



PROVO MUNICIPAL COUNCIL

Joint Meeting with the Orem City Council

12:00 PM, Thursday, January 31, 2019

Room 310, City Conference Room

351 W. Center Street, Provo, UT 84601

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

Roll Call

The following elected officials, staff members, and guests of Provo City and Orem City were present:

Council Chair David Harding, conducting	Camille Williams, Assistant City Attorney
Councilor Gary Winterton	Orem City Mayor Richard Brunst
Councilor David Knecht	Brent Sumner, Orem City Councilor
Councilor David Sewell	Debby Lauret, Orem City Councilor, excused early
Isaac Paxman, Deputy Mayor	Sam Lentz, Orem City Councilor, arrived 12:16 PM
Cliff Strachan, Council Executive Director	Jamie Davidson, Orem City Manager
Wayne Parker, CAO, arrived 12:17 PM	Brenn Bybee, Orem Assistant City Manager
Mayor Michelle Kaufusi, arrived 12:19 PM	Robert Vernon, CEO Provo City Housing Authority
Hannah Salzl, Policy Analyst	Michael Brown, Burlington Consultants
Elizabeth VanDerwerken, Executive Assistant	Sarah Bateman, Orem resident

Excused: Councilors Kay Van Buren, George Handley, and George Stewart

The prayer was given by Orem City Mayor Richard Brunst.

Business ([0:08:20](#))

Mayor Richard Brunst announced the City of Orem was honoring their centennial celebration.

Council Chair David Harding introduced several discussions related to issues of concern to elected officials and residents across the State of Utah. As Provo City has considered many of these issues, the Provo City Councilors were interested in hearing from Orem City officials regarding some of the approaches they have taken in addressing these various concerns.

1. A discussion on a community land trust ([0:10:29](#))

Mr. Harding introduced the discussion and Councilors shared comments on the topic. Mr. Harding asked Orem officials what their interest was in exploring a community land trust.

Mayor Brunst shared details from a meeting he had with Utah Senator Mike Lee; as a senator, Senator Lee gets a great deal of interest from his constituents about affordable housing. Senator Lee was exploring federal land for community land trusts (CLT) in Utah for affordable housing. Mayor Brunst was interested in learning more as the conversation progressed.

Orem Councilor Debby Lauret shared that Kirby Snideman, Orem City Planner, was working on an affordable housing study. Jamie Davidson, Orem City Manager, explained that housing affordability was one of four areas of focus identified by the Orem Council. The discussion briefly turned to other mechanisms such as inclusionary zoning, and the point of view of developers with regards to CLTs. Mr. Harding invited comments from Robert Vernon, CEO of Provo City Housing Authority (PCHA). Mr. Vernon introduced Michael Brown of Burlington and Associates in Bozeman, Montana. Mr. Brown has been engaged by PCHA to help start their CLT; Mr. Brown and his firm have started up and consulted with over 100 land trusts nationwide. He highlighted several elements of CLTs and answered questions from the group, including:

- A CLT protects the affordability of a home far into the future, as the terms of the CLT restricts the price at which the owner can sell the home.
- CLTs allow the owner to keep the equity on the property, while putting a cap on the market influence on the selling price. The intent is to provide balance between these equally important but competing goals.
- Stewardship and providing access to the resources that people need to be successful are key elements and fundamental principles of a CLT.
- The CLT retains ownership of the land, which is leased to the homeowner at a small monthly fee or ‘ground lease.’
- Nationwide, the average length of home ownership in a CLT varies, depending on resale strategies, how expensive the housing market in a given location is, etc.
- Cities are able to contribute money or land to a CLT; resources must first be put into place for the CLT to then manage affordability.

Mr. Vernon indicated that he and others are happy to talk with Orem City officials on other questions they may have. Mr. Vernon highlighted an event sponsored by the Utah Valley Chamber of Commerce the following day which would address CLTs.

Before the next item, the group sang ‘Happy Birthday’ to Orem, which was originally known as the ‘Provo Bench.’

2. Discussion and Questions for Orem City Officials on Policy Issues

- *Short-term rental and Airbnb policies* ([0:46:32](#))

Orem officials expressed that this was certainly a concern in Orem; for some individuals who are disabled or widowed, short-term rentals provided valuable income sources. Other neighbors struggle with the traffic and parking of rental guests. Orem officials expressed that enforcement would be a challenge in Orem. Councilor David Knecht indicated that in Provo, short-term rentals were only permitted in areas where hotels and motels are permitted.

Orem Councilor Sam Lentz shared his feeling that the more onerous it is to comply with the laws and policies, the less-inclined many people are to follow the proper course for licensing and regulation. He asked how to incentivize people to comply with the law and follow the right process, while balancing these competing interests. The group discussed this topic and shared additional comments on the subject.

Mr. Harding gave additional background on where Provo was in the process of examining this issue; the Council's Zoning Committee had considered vendors that license and manage short-term rentals, but he acknowledged the significant policy discussion still to take place on how to balance those interests and what makes sense for the overall community. Short-term rentals do have an impact on first-time home buyers and the costs of regular rentals, but they are also very convenient and a great community service that some segments of the community utilize.

Mr. Lentz asked whether any locations in the United States have tried to charge a hotel tax on short-term rentals. He was also curious whether short-term rentals affect property tax assessment and whether an owner forfeits part of the 45% discount on a primary residence. Mr. Harding expressed interest in those answers once Mr. Lentz had found more information. Mr. Davidson indicated that when a user registers with Airbnb, their terms of service accounts for a transient room tax and distributes this to the tax commission. He thought VRBO had a similar arrangement.

- ***Ranked choice voting*** ([1:09:20](#))

Mr. Harding introduced this topic and shared some background information on ranked choice, or instant-runoff, voting (RCV). Members of the group shared comments, including:

- Mayor Brunst shared background on cities that have used RCV in the last several decades and how that has played out. The Orem Council voted against moving to RCV and he was not currently in favor of such a change.
- Mr. Knecht felt that the current iteration of RCV could be improved upon, such as revising the method to factor in a point-based ranking or a primary with point-based ranking. Mr. Sewell observed that many sporting events are scored that way.
- Mr. Lentz shared several benefits: improved representation, have more civil campaigns, and potentially saves money by eliminating primary; as well as several cons of RCV: by not having a primary you could reduce vetting/voters might not learn something as soon in the campaign process, voter education and a complicated learning curve, and a learning curve for election officials for new equipment and new processes.
- Orem city council positions are all at-large rather than districts, which was a key factor.
- Mr. Winterton had serious concerns and felt that more discussion was needed.
- Mr. Sewell felt that the political climate at present was such that there were many benefits—one was that RCV discourages mud-slinging and promotes civil campaigns. He hoped the legislature would add the option to utilize RCV for a primary only.
- Mr. Harding noted that the Legislature was making adjustments to RCV with House Bill 35 and he felt it was a conversation worth continuing.

- ***Affordable housing resolution*** ([1:23:02](#))

Mr. Harding introduced the last item on the agenda, sharing details of the presentations by The Housing Gap Coalition with the Salt Lake Chamber and the affordable housing resolution which they have asked cities throughout the Wasatch Front to support. Mr. Davidson explained that they had approached Orem but the Orem Council did not have the Chamber present on the topic; he and others in Orem had significant reservations with the manner in which the Salt Lake Chamber was forwarding this legislative platform. Orem officials had concerns with the modifications the Chamber supported with the 50-50 tax calculation as well as the motivations at play.

Mr. Harding explained that Provo went through a several-month process of reviewing and adjusting the language contained in the resolution, which essentially expressed the City's desire to consider affordable housing and the impacts to affordable housing for other decisions. What Provo City adopted was a recognition of the human side of affordable housing and an acknowledgment that it is a statewide issue. Provo's resolution essentially stated that the Council supported those measures across Utah County, and it made no comment on the sales tax issue.

Mr. Lentz shared a comment about affordable housing versus general housing affordability, which he felt was a broader goal of helping individuals across the financial and housing continuum to process wherever they are currently at. Councilors shared comments on the broader topic.

Mr. Harding asked when the group would plan to meet next; both Councils discussed aspects and benefits of the frequency of their meetings. It was suggested that having two standing meetings would not limit other opportunities to meet should a specific discussion or need arise.

Adjournment

Adjourned by unanimous consent.