

**MINUTES OF THE
CITY OF HOLLADAY
CITY COUNCIL MEETING**

Thursday, August 26, 2021

6:00 p.m.

City Council Chambers

ATTENDANCE:

Mayor Rob Dahle
Paul Fotheringham
Daniel Gibbons
Drew Quinn
Matt Durham

City Staff:
Gina Chamness, City Manager
Stephanie Carlson, City Recorder
Todd Godfrey, City Attorney
Jonathan Teerlink, Planning Manager
LaNiece Davenport, Community and Economic
Development Director

I. *Welcome* – Mayor Dahle.

Mayor Dahle called the meeting to order at approximately 6:00 p.m.

II. *Pledge of Allegiance.*

Mayor Dahle asked those present to take a moment of silence for those impacted by the events in Afghanistan. He reported that 12 service members had been lost and many more were injured.

The Mayor led the Pledge of Allegiance.

III. *Public Comments.*

Mayor Dahle opened the public comment period. There were no comments. The public comment period was closed.

IV. *Continued Public Hearing on Proposed Amendments to Title 13 Regarding Accessory Dwelling Units.*

Mayor Dahle reported that the above item related to proposed amendments to Title 13 regarding Accessory Dwelling Units (“ADU”). This was an issue that the City Council had been working on for some time and the public hearing had been open for the last several City Council Meetings. Depending on the comments received, the public hearing may be closed or it may continue to remain open. The packet included a staff report and other supporting documentation. Mayor Dahle explained that those items would be discussed in detail during the Work Meeting. He did not feel Community and Economic Development Director, LaNiece Davenport needed to review those documents now.

Mayor Dahle opened the public hearing.

Lynn Pace gave his address as 2386 Olympus Drive and stated that he was grateful for the hard work and commitment of the City Council. He shared comments related to Internal Accessory Dwelling Units (“IADU”) and explained that he had already sent an email to City Staff. Mr. Pace worked at great length with Representative Ray Ward and a representative from the Utah League of Cities and

Towns (“ULCT”) on the draft of the bill. He was excited about the opportunities the bill presented. Mr. Pace reported that there is an affordable housing crisis and he had long been concerned that there would be negative consequences unless housing becomes more affordable to a broader range of citizens. The bill contained many benefits as it would allow people to age in place, get young families into housing, make housing more affordable, and increase the school-age population. If implemented as required by the State, there would be almost no noticeable difference within residential neighborhoods. Mr. Pace believed the bill could increase the amount of housing in Holladay for no cost and with no visible impact.

Mr. Pace pointed out that most of the general public did not know about the State mandate or the difference between an IADU and an External Accessory Dwelling Unit (“EADU”). The ADU process needed to be implemented in a manner that is as seamless as possible. That was the reason Representative Ward added a list of shall statements into the bill. He also added a list of statements. For instance, “you shall allow ADUs as a permitted use in primarily single-family residential zones,” and “you may require a license and annual permit.” Additional examples were shared in the email sent by Mr. Pace. He felt it was essential to require an annual license and for the City to have a full range of remedies. Mr. Pace further discussed the latter and explained that there were tools provided in the statute if issues arose. The City must give notice and an opportunity to solve the issue. If the homeowner protested, there would be a hearing. If the homeowner did not solve the issue or protest, fees could be imposed. Notice would be given to the property owner and their lender that the fee would be imposed as a lien on the property.

Mr. Pace was excited about the ADUs but expressed concerns related to EADUs. Mayor Dahle asked Mr. Pace to expand on his concerns. Mr. Pace explained that his concerns pertained to a reduced amount of homeowner supervision. If an EADU is above a detached garage or if there was a separate unit in the rear yard, it was less likely that the homeowner would monitor noise levels, traffic, or other disturbances. There was a certain loss of control when the homeowner was not in the same dwelling as the renter. Another challenge pertained to privacy for neighbors. Many lots in the City are deep and an EADU in the rear yard of a primary dwelling could cause friction between neighbors. A private backyard space could suddenly be right next to a dwelling unit.

Kerri Boyle gave her address as 6508 Canyon Cove Drive and stated that she and her husband became closely aware of the long-term rental requirements approximately one year ago. Her husband was diagnosed with cancer and that left him unemployed. They had a larger unit and a basement and sought to rent the basement location out. Ms. Boyle informed the neighbors on the street who offered support with the exception of one. That neighbor flooded the City with comments and grievances related to their rental and the Ordinance Officer was involved. Ms. Boyle explained that there had been a lot of harassment and the neighbor had even taken photographs of the renters. She was grateful to see that owner-occupancy was being supported in the new State mandate.

Ms. Boyle explained that she and her husband had not initially known about requirements related to second kitchens, locked doors, and unlocked requirements. In reading the new mandate in the ordinance, it still seemed unclear. She wondered if there was a way to add clarity about those specifics, as she wanted to ensure that there was peace with her neighbor. Ms. Boyle explained that an unexpected health crisis in her family had required her family to adapt. Renting the basement gave them a chance to earn extra income to cover expenses. She would appreciate the diligence of the City Council on this matter to avoid future conflicts.

Mayor Dahle noted that the item would be discussed further during the Work Meeting. He believed it would be voted on during the September 9, 2021, City Council Meeting.

There were no further comments. The public hearing remained open.

V. *Consideration of Ordinance 2021-23 Amending the Zone Map for Property Located at 6121 South Highland Drive from C-2 to HCR.*

Mayor Dahle reported that the above item related to the zone change at 6121 South Highland Drive from the C-2 Zone to the HCR Zone. The City Council heard from the applicant previously and had discussions related to the zone change request. Council Member Gibbons noted that the property is in his district and he engaged heavily in the creation of the HCR Zone. He did not see that any issues were preventing the City Council from approving the item. Council Member Fotheringham agreed and stated that the HCR Zone was created for this type of application.

Council Member Gibbons moved to approve Ordinance 2021-23 amending the Zone Map for property located at 6121 South Highland Drive from C-2 to HCR. Council Member Quinn seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Quinn-Aye; Council Member Gibbons-Aye; Mayor Dahle-Aye. The motion passed unanimously.

VI. *Consideration of Resolution 2021-26 Granting the Advice and Consent of the City Council for Appointments to the Historical Commission.*

Mayor Dahle reported that the above item related to appointments to the Historical Commission. The reappointments were for Linda B. Gardner and Kathy Murphy. The new appointments were for Lyman Losee and Kim Duffy. All four terms would extend to June 30, 2024.

Council Member Durham moved to approve Ordinance 2021-26 granting the advice and consent of the City Council for appointments to the Historical Commission. Council Member Gibbons seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Quinn-Aye; Council Member Gibbons-Aye; Mayor Dahle-Aye. The motion passed unanimously.

VII. *Consideration of Resolution 2021-27 Granting the Advice and Consent of the City Council for Appointments to the Tree Committee.*

Mayor Dahle reported that the above item relates to appointments to the Tree Committee. The appointments were for Travis Jones and Bob Stevens. Both terms would extend to June 30, 2024.

Council Member Durham moved to approve Ordinance 2021-27 granting the advice and consent of the City Council for appointments to the Tree Committee. Council Member Fotheringham seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Quinn-Aye; Council Member Gibbons-Aye; Mayor Dahle-Aye. The motion passed unanimously.

VIII. *Consideration of Resolution 2021-30 Amending an Agreement with Cottonwood Heights for Court Services.*

Mayor Dahle reported that the above item relates to an amendment to the City's Agreement with Cottonwood Heights for Court Services. He explained that Cottonwood Heights uses the Justice Court in Holladay and there was an agreement in place with them. City Attorney, Todd Godfrey stated that from time to time, the Justice Court has had an issue that resulted in extraordinary expenses from prosecution services or otherwise. The City of Holladay felt it would be wise to accommodate that in the agreement. This had been proposed by Cottonwood Heights in response to an issue they had on their side. Mr. Godfrey looked at the language and felt it was fair and adequate.

Mayor Dahle commented that the expenses were prorated and shared between the two cities, however, in the event something extraordinary happens, it was important to make sure those expenses were not foisted onto the other entity. Council Member Gibbons noted that most cases were resolved fairly quickly and easily. However, there were occasionally high-profile cases with media interest, and those involved a lot of hearings and investigations. He felt the amendment made sense.

Council Member Gibbons moved to approve Ordinance 2021-30 amending an Agreement with Cottonwood Heights for Court Services. Council Member Quinn seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Quinn-Aye; Council Member Gibbons-Aye; Mayor Dahle-Aye. The motion passed unanimously.

IX. *City Manager Report – Gina Chamness.*

City Manager, Gina Chamness reported that there had been a lot of water in the City over the last 10 days or so. Some residents experienced water damage to their property. If residents were reaching out to Council Members, she asked that those residents be directed to Public Services Director, Jared Bunch, who could provide them with a Notice of Claim. The resident would return that to the City after which staff would file it with the insurer. Ms. Chamness stated that the City's insurer is the Utah Local Governments Trust and residents will hear from them directly.

Several sinkholes had also developed over the last week or so. Ms. Chamness reported that there is one large sinkhole on Canyon Cove Road that was in the process of being dealt with. The repair itself was finished and there should be asphalt over it in the next four or five days. Tolcate Lane had another large sinkhole develop suddenly in a location where residents would not have had access. Staff worked with the Homeowners Association ("HOA") in that area and went door-to-door on Sunday afternoon to let residents know that the access would change. She hoped the sinkhole would be repaired by the middle of the following week. Ms. Chamness thanked the Unified Police Department ("UPD") representatives and staff, the Unified Fire Authority ("UFA"), and staff for spending their Sunday afternoon going door-to-door.

Ms. Chamness reported that the retirement system the City participates in for City employees recently released their preliminary rates for the next fiscal year. The rates could change depending on market conditions and any sort of Legislative changes that took place before the rates were finalized in the spring. The rates were expected to decrease approximately one-half of one percent for Tier 1 employees and one full percent for firefighters. The public safety system would remain the same. In addition, the pension system was fully funded. Ms. Chamness felt this spoke to how well the organization was managed and to the security provided for Holladay employees.

City Recorder, Stephanie Carlson sent out the tentative agenda for the ULCT Conference, which was scheduled to take place in person the last week in September. Ms. Chamness explained that this was a good opportunity for the Council Members to meet colleagues from around the State, share with them, and learn from the various presenters at the conference. She encouraged those who were able to attend to do so.

Council Member Durham had a question related to the flooding that took place recently. He asked if there was a plan to evaluate what happened and what the City was doing with storm drains. There had been several constituent comments related to those concerns. Ms. Chamness explained that staff previously prepared a plan to outline the priorities for the Storm Water Fee. The recent events caused staff to reevaluate some of those priorities. They would be doing that as part of the regular budget process in the spring. She noted that staff would also look for opportunities in the current year if there was a critical need.

X. *District Issues and Board Reports.*

Council Member Fotheringham reported that the Arts Council concert was scheduled for August 28, 2021. The concert from the previous Saturday was postponed due to the weather and rescheduled for September 11, 2021. Council Member Fotheringham explained that the Hip Hop Dancer Program was to take place at the August 28, 2021 concert. Additionally, the Chalk Our Walk sidewalk chalk event was to take place on September 11, 2021.

Council Member Durham reported that the Parking Lot Landscaping Ordinance was drafted and ready to move onto the Planning Commission. It would be discussed at the September 7, 2021, Planning Commission Meeting. He thanked the Tree Committee for their hard work. Council Member Durham felt that the Tree Committee had come up with a great proposal. He added that recently, he received several emails related to canyon transportation. He did not believe the City of Holladay had a formal role in that. Ms. Chamness noted that the Utah Department of Transportation (“UDOT”) presented options to the City Council in the past and would likely be willing to do so again. However, in terms of a formal role, she was not aware that they had one.

Council Member Quinn explained that the water pipes in the area around where she lives are quite old and have been breaking regularly. In the last 2 ½ weeks there had been three breaks. She reached out to the Salt Lake City Public Utilities Water Department to try to set up a meeting. This would allow some of the residents to speak and find out what the plan was as it related to the water pipes. Council Member Quinn noted that it was difficult to see gallons of culinary water running down the hill during a drought. It was also difficult for residents to be without water for hours on end while the breaks were repaired. Mayor Dahle wondered if the meeting had been scheduled. Council Member Quinn clarified that there were three suggested dates for a meeting, but she would be out of town for two of those dates. She stressed the importance of this matter.

Council Member Gibbons thanked Ms. Chamness and staff for their hard work over the weekend dealing with the sinkholes. He noted that Mr. Bunch in particular had put a lot of time and effort into dealing with the issue. This situation illustrated the dedication of City Staff.

Mayor Dahle reported that school is back in session. UPD Chief, Justin Hoyal, had his patrols out in the school zones. Mayor Dahle also wanted to remind Council Members that it would be a good idea to reach out to the Community Councils shortly. They elected a Chair in late September and it would

be best to try to attend one of those meetings and make a connection with the schools in September. Mayor Dahle also shared information related to upcoming events. Some citizens were putting together a lunch event on Haven Lane for the police officers. It was an appreciation lunch scheduled for October 11 where officers could bring their families.

Additionally, the City was starting to work on Office Appreciation Week. Mayor Dahle believed it would run from January 15 to 22, 2022. This was something the City does each year to celebrate and honor the memory of Doug Barney. It would be the sixth anniversary of his death. The City decided to return to a week-long event that centered around a breakfast on the morning of January 15, 2022. There would be further discussions in October to finalize the details related to the event.

XI. *Recess City Council into an RDA Meeting.*

Council Member Fotheringham moved to recess the Holladay City Council Meeting and reconvene in a Redevelopment Agency (“RDA”) Board Meeting. Council Member Gibbons seconded the motion. The motion passed with the unanimous consent of the Council.

I. *Call to Order* – Chairman Gibbons.

Chair Gibbons called the RDA Meeting to order at approximately 6:45 p.m.

II. *Public Comments.*

There were no public comments.

III. *Consideration of a Request from Holladay Hills Developer to Support a Request to the Salt Lake County Assessor for an Adjustment to the Base Year Tax Value for the Holladay Hills Project Area.*

Chair Gibbons reported that the above item related to a request from the Holladay Hills developer. He noted that he and Mayor Dahle, who serves as Vice-Chairman of the RDA, Wade Budge from Snell & Wilmer, and the City Attorney had some meetings related to the topic. Chair Gibbons explained that one year ago, the developer was expecting an increment payout, but it was not received because the County was working off of a different number. He asked Mr. Godfrey to explain the situation further.

Mr. Godfrey reported that the Cottonwood Mall Project Area was created in traditional means using tax increment financing to support the redevelopment of the project. Tax increment was created by fixing a base-year property tax value within the project area. When redevelopment occurred, an added value would come in. The difference between the base year tax and the new valuation was called tax increment money and that was paid to the RDA through the County.

When the Cottonwood Mall Project Area was created, a base year tax value was set in 2007 and the budgeted estimated amount was \$38 million. Unfortunately, that was not the actual valuation of the property for the base year. This issue was complicated by an amendment that was made to the project area budget in 2011. That amendment was done to extend the life of the project area because no development was occurring between 2008 and 2011 due to the recession. Mr. Godfrey explained that the actual assessed value from the Assessor’s Office for the project area was \$44 million and so there was a significant difference between the \$38 million and \$44 million.

The developer based their projections for the project and obtained financing based on a number that now could not be achieved. As a result, they had gone to the County Assessor to ask for an adjustment. The developer had sent a letter to the RDA asking for support. Their position was that the County participated in the amendment of the budget in 2011 and knew what the assessed valuation was at that point. They did not make any adjustments to the budget. The developer was asking the County to recognize the estimated base year value of \$38 million as opposed to the \$44 million.

Council Member Fotheringham wondered if the rate would change over time. Ms. Chamness explained that the rate would be the same over time. The rate set was multiplied by the base value for any tax year. Discussions were had about regular property taxes versus the project area. Council Member Fotheringham explained that he was trying to confirm that the project area had a base rate that did not change. Ms. Chamness confirmed that it was fixed. Council Member Fotheringham pointed out that there was a delay between when the base was set and when the development was going to take place. He noted that the difference between the \$38 million and \$44 million had been created and he wanted to ensure that it was not created as the result of value being added to the property but was due to a change in land values.

Mayor Dahle believed the only issue had to do with the base value. He asked if the base value was an estimate or fixed number. Mr. Godfrey explained that at the time the project area was created, it was an estimate. At the time it went through the first budget amendment process in 2011, where representatives from the School District, Utah Association of Special Districts, County, and City all had to approve an amended budget, the base year number was no longer an estimate. Mayor Dahle wondered what the County had said about this issue. Mr. Godfrey explained that the County had not said much at the current point. Mr. Budge was available for further clarification.

Mr. Budge thanked the City Council for their time. He explained that there had been preliminary discussions with the County Attorney's Office to familiarize them with the issue. Their point was that while they were on the Tech Committee, the Tech Committee did not talk to the Assessors and Auditors. If the County had agreed to a base year in 2011, that message did not get communicated to those departments. Mr. Budge reported that they intended to go to the Assessor and Auditor and state that in 2011, it was agreed upon by every taxing entity that this was the base year and the amended budget had been attached. It was a reasonable expectation that this would be the base year for purposes of planning. They would ask the Assessor to adjust the base year to what was agreed to.

Mr. Budge added that the purpose of the Agreement for the Development of Land ("ADL") was to incentivize good development and the building of infrastructure. The faster they continued to develop, the more revenue and increment in the area that would be created. Mr. Budge reported that they would move forward and engage the County, but they wanted RDA support because they believed in the importance of that incentive. A draft of the letter had been shared with City Council Members for review. He noted that they were not looking to change anything, but to honor what was discussed back in 2008 when the 2007 base year was used and then what was discussed in 2011 when the Tech Committee approved the resolution, which included the attached amended budget.

Council Member Durham understood that adopting the base year would increase the increment that went to the RDA. He wondered if that would be passed to the developer during the initial development period. Mr. Budge stated that if values continue to increase, there will be more increment available. As long as the development can reach various benchmarks in terms of the square

footage that needs to be built and other requirements related to infrastructure, they would be reimbursed faster. That benefits the development because it means they could move capital out of having to pay interest and they were able to devote that to new infrastructure. To more directly answer the question posed by Council Member Durham, he explained that the increased increment would accelerate the rate by which they were able to be reimbursed.

Council Member Durham believed he understood the impact the base year would have on the increment but wondered about the long-term impact there as it relates to the City and its revenues. Ms. Chamness explained that the State Statute guaranteed that the City would receive the same revenue in any year that they had budgeted the prior year. The only thing that would adjust was the mill levy rate. It was possible that if the base were to change that a modification in that rate would need to be made to guarantee that the base amount was returned to the City. That would be a minimal impact on individual taxpayers in the City. Council Member Fotheringham wondered how important RDA participation would be to the success of the developer during this process. Mr. Godfrey was not sure how important the RDA position would be but imagined it would add weight.

Council Member Gibbons believed this was essentially an accounting matter that was overlooked by the developer, the City, and the County when the 2011 revisiting took place. This was missed by several parties. He noted that the developer was already engaged and partners with the City concerning development of the property. The developer was asking the RDA Board to specify that the number had been misapprehended and needed to be fixed.

Council Member Gibbons did not see a downside in the RDA supporting the letter that would go to the County. He asked if Mr. Godfrey would be opposed to the RDA sharing their support. Mr. Godfrey stated that he would not be against that. He did not see a downside to either the RDA or the City to show support, as requested by the developer. Mr. Godfrey felt it would be beneficial if the RDA Board were to forward a motion directing staff to send a letter to the Salt Lake County Auditor in support of the Holladay Hills request.

Council Member Fotheringham was glad that Mr. Godfrey did not see a downside for the City and the RDA, but noted that there must be a downside to someone. Mr. Godfrey explained that the base amount would drop and more increment would then funnel into the RDA. What that meant was that the taxing entities would receive less during the life of the RDA. However, that was what the taxing entities had signed up for and they had all been represented on the Tech Committee in 2011. The taxing entities would be taking in less property tax money for the life of the project area. Ms. Chamness clarified that the taxing entities would receive what they were entitled to by the budget that was set the prior year. It was just the rate that would adjust.

Council Member Gibbons explained that there was a draft letter signed by Mr. Budge. The letter was addressed to the Salt Lake County Auditor, Brad Johnson, regarding the base value amount for the Cottonwood Mall Urban Renewal Project Area. It was suggested that the RDA entertain a motion to direct City Staff and the City Attorney to write a letter in support of the June 9, 2021 Draft Letter included in the Meeting Materials Packet. Mr. Godfrey stated that the RDA could make a motion during the current meeting, given the nature of the language on the agenda.

Board Member Fotheringham moved to Direct the City Attorney of Holladay to draft a letter on behalf of the Holladay RDA Board in support of the Developer Letter to the Salt Lake County Auditor.

Mayor Dahle seconded the motion. Vote on motion: Board Member Fotheringham-Aye; Board Member Quinn-Aye; Mayor Dahle-Aye; Chair Gibbons-Aye. The motion unanimously.

IV. Approval of Minutes – May 6, 2021, June 3, and June 17, 2021.

Board Member Fotheringham moved to approve the RDA Board Meeting Minutes from May 6, 2021, June 3, and June 17, 2021. Council Member Quinn seconded the motion. The motion passed with the unanimous consent of the Council.

V. Other Business.

There was no additional business.

VI. Adjourn RDA Meeting.

Board Member Quinn moved to recess the RDA Board Meeting and reconvene in a Holladay City Council Work Meeting. Mayor Dahle seconded the motion. The motion passed with the unanimous consent of the Council.

XII. Reconvene City Council in a Work Meeting.

a. UPD Benefits and Compensation Discussion – Chief Ackerman.

Mayor Dahle reported that the above item related to UPD benefits and compensation. Chiefs Jason Mazuran and Jason Ackerman were present to discuss the issue and answer any Council Member questions. Mayor Dahle noted that there was a serious issue pertaining to attracting new officers and retaining existing officers. There is competition between agencies for officers, which was caused in part by the fact that Salt Lake City dramatically increased their wages. This information was included in the packet for review.

The UPD Board discussed the issue in August 2021 and acknowledged the issue. Several agencies had reacted since the announcement made by Salt Lake City and some agencies were waiting to see how the UPD would react before making any concrete decisions. Mayor Dahle reported that the UPD Board Members left the August meeting with the consensus that action was necessary. He did not believe UPD could be last in the market. He explained that their situation is unique because they cannot act unilaterally. A consensus was needed from the other member entities that make up UPD. Mayor Dahle noted that the hope was to reach some kind of consensus decision about the increase at the UPD Board Meeting in September 2021.

Mayor Dahle was looking for guidance from the Council on this issue. He wanted to know how far they were willing to go as it related to compensation but noted that there would likely be some back and forth with other member entities before a final decision was made. The goal for the UPD Board was to have that discussion in September 2021 and make a definitive announcement in October 2021. He asked Chief Mazuran to share additional information.

Chief Mazuran noted that there were a number of things that had caused the current issues relating to benefits and compensation. It was happening throughout the County but also across the nation. Officers are leaving the profession and others are not entering at the same rate. This has created a “wage war,” that had happened at an extremely fast rate. Chief Mazuran commented that this is unprecedented and important to address in a multi-faceted way focusing on short-term, mid-term, and long-term approaches.

Chief Ackerman reported that some of the numbers included in the packet had changed and new information was distributed to the City Council. The most significant changes were toward the back of the packet. He reached out to other agencies to collect verified information. Those agencies were happy to share information related to officer and sergeant positions but were more hesitant to share information related to higher-ranked positions. He had been able to secure that information and it was now included in the updated packet.

Sandy City had been very vocal in the media and stated that they were planning to make a substantial wage increase. This had not been officially voted on but there had been a City Council Meeting earlier in the week and it appeared that they were in favor of the proposed increases. If that went into effect, Sandy City would move into the second-place position. Chief Ackerman explained that the packet included information related to the first, second, third, fourth, and fifth position options.

Chief Ackerman reported that they are losing 0.7 to 0.8 officers per week. For an agency of their size, which was approximately 40 officers per year. That means they are losing officers faster than they can be replaced. He explained that new officers need to be sent to the Police Academy, which is regulated by the State. UPD can send approximately 20 officers through the Police Academy per year. If 40 officers are lost per year there is no way to supplement that with just new officers. Chief Ackerman explained that if the City of Holladay were to lose an officer to another agency or they decided to leave the profession, the best-case scenario with the current hiring situation was that it would take four months to replace that officer. That timeline would only be possible if the replacement was already experienced. Realistically, it would take 6 to 8 months or 12 to 14 months if the Police Academy training is required.

UPD was trying to gauge what other departments were currently experiencing as UPD is in a good position with staffing. Chief Ackerman explained that when Taylorsville departed the UPD many of those officers decided to remain with the UPD. As a result, they were not facing many of the challenges other agencies are currently experiencing. However, he noted that one agency of similar scope and size was down approximately 65 officers and they now are not responding to certain calls for service. It was a concern that UPD could potentially be in a similar situation at this time next year if certain measures are not taken.

Council Member Gibbons asked for more information about the first through fifth position options. Chief Ackerman reported that the UPD Board would like the UPD to be positioned either in the top third of the market or within the top three. The information in the packet outlined the costs that would be required to move the UPD into certain positions. Mayor Dahle believed the UPD had achieved the top three position as of June. Within six weeks, they had gone from a top-three position in many of the ranks to almost last in those ranks. He found that to be very discouraging. Mayor Dahle reported that he served on the Benefits and Compensation Committee and had been vocal that they need to make a clear statement to the officers that something would be done quickly. Generally, the culture in UPD is very healthy and people enjoy working there. However, Sergeant Nick Renfro, who heads Employee Engagement, stated that while the culture has kept the group together, it was unrealistic to expect officers not to apply elsewhere when there is a \$6 per hour wage gap. Mayor Dahle stressed the importance of taking action.

Mayor Dahle asked if decisions had been made by the other entities Chief Ackerman had spoken to. Chief Ackerman stated that they had spoken to nearly every partner city or township, with the

exception of three, and they were all in agreement that something needs to be done. Some believe that the UPD should aim for the number five position so the issue can be handled in smaller chunks. The matter could be revisited in the June budget to try to close any remaining gaps. Others believed that if UPD tried for the second or third positions, they would end up being in the fourth or fifth positions anyway. There had been a lot of varied feedback so far. Mayor Dahle believed that if the intention was to aim to be in the fifth position, they would likely need to shoot for the second or third position, as the ranking would lower over the next few months as other cities started to change their compensation rates. He understood the frustration but believed a significant shift needed to be made to show UPD employees that they are serious about addressing the issue.

Mayor Dahle explained that he and Ms. Chamness had had discussions about the current Fund Balance position. The City of Holladay has a healthy Fund Balance that could make the increase work. The challenge would occur during the budget process the following year and the year after. Priority decisions would need to be made by the City Council in the coming years to accommodate the increase. However, he still felt it was important to go as far as possible in terms of the increase with the understanding that they likely will not end up at that rate due to the other member entities.

Council Member Fotheringham pointed out that they cannot afford another major partner dropping out of UPD. If they attempt to raise wages too significantly, it could motivate one of the member entities to leave. Mayor Dahle countered that if they did not take a significant step, they could start to lose officers. The wage gaps would be too large. Council Member Fotheringham fully supported being at the top of the market but also had a fear of losing a major city, which could impact the UPD model. Mayor Dahle believed that the City of Holladay would have to come forward with their intention and see how the discussions went with the other member entities.

Council Member Durham asked where UPD falls on the chart at the end of 2020. Chief Ackerman reported that they were at the bottom of the top third. Many of the changes occurred because Taylorsville decided to leave UPD. Taylorsville stole several officers from competing agencies. To fill vacancies, Salt Lake City, West Valley, and South Salt Lake made major increases to their compensation levels. There were three or four other agencies that had not made any decisions yet as they were waiting to see what UPD would do.

Council Member Durham wondered if there had been meetings with the Midvale City Council. Chief Ackerman reported that all of the meetings so far, including the one with Midvale City Council, had been positive. Losing another major entity from UPD would be devastating, but it would be a very difficult and expensive process for someone to leave and start their own department. This was especially true given the current officer shortage. Chief Mazuran noted that they did not know what would happen in the future, but they had talked through various short-term and long-term scenarios.

Mayor Dahle reported that a Benefits and Compensation Committee Meeting was scheduled for September 8, 2021. Whatever is said during that meeting would circulate quickly. He reiterated that if a significant step was not taken, some officers would start to look elsewhere. Council Member Fotheringham was in favor of increasing the compensation as much as possible without risking the loss of another member entity. Council Member Gibbons supported UPD being in the top tier. He noted that they could not force another member entity to an increase that they were not in agreement with. Essentially, every participating entity had a veto. It had to be a unanimous decision and the City of Holladay was unable to independently raise the compensation for Holladay officers. Council

Member Durham supported doing what needed to be done to maintain the UPD position in the community. He trusted the judgment of Mayor Dahle.

Mayor Dahle noted that he would go into the UPD Board Meeting with feedback from the Council Members in mind. He hoped that other City Councils were as committed to prioritizing funding as the Holladay City Council was. Mayor Dahle wanted to ensure that a clear message was sent early on that UPD would be very competitive in the market.

b. Continued Discussion on ADUs.

Mayor Dahle reported that Ms. Davenport provided a Staff Report in the packet highlighting the outstanding issues that need further clarification. Ms. Davenport needed to make sure she had clarity on those issues so that the Planning Department could create a final draft that would be voted on at the September 9, 2021, City Council Meeting.

Council Member Quinn commented that Mr. Pace mentioned notifying a lienholder when a property is going to be fined. She wondered whether that could be done with short-term rentals as well. Mr. Godfrey explained that they did not have specific statutory authorization on short-term rentals, but they did for IADUs. There were additional enforcement tools related to short-term rentals because of the concern that IADUs could easily become short-term rentals. However, those enforcement tools did not extend to the lien authority other than if a permit was issued for an IADU and the homeowner turned it into a short-term rental, which is in violation of the statute and a lien could be imposed for that. They would have the authority to tell the lien lender about the violation and this was included in the draft language.

Council Member Gibbons inquired about the enforcement tools. Ms. Davenport explained that the information found on Page 5, Lines 28-38 related to the lien language. It was highlighted in yellow because that information was new. Ms. Davenport stated that it would be revised based on some additional verbiage suggested by Mr. Godfrey. It was noted that the revised language would be ready for City Council review next week. Mr. Godfrey explained that the section made clear that the City could hold a lien for violations of the IADUs and the process that was set forth in the Land Use Development Management Act (“LUDMA”) must be followed. He reported that someone in violation would be noticed and a hearing would be granted if requested. If during the hearing, the Hearing Officer found that the homeowner was in violation, then the City had the lien right. In the statutory sections that authorized the placement of the lien, a reference was made to LUDMA as well as the State Lien Act. In the latter, any owner, actual or equitable, could be notified of the lien.

Council Member Durham had a question related to EADUs. Some of the concerns shared by Mr. Pace stood out to him such as concerns related to privacy. He wondered whether an EADU could be built to the maximum height requirements for a particular piece of property. Mr. Godfrey confirmed this. Council Member Durham wondered if it would be possible to state that an EADU could only be as high as the existing primary unit. Planning Manager, Jonathan Teerlink reported that an accessory building could only be as high as the primary residence if it were set in the same setbacks as the primary home. If an EADU was placed further back on the property, the maximum building height would be 20 feet.

Council Member Durham also made note of another concern expressed by Mr. Pace. If a lot was split and the intention was to build another home, there would be a process where neighbors would be

notified and those neighbors would be able to comment. With an EADU, the neighbors would not have that opportunity. Ms. Davenport confirmed this. Council Member Durham wondered if there was an opportunity to provide a public comment period for EADUs. Mr. Teerlink noted that as part of House Bill (“H.B.”) 82, IADUs were permitted, but EADUs were something that the City was extending their allowance for. As a result, there could be a Conditional Use Permit requirement for an EADU. Mr. Godfrey wanted to put the public comment opportunity into context. The potential subdivision of a property with one additional unit was an administrative approval. If the ordinances were met, that applicant was entitled to approval, regardless of what the neighbors may say or feel. If an EADU required a Conditional Use Permit, that permit was allowed as long as any harmful effects could be mitigated. The public comment portion would not limit the right to have such a permit.

Ms. Davenport explained that there were two different scenarios where an EADU was permitted:

- If the lot size was twice the size of the underlying zone.
 - For example, in an R-1-8 Zone, a lot size of at least 16,000 square feet or larger. In an R-1-4 Zone, a lot of at least 8,000 square feet or larger.
- If the lot size was a half-acre or larger.

Council Member Fotheringham believed that the window for EADUs was being opened slightly. The City was not doing anything drastic at the current time. This would provide an alternative for subdividing a lot, which he felt was a higher impact option.

Mayor Dahle made note of 13.14.031. Ms. Davenport explained that the Planning Department had included a broad ADU section as well as all of the requirements that would impact the IADU and EADU. Then the IADU and EADU requirements were broken out further. Mayor Dahle did not believe that the City Council was overly concerned about EADUs as long as the homeowner occupied the primary residence. Council Member Fotheringham pointed out that EADUs would still be fairly restrictive at the current stage. The City Council could expand things further in the future, but he felt it was better to go slow with EADU allowances for the time being.

Council Member Durham wondered how the Council would feel about there being some sort of process where neighbors could address minimizing the impacts from an EADU. Council Member Fotheringham did not have an objection but wondered what the impact of that would be. Mr. Godfrey pointed out that public comments could have more political impact than expected. He had seen plenty of Planning Commissions in the past bow to political pressure. Introducing the opportunity for public comments in a situation where there was a clear policy standpoint may create unwanted issues. Mr. Teerlink noted that there could be standards or built-in conditions for EADUs. Council Member Durham felt that might be difficult to accomplish given the current timeline. Mr. Teerlink felt they could draft a preliminary set of design standards for the next City Council Meeting. Council Member Fotheringham preferred to add that in over time.

Ms. Davenport explained that the Planning Department was seeking direction from the City Council on the draft ordinance and had posed a number of questions in the packet. She asked if there were any objections. The first question related to the annual license. The draft ordinance would state that ADUs are not required to be rented but if they are rented an annual license would be needed. The second question related to the lien language. It had been added as an additional enforcement tool that was provided through H.B. 82. The language would impose a \$100 lien against the property as a

penalty for non-compliance. The third pertained to addressing the ADU. This would be done with the addition of “Unit B.”

The next question had to do with allowing the tenant access to utility connections. Ms. Davenport explained that language was added to specify that an ADU tenant would have unobstructed access to utility connections (i.e., water and gas shutoff, electrical panel, and HVAC equipment) and wondered if there was any Council Member feedback on that addition. Council Member Fotheringham noted that it would not be too much of a burden to provide access to the electrical panel but wanted to know if access to the other utility connections would be burdensome for the homeowner. Mr. Teerlink did not believe they would be overly burdensome.

Council Member Quinn wondered what would happen if someone was in a basement ADU and there was a water break on the main floor that was flooding the basement. Access to the water shut off for only the basement unit would not be useful in that situation. Ms. Davenport explained that there are typically main shut-off valves on the street that the tenant would have access to. As long as they have a key they would be provided that access. Mr. Godfrey did not think there would be any liability for the City in such an instance. Council Member Fotheringham did not believe they could require that the tenant have access to the primary residence because it may open up areas of the homeowner’s residence that they did not wish to provide access to. Council Member Quinn agreed.

Ms. Davenport overviewed the remaining questions. One had to do with the EADU requirements and the other related to the ADU Fines and Fees Chart that was included in the packet. The chart indicated how the Planning Department anticipated the building fee and licensing fee process would be for the different types of ADUs. It also included the estimated costs to run the program. Ms. Chamness explained that the intention was to review the chart in a year once there were solid numbers. Ms. Davenport stated that the chart currently provided a general idea of what the expenses to City Staff would be for each of those units.

Mayor Dahle agreed with waiving fees and charging a small amount because the intention was to incentivize people to register their ADUs. \$25 to register was not a lot, but the \$100 per day penalty was significant. The hope was that it would encourage people to register their ADUs with the City. This would ensure that all ADUs are safe and compliant. Council Member Gibbons felt that any advertising or education should mention the enforcement measures and the \$100 per day fine.

Ms. Davenport explained that there a few technical corrections would be made. Those minor changes would be done ahead of the September 9, 2021, City Council Meeting. Mayor Dahle explained that at the next City Council Meeting there would be a public hearing and then a vote. He thanked the Planning Department for their hard work.

c. Calendar.

- ***Council Meetings – September 9, 16, and 23, 2021***
- ***September 11 – National Day of Service***

The calendar items were reviewed. Mayor Dahle noted that City Council Meetings were scheduled for September 9, 16, and 23, 2021. He wondered if one meeting should be eliminated. Council Member Quinn reported that she would be out of town on September 9 and 16, 2021. It was determined that the September 16, 2021, City Council Meeting would be canceled. The City Council Meetings in October were scheduled to take place on October 7 and 14, 2021. Mayor Dahle reported

that he would not be present on October 14, 2021, and asked Council Member Durham to run that meeting in his place. However, he would be able to call into the meeting, if needed.

On September 13, 2021, Friend to Friend and the Interfaith Council were holding a service activity at Olympus High School from 6:00 p.m. to 9:00 p.m. It would honor the National Day of Service as well as the 20th anniversary of September 11. The event would promote unity in the community. Mayor Dahle reported that the Annual Thanksgiving Interfaith Service was scheduled for the Sunday before Thanksgiving. Those details were still being worked out and would be shared in the future. Additionally, the Council Dinner was scheduled for December 9, 2021, at Primo Restaurant, because it was more of an open space. This dinner was typically for Council Members and their significant others. However, he wanted to wait and see before something was officially scheduled.

XIII. *Closed Session Pursuant to Utah Code Section 52-4-204 and 205 to Discuss Personnel Issues, Potential Litigation, and Property Acquisition and Disposition (if needed).*

There was no Closed Session.

XIV. *Adjourn.*

Council Member Fotheringham moved to adjourn. Council Member Quinn seconded the motion. The motion passed with the unanimous consent of the Council.

The City Council Meeting adjourned at approximately 8:30 p.m.

I hereby certify that the foregoing represents a true, accurate, and complete record of the Holladay City Council Meeting held Thursday, August 26, 2021.

Stephanie N. Carlson, MMC
Holladay City Recorder

Robert Dahle, Mayor

Minutes approved: **October 4, 2021**