

**MINUTES OF THE
HOLLADAY CITY COUNCIL MEETING**

**Thursday, June 13, 2019
Mt. Olympus Room
4580 South 2300 East
Holladay, UT 84117**

BRIEFING SESSION - 5:30 p.m.

ATTENDANCE:

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

City Staff:

Gina Chamness, City Manager
Todd Godfrey, City Attorney
Stephanie Carlson, City Recorder
Jayme Blakesley, Legal Counsel

Mayor Dahle called the Briefing Session to order at 5:40 p.m.

Cory and Scott from Blu Line Design went over the design presentation for the terrace. The slope was the biggest issue and with the stepped seating that was the best way to work with the slope.

Council Member Gunn felt it was not an efficient way of using the space and provided no flexibility.

Council Member Stewart commented that he doesn't see this utilized and that the amount of money being spent on this is more than what was spent on the eight acres at Knudsen park. He also noted the loss of parking which is really needed.

Council Member Petersen argued that this is the final piece of City Hall park, which for years has been done in phases. This offers something different in terms of use of space and is money well spent.

Next, Jon Jensen was introduced as a candidate for the Arts Council. He has been in Holladay for seven years and works as a product designer and artist/painter. He is excited to work with the Arts Council, be involved and give back to the community.

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**Thursday, June 13, 2019
City Council Chambers
4580 South 2300 East
Holladay, UT 84117**

Council Meeting 6:00 p.m.

ATTENDANCE:

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

City Staff:
Gina Chamness, City Manager
Todd Godfrey, City Attorney
Stephanie Carlson, City Recorder
Jayme Blakesley – Legal Counsel
Paul Allred, Community Development Director

I. Welcome – Mayor Dahle.

Mayor Dahle called the meeting to order at 6:08 p.m.

II. Pledge of Allegiance.

The Pledge was led by Eli Pingree.

III. Public Comments.

Dan Gibbons – 6289 Howey Dr. He thanked the Council for Knudsen Park. It is a great park and it was wonderful to see the vision the city had years ago come to fruition.

IV. Consideration of Ordinance 2019-11 Amending the Budget for the Fiscal Year Beginning July 1, 2018 and Ending June 30, 2019.

Manager Chamness reviewed the amendments that were recently added including Knudsen Park for the construction of a turnaround for large vehicles and a maintenance shed, the payment to Cottonwood Heights for the Justice Court and sales taxes from Sequoia Development was higher so the payment to the developer will be greater.

Council Member Gunn moved to adopt Ordinance 2019-11. Council Member Graham seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Ordinance 2019-11 was adopted by a unanimous vote.

V. Consideration of Ordinance 2019-12 Determining the Rate of Tax for 2019 Tax Year and Levying Taxes Upon all Real and Personal Property Within the City of Holladay).

Manager Chamness reported that the City's Certified Tax Rate came in at .001235, which generates expected new growth of \$47,737.

Council Member Petersen moved to adopt Ordinance 2019-12. Council Member Stewart seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Ordinance 2019-12 was adopted by a unanimous vote.

VI. Consideration of Ordinance 2019-13 Adopting a Final Budget for Fiscal Year 2019-2020.

Manager Chamness went over changes to the tentative budget. In the General Fund an adjustment was made was to increase what was proposed in the Tentative Budget for an Emergency Manager who would be employed by UFA and available to the City. She proposed this person work one day per week. To ensure that that position has the support of UFA, she was proposing to take it from one day per week to two. Doing so will increase the expense from \$18,000 to \$36,000. In the first year the employee will be responsible for developing an Emergency Response Plan and a Continuity of Operations Plan for the City.

Manager Chamness reviewed changes to the capital projects budget. The first is the addition of \$50,000 for the construction of a turnaround and a small maintenance shed at Knudsen Park. The Council also appropriated \$100,000 to update the roof this fiscal year but due to delays the contractor could no longer guarantee that the work would be completed by July 1. As a result, the project was delayed and she recommended the funding be shifted from this year to next year.

With respect to the \$350,000 reserved for the Terrace in the Tentative Budget and based on previous conversations, Manager Chamness added \$150,000 to the budget and another \$60,000 was added to redesign and construct the southern end of the parking lot.

Manager Chamness reported that she met with the County Public Works Operations Director to discuss their plan for next year. His view is that work such as Highland Drive would be external to the contract. The reason for that is that they do not have the staff or the equipment to do a large project in a timeframe that would be acceptable. She reached out to Millcreek and while they shared the same concern with Highland Drive, 1300 East is a bigger priority. It would be problematic for the City to do an overlay just on the Holladay side. Millcreek stated they would reconsider focusing on a section of Highland Dr between 3900 South and 4500 South as the worst in terms of drive-ability but feels it should be timed with water main improvements being done by Salt Lake City. She suggested setting aside \$325,000 for overlay in that section. That would be a signal to Millcreek that this is a priority for Holladay and encourage them to find funding.

A question was raised as to whether the cost per mile is equivalent when private contractors are used rather than the County. Manager Chamness' experience was that contractors are less than the County. Council Member Graham commented that the County is becoming a difficult partner. Manager Chamness also noted the legislative intent language that has been added as a footnote with regard to the contract with Salt Lake County.

With respect to the Capital Projects Fund, Manager Chamness expects to underspend by at least \$550,000 and this current year they planned to spend \$225,000. Those changes produce an expended fund balance at the end of this year of \$5 million. Mayor Dahle asked that funds be added for bike racks. Council Member Petersen suggested they be placed in other areas as well if there are sponsorships.

What is in the budget is \$500,000, which will cover the full buildout of the plaza in the upcoming year. That is an increase from the \$350,000 that was originally proposed.

Council Member Gunn moved to adopt Ordinance 2019-13. Council Member Petersen seconded the motion.

Council Member Graham was pleased with the plan for the Terrace. He commented that it is a significant improvement of the space and will make the building much more attractive. He

commented on the financial position of the City with \$5 million in the Capital Fund but \$70 million of deferred maintenance, which means they are significantly in the negative. In addition, they do not have a funding mechanism for the remaining \$65 million. That weighed heavily to him. The two main points in his opinion were scope and timing.

Council Member Stewart's position remained the same and was similar to Council Member Graham's. He does not see the expense warranting the cost as it will not be utilized. He reiterated that this would be the largest amount of money in the nearly four years he has served on the Council being put toward a single project in any parks excluding money received from other sources.

Council Member Gunn reported that former Council Member Lynn Pace reached out to him. His position was that each year the Council has tried to set aside money for a project that is unique and that will benefit the citizens. This year they have an opportunity to use excess fund balance for a project like the Terrace. He has the same concerns as Council Members Graham and Stewart. He had difficulty seeing the purpose other than the aesthetic finishing of a project that has been in the works. He did not, however, believe that was reason enough to spend \$500,000. Reluctantly, he could not support the project.

Mayor Dahle supported fully funding the project and doing it now. He thought it was unfair to punish the citizens since they have received a great deal in the form of grants to this point. If they had taken the course outlined by Council Member Graham, they would not have been able to complete any projects because the liability on the books has been ongoing since the inception of the City. That needs to be balanced when considering critical projects each year. For that reason, he was in supportive of the project. He suggested the Council consider returning the budget item back to the \$350,000 level as a placeholder to further discuss the matter when Council Member Fotheringham is present and to determine if there is a way to move forward.

Council Member Petersen agreed with the Mayor and Council Member Fotheringham and voiced her support. The Council believed in the project enough to put forward a plan and he would not want it to fail completely after all that has been invested. She would very much appreciate being able to go back to the \$350,000 placeholder and continue the discussion. She would like to explore the possibility of phasing the project or scaling it down.

Council Member Stewart stated that they included a placeholder in the budget last year. He pointed out that last year it did not have support either. Manager Chamness explained that it was appropriated into a reserve account. This proposal would be to do the same thing so at the end of the year, it would be retained in fund balance but would be marked for the terrace.

Council Member Graham hoped to see the City develop a plan and consistently look at the financial position and the revenue sources available to be in a position that they can plan projects because they have more flexibility. Timing was important him and he supported adding \$350,000 to the Reserve Account.

Council Member Stewart agreed recognizing that the face of Council will change in the coming months. His position was that now is a good time to take care of the budget and be more fiscally conservative.

Council Member Petersen made a substitute motion to adopt Ordinance 2019-11 with the following amendment: to take the \$500,000 for the Terrace Project down to \$350,000 and move it to the Reserve Fund earmarked for the Terrace. Council Member Gunn seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Ordinance 2019-13 was adopted by a unanimous vote.

VII. *Consideration of Ordinance 2019-13 Adopting a Final Budget for Fiscal Year 2019-2020.*
Council Member Gunn moved to adopt Ordinance 2019-13. Council Member Petersen seconded the motion.

Council Member Petersen made a substitute motion to adopt Ordinance 2019-11 with the following amendment: to take the \$500,00 for the Terrace Project down to \$350,00 and move it to the Reserve Fund marked for the Terrace. Council Member Gunn seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Ordinance 2019-13 was adopted by a unanimous vote.

VIII. *Consideration of Resolution 2019-17 Granting Advice and Consent of the City Council for the Appointment of a Member to the Arts Council.*

Council Member Stewart moved to approve Resolution 2019-17 appointing Jon Jensen. Council Member Graham seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Resolution 2019-17 was approved by a unanimous vote.

IX. *Consideration of Resolution 2019-18 Authorizing the Mayor to Execute an Agreement with Salt Lake County for Animal Control Services.*

Council Member Gunn moved to approve Resolution 2019-18. Council Member Petersen seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Resolution 2019-18 was approved by a unanimous vote.

X. *Consideration of Resolution 2019-19 Approving an Interlocal Cooperative Agreement with Cottonwood Heights and Millcreek for Sustainability Services.*

City Attorney Todd Godfrey proposed some amended language for Section 3 –Compensation:

1. Fill in the blank with \$10,000for the initial fiscal year;
2. Add after increased “for any future fiscal year”;
3. Remove the word “endeavor”;
4. Change the date from the 10th to the 15th.

Council Member Petersen moved to approve Resolution 2019-19 based on the amendments to Section 3 as per City Attorney. Council Member Graham seconded the motion. The Council roll call vote was as follows: Council Members Graham, Petersen, Gunn, Stewart and Mayor Dahle in favor. Resolution 2019-19 was approved by a unanimous vote.

XI. *City Manager Report* – Gina Chamness.

Manager Chamness reported on the water main break in Hughes Canyon that Salt Lake City public utilities has been working on today. Also, she informed the Council that Craig Giles resigned and effective today.

XII. *Council Reports & District Issues.*

Council Member Petersen reported on the successful tree giveaway and thanked all those involved. Also she was contacted by Jen Wunderli about working with the city and coordinating a movie night in the park.

Mayor Dahle noted that he and Chief Hoyal attended Boys State on Monday.

XIII. Recess to RDA Meeting.

Council Member Gunn moved to recess to an RDA meeting. Council Member Stewart seconded the motion. The motion passed with the unanimous consent of the Council. The Council meeting recessed at approximately 7:17 p.m.

XIV. Reconvene Work Meeting.

Mayor Dahle reconvened the City Council in a work meeting at approximately 7:41 p.m.

a. Discussion and Review of Recent Y2K Analytics Survey.

A PowerPoint presentation was given on the Y2K Analytics Survey. They had a response rate of 51%. This survey was done to help the city understand what resident's perception of the city and services are and what is important to them (parks, trails, roads, street lighting, planning, etc). A majority of residents are pleased with the walkability and access to parks. There is significant discontent with neighborhood sidewalks and roads with more than half saying they are in average or poor condition. There is a sentiment that infrastructure elements are not well maintained. Overall, 73% feel the city is headed in the right direction. The survey results will be posted on the city website.

b. Discussion on Community Renewable Energy Act.

Legal Counsel, Jayme Blakesley prepared a memo that was provided to the Council Members.

Ms. Chamness reported that with Rocky Mountain Power the intent is to address data and opportunities. After a resolution is passed, the City will have 90 days. Mr. Godfrey explained that there is a portion of the ordinance that they do not understand as it relates to the public being able to opt in or out of the use of renewable energy. The statute is structured so that the City has the burden of paying costs for those conversions from standard energy sources to renewable energy sources if property owners do not pay.

Mayor Dahle referenced three requirements the City must meet. He suggested more research be conducted so that they know exactly what they are. Manager Chamness stated that staff would be meeting with Travis the following week and will determine whether he is the right person to deal with at Rocky Mountain Power. Council Member Gunn stated that Travis was also asked to provide an inventory of power usage. It was suggested that the above matter be addressed at the July meeting

c. Discussion on Implementation of SB 34 - Affordable Housing Modification Moderate Housing Plan

Accessory Dwelling Units ("ADUs") Discussion and Timeline

Council Members were provided with a fairly lengthy menu of options for compliance. Manager Chamness reported that SB 34 was a piece of legislation that put requirements on cities in order to receive Transportation Improvement Funds (TIF). There was a previous requirement that the City update the Moderate-Income Housing section of the General Plan that was also incorporated into

SB 34. The legislation also set forward a series of requirements consisting of 23 options to choose from for the City to demonstrate its willingness to make changes that would encourage the development of moderate-income housing in the community. If they do not comply, they will not be eligible for other transportation funds from the State.

In looking at the list of 23 options, staff felt they were already demonstrating compliance. For example, they are already allowing higher densities or moderate-income residential development in commercial or mixed-use zones, commercial centers, or employment centers. That is specifically being done in the Village and in the RM-U zone. Another option was to eliminate or reduce parking requirements for residential development where a resident is less likely to own their own vehicle. That has occurred in the Village and had been incorporated in part in the existing Site Development Master Plan (“SDMP”) within the RM-U zone.

Manager Chamness noted that an update the Moderate-Income Housing Plan as part of the General Plan must be done by December 1, 2019. Amending the General Plan will take time because notices have to be sent to affected entities and a public hearing must be held before both the Planning Commission and City Council.

Mr. Allred explained that the moderate-income housing issue is more complex than it has been in the past and more information is being required. It is tied to transportation and employment data. An Intern will be hired who will work specifically on gathering the needed data to modify the Moderate-Income Housing Plan. The matter was expected to be presented to the Planning Commission in July. Timing challenges were identified.

Manager Chamness explained that the third strategy does not need to be done by the end of the year but the City should be working on it and have a goal in place for the coming year. Mr. Allred explained that the City can have more than one and it is to the City’s advantage to have as many as possible. The Council could choose another goal for the next calendar year. With respect to the General Plan Amendment, once it is in place it will require annual reporting. The City must review Chapter 5 of the General Plan each year and make sure at least three requirements are met or risk losing transportation dollars.

Ms. Chamness explained that there was originally funding attached to the requirements. She expected there to be further discussion at the next Legislative Session and did not anticipate the requirements to go away. Mayor Dahle commented that the City is at a tremendous disadvantage because they are built out and new development is centered around mass transit, which the City does not have. The transit they do have is subpar and future transit is uncertain.

Manager Chamness commented that reducing impact fees related to low and moderate-income housing (#13) might be an option. Preserving existing moderate-income housing (#12) would come at a cost. A program would be needed to accomplish that and have a way to enforce it. At the same time, the housing funds from the Millrock RDA would be available.

Mr. Allred indicated that one option is to rezone properties to allow for higher densities. The problem is that land is so expensive in Holladay that they would have to have very high densities to build moderately priced units within those buildings.

Mayor Dahle recommended they start the discussion on ADUs. As long as it is on the public queue they will be in compliance. He questioned what is involved in amending Chapter 5 of the General

Plan. Mr. Allred did not expect it to be overly difficult. With regard to the ADU ordinance, once a decision is made about what they are willing to do with ADUs, drafting the ordinance will not be difficult.

Manager Chamness reported that Millcreek is starting with education on ADU's through social media and looking for information on what the public would find acceptable. This could be done through open houses, targeting survey, doing focus groups, etc. Council Member Petersen had concerns and would want there to be strict limitations placed on them. Mr. Allred commented that they are allowed currently in the one-half acre or larger zones. It was his opinion that gathering information on ADUs would be easier than gathering data on moderate-income housing.

Mr. Allred was interested in finding out what other cities are doing. Ms. Chamness met with a representative of a non-profit housing community who indicated that his organization is putting together some model ordinances.

d. Discussion on RFP for Cotton Bottom.

It was suggested that the above matter be addressed at the July meeting. Mayor Dahle did not think the RFP was ready to go. Council Member Gunn did not want to delay by one month and stated that they need to move forward soon. It was reported that the RFP had not been modified since the last time it was reviewed. Comments were received from the two groups that submitted that the price was too high.

Manager Chamness commented that if restrictions on intensity are desired, they should be specific about that in the RFP. Mayor Dahle suggested that the RFP be ready for the July 11 meeting. Ms. Chamness urged the Council to be cautious before issuing another RFP and be as specific as possible.

e. Calendar – *schedule of upcoming meetings*
Council Meetings – July 11

Mayor Dahle reported that he and Council Member Gunn will be golfing in the I Love You Man Golf Tournament that supports Ron McBride's Youth Education Foundation on Friday, June 28, 2019.

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

XVI. Adjourn.

Council Member Gunn moved to adjourn. Council Member Stewart seconded the motion. The motion passed with the unanimous consent of the Council and the meeting adjourned at 8:52 p.m.

I hereby certify that the foregoing represents a true, accurate and complete record of the Holladay City Council Meeting held Thursday, June 13, 2019.

Stephanie N. Carlson, MMC
Holladay City Recorder

Robert Dahle, Mayor

Minutes approved: July 11, 2019