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PROVO MUNICIPAL COUNCIL

Redevelopment Agency of Provo

Regular Meeting Minutes

6:00 PM, Tuesday, December 10, 2019

Room 200, Municipal Council Chambers

351 W. Center Street, Provo, UT 84601

Opening Ceremony

Roll Call

THE FOLLOWING MEMBERS OF THE COUNCIL AND ADMINISTRATION WERE PRESENT:

Council Member David Harding	Council Member David Knecht
Council Member David Sewell	Council Member Gary Winterton
Council Member George Handley	Council Member George Stewart
Council Member Vernon K. Van Buren	Mayor Michelle Kaufusi
Council Executive Director Cliff Strachan	Council Attorney Brian Jones

Conducting: Council Chair David Harding

Excused: CAO Wayne Parker

Prayer – Dan Follett

Pledge of Allegiance – David Mortensen

Approval of Minutes

- o September 10, 2019 Council Meeting Minutes
- o November 12, 2019 Council Meeting Minutes

The meeting minutes were approved by unanimous consent.

Public Comment ([0:03:52](#))

Brian Jones, Council Attorney, read the public comment preamble.

Chair Harding opened public comment.

Kaye Nelson, Provo, was a member of the group Proactive Provo. She thanked the Council for their help and guidance and for listening to their concerns about protecting Provo. Ms. Nelson gave thanks to the councilors who were stepping down and welcomed in the new councilors. She shared that recently, Proactive Provo had 150 attendees at a Planning Commission meeting. Many neighbors in the northeast area want involvement in the development of their area. Their group sought to gather opinions and would present Council with their data. She wanted to have a neighborhood plan in place before the approval of any development. This was a pivotal time and decisions could change the face of Provo. She understood that growth would happen, and housing must take place. Their group was in favor of development but wanted it to be wise and balance with needs for preservation easements and conservancies for aesthetic beauty and the value of being good stewards of the earth.

Jay Goodliffe, Provo, spoke about the sale of Timp-Kiwanis Bounous Park. He was frustrated by the process and thought there had been information withheld and mistakes made. Mr. Goodliffe thought public officials should apologize for their mistakes, unless their actions were intentional. He said no apology was made. He was disappointed in the decision to sell the park and said it was unfortunate to lose faith in local government.

Mr. Sewell shared that he received an email from Sue Curtis, the wife of former Mayor John Curtis, her email said that her and John were in Washington D.C. and were very sad to miss the reception for the wonderful outgoing council members.

Presentations, Proclamations, and Awards

1. A presentation and recognition of outgoing Councilors Knecht, Stewart, Van Buren, and Winterton. (19-147) ([0:11:17](#))

Clifford Strachan, Executive Council Director, addressed the public. He said the unsung heroes and not-so-public officials were the spouses behind each councilor. He asked the public to join him in thanking each of the spouses. There was a standing round of applause for the spouses of the current and outgoing Council Members and Mayor.

Mr. Strachan then presented David Harding and Kay Van Buren with a token of appreciation for their service as Council Chair and Vice Chair in 2019.

Mr. Strachan shared the following information about Councilor Van Buren:

Representing District 4, Kay Van Buren was elected in 2011 and re-elected in 2015. Kay has a background in business and the home building industry. Kay served in the neighborhood program for many years and has been involved in city issues most of his adult life. Kay has a business management degree from Brigham Young University and is a lifelong resident of Provo. Kay is a member of the Utah Valley Home Builder's Association, and has been a contractor, builder and developer for over thirty years. He and his wife Cynthia have five children. Mr. Van Buren had served a total of 8 years on the Council.

Mr. Van Buren addressed the public. He was born in Provo at Utah Valley Hospital 69 years ago, Provo had always been his home. It was great to serve and try to make a difference. There weren't many cities like Provo, it was the people that made it special. He said he would miss the good people who worked and served the City every day.

Next, Mr. Strachan shared this information about Councilor Winterton:

Gary Winterton was elected in 2011 and re-elected in 2015 to represent Citywide District 1. Gary has a background in business and finance and along with his wife Vicki, is a lifelong resident of Provo. He attended Brigham Young University, and holds a Bachelor's Degree in Business Management and Finance. Gary is currently employed with the family business; owning and managing commercial and residential properties along University Avenue in Provo. Previous to his service on the Council Gary served as a member of the Provo City Planning Commission. Gary and Vicki have raised three children. Gary had a served on the Council for a total of eight years.

Councilor Winterton shared with the public that leaving the Council was one of the most difficult things that he has ever done because it was one of the most wonderful things he had ever done. He thanked his wife for her patience, and he looked forward to the opportunity to make up for some of the sacrifices she had made to allow him to serve. He had grown to love the people he served with and considered Mayor Kaufusi and former Mayor Curtis to be friends. He was grateful for the City employees, saying goodbye to them was a difficult thing to do. Mr. Winterton loved Provo and was grateful he had been able to serve.

Following Mr. Winterton's comments, Mr. Strachan presented Councilor Knecht with a plaque and said the following:

Dave Knecht was elected in 2015 and currently represents District 3. The name Knecht means servant in German, an appropriate title for this City Councilor. Dave has been part of Task Force 2000, which formed Provo City's General Plan, the Neighborhood Evaluation Committee, and the board for NeighborWorks Provo. He previously served as a Citywide Council Member from 2002 to 2006 and as Neighborhood Chair of the Provost South Neighborhood. His wife, Vickie, is the current Provost South Neighborhood Chair. They have three children.

Mr. Knecht said he had been a neighborhood chair for 13 years and had spent a lot of time addressing previous councils. He started serving his neighborhood in 1992 and was just now getting ready to retire from the Council and his regular job. Mr. Knecht enjoyed serving Provo. He said the Council's biggest job was representing the public. He appreciated the ability to work together with the employees – it had been a positive experience. There was a lot of institutional knowledge leaving the City. It was important to know why things are the way they are before making changes. He thought the City was well served by all the great employees and staff. Mr. Knecht thanked the public for the opportunity to serve.

Mr. Strachan said it was very unusual to have four Council Members retiring at the same time. The League of Cities and Towns recognized there was about 36 years of municipal experience leaving the council.

Mr. Strachan asked Mr. Stewart to approach the podium and shared the following:

George Stewart was elected in 2015 to the City-Wide District II seat. George served as Provo City Mayor from 1994 to 1997. He served on the City Council from 2006 to 2009, being selected by the Council to serve a year as Vice Chair and two years as Chair. He and his wife JoAnna have lived in the same house in Provo for 40 years and have raised 11 children. George has worked in business as well as serving in his church.

Mr. Stewart said he was full of gratitude for his wife, JoAnna. She supported him while he ran for office and while he served. Her father had been the Mayor of Calgary for five terms, so she knew what this would entail. He thanked the citizens of Provo who elected him and the marvelous staff in the City. He was confident Provo City had the best department directors anywhere in the nation. The current Council Members had been wonderful to serve with, he added this had been the calmest two years he had while serving on the Council. Mayor Kaufusi had also been wonderful to work with, she often asked for advice and was willing to listen. Mr. Stewart said he was thankful to his Heavenly Father for the ability to serve and all the blessings he has received. He concluded by saying he loved his wife and Provo.

Before Mr. Stewart returned to his seat, Mayor Kaufusi approached the podium said she considers the Council to be her friends. She does often ask them what they would do if they were Mayor, in Mr. Stewart's case, he had been Mayor and could provide great advice. Mayor Kaufusi shared her admiration for Mr. Stewart and considered him a mentor. Because of the impact Mr. Stewart had on her life, she presented the Mayor's Award of Excellence to Mr. Stewart.

Mayor Kaufusi also thanked the wives of the outgoing Council members and presented each of them with a bouquet of flowers.

2. A presentation of the Provology graduates. (19-067) ([0:37:23](#))

Mayor Kaufusi briefly explained the Provology program and thanked Dixon Holmes, Deputy CAO, for running the program. She was pleased to announce the following Provology graduates:

- Aaron Joseph Smith
- Blair Wu
- Brian Bushman
- Eden Soper
- Geoffrey McLaughlin
- Matt Garner
- Matthew Jacobs
- Melanie Epling
- Mohit Khattar
- Scott Glenn
- Stephanie West
- Bill Fillmore
- Mary Fillmore

After the graduates were announced, a photo was taken with the Mayor and Council.

3. A presentation of the Comprehensive Annual Financial Report (CAFR) by the Provo City Finance Division and HBME. (19-146) ([0:43:42](#))

John Borget, Director of Administrative Services, presented the CAFR. He said this had been a lot of effort and work. Preparing the report was a big impact on Finance Division. Mr. Borget gave a special thanks to Dan Follett, David Mortensen, Kelsey Zarbock, Anissa Orwin, and Andrea Wright for their help with preparing the report.

The City's report had been reviewed and audited by auditors HBME and was an accurate portrayal of the City's financial position in all material respects. The auditors are selected by the Council. The Single Audit Act of 2004 required the auditors to review compliance related to grants and other things.

The CAFR has three sections, Introduction, Financial, and Statistical. The introduction included a Letter of Transmittal that talked about the economic condition in Provo, Mr. Borget said the City continues to do well. Revenues exceed the budget, it was a positive trend that was consistent with the Utah economy. Sales tax was also over budget and on trend.

The City had received an award from GFOA for previous reports and would submit this report for review.

The CAFR was available on the City's website at www.provo.org. Mr. Borget said the Popular Annual Financial Report, an easier to read consolidated report, would be presented to Council next month.

Jeff Miles, a partner at HBME, explained the CAFR was prepared by City but included two pages prepared by the auditors which was the report on the financial statements. Mr. Miles said no

deficiencies were identified within the City. Mr. Miles shared other reports they are required to do with the audit. One of these reports pertained to the City's internal controls and there were no findings of non-compliance.

John Borget reviewed the unassigned and assigned general fund balance. He said Cities in Utah are limited to a 25 percent maximum, Provo City was at 24.32, just under the maximum. He said this was a healthy fund balance and was due to good fiscal management and a conservative council.

Mr. Winterton thanked Mr. Borget and his team for the hard work.

4. Ordinance 2019-64 amending the Claim Settlement Authority Schedule in Provo City Code and providing for automatic inflation adjustments. (19-149) ([0:58:40](#))

Motion: An implied motion to adopt Ordinance 2019-64, as currently constituted, has been made by council rule.

Brian Jones, Council Attorney, presented this item. He said this was a long-needed adjustment and cleanup to the code. This pertained to the section of the code that determines who has the authority to settle claims against the City, whether it is the department, legal, or Mayor with a recommendation from the CAO. The dollar amounts in the ordinance had not been adjusted since 1981. Because the amounts were so low, it had created an administrative burden and it seemed that any accident required the Mayor's approval. This amendment also allows for an automatic inflation review every five years.

Chair Harding opened public comment, there was no response.

Chair Harding called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

5. Ordinance 2019-65 enacting Provo City Code Section 15.03.105 (Temporary Limitations on Certain Sewer Connections). Citywide application. (PLOT20190392) ([1:01:19](#))

Motion: An implied motion to adopt Ordinance 2019-65, as currently constituted, has been made by council rule.

Brian Jones, Council Attorney, said this had been an ongoing discussion. Mr. Jones explained there were limitations on sewer capacity on the west side of I-15 and the Grandview Hill. There was not enough capacity to support too much new development. There needed to be guidance to explain how the limited number of connections would be allocated.

This ordinance would enact a new section of code and put a temporary limit on the number of sewer connections allocated in this area. There was a sunset provision and this code would be repealed when projects in the Sewer Master Plan are complete.

Developers who want to build in this area must demonstrate to Dave Decker, Public Works Director, that they met the requirements of the code. If the requirements are met, each project can be allocated up to 40 connections, additional connections may be available if it is a phased project. Allocated connections would not be transferrable.

Chair Harding opened public comment and invited any chairs from the area to speak first.

Beck Bogdin, Lakeview Neighborhood Chair, wanted the Westside Plan to be completed before this precedes. Neighbors had requested that preference not be given to residential development, they hoped to have a grocery store on the westside of Provo.

Sam Oman, Provo, said you cannot develop around sewer, you must develop with it. He thought the City needed to be more restrictive on allowing development.

Mr. Knecht said it would be nice to have the Westside Plan finished, not just the map but the policy. He liked what was before Council but thought it was only part of the big picture. The Council needed to decide where to allocate this resource before making it widely available. It was possible the City may want to reserve connections for certain projects. He would not be voting in favor.

Mr. Harding said this was needed now because there were properties that already met the criteria. This was an orderly method to handle the properties that are already part way through the process. It may allow the City to use the allocations they have now for a project that is further along but does not have access. He agreed that this was just a small piece to the overall question of how to allocate the sewer connections while there is a limit on them. The most critical piece was what the Council would do with incoming rezone requests on the westside. Mr. Harding feels strongly that the West Provo Master Plan needed to be in place before signing off on anymore large projects.

Mr. Knecht asked for an estimate of how many sewer connections would be allocated based upon what had already been zoned and how much capacity would be left. Mr. Jones recalled that there were about 500-600 connections available and about 70 that could be used by property that was already zoned. Mr. Peperone, Development Services Director, said this was accurate. There had been many discussions about a westside school or grocery store and making sure they have capacity reserved for these types of facilities.

Chair Harding called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

Action Agenda

6. Resolution 2019-61 appointing John Magness as a Policy Analyst for the Provo City Municipal Council. (19-140) ([1:16:29](#))

Motion: An implied motion to adopt Resolution 2019-61, as currently constituted, has been made by council rule.

Clifford Strachan, Executive Council Director, presented. A broad search had been conducted to find a new Council Policy Analyst. There had been 35 candidates and seven who were interviewed. Eventually, they settled on a very qualified candidate, John Magness. Mr. Magness had training in Political Science and many years of experience. The interview panel was amazed by Mr. Magness' qualification and skill.

Various Council Members welcomed Mr. Magness and expressed satisfaction with the selection.

Chair Harding called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

7. Resolution 2019-62 consenting to the appointment of individuals to various boards and commissions. (19-003) ([1:20:10](#))

Motion: An implied motion to adopt Resolution 2019-62, as currently constituted, has been made by council rule.

Mayor Kaufusi presented her new board appointees. Of note, outgoing Council Members Winterton and Stewart had accepted positions on the Energy Board. There was also an appointee to replace incoming Council Member Shannon Ellsworth on the Planning Commission.

The following individuals were appointed to the Energy Board: July Radle, Cheryl Taylor, Ned Hill, Gary Winterton, and George Stewart.

Lisa Jensen was appointed to Seat 4 on the Planning Commission.

Chair Harding opened Public Comment and there was no response.

Mr. Harding said this was a great way for residents to be engaged with the City and he was appreciative of those who were willing to serve.

Chair Harding called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

8. Resolution 2019-63 adopting the 2020 Council regular Meeting schedule. (19-145) ([1:22:22](#))

Motion: An implied motion to adopt Resolution 2019-63, as currently constituted, has been made by council rule.

Clifford Strachan, Executive Council Director, presented the 2020 Council Meeting schedule.

Chair Harding opened public comment, there was no response. He called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

9. Resolution 2019-64 adopting an updated water conservation plan. (19-105) (1:24:23)

Motion: An implied motion to adopt Resolution 2019-64, as currently constituted, has been made by council rule.

Shane Jones, Public Works Engineer, presented. Mr. Jones explained that Utah Code Section 73-10-32 requires retail water providers to adopt an updated version of their Water Conservation Plan every five years. Before adopting the plan, the retail water provider is required to hold a public hearing with reasonable advance public notice.

The consulting firm Bowen Collins and Associates was hired to update Provo's Water Conservation Plan. This plan was preliminarily presented to the Council in a work meeting on October 8, 2019. Since then, the plan has been reviewed by the Utah Division of Water Resources and recommended for formal adoption by the Council.

Provo City has exceeded performance metrics established by the State for water conservation and the citizens of Provo deserve to be commended for their responsible use of water. Recently, the State published new regional water conservation goals. Mr. Jones cautioned the new goals are more challenging than ever and continued diligence is necessary.

Mr. Handley read the plan carefully when it was presented in October. He had concerns regarding the snow pack estimations and climate models. He asked who provided the models and whether they were accepted statewide. Mr. Jones responded that he attends a water conference and every year they have climatologist come and predict what to expect. They make their best guess but there is never good deal of certainty. Because mother nature is unpredictable, water conservation is always important.

Councilor Handley noted that even though Provo was doing so well, he thought the models could be more conservative. Other models Mr. Handley had seen were more granular. If conditions were any worse that what was in the report, then conservation efforts were even more important.

Mr. Winterton understood the importance of conservation. He said water was unusual because it was use it or lose it. He wanted to ensure Provo was conserving the right to maintain the water we have today. Mr. Jones said this was an astute observation. Even though the City had the right to the water in sources, it did not guarantee water would be in there.

Chair Harding opened public comment, there was no response. There was no Council discussion either. He called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

10. Ordinance 2019-66 amending Provo City Code to correct and update Title 18 (Storm Water) and the associated design and management manual. (19-109) (1:32:16)

Motion: An implied motion to adopt Ordinance 2019-66, as currently constituted, has been made by council rule.

Brian Torgersen, Division Director of Public Services, presented. This item had been presented several times before. The stormwater design manual had not been updated since 1986. This manual, along with the city stormwater management program and illicit discharge detection and elimination manual, are adopted into Title 18 by reference. The Public Works Stormwater team proposes updates to these manuals and other wording contained within Title 18. Mr. Torgersen provided an overview of the reason for these changes.

Chair Harding opened public comment, there was no response. He invited Council discussion but there was none. He called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

11. Resolution 2019-65 amending the Provo City Impact Fee Analysis and Impact Fee Facilities Plan with respect to sewer projects and facilities. (19-138) ([1:35:20](#))

Motion: An implied motion to adopt Resolution 2019-65, as currently constituted, has been made by council rule.

John Borget, Administrative Services Director, presented. There was a 10-year plan was part of the impact fee analysis. An analysis and adjustments had been done July 1, 2018, but things had changed, and they wanted to update the plan. They were not recommending a change to the impact fee, just a change to the 10-year plan. There were two different parts of the analysis, one was the Sewer Impact Fee Facility Plan (IFFP) and the other was the sewer impact fee analysis – both were affected by this update.

Mr. Borget reviewed several new projects that needed to be added to the 10-year plan:

- 600 West sewer line upgrade;
- Additional capacity for The Mix development going in on University Parkway;
- East Bay Boulevard infrastructure improvements related to the medical school being built at the golf course; and
- Infrastructure improvements related to building the new wastewater treatment plant.

Mr. Borget said it was their intent to revisit impact fees more often to avoid significant increases needed all at once.

Chair Harding opened public comment, there was no response.

In response to a question for Mr. Winterton, Mr. Borget said that Zions Public Finance and Bowen Collins & Associates, the consultants, had reviewed these changes. He also spoke with Deanne Huish from the Utah Valley Homebuilders Association about the changes and they were aware.

Chair Harding called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

Because items 12 and 13 are related, Chair Harding read both items into the record and they were discussed together.

12. Resolution 2019-66 approving and authorizing a Section 108 loan transaction for \$2,500,000 for infrastructure improvements to fulfill obligations related to the expansion of Duncan Aviation. (19-136) ([1:43:50](#))

Motion: An implied motion to adopt Resolution 2019-66, as currently constituted, has been made by council rule.

13. Resolution 2019-67 approving the transfer of \$2,500,000 in Section 108 loan proceeds from the CDBG Fund to the Airport Fund for municipal infrastructure related to the expansion of Duncan Aviation. (19-141) ([1:43:50](#))

Motion: An implied motion to adopt Resolution 2019-67, as currently constituted, has been made by council rule.

Gary McGinn, Director of Community and Neighborhood Services, presented. In order to get Duncan Aviation to come to Provo, infrastructure needs had to be met by the City. The Council authorized the mayor to pursue a Section 108 loan from HUD to pay for a portion of this. This resolution would allow Provo City to complete this process and execute the documents necessary to complete this transaction.

Mr. Knecht explained a loan had already been taken out but the money to repay the loan was coming from the Section 108 CDBG program. Mr. McGinn said Provo would have to repay that loan over the next decade, but it was a good rate. HUD does this for communities across the country to help with economic development.

Mr. Stewart said CDBG was a favorite funding program among congress. Changes have been proposed but congress prefers to continue to fund it because it helps communities develop economically.

John Borget, Administrative Services Director, explained the money would be received by the fund for CDBG and then with the approval of council it would be moved to a fund for the airport to reimburse them for the money already spent infrastructure improvements.

Chair Harding opened public comment.

Sam Omen, Provo, said 70 percent of Duncan Aviation's employees live in other cities and this was concerning.

Mr. Knecht thought that people who work in Provo would be inclined to buy homes near their place of business. Anytime businesses are brought to the Provo/Orem area, some would live here and work in other cities and some would work here and live in other cities, so it balances out.

Mr. Winterton noted that State funding had also been used to attract Duncan Aviation – it was not just a Provo project, it was a State project.

Mr. Harding also responded to Mr. Oman's concern. This is a private venture and Provo will collect property tax on it. There were also benefits from those who commute into Provo. And, there were

Provo residents who work elsewhere. The whole area benefits from good job opportunities. Mr. Harding was grateful to live in a free society where we can chose where we want to live and work.

Chair Harding called for a vote on the implied motion for Resolution 2019-66.

Vote: The motion to approve Resolution 2019-66 was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

Chair Harding called for a vote on the implied motion for Resolution 2019-67.

Vote: The motion to approve Resolution 2019-67 was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

Chair Harding recessed as the Provo City Municipal Council and reconvened as the Redevelopment Agency of Provo by unanimous consent.

Redevelopment Agency of Provo

14. A public hearing on a Resolution 2019-RDA-12-10-1 approving and adopting the Project Area Plan for the Medical School Community Reinvestment Project Area. (19-142) ([1:57:55](#))

Motion: An implied motion to adopt 2019-RDA-12-10-1, as currently constituted, has been made by council rule.

David Walter, Redevelopment Agency Director, said the next two items were related. Previously, the City Council approved the sale of 3 holes at the Provo Municipal Golf Course to a developer who has committed to bringing a for-profit medical school and associated housing to the southern end of Provo. The developer agreed to work with the Parks and Recreation department to design replacement holes for the three holes that are being transferred at the golf course. The developer agreed to pay for those relocations. As part of the discussions, the City agreed to use its best efforts to create a tax increment area, now known as a Community Reinvestment Area, on the portion of the development that would be utilized for housing and not for the balance of the medical school development.

The tax increment area that is being proposed is to assist the developer of the housing in the area meet some of the infrastructure obligations that come with the proposed development. It is not intended to pay the developer back for the relocation of the three golf course holes. The developer is currently working cooperatively with the Parks and Recreation department to pay for the relocation of the holes.

The public investment in the project is expected to create an environment that will produce private investment in and around the Project Area and will result in increment tax revenues to all taxing entities. As a result of the development it is anticipated that the Project Area will produce \$8.2 million of new real property tax revenues over a 12-year period.

Mr. Walter noted this had been noticed as a public hearing and a copy of the plan was available from the City Recorder's office or the Development Services Department.

Mr. Van Buren referred to paragraph 2.6 in the resolution. It said, "to take any and all additional steps which may be appropriate or necessary to promote or further the aim of improving the Project Area (and indirectly, surrounding areas)." Mr. Van Buren wanted to know why this had been included.

Mr. Walter responded that this gave them the flexibility to make additional improvements through benefit finding resolutions. He then deferred to the Redevelopment Agency Counsel, Adam Long, from the firm Smith Hartvigsen. Mr. Long said this resolution was intended to hit a number of statutory requirements. He said this was not intended to be anything specific to this project area, but to simply make sure the resolution met the requirements. He assured Mr. Van Buren there was nothing to be read into this statement, other than not limiting the Agency's flexibility.

Mr. Van Buren asked if there was any harm in limiting the Agency's flexibility to just the project area, not the surrounding areas. Mr. Long said much of what would be done was outside the project area, like the improvements at the golf course. The project area was only the eight-acre parcel where the housing would be developed.

Chair Knecht opened public hearing and invited the public to speak.

Sam Omen, Provo, wanted to note there was no one present from the medical school. He asked if the City would subsidize through tax payer money every housing project in Provo. He said this was Provo's money and it could be used to build a new City Hall. He wondered what the total liability was in tax being deferred through tax increment financing. He stated that his tax assessment had doubled for the County.

There was no other comment from the public.

Mr. Harding asked if there was a number that would answer Mr. Oman's question. Mr. Walter read various figures and discussed what these numbers represented. [\(2:07:39\)](#)

Mr. Sewell asked Chair Harding if he felt the vote on this could be seen as just following through on a commitment previously made. Mr. Walter clarified the City would use its best efforts, it was not a firm and binding agreement.

Mr. Stewart acknowledged that TIF typically results in going from a smaller tax base to a much larger tax base by the end of the term. It was not taking old dollars and giving it away, it was new dollars generated by the project and giving back a portion in the hope it would benefit the community and the tax base over time.

Mr. Harding said TIF was a very powerful tool. He said Mountain Vista was a blighted area that could not redevelop on its own. This was a tool that allowed redevelopment to happen. Mr. Harding was glad this tool had been used on this project. He said it was important to use the tool carefully. If not used to fight blight and spur redevelopment, it could be diverting money that would be there if the project were to go forward and would be flowing into the general fund rather than being redirected back to the developer. He said a commitment was made during the negotiation to do their best to create a project area and he wanted to honor this commitment.

Mr. Harding said since this was negotiated, which was very early on, the vision for the housing component had changed. He questioned if the housing component had changed sufficiently that they were already receiving financial benefits from developing and renting the housing. Mr. Walter did not know if they were pre-leasing any of the units. He said there was significant change, but it allowed them

to scale back the project area from over 30 acres to just eight and the medical school project was no longer included.

In response to a question from Mr. Harding, Mr. Long said the basic effect of adopting the project area plan is to create the geographic area in which the Agency can exercise its powers. He said a significant portion of this money would be used for the golf course improvements.

Mr. Van Buren recalled in the original negotiation with Wasatch Medical, the funds would be used to reimburse the purchase price of the property owned by Natures Sunshine. But now it was being used to provide infrastructure. He said the golf course components were being over emphasized but it was the smaller portion of the plan. Mr. Van Buren felt like there was often a feeling that if TIF is not given the developer would leave, so sometimes they agree to these deals too easily.

Mr. Winterton asked if there was any feedback received from the public regarding the plan that had been available. Mr. Walter said there was none.

Dixon Holmes, Deputy CAO, said there were times when projects needed inducements. At times TIF helped the City to attract business and maintain relevance. When Provo is doing well at attracting business, they can stop providing this incentive.

Mr. Harding said Provo was a wonderful place to do business and make money. As new developments take place, there are additional demands on City services. He thought TIF was a great way to fight blight and promote redevelopment in difficult areas, but if a project is going to develop anyway and make a lot of money and a TIF is provided on top of this, that is giving away tax money that would be coming into the General Fund that provides these City services. In the end, the Council did make a commitment and he wanted to follow through.

Chair Knecht called for a vote on the implied motion.

Vote: The motion was approved 6:1 with Council Members Handley, Harding, Knecht, Sewell, Stewart, and Winterton in favor. Council Member Van Buren opposed.

15. A public hearing on Resolution 2019-RDA-12-10-2 approving and adopting the Community Reinvestment Project Area Budget for the Medical School Community Reinvestment Project Area. (19-143) ([2:46:47](#))

Motion: An implied motion to adopt 2019-RDA-12-10-2, as currently constituted, has been made by council rule.

Mr. Walter explained this was related to the previous item and would adopt the budget for the project area. The budget was displayed, and Mr. Walter briefly reviewed the budget for Council. The budget gave an idea of the ideal fiscal situation and explained where the money would go over the 12-year period.

Chair Knecht called for a vote on the implied motion.

Vote: The motion was approved 6:1 With Council Members Handley, Harding, Knecht, Sewell, Stewart, and Winterton in favor. Council Member Van Buren opposed.

16. Resolution 2019-RDA-12-10-3 designating a survey area, authorizing the preparation of a draft Community Reinvestment Project Area Plan and Budget, related to "The Mix" project, and authorizing and directing all necessary action. (19-139) (2:51:26)

Motion: An implied motion to adopt 2019-RDA-12-10-3, as currently constituted, has been made by council rule.

Mr. Walter explained this would create a survey area for the former Plum Tree Plaza development would authorize staff to prepare a plan and budget to be presented to Council. This item had been before Council previously but because of changes to the development plan, Mr. Walter felt it was appropriate to start the process anew. The developer removed a couple of significant blocks from their project, including office space and two structured parking decks. They were anticipating still having hotel, commercial, and residential components. The development agreement required them to provide some low- and moderate-income housing or provide a payment to the City in lieu.

The request had been scaled back and would be for five years or \$1.5 million, whichever comes first.

Mr. Harding reviewed the components being removed and asked if the remaining components stayed the same. Mr. Walter said there would be a 124-room hotel, 500 residential units, and about 85,000 square feet of commercial and retail space. Removing the office space and parking decks made a significant change in the value which was why the request had been scaled back. Mr. Harding asked if things would just be less dense or if there might be space left for future phases that might incorporate some of the components that had been removed. Mr. Walter said there would be space for future redevelopment.

Chair Knecht opened public comment, there was no response. He called for a vote on the implied motion.

Vote: The motion was approved 7:0 with Council Members Handley, Harding, Knecht, Sewell, Stewart, Van Buren and Winterton in favor.

Chair Knecht adjourned as the Redevelopment Agency and reconvened as the Municipal Council by unanimous consent.

17. A public hearing on Ordinance 2019-67 adopting the Community Reinvestment Project Area Plan for the Medical School Community Reinvestment Project Area. (19-144) (2:57:50)

Motion: An implied motion to adopt Ordinance 2019-67, as currently constituted, has been made by council rule.

David Walter, Redevelopment Agency Director, presented. He explained that one of the requirements is that the legislative body must adopt the project area by ordinance. Adoption of the ordinance indicates the public hearing took place and Council is adopting by ordinance the project area.

Chair Harding opened public hearing and there was no response. There was no other council discussion. He called for a vote on the implied motion.

Vote: The motion was approved 6:1 with Council Members Handley, Harding, Knecht, Sewell, Stewart, and Winterton in favor. Council Member Van Buren was opposed.

18. *****CONTINUED*** An ordinance changing the General Plan designation from Public Facilities (PF) to Residential (R) for approximately 0.78 acres of real property generally located at 862 East Quail Valley Drive. Edgemont Neighborhood. (PLGPA20190009)**
19. *****CONTINUED*** An ordinance amending the Zone Map classification of approx 0.78 acres of real property, generally located at 862 East Quail Valley Drive, from Public Facilities (PF) Low Density Residential (LDR). Edgemont Neighborhood. (PLRZ20180430)**
20. *****CONTINUED*** Bob Jones requests a General Plan Amendment to change the land use designation in the Provo City General Plan from "Agricultural" to "Residential" within Sections 7 & 18 of T6S R3E, SLM. North Timpview Neighborhood. PLGPA20190352**
21. *****CONTINUED*** Daniel LaFontaine requests a Zone Change from R1.10 to Low Density Residential for 1.07 acres for a townhome development, located at 50 E 3900 N. Riverbottoms neighborhood. PLRZ20190265**
22. *****CONTINUED*** Community & Neighborhood Services Dept requests an Ordinance Text Amendment to Ch14.33 and 15.05 of the Provo City Code to update the development requirements of lands located in the Special Flood Hazard Area. Citywide. PLOTA20190328**

Adjournment

The meeting was adjourned by unanimous consent at approximately 9:08 p.m.