

MINUTES OF THE CITY COUNCIL MEETING

Thursday, October 25, 2018

**Mt. Olympus Room
4580 South 2300 East
Holladay, UT 84117**

ATTENDANCE:

Mayor Rob Dahle
W. Brett Graham
Steven Gunn - *excused*
Paul Fotheringham
Sabrina Petersen
Mark Stewart

City Staff:

Gina Chamness, City Manager
Todd Godfrey, City Attorney
Stephanie Carlson, City Recorder
Holly Smith, Assistant to the City Manager

1. Welcome and Call to Order – Mayor Dahle.

Mayor Dahle called the meeting to order at 5:42 p.m.

2. Discussion on Cotton Bottom RFP.

Manager Chamness reported that over the past 18 months after the initial terms of the lease with the proprietor expired, staff has looked at issuing an RFP for redevelopment of a restaurant or other potential use.

The Council reviewed a draft RFP. The first section outlines the selection process and criteria. A question was raised about what allows the City to impose additional requirements. Mr. Godfrey explained that it is in the RDA but not owned by the RDA. An owner can sell as much of the property as desired. When the subject property is sold, the City intends to sell it with specific conditions and control it through zoning. He was confident that ultimately the City will end up with a desirable use there. Potential zoning options were discussed. Currently the adjacent properties are zoned LU, which is a very narrow, limited zone. It was suggested the Council identify the desired use and then select the appropriate zone. The selection criteria was reviewed. Ms. Chamness commented that the direction staff has received thus far from the Council was that they are only interested in offers that will satisfy the existing lease. Mr. Godfrey reminded the Council that the property was purchased with a bond and that there are debts on the property that they have to retire. The next step will be to determine the value of the property.

Mayor Dahle pointed out that in the contract the City legally acquired the Cotton Bottom name so it could be part of the RFP.

In Exhibit E the scope of work is discussed. The intent would be to add the requirement to include someone who is sensitive to architecture. The goal would be for whatever is built to be high quality and long lasting. Potential developers expressed interest in restaurant or smaller hotel uses. There had also been interest in developing housing there. Mayor Dahle spoke to interested individuals who would like to repurpose the Cotton Bottom brand by adding onto the existing building or razing it. There was also talk of expanding outdoor seating to align with the walking path. He suggested that housing be added to the second bullet point as being

undesirable. Council Member Petersen agreed. The only type of residential development that seemed to make sense there seemed to be multi-family.

Council Member Petersen did not recommend an office use there due to all of the other office uses surrounding it. Other potential uses were discussed including parking and timing. It was determined to be desirable to repurpose the Cotton Bottom brand.

3. Discussion on Proposed Tree Ordinance.

Mr. Allred presented the updated draft and reported that a nominal review fee was proposed where applicable. Under the new ordinance, the draft proposes that when coming in for a building permit for demolition, the addition to a home that expands the footprint, new construction, reconstruction, or grading a sketch plan would need to be submitted that outlines and describes the trees to be removed and how they will be replaced. The second item involved a resident who raised an issue about whether they would have to supply a Tree Canopy Sustainability Plan to remove a dead or dying tree on a canal bank. Mr. Allred explained that a plan would not be required to remove a dead tree in a canal area. They would simply need to inform the City who would want to verify what condition it is in. The same would apply to a tree in the right-of-way.

Mr. Godfrey's interpretation of the ordinance was that if the tree was in the bank of the canal, they would be required to go through the Planning Commission to remove it. Mr. Allred stated that the ordinance would need to be changed if verbiage to that effect is included in the draft. Specific situations were discussed. Mr. Allred stressed that if someone is not razing a home, building a new one, or expanding a home, trees can be taken down. Even if the other activities are taking place, it may or may not impact any trees on the property.

Mr. Allred stressed the importance of reviewing and protecting riparian trees. He stated that there is now a standard that is applied as part of the review that gives staff leeway when reviewing plans.

Council Member Stewart questioned whether the proposed ordinance will be too onerous on the City. Mr. Allred felt confident that staff can enforce the ordinance and handle the associated workload.

Mr. Godfrey reviewed the proposed fees. It was clarified that there is no fee to remove a tree from the bank of a canal that is dead, diseased, or dying. The penalty for violating the ordinance had not yet been specified. Enforcement issues were discussed. Mr. Allred explained that in a situation where someone puts up a building without a permit, the project can be shut down and their fees doubled. Specific violations were discussed. Mr. Godfrey commented that staff does their best with limited enforcement tools and scarce resources. When the City becomes aware of violations, they are addressed. He questioned whether the Council was interested in imposing an infraction penalty and specifying a minimum fine. If no fine is imposed, it would default to the zoning ordinance, which specifies a Class B misdemeanor.

Mayor Dahle's opinion was that it is a statement being made on the part of the City. He questioned whether the municipality has a role to play in bringing it to the attention of the community and making sure they are replacing the tree canopy as best they can over time. He hoped this was their first attempt to make a statement that the City has a role to play in

acknowledging and helping manage the tree canopy. Years into the future, they will be much better off than they would have been had they done nothing.

Council Member Graham had questions including the proper role of the City, the impact on the canopy, the burden on the applicants, the application process, the cost of enforcement to the applicant, and where the focus should be. He felt there was a difference between undeveloped land where the tree canopy is significant compared to redevelopment area where a home is being razed. He was comfortable with the City being narrow in its focus and uncomfortable being broad. The Mayor asked that he determine whether there is a suggested change to language in the final draft that he would like to propose that they can agree on next week.

4. Discussion on Short-Term Rentals.

Mr. Allred reported that at the last planning conference short-term rentals (STR) were discussed. Sandy City recently adopted a new short-term rental ordinance and policy. They allow a specific number per area that are reflected on a map that shows how many there are. They are licensed and are required to go through a permitting process.

Mr. Allred explained that they are referred to as Locally Unwanted Land Uses (LULU). Rather than only provide enforcement short-term rentals, Sandy City decided to regulate them by licensing them and putting specific rules in place. The issue to be discussed tonight was what the City's policy should be. For the time being, the intent was to turn the current cases over to the City Prosecutor since staff spends an enormous amount of time and effort. Letters of Violation had been ineffective thus far.

Mr. Allred explained that currently in the City they are allowed in the R-2 and RM zones and must be on a wide, busy street. Two bed and breakfasts have been approved and one short-term rental. Staff, however, was aware of around 300 that are operating. A better approach was to implement a process and make them legitimate. Specific instances were described where property owners are converting properties to short-term rentals. Accessory dwelling units were also identified as an issue to be addressed.

In terms of regulating short-term rentals, Mr. Godfrey suggested the Council identify what about the use is objectionable such as the number of guests or vehicles. The intent would then be to address it in an ordinance. It was the consensus of the Council to allow short-term rentals in more than two zones.

5. Discussion on Accessory Buildings.

Mr. Teerlink reported that the last time the issue was discussed, staff was asked to provide clarification on specific issues. One involved the need to create amendments to the definition to address accessory buildings that are attached to a home. The Planning Commission decided that the most restrictive would apply and be defined as an enclosed conditioned space.

It also helps staff and the property owner when the desire is to have an accessory building that is larger than the permitted size on the chart and they don't want to go to the Planning Commission for conditional use approval. The new definition would help staff mitigate that problem. The second issue pertains to the size of detached buildings. There have been instances where accessory building, although intended to be incidental and subordinate to the home, is sometimes much larger than the home itself and could be considered the primary use. Clarifications were

made to the text and would address conditional use approvals for accessory building based upon lot size. The matter was to be on the next agenda for action.

6. Discussion on Pavement Projects for 2018-19.

Ms. Chamness reminded the Council that the budget they adopted in June included a significant one-time contribution for capital projects. At the time, they did not discuss which roads or pavement projects to focus on. Jared Bunch from Forsgren Engineering, was introduced as the new City Engineer.

Mr. Bunch stated that recommendations were sought for the maintenance program with a budget of \$750,000. They first looked at Salt Lake County's conditions index and which roads should be recommended to provide the most value for the money. They identified roads that are getting the highest use in terms of volume and loads. Every road in the City was analyzed and in the process they identified several that were at risk of falling below 55 on the PCI index. If allowed to occur, the cost of repair will increase dramatically. They first recommended chip and slurry seal on a number of arterial and collector roadways. Two streets were identified that Mr. Bunch and his team suggested be overlaid.

The process of selecting roads to be treated first was described. Low cost ways to address road issues was discussed. It was confirmed that the County inventoried every street in the City. Ms. Chamness reported that the cost of the work done by the County was valued at \$12 million. From the list, the streets in the worst condition were identified after which streets were prioritized in order of condition.

In response to a question raised, Mr. Bunch explained that their intent is to address streets in all conditions. For sections that have a crack seal, they are not expected to receive grant money in three years. Ms. Chamness explained that 3900 South has been categorized as an overlay, however, given the volume of traffic, in their discussions with Millcreek the grant proposal is for reconstruction. Beyond the overlay, the grant funds would be used for the addition of storm drain facilities, sidewalks, and all other necessary improvements. Funding details were discussed. It was noted that the bond payments were \$1.1 million per year. The Mayor asked what the cost would be to keep roads in the worst condition from failing completely on a one-time basis and what the annual cost would be to maintain City roads at an acceptable level.

In response to a question raised, Mr. Bunch explained that a chip seal adds about seven years to the life of a road. Pavement generally has a 20-year life span. At some point a road will fail even if chip seal is applied. Council Member Petersen asked what the cost would be to bring all City roads to a 71 rating or better and then maintain them. Mr. Bunch proposed that roads be analyzed annually and that the City have a five-year plan in place. He suggested that roads be evaluated and rescored every two years. Ms. Chamness stated that the County analyzed the City's roads last year and did a visual inspection. The cost was estimated to have been \$10,000. She referenced Table 8 which showed a total cost of \$740,000 for this year. Feedback from the Council was invited.

Council Member Petersen stated that a lot of work was done on roads a few years ago and the Council's intent was to put \$500,000 to \$600,000 into them every year. The problem was that the recession hit and different choices had to be made.

7. City Manager Report.

Ms. Chamness reported that she ended her service on the UTA Board.

a. Financial Report.

Ms. Chamness presented the Financial Report and stated that they are tracking well with the budget. Property taxes will start to be received the end of November and trickle in for the next six months. The final settlement takes place the end of April.

Sales taxes run on a two-month delay. The City was slightly ahead of budget. In terms of building permits and fees, they are at 37% of their revenue goal three months into the year. Ms. Chamness reported that the Justice Court has been tracking well against their revised revenue goals from a few years ago.

b. Project Update.

The Project Progress Report was presented. In response to a question raised, Ms. Chamness stated that Michelle has been designated as the City's Eagle Scout Coordinator. Council Member Petersen asked that a report of available projects be provided to the Council.

Mayor Dahle asked that at the end of each month, the Council be given the UPD and UFA data in terms of activity.

8. Council Reports & District Issues.

Ms. Chamness reported that the school crosswalk lights for 5600 South and Woodcrest and 3300 East and Birch came in earlier in the week and will be installed in the very near future. Other pending projects were identified.

Council Member Fotheringham reported that in his capacity on Mosquito Abatement Board, he learned that in some cases an RDA can create an interlocal agreement or a Tech Committee. Mr. Godfrey offered to provide him with statutory references. He explained that changes to the law over the past two or three years have altered the way some are looked at. Sometimes it is based on the kind of project area created and whether there is a community reinvestment or traditional redevelopment area.

Council Member Fotheringham reported that the Youth City Council is hosting the Trunk or Treat event scheduled for Tuesday, October 30 at 5:30 p.m. He and the Mayor also met with UFA Platoon C at a local restaurant. They were pleasantly surprised when another guest paid their check and thanked them for their service. He was happy to do it every month or share the experience with anyone who is interested. The next gathering was scheduled with Platoon B on November 17.

Council Member Fotheringham reported that the previous weekend the New Knudsen Park was crowded with happy citizens and dogs. People were very complimentary of the park, which will be very busy.

Council Member Stewart recently spoke with a Fardown Avenue resident about speeding. The resident had also been in contact with the Mayor and was under the impression that no action had been taken. Council Member Stewart informed her that the Mayor brought her concerns up at the meeting and they were being addressed with additional patrols planned. She asked to wait one month and report back if there is no improvement.

Council Member Petersen stated that she has been contacted by a resident who complained about traffic on Valley View Avenue. Mayor Dahle commented that there have been complaints about speeding throughout the City. The next step was to increase enforcement.

Council Member Stewart stated that numerous people have reached out to him to compliment the City on the park.

Council Member Petersen commented on a very tall building near Locust Lane that is very close to the road. Mr. Allred noted that the building is in the HV zone and they were allowed to build to the property line. It was noted that graduated height does not apply. Council Member Petersen was very upset by it and described it as “grotesque”. She had also received numerous calls about it and wanted to make sure it is in compliance.

With regard to Knudsen Park, she had received positive emails. People love it and it is well used. Upkeep suggestions she received were to control trash better. Ms. Chamness stated that currently trash is collected daily. A locking trash container may need to be placed on site to control what is deposited there. Council Member Petersen suggested that an additional trash can be placed near the playground. It was noted that the bathrooms will be open in the spring. She was pleased with how much the citizens were enjoying the park. When visiting the park, she noticed that several dogs were off leash. She suggested that a sign be posted listing park rules.

Mayor Dahle informed the Council that Riverton City is withdrawing from the UPD. The UPD is now looking at pooled services and the ratio of how they are broken down and allocated to the cities, which has always included a valuation component. The intent was for the higher valued areas to share the cost. All agreed that it makes no sense to include that as part of a breakdown and may be eliminated. The Mayor will encourage them to look at the pooled services component and start from scratch rather than decide what to cut out to make sure there is no impact to their economies from Riverton’s withdrawal. He suggested they analyze what is needed to support the direct delivery of police services. That was expected to occur over the next six or seven months but they need to make sure that the model is as strong, efficient, and cost effective as it can possibly be. The Mayor estimated that the City’s pooled services component is about \$1.2 million. When the valuation was pulled, Holladay’s portion decreased by \$108,000. When calls for service were changed it was reduced by \$250,000. He acknowledged that it is a significant number.

9. Calendar – Schedule of Upcoming Meetings.

- History Night – November 15
- Interfaith Council – November 18
- Tree Lighting – Monday, November 26

10. Closed Session pursuant to Utah Code Section 52-4-204 & 205 to Discuss Personnel Issues, Potential Litigation and Property Acquisition and Disposition – (If needed).

There was no Closed Session.

11. Adjourn.

Council Member Stewart moved to adjourn. Council Member Fotheringham seconded the motion. The motion passed with the unanimous consent of the Council. The Council Meeting adjourned at approximately 8:20 p.m.

I hereby certify that the foregoing represents a true, accurate and complete record of the Holladay City Council work meeting held Thursday, October 25, 2018.

Stephanie N. Carlson, MMC
Holladay City Recorder

Robert Dahle, Mayor

Minutes approved: **January 17, 2019**