

CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
February 25, 2014

4:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING Mayor Richard F. Brunst, Jr.

ELECTED OFFICIALS Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Richard Manning, Administrative Services Director, Greg Stephens, City Attorney; Steve Earl, Deputy City Attorney; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Bill Bell, Development Services Director; Scott Gurney, Interim Public Safety Director; Charlene Crozier, Interim Library Director; Jason Bench, Planning Division Manager; and Taraleigh Gray, Deputy City Recorder

Discussion – CARE Allocation

The Mayor and Council discussed the CARE Allocation process. Mayor Brunst suggested the Council employ an ad-hoc committee for both Recreation, and the Arts, to assist in the process of reviewing CARE grant applications. These ad-hoc committees would serve to give a “birds-eye” view in the CARE process and would be comprised of two members from the corresponding advisory committees (Recreation or Arts), two members of the City Council, and four citizens. These committees are intended to be up and running by April 2014, and will be used on a trial basis. If these d-hoc committees prove successful, action will be taken to more permanently define the committees by way of an ordinance.

Discussion - Public Works Advisory Commission Vacancies

Chris Tschirki, Public Works Director, provided the City Council with possible names of individuals to serve on the newly-organized Public Works Advisory Commission. The Council requested Mr. Tschirki forward the names to them for their review.

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

Presentation – EDCUtah

Jeff Edwards, President and CEO of UDCUtah, made a presentation explaining what UDCUtah is, who they are, and what they do. UDCUtah (Economic Development Corporation Utah) has been helping local Utah businesses and companies grow since 1987. The organization began with 100 members and has now grown to 270 members. They provide information and resources for new

growth throughout the state and work hand-in-hand with local economic development directors within each participating city.

Discussion - Motions

Mr. Davidson provided time for clarifying the motion-making process within City Council meetings.

PREVIEW OF UPCOMING AGENDA ITEMS

Staff presented a preview of upcoming agenda items to the Council.

REVIEW 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 Richard F. Brunst, Jr.

ELECTED OFFICIALS

Councilmembers Hans Andersen, Margaret Black, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner

APPOINTED STAFF

Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Richard Manning, Administrative Services Director, Greg Stephens, City Attorney; Steve Earl, Deputy City Attorney; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Bill Bell, Development Services Director; Scott Gurney, Interim Public Safety Director; Charlene Crozier, Interim Library Director; Jason Bench, Planning Division Manager; and Taraleigh Gray, Deputy City Recorder

**INVOCATION /
INSPIRATIONAL THOUGHT
PLEDGE OF ALLEGIANCE**

Sarah Meyer

APPROVAL OF MINUTES

Mr. Macdonald **moved** to approve the minutes from the following meetings:

- January 22-23, 2014 – City Council Retreat
- January 28, 2014 – City Council meeting
- January 30, 2014 – Special City Council meeting

- February 11, 2014 – City Council Meeting

Mrs. Black **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, 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.

Appointments to Boards and Commissions

Mrs. Black **moved** to appoint James Jones to the Library Advisory Commission. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

Recognition of New Neighborhoods in Action Officers

No new Neighborhood in Action officers were recognized.

Report – Beautification Advisory Commission

Aaron Arullion presented to the Council an overview of the Beautification Advisory Commission’s accomplishments from 2013, goals for 2014, and potential avenues for project funding.

Accomplishments of 2013

- Arbor Day Celebration
- Summerfest Parade
- 32 Residential Beautification Awards
- 6 Business Beautification Awards
- Business Outreach
- Flower Pot Project
- 20 Holiday Home Decorating Certificates and Recognition
- Created a Facebook Page for Orem Beautification

Goals for 2014

- Promote Tree Planting
- Encourage Orem and Residents to Beautify
- Promote the Beauty of streets with flowers
- Plant annual/perennial flowers in the planter in front of City Hall
- Promote the Holiday Home
- Develop a plan for the beautification of West Center Street
- Promote the roles and activities of the Beautification Commission
- Weed Abatement Corps
- Banners
 - The Beautification Advisory Commission will partner with UVU in installing banners on light poles throughout the city. UVU will purchase the banners and will donate them to the City.

Project Funding

- Adopt a flower pot program
- Continue to seek private donations
- Set up special account for funds to be used for beautification

Presentation – Utah Honor Flight

Robert Franson shared a short video which introduced the Honor Flight Program, a nonprofit organization set up to fly veterans to visit memorials which correspond to their individual military service.

CITY MANAGER APPOINTMENTS

There were no City Manager Appointments.

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 three minutes or less.

James Fawcett said he was against a UTOPIA public/private partnership.

Wayne Burr requested the Mayor and Council to consider signing a proclamation which would set apart a day for fasting and prayer in the City of Orem.

CONSENT ITEMS

RESOLUTION – Accept Annexation Petition for Further Consideration – Sykes Addition - 1500 South Carterville Road

Jason Bench, Planning Division Manager, presented to Council an applicant request to accept an annexation petition for further consideration. On February 3, 2014, Scott Sykes filed an application for the annexation of 1.69 acres into Orem.

Should the Council accept this petition for further consideration, the 30-day certification time period would begin. After the application is certified, the City Council must begin a 30 day noticing and protest period.

The certification process involves the City Recorder, City Attorney, County Clerk and surveyor to determine if the petition meets the requirements of Utah Code Subsections 10 2-403(2), (3), and (4). The County Clerk has 30 days to respond. The certification would tentatively be presented to the City Council as a consent item at the April 15, 2014, City Council meeting.

Once the certification is accepted, an additional 30-day noticing and protest period begins. If no protest is received, the public hearing would tentatively be scheduled for the May 27, 2014, City

Council meeting. At this time, the City Council will decide whether or not to annex the property and what the zoning designation of the property will be.

Mr. Macdonald asked what community the property was in. Mr. Bench said it was currently part of incorporated Utah County.

Mr. Seastrand asked if the applicant owned the property in question. Mr. Bench said the Sykes did own the property.

Mrs. Black inquired about the size and width of the property, indicating it looked narrow on the maps presented. Mr. Bench said the applicants' intent was to add the property in question to the adjacent property to the West.

With no further questions from the Council, Mayor Brunst called for a motion. Mr. Macdonald **moved**, by resolution, to accept the annexation petition. Mr. Seastrand **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

SCHEDULED ITEMS

6:20 P.M. PUBLIC HEARING

ZONE ORDINANCE AMENDMENT – Amending Article 22-5-3(A) and the zoning map of Orem City by changing the zone on 0.29 acres at 747 East 1000 South from C2 to PD-34

Mr. Bench presented to the Council an applicant request to rezone of 0.29 acres to the PD-34 zone. This parcel was not included in the December 2013 Woodbury University Mall rezone request as the owners of the property and Woodbury Corp. had not finalized the purchase of the property. The applicant has now contracted to purchase the property and requested the property be rezoned to the PD 34 zone.

A neighborhood meeting was held on January 24, 2014, with fifteen neighborhood residents in attendance. The rezone was discussed as well as other development at University Mall.

Advantages

- Allows full-site development/redevelopment.

Disadvantages

- None identified.

There were no clarifying questions asked by the Council so Mayor Brunst opened the public hearing. When no one came forward, Mayor Brunst closed the public hearing.

Mrs. Black **moved**, by ordinance, to amend Article 22-5-3(A) and the zoning map of Orem City by changing the zone on 0.29 acres at 747 East 1000 South from the C2 zone to PD-34 zone. Mr. Macdonald **seconded** the motion. Those voting aye: Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed**.

6:20 P.M. PUBLIC HEARING

ZONE ORDINANCE AMENDMENT – Amending Article 22-11-1 and Article 22-11-2 of the Orem City Code pertaining to purpose and applicability of PD zones

Mr. Bench presented a staff request to amend the City Code regarding the purpose and applicability of PD zones. He said that within the last year, the City has received and approved three requests for PD zones for high density housing along State Street. This has caused concern for how much residential development is appropriate in this corridor. High density housing along State Street provides a population base to patronize local businesses, but it also reduces the amount of property available for commercial development.

The City will soon issue an RFP (Request for Proposals) to study the long-term vision for State Street. One of the components of the study will be the degree to which residential development should be allowed on State Street. In order to prevent development that may conflict with the outcome of the study, staff has proposed an ordinance amendment that would prohibit any new residential PD zones along State Street while this study is pending. This restriction is intended to be limited in duration and may be reversed by the City Council after the State Street study has been completed. Mr. Bench noted that residential PD zones could still be approved in other locations within the City.

Advantages

- Would allow the City time to study and implement a State Street plan
- If the City Council determines that residential PD zones are appropriate along State Street following the completion of the study, the Council will have the ability to amend the ordinance again to allow such PD zones.
- May promote more commercial development along State Street

Disadvantages

- May frustrate current or future development plans of property owners along State Street.

Mr. Bench said State Street holds a very vital commercial component to Orem, and the proposed revision would give the City time to develop a vision for this key arterial within the city.

Mayor Brunst agreed, saying the City needs to develop a vision for State Street.

Mr. Seastrand asked about the February 5, 2014, effective date for not allowing new applications for PD zone developments along State Street.

Mr. Bench explained that the City has an ordinance requiring that the date the Planning Commission made a recommendation to amend something within the City Code became the effective date.

Mr. Sumner and Mr. Macdonald asked Mr. Bench about the status and length of the survey being conducted for State Street. Mr. Bench said the survey could take between eight months to a year to complete. Mr. Davidson added that, through the RFP process, a timetable would be defined and would be shared with the Council.

Mr. Macdonald asked if the timetable could be determined by the City Council instead.

Mr. Davidson indicated that would be difficult due to the possibility of the study taking longer than what the Council could forecast, which would lead the Council to have to revisit and amend the ordinance again.

Mayor Brunst suggested the amendment also include limiting PD zone applications involving high-density housing components along 800 North, Center Street, and University Parkway in addition to what is written regarding State Street. He said limiting PD zones in all these areas would allow for the City to get a feel for how PD zones work in conjunction with the State Street study.

Mr. Andersen indicated that he didn't agree with Mayor Brunst's suggestion or with the proposed amendment. Mr. Andersen said he believed private enterprise knew best where to invest. He suggested the City handle PD applications on a case-by-case basis, and that he did not believe prohibition was necessary or wise.

Mrs. Black said she would prefer to consider applications on the other streets as they came. She was only in favor closing down PD applications along State Street until the study was complete.

Mr. Seastrand said he appreciated Mr. Andersen's view and offered a counter view—Mrs. Seastrand said that not going through with this amendment could be bad for businesses if they go through the application process just to be rejected. He said there was wisdom in holding off on new applications until the results of the study were in.

Mayor Brunst said it would only be a temporary restriction. He reported that Orem currently had 2,200 apartment units, and within the last 12 months the City had approved an additional 1,100 units.

Mr. Spencer added that once commercial property was rezoned to residential, that commercial property was gone for good. He said he shared Mayor Brunst's view. If City was going to pause in accepting applications for new high-density PD zones along State Street, then it should pause in accepting applications for any PD zone anywhere in Orem.

With no further questions from the council, Mayor Brunst opened the public hearing.

John Reinhard, resident, said he thought this study would be a great idea and suggested the same type of study be conducted along other main corridors throughout Orem. He indicated there was a discrepancy between the redline/strike-out version in the proposed ordinance and the enacted ordinance he had found online.

Gayla Muir asked if the ordinance amendment would have any effect on the PD zones along State Street which had recently been approved.

Mayor Brunst said they would not. He then closed the public hearing.

Mr. Bench indicated that after Steve Earl, Deputy City Attorney, had reviewed the PD zone ordinance in preparation for drafting the proposed amendment, he had reviewed it with the Council

in a study session. The PD ordinance, as it was written, gave way for misunderstanding and confusion. Mr. Bench said the current ordinance draft, as presented in the meeting agenda, was prepared in effort to eliminate the confusion that existed with the previous PD ordinance. In that rewrite, the section Mr. Reinhard identified should have been red-lined, but wasn't.

Mrs. Black asked if there were any other sections that should have been red-lined that weren't. Mr. Bench said some of the other sections within the PD ordinance had been relocated to the upper section. The movement of these sections should have been red-lined as well, but were not.

Mayor Brunst **moved**, by ordinance, to amend Section 22-11-1 and Section 22-11-2 of the Orem City Code pertaining to purpose and applicability of PD zones, which would include State Street, 800 North, Center Street, and University Parkway. Mr. Spencer **seconded** the motion. Those voting aye: Richard Brunst, Mark E. Seastrand, David Spencer, and Brent Sumner. Those voting nay: Hans Andersen, Margaret Black, and Tom Macdonald. The motion **passed**, 4-3.

6:30 P.M. PUBLIC HEARING

ORDINANCE – Amending the Current Fiscal Year 2013-2014 Budget

The Fiscal Year 2013-2014 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from Federal, State, and other governmental or private entities/organizations, Water Reclamation facility ultra violet disinfection system funding, funding of economic development revolving loan projects through the use of Federal Housing & Urban Development (HUD) CDBG funds and Federal Department of Commerce EDA funds, and various other smaller technical corrections or minor budget adjustments that need to be made.

Brandon Nelson, Accountant, and Richard Manning, Administrative Services Director, discussed with the City Council specific amendments being made to the Fiscal Year 2013-2014 budget. Mr. Nelson allowed for questions from the Council regarding the proposed budget amendments.

Mr. Andersen asked about the Timpanogos Storytelling Festival (TSF) account, particularly the reserves held within that account. Mr. Nelson said the reserves came from past donations, and sometimes from ticket sales that exceeded expenditures. Mr. Davidson added that the funds were specific for the TSF program.

Mayor Brunst asked (1) how much money was held in the reserve for the TSF reserve account, (2) if these funds were City funds, and (3) if these funds were replenished from year to year.

Mr. Nelson said the amount in the reserve account was typically between \$700,000 and \$800,000. The fund varied from year to year, depending on the donations received and how they were received throughout the year. The funds were City funds, but when they are donated with the intent that the money be used for the TSF.

Mr. Davidson added that contributions made to that fund were explicit and could only be used by TSF.

Mayor Brunst asked if these funds have grown because of donations made.

Mr. Davidson said no transfers were made from the City fund or other resources to the TSF. The monies that went into the fund were donations to or proceeds from the TSF.

Mayor Brunst asked if the Timpanogos Storytelling Festival was a 501C. Mr. Nelson said it was not, adding that a lot of the money came from the Orem Foundation Trust, which was a 501C3. It was then transferred from that organization to the TSF because the funds were tagged for that purpose.

Mayor Brunst inquired if the City was the budget means for the Festival. Mr. Nelson said it was. Mr. Davidson indicated that the framework of the relationship with the TSF was a cooperative relationship.

Mr. Nelson indicated this process of budgeting is an avenue for those who wish to donate to specific organizations within the City. Individuals can make donations to the City and those donations can then be used for the donors intended purpose.

Mr. Nelson moved on to the last item in the proposed budget amendment—the Community and Neighborhood Services Fund. He said the main reason for that amendment was because the CDBG and EDA loan possibilities did not usually come to fruition until June of each year. In terms of budgeting, June was too late for the accounting department to make budget amendments. To make the entire process run smoother, CDBG and EDA has requested that the City allow the release of the funds after the loans had gone through the appropriate approval process.

Mayor Brunst asked who would the City be loaning money to, why the money was being loaned, and if the City had loaned money in the past. Mr. Davidson suggested that Charlene Crozier, Interim Library Director, explain the CDGB loan program and process.

Mrs. Crozier said the Economic Development loans were started partially with CDBG (Community Development Block Grant) funds, and partially with EDA (Economic Development Association) funds, for the purpose of start-up or expanding businesses in Orem. Job creation was often an expectation tied to the loans. Traditionally, Orem had a wide variety of offerings within the loan pool, including high-tech businesses and unique products and services. Some businesses were very successful and others struggled. This program was intended to be a last-resort type of funding.

Mayor Brunst asked who reviewed the funding, and requested examples of successful/unsuccessful experiences from the past. Mrs. Crozier said the original loan panel had been the board for CEDO (Commission for Economic Development in Orem), which had since come in-house. A new board was created which was staffed by local citizens and Orem staff.

Mr. Macdonald noted that he had served on the CEDO board in the past and shared insight about requirements businesses had to meet to be eligible the loan program. He said Blend-Tec was a good example of a company in Orem that had been successful since participating in this loan program.

Mrs. Crozier shared the example of the estimating firm that ultimately was unsuccessful, but some of the failure was likely due to the economic downturn and the lack of demand for the service it was meant to provide. Because a business was unsuccessful did not mean it was released from its obligation to pay, unless there was a legal release.

Mr. Macdonald added that the owners or proprietors were required to provide personal guarantee, in addition to the assets to the business.

Mayor Brunst asked how long the loan terms were. Mrs. Crozier said this could vary by business, but the terms were not usually longer than ten years. Some were sixty months while others were shorter. It depended on the business.

Mr. Andersen asked if anyone had ever failed to pay back the loan. Mrs. Crozier said that had happened in the past. Mr. Andersen asked how much had been written off.

Mr. Nelson said the figure of written-off bad debt was within the hundreds-of-thousand. Mr. Davidson indicated that through the different administrations that had managed the funds, varying efforts had been made to seek repayment. The City of Orem was in the process of pursuing with collections for reimbursement of those dollars.

Mr. Andersen asked if the funds were federal funds. Mr. Manning said the “seed” money was federal dollars, but those funds had cycled through the process and were now proceeds from loans issued in the past.

Mayor Brunst asked how people could find out about the program and get involved with it. Mrs. Crozier indicated information was circulated through CEDO, the Business Resource Center at UVU, Orem’s Economic Development Director Ryan Clark, and through word-of-mouth.

Mr. Nelson reviewed pages two and three of the budget amendment document, noting that the two amounts listed balance out.

Mr. Davidson added that the City could not spend money unless the Council allocated and approved it. Anything above and beyond what was budgeted required the Council’s consent. In the past the City only did that once per year but, due to advice from a State auditor, the budget amendment process was now brought before the Council on a quarterly basis.

Mayor Brunst opened the public hearing. When no one came forward, Mayor Brunst closed the public hearing.

Mr. Seastrand **moved**, by ordinance, to approve the amendments to the Current Fiscal Year 2013-2014 Budget. Mayor Brunst **seconded** the motion. Those voting aye: Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. Those voting nay: Hans Andersen. The motion **passed**, 6-1.

RESOLUTION – CONDITIONAL USE PERMIT - Conditional Use Permit approval for a detached garage at 488 East 1320 North in the PD-14 zone

Mr. Bench presented to the Council an applicant request for the City Council to approve a conditional use permit. The applicant desires to construct a new detached garage on his property at 488 East 1320 North. The proposed garage would have a footprint of 1,582 square feet. In the PD-14 zone, a conditional use permit is required for any detached structure larger than 1,000 square feet.

The proposed garage would contain a total of 3,657 square feet including a basement, main floor, and mezzanine floor.

Mr. Bench indicated that under City ordinances, the total footprint area of all accessory buildings on a residential lot may not exceed 8 percent of the area of the parcel on which they are located. Given the size of this lot, the footprint area of all accessory structures may not exceed a total of 3,135 square feet. In addition to the home, there is currently a detached pool house (650 sq. feet) and a maintenance shed (230 sq. feet) on the property. Including the proposed garage and the other accessory structures on the lot, the total square footage of all accessory structures would be 2,462 square feet which is well within the limit. The proposed garage is 24 feet tall which complies with the 24-foot maximum. Finishing materials for the garage match the existing home which are stucco and stone veneer.

Advantages

- Allows the property owner the same opportunity to maximize the use of his property.

Disadvantages

- None identified.

Mr. Bench asked if the Council had any questions regarding the request. There were no questions from the Council so Mayor Brunst called for a motion.

Mr. Seastrand **moved** that the City Council, by resolution, approve a conditional use permit for a detached garage at 488 East 1320 North in the PD-14 zone. Mrs. Black **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

COMMUNICATION ITEMS

There were no communication items.

CITY MANAGER INFORMATION ITEMS

Mr. Davidson allowed time for Mr. Bench to give the City Council a preview of an upcoming agenda item. Mr. Bench distributed a map and provided information to the Council regarding a Street Vacation request which will come before the Council in March.

ADJOURNMENT

Mr. Andersen **moved** to adjourn the meeting. Mr. Macdonald **seconded** the motion. Those voting aye: Councilmembers Hans Andersen, Margaret Black, Richard Brunst, Tom Macdonald, Mark E. Seastrand, David Spencer, and Brent Sumner. The motion **passed** unanimously.

The meeting adjourned at 8:00 p.m.

Donna R. Weaver, City Recorder

Approved: March 11, 2014

