

City of La Verkin

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La Verkin City Council Work Meeting Minutes

Wednesday, April 6, 2022, 5:00 pm.

Council Chambers, 111 S. Main, La Verkin, Utah

Present: Mayor Kelly Wilson, Council Members: Richard Hirschi, Patricia Wise, Blair Gubler, Micah Gubler, and Chuck Hardy; Staff: Derek Imlay, Kyle Gubler, Kevin Bennett, and Christy Ballard, Public: John Valenti.

1. Hotel height restrictions

Derek had a map of Sunset View Estates and photographs showing the proposed Holiday Inn's visual impact on the affected lots.

The City of Santa Clara has a percentage allowance of blockage of the visual corridor. This allows buildings to modify to meet that percentage. Some lower building pads or adjust the height of the building.

The bucket truck was raised forty-five feet from the existing pad for this visual.

The Holiday Inn developer has proposed to drop the pad ten feet. That means the impact would be less than the picture shows.

Ten feet is as low as they could go and still maintain the drainage. It will also require them to build retaining walls.

Lot #1 is furthest away, and the viewshed is not impacted much.

Lot #2 still has a viewshed of the mountains but does block trees on the west side of town.

Lot #3 this view will be impacted the most by the hotel. The view to the north will be fine but immediately west will be impacted.

The lower house's visual shed from the first floor will be impacted some, but there is no visual block for the second story.

Lot #5 he stood between the two houses. This hotel does block the two existing hotels but not any of the mountains.

Lot #7 is comparable to the house next to it with the way it is set and the setbacks.

Lot #8 is a view from the front porch of the existing home. He still has full vision.

The hotel will be forty-seven feet in the back and fifty-two, eight inches in the front.

There will be no visual impact on the back homes or the lower end of the upper road in Sunset View Estates.

In the homes closer to the project, many would be minimally impacted on the first floor and not on the second floor.

The developer is trying to get the three lots directly behind the hotel to be a swimming pool and pickleball court for the residents in the development. One of which is a city-owned detention basin.

Lot three is most impacted by this development and is owned by the developer of Sunset View.

Regarding doing away with the development agreement, Santa Clara hasn't restricted the height of a building; they limited the percentage of the view that is blocked.

Kyle pointed out that if the hotel left the pad as it sits and built a forty-five-foot building, Sunset View Estates would be impacted more than with this proposal.

Councilwoman Wise mentioned they are still asking for a variance.

Derek explained this is a four-story hotel. He spoke with Holiday Inn, and they explained spreading out increases the taxes they pay but building up does not impact it as much. He asked if they would consider dropping the roof. They replied the roof is so minimal they would not consider it.

He also asked them to move the parking to the back of the property, but they did not want to do that either.

Rick Bennion is the developer of Sunset View Estates. He filled in many of the lots along this property and should be retaining the dirt. The hotel developer is willing to take that on. They are going to retain any elevation change two feet or greater.

The Mayor asked the Council to consider changing the requirements for building height. The restriction was set at forty-five feet per the Fire District's request, but now they have a ladder truck and can handle taller buildings.

Councilwoman Wise said the Council needs to consider how they want La Verkin to look in the future. The property next to the Holiday Inn will be another hotel. The Wyndham may still come in next to Davis, My Place next to Family Dollar, and the hot springs are coming in. That's a lot of hotels in our little town and will have a lot of impact on how La Verkin will look in the future.

The visual difference between three and four stories is a lot. Three stories need to be allowed.

According to the planning director, Hurricane only has one four-story hotel; all the others are three and seem to be healthy.

If a three-story hotel has over a ninety-two percent occupancy, it could conceivably make a good return on the money to become a four-story hotel. If a hotel typically runs sixty to sixty-five percent occupancy, having a fourth story would not give them any more business. So, for hotel owners to say they can't make it financially without four levels is not always true.

One of the big things La Verkin gets commented on is the hillside. In the afternoon, the glow on the mountains is stunning. If hotels block those views, we are just an extension of Hurricane.

We signed an agreement with UDOT to do a traffic study through La Verkin; if we don't consider that before granting all these variances, we could be shooting ourselves in the foot.

She doesn't want to go through this every time, but she feels three-story hotels would be better for La Verkin.

She wants businesses to do well here, but she cares about how residents of La Verkin will view the City.

Councilman Hirschi stated we need to listen to the citizens. He is fine either way. We will definitely get more hotels, so we must make a decision.

Kyle mentioned he understands the view standpoint but also knows if a hotel comes in with a large piece of property, they will build out if they can't go up.

Councilwoman Wise stated out is not as impactful as up. She thinks this is something that should be studied.

Councilman Blair Gubler agreed that the idea needs to be studied by the Planning Commission but doesn't think we need to hold up this project.

Councilman Micah Gubler said if we go to four stories, we need to be ready to have four-story hotels because it's hard to go back once you move.

Councilwoman Wise has heard and disagrees with the statement that we have set precedence by approving the previous hotels. We approved an individual variance. In this instance, because they are willing to down ten feet. She would prefer a three-story, but they operated under the assumption that they would get a height variance approved.

Councilman Micah Gubler pointed out there are feelings in other areas of town regarding four-story hotels.

Derek explained La Verkin currently has one four-story hotel. It's the La Quinta Hotel, and it is seventy-five feet high.

Kevin mentioned the Wyndham was initially approved as a four-story as well.

Councilman Hardy suggested promoting the topside by requiring the taller hotels to be built there.

Several Council members thought the views would be more protected on the topside.

Councilwoman Wise mentioned considering what we want La Verkin to look and feel like for our residents and those who visit. The difference between a three-story and a four-story is pretty big.

Councilman Hardy stated he would prefer the shorter height for the bench.

Derek said this developer has been exceptional in mitigating the impact on neighboring parcels. Technically the visual impact would be more significant if they left the pad as is and built a forty-five-foot hotel. It is not only a height issue, but

a percentage of the view corridor impacted by a building. A tall pad could block a view and still fall under current restrictions.

A percentage would fix that.

Mayor Wilson pointed out that the Council will need to decide on the Holiday Inn variance tonight. Still, going forward, we should present the idea to the Planning Commission and see what their recommendation is. That gives the Council time to think about it themselves.

Derek reported a flat roof hotel with nine-foot ceilings could meet the forty-five-foot restriction and still be four stories.

2. Temporary land use regulation restrictions

Mayor Wilson explained this item is on the agenda tonight and will need a decision.

Kevin explained he sent out a copy of the ordinance with additional changes. The specific changes are highlighted on pages six and seven. Added words are in blue and removed words are in red. He wanted to make sure the restriction was clear for residential and tourist commercial zones.

He included a copy of his presentation to the planning commission that he would like the Councilmembers to read over. The Council decided not to do what the planning commission originally recommended, and this will be the fourth time we have tried to tweak or stop the ordinance since it was passed. He went over the history of the changes made.

The only area not full is area 8, the Cottonwood Hollow subdivision. No one has made an application for this area.

The other seven areas have a combined total of sixty-eight people waiting for a license. These will still be allowed to fill a vacant license when one comes available.

This ordinance will freeze the allowed number of vacation rentals in each area even if a new subdivision is created.

If you choose to approve this ordinance, the City will not allow anyone else to be added to the waitlist. We will not start a list for Cottonwood Hollow Subdivision. It will begin purging the existing list by removing anyone operating a vacation rental without a license. If they are on the list, they know our ordinances.

The ordinance is good for six months to allow the Planning Commission to review our current regulations. If nothing gets approved by the deadline, the City will return to the current regulations.

This is for whole-house vacation rentals, not bed & breakfast facilities.

This break will also give the City the chance to focus on reports of people allegedly operating without a license.

Councilwoman Wise said she received comments from a citizen asking if this action is compelling and countervailing public interest. In other words, should this not go through the Planning Commission and potentially a public hearing. Is it really that urgent?

Kevin stated that is the decision the Council members need to make. He has given all the reasons, collectively, that put us in a state where there are a number of your membership that feel it is a crisis.

He feels the real issue is the Cottonwood Hollow subdivision. The other seven areas are already maxed out. We also don't have time to go after the people violating our law.

Councilwoman Wise stated she is in favor of the ordinance; she just wants to make sure we are not unintentionally causing problems by enacting it right now.

She asked Christy how many homes in Cottonwood Hollow would be ready to request a vacation rental license within this six-month time.

Christy responded that she did not know the answer because she was unsure how fast the certificate of occupancies was happening, but the first homes hit the year mark in the middle of January. The other homes in phase two all hit pretty quickly after that first cul de sac.

Councilwoman Wise is worried about stepping on the people hitting the year mark within the next six months.

Kevin started a moratorium is an emergency. That is why there are no public hearings. If you don't think it's a crisis, just send it back to the Planning Commission. If you feel it is a crisis, you need to act now.

Mayor Wilson mentioned this would give the City six months to review the current policy and run it through the Planning Commission.

Kevin pointed out anyone already going through the process or is on the waiting list can still move forward.

Councilman Micah Gubler stated there is a whole other element here with investors. He reported on a home in La Verkin that sold for \$640,000 a year ago. It was purchased and made into a vacation rental and just sold for 1.6 million dollars.

There is an enormous outside interest in La Verkin.

He feels this ordinance will send a message that takes the bullseye off La Verkin and give us time to figure it out.

Councilwoman Wise said another thing that is happening is timeshares on homeownership. If there are five large bedrooms, they will look for six investors who will take two months each year and own part of the home.

Kevin reported Springdale currently has a moratorium on vacation rentals as well.

He asked the Councilmembers to review his presentation included in the packet and the minutes from previous minutes where vacation rentals were discussed.

Kyle said the City is taking steps to make it easier for us to find out about the illegal vacation rentals. Right now, Based on the people he is talking to, La Verkin has listed 250 to 270 vacation rentals. We have approximately 140 licensed.

3. Budget

Kyle said he hopes to have the tentative budget ready for the next Council meeting. He has addressed some of the concerns with the Police Chief and Derek. Many of those things will be addressed in the budget amendment and not next year's budget.

The Planning Commission's compensation has been included in the budget.

The cost-of-living increase has been included. What he thought was an aggressive cost of living increase, he is finding out, is low. Maybe we can change the effective date.

The CIB bid opening turned out very well. We can do the whole project, but it will require approximately \$250,000 more from CIB. That will increase the loan by \$10,000 per year.

Adjourn:

The meeting adjourned at 5:51 pm.

May 4, 2022
Date Approved

ATTEST: Christy Ballard
Christy Ballard
City Recorder

Kelly B. Wilson
Mayor Kelly B. Wilson