

CITY OF OREM  
CITY COUNCIL MEETING  
56 North State Street Orem, Utah  
May 26, 2015

**3:30 P.M. WORK SESSION – PUBLIC SAFETY TRAINING ROOM**

CONDUCTING	Mayor Richard F. Brunst
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; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Sam Kelly, Engineer; Brandon Stocksdale, Long Range Planner; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

Utah Lake Commission – Eric Ellis, Executive Director

Eric Ellis, newly appointed Executive Director of the Utah Lake Commission (ULC), came to introduce himself to the City Council and staff. He wanted to get a feel for what cities around the lake had as priorities for Utah Lake. Mr. Ellis said the purpose of the Utah Lake Commission was to bring all of the communities surrounding the lake together to focus on projects that would improve access, make the lake more inviting, help change and improve public perception, improve and develop trails, etc. Some of the current projects of the ULC were:

- Working to extend a trail that went around the lake, hoping to be fully connected by the fall
- Carp removal, with 18.4 million pounds of carp already removed (at about 60 percent of goal)
- Control and removal of phragmites by the thousands of acres, with 4,000 acres already cleared, stamped, and treated
- Improvement of access points
- “Adopt-a-Shoreline” program, where individuals/groups cleaned and maintained specified areas

Mr. Ellis said each year fourth graders from surrounding schools came to Utah Lake on fieldtrips and it was becoming an increasingly popular field trip spot. Last year, 1,256 students from 48 classes visited the lake and they expected to increase that number in the coming year. Mr. Ellis

invited the Council to the Utah Lake Festival on June 6, 2015, from 10:00 a.m. to 2:00 p.m., with food, music, and other exciting activities for children and families.

Mr. Seastrand said he was the City's representative on the Utah Lake Commission Board. Some topics of discussion had been the future plan of the Powell Slough area for recreational use, and also the possibility of developing a nature center/research laboratory in collaboration with the ULC, Utah Valley University (UVU), Brigham Young University (BYU), and other groups that could utilize the center/lab to teach and study in a natural setting. Mr. Seastrand also suggested in the future there may be opportunities to support the goals of the ULC with CARE Tax for recreational usage.

Mr. Ellis said they were looking at the development of such a facility. They understood it was a high priority for the universities in the area to have a research lab. The ULC was looking to establish a non-profit foundation that would help to move that project forward. One assignment would be to establish a non-profit foundation to push that project forward.

Mr. Hirst said the Parks and Recreation Master Plan study would evaluate some of Orem's goals and objectives for Utah Lake, as well as review the possibility of directing CARE Tax money toward reaching those goals.

Mr. Davidson said it would be valuable for Orem to meet with Mr. Ellis and the ULC about the specific concerns of Orem's lakefront area. He asked about a universal overlay zone so that developments in the areas around Utah Lake were in line with defining a certain character for the lake and its shoreline areas.

Mr. Ellis said there was model ordinance language for any city that was interested in adopting such an ordinance. Saratoga Springs had already adopted the ordinance and the Town of Vineyard was applying the guidelines of the ordinance but had not officially adopted it.

Mr. Bench said they had previously discussed the ordinance with the city attorneys but would be open to reviewing the language again.

#### DISCUSSION – University Parkway Interchange landscaping

Mr. Bell said David Washburn approached the City about altering the landscaping in the area on University Parkway near the Orem sign and fountain just off I-15. Mr. Washburn wanted to move the large, obscuring trees and plant some smaller trees that would only reach approximately ten feet in height, as well as some kidney-shaped planter areas. Mr. Washburn would be making these changes at his own expense, about a \$75,000 investment. Mr. Bell said Sam Kelly was working with UDOT on this item and was told if that Orem was comfortable with the proposal, UDOT had no objection.

Mr. Kelly shared some photos of the area and the proposed landscaping plan. He said some of the trees would stay in place, but Mr. Washburn wanted to remove the large pines for visibility reasons. Mr. Washburn's proposed plan was to have two commercial pads in that area, and he was concerned about the visibility of the businesses there. The City currently maintained the area up to the fountain, and would continue to mow and maintain. Mr. Kelly said it was up to the Council whether Mr. Washburn could proceed.

Mayor Brunst asked what would happen to the trees when they were removed.

Mr. Kelly said they would likely wood chip them or the trees could be planted in another location.

Mr. Macdonald asked if staff was comfortable with the proposed plan.

Mr. Kelly said staff was comfortable with the proposal.

Mr. Davidson said this was not an item that would be presented in a regular meeting, but they were bringing it to the Council's attention as a courtesy because the City was not generally in the business of taking trees down. There was sensitivity, from staff perspective, that trees generally should not be removed to improve commerce.

The Mayor and Council were generally in favor of the proposal to make those landscaping changes.

#### DISCUSSION – Form-Based Code – BYU consultant

Mr. Stocksdale introduced Michael Clay, BYU professor, to present on the basic concepts behind form-based code as a possible tool to explore moving forward with the State Street Corridor Master Plan.

Mr. Clay said his area of expertise was economic modeling, which meant he built large-scale models to forecast what uses or developments might occur on parcels of land. He was currently working with the Wasatch Provisional Council, MAG, UDOT, UTA, etc. to create a model that would forecast how, why and where land would develop and how different infrastructure investments would impact the direction of development in the counties along the Wasatch Front. Envision Utah was projecting that most growth in Utah County would be on the north and west sides of the county. The development term was, "retail followed rooftops", and with such large-scale growth coming into areas in the near future Orem would need to plan to stay competitive.

#### Form-Based Code

- Zoning and Land
  - Traditional (Euclidean) Zoning:
    - Rigidly separates land uses
    - Artificially lowers densities
    - Can be cumbersome for developers to interpret
    - Can be difficult to administer and costly to satisfy
    - Can be isolating for households and families
  - "Regulations have been more concerned with controlling land uses rather than shaping the physical form of our communities." – (FBC-I)
    - Public Safety
    - Public Health
- Unintended Consequences of Euclidean Zoning
  - Separation of uses
  - Dehumanizing/Scary
- Consequences of Euclidean Zoning

- Non-walkable/not pedestrian friendly
- Auto-dependent
- Not well served by public transit
- Costly to maintain
- Wasted land – deflates economic demand for and value of land
- What is a Form-Based Code?
  - “A form-based code is a land development regulation that fosters **predictable built results** and a **high quality public realm** by using physical form (rather than separation of uses) as the organizing principle for the code.” – (FBC-I)
  - Purpose
    - Form-based codes:
      - “...seek to restore time-tested forms of urbanism. They give unity, efficient organization, social vitality, and walkability to our cities, towns, and neighborhoods.” – (FBC-I)
      - “...address the relationship between building facades and the public realms, the form and mass of buildings in relation to one another, and the scale and types of streets and blocks.” – (FBC-I)
- Outcomes of Form-based Code
  - Thriving activity centers
  - Unity and efficient organization
  - Walkable, bikeable places
- The Transect
  - Continuum of land use divided into six transect zones
    - T1 – Natural: protected from development
    - T2 – Rural: little development, primarily agriculture or forestry
    - T3 – Suburban: clustered residential, limited other uses
    - T4 – General Urban: primarily residential, other uses interspersed, urban character
    - T5 – Urban Center: high density, mixed use, “main street” feel
    - T6 – Urban Core: maximum intensity of multiple uses; node
    - SD – Special District: the transect leaves room for specialized uses like hospitals, universities, and airports
- What Can FBC Regulate?
  - Building height
  - Building placement on the site
  - Location of parking
  - Building type
    - Buffet of building types to choose from – can be customized to local needs and desires
  - Relationship to the street (setback distances)
  - Streetscape standards
  - Architectural/exterior design
  - Accessibility and connectivity
  - Window area/fenestration
  - Building density and mixed uses
- Form-based Code
  - Provides guidelines for a desired city form

- Ensures that public space works for everyone, not just the movement and storage of cars
- Improves current development, which attracts good future development
- Guides development at many scales
  - Can be applied to a small area/nodes, neighborhoods, or citywide
- Urban Retrofit Using FBC
  - “Arlington’s great neighborhoods didn’t happen by accident – they happened by design.”
    - Before: Suburban strip mall development along Columbia Pike in Arlington, VA.
    - After: More than 12 high-density apartment projects were developed along Columbia Pike following the passage of form-based code
- Potential Benefits
  - Streamlined development process – easier for developers
  - Better functioning streets
  - Unity in appeal and appearance
  - Efficient organization – mix of uses determined by market
  - Social vitality – facilitates public transit and human interaction
  - Walkability – inviting to pedestrians, cyclists, and shoppers
- Economic Benefits
  - Increased tax base
    - Higher levels of density = larger taxable population
    - Leander, TX: form-based code is estimated to produce an additional \$800 million in tax base value
  - Less expensive
    - Less expensive than sprawl in greenfield development projects since higher-density patterns require less infrastructure per person to maintain
  - Increased property values
    - Sarasota, FL: form-based code enhanced long-term property values in areas where they were implemented – (Barry 2008)
- Form-based Code and Walkability
  - Washington, D.C. (Leinberger and Alfonzo 2012)
    - Without exception, people living in more walkable neighborhoods had higher incomes, lower unemployment, higher education, and accessibility to more parks
  - Nation study (Cortright 2009)
    - Homes in neighborhoods with greater walkability are valued \$4,300-\$34,000 higher depending on location
  - National study (Pivo and Fisher 2011)
    - Office, retail, and apartments assigned walk score based on proximity to educational, retail, food, recreation, and entertainment destinations
    - Market value (for high versus low walk score)
      - Office: +54%
      - Retail: +54%
      - Apartments: +6%
- Potential Incentives for Developers
  - Changes to parking requirements

- Immediate project approval if all requirements are met
- Density bonuses – higher land values
- Catching on in Utah
  - Daybreak (South Jordan)
  - Riverwoods (Provo)
  - The Station (Farmington)
  - Fairbourne Station (West Valley City)
  - City Creek (Salt Lake City)
  - West Fields (Springville)
  - Bonanza Park (Park City)

Mr. Clay said Traditional or Euclidean zoning had been used for nearly 100 years, and was used to control the land use. Certain uses needed to be separated from residential areas for public health reasons. When cities were first urbanizing and noxious uses like slaughterhouses were in residential areas, rickets and other diseases ran rampant. Zoning noxious uses away from residential areas was a good thing, but most industry was now zoned so far away the majority of it was now in China. With those noxious uses essentially gone, Euclidean zoning was not the most efficient use of land, and was often a burden on both developers and the City to enforce. Mr. Clay said very few areas in Utah had design standards as part of their zoning requirements. Form-based codes included design standards which were to encourage the development of more pedestrian-friendly and land-efficient uses, and to control the way the City looked and felt. He used the example of Provo’s University Avenue compared to Provo’s Center Street. University Avenue was a people-moving traffic roadway with high speeds and little to no pedestrian activity. Center Street on the other hand had a low speed limit, medians with greenery and slanted parking, and was a thriving pedestrian activity center where money was spent. Form-based codes would produce more money per acre of land and more tax revenue per acre in mixed use areas.

Mr. Bybee asked for an example of a happy medium between the two extremes of University Avenue and Center Street.

Mr. Clay said there were walking malls like the Riverwoods in Provo where people had to drive to get there, but once there it was a walkable activity center. When people felt comfortable, they would spend more time in an area and usually spend more dollars in that area. He thought Orem could make State Street and University Parkway more pedestrian friendly while still maintaining the ability to allow traffic to flow through the city. One example could be using through-lanes and local-access lanes like was used in Las Vegas, Nevada. Mr. Clay said Salt Lake City had become a more walkable and pedestrian- and cyclist-friendly city in recent years because of the approximately \$2 billion in private development done by the LDS Church. It took time and money to revitalize Salt Lake City on that scale. Orem did not need that level of development, and development would be focused on “nodes” to increase economic vitality. Since Orem did not have the “raw ground” that other developing cities had, form-based code would be used to revitalize areas primarily along State Street, Center Street, and University Parkway.

Mr. Davidson said that many of the examples being shared of form-based code development involved private investors or a master developer that did the “heavy lifting” financially. He asked

if it was critical or necessary to have such investors to be successful. There were concerns from developers about the expense of form-based code development.

Mr. Clay said he had seen form-based code developments succeed with and without large private investors. Typically owners were looking at current lease values, which did not cover much in terms of development. There needed to be a paradigm shift for developers to see that lease values would change and increase with better urban design and use in the area.

Mrs. Black said the design aspect of form-based code was essentially the purpose of having form-based code in development. The idea was to adopt an aesthetic for the city that developers were required to incorporate in their developments.

Mr. Seastrand asked if form-based code was applied to the new Vineyard development.

Mr. Stocksdale said he was not aware of form-based code for that development.

Mr. Clay said density went up as land become less available. If a city decided to no longer develop once raw ground was no longer available, it could deteriorate within one generation. As cities grew in population, development would increase in density. One aspect of form-based code was to have store fronts closer to streets to allow for walkability, and to have parking behind. Form-based code would dictate the design standards and provide guidelines to developers that fit the city's vision for an area. It was a proactive development tool, rather than reactive.

Mrs. Black asked if Park City's more recent developments would be considered form-based code.

Mr. Clay said Bonanza Park in Park City was somewhat form-based code, with unity in design and appearance. Urban design form-based code was different from the traditional zoning people were used to, which could cause concern. If the City moved forward using form-based code, it was important to have citizen outreach so residents and developers alike understood the design standards and overall goals of using form-based code in development. The use of form-based code in development led to higher property values and more tax revenue generated.

#### BRT – Communication

Mr. Davidson invited Andrew Jackson and Chad Eccles with Mountainland Association of Governments (MAG) to address concerns regarding the Provo-Orem Bus Rapid Transit (BRT) project and the public media outreach from groups that were either for or against the project.

Mr. Jackson reviewed the history and structure of the first, second and third quarter cents of the sales tax revenue bond and how they related to the BRT project. He explained the process of the BRT bond, and how the same bond structure was used to build SR 92, Pioneer Crossing, and North County Boulevard. He said that the first and second quarter cents were voted in by the public with the majority specifically set aside for transit. The third quarter cent, by State law, did not require a vote. By State law, all three quarter cents could be used for transit. The majority of the people voted to use these monies for these purposes. The BRT project was to accommodate the growth Utah County was projected to experience in the future. Mr. Jackson said the Provo-Orem Bus Rapid Transit project was one of few cities in the country awarded a federal Small Starts grant.

Mr. Eccles said there was a website about the BRT petition, [www.brtpetition.com](http://www.brtpetition.com), making claims that the BRT project would remove trees and be unsafe for pedestrians. He said the BRT project was not removing trees and that the trees identified in the opposition video were not planted yet. The BRT project would not impact the beauty of the setting for the Provo City Center LDS Temple and the LDS Church was aware of this. Mr. Eccles said the designs had safe crossings for pedestrians and would be similar to the TRAX in downtown Salt Lake City, Utah. He said the website [www.weneedbrt.com](http://www.weneedbrt.com) answered frequently asked questions and was a resource for anyone wanting to know more about the BRT project.

### **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; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

#### 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.

#### City Council New Business

There was no new City Council business.

Mayor Brunst gave an update on the local option gas tax and UTOPIA.

The Council adjourned at 5:53 p.m. to the City Council Chambers for the regular meeting.

### **6:00 P.M. REGULAR SESSION – COUNCIL CHAMBERS**

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; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Brandon Nelson, Finance Division Manager; Steven Downs, Assistant to the City Manager; and Jackie Lambert, Deputy City Recorder

**INVOCATION /  
INSPIRATIONAL THOUGHT  
PLEDGE OF ALLEGIANCE**

William Jeffs  
Jessica Grotegut

**APPROVAL OF MINUTES**

Mr. Seastrand **moved** to approve the April 28, 2015, City Council meeting minutes. Mr. Macdonald **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Mr. Seastrand **moved** to approve the May 7, 2015, Joint Provo/Orem City Council meeting minutes. Mr. Macdonald **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

Mr. Seastrand **moved** to approve the May 12, 2015, City Council meeting minutes. Mr. Macdonald **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

**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 neighborhood officers recognized.

REPORT – Summerfest Committee

Teresa Horn, Chair of the Summerfest Committee, presented a report on the activities of the past year and invited all to attend the upcoming Summerfest on June 12 and 13, 2015. She thanked each of the committee members for their work in specific areas to make Summerfest possible. The 2015 Summerfest theme was “Dream Big”. There would be an appreciation dinner on June 11, 2015 at 6:30 p.m. as a kickoff event for Summerfest where invitees could meet Grand Marshal Ryan Shupe and the eight student marshals. Ms. Horn went over the schedule for Summerfest, highlighting the boutiques, food booths, children’s activities, baby contest, entertainment and more with a free concert from Ryan Shupe and the Rubberband on Friday evening, and the parades and firework display on Saturday evening.

Mrs. Black thanked the Summerfest Committee for their time and efforts in making Summerfest a wonderful community event.

INVITATION – Strawberry Days – Miss Pleasant Grove Royalty

Miss Pleasant Grove Jessie Beck and her attendants, as well as the attendants to the Strawberry Days Rodeo Queen, invited the City Council to attend Strawberry Days June 15 to June 20, 2015. They highlighted events like Huck Finn Days, the concert in the park, baby contest, parade, and the Strawberry Days Rodeo. The rodeo was a fun, family-friendly event held June 17 to June 20, 2015, with show time beginning at 8:00 p.m. They presented a cheesecake to the Council.

Mayor Brunst thanked them for the invitation and the cheesecake.

INTRODUCTION – Mayoral Service and Compensation Committee

Mr. Seastrand introduced Kathy Gowans, Kevin Stocks, and LaNae Millet as members of the Mayoral Service and Compensation Committee.

Ms. Gowans reviewed the Committee Charter that was distributed to the Council. She wanted to clarify the task(s) of the Committee in “examin[ing] the roles and responsibilities of mayor and city manager and appropriate compensation for those positions.” Those tasks were: 1) to evaluate the position of the Mayor and see if it should be designated as part- or full-time; 2) to recommend any pay or salary level changes to match responsibilities; and 3) to evaluate if there were ways to improve the roles and/or working relationships between the City Manager, Mayor and City Council. Ms. Gowans asked the City Council to review the desired results to ensure the Committee was moving forward in the right direction.

Mr. Macdonald asked if the Committee would also be evaluating the compensation of the City Manager, as stated in the charter. He thought it would be beneficial for a citizen committee to advise the Council for both positions.

Mayor Brunst said the duties and responsibilities for those positions were outlined by the State. He also stated five of the six largest cities in Utah had full-time mayors.

Ms. Gowans asked if the Council individually and collectively would be open to the information and recommendation the Committee intended to present.

The Council generally stated they were open to reviewing the information brought forth from the Committee's proposed evaluations.

Mrs. Black wanted to clarify that the purpose of the evaluation was not to change Orem's form of government. She further said that of the five cities the Mayor mentioned, only one had the same form of government as Orem. She asked if it was possible to keep the mayor position as part-time, but increase the salary somewhat.

Ms. Gowans agreed that the purpose of the Committee was not to change the form of government. She said they could review changing the position's salary and keep part-time status. Ms. Gowans reviewed the guidelines set out on the committee charter, and said they would like to invite the Council to consider questions, concerns, or areas of research they wanted explored and share them with the Committee upfront. She asked if there was any budget allocated to the Committee for possible expenses.

Mr. Davidson said there was not a specifically allocated budget, but the City Council had a contingency fund where money could be available for research and studies if the Council collectively decided to use it for that purpose. He thought there could be value in investigating and evaluating, and if limited resources were necessary to do that the Council had the option to allocate money for that.

Ms. Gowans said the Committee would begin their research in May, by June/July they hoped to finalize committee members and continue gathering information, and anticipated by July/August they would evaluate their research and present a recommendation to the Council.

Mr. Seastrand said he would provide the Committee's contact information to the Council.

Mayor Brunst said he would like to see this process move forward as quickly as possible, and would like a recommendation no later than the beginning of August.

Ms. Gowans said she could not commit to that timeframe, but it was the Committee's intention to conduct their work quickly and efficiently.

## **CITY MANAGER'S APPOINTMENTS**

### Appointments to Boards and Commissions

There were no appointments to boards and commissions.

## **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.

Kerry Farnsworth, resident, invited the City Council and all to attend the Community Free SWAP in the Geneva Neighborhood on June 6, 2015, from 8:00 a.m. to 12:00 p.m. The Free

SWAP had grown over the past ten years, and was now a twice-annual event in Orem committed to its twofold mission of 1) sharing abundance and 2) uniting communities. This was a completely free event, and anyone was welcome to attend, donate, and take whatever they needed. For more information about past or upcoming Free SWAP events people could visit [freeswap.info](http://freeswap.info), where they could also find downloadable flyers about the event in English and Spanish. She encouraged people to spread the word

Bob Wright, resident, said the citizens were fortunate to have qualified city management and employees, and they appreciated their service. He said that when people accepted employment they should move their family into the community. He said people must be residents to apply to run for council and this residency requirement needed to be enforced in Orem on management and department heads. He thought there should be an ordinance enforced.

## **CONSENT ITEMS**

There were no Consent Items.

## **SCHEDULED ITEMS**

### 6:00 P.M. PUBLIC HEARING – CDBG Consolidated Plan & Action Plan RESOLUTION – Adopt the 2015-2019 Community Development Block Grant Consolidated Plan and the 2015 Annual Action Plan

Mr. Downs, Assistant to the City Manager, recommended the City Council, by resolution, adopt the 2015-2019 Community Development Block Grant (CDBG) Consolidated Plan and the 2015 Annual Action Plan.

Mr. Downs said in accordance with the planning requirements of the Department of Housing and Urban Development (HUD), the City of Orem had prepared a Consolidated Plan for its CDBG Program. This planning document outlined priorities and strategies for meeting the needs of low-income residents and special populations within the community. This was a set of goals, not an allocation of money.

The plans had been developed with input from citizens and various community groups, and had been available for public inspection during a publicized comment process from April 14, 2015 – May 26, 2015. The plans were ready to be adopted by the City Council.

Mr. Downs said Y2 Analytics was hired to conduct a survey asking about citizens' communication preferences to understand better how citizens wanted to receive and provide information. The overall goals outlined for the Consolidated Plan were no different than goals in the past, and they would continue to support public services like shelters for battered women and children, continue to have efficient oversight of the CDBG program, and continue to provide and enhance economic development opportunities in the community. These programs had considerable impact in the community. Each organization that received funding kept records of the types of services they provided and how those services helped people in our community.

Mayor Brunst opened the public hearing.

Bob Wright, resident, thought the CDBG program was a great opportunity for the City. He objected to the City appropriating \$492,000 of the federal grant for things that had already been pre-budgeted. He felt this was a rebate to the City for various uses like salary that were not going toward low-income projects. Mr. Wright thought there were uses for the money that would be better, like replacing water and sewer lines which he felt was a low-income purpose.

Mayor Brunst closed the public hearing.

Mr. Downs clarified that \$235,000 of the CDBG funds had been allocated to any type of personnel use, with \$120,000 for police officers to preserve and protect qualifying low-income neighborhoods. He was not certain where Mr. Wright had gotten the amount of \$492,000.

Mayor Brunst **moved**, by resolution, to adopt the 2015-2019 Community Development Block Grant Consolidated Plan and the 2015 Annual Action Plan. Mr. Macdonald **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. Those voting nay: Hans Andersen. The motion **passed**, 6-1.

ORDINANCE – Approving the Amounts to be Awarded to the CARE Grant Recipients for the 2015 CARE Granting Round

Mr. Davidson recommended the City Council, by ordinance, approve the amounts to be awarded to CARE grant recipients for the 2015 granting round.

Mr. Downs said on November 8, 2005, a majority of City of Orem voters voted in favor of enacting a local sales and use tax of 0.1% as a means of enhancing financial support for recreational and cultural facilities, and cultural organizations within the City of Orem. Known as the Cultural Arts and Recreation Enrichment tax (CARE), the Orem City Council enacted the tax by ordinance on November 22, 2005. The tax went into effect April 1, 2006, and was authorized for a period of eight years. On November 5, 2013, a majority of City of Orem voters voted to continue collecting the CARE tax for an additional 10 years.

On December 9, 2008, the City Council amended the CARE Program policies and procedures, establishing eligibility requirements and an application process for this competitive granting program. Three categories of grants were established, including Recreational and Cultural Facilities, available for publicly-owned or operated facilities; Cultural Arts Major Grants, of \$5,000 or more for operating costs of nonprofit cultural arts organizations; and, Cultural Arts Mini Grants, of up to \$4,999 for operating costs of nonprofit cultural arts organizations.

Applications for this CARE granting round were due on March 19, 2015. As a group and with members serving as a smaller review panel, the City Council, along with the CARE Tax Advisory Commission, met in a series of public meetings in April to hear from applicants and to consider their grant requests.

Utah law required that the entire amount of revenues and interest collected as a result of the imposition of the tax be distributed in a manner consistent with Utah Code Ann. 59-12-1403,

which allowed for granting to one or more facilities or organizations. Utah law also required the City to provide for that distribution by ordinance.

Mr. Downs explained the process by which the proposed award amounts were reached, and gave a PowerPoint presentation outlining the program.

The Council discussed the CARE program and the recommendations from the CARE Advisory Commission that were presented in previous meetings.

Mrs. Black **moved**, by ordinance, to approve the amounts to be awarded to the CARE Grant Recipients for the 2015 CARE Granting Round. Mr. Macdonald **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand. Those voting nay: Hans Andersen, David Spencer, Brent Sumner. The motion **passed**, 4-3.

6:00 P.M. PUBLIC HEARING – PD-1 Zone – Setbacks

ORDINANCE – Amending Section 22-11-13(D)(1) of the Orem City Code pertaining to setbacks in the PD-1 zone at 175 West Center Street

John Lindsley, applicant, requested the City amend Section 22-11-13(D)(1) of the Orem City Code pertaining to setbacks in the PD-1 zone at 175 West Center Street.

Mr. Bench reviewed the request with the City Council. He said the PD-1 zone contained Target and Taco Bell and enough land area for another commercial pad. The developer requested a change to the PD-1 zone text to modify the setback requirements. The proposed text change was as follows:

D. Site Development Standards.

1. Setbacks: All buildings shall be set back at least twenty feet (20') from Center Street and Orem Boulevard. All buildings shall be set back at least forty feet (40') from 165 South, 200 West and all residentially zoned property. No setback is required from other commercially zoned property. Notwithstanding the above, a portion of an irregular shaped building and any fence may encroach into a required forty foot (40') setback area provided the following criteria are met:

a. The square footage of the portion of the building or fence that encroaches into the setback area shall not exceed the total square footage of the area that is located between the forty foot setback line and those portions of the building or fence that are set back more than forty feet from the street.

b. In no case shall any building or fence, or portion thereof be closer than thirty feet (30') to 165 South or 200 West.

The purpose of the proposed change was to allow a new building to be located closer to Orem Boulevard and Center Street and to allow it to be constructed without any setback from interior property lines. The change only affected development along Orem Boulevard and Center Street and would not change the setback requirements for development adjacent to 165 South or 200 West.

The Planning Commission recommended that the City Council consider reducing the setback even further to only ten feet from Center Street and Orem Boulevard in order to give the developer the option of bringing the building closer to the street. However, the City traffic engineer expressed concern that a further reduction in the proposed setback could cause conflict with future widening of Center Street.

The Planning Commission recommended the City Council amend, by ordinance, Article 22-11-13(D)(1) of the Orem City Code pertaining to setback requirements in the PD-1 zone at 175 West Center Street. The planning staff supported the Planning Commission recommendation.

Mr. Macdonald asked if there would be parking in front of the bakery, or if it would be parking to the side similar to the Zaxby's parking lot.

Mr. Bench said it would be side parking similar to Zaxby's with the same twenty-foot setback. The bakery would also have a patio on the Orem Boulevard side for outdoor dining.

Mayor Brunst opened the public hearing.

Dora Schoenfield, resident, said she was concerned with all the development in Orem. She believed pedestrian traffic would be reduced because of the development closer to street fronts, especially for seniors who might be afraid to walk from their residences. She would prefer to see the setback stay and not be reduced.

Warren Daniel, resident, wanted to know why the setback was being changed from forty-feet to twenty-feet. He said he did not like plans to be changed where no reason was specified, and felt this change was just to accommodate a business. He said he was interested in learning more about these kinds of issues.

Mayor Brunst closed the public hearing.

Mr. Bench said the reason the forty-foot setback was implemented was that on the south property line on 165 South there were issues with neighborhoods in both directions that wanted the forty-foot setback, which was implemented as part of the PD-1 zone. The proposed change would not affect that setback and would only affect the pad sites out front. It also would not affect the landscaping. Parking had always been able to go to a twenty-foot setback, so they were now requesting that the building could go to the twenty-foot setback. Corner Bakery locations were often positioned closer to the street in high pedestrian areas.

Mrs. Black said one reason more buildings were moving closer to the street was to create a "neighborhood feeling".

Mr. Seastrand asked if this proposed setback was consistent with the Kneaders toward the north of Orem, and with developments on University Parkway like Noodles & Co. and Rumbi Island Grill. He asked if the City's traffic engineer had studied the visibility and safety around the proposed site plan.

Mr. Bench said it was a similar setback to those restaurants and other developments in the city. The City encouraged this change in position to support a more pedestrian-friendly city. He said that those issues had been studied by the traffic engineer.

Mr. Seastrand **moved**, by ordinance, to amend Section 22-11-13(D)(1) of the Orem City Code pertaining to setbacks in the PD-1 zone at 175 West Center Street. Mrs. Black **seconded** the

motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

RESOLUTION – Approving the Corner Bakery site plan in the PD-1 zone at 175 West Center Street

John Lindsley, applicant, requested the City approve the site plan of Corner Bakery in the PD-1 zone at 175 West Center Street.

The City Code required the City Council to approve all site plans in the PD-1 zone. Most recently, the City Council approved the site plan of Taco Bell. The request was for approval of the site plan of Corner Bakery at the southwest corner of the intersection of Center Street and Orem Boulevard.

The applicant proposed to construct a two-tenant building; one tenant would be Corner Bakery and the second would be announced at a future date. Corner Bakery had 188 locations in 21 states and Washington, DC. Utah currently had five locations from Ogden to Draper. From Corner Bakery's website:

Inspired by great fresh ingredients, our small neighborhood bakery on a corner in downtown Chicago began creating artisan breads and freshly baked sweets. And upon a little success, neighbors began to ask us for sandwiches made with that fabulous bread, followed by homemade soups and salads, and even made-to-order scramblers. Our guests' requests continued to inspire us as our bakery's menu and business grew.

Corner Bakery would occupy 4,000 square feet with the remaining 2,600 square feet reserved for the future tenant. It was possible the remaining space could house two tenants, but the applicant indicated it would be marketed for a single user.

Corner Bakery, like Taco Bell, would have an access easement through the Target lot, but must locate all required parking on site. With the loss of parking from Taco Bell and Corner Bakery, Target has 818 stalls remaining whereas only 700 stalls were required. Corner Bakery would have 76 stalls, which was more than required.

The building elevations would be primarily faced with brick, EIFS, and stucco. The PD-1 zone required all building facades to have similar architectural features including the side and rear elevations. The elevations submitted by the applicant showed common architectural elements on all four sides. There would also be an outdoor patio area on the east side of the building.

There was currently a landscaped strip adjacent to Orem Boulevard and Center Street which would remain in place with the current site plan proposal. The end islands in the parking lot would be landscaped and each would contain a tree except for those islands that had a parking lot light.

The Planning Commission recommended the City Council approve, by resolution, the site plan of Corner Bakery in the PD-1 zone at 175 West Center Street. The planning staff supported the Planning Commission recommendation.

Mr. Macdonald asked if Mr. Lindsley was the owner of the Corner Bakery, and how many locations there were in Utah.

Mr. Lindsley said he was a partner with Wasatch Guaranteed Capital. That group owned the Utah rights to the Corner Bakery franchise. He said there were three existing locations with plans for more.

Mayor Brunst **moved**, by resolution, to approve the Corner Bakery site plan in the PD-1 zone at 175 West Center Street. Mr. Macdonald **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

6:00 P.M. PUBLIC HEARING – Approve and Adopt Budget FY 2015-2016  
ORDINANCE – Approving and Adopting a Budget for Fiscal Year 2015-2016, Adopting Compensation Programs, Adopting Fees and Charges, Setting the Property Tax, Franchise Tax, Municipal Energy Sales and Use Tax, Telecommunications License Tax, Transient Room Tax, and E-911 Fee Rates

The City Manager recommended the City Council, by ordinance, approve and adopt the Fiscal Year 2015-2016 Budget, adopt the compensation programs, adopt the fees and charges schedule, set the property tax, franchise tax, municipal energy sales and use tax, telecommunications license tax, transient room tax, and E-911 fee rates.

On May 8, 2015, the City Council received a draft of the Tentative Budget for the Fiscal Year 2015-2016. Budget work sessions were held on March 31, April 14, and April 28, 2015, to discuss the budget. In addition, two public hearings were held to review CDBG budget requests.

The purpose of this hearing was to consider the budget for Fiscal Year 2015-2016 along with the compensation program and the fees, charges and tax rates of the City.

The national and local economies had continued to improve over the past year. The Fiscal Year 2015-2016 Budget was a balanced budget that was formulated with this environment in mind as it did not include requests for tax increases and included only minor increases in utility rates.

Property taxes were not increased, the franchise tax and municipal energy sales and use tax rates remained at 6% and the transient room tax stayed at 1%. The telecommunications license tax was 3.5% and the E-911 fee was \$0.61 per month. Various adjustments and/or additions to miscellaneous fees and charges were proposed in many departments, one of those being the addition of a non-resident category for cemetery fees.

A \$0.25 per month water rate increase for a ¾” meter service (and a proportionate increase for all other meter sizes) was proposed in the Water Fund. This rate increase was needed to cover the increasing cost of using the City’s allocation of Jordanelle water and increased operating costs at the Utah Valley Water Treatment Plant that had been passed on to the City.

The following corrections and/or adjustments were made to the original FY 2015-2016 Tentative Budget document:

- While the amounts listed in the Water Fund section were listed correctly, the amounts listed in the City-wide Overview section were not rolled up correctly. Thus, on page 11, 13, and 14, Water Fund revenues or expenditures were adjusted from \$12,348,440 to \$12,468,440 & total City-wide revenues or expenditures were adjusted from \$96,992,659 to \$97,112,659. The same was true on page 15 where the Public Works amount was adjusted from \$31,104,100 to \$31,224,100 and the City-wide total was again adjusted from \$96,992,659 to \$97,112,659.
- The revenues listed in the Information Technology section (page 136) failed to include an amount to supply this new internal service fund with a \$100,000 beginning reserve balance. Thus, it had been adjusted to match the expenditures amount of \$2,178,000 (see the expenditures total on page 138).
- In the Compensation Programs Exhibit in the Employee Compensation section, the Option A Noncontributory line on page 19 was removed as it was no longer applicable to any employee. On that same page the Option A Contributory and Option B Alternate percentages were changed to their actual percentages. Both should have been listed at 18.47% instead of 19.28% and 17.90%, respectively.

Mr. Manning said the Tentative Budget was accepted at the last City Council meeting, which gave the City the ability to continue to operate in the event the Final Budget was not accepted. The Budget total was \$97,112,659. There was a keying error that was caught from the Tentative Budget, so the internal information was always correct but now the total amount was correct. The Budget had several small components of the \$97,112,659 and was managed in those components. They did not look at the budget as a whole generally, but made sure the pieces were working. Mr. Manning gave a detailed review of the information presented at the previous City Council meeting for the different components of the Final Budget.

Mayor Brunst asked Mr. Davidson if Orem's police department was fully staffed or if it was behind in some way.

Mr. Davidson said that was a somewhat subjective questions based on the benchmark. In many communities there was an officer-per-thousand type ratio, and according to that ratio Orem would be behind. Another thing closely looked at was "availability time", where officers were running from call to call and had limited time to conduct proactive police work. He felt they had reached the point where more officers were needed to meet the proactive police work standard Chief Giles was trying to implement.

Mr. Manning said a flyer was sent out explaining the transfer of monies from the enterprise funds to the General Fund. They did that because the City had to show the rate they paid for water in city parks, for example. The payment of \$750,000 from the General Fund to the Water fund was to pay for water used in the parks. To purchase that water they would either have to cut services in that amount or increase taxes in that amount. The third option was the transfer from the enterprise funds to the General Fund to keep the same service level at the same cost. The money paid from the General Fund to appropriate fund, and then the same amount was

transferred right back to the General Fund. The service level stayed the same at no additional cost to the residents of Orem. The State Auditor wanted that process shown.

There was a discussion of credit card fees. Mr. Manning said the fees would sometimes be as high as six percent. Mr. Davidson said this was a part of the cost of doing business.

Mayor Brunst opened the public hearing.

Bob Wright, resident, said he objected that the budget was always being compared to other cities' budgets. He said most of the bond/indebtedness was for recreation projects over the years. He thought there should be equalization on what was budgeted for Cultural Arts and Recreation. He wanted to make sure the public knew that the proposed utility increases were not a part of this budget.

Gloria Herndon, resident, said she was concerned about the utility bill and its ongoing costs. She said she had not voted for those changes and it had been a hard thing for her family ever since the rate change. She said some neighbors were cutting down trees and destroying their own properties to accommodate for utility fees. Seniors had worked hard to get where they were, and the water bill was now higher than when their children were living at home. She said when people retired they were on a set income, and the cost of living kept rising. She wanted to propose that the water fees be dropped so families could enjoy their homes and the usage of water.

Mayor Brunst closed the public hearing.

Mr. Spencer brought up the recent increases in youth sports fees. He asked how the changes had come about.

Mr. Hirst said it was a two phase plan so the entire increase would not go in at once. The increased included swim fees per lane and baseball prep fees. Youth sport seasons had not yet paid phase 1 because the timing was difficult. They had been noticed of the increase and in 2016 they would pay for the 2015 phase 1 and then phase 2 would be paid at the start of 2017.

Mr. Spencer remembered only a 50% increase, not an escalation.

Mr. Andersen said his recollection was the same as Mr. Spencer.

Mrs. Black recalled a stepped fee increase over the two years.

Mr. Seastrand said he recalled the same things as Mrs. Black, but did not remember the specifics of the timeframe or the amounts.

Mayor Brunst said he did not recall either way.

Mr. Macdonald asked if this would be the full step.

Mr. Hirst said this was the full process; there would be no phase 3.

Mr. Macdonald asked what would be the effect on the budget if the City did not do the full step.

Mr. Hirst said it was approximately \$25,000; not a majorly significant financial impact.

Mr. Spencer suggested a freeze on the fees and that further analysis be done.

Mr. Davidson said \$2.3 million were spent annually to maintain fields. The challenge in recent years was that those who used facilities needed to pay for them. He questioned how the City could, in an equitable way, have everyone pay for assets they benefitted from. A significant amount of costs were borne by the general tax funds of the city. The intent was to recognize there were some assets everyone benefitted from all the time, and some that only some benefitted from part of the time. He agreed with the idea of looking at those fees.

Mr. Macdonald said the Council could approve this budget, and then come back in a few weeks and re-examine those fees.

Mr. Davidson said his recommendation was to move forward, and specifically opt not to adopt the second phase of recreation fees and leave them as they were. There was time to adjust if necessary.

Mr. Spencer said there should be a study session on exactly what recreational items CARE tax money could be used for. It could go toward maintenance of facilities.

Mr. Manning proposed exempting the four youth sports fee increases from the budget.

Mayor Brunst **moved**, by ordinance, to approve and adopt a Budget for Fiscal Year 2015-2016, adopt the compensation programs, adopt the fees and charges schedule, set the property tax, franchise tax, municipal energy sales and use tax, telecommunications license tax, transient room tax, and E-911 fee rates, exempting the fee increase on the youth sports for swimming, football, baseball, and soccer. Mr. Spencer **seconded** the motion. Those voting aye: Margaret Black, Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. Those voting nay: Hans Andersen. The motion **passed**, 6-1.

## **COMMUNICATION ITEMS**

### MONTHLY FINANCIAL SUMMARY – April 2015

The Monthly Financial Summary was included in the packets distributed to the City Council.

## **CITY MANAGER INFORMATION ITEMS**

There were no city manager information items.

## **ADJOURN TO A MEETING OF THE REDEVELOPMENT AGENCY OF THE CITY OF OREM**

Mr. Macdonald **moved** to adjourn to a meeting of the Redevelopment Agency of the City of Orem. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black,

Richard F. Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, Brent Sumner. The motion **passed** unanimously.

The meeting adjourned at 7:45 p.m.

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Donna R. Weaver, City Recorder

Approved: June 9, 2015