

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
September 10, 2013

3:30 P.M. PUBLIC SAFETY TOUR

CONDUCTING Mayor James Evans

ELECTED OFFICIALS Councilmembers Hans Andersen, Margaret Black, Mark E. Seastrand, Mary Street, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Jon Amundson, Assistant City Manager; Bill Bell, Interim Development Services Director; Scott Gurney, Interim Public Safety Director; Karl Hirst, Recreation Director; and Rachelle Conner, Deputy City Recorder

EXCUSED Councilmember Karen McCandless

PUBLIC SAFETY TOUR – Fire Station #2

Scott Gurney, Interim Public Safety Director, took those present on a tour of Fire Station #2. The tour included a look at the ambulance, fire trucks, fire station, and community learning center.

4:50 P.M. STUDY SESSION

CONDUCTING Mayor James Evans

ELECTED OFFICIALS Councilmembers Hans Andersen, Margaret Black, Mark E. Seastrand, Mary Street, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Jon Amundson, Assistant City Manager; Greg Stephens, City Attorney; Bill Bell, Interim Development Services Director; Scott Gurney, Interim Public Safety Director; Karl Hirst, Recreation Director; Charlene Crozier, Interim Library Director; and Rachelle Conner, Deputy City Recorder

EXCUSED Councilmember Karen McCandless

PRESENTATION – Provo Orem Multimodal Project (Bus Rapid Transit)

Paul Goodrich, Transportation Engineer, indicated the City Council passed a resolution stating their support of the Bus Rapid Transit System (BRT) five years ago. He reviewed the proposed bus route.

Janelle Erickson, Utah Transit Authority, stated they are hoping to start the BRT project in 2016. She then reviewed the design schedule that should wrap up in May of 2014. There will be a lot of public involvement during the design process.

Chad Eccles, Mountainland Association of Government (MAG), said this has been an important project that fills a regional need. MAG has used the third quarter cent to help fund this, and part of the first quarter cent will be used to fund this as well. This seems to be working out, and they are hoping to build the project within the next two years.

Mr. Seastrand asked how the cost compares to the light rail system. Mr. Eccles explained this is much cheaper. This project is approximately \$150 million compared to \$650 million for the light rail. They are hoping to convert this to light rail in the future. The operational cost is what makes the light rail appealing.

Mr. Davidson expressed his appreciation to the Utah County Commissioners for their support of this project. There are some cities that are not happy that the funds are going to Orem and Provo when there are needs in their cities as well. He asked those present to express their thanks to the commission for their support.

Storm Damage

Steve Weber, Public Works Division Manager, briefed those present on the damage caused by the storm last Saturday. He provided the following statistics:

- Rainfall Amounts Measured
 - Hillcrest – 2.54 inches
 - Cemetery – 1.56 inches
 - Scera Pool – 1.54 inches
 - Central Utah Water District – 1.26 inches
 - Water Reclamation Plan - .42 inches
- Constant winds in the 30-35 miles per hour range
- Measured gusts as high as 58 miles per hour
- The Intensity-Duration Frequency Data of the Storm was that of a 100-year storm.

Mr. Weber then showed pictures of various parts of the city. The infrastructure is designed for a 10-year storm and not a 100-year storm. With so much water coming down so fast, it was hard for the pipes to push the water through. There were approximately 100 homes flooded as a result of the heavy rain. He indicated the detention basins held up extremely well during this event.

Mr. Davidson indicated the City is not liable for any flooding that occurred from this incident. The residents in a flood zone who were required to purchase flood insurance should be fine. It is the residents who do not have flood insurance who might have a problem.

REVIEW OF AGENDA ITEMS

The Council and staff reviewed the agenda items.

CITY COUNCIL NEW BUSINESS

The Council adjourned at 5:55 p.m. to the City Council Chambers for the regular meeting.

6:00 P.M. REGULAR SESSION

CONDUCTING Mayor James Evans

ELECTED OFFICIALS Councilmembers Hans Andersen, Margaret Black, Karen A. McCandless (joined the meeting via telephone at 6:06 p.m.), Mark E. Seastrand, Mary Street, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Jon Amundson, Assistant City Manager; Greg Stephens, City Attorney; Richard Manning, Administrative Services Director; Bill Bell, Interim Development Services Director; Scott Gurney, Interim Public Safety Director; Karl Hirst, Recreation Director; Charlene Crozier, Interim Library Director; Donna Weaver, City Recorder; and Rachelle Conner, Deputy City Recorder

INVOCATION /
INSPIRATIONAL THOUGHT Jonah Jonas, Scout Troop #1331

PLEDGE OF ALLEGIANCE Jonathon Costa, Scout Troop #1331

APPROVAL OF MINUTES

City Council Meeting of, 2013

Mr. Seastrand **moved** to approve the minutes of the August 20, 2013, special meeting of the Orem City Council and the City Council meeting of August 27, 2013. Mrs. Black **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously.

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

Upcoming Events

The Mayor referred the Council to the upcoming events listed in the agenda packet.

Upcoming Agenda Items

The Mayor referred the Council to the upcoming agenda items listed in the agenda packet.

Appointments to Boards and Commissions

Mr. Seastrand recommended Jim Lauret be reappointed to serve on the Summerfest Advisory Committee.

Mr. Seastrand **moved** to reappoint Jim Lauret to serve as a member of the Summerfest Advisory Committee. Mrs. Street **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously

Recognition of New Neighborhoods in Action Officers

No new Neighborhood in Action officers were recognized.

CITY MANAGER APPOINTMENTS – Assistant City Manager – Jon Amundson

Mr. Davidson asked for the City Council’s advice and consent on his appointment of Jon Amundson as the Assistant City Manager.

Mrs. Black **moved** to provide the Council’s advice and consent on the appointment of Jon Amundson as the Assistant City Manager. Mr. Sumner **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously

Donna Weaver, City Recorder, gave the oath of office to Mr. Amundson.

CONSENT ITEMS

Mr. Andersen **moved** to approve the following consent item. Mr. Sumner **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously

MOTION – Cancel the September 24, 2013, City Council Meeting

CITY MANAGER INFORMATION ITEMS

Mr. Davidson indicated the City went through a recruitment process, and Bill Bell has been chosen to serve as the Development Services Director. Mr. Davidson expressed appreciation to Mr. Bell for his efforts for the past nine months as he has served as the Interim Director. Mr. Bell has a vast amount of experience in development and building/safety. He has been with the City for many years, has a solid reputation, and has earned Mr. Davidson’s trust and respect.

REPORT – Library Advisory Commission

Charlene Crozier, Interim Library Director, noted this commission is an active and dedicated group. They are interested in all things related to the library and its success. They are regular users, volunteers, and advocates for the library.

Gama Cancino-Macario, chair, introduced other commission members--Ben Beeson, Gloria Cronin, Terri Potts Smith, and Darla Baker.

Ben Beeson, commission member, indicated his father served as library director for over twenty years. Mr. Beeson expressed appreciation for the Library and noted every community benefits from

having a solid library. This beautiful Library is one of the high points in Orem. Mr. Beeson reviewed the statistics for the last fiscal year as follows:

- Materials in Collection
 - Print Items--244,179
 - Audio materials--44,507
 - Video Materials--34,928
 - Other Items--2,639
- Estimated Value of Donated Materials--\$49,629
- Volunteer Hours--6,777
- Visitors to the Library--452,995
- Average Daily Visitors--1,618
- Items Checked Out--1,069,412
- Library Program Attendance--62,926
- Increase in E-Material--82 percent
- E-Items checked Out--24,181

The Commission showed a video of patrons telling what they appreciate most about the library.

Mr. Cancino-Macario thanked the City Council for the opportunity to share this information with them and for their support of the library.

Mayor Evans expressed appreciation to the commission members for all of the work for the City Council.

Mr. Seastrand added his thanks to the commission for their efforts.

PERSONAL APPEARANCES

Time was allotted for the public to express their ideas, concerns, and comments on items not on the agenda. Those wishing to speak should have signed in prior to the meeting, and comments were limited to 2 minutes or less.

Sharon Anderson, resident, requested clarification as to whether the public can comment on something that is on the agenda but is not listed as a public hearing. She said she is interested in speaking about the ballot arguments. Mayor Evans said he would allow her to speak at that time.

Mr. Davidson explained there are certain items that are scheduled for public hearing per State law. There are other items that do not require it. It is at the Mayor's discretion whether or not he allows public comment on those items. Many times, the items that are on the agenda have been deliberated in previous meetings and may not require additional comment or input.

James Fawcett, resident, said the University Mall leases a section of turn table and then allows different businesses that are not located at the mall to advertised on its sign. Mr. Fawcett said the City needs to clarify on-premise versus off-premise advertising. Right now it appears that the Mall sign is a billboard.

SCHEDULED ITEMS

6:00 P.M. PUBLIC HEARING

ORDINANCE – Amending a Portion of Section 14-3-3 of the Orem City Code as it Pertains to Billboards

Jason Bench, Interim Planning Division Manager, presented an applicant request that the City Council, by ordinance, amend Section 14-3-3 of the Orem City Code pertaining to billboard regulations.

This item was first heard at the July 30, 2013, City Council meeting but was continued to September 10, 2013, at the request of Reagan Outdoor Advertising and Top Ad Media. Top Ad Media has since submitted a document that discusses the economic impact of billboard advertising.

Staff recently completed a visual survey of all billboards from Spanish Fork Main Street (Exit 258) to Lehi 2100 North (Exit 282) and identified 220 billboard faces along the I-15 corridor with some billboards containing more than 1 advertising face such as LED or a split-face. Within the corporate boundaries of Orem City along I-15, there are 52 billboard faces. Of these faces, 20 (38 percent) are used to advertise a business located in Orem. The majority of these businesses are not exclusive to Orem such as Maverick, Central Bank, and Famous Footwear.

Staff contacted Lehi, American Fork, Pleasant Grove, Lindon, Provo, Springville, and Spanish Fork concerning permitting new billboards within each jurisdiction. Only Spanish Fork currently allows new billboards to be constructed.

The City recently considered a request to create the PD-36 zone on the former Williams Farm property. Included in that preliminary request was language that would allow two additional billboards adjacent to I-15. The City's current sign ordinance does not allow any new billboards in the city. The City's legal staff felt it would be difficult to allow new billboards on the Williams Farm property without opening the door to new billboards on other potential locations along the I-15 corridor. Therefore, legal staff suggested that if allowing any new billboards along I-15 were to be considered, it ought to be done in the context of a change to the general sign ordinance that would open up the entire I-15 corridor to new billboards rather than in the context of allowing new billboards on just the Williams Farm property.

In order to facilitate this broader discussion, the City filed an application to allow new billboards all along the I-15 corridor subject to the spacing and other requirements of State law. However, the filing of the application does not necessarily imply support of the request.

State law requires a separation of at least 500 feet between billboards. If the City Code were amended to allow new billboards along I-15, there is the potential for five new billboards in the city based on an analysis of existing billboards and the City Surveyor providing detailed information pertaining to "Points of Gore" at the existing interchanges. These additional locations have been identified on a map, which is included for the City Council's review.

Advantages:

- May promote the development of some properties along the I-15 corridor (The owners of the Williams Farm property claim that having billboards on the property will encourage businesses to locate on their property and promote economic development in Orem).
- Would allow additional opportunities for property owners and billboard companies.

Disadvantages:

- Additional billboards would increase visual blight along the I-15 corridor
- Based on the visual survey completed by staff, the majority of billboards located in the city limits do not advertise businesses located in Orem

The Planning Commission recommends the City Council deny this request.

Mr. Andersen asked how the property owners find out that their property can have a billboard. Mr. Bench explained that, right now, the City does not allow any new billboards, so the billboard companies are not seeking these property owners. If the City Council approves this application, the billboard companies will go to those specific property owners and make them offers.

Mr. Sumner asked whether the billboards are owned by the company or the landowner.

Dell Loy Hansen, applicant, noted he purchased the Williams Farm property with Paul Willey, and they are proposing to build a high-end technology park with approximately one million square feet. They are currently speaking with a few tenants. Vineyard just announced their three million square foot development just kitty-corner to this one. Mr. Hansen noted his vision is to own the billboards and to have the technology operated by people who have higher technology. It costs \$600 to pull a vinyl sign down and put another one up. Modern technology would allow the message to be entered into a computer. Mr. Hansen said they have looked at this as a way to differentiate themselves from the Vineyard project. They want to work in partnership with the City of Orem to build a state of the art tech park at that location. If a tenant is not allowed to have their signage on a billboard, they want their building shoved up against the freeway so their sign can go on the building. Mr. Hansen indicated he wants something with a lot more open spaces. It would be similar to Vivint with a more campus feel. They are proposing two elegant boards. He expressed his hope that Brigham Young University would want to advertise their games. The signs would be for local businesses and events. The name they are proposing for the park is Orem Technology Park. He gave the example of Ameritech Business College, which is located at 123000 South in Draper. They were considering going to Lehi because the landlord would build a parapet on the building with a three-foot sign. The tenant figured this would be a no cost sign. Mr. Hansen went to Draper City to see if they would allow a non-premise sign where Ameritech could tell their story. Draper agreed, so Mr. Hansen was able to sign a 10-year lease with Ameritech which keeps them in Draper rather than Lehi. Mr. Hansen indicated the development in Vineyard will have less expensive land, and they are going to have the opportunity to build a larger park than he can, so there is a business side as well as a practical side to allowing more billboards. Mr. Hansen expressed his commitment that these would be owner-owned signs that advertise local businesses.

Mrs. McCandless asked what signage is currently allowed in the zone without a billboard. Mr. Bench noted the park itself could have a three hundred square foot sign that is thirty-five feet above the deck of the freeway.

Mrs. Black noted that, as the ordinance is currently written, the applicant can have an on-premise sign. She questioned whether the applicant is asking for an off-premise sign.

Mr. Hansen replied that the signs would have dual use, and they would not primarily do off-premise advertising. He would rather not have signage on the buildings. They felt the billboards were a more efficient way to deliver the message, and there would be a broader interest in the community.

Mr. Sumner said he truly believes in the power of advertising. Some of the information that was provided in the agenda packet from Top Media is outdated. He said he would like accurate projections on sales tax revenue in Orem and how it will help the city.

Brent Skinner, applicant, explained that the information was provided by Top Media. If they want something more current, he has given a report to staff that was done by Bonneville Research. It shows how this would benefit Orem specifically. It addresses building fees, property tax, sales tax, and total annual revenues. They have eighty acres of property, and they are trying to keep businesses in Orem. They want to be a long-term presence in the City of Orem. The signs help achieve this, and the proposed annual revenue to Orem would be \$700,000. Mr. Skinner indicated they can stay here and be a vital presence in the City if they have the additional signage.

Mr. Hansen indicated they are going to own six radio stations as well. They have ulterior motives with this. They want the people in Utah Valley to know when the REAL Salt Lake games are, and they want them to listen to the radio stations. They want to tie this to the businesses they are involved with and make some noise in Orem. The difference between them and Reagan is that Reagan sells national advertising, and Mr. Hansen will not.

Mr. Seastrand asked how many on-premise advertising signs they could have on this parcel.

Mr. Bench indicated they just rezoned to a PD zone, so they could have a 35-foot high, 225 square foot sign per parcel.

Mr. Seastrand noted the other option is to have two of the larger billboards.

Mr. Bench clarified that they would still be allowed to have the regular signs even if the billboards were allowed.

Mrs. Street asked how many square feet a billboard has. Mr. Bench said it is 670 square feet.

Mrs. McCandless questioned if the applicants are planning on owning the buildings and leasing them or if they will be selling the ground and the building. Mr. Hansen said there would be a combination. They will lease to anyone, but some large tenants want a buy option. It will be a one-million-square-foot park, but there will be common areas. They plan to have a variety of ownership.

Mrs. McCandless expressed appreciation to Mr. Hansen for his candor. She likes that he is being forthright, and she has enjoyed hearing about what they have planned.

Mrs. McCandless then asked if the businesses they plan to advertise on the billboards are businesses the applicants have ownership in.

Mr. Hansen said that is true to a large degree. He and Paul Willey own the property fifty/fifty right now. They are going to invite other Wasatch partners to come in when they develop. They have businesses throughout the state and would like to advertise their businesses at all of their locations.

Mayor Evans opened the public hearing.

James Fawcett, resident, indicated the University Mall sign has incidental advertising because the businesses are leasing space on a turn table inside the mall. He said he loves the mall sign, but State law applies in that corridor because SR89 is an inner highway corridor, and it is regulated. If the City gets too far on allowing signs to act like billboards, they are in trouble. If they allow a billboard, the City cannot tell them what to do. They can advertise whatever they want, and the business right on the property will not get a chance to advertise on the sign at all. Billboards on State Street, 800 North, and Geneva can be moved over to I-15. If this goes through, there will not be anywhere for those signs to relocate to.

Richard Brunst, resident, said he is excited about Wasatch coming in and what they are doing with Williams Farm. It is in their economic interest as well as the City of Orem. Orem has had three companies in the last three years leave Orem and move up north. That has been a loss of hundreds of jobs in Orem. This project will benefit the community, and the owners have a right to advertise. Two billboard signs is not too much to ask for this development. He asked the City Council move forward with this. The City needs to partner with Wasatch to help them develop this property to its full potential.

Leslie Nelson, business owner, noted that she has a potential benefit with this application. However, with the painted gore, hers is in question. She said she has tried to get a billboard for ten years, and it would be a benefit to her as well as other Orem businesses. She read from a study by Arbitron done in 2009. The study showed the benefits of outdoor advertising in terms of sales. She said some people do not like billboards, but twenty-five percent of people make immediate buying decisions when they see a billboard advertisement. Orem needs local businesses to thrive and the sales tax base to increase. With the advent of the electronic billboards, even more businesses can be served at a much lower cost. Mrs. Nelson said she would like to have a two-sided electronic billboard. Her flips would be fifteen per day. That would increase the number of local businesses that benefit from the billboard.

Nate Sechrest, Reagan Advertising, said he has some concerns with this application. The notes given to the City Council were prepared by Top Ad Media. He said Reagan has not had the opportunity to compete for these five new locations. If Top Ad Media has been involved with this from the very beginning, there is a good chance that they have contacted every single property owner. That causes Reagan Advertising a lot of heart burn. He said on-premise signage is restricted by State Code to every 300 feet along I-15. The applicants could have about 5 signs on their parcel. Mr. Sechrest

indicated he does not understand why the City would redo an entire ordinance for 10 percent of the signage to be used as billboards. They should just do the on-premise sign that works very well. He noted Reagan would be more than happy to sell advertising space to Mr. Hansen. In terms of local advertising, he has asked staff numerous times to allow them to relocate signs to State Street, where the local businesses are. The signs on I-15 are usually taken up by national advertisers. He would prefer sign spacing on State Street. Mr. Sechrest noted he also has concerns with the University Mall sign. If they are calling that an on-premise sign, it puts the State's highway funding at risk. The State could lose \$40 million because that is a violation of the Federal Highway Act.

Jamie Evans, Evans Billboards, asked whether the City is planning to eliminate paragraph three in the current ordinance in reference to moving billboards. Mr. Bench stated they are.

Jamie Evans then asked that the language remain in the ordinance. To compete in the billboard world, that is one of the only tools available. There are still some signs left in the city that can be moved out onto I-15. He said the difference between an on-premise and an off-premise billboard is that all of the businesses that work in the location can be advertised on the billboard. There is going to be a huge sign built in Lehi by Adobe. Jamie Evans stated that whatever the City does for one, they need to do for all. He is in a lawsuit right now over a sign. He owns the corporation that owns the property, has a sign on it, and it might have to be removed. He would like to have the opportunity to rebuild it. The difference here is the billboard. An on-premise sign is worth about \$100,000 to \$150,000. A billboard will be worth \$500,000 and an LED is worth even more.

Mayor Evans closed the public hearing.

Mr. Davidson indicated they have heard from several sign companies today. At the previous meeting where this was discussed, the Council asked staff to meet with both sign companies that spoke during the last public hearing. The Development Services staff did meet with Reagan Advertising as well as Top Ad Media.

Mr. Seastrand asked about leaving the sign exchange language in the ordinance. Mr. Earl said it does not make sense to leave that language in the ordinance because there are only five locations for the signs if this passes, and no one needs to do an exchange to get a billboard on I-15. That language then becomes superfluous. No one will give up two billboards on State Street to locate a billboard in one of those five locations when they can go in one of those locations without giving up the billboards.

Jamie Evans clarified that the property owner has the right to remove a billboard when the lease comes up. He has a billboard on his property. When the lease is up and that billboard is removed, he wants to be able to rebuild that sign. The only way to rebuild them is to buy them inside of the city, take them down, and rebuild them on I-15.

Mr. Earl said they are talking about opening up the whole corridor, but it is only in the M2 zone. That is only on the west side of I-15.

Mrs. McCandless stated that she does not have a problem with having two billboards on this property that advertise the business interests of the property owner. She is concerned with the citywide

applicability of this ordinance. She wondered if there was a way to craft an ordinance that would allow billboard owners to advertise things they have a financial interest in.

Mr. Earl indicated that he has never seen anything crafted that way. He does not think something like that would pass constitutional muster.

Mr. Seastrand said he is still trying to think of options for what can be done. The appearance and blight of on-premise advertising is a factor. They could add a significant increase in signage with the on-premise advertising that can be available. He asked if they would have the ability to request a different kind of signage for that zone if this only related to the PD-36 zone.

Mr. Earl said it sounds like the same question Mrs. McCandless asked, and he does not think they could do that. They would need to stay with the traditional way of looking at off-premise advertising versus on-premise advertising.

Mrs. Street said the quandary she has is with expanding and adding to the stock of billboards along the corridor while not necessarily having an objection to off-premise advertising if it is tied to some regulatory control imposed by the Council. She is thinking of Wolverine Crossing, which is another approved PD zone in the city. They have a different type of signage. It is LED. When they came in for approval, the Council added the LED component to the language and there were special approvals given. She asked whether they were able to make those concessions because it is in a PD zone.

Mr. Earl noted there are some differences with that situation. That sign is located on the interior of the property. It was designed not to be viewed by the traveling public. Typically, the two rationales that are given for off-premise advertising are aesthetics and traffic safety. At least one of those rationales goes away when the sign is on the interior of the property where it is not being viewed by the traveling public. The other is probably significantly diminished because they are usually talking about maintaining the aesthetics of the traveling corridor. That is a different situation because of the location of the sign.

Mrs. Street thanked Mr. Earl for his explanation. She said she recalls they wanted to advertise Utah Valley University events on the sign as well as other events in the community. She remembered the discussion and how she did not object to that. Part of her concern with this application is making a change that has larger implications. She does not want to stifle business or the ability to advertise or to be successful, but she has to think about what the applicant is asking for in a broader context. That is still a challenge for her.

Mr. Andersen said he is concerned about the Federal Fund issue raised by the Reagan attorney in reference to the mall sign. None of the businesses being advertised are located in the mall. The City Code says it has to be on-premise. State law says that it has to be on-premise as well. He suggested the City Council can discuss this request for two signs when nothing has been done with the mall sign for two years. He does not have a problem with the sign; he just has a problem with not enforcing the ordinance.

Mr. Davidson stated that staff has had conversations with the University Mall as it relates to the sign. He expressed appreciation to Reagan Advertising for having a representative here to note its concern. Mr. Davidson said the matter at hand tonight relates to billboards in the M2 zone. If they would like staff to do additional research as it relates to some of the other concerns mentioned, they are happy to do that. In addition, staff is prepared to bring forward revisions to the sign ordinance. Staff is planning to review the changes to the ordinance with the Council at the end of this meeting.

Mrs. Street said she is surprised there are not more residents here this evening to weigh in on the signage issue. She has had no real input from anyone in reference to this application.

Mrs. Black indicated she is thrilled that Wasatch is bringing this business to Orem. She said she does not think that not allowing off-premise advertising means she is against their business.

Mr. Hansen expressed his concern with only having on-premise advertising. There seems to be issues with the various billboard companies, and if someone does something wrong they will report it. Mr. Hansen said even if their intention is to only advertise the companies that they are associated with, there could be something in that gray area that causes them to be in trouble. He would really like to be the front door and advertise east Orem businesses such as the University Mall and Savings and Loan companies. Their billboards would be for local businesses. The reason there are national billboards is because Reagan has a national clientele.

Mrs. Black said she has concerns about this being a citywide ordinance change. There is a reason why the majority of cities no longer allow billboards. Billboards can be a Pandora's box. They have to be very cautious in allowing new ones. She is a member of the Legislative Policy Committee with the Utah League of Cities and Towns, so she hears billboard concerns all of the time.

Mr. Sumner said he is an advocate of advertising. However, he would like proof that this is going to bring sales tax into Orem. The newspapers track their readership and the radio stations can track their listeners, but he has not heard statics on how this will benefit Orem.

Mr. Hansen read from the information provided by Top Ad Media. It said there would be \$466,000 in sales tax to the point of sale portion only. The City will also get property tax from their one million square foot development. The schools will get revenue as well. They are not asking for a handout from the city to do their development. He has always been a strong believer that development should stand on its own if it is viable. They have three deals in the hopper that they are looking at right now. The reason they bought this property is because it is on the freeway, and that is natural advertising. There are thousands of people driving by every day. The biggest question is how they advertise the most efficiently, the most fair, and in the broadest interest of the residents and businesses in Orem. It will be the local businesses that want to advertise there. The beauty of this request is that there will only be two signs on this parcel and a potential of only five new signs.

Mr. Seastrand noted he has appreciated the discussion. He could go either way on this, but he will make a motion to go ahead and amend the ordinance because he does think billboards can be beneficial to this development. He is concerned about additional blight but realizes that on-premise advertising can be just as bad.

Mr. Seastrand **moved**, by ordinance, to amend Section 14-3-3 of the Orem City Code pertaining to billboard regulations. Mayor Evans **seconded** the motion.

Mrs. Street commented that she is inclined to support this motion. In previous meetings they have discussed the nature and character of the Geneva Road corridor, and she has clarified with staff that the ability to have more signs, even though it is within the M2 zone, it has to be within a certain distance of the I-15 corridor. Therefore, it will not impact the Geneva Road side as much. She was also persuaded by Mrs. Nelson's comment about the I-15 commute experience and the visual aesthetic. Mrs. Street said she understands the character and importance of advertising to support businesses in the community. She is able to overcome her concerns with this application because of the limited expansion possibilities.

Mr. Andersen said he is supportive of this as well, and if the City gets serious about straightening up the difference between on-premise and off-premise signage, they will need more signs. There are some advertisers that will not have any place to advertise.

Mr. Sumner wanted to make sure this request in no way opens up the door to more signage on State Street. He was told it would not. This is the M2 zone only.

Mayor Evans called for a vote. Those voting aye: Councilmembers Hans Andersen, Jim Evans, Mark E. Seastrand, and Mary Street. Those voting nay: Mrs. Black, Mrs. McCandless, and Mr. Sumner. The motion **carried** with a majority vote of 4 to 3.

6:20 P.M. PUBLIC HEARING

ORDINANCE - Amending Section 22-5-3(A) of the Orem City Code and the Zoning Map of Orem, Utah, by Rezoning Property Located Generally at 775 East 1600 North From R12 to R8

Mr. Bench presented an applicant request that the City Council, by ordinance, amend Section 22-5-3(A) of the Orem City Code and the Zoning Map of Orem, Utah, by rezoning property located generally at 775 East 1600 North from R12 to R8.

The applicant owns a vacant lot in the R12 zone, which requires at least 12,000 square feet per lot. The applicant's lot is 17,149 square feet. As the property and zoning exist, the lot is legal for a single dwelling. The applicant requests the zoning of the property be changed to R8, which requires a minimum of 8,000 square feet per lot. In the R12 and R8 zones, a dwelling must have at least a finished footprint area (exclusive of a garage) of 1,000 square feet for a single-story home or 650 square feet on the main level and 550 on the second level if the home is two stories.

The General Plan identifies future land uses and states the location of the subject property is suitable for Low Density Residential (LDR). The LDR classification is implemented by the PRD, R8, R12, and R20 zones. The property surrounding the subject property is zoned R12 and PD-6, which is the former WordPerfect office campus. The General Plan goes on to state:

The Low Density Residential (LDR) classification is established to provide the majority of the housing stock within Orem. Typical suburban neighborhoods with single-family homes on individual building lots should comprise the majority of development within the LDR classification. Low Density Planned Residential Developments should be

scattered evenly through the City subordinate to the single family home. Except for PRDs, the appropriate housing density shall be up to 4 units per gross acre.

At the Planning Commission meeting on July 10, 2013, there was some discussion as to whether this request constitutes a “spot zone.” Utah Code Section 10-9a-505.5(3)(a) states that “There is no minimum area or diversity of ownership requirement for a zone designation.” Based on the State Code and the Orem General Plan, the City can rezone properties within the LDR designation to an R8, R12, R20, or PRD zone or a combination of the zones in the LDR designation as indicated above and still conform to the Orem General Plan.

A neighborhood meeting was held on April 26, 2013, with nine people in attendance. A majority of those at the meeting were not supportive of the request.

Advantages:

- The proposed lots meet the requirements of the R8 zone
- The plot plans provided for both lots show how homes can fit on the proposed lots exceeding the minimum finished floor area requirement of 1,000 square feet

Disadvantage:

- The proposed lots are odd shaped and are not the typical lot size or shape found in the area

The Planning Commission made a recommendation that the City Council deny this request based on the size of the lots not fitting into the R12 neighborhood. However, based on compliance with the General Plan, and the fact that the proposed subdivision meets the minimum requirements of the R8 zone, staff recommends the City Council consider approving the rezone as requested.

Mr. Seastrand asked what fencing is allowed on the back lot property line along 1600 North. Mr. Bench noted they would have to work with the Transportation Engineer to determine the site visibility and other issues. There may be some issues that would limit the fence options in that area.

Mrs. Street asked the distance requirement for the south lot driveway. Mr. Bench said it would have to be fifty feet from the intersection.

Mrs. Street questioned if there is a distance requirement to separate the driveway for the two lots. Mr. Bench said it would be based on traffic engineering. The City would prohibit access from 1600 North.

Jack Potter, applicant, said he purchased the property from his wife’s aunt with the intention of building him a home. Soon after his purchase, the economy fell, and he put the property up for sale at fair market price. He did not receive any offers. Mr. Potter then gave an inventory of the homes in his neighborhood, He noted the majority of the homes range from \$185,000 to \$280,000. The homes and landscaping on his two lots would be an improvement to the neighborhood.

Mayor Evans opened the public hearing.

Ron Wilkinson, neighbor, stated that when he purchased his home he was told he had to build an upper class home with a lot of landscaping. He read a statement listing the building requirements for the Mountain Oaks subdivision. For the Council to approve this would be a disservice to others who have made the same request. The closest R8 zone to this subdivision is on 1600 North, and the lots were designed for smaller homes. The Potters knew when they purchased the property that this was an R12 zone. This area is treacherous in the winter because it is hard for people to make it up the hill.

Teresa Horn, neighbor, advised that many of the neighbors did not know about this rezone request. She displayed a map showing the homes that she had delivered a notice to because they had not received anything. She said the congestion of adding two more homes on Mountain Oaks Drive would cause a greater safety challenge.

Arthur Boyadjian, resident, said this area pays higher taxes because they have large homes. The proposed homes will have lower taxes because they are smaller homes, and that is unfair. The Planning Commission made a recommendation that the City Council deny this request. He recommended the City Council vote no on this request because the people in this area are against it.

Skip Anderson, neighbor, noted that he was a State Highway Engineer and worked with the Utah Department of Transportation (UDOT). He was involved with many interchanges within the City of Orem. Right now, 1600 North is operating as a two-lane road, and people try to avoid it as much as possible. It would be a good time for the City to adopt a master plan for that area that would protect future right-of-way for any future improvements. It might also be good to buy a portion of the property in question and not to allow encroachment on it so it can be used for possible future expansion.

Steve DeVore, neighbor, noted his property overlooks the property in question. He said he did not receive anything in the mail in reference to this zone change. He learned about this because of Ms. Horn going through the neighborhood. Mr. Potter has explained that his rationale of wanting to rezone this property is because of financial difficulty. Mr. DeVore said the City Council does not have to make special accommodations because of financial needs. Mr. Potter can build a home there, but he should not be allowed to subdivide the lot.

Bill Colorado, neighbor, expressed concern with the devaluation of his property and the traffic safety. He would like to have the Potters build a home there, but he does not want two homes on that lot. Getting up that hill in the winter is difficult and having two additional driveways there would make it worse.

Tawny Merrill, neighbor, said there are four roads that converge onto 800 East. Due to the convergence of these roads, it is a safety hazard for those that frequent this area. She displayed pictures of various traffic problems they have had in that area and explained this will be worse in the winter due to the steepness of the hill. She proposed the City Council postpone this decision to allow a traffic engineer come in and review the situation to determine whether it is safe to have two additional driveways on that street. She encouraged the City Council to determine if they are going to agree to the request of one person who is trying to maximize his personal profits or if they will respect the wishes of the constituents who reside in the neighborhood that will be affected by the rezone. The neighbors have overwhelmingly rejected the idea of rezoning this lot. She noted there is

not a single lot north of 1600 North between 800 East and 400 East that is zoned R8. To allow one lot to be R8 would be an injustice to the hundreds of Orem residents that reside in that area.

Keith Hunt, neighbor, noted the Planning Commission recommended the City Council deny this request based on the size of the lots not fitting into the R12 neighborhood. He asked staff how they got from an R12 neighborhood down to being in compliance with an R8 zone.

Mr. Bench explained that the R8 zone is one of the options in the Low Density Residential (LDR) designation in the General Plan. This area has a General Plan designation of LDR. If someone wants to propose a rezone, they have a right to come before the City Council to ask for any of the zones listed in that designation.

Mr. Bench then displayed the R12 area on the overhead. He pointed out the R8 area on 1600 North in relation to the subject property.

Ron Wilkinson, neighbor, said this decision will affect all of the neighbors above Bowl Drive. There is a traffic congestion problem in that area and having two homes on this lot with one of the driveways on the curve of the merge will cause a greater problem. He implored the City Council to deny this request.

Diane Decker, neighbor, stated that she has lived in this neighborhood for 27 years. When they built their home, they had to go through a very strict process. She had to enlarge a portion of her house plan in order to meet the requirements. She indicated that 3 of her neighbors had to do the same thing. There is a home in this neighborhood that is 8,000 square feet. She said she would love to have the Potters build on their property, but she does not want to homes on that lot. It is very dangerous right now, and having 2 homes does not make safety sense.

Richard Brunst, neighbor, expressed concerns with regards to safety. He asked Mr. Bench to display the map of the area. Mr. Brunst gave a traffic scenario which showed the dangerous nature of the street, noting it would be a hazard to have a driveway in the proposed area. He then said he would like to have a line of site investigation coming off of Bowl Drive as to whether or not they can see a car pulling out of the proposed driveway. He asked that the stopping distances be looked at for the cars coming in and the speeds coming in from all three sections. He voiced his belief that this is a hazard and will cause harm to the people in the area.

Jan Peterson, neighbor, said Mr. Potter commented that many of the homes in the area do not look good. She said she moved into her home ten years ago, and her home was built in 1999. She is not sure what homes do not have value that Mr. Potter referenced. When Mr. Potter talks about his property taking a hit with the economy, it was not just his lot. Everyone took a hit. The values of their homes are not what they were when Mr. Potter bought his lot. Ms. Peterson expressed her opinion that dividing the property into two lots would not help any property values in the area. She recommended they leave the property as is.

Larry Park indicated he is the son of the previous property owner and the executor of her estate. He gave a history of some of the homes in the neighborhood. Many of the homes in that area belong to

his family members. He expressed concern with the traffic safety of the area and asked the City Council to consider the things that have been said this evening and deny the rezone request.

Mayor Evans closed the public hearing.

Mr. Potter showed where the driveways would be located on the overhead map. He noted there would be a driveway on the curve whether there was one or two houses. Mr. Potter noted these houses will each be approximately 3,600 to 3,800 square feet, which is not small. Mr. Wilkinson's home is 3,422 square feet, and the landscaping is not very nice. The Park's home was built in 1955, and it is 3,200 square feet. The Shurtleff's house was built in 1972 and it is 2,800 square feet. He commented on the size of various homes in the neighborhood, noting that many are smaller than he intends to build. Mr. Potter said his property is a lot larger than it looks, and when the landscaping is in, it will look like a larger lot. Most of the lots in the neighborhood have a large area that is unusable due to the slope.

Mayor Evans asked if the City Engineer would have to look at the location of the driveway to make sure it was safe. Mr. Bench agreed that staff would have to approve it. He would probably move it farther away from 1600 North.

Mrs. Black noted that she visited the site to see what the concerns would be. Her independent analysis was that there would be a safety concern with two small lots on that odd shaped property. She also feels that there needs to be a compelling reason to change a zone, and she has not heard a compelling reason tonight. This request is out of character with the neighborhood because of the smaller lots. The Planning Commission has recommended denial.

Mayor Evans said he does not like to go up that drive to get to his house because of the traffic. He has driven by that area for the past twenty-eight years, and he has seen a lot of crazy traffic things happen. Mayor Evans stated if this is approved, he would like the driveway moved away from the intersection to make it safer.

Mr. Seastrand thanked everyone for their comments. He said for him it comes down to whether or not there is a compelling reason why it could not remain a single lot. As he has looked at the various homes in the neighborhood, they all seem to be consistent and compatible. He is not inclined to make the change from an R12 to an R8 for that lot. He cannot see a reason that the lot cannot be developed as R12.

Mr. Seastrand then **moved** to deny the request to amend Section 22-5-3(A) of the Orem City Code and the Zoning Map of Orem, Utah, by rezoning property located generally at 775 East 1600 North from R12 to R8. Mrs. Black **seconded** the motion.

Mr. Sumner indicated that he fully supports individual property rights and their ability to do what they want on their property; however, the safety issues in this area do not work with allowing two homes.

Mayor Evans called for a vote. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously.

Keith Hunt noted that Russ Park was the founder of Parks Sportsman. He was also the guiding force on the Planning Commission for years and years. He was the one who got all of that land designated as R12. It was interesting to see the next generation try to downgrade it at this time.

MOTION – Designation of Argument Drafters for Voter Information Pamphlet

Greg Stephens, City Attorney, presented a staff recommendation that the City Council, by motion, designate the drafters of the “for” arguments and the “against” arguments for the CARE Tax opinion question and the property tax referendum.

Orem voters will consider two ballot propositions at the November 5, 2013, election – the CARE Tax opinion question and the property tax referendum.

State law (U.C.A. §20A-7-402) requires the City to distribute a voter information pamphlet that includes one “for” argument and one “against” argument for each ballot proposition.

Several people and organizations have requested the opportunity to prepare the arguments for the voter information pamphlet. Because only one “for” and one “against” argument for each ballot proposition can be included in the voter information pamphlet, the City Council must designate one person, group or entity to submit each argument.

State law requires the City Council to make the designation according to the following criteria:

1. Sponsors have priority in preparing an argument regarding a ballot proposition; and
2. Members of the local legislative body have priority over others.

Mr. Davidson reviewed the names of those who have submitted an interest in drafting the language for the arguments.

Mrs. Black asked if the Mayor has spoken with the others interested in drafting the “for” argument for the property tax question. Mayor Evans said he has, and they all want to work together to share ideas for the argument.

Mr. Davidson said it would be helpful to identify a “process owner” in this.

Mayor Evans replied that he is fine having Carl Hernandez listed as the process owner.

Mr. Andersen said he has spoken about working with others in this process, so he would like to add their names to his list as well.

Mayor Evans opened the meeting for public comment.

Sharon Anderson said she received the information she was interested in, so she does not have any additional comments.

Mayor Evans closed the meeting to public comment.

Mr. Seastrand **moved** to designate Carl Hernandez as the drafter of the “for” argument for the property tax question and Richard Davis, Citizens for CARE, as the drafter of the “for” argument for the CARE Tax and Hans Andersen as the drafter of the “against” argument for the CARE Tax opinion question and the property tax question. Mr. Seastrand asked that the City Recorder let these individuals know they were chosen and make them aware of the deadline for the argument submittal. Mayor Evans **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously.

COMMUNICATION ITEMS

There were no comments on the communication items.

CITY MANAGER INFORMATION ITEMS – Continued

Sign Ordinance

Mr. Davidson asked Mr. Bench and Bill Bell to speak with the City Council about the proposed changes to the sign ordinance. Mr. Bell noted staff has tried to involve the community in this process. They met with Val Hale and various businesses, and they have looked at other cities sign ordinances. Staff is planning to bring the sign ordinance to the Planning Commission on October 2nd and will bring it to the City Council on October 8th. He complimented the legal staff for the work they have put into this ordinance change.

Mr. Bench reviewed some of the proposed changes of the sign ordinance, which included:

- Two noncommercial flags and one commercial flag allowed with a permit in the Commercial or Industrial zones (On State or Federal recognized holidays the number of flags shall not be limited)
- Monument signs
 - All freestanding monument signs shall be mounted on a base with no visible interior support
 - Increased to eight feet in height and fifty square feet for developments with two or more tenants
 - All new two tenant or greater developments shall be required to have a monument sign
- Kiosk signs (In UDOT or Orem right-of-way and City parks)
 - Wayfinding sign (one of three faces)
 - Wifi
 - Book exchange
 - Up to twelve feet in height
 - Approved by development agreement
 - Revenue source for the City
 - Unique identity for the City

- Light Pole Signs
 - Permitted on private property (two feet wide by six feet tall)
 - No permit required
 - Private signs may not overhang the right-of-way
 - Public light poles for community events
- Specifying temporary reader boards
 - Not to exceed thirty-two square feet and five feet in height
 - Located ten feet from the public right-of-way
 - Maximum of thirty days in any calendar year
- Temporary signs
 - Portable signs changed to temporary signs and do not require a permit
 - A business shall be permitted to have one temporary sign banner, temporary blade sign, or an A-frame sign on any commercial parcel
 - A commercial complex shall be permitted one temporary sign per parcel
 - Up to two temporary signs if a parcel has 150 feet of frontage (current standard on University Parkway to be allowed in other areas)
 - The two signs may include a combination of flags, banners, blade sign or A-frame signs if permitted
 - Temporary signs include:
 - Banner signs (fifty square feet at five feet high)
 - Banner blade sign (twenty square feet and twelve feet high)
 - A-frame sign (sixteen square feet and four feet high)
 - Temporary business permitted one temporary sign for the duration of the 120-day approval
 - Sports field signs located on the interior of the sports field of the purpose of advertising to those in attendance and not to the traveling public

Mrs. Street recommended the City Council approve the idea of a State Street Plan and creating a Community Development Area (CDA) or an Economic Development Area (EDA). This would provide a way for the current taxing entities to make some funding available for a revolving loan program for façade or signage upgrades. She would like the City Council to move forward in designating State Street as an area of interest for economic development with a variety of tools available, such as a CDA or EDA. Neither of those require the participation of the Alpine School District in order for the City to create them. It just requires the City to have a plan and some cooperation from the taxing entities.

Mr. Andersen said he would like to address the University Mall sign. The mall has 180 businesses inside and none of them can afford to advertise on the mall sign. The businesses on the sign have a leaflet lease, which is not really on-premise advertising. Mr. Andersen suggested staff add another point to the sign ordinance discussion to address this issue.

Mr. Bell stated that they are addressing this in the proposed ordinance change.

Mr. Bench asked the Councilmembers to email him any comments or suggestions prior to the Planning Commission meeting.

Employee Resignation

Mr. Davidson noted Rachelle Conner, Deputy City Recorder, has made a decision to leave the City of Orem. This is not a decision she necessarily wanted to focus on; however, he wanted to publicly thank her for her contributions. He said they are excited for her and her new opportunity, but the City will miss her as she moves on to the City of Draper.

UTOPIA Information

Lester Moody, resident, noted he and a group of others would like to get accurate information on UTOPIA. He would like the following questions answered:

- How many homes have the service available
- How many homes have purchased the service
- How many homes do not yet have the service available
- How many businesses have the service available
- How many businesses have purchased the service
- How many businesses do not yet have the service available
- How much revenue was generated during the first six months of 2013 both for business and homes
- What is the current obligation of Orem to UTOPIA
- What is the additional bond obligation the City is obligated to pay
- What are the hookup fees
- What are the programs being defined

Mr. Davidson noted he would be happy to meet with Mr. Moody to answer his questions.

ADJOURNMENT

Mr. Andersen **moved** to adjourn the meeting. Mr. Seastrand **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Jim Evans, Karen A. McCandless, Mark E. Seastrand, Mary Street, and Brent Sumner. The motion **passed** unanimously.

The meeting adjourned at 9:54 p.m.

Donna R. Weaver, City Recorder

Approved: October 8, 2013