



PROVO MUNICIPAL COUNCIL

Work Meeting Minutes

1:00 PM, Tuesday, August 21, 2018

Room 310, City Conference Room

351 W Center St, Provo, UT 84601

Agenda ([0:00:00](#))

Roll Call

The following elected officials were present:

Council Chair Gary Winterton, conducting
Council Vice-Chair David Harding
Councilor David Sewell
Councilor George Handley
Councilor Kay Van Buren
Councilor George Stewart
Councilor David Knecht
Mayor Michelle Kaufusi

Prayer

The prayer was given by Cliff Strachan, Council Executive Director.

Approval of Minutes

July 17, 2018 Work Meeting

Approved by unanimous consent.

Business

1. A presentation on the Congress for the New Urbanism Conference (18-079) ([0:11:25](#))

Cliff Strachan, Council Executive Director, introduced the discussion. Councilors have the opportunity to attend conferences during the year and have an opportunity to present and share with the Council what they have learned. Councilor David Harding attended the Congress for the New Urbanism Conference in Savannah, Georgia in May and prepared some information from the conference to share with the Council.

Mr. Harding explained that urban means city, therefore urban planning and urban design simply refers to city planning and design. For instance, if a town has a post office, a government building, and a general store, urban design examines how they are related to each other and how they are laid out. Mr. Harding explained the concept of a 'new urbanism' is a misnomer in that it advocates for a return to old urbanism. Mr. Harding noted that Savannah, Georgia is one of the oldest cities in Georgia and emulates many of the prized qualities of cities (such as old growth trees, architecture, etc.).

Mr. Harding outlined the main principles of new urbanism: humanistic city design, places where people want to be, sense of place, integration, cohesion; strong, vibrant neighborhoods; civic buildings, form-based code,

regional competition and cooperation, agriculture and nature. Mr. Harding noted that new urbanism does not place cities like New York City as the ideal, and new urbanism is also not a war on suburbs, families, or automobiles. Councilor George Handley commented on the idea that diversity and contact strengthens civic bonds and can contribute in significant ways to breaking down silos.

Mr. Harding shared a portion of a video in which the conference presenter Jan Gehl shared ideas on livable cities. One example highlighted a development proposal in Charleston, South Carolina, which was beautiful and historically relevant, but was at odds with Charleston's modern zoning codes. Mr. Harding noted that parking was certainly an important element, and in a contrasting example of a large modern-style building with structured parking, much of the charm of the previous proposal was lost. Bill Peperone, Community Development Assistant Director, noted that it made sense that the subsidized industrial solution was taxpayer funded, because structured parking typically tends to be very expensive. In contrast, the traditional, locally built, and authentic architecture would be a market-driven project.

Mr. Harding explained that the design of communities has a huge impact on the health and vitality of our communities. The average vehicle trip count to the average house in Provo is 17; daily trips are what makes cars so bad for air pollution. Mr. Harding was excited about the prospect of the Utah Valley Xpress bus system, which can help Provo and Orem to chip away at this figure. Mr. Harding summarized general ideas of new urbanism: granular or incremental, resourceful, compatible, humanistic, neighborhood-centric development, and zoning which allows investment to continue in an area. *Presentation only.*

2. A discussion on Council priorities (18-004) ([3:19:40](#))

Due to time constraints, this item was continued until later on in the meeting. Council Executive Director Cliff Strachan outlined some of the questions which preceded this presentation and gave an update on the current status of Council Priorities. Mr. Strachan reviewed each priority and invited input from Councilors as to the status of the priority, revisions or edits to the desired outcomes, or other changes.

General Plan

Motion: Gary Winterton moved to keep General Plan as a Council priorities in order to monitor progress as the Planning Commission moved forward with their review. Seconded by David Harding.

Amended motion: Mr. Winterton amended the motion to keep the General Plan as a Council priority, and to leave control of the process to the Planning Commission. Seconded by David Harding.

Roll call vote: Approved 7:0.

Councilors indicated that they would still like to have routine updates from Community Development and the Planning Commission, in the form of joint meetings or administrative updates.

Zoning Compliance

Motion: David Knecht moved keep "develop a holistic approach to evaluating zoning enforcement solutions and progress" in the Desired Outcomes and to refer the topic of short-term rentals policy to the Zoning Committee. Seconded by George Stewart.

Roll call vote: Approved 7:0.

Economic Development

Motion: George Stewart moved to approve Economic Development as a Council priority. Seconded by David Knecht.

Roll call vote: Approved 7:0.

Budget to Priorities

Motion: David Knecht moved to add “budgets reflect the progress and desired outcomes associated with the Council’s priorities and General Plan goals.” Seconded by George Stewart.

The Council was interested in having Norm Wright present to the Council on budgeting to priorities and the Mayor’s budget committee recommendations.

Amended motion: Mr. Knecht amended the motion to state “the Council’s and Mayor’s priorities.” Seconded by George Stewart.

Mr. Strachan and Councilors discussed the change in language.

Roll call vote: Approved 7:0.

Affordable Housing

Mr. Strachan and Councilors discussed adding, deleting, and revising various elements of this item:

- ‘Higher median incomes’ was added as a performance indicator.
- ‘Consideration of market conditions – are we committing to subsidized housing?’ was deleted from Desired Outcomes.
- The desired outcome ‘Assess housing needs using relevant, current data on demographics’ was expanded to also include ‘and market conditions.’

Motion: George Handley moved to adopt the changes to Affordable Housing as presented and edited. Seconded by David Harding.

Roll call vote: Approved 7:0.

3. A discussion on a Request for Qualifications relating to the creation of a Community Land Trust (18-081) ([1:11:30](#))

David Walter, Redevelopment Director, presented. Mr. Walter addressed the strain on the City’s housing stock and the desire to extend the opportunity of home ownership to a broader spectrum of the community. Community land trusts are a tool that keeps homes affordable on a permanent basis. Through a CLT, a buyer can purchase a home at lower-than market rate. Homes can then only be resold at a certain rate, which allows the family to grow their equity while keeping the units at an affordable level in perpetuity. Mr. Walter outlined how a CLT program works for homeowners and for the City and its long-term investment. If multiple cities participate in a CLT, the program alleviates the administrative burden of the city; the stewardship of the program, monitoring units, and ensuring that units are being occupied in compliance with the aims of the program are aspects collectively handled by the CLT. Typically a CLT board of directors is composed of one third each of city residents, government members, and residents of the housing units.

Mr. Walter responded to Councilors’ questions about CLTs and how they work. Councilor David Knecht cited an example of Park City, where many developers only build high-end residential dwellings. In order to accommodate affordable housing needs in the community, Park City allows developers to allocate a portion of land or a certain amount of money to go towards the city’s affordable housing supply.

Mr. Knecht shared insight on past and present initiatives to promote home ownership in Provo. Before the 2008 recession, much of the City’s efforts were focused on purchasing blighted properties, then either rehabilitating or demolishing and rebuilding housing. The new or improved property would then be sold to a family or owner who intended to remain and contribute to the neighborhood. However, this was typically accomplished by placing deed restrictions on the property, which was not an effective tool during the

recession and has fallen out of favor as an incentive to long-term owner occupants. In lieu of deed restrictions, CLTs are a great alternative: a non-profit owns the land and property forever—the underlying property is never sold and remains in the trust. Expectations can be made clear that the buyers must intend to occupy the property and a CLT guarantees affordability because the owner purchases the structure only and not the land. Mobile home parks operate on a similar basis. CLTs have traditionally been used for single-family homes, but could also be implemented with multi-family or rental dwellings. The Redevelopment Agency has requested permission to put out a request for qualifications for other communities or organizations that would be interested in pursuing a CLT. Both the Provo Housing Authority and NeighborWorks have expressed some degree of interest, locally or at the County-level.

Motion: George Stewart moved to proceed with the Redevelopment Agency proposal to put out a Request for Qualifications for a Community Land Trust. Seconded by David Knecht.

Mr. Walter provided additional clarification about the operation of CLTs. Councilor Gary Winterton asked about other incentives besides density, which Bill Peperone, Community Development Assistant Director, indicated he would address in the subsequent presentation. Mr. Walter elaborated on the RFQ process, noting that details would include what the participating municipalities expect in the next 5 years, what they would expect from Provo, etc. The City could define additional terms as broadly or narrowly as desired.

Amended motion: Mr. Stewart amended the motion to include both a Request for Qualifications and a Request for Proposals in what the Redevelopment Agency puts out for a Community Land Trust. Seconded by Mr. Knecht.

Roll call vote: Approved 7:0.

4. A discussion on inclusionary zoning in Provo City (18-080) ([1:43:36](#))

Bill Peperone, Community Development Assistant Director, presented on inclusionary zoning, which was first utilized in 1974 in Montgomery County, Maryland, and has been implemented in local and county jurisdictions across the country, with concentrations in California, Massachusetts, and New Jersey. Mr. Peperone outlined the types and variety of programs, and the variety in the ordinances governing them. In each situation, it is critical to clearly define the problem and the desired outcome.

It is anticipated that Utah's housing gap, or the number of housing units needed, will close over the next five years, however the growth is not proportionate when it comes to affordable units. Affordable income is defined as less than or equal to 60% AMI and moderate income is defined as 80% AMI. When the market does not meet the demands for affordable housing, workforce housing is impacted and it becomes difficult for police officers, teachers, and other workforce employees to be able to afford to reside in a municipality.

Councilors shared comments on inclusionary zoning and housing needs:

- Councilor George Stewart thought that while this is a difficult problem, it was critical to address adequate housing and affordable housing needs; he felt it was important to do the right thing, even if there were political backlash.
- Councilor George Handley was interested in obtaining demographic data for Utah County.
- Councilors commented on the potential for communities to respond to changes in Provo's approach to inclusionary zoning with political backlash or backing off their own affordable housing solutions. Mr. Peperone indicated it would be critical to engage both for-profit and nonprofit partners in the process.

Mr. Peperone outlined additional considerations of inclusionary zoning. A helpful question to consider was whether there were regulations or barriers to development in Provo that significantly impact the cost of development. Mr. Peperone also cited a recent zone change in the Riverwoods for a project by PEG

Development—if Provo had inclusionary zoning in place and required 10-20% of the units to be affordable, and if as a result neighborhood opposition had increased, would the rezoning have still been approved.

Councilors continued to share additional comments, with additional comments from staff:

- Councilor David Knecht noted several different approaches: requiring a developer to provide a specific proportion of affordable units onsite, versus allowing a developer to pay a fee in lieu of developing the units (which money would be directed to a community land trust toward completion of an affordable housing project). Mr. Peperone suggested that with more flexibility, the more success an inclusionary zoning program could have.
- Councilor David Sewell felt that a 10-20% benchmark of affordable housing in a project was reasonable.
- Community Development Director Gary McGinn explained that the language used to describe different types of housing was critical, as words have different associations and connotations. Affordable housing could also be described as workforce housing, encouraging neighbors to reevaluate their position as denying the presence of workforce housing effectively denies the ability of school teachers, city planners, firefighters, police officers, and other similar-level employees to live in a neighborhood or area. Mr. Peperone introduced the term “housing for heroes” that has been effectively used in other communities to promote affordable housing development.
- Council Executive Director Cliff Strachan noted that Provo had a large population of students and young married couples who typically have income limitations when it comes to housing. Mr. Peperone noted that two projects were in progress for approval which would offer about 400 units.
- Councilor David Harding felt it critical to build housing for the market demand, to accommodate demographics which demonstrated increased demand for housing.
- Mr. Knecht observed that the type of housing built was very important to the types of residents it attracted. Similar projects with different bedroom counts or locations and amenities have attracted very different types of residents, and been largely successful with filling the units.
- Councilors discussed what kind of process the City should begin to determine the policy direction and Council’s goals regarding affordable housing and inclusionary zoning.

Motion: George Stewart moved that this item be referred to the Housing Committee. Seconded by David Knecht.

Roll call vote: Approved 7:0.

Councilors shared additional comments, with input from staff as well:

- Mr. Handley suggested that inclusionary zoning could help to promote diversity in a neighborhood.
- Mr. Harding shared ideas for different models to encourage affordable housing and a variety of housing within a project. Mr. Knecht observed some of the inherent difficulties with regulating and managing such programs, but suggested that the Housing Committee could continue to explore those issues. Community Development could also hold a focus group involving public, private, and non-profit groups to solicit feedback.
- Councilor Kay Van Buren asked why the market did not address affordable housing needs. Mr. Peperone explained some of the impediments to building affordable housing and why the market does not always meet the demand. Land prices, development requirements, and other costs that go into bringing a house to market create challenges. Developers who do meet the market demand for affordable housing are often only able to accomplish this through HUD or other subsidies, to meet their profit margins while delivering essential housing products. Mr. McGinn also noted that lot size and density are barriers to affordable housing as well; the trend over the last several decades in Provo to increase lot sizes and home sizes has created an effect of more expensive housing. The market is also not keeping pace with building enough housing to meet the demand for available units.
- Mr. Sewell asked whether any communities have implemented policies that advocate an average lot size versus a minimum size. Mr. Peperone indicated that was a common practice in communities like

Daybreak and other projects emphasizing principles of new urbanism. Doing so allows a mixture of housing throughout the community. Mr. McGinn noted that lot and unit sizes have implications for sewer and infrastructure needs, which was an important consideration.

5. An update on the parking/sustainability coordinator position (18-047) ([2:30:13](#))

Gary McGinn, Community Development Director, presented an update on the parking and sustainability coordinator position. Mr. McGinn explained that they had completed the internal process of reviewing the job descriptions and assigning the position to specific grade levels. Staff indicated that they could forward the job description to Councilors. The posting would be open for 3 weeks, after which the interview process would begin. Mr. McGinn explained that the job market is such that all City departments experience similar problems with recruiting. Mr. McGinn updated the Council on other staffing concerns. The intent with the parking and sustainability coordinator position was to provide a way to continue the progress made with parking, and to allow the City to initiate a better focus on sustainability. There would be opportunities to reevaluate in the future if separating those positions were desired. *Presentation only.*

6. A discussion on the parking permit program designation process (18-082) ([2:39:34](#))

Bryce Mumford, Policy Analyst, introduced the discussion, which arose due to some gaps in the administrative process for the parking permit program designation. Mr. Mumford outlined areas that were lacking and which had caused concerns for staff. Staff recommended referring the item to the Policy Governance Committee to address the inconsistencies and gaps.

Gary McGinn, Community Development Director, outlined the origins of the residential parking permit program and the ordinance organizing the program. Mr. McGinn noted that there were some structural issues with the ordinance itself that had never been resolved. Mr. McGinn was supportive of sending this to the Policy Governance Committee to examine the process. Mr. McGinn also observed some of the inherent complications with a petition-initiated process and the consistent challenges Community Development comes across in administering the petitions. He suggested that the Policy Governance Committee also examine methods of how to represent those in favor of the parking permit program when a request is initiated.

Councilors shared comments on the program and process. Councilor David Knecht was interested in having equitable representation of each property in the process and a sense of public sentiment prior to beginning a study of an area. Councilor George Handley shared ideas on a survey process to gauge opinions and sentiments of residents in a given area. Mr. McGinn commented that the residential parking permit programs were not appropriate in all circumstances, needed to allow flexibility, and that there needed to be a high degree of community buy-in for the program to be successful once enforcement starts. The program can be very divisive in a neighborhood. Mr. McGinn also noted that the initial ordinance and program did not have the advantage of experience, technology, and feedback from recent developments to the program.

In addition to the overall issues in Provo City Code Section 9.80.070 to be examined by the Policy Governance Committee, there were two pending applications for parking permit program requests. Mr. McGinn explained several considerations with regard to the pending applications. A question also rose regarding the Joaquin Neighborhood and whether it should be split (as there had previously been differentiated parking permit programs/requests for distinct north and south areas within the neighborhood). Councilor George Stewart was interested in referring this item to the Neighborhood Advisory Board. Mr. Handley was concerned that he had not heard any proposal from the Joaquin Neighborhood; he wanted to make sure they were central participants in the discussion.

Motion: George Stewart moved to refer Provo City Code Section 9.80.070 to the Policy Governance Committee for review and recommendations. Seconded by George Handley.

Amended motion: Mr. Stewart amended the motion to refer ordinance 9.80.070 to the Policy Governance Committee for review and recommendations with the caveat that Community Development speak with two pending applicants regarding being able to wait until after the program is clarified. Seconded by George Handley.

Councilors discussed the motion. Several felt that it would be better to advance the two pending applications and to work on refining the ordinance in parallel, rather than delay the current applicants.

Mr. Stewart withdrew the amended motion. The Council considered a vote on the original motion.

Roll call vote: Approved 7:0.

At this point in the meeting, the Council returned to item 2 on the agenda. At the conclusion of the meeting, Mr. Strachan thanked Council interns Joseph Hamblin and Abby Woodfield for their work and contributions over the summer. Mr. Strachan also acknowledged that Kelsey Zarbock, Policy Analyst, would be moving to the Finance Division. Mr. Strachan indicated there would be opportunities for Councilors and Council Leadership to participate in the hiring process to fill that vacancy.

Closed Meeting

7. The Municipal Council or the Governing Board of the Redevelopment Agency will consider a motion to close the meeting for the purposes of holding a strategy session to discuss pending or reasonably imminent litigation, and/or to discuss the purchase, sale, exchange, or lease of real property, and/or the character, professional competence, or physical or mental health of an individual in conformance with § 52-4-204 and 52-4-205 et. seq., Utah Code. *None requested.*

Adjournment

Adjourned by unanimous consent.