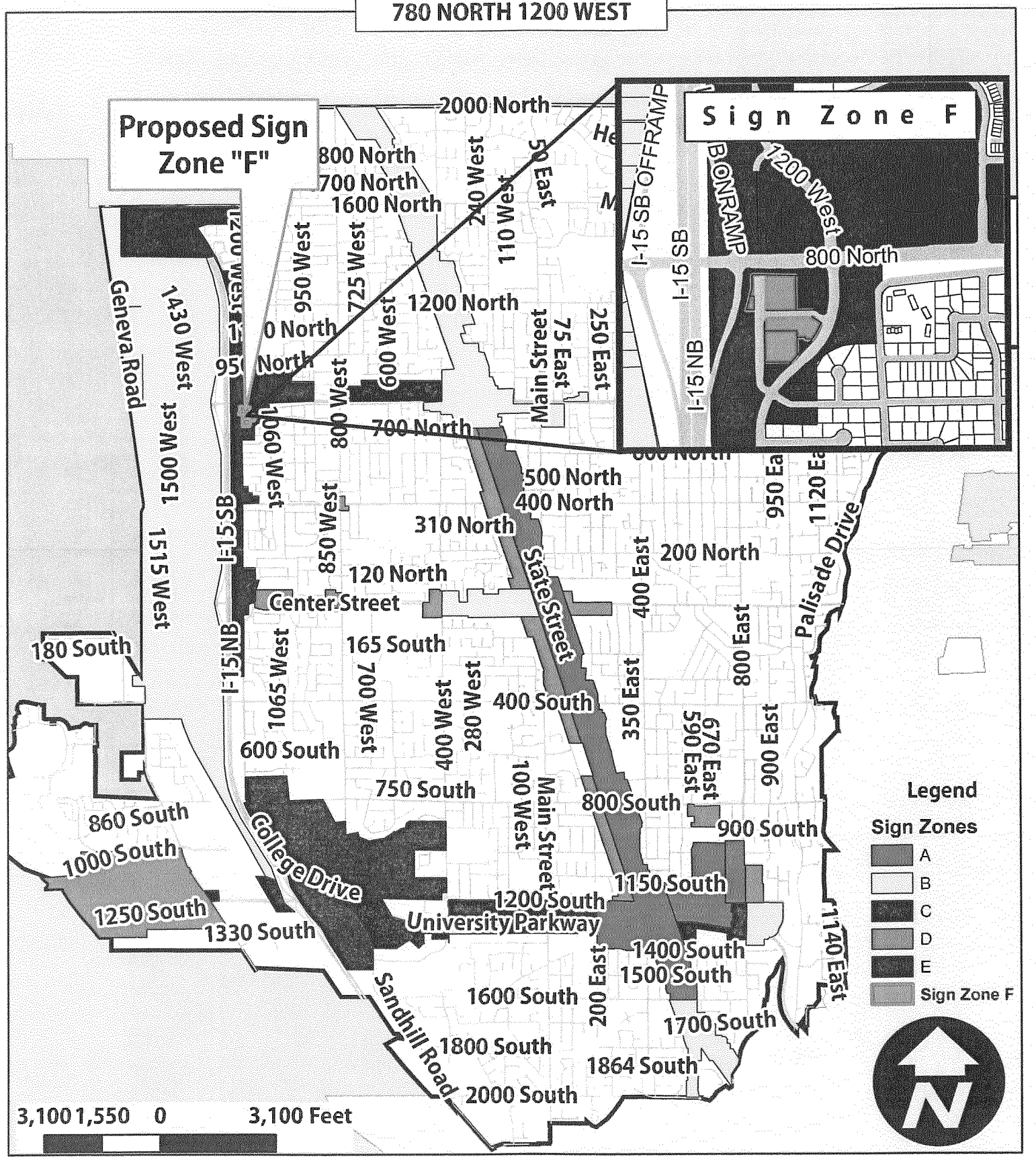
NOTE Businesses which cater to the traveling public are defined as follows: hotel/motels, restaurant/fast food establishments, service stations/convenience stores, truck stops, and regional commercial centers.

Sign Zone "F"

1. Except as otherwise provided herein, the provisions of Sign Zone E shall apply to signs in Sign Zone F. However, due to the depressed elevation of the area located within Sign Zone F, freestanding signs in Sign Zone F may have a height up to, but not to exceed thirty-five feet (35') above the natural grade of the property at the location of the sign, or fifty feet (50') above the grade of that point of Interstate-15 located directly perpendicular to the location of the sign, whichever is greater.

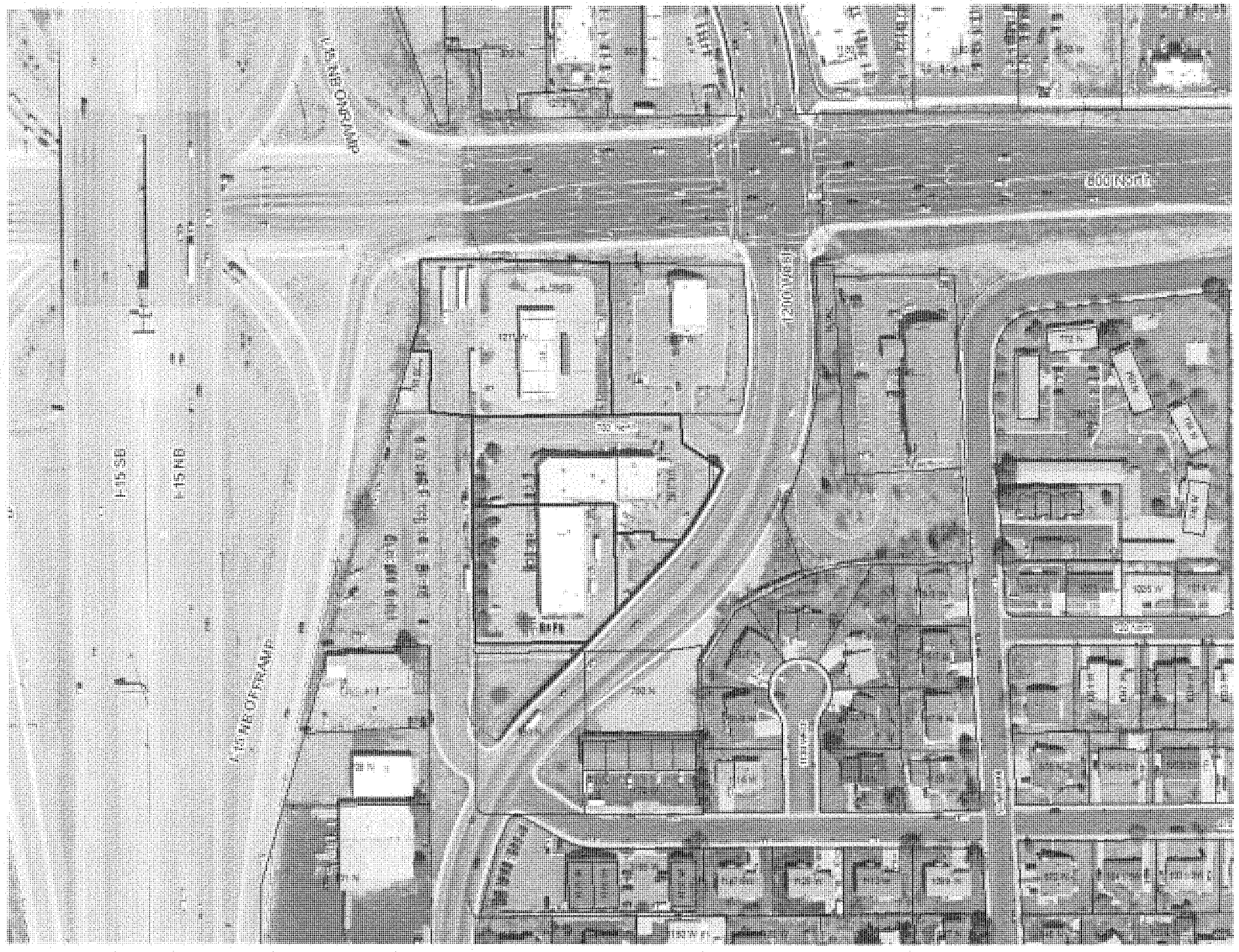
Sign Zone F

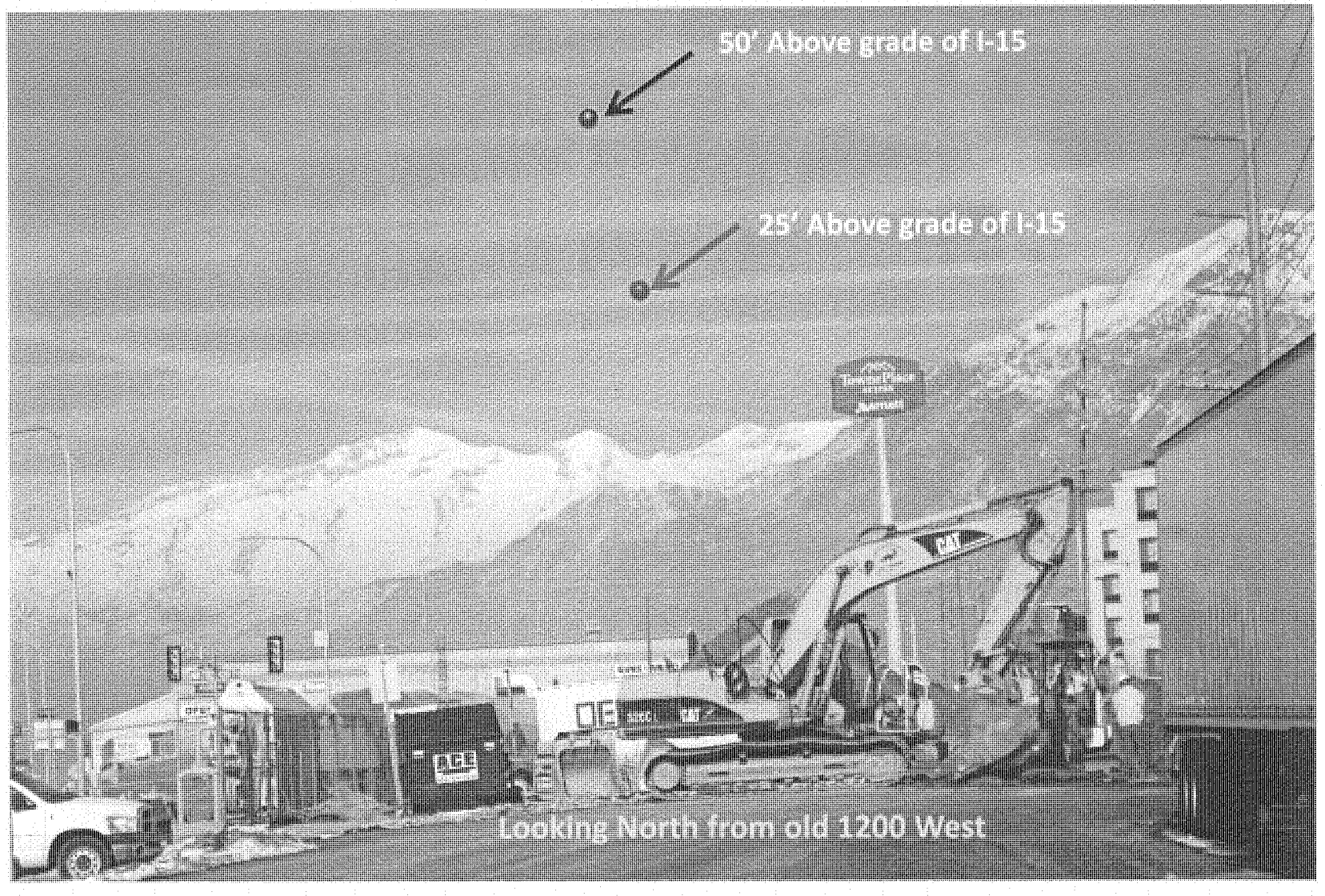
780 NORTH 1200 WEST

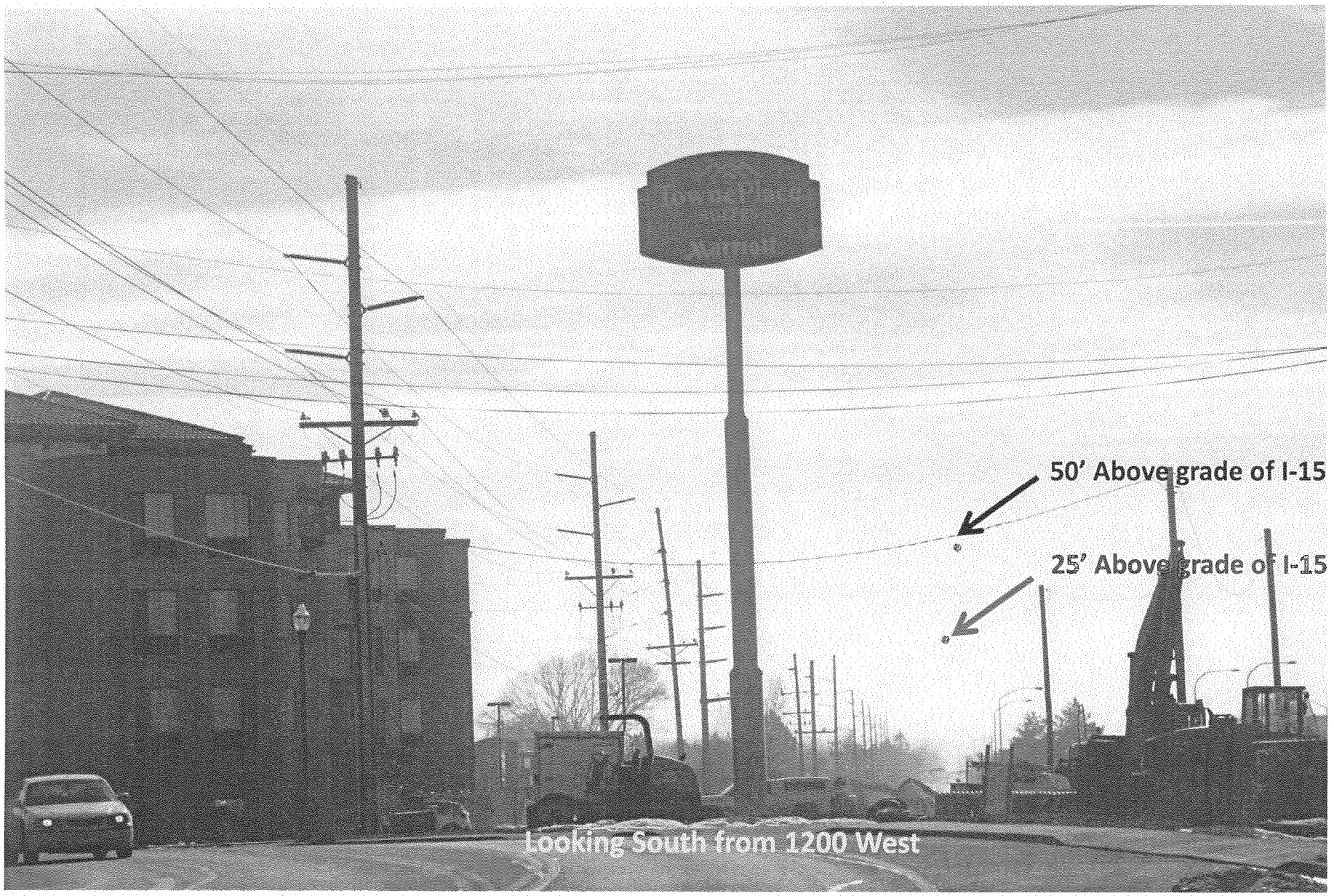


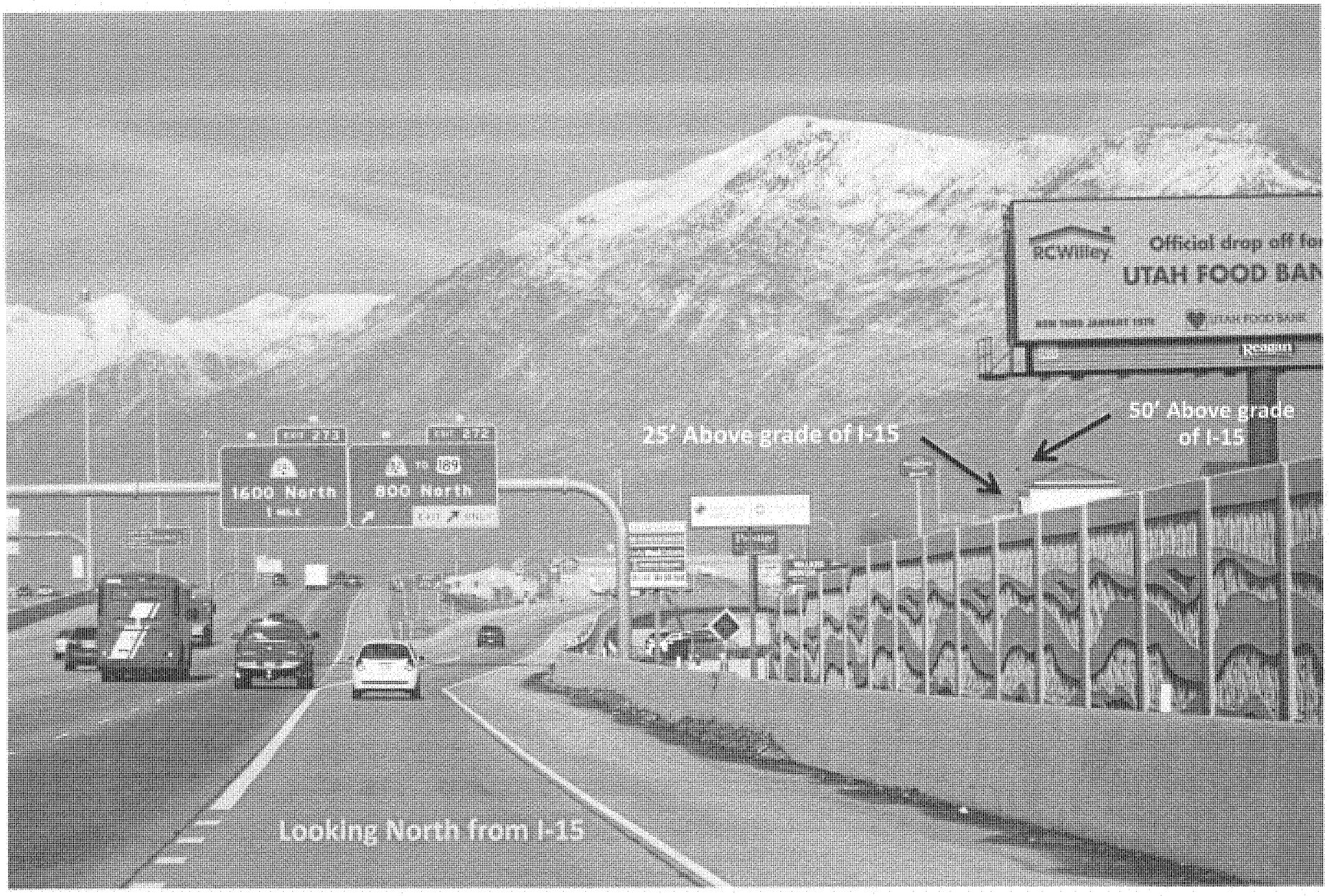
Sign Zone F:
3.09 Acres

Aerial View




50' Above grade of I-15
25' Above grade of I-15
Looking North from old 1200 West


50' Above grade of I-15
25' Above grade of I-15
Looking South from 1200 West


RCWilley
Official drop off fo
UTAH FOOD BAN
1600 North
800 North
25' Above grade of I-15
50' Above grade of I-15
Looking North from I-15

CULVERS SIGN ELEVATION

EXISTING GROUND PROFILE

CITY OF OREM
DEVELOPMENT SERVICES
ENGINEERING DIVISION
56 NORTH 1ST ST
OREM, UT 84057

OREM

REV.	DATE	BY	DESCRIPTION	REVIEWED BY
				FINAL SIGN

DESIGN: J
DRAWN: J
CHECKED:

APPROVAL REQUIRED FOR:

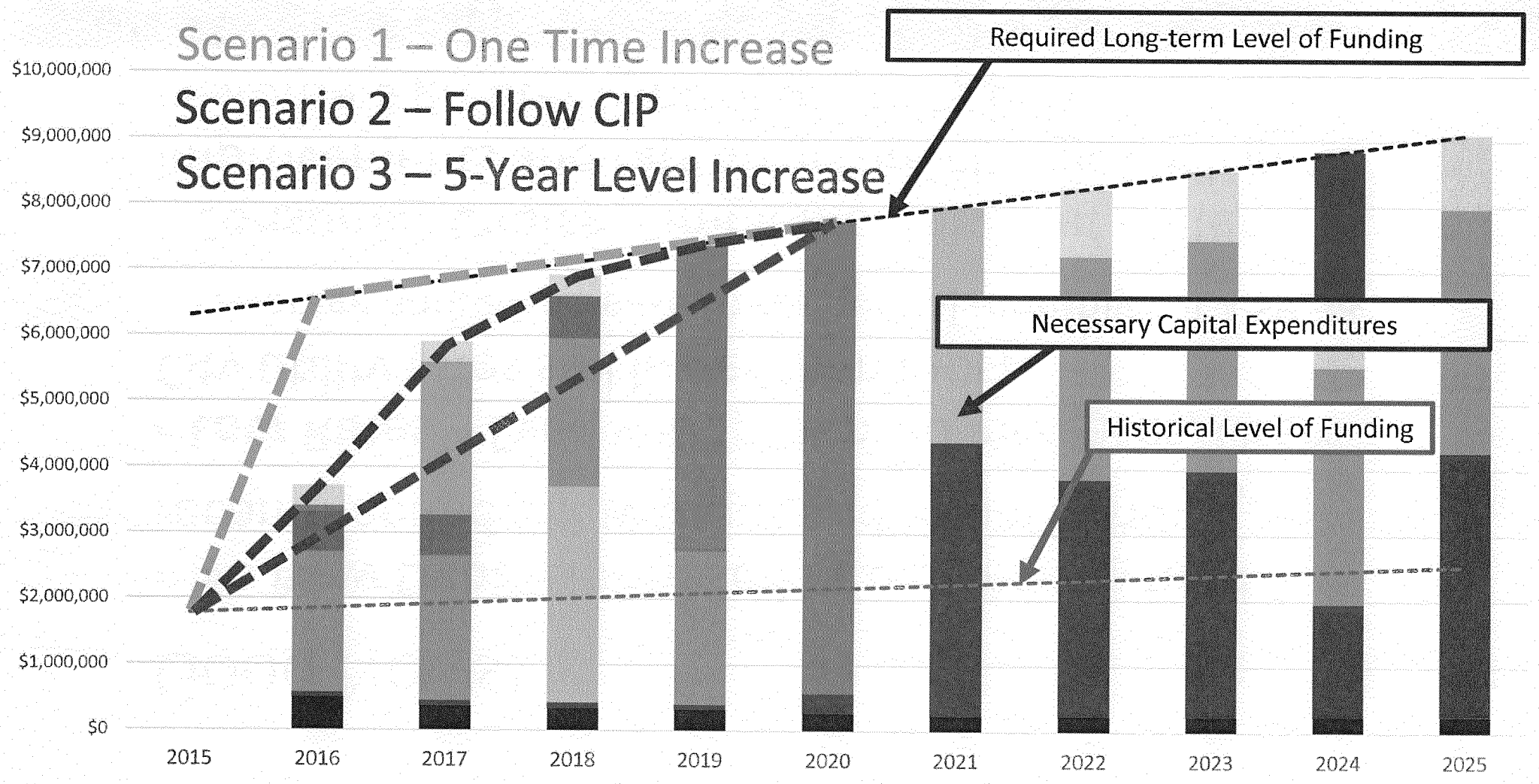
APPROVED: DATE: CITY ENGINEER

DATE: DWG: CULVERS SIGN ELEVATION

1

Good News!

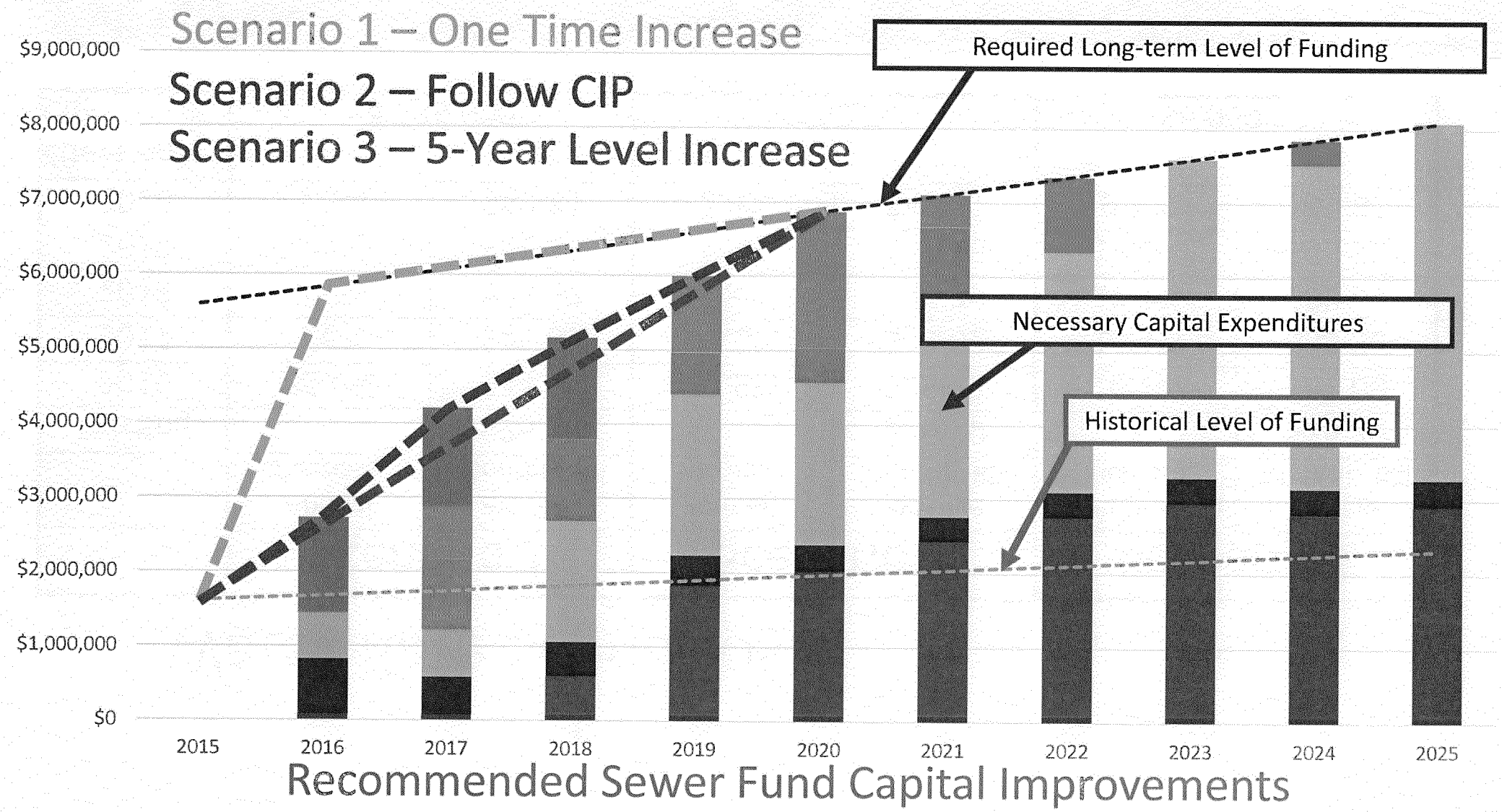
- **No New Debt** – Proposed rate plans can fund recommended CIP without additional bonding
- **Low Rates** – Even with proposed increases, Orem City utility rates still lower than most
  - Average annual increase to residential monthly bill = **$9.38**
- **Consumer Choice** – Implementation of meter improvements and rate structure changes will give customers greater control of utility bills



Recommended Water Fund Capital Improvements

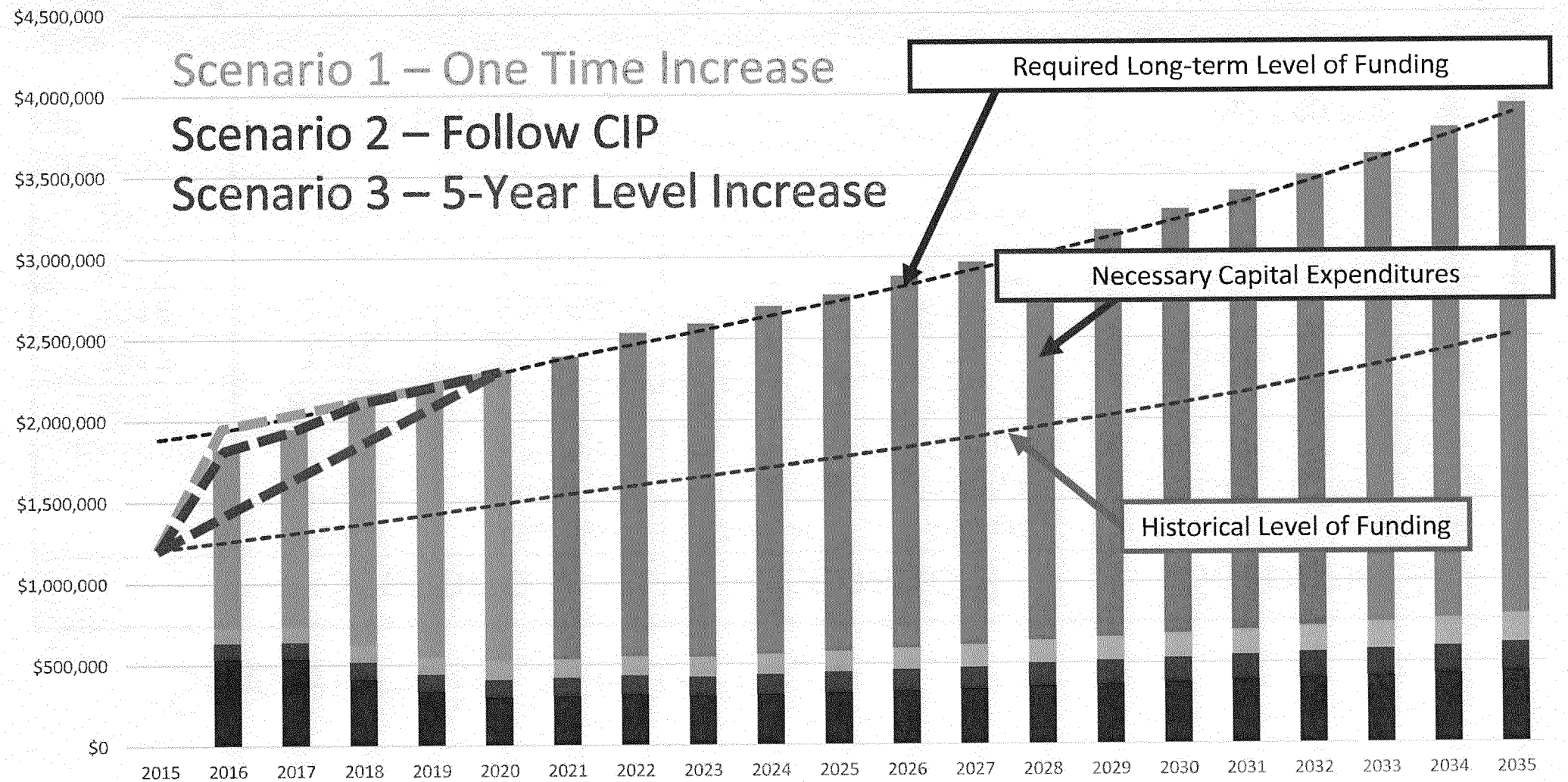
Water Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$26.70	-	$26.70	-	$26.70
2016	65.0%	$44.05	31.9%	$35.23	16.1%	$31.00
2017	3.6%	$45.63	21.0%	$42.62	14.1%	$35.36
2018	2.7%	$46.87	8.8%	$46.39	12.1%	$39.63
2019	2.7%	$48.13	4.5%	$48.46	14.4%	$45.35
2020	3.5%	$49.81	2.8%	$49.81	9.8%	$49.81
Effect on CIP	$4,235,000		$0		-$6,060,000	


Scenario 1 – One Time Increase
Scenario 2 – Follow CIP
Scenario 3 – 5-Year Level Increase
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Recommended Sewer Fund Capital Improvements

Sewer Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$20.68	-	$20.68	-	$20.68
2016	81.1%	$37.45	14.7%	$23.72	8.1%	$22.36
2017	3.0%	$38.56	22.8%	$29.12	16.9%	$26.14
2018	2.9%	$39.68	17.3%	$34.16	17.1%	$30.60
2019	3.1%	$40.90	12.2%	$38.32	17.4%	$35.92
2020	3.0%	$42.14	10.0%	$42.14	17.3%	$42.13
Effect on CIP	$7,130,000		$0		-$2,540,000	



Recommended Storm Capital Improvements

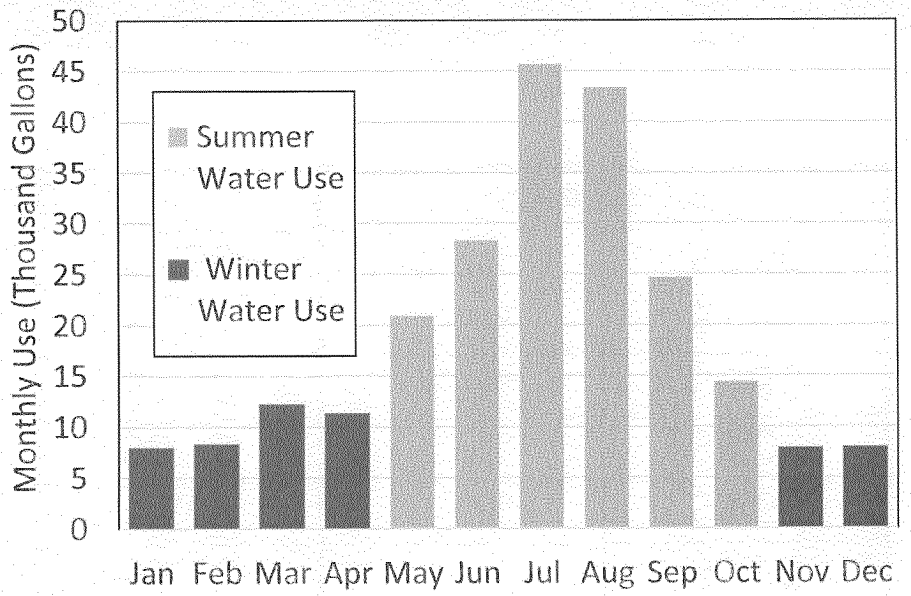
Storm Drain Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$5.25	-	$5.25	-	$5.25
2016	28.0%	$6.72	27.0%	$6.67	7.6%	$5.65
2017	3.0%	$6.92	1.8%	$6.79	7.6%	$6.08
2018	3.0%	$7.13	4.6%	$7.10	7.7%	$6.55
2019	2.9%	$7.34	3.0%	$7.31	7.6%	$7.05
2020	3.0%	$7.56	3.4%	$7.56	7.2%	$7.56
Effect on CIP	$135,000		$0		-$1,415,000	

Other Considerations

Water

- Move to a seasonal water rate
  - Better matches cost of service
  - Encourages conservation when needed most
  - Gives residents greater control over bill



Sewer

- Move to base rate per unit
  - Eliminate subsidy and improve fairness
  - Increases revenues by $500K to offset additional increases

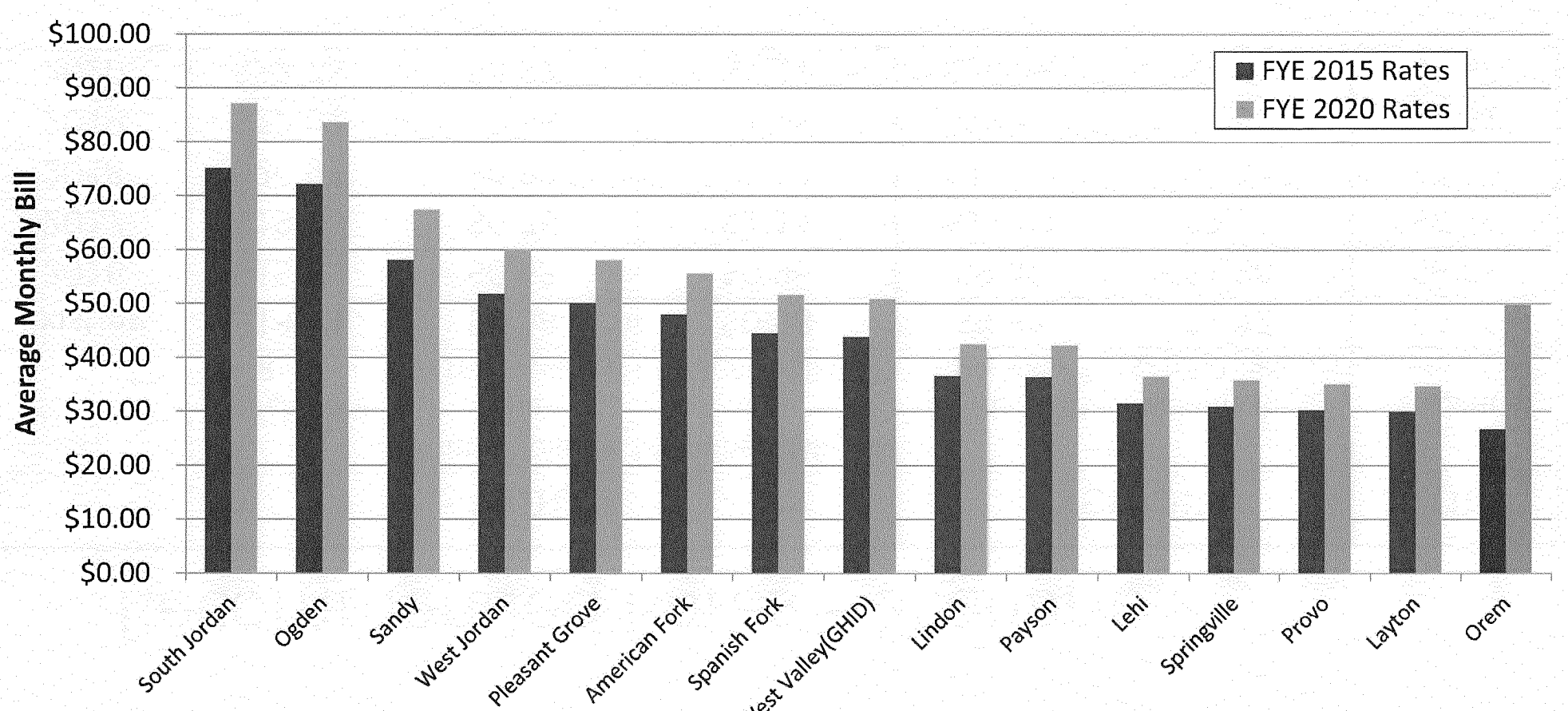
All Utilities

- Consider adoption of citywide impact fees
  - More fairly allocate costs between existing rate payers and future growth

Recommended Rates – Scenario 2

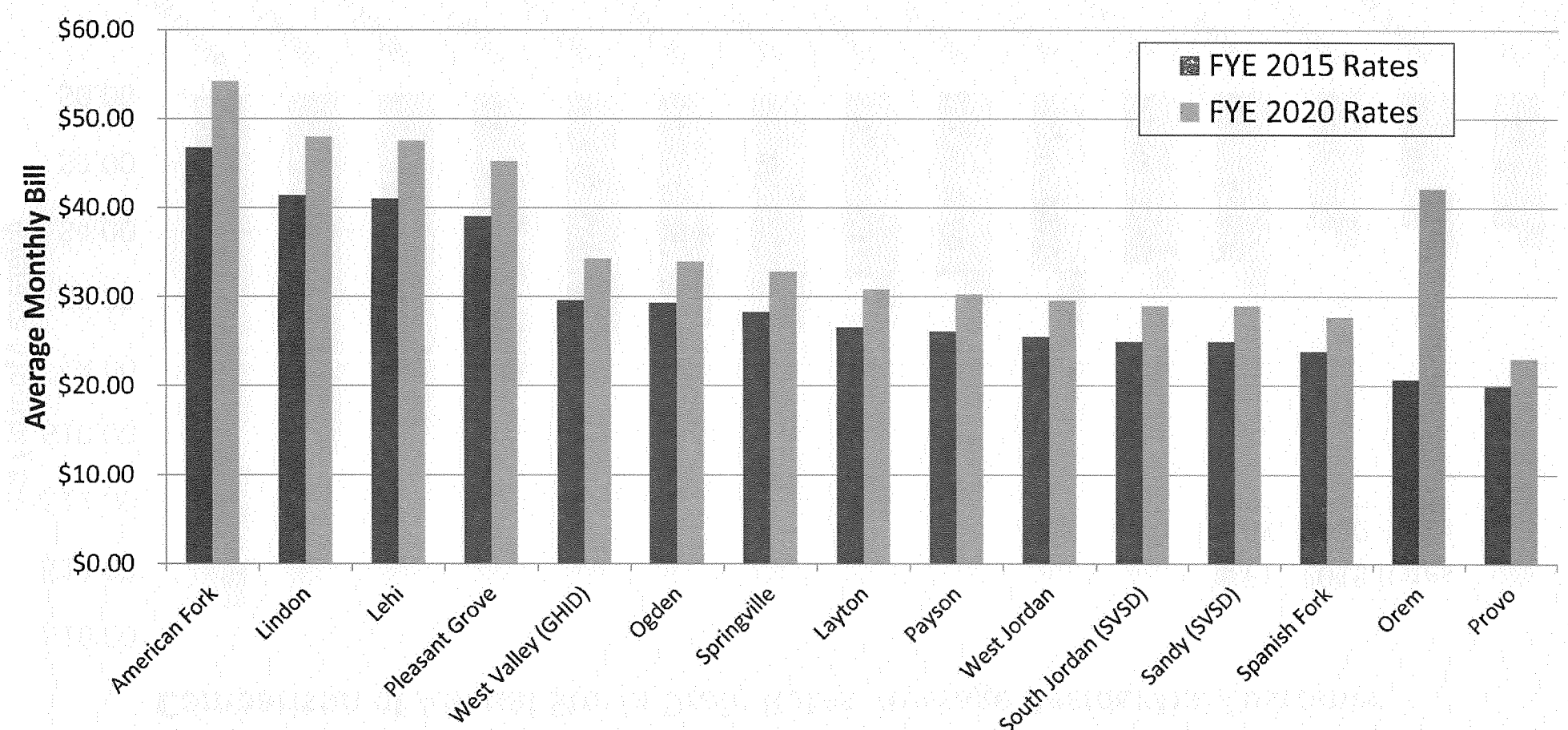
	Water			Sewer		Storm
	¾-inch Base Rate	Winter Volume Rate ($/1000 gallons)	Summer Volume Rate ($/1000 gallons)	Residential Base Rate	Volume Rate ($/1000 gallons)	Residential Base Rate
Existing	$13.94	$0.58	$0.58	$9.32	$1.42	$5.25
2016	$15.61	$0.63	$0.95	$9.32	$1.80	$6.67
2017	$19.06	$0.76	$1.14	$11.84	$2.16	$6.79
2018	$20.97	$0.82	$1.23	$14.80	$2.42	$7.10
2019	$22.02	$0.85	$1.28	$17.76	$2.57	$7.31
2020	$22.75	$0.87	$1.31	$20.46	$2.71	$7.56

Comparison of Annual Water Rates, Average Residential Customer



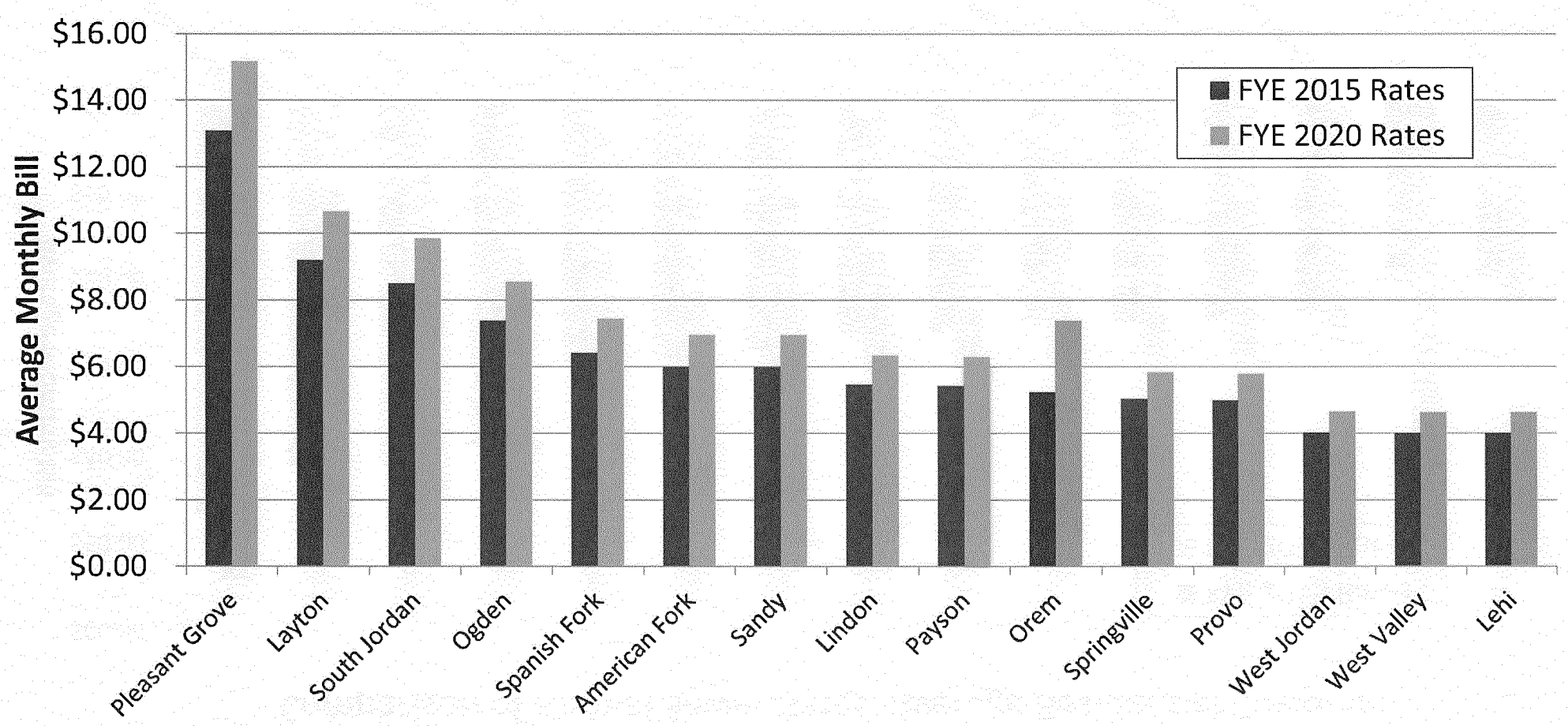
*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%).

Comparison of Annual Sewer Rates, Average Residential Customer



*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%)

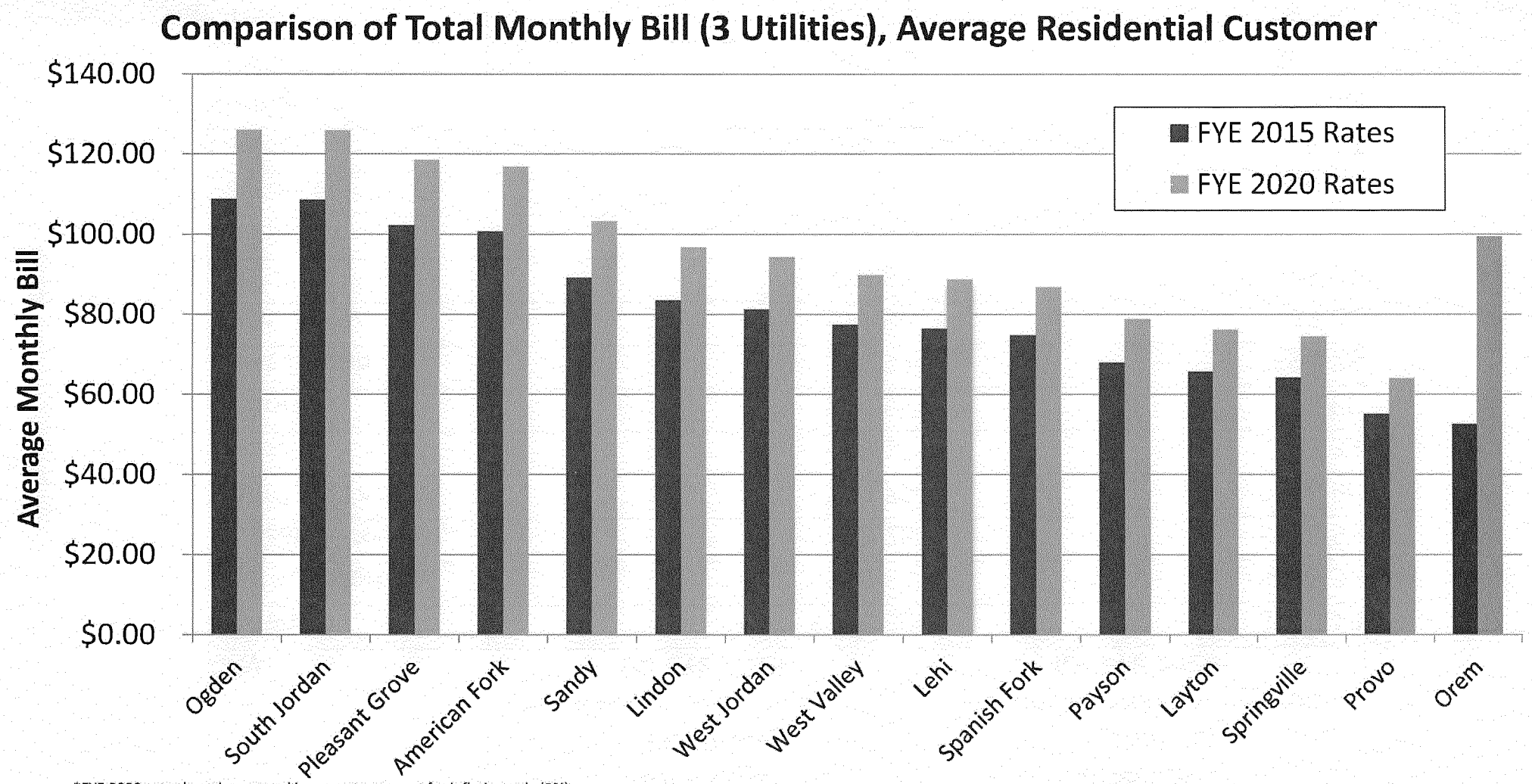
Comparison of Annual Storm Drain Rates, Average Residential Customer



*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%)

City	Total Cost (3 Utilities) per Residential Connection for FYE 2015	Total Cost (3 Utilities) per Residential Connection for FYE 2020[1]
Ogden	$108.80	$126.13
South Jordan	$108.65	$125.96
Pleasant Grove	$102.26	$118.55
American Fork	$100.75	$116.80
Sandy	$89.13	$103.33
Lindon	$83.55	$96.86
West Jordan	$81.32	$94.28
West Valley	$77.50	$89.84
Lehi	$76.53	$88.72
Spanish Fork	$74.86	$86.78
Payson	$68.02	$78.85
Layton	$65.72	$76.19
Springville	$64.25	$74.48
Provo	$55.19	$63.98
Orem	**$52.63**	**$99.51**

[1] Assumes other City rates are inflated at 3.0% annually



*FYE 2020 rates based on annual increase to account for inflation only (3%).

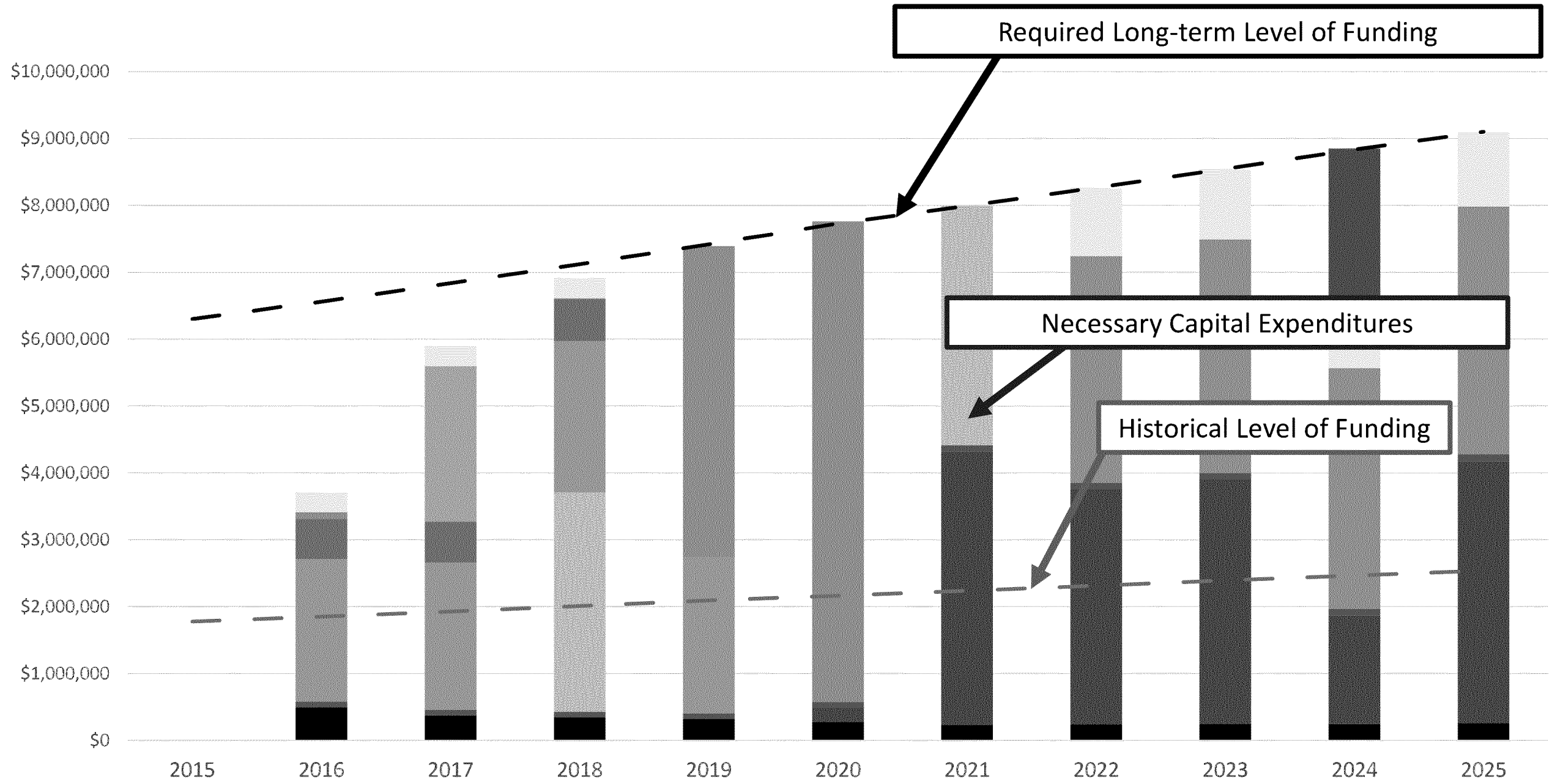
Water, Sewer, and Storm Capital Facility Plans – Rate Impacts

OREM CITY COUNCIL

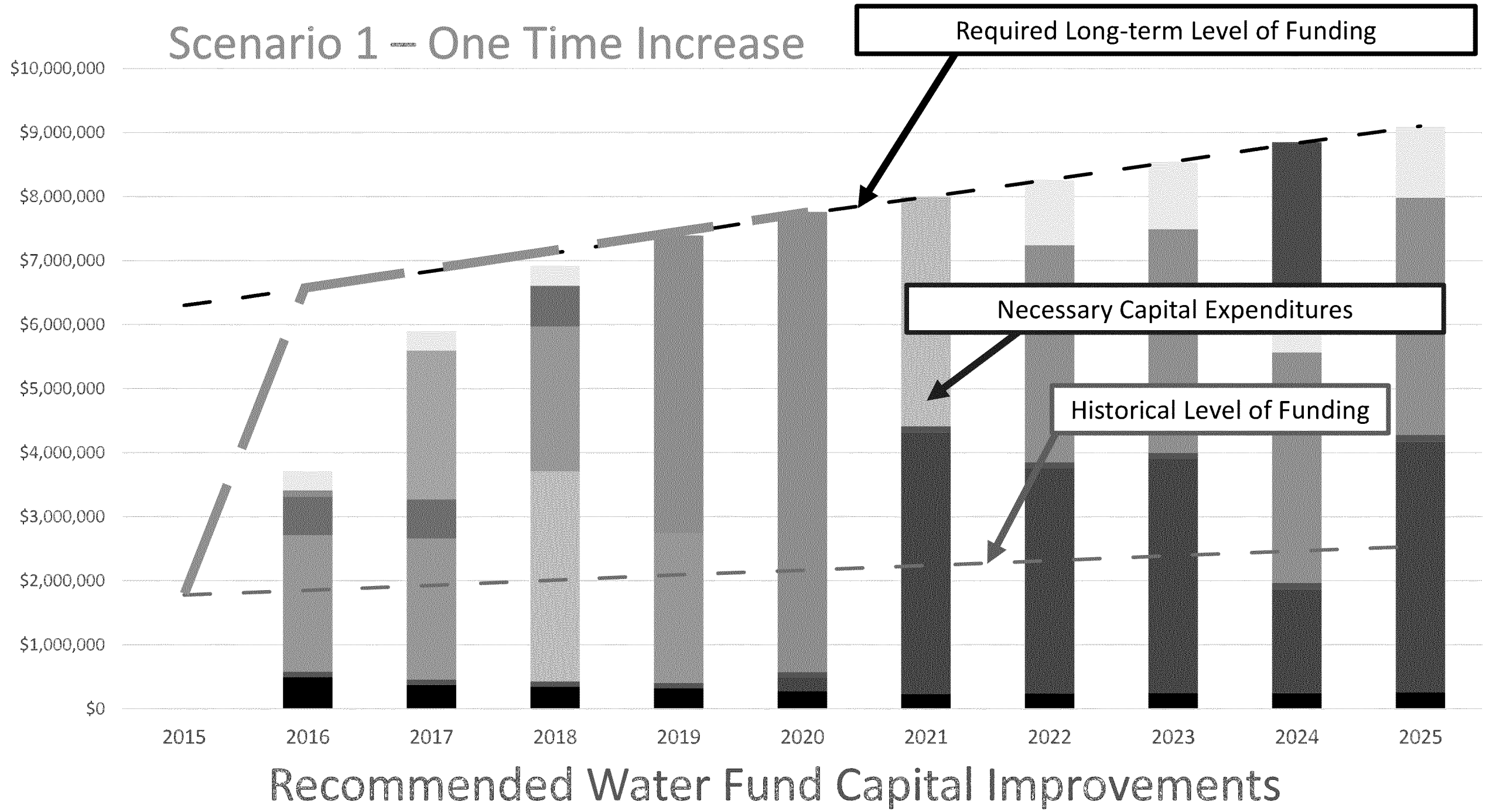
FEBRUARY 24, 2015

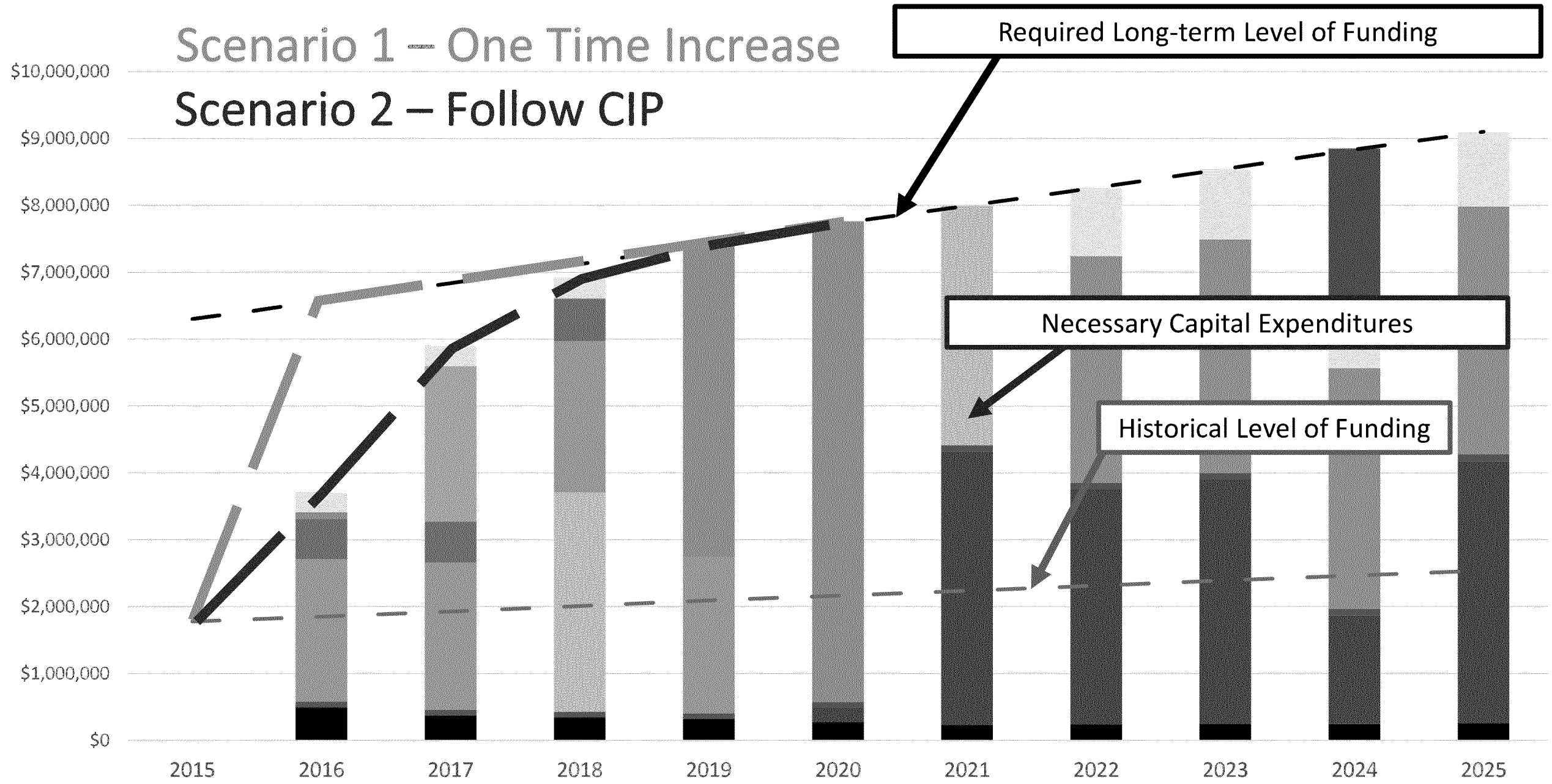
Good News!

- **No New Debt** – Proposed rate plans can fund recommended CIP without additional bonding
- **Low Rates** – Even with proposed increases, Orem City utility rates still lower than most
  - Average annual increase to residential monthly bill = **$9.38**
- **Consumer Choice** – Implementation of meter improvements and rate structure changes will give customers greater control of utility bills

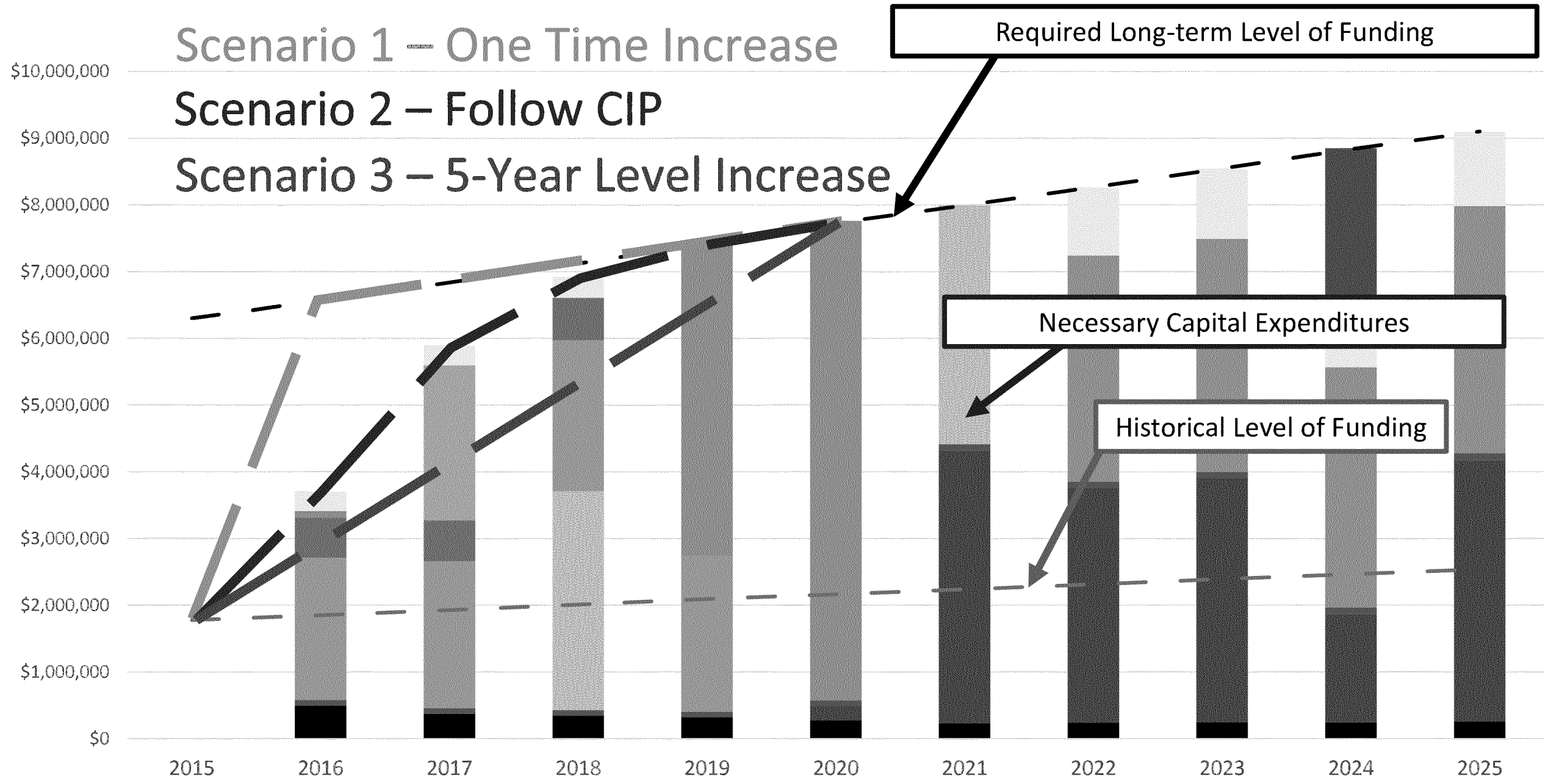


Recommended Water Fund Capital Improvements


Scenario 1 – One Time Increase
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$10,000,000
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Recommended Water Fund Capital Improvements



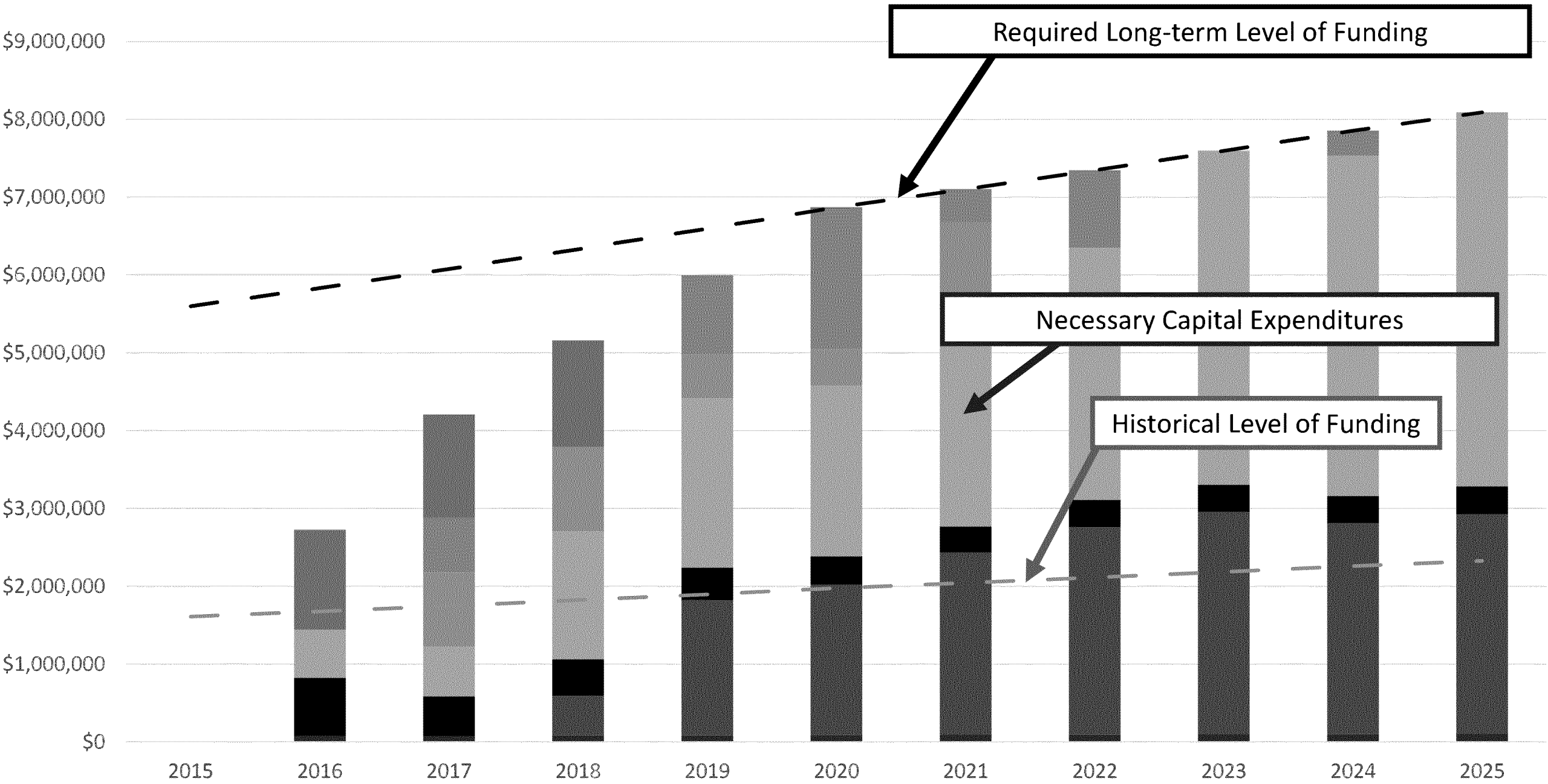
Recommended Water Fund Capital Improvements



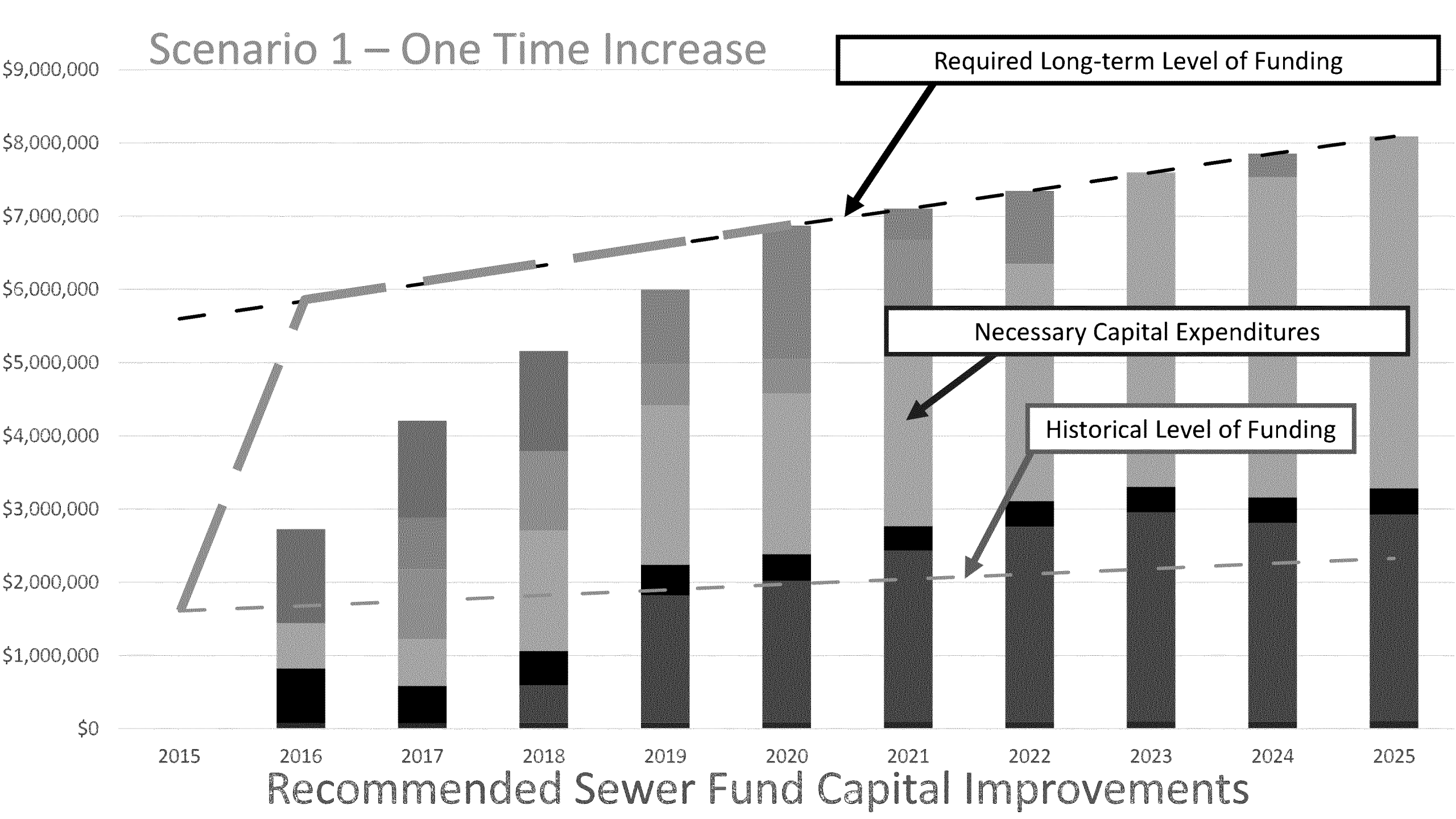
Recommended Water Fund Capital Improvements

Water Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$26.70	-	$26.70	-	$26.70
2016	65.0%	$44.05	31.9%	$35.23	16.1%	$31.00
2017	3.6%	$45.63	21.0%	$42.62	14.1%	$35.36
2018	2.7%	$46.87	8.8%	$46.39	12.1%	$39.63
2019	2.7%	$48.13	4.5%	$48.46	14.4%	$45.35
2020	3.5%	$49.81	2.8%	$49.81	9.8%	$49.81
Effect on CIP	$4,235,000		$0		-$6,060,000	



Recommended Sewer Fund Capital Improvements


Scenario 1 – One Time Increase
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2015
2016
2017
2018
2019
2020
2021
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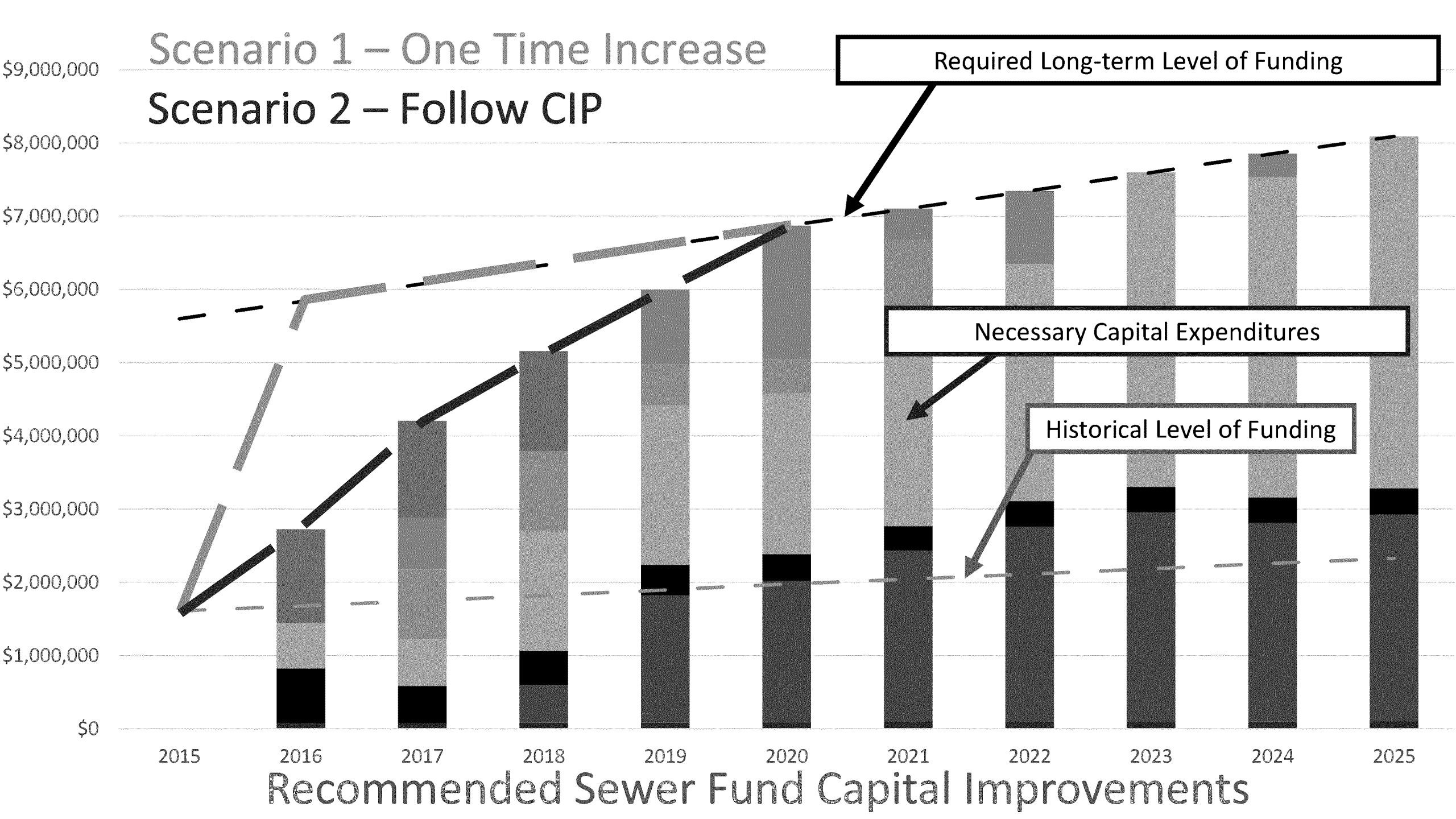
2023
2024
2025
Recommended Sewer Fund Capital Improvements


Scenario 1 – One Time Increase
Scenario 2 – Follow CIP
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2015
2016
2017
2018
2019
2020
2021
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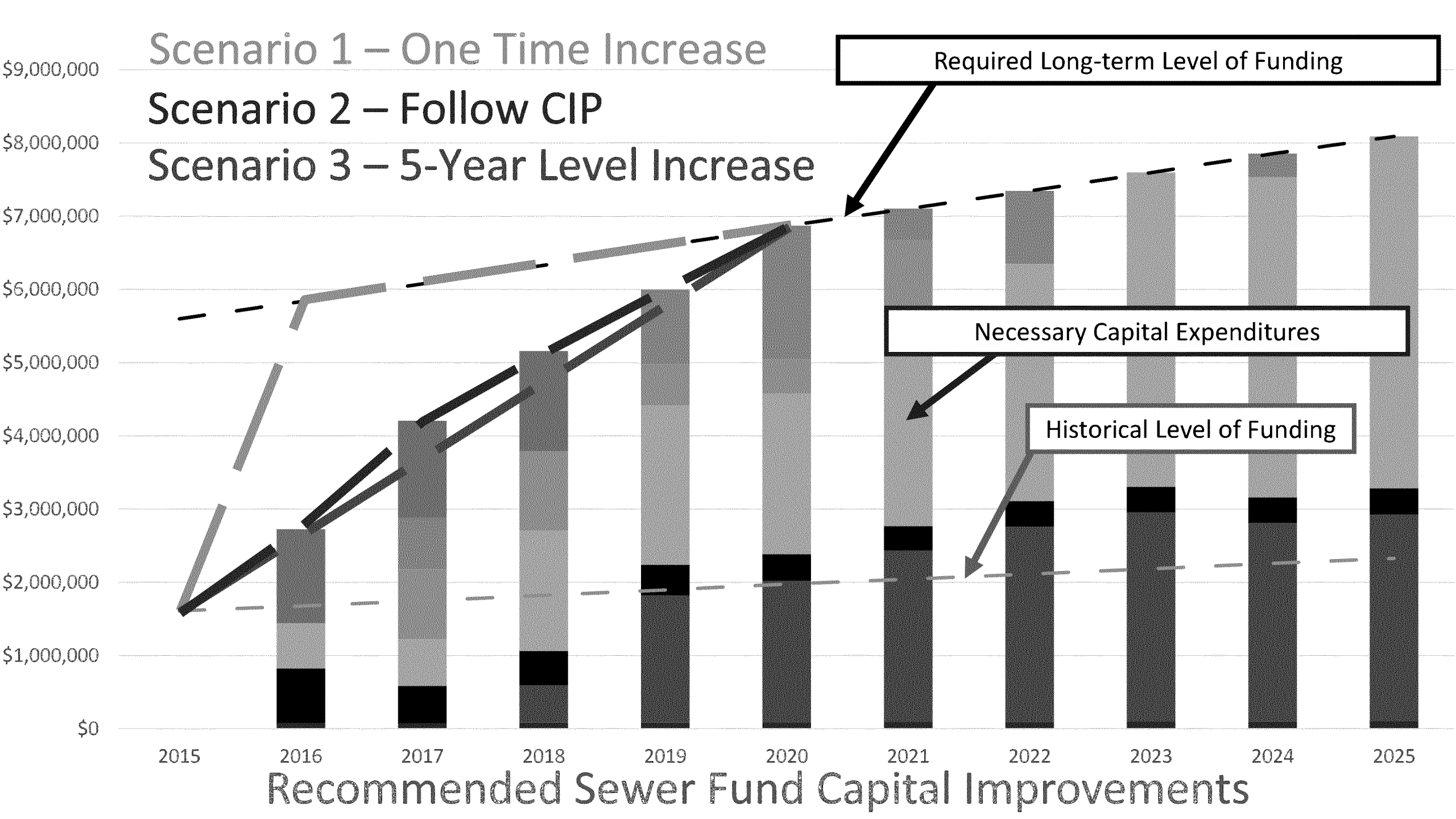
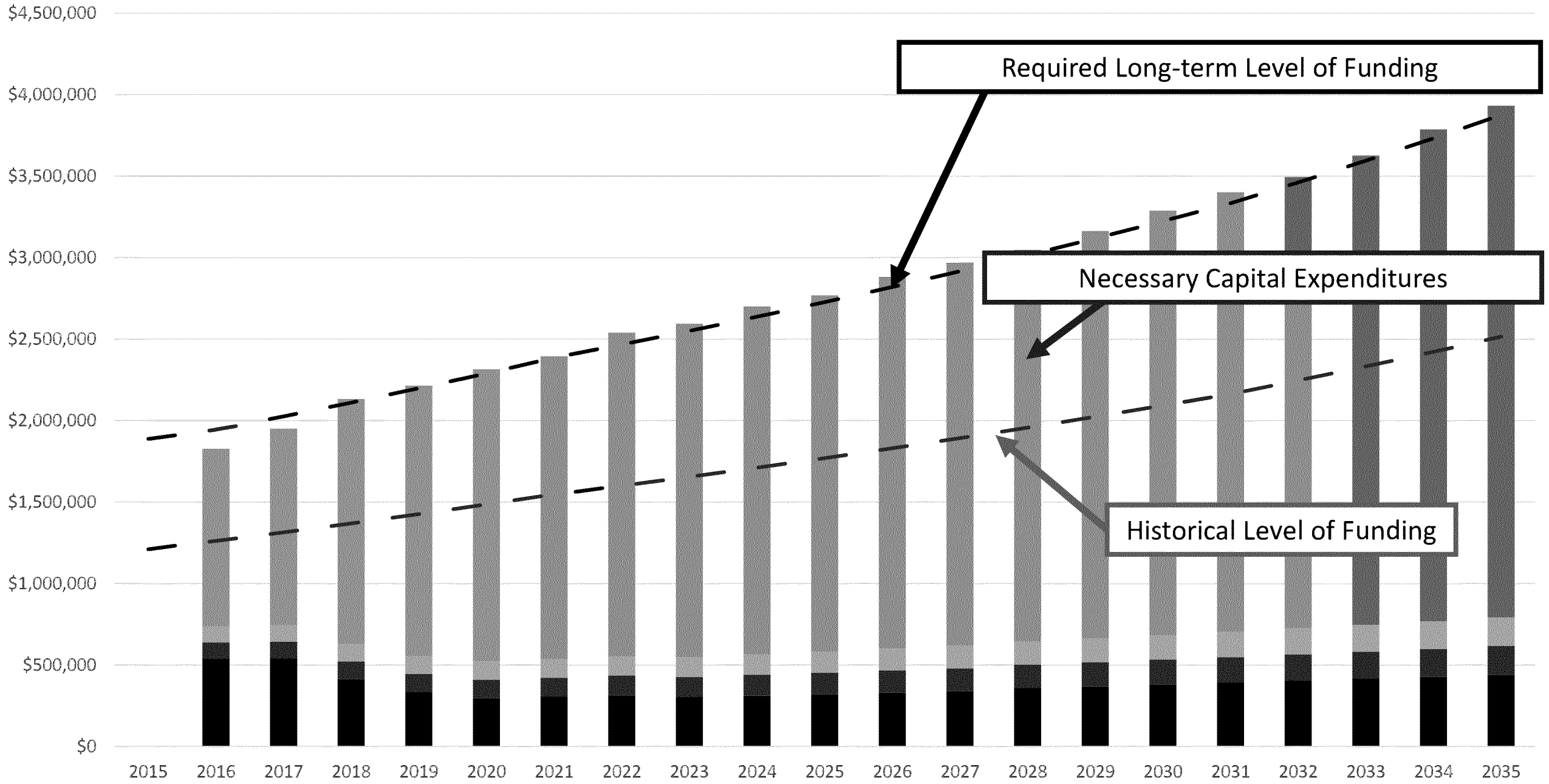
2023
2024
2025
Recommended Sewer Fund Capital Improvements

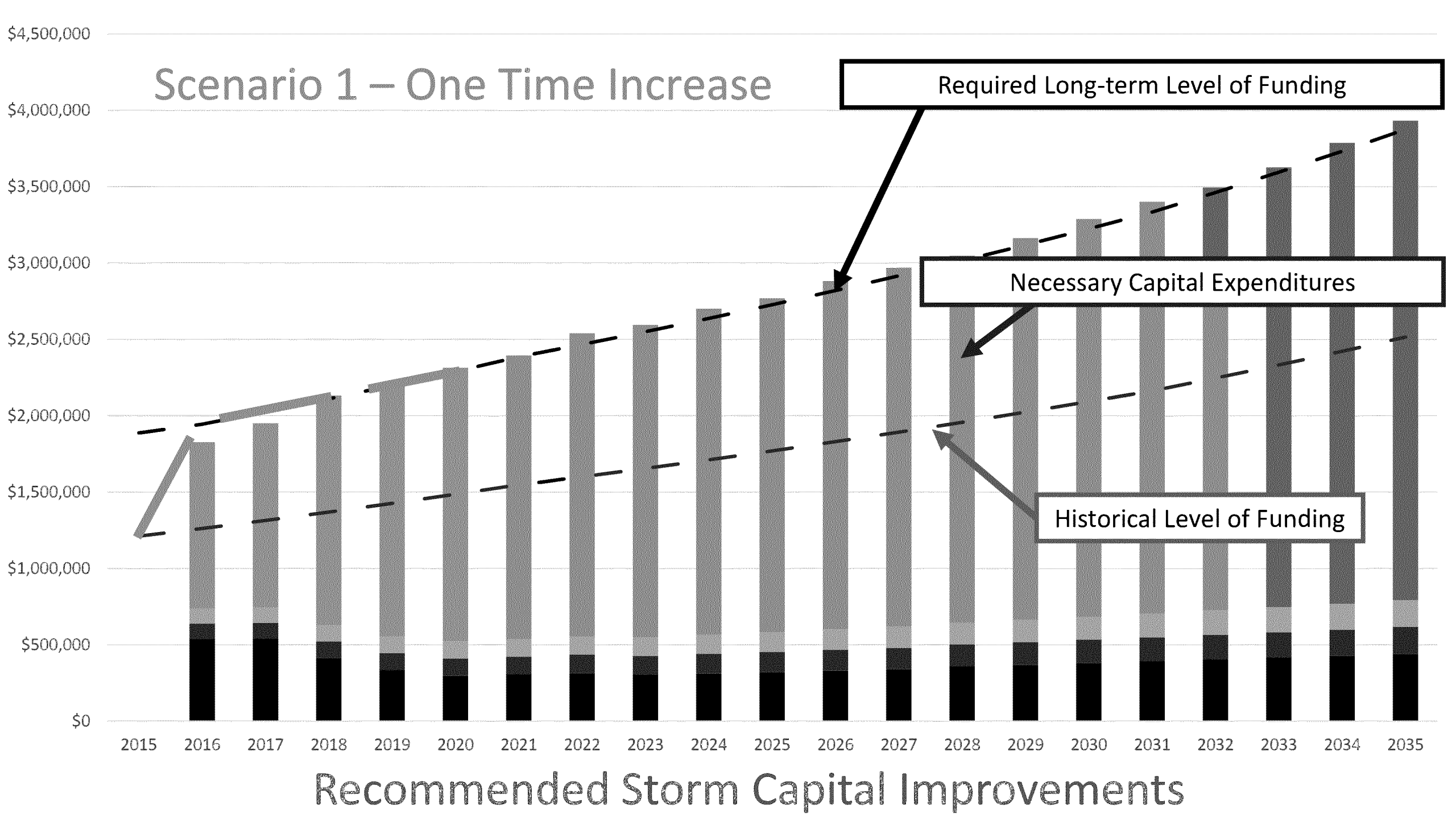

Scenario 1 – One Time Increase
Scenario 2 – Follow CIP
Scenario 3 – 5-Year Level Increase
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Recommended Sewer Fund Capital Improvements

Sewer Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$20.68	-	$20.68	-	$20.68
2016	81.1%	$37.45	14.7%	$23.72	8.1%	$22.36
2017	3.0%	$38.56	22.8%	$29.12	16.9%	$26.14
2018	2.9%	$39.68	17.3%	$34.16	17.1%	$30.60
2019	3.1%	$40.90	12.2%	$38.32	17.4%	$35.92
2020	3.0%	$42.14	10.0%	$42.14	17.3%	$42.13
Effect on CIP	$7,130,000		$0		-$2,540,000	



Recommended Storm Capital Improvements


Scenario 1 – One Time Increase
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
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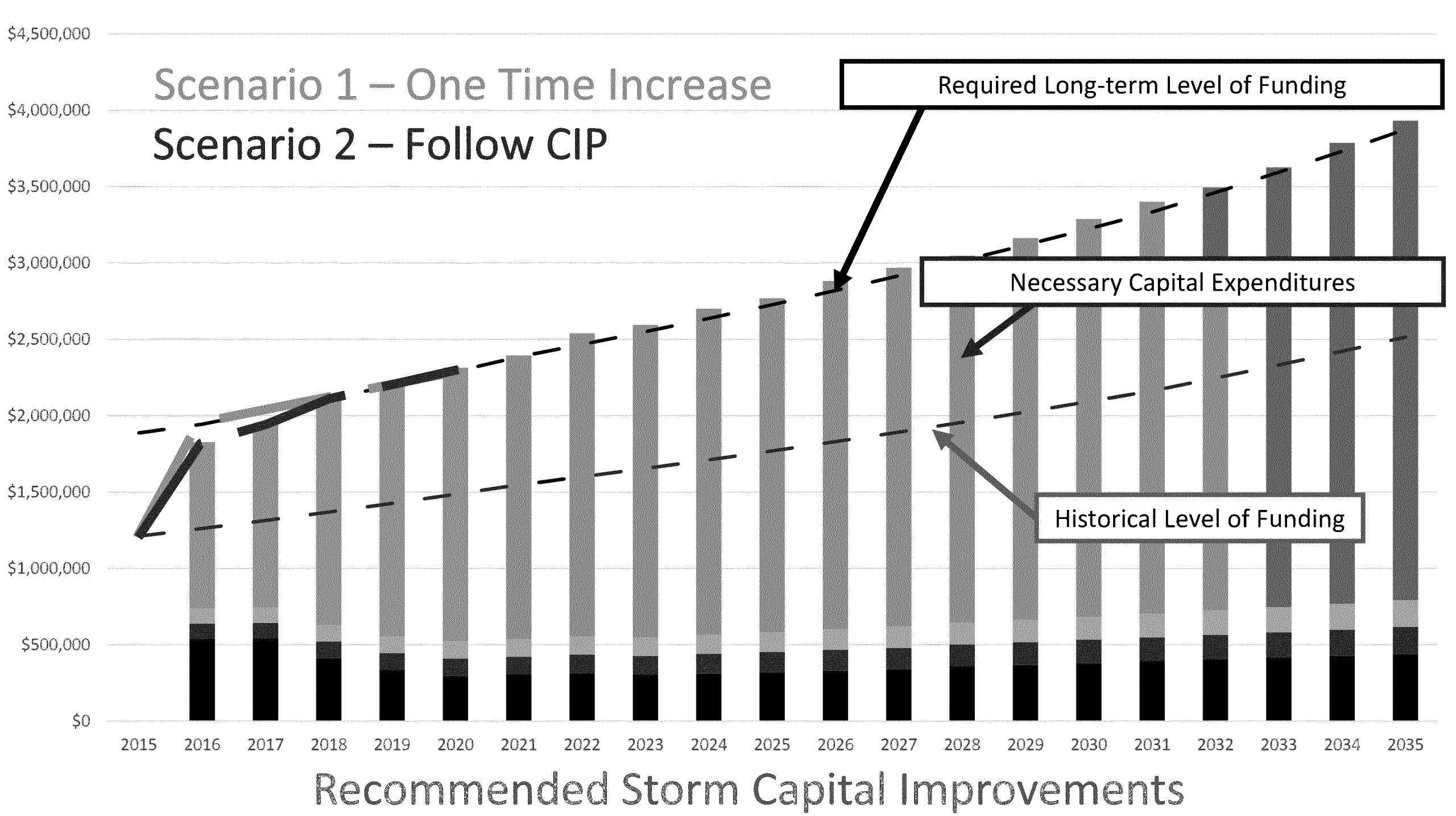
Recommended Storm Capital Improvements


Scenario 1 – One Time Increase
Scenario 2 – Follow CIP
Required Long-term Level of Funding
Necessary Capital Expenditures
Historical Level of Funding
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
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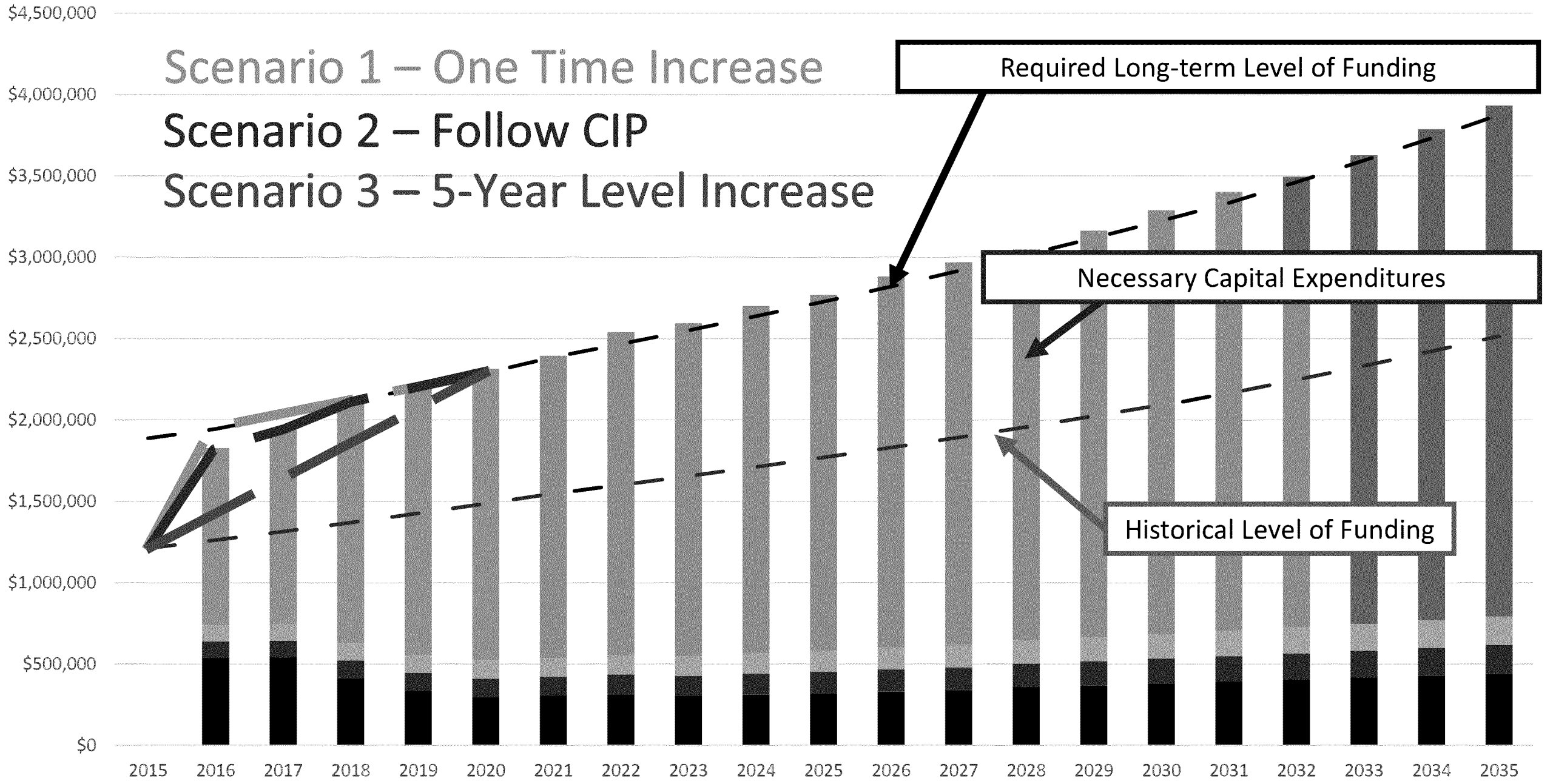
Recommended Storm Capital Improvements



Recommended Storm Capital Improvements

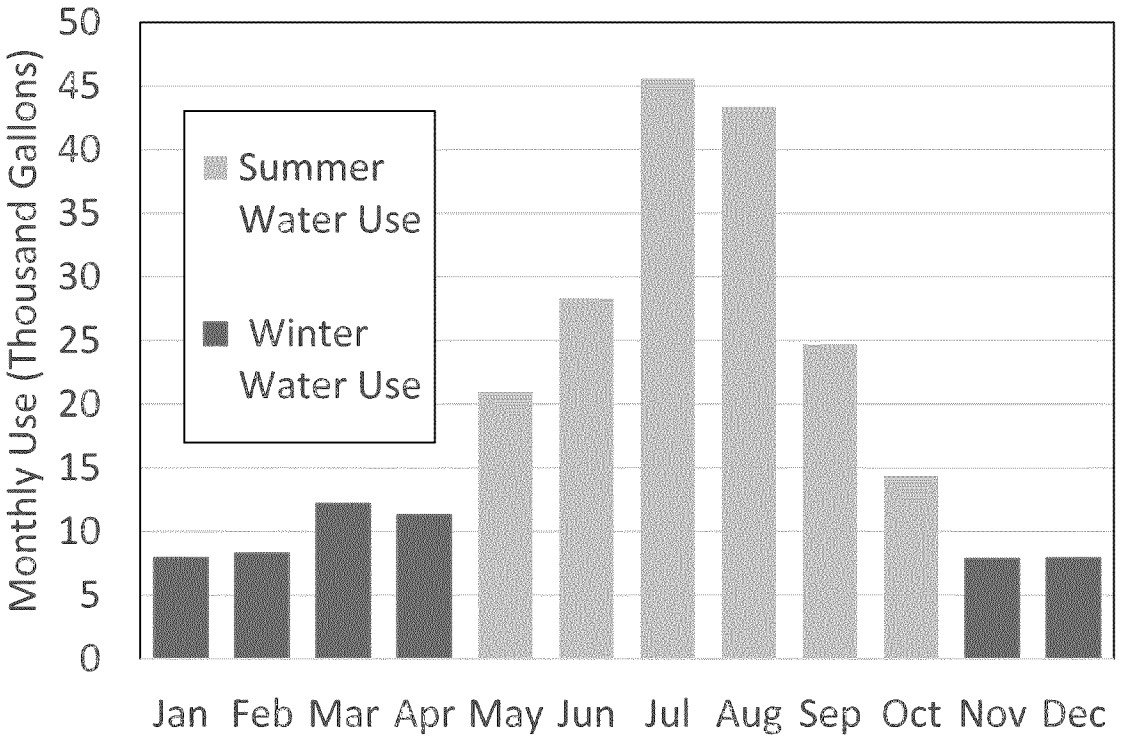
Storm Drain Rate Scenarios

	Scenario 1		Scenario 2		Scenario 3	
	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill	Annual Increase	Average Monthly Bill
Existing	-	$5.25	-	$5.25	-	$5.25
2016	28.0%	$6.72	27.0%	$6.67	7.6%	$5.65
2017	3.0%	$6.92	1.8%	$6.79	7.6%	$6.08
2018	3.0%	$7.13	4.6%	$7.10	7.7%	$6.55
2019	2.9%	$7.34	3.0%	$7.31	7.6%	$7.05
2020	3.0%	$7.56	3.4%	$7.56	7.2%	$7.56
Effect on CIP	$135,000		$0		-$1,415,000	

Other Considerations

Water

- Move to a seasonal water rate
  - Better matches cost of service
  - Encourages conservation when needed most
  - Gives residents greater control over bill



Sewer

- Move to base rate per unit
  - Eliminate subsidy and improve fairness
  - Increases revenues by $500K to offset additional increases

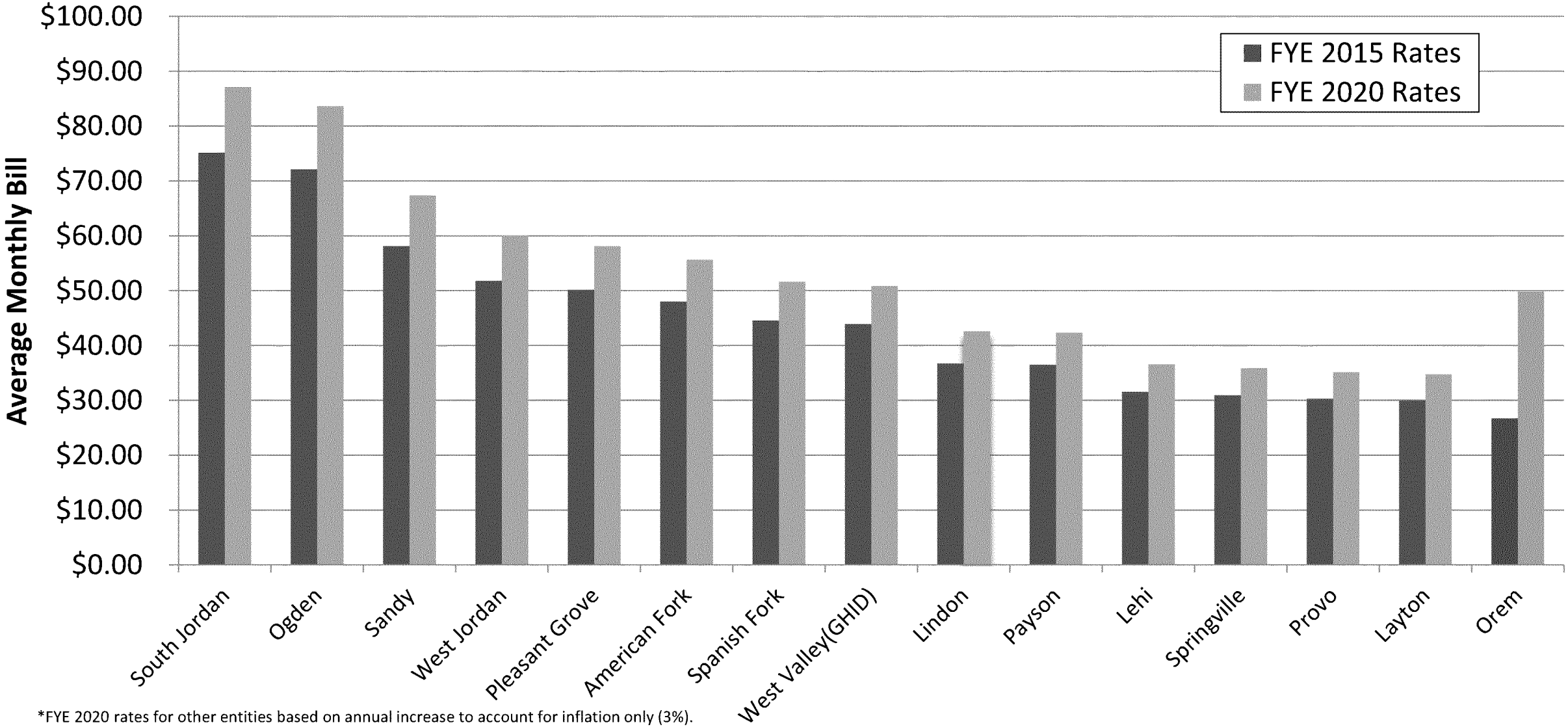
All Utilities

- Consider adoption of citywide impact fees
  - More fairly allocate costs between existing rate payers and future growth

Recommended Rates – Scenario 2

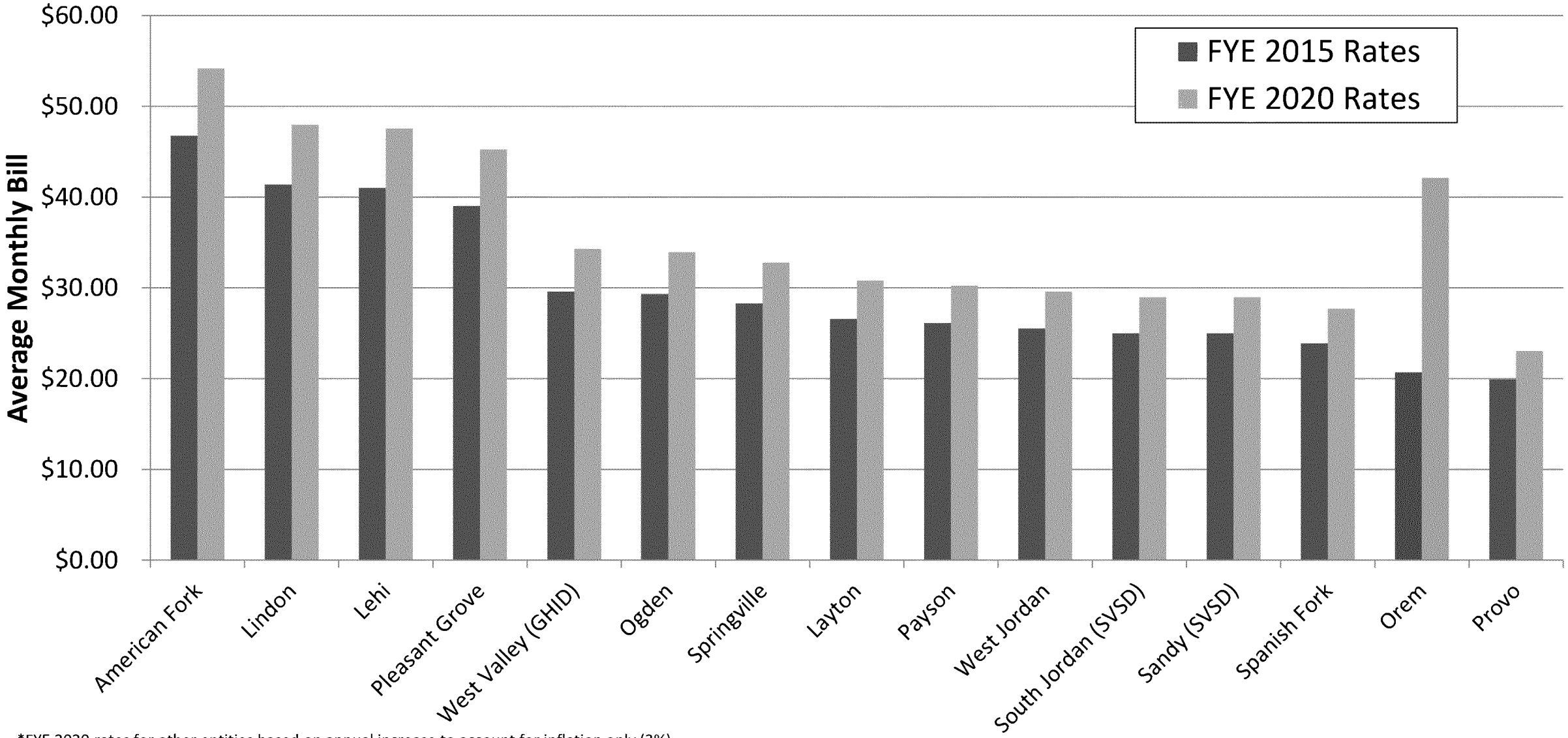
	Water			Sewer		Storm
	¾-inch Base Rate	Winter Volume Rate ($/1000 gallons)	Summer Volume Rate ($/1000 gallons)	Residential Base Rate	Volume Rate ($/1000 gallons)	Residential Base Rate
Existing	$13.94	$0.58	$0.58	$9.32	$1.42	$5.25
2016	$15.61	$0.63	$0.95	$9.32	$1.80	$6.67
2017	$19.06	$0.76	$1.14	$11.84	$2.16	$6.79
2018	$20.97	$0.82	$1.23	$14.80	$2.42	$7.10
2019	$22.02	$0.85	$1.28	$17.76	$2.57	$7.31
2020	$22.75	$0.87	$1.31	$20.46	$2.71	$7.56

Comparison of Annual Water Rates, Average Residential Customer



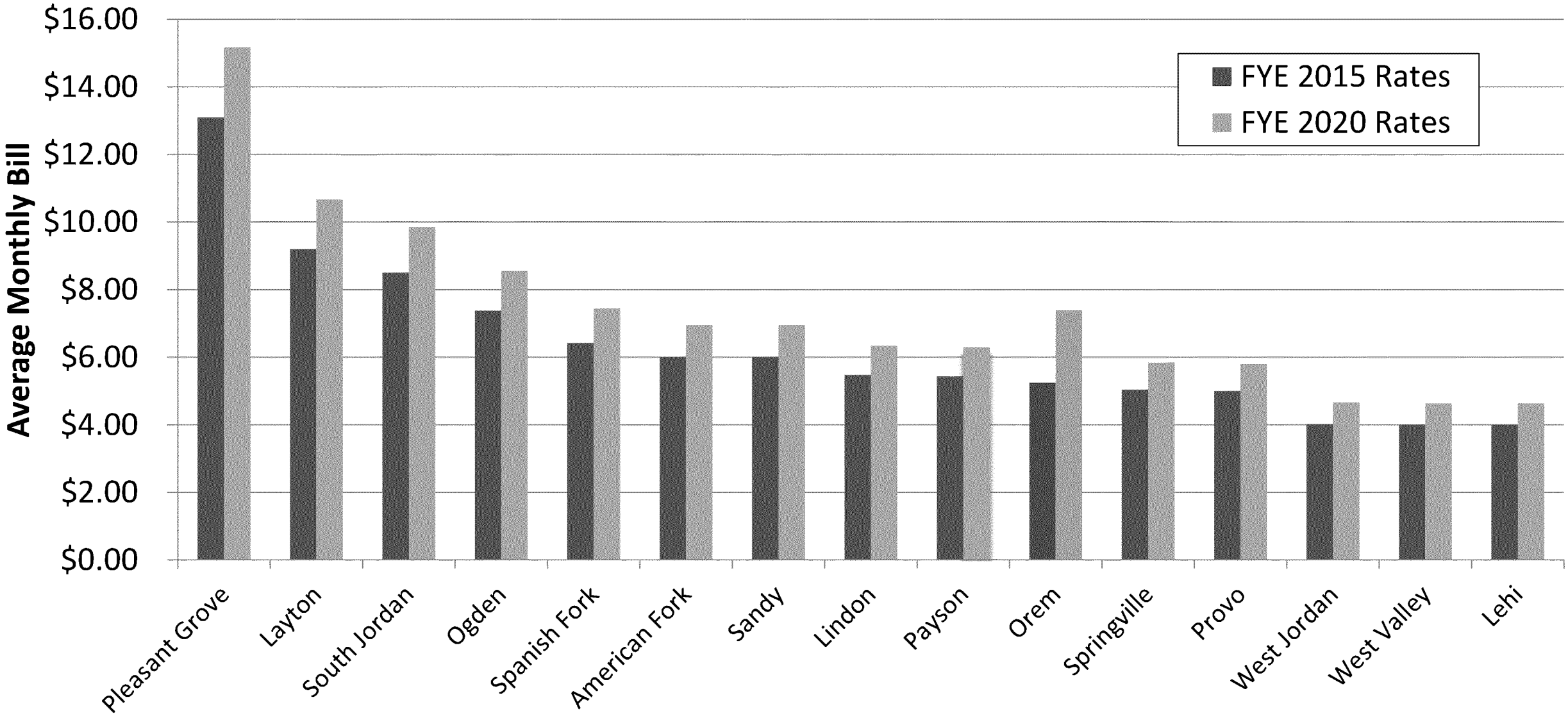
*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%).

Comparison of Annual Sewer Rates, Average Residential Customer



*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%)

Comparison of Annual Storm Drain Rates, Average Residential Customer

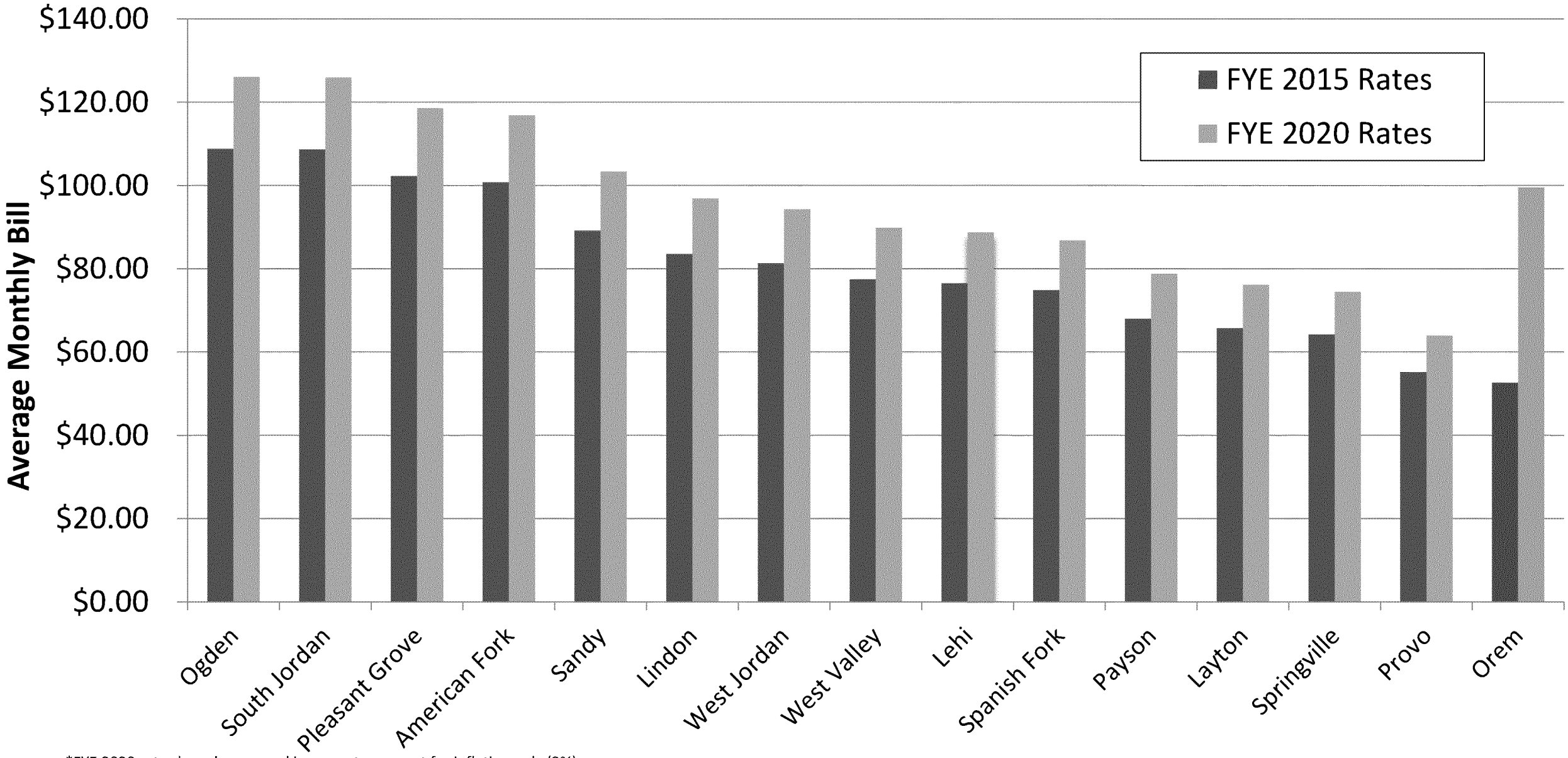


*FYE 2020 rates for other entities based on annual increase to account for inflation only (3%)

City	Total Cost (3 Utilities) per Residential Connection for FYE 2015	Total Cost (3 Utilities) per Residential Connection for FYE 2020[1]
Ogden	$108.80	$126.13
South Jordan	$108.65	$125.96
Pleasant Grove	$102.26	$118.55
American Fork	$100.75	$116.80
Sandy	$89.13	$103.33
Lindon	$83.55	$96.86
West Jordan	$81.32	$94.28
West Valley	$77.50	$89.84
Lehi	$76.53	$88.72
Spanish Fork	$74.86	$86.78
Payson	$68.02	$78.85
Layton	$65.72	$76.19
Springville	$64.25	$74.48
Provo	$55.19	$63.98
Orem	**$52.63**	**$99.51**

[1] Assumes other City rates are inflated at 3.0% annually

Comparison of Total Monthly Bill (3 Utilities), Average Residential Customer



*FYE 2020 rates based on annual increase to account for inflation only (3%).

Recommended Rates – Water

	Scenario 1			Scenario 2			Scenario 3		
	¾-inch Base Rate	Winter Volume Rate ($/1000 gallons)	Summer Volume Rate ($/1000 gallons)	¾-inch Base Rate	Winter Volume Rate ($/1000 gallons)	Summer Volume Rate ($/1000 gallons)	¾-inch Base Rate	Winter Volume Rate ($/1000 gallons)	Summer Volume Rate ($/1000 gallons)
Existing	$13.94	$0.58	$0.58	$13.94	$0.58	$0.58	$13.94	$0.58	$0.58
2016	$19.87	$0.78	$1.17	$15.61	$0.63	$0.95	$15.54	$0.58	$0.73
2017	$20.83	$0.80	$1.20	$19.06	$0.76	$1.14	$17.32	$0.64	$0.86
2018	$21.45	$0.82	$1.23	$20.97	$0.82	$1.23	$18.97	$0.71	$0.99
2019	$22.09	$0.84	$1.26	$22.02	$0.85	$1.28	$20.77	$0.79	$1.19
2020	$22.75	$0.87	$1.31	$22.75	$0.87	$1.31	$22.75	$0.87	$1.31

Recommended Rates – Sewer

	Scenario 1		Scenario 2		Scenario 3	
	Residential Base Rate	Volume Rate ($/1000 gallons)	Residential Base Rate	Volume Rate ($/1000 gallons)	Residential Base Rate	Volume Rate ($/1000 gallons)
Existing	$9.32	$1.42	$9.32	$1.42	$9.32	$1.42
2016	$18.17	$2.41	$9.32	$1.80	$9.32	$1.63
2017	$18.72	$2.48	$11.84	$2.16	$11.34	$1.85
2018	$19.28	$2.55	$14.80	$2.42	$13.80	$2.10
2019	$19.86	$2.63	$17.76	$2.57	$16.80	$2.39
2020	$20.46	$2.71	$20.46	$2.71	$20.46	$2.71

Recommended Rates – Storm

	Scenario 1	Scenario 2	Scenario 3
	Residential Base Rate	Residential Base Rate	Residential Base Rate
Existing	$5.25	$5.25	$5.25
2016	$6.72	$6.67	$5.65
2017	$6.92	$6.79	$6.08
2018	$7.13	$7.10	$6.55
2019	$7.34	$7.31	$7.05
2020	$7.56	$7.56	$7.56