

CITY OF OREM
SPECIAL CITY COUNCIL MEETING
56 North State Street Orem, Utah
September 1, 2020

*This meeting was held electronically
to allow Councilmembers and Staff to participate.*

5:00 P.M. SPECIAL SESSION – COUNCIL CHAMBERS

CONDUCTING

Mayor Richard F. Brunst

ELECTED OFFICIALS

Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Steven Downs, Deputy City Manager; Greg Stephens, City Attorney; Marc Sanderson, Fire Chief; Karl Hirst, Interim Police Department Manager; Ryan Clark, Development Services Director; Charlene Crozier, Library Director; Chris Tschirki, Public Works Department Manager; Brandon Nelson, Finance Department Manager; Debbie Boone, Interim Recreation Department Manager; Jason Bench, Planning Division Manager; Steve Earl, Deputy City Attorney; Sam Kelly, City Engineer; Ernesto Lazalde, IT Division Manager; Pete Wolfley, Communications Specialist; and Jackie Lambert, Deputy City Recorder

CALL TO ORDER

INVOCATION /

INSPIRATIONAL THOUGHT Mayor Brunst

NOTE: Due to some technical difficulties, there is no audio for the first few minutes of the meeting where Mayor Brunst read the following:

“Pursuant to Mayor Richard F. Brunst's Proclamation dated August 3 2020, the Orem City Council meeting on August 11, 2020 will be an all-electronic meeting. There will be no anchor location for the meeting. The City cannot ensure the recommended minimum of six feet of social distancing for meeting participants at the usual anchor location in the Orem City Council Chambers. Therefore, holding the meeting at the City Council Chambers would present a substantial risk to the health and safety of those who may be present at the meeting and may contribute to the spread of COVID-19. There will be no public access to the Orem City Council chambers. Those desiring to view or participate in the meeting must do so electronically.

To view the meeting: please go to orem.org/meetings.

To make a comment: Please submit your comment through:

orem.org/comments

OR

CityCouncilPublicComments@orem.org

Comments will be accepted before and during the meeting. All comments received will be entered into the record and forwarded to each City Council member for review. Comments will also be read aloud during the live meeting when required by law or when time permits. Once an item has been voted on, that item will be closed to additional comments. Thank you for your cooperation during these challenging times.”

No additional Mayor’s items were discussed at this time.

SCHEDULES ITEMS

RESOLUTION – Authorizing the purchase of the former Hillcrest Elementary School property from Alpine School District

Mayor Brunst said the property of the former Hillcrest Elementary School they were discussion was approximately 9.33 acres and had been appraised for \$5.6 million. The school building was still in place on the property. He mentioned that Utah Code specified that the land could be used for certain purposes only, such as a town hall, park, community center, the creation of private or public jobs, office space, and others. Mayor Brunst said some of the allowed uses to not match city zoning designations. He added that if the City were to resell the property in the future, the proceeds of the sale would be split between the City and the Alpine School District.

Mayor Brunst said two appraisals of the property had been completed, one ordered by Alpine School District and a second ordered by the City. The appraisals said the highest and best use of the property would be for commercial office space, though one mentioned residential development. He said they City would need to change the zoning if residential development were to go in on this property and the City was not proposing or even supporting that kind of development in this area.

Mr. Davidson said that years ago the City had entered into an agreement with the Alpine School District to lease the property for the purpose of a city park. As part of that agreement, it was outlined that the City would have first right of refusal to purchase the acreage the city park was on if the Alpine School District were to sell. He said he understood the District was not interested in splitting the land into parcels though the City may wish to separate pieces of the property.

Mayor Brunst said he saw a few options: 1) to purchase the whole 9.33 acres and section off a city park and find other use for the remaining property, or 2) purchase only the 1.61 acres of the park

alone. He thought homeowners whose homes abutted the property may wish to sell property to the City, allowing for a park of approximately 2.5 acres. Mayor Brunst said the City would be responsible for asbestos testing and abatement on the building if the purchase was for 9.33 acres. The school was built in 1954 with an addition built in 2003, and the older part of the school building was not in ideal condition. He shared other concerns about the state of the building and liability issues, as well as additional costs the City would incur as part of their due diligence. Mayor Brunst said he personally was in favor of putting in a nice park on the property, but was not in favor of purchasing the full 9.33 acres.

Mr. Sumner asked for clarifications on the two appraisals. Mayor Brunst said the appraisal conducted by the Alpine School District put the price of the building at \$3 million but the one the City conducted assigned no value to the building because of its state.

Mrs. Lauret said the newer addition built in 2003 was a gymnasium and cafeteria, and wondered if that portion of the building could be used well by the City. Mayor Brunst said it would require a new HVAC system, but was in good shape otherwise.

Mr. Lambson asked about the acreage of other parks throughout the city compared to the approximately 2.5 acres the Mayor talked about. Mr. Davidson the City's webpage had a parks guide that detailed the acreage of each park. 2.5 acres for a park would be on the small side comparatively, with most if not all city parks in excess of 3 acres. Mr. Peterson said it was difficult to do apples to apples comparisons without taking into account the additional acreage next to each park that was owned by Alpine School District. So 2.5 acres for a park was not enough for the residents in the area to have a neighborhood park.

In response to Mr. Spencer's concerns about liability and the due diligence conditions, Mayor Brunst said the City would assume the liabilities of the asbestos and environmental studies outcomes for the whole building and property. Mr. Davidson said there was high potential for an asbestos issue in that building, and the mitigation of asbestos was factored into the valuation and appraisal of the property. Mr. Stephens said if they found the results of the due diligence testing to be unacceptable, the City had the right to cancel the contract.

Mrs. Lauret asked Mr. Davidson to clarify the funding mechanism for the purchase. Mr. Davidson shared a chart and said the money for the purchase would come from two sources. The first was park impact fees, the current balance of which was \$1.8 million. The second source was the City's Redevelopment Agency, specifically the RDA 85-03B and RDA 85-03A areas, the latter covering the property they would purchase. Mr. Davidson said the purchase arrangement would be between the City and the Alpine School District, so the proposal was to borrow the money from the RDA 85-03B and add it to contributions from RDA 85-03A and combine with park impact fees to reach the \$5.605 million cost. Over time, they could repay the loan from the RDA by entering into a long-term lease to a permitted user or selling a portion of the property and using proceeds of the sale or using future park impact fee dollars.

Mr. Lambson asked if any CDBG dollars would be available for this particular project. Mr. Davidson said that parts of the Hillcrest neighborhood did qualify for CDBG money so that would be available. In response to a question from Mayor Brunst, Mr. Davidson said he did not plan to use COVID related CARES money for this project.

There was continued discussion about the property in question and the homes directly adjacent.

Mr. Peterson read the following letter sent to him by Mary McCann, an Orem resident in the Hillcrest neighborhood:

Dear Mayor and City Council,

It has come to my attention that the City of Orem has the option to buy the former Hillcrest Elementary School property and that money could be allocated for a beautiful city park. I think that is a brilliant idea, a wonderful use of tax-payer money, and would be a fantastic boost to the City of Orem.

As you know, it was a devastating loss to the people of South Orem to lose Hillcrest Elementary School. This area of Orem has always been family-centered. The loss of a small neighborhood school felt like the final blow to the citizens of the area who have had to watch apartment buildings, mall expansions, parking lots, and other businesses fill the area. South Orem is beginning to feel like a small concrete jungle. It is commercial. It is busy. It is crowded. To fill the space off of University Parkway with grass, trees, a walking path, pavilions, playground equipment, a splash pad, tennis and/or pickle ball courts, or anything that suggests that Orem is still a family-centered community would be a boost aesthetically and physically.

It would also be a financial boost to Orem. That particular area of South Orem is full of older homes. Some are well-maintained, others are falling to ruin. But because they are small and older, those homes could be affordable to young families in what is an increasingly unaffordable Utah Valley. I feel that a nice city park there would increase home values, lower crime rates, and draw in younger, new families to help build Orem, strengthen schools, and provide a new generation of backbone to the city.

I realize that there is an existing park in that area. Some have suggested that it gets so little use that it is not worth putting in a nicer park. I would like to suggest that the reason that the park is lightly used is primarily that unless you live in the area, you wouldn't even know it exists, and if you do know it exists, it is not inviting. It is fronted by a dilapidated tennis court that looks like something out of Compton. Honestly, it looks like a place you could run a drug deal. Behind that there is a hidden pavilion. Frankly, it's a little scary. I wouldn't let my kids play there alone. The rest of the area is blocked by the school building and parking lot. I think people are unsure whether they can even use the playground equipment since it's clearly on school property. The park is hidden and run-down. And, beside the elementary school, equipment, it offers very little enticement. I live only one mile from this park and yet I drive my children and grandchildren to parks in Provo rather than go to the existing Hillcrest park. It has no appeal and no absolutely no draw. A beautiful park with more to offer would draw people not only from the area, but from North Orem and Provo as well.

At its core, Orem's strength has come from strong families. When we refuse to use tax-payer money to support and entice good, strong families to live here, we will lose the very thing that Orem has meant to so many. People in South Orem feel that tax money has been disproportionately spent in North Orem. We often feel forgotten. South Orem is the heart

of Orem and, since it blends into Provo, it is an important link in communities. Provo has done a very good job of investing in the beauty of its city. Parks, tree-lined streets, restoring historic downtown, honoring the spirit of Center Street and South University, and creating a feeling of warmth has been one of Provo's strengths. Sadly, when you leave Provo, drive up University Ave and enter Orem, there is a tactical feeling of loss. A beautiful park, right at that crossroads, could go a tremendous way to welcoming people to what could be a beautiful Orem.

I appreciate your service to Orem, and ask for your consideration in this matter.

Sincerely,
Mary McCann

Mr. Peterson agreed with Ms. McCann when she said residents in south Orem felt that the City spent money disproportionately in north Orem. The people in the southeast area needed a local park to go to, and he felt they could build a beautiful park for this community, and that it was more than just a matter of dollars and cents.

Mayor Brunst said there were many beautiful parks throughout the city that all residents could enjoy, including residents in the southeast part of Orem. He felt they could build a beautiful park on 2.5 acres. Mayor Brunst wanted to emphasize and clarify that the property would not be used for high density housing, and that it did not work well for commercial development either as it could cause disruptions along the corridor.

Mr. Sumner said he agreed with the sentiments shared by Mr. Peterson, and said the City Council should not deprive the southern residents of their own community park. He felt it should be equal to other parks in the City. Mr. Lambson agreed that green space was what the area needed, not more concrete. Mrs. Lauret commented the existing gym on the property could be a good opportunity to expand youth basketball programming.

Mr. Macdonald said he appreciated the discussion with the Council, and felt they could move toward a decision. He said it seemed they had two scenarios before them: to purchase some of the property, or to purchase the full 9.33 acres. Mr. Davidson added that the City had the opportunity to go through the due diligence and potentially back out of the sale if they saw fit.

Mr. Macdonald offered to have Mr. Peterson make the motion for the resolution. There was some clarification needed, so **Mr. Macdonald moved**, by resolution, to authorize the purchase of the former Hillcrest Elementary School property from Alpine School District, indicating that the purchase would be of the approximately 9.33 acres available. **Mr. Peterson seconded** the motion. Those voting aye: Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. Those voting nay: Richard F. Brunst. The motion **passed, 6-1**.

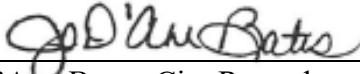
ADJOURNMENT

Mayor Brunst moved to adjourn the meeting. **Mrs. Lauret seconded** the motion. Those voting aye: Richard F. Brunst, Jeff Lambson, Debby Lauret, Tom Macdonald, Terry Peterson, David Spencer, and Brent Sumner. The motion **passed**.

The meeting adjourned at 5:54 p.m.

Approved: September 29, 2020




JoD'Ann Bates, City Recorder