



PROVO MUNICIPAL COUNCIL

Work Meeting Minutes

1:00 PM, Tuesday, November 13, 2018
Room 310, Provo City Conference Room
351 W. Center Street, 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
Council Member Kay Van Buren
Council Member David Sewell
Council Member David Knecht
Council Member George Stewart
Council Member George Handley
Mayor Michelle Kaufusi

Prayer

The prayer was given by Councilor Kay Van Buren.

Business

Mayor Michelle Kaufusi and Wayne Parker, CAO, provided an update on the results of the General Obligation Bond election. In Utah County, there were 27,000 ballots which had not yet been counted. Of these, 18,000 were provisional ballots, which must be counted after the other ballots. There would be another release of results on Friday, and one more before the Canvass on Tuesday, November 20, 2018.

1. Approval of minutes

Councilor David Harding suggested several revisions to the minutes of the Joint Housing and Zoning Committee Meeting on October 25, 2018. *Approved by unanimous consent.*

2. A report from Downtown Provo, Inc. (18-027) ([0:09:26](#))

Quinn Peterson, Downtown Provo, Inc. (DPI) Director, presented an update on Downtown Provo. Mr. Peterson highlighted some of the primary goals of the organization: residential awareness, tourism awareness, creating a space, and strategic growth. He saw their role as that of filling the gaps, facilitating conversations, and connecting the dots. Mr. Peterson highlighted recent and current projects and initiatives of Downtown Provo:

- Utah Valley Express (UVX) station artwork
- Monthly events: First Friday Art Stroll, Link'n Lunch, monthly murals
- Focus on membership
- Updated Restaurant Guide and plans to release an entertainment guide
- Weekly emails (highlighting noteworthy events and other downtown news)

- Events and initiatives: Shop Hop, Small Business Saturday, Bikes and Trikes, Halloween and downtown trick-or-treating, Instagram takeover, t-shirt exchange program, Christmas lights
- LED light display installation (to help combat the misconception of perceived vacancies)
- Construction advocacy (helping downtown businesses navigate ongoing UVX and other downtown construction and the impacts to their businesses)
- Upgrading downtown kiosks to solar-powered lighting
- Adding additional string lighting to improve and extend that program and to continue to promote the walkability and attractiveness of downtown

Mr. Peterson emphasized the constantly changing nature of the organization and the groups it serves. Much of what they do is difficult to quantify, as it relates to building relationships and facilitating the success of downtown businesses. Their rotation of events and marketing techniques are ever-changing in order to meet the needs and demands of the shifting downtown landscape.

Councilors complimented Mr. Peterson on the great work he was doing. Councilor George Stewart said that he had been involved with downtown since 1994 and he had never seen anything like this; he felt Mr. Peterson has done an incredible job. Other Councilors shared comments and feedback and asked for additional insight from Mr. Peterson. Mr. Peterson expressed that the two biggest concerns to businesses downtown were parking and panhandling. He looked forward to working with the City's new Parking Coordinator; it will be imperative for future growth to manage parking well. Mr. Peterson felt that construction was a bigger current issue than panhandling, but that many of the businesses that are struggling were not very involved with the Downtown Provo organization. His sense was that the businesses engaged and involved were doing well in weathering the construction impacts. Councilor David Knecht encouraged DPI to involve the residents as more residential units were built downtown.

Mr. Peterson is a member of the Design Review Committee and he works closely with developers working in the downtown area. He hoped to continue this positive trajectory and to continue to build the organization with slow, steady growth. Mr. Peterson elaborated on the main funding sources for DPI:

- BYU and PEG Development are both \$10,000 donors. This has also helped facilitate more collaboration with BYU and PEG and to provide feedback in both directions.
- Income from UTA passes, advertising, banner space, and other programs
- Mr. Peterson submits a report to Provo City Economic Development, outlining the sponsorship and support DPI has received; Provo City matches this dollar-per-dollar up to \$75,000.

Mr. Peterson emphasized how these funding sources were critical to the success of DPI and the many services and functions they provide. *Presentation only.*

3. A presentation on OnBase, the Council's new agenda management software (18-095) ([0:47:56](#))

Elizabeth VanDerwerken, Council Executive Assistant, presented the OnBase Agenda Management program and explained it would replace SIRE Public Access. She shared several slides illustrating where information on the old system could be located in the new system. The public access site has been switched over to the new software and the old site has a link to redirect users to the latest information. Ms. VanDerwerken showed the two sites comprising OnBase Public Access Viewer:

- agendas.provo.org, which displayed Council meeting agendas and materials
- documents.provo.org, which displayed a search function for various public documents

She highlighted the differences between the sites, demonstrated use of the sites, and noted that all historic meeting data had been converted and transferred to the new agenda site. SIRE Public Access would remain live for the time being, as other City departments completed their Provo 360 transitions.

Ms. VanDerwerken responded to questions and comments from several Councilors regarding the site and several elements which required additional tweaks to resolve outstanding issues. Ms. VanDerwerken explained that a mobile app was available at this time for iPad devices only; future upgrades of OnBase would expand that functionality to other iOS platforms. Ms. VanDerwerken explained that document links would remain static and illustrated additional functionality of meeting materials. Ms. VanDerwerken received several additional items to resolve, including the titling of supporting documents. Cliff Strachan, Council Executive Director, suggested that Councilors pass on any errors or concerns to Council staff so that they could be quickly resolved. *Presentation only.*

4. A discussion on a proposal related to Neighborhood Housing Services of Provo and homes purchased with CDBG/HOME Dollars (18-076) (1:06:24)

David Walter, Redevelopment Director, introduced this item. Mr. Walter highlighted some of the past history with NeighborWorks of Provo and the institutional history with Provo City, including a review of housing developments built by NeighborWorks. Mr. Walter outlined the financial challenges which impacted NeighborWorks with the 2008 housing market crash. Mr. Walter outlined the proposed terms of the loan repayment and how the units in question would be maintained to meet the affordability requirements for HUD (Department of Housing and Urban Development) grant-funded projects. Mr. Walter and RDA staff felt it reasonable to amend these contracts in order to move forward with NeighborWorks and HUD; NeighborWorks has been an important partner for Provo City and this was an important step to mend the relationship.

Councilors shared comments and thoughts on the subject, including the importance of making clear the expectations for all parties involved. Sharlene Wilde, NeighborWorks Director, shared comments, including noting the improvement of communications and the relationship between the RDA and NeighborWorks. Ms. Wilde was appreciative of the moves in a positive direction.

Motion: David Harding moved to request that Redevelopment staff make amendments to the contracts and documents to implement the changes discussed and to bring the item back to a future Council Meeting. Seconded by David Knecht.

Vote: Approved 7:0.

5. An update on the Interim Transportation Oriented Development (ITOD) zone as it relates to The Mix (18-097) (1:45:05)

Dixon Holmes, Economic Development Director, invited Bill Peperone, Community Development Assistant Director, to share updates on the ITOD zone. Mr. Holmes noted that this discussion related to The Mix, but he wanted to allow Mr. Peperone an opportunity to provide the Council with an update.

Mr. Peperone highlighted several ITOD zones adopted in 2009 and asked the Council whether they felt that the projects were delivering as hoped. If these projects were not delivering in the ways expected, he asked what could or should be changed in future occasions. Mr. Peperone expressed that staff were satisfied with the results, and he highlighted several such projects:

- Carson Corners on Freedom Boulevard and 500 South
 - Stacked condos designed with a brownstone walkup appearance
 - Mike Miller, a former firefighter and creative developer, did this project. Mr. Peperone expressed that he was willing to consider staff feedback; the end result was a great project.
- Startup Crossing on Freedom Boulevard and 600 South
 - Mr. Peperone highlighted the building form, massing, scale, and materials.
 - The parking at Startup Crossing generated some negative feedback. Mr. Peperone explained parking requirements at that time and what had changed. He noted that there was

a recent incentive for developers to provide more amenities (such as on-site bicycle repair stations and secured bicycle parking) in exchange for reduced on-site vehicle parking requirements has been very well-received by the development community.

- Central Park Station on 500 South

Mr. Peperone outlined several elements of the ITOD zone, including architectural requirements and design standards. Councilors shared comments and feedback. Councilor David Harding commented on granularity and the flexibility this allows to an area. Mr. Peperone noted that ITOD provides granularity to the degree that it allows a greater mixture of housing types and offerings, including commercial uses. He suggested that a fine-grained mixture of housing types could be very successful. Mr. Peperone also noted that the first of the projects utilizing bicycle amenities in exchange for reduced parking requirements was still in progress; this project was located closer to BYU campus and was geared to married students. The hope was that this project would both relieve housing pressures in areas farther from campus as well as reduce the demands for on-street parking from those residents.

Mr. Peperone explained that he was not yet sure what The Mix would request for the composition of their ITOD zone. Commercial uses would be limited to 2500 square feet in the ITOD zone; to bring in a larger commercial use, they would have to amend the zone. Mr. Peperone explained that ITOD commercial spaces were designed to be an amenity to the immediate community, as opposed to being designed attract a broad clientele. Mr. Peperone outlined some of what the developer was willing to do in order to accommodate their request for a zone change, including implementing 10% of units at 60% AMI. Councilors commented on this project and the potential outcomes.

Mr. Peperone noted that comparing projects was inherently challenging and problematic, due to the uneven nature of such comparisons. For example, he explained that the University Place project involved large tax incentives, which mitigated land costs for the developers.

Wayne Parker, CAO, elaborated on some of the policy considerations at hand; The Mix had explored adjusting the proportions of the project dedicated to commercial and residential spaces, hoping to shift some of their intended office space to more residential space. Mr. Parker asked whether the Council were confident in pre-zoning the residential component as ITOD. Mr. Holmes added to this policy discussion, noting that the property was zoned SC3 at the present time. He highlighted several elements of the developer's proposal and explained that the Planning Commission had suggested that the ITOD zone would be more appropriate for this project, what with its proximity to the UVX line.

Councilor George Handley asked why more residential space was preferred over having more commercial space. Mr. Holmes explained that with a large proportion of retail, there was a greater risk to the developer that the project may not be sustainable. In their initial proposal, the developer had proposed more retail space, but as they have had difficulty attracting sufficient commercial interest in those retail spaces, they have re-evaluated the mixture. Mr. Knecht expressed his support of the developer's request. Councilor Gary Winterton asked whether a zone change to ITOD would make the ground more valuable. Mr. Holmes expressed that he felt the developer was motivated to execute a great project, regardless of the change to the land value based on the zoning. Mr. Peperone added that he felt access to the property had been greatly improved, which would also contribute to the success of the project.

Motion: George Stewart moved to direct staff to prepare a rezone from SC3 to SC2 and ITOD and to begin the process of moving this forward for approval. Seconded by David Sewell.

Mr. Harding shared a comment regarding design standards and certain areas of the project; he welcomed a review of these, although he was supportive overall of the direction.

Vote: Approved 7:0.

6. A comprehensive update on items from Economic Development (18-094) (2:38:08)

Dixon Holmes, Economic Development Director, presented, with assistance from his staff members, Management Analysts Chad Thomas and Cameron Christensen. Mr. Holmes highlighted current projects and initiatives of the department, as well as other noteworthy items:

- Grand opening events for Target Express near BYU, Rev Road (small business incubator space), Cafe Rio, and other projects including the Days Market remodel, Parkway Village and new intersection on University Parkway, Riverwoods' 20th anniversary, and new businesses locating to the Riverwoods
- New development heat map, illustrating tenant improvements and businesses moving into Provo
- EDCUtah business climate survey
- Opportunity zones program
- Revolving loan fund (rotating \$100,000 fund for small business loans)
- Improvements and developments in Mountain Vista business park: Vanderhall, Nu Skin, Maple Mountain Product Fulfillment Center, and other new tenants
- Mountain Vista EDA (U.S. Economic Development Administration) grant
 - \$1.8 million to construct a road connecting the Mountain Vista traffic circle through the business park to 1400 North in Springville
 - Project would open up approximately 65 acres of additional development in the area

Chad Thomas, Management Analyst, shared updates on recent and upcoming downtown developments:

- Opening of Hyatt Place Hotel and positive impacts for Convention Center and surrounding area
- PEG Development Freedom Commons
- Residential properties at 200 Cityview, former OZZ and former Laser Assault properties
- Public art and Downtown Provo, Inc.
- Conceptual project: University Towers adjacent to Knight Block
- Parking structures downtown
- EPA brownfields assessment grant to rehabilitate contaminated properties

Mr. Holmes shared additional developments:

- Qualtrics was recently acquired for \$8 million in cash. This was very exciting for a business started in Provo; while their future was uncertain, Mr. Holmes expressed a hope that they would choose to remain located in Provo.
- Recognition of Provo City Economic Development at a national conference in Atlanta, GA
- Redevelopment at Provo Towne Centre Mall and opening of Residence Inn
- Ross and progress with other tentative East Bay tenants
- Development on the west side of Provo
- Update on the medical school and student housing proposal
- Duncan Aviation, which would begin their first jet service in January

Mr. Holmes shared additional context for many of Economic Development's policy direction, including data that illuminated critical information about Provo. Provo is the 3rd largest city in Utah and yet it ranks 13th in total taxable sales in the state. There is a great disparity in the median income and poverty rate in Provo versus that of Utah County more broadly. Mr. Holmes explained that Provo City could probably close more deals by offering financial incentives more often, however Provo has been very intentional in exercising restraint with such incentives. Mr. Holmes explained that he and his staff would always share their recommendations based on their analysis and data, and to allow the Council to

consider the various options. While complex, Mr. Holmes explained that larger commercial ventures typically involve some degree of funding or tax incentive.

Councilors discussed the data shared by Mr. Holmes and shared related comments. Several noted that Provo Power remains an important revenue source for the City, which provides a great deal of stability to the City's overall revenues. *Presentation only.*

Administration

Policy Items Referred from the Planning Commission

- 7. A discussion on an ordinance to amend the Zone Map Classification of approximately 5.89 acres of real property, generally located at 1437 East 2300 North from Public Facilities (PF) to Residential Agricultural (RA). Rock Canyon Neighborhood (PLRZ20180239) (3:23:01)**

Aaron Ardmore, Planner, presented. Mr. Ardmore explained that the applicant has adjusted their application to request the RA zone (as opposed to the previously requested A1 zone). The applicant has also sought to alleviate concerns by providing a development agreement that removes animal rights which would have been permissible in the A1 zone and conditional uses for certain commercial operations.

Brian Jones, Council Attorney, noted that the Work Meeting materials included an incorrect version of the development agreement; the correct version of could be located in the Council Meeting materials. *Presentation only. This item was already scheduled for the Council Meeting on November 13, 2018.*

Closed Meeting

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.

Council Attorney Brian Jones indicated that there were two items which met the statutory requirement for a closed meeting of the Redevelopment Agency Governing Board.

Motion: George Handley moved to adjourn the Work Meeting and to reconvene in a Closed Meeting as the Redevelopment Agency Board. Seconded by David Harding.

Vote: Approved 6:0, with Councilor George Stewart excused.

Adjournment

Adjourned by unanimous consent.