

CITY OF NORTH SALT LAKE  
CITY COUNCIL MEETING-WORK SESSION  
OCTOBER 16, 2018

**FINAL**

Mayor Pro Tem Horrocks called the meeting to order at 6:03 p.m.

PRESENT: Council Member Brian Horrocks  
Council Member Stan Porter  
Council Member James Hood  
Council Member Lisa Watts Baskin

EXCUSED: Mayor Len Arave  
Council Member Ryan Mumford

STAFF PRESENT: Ken Leetham, City Manager; Paul Ottoson, City Engineer; David Frandsen, Public Works Director; Janice Larsen, Finance Director; Craig Black, Police Chief; David Church, City Attorney; Sherrie Llewelyn, Community Development Director; Linda Horrocks, City Recorder; Andrea Bradford, Minutes Secretary.

OTHERS PRESENT: Megan Welch, Seth Woolston, Kylie Nelson, McKay Goldhardt, Tessa Parkinson, Tanner Woodruff, Grace Bronson, Ashlyn Otis, Houston Naegle, Youth City Council; Brynn Mortenson, Salt Lake Chamber.

1. SALT LAKE CHAMBER AND HOUSING GAP COALITION PRESENTATION

Brynn Mortenson, Salt Lake Chamber, explained that the Chamber partnered with over 8,000 businesses statewide and performed a housing study after business leaders said that their employees were having trouble finding housing. The eight-month study of housing across all markets showed that for the first time in forty years Utah had 54,000 more households than housing units. The report also showed that Utah was fourth in the housing price index percent change which meant that in 1991 a home that cost \$125,000 would cost \$357,000 today, but per the national growth rate should only be \$184,000.

Ms. Mortenson said that unchecked housing prices would mean that in 2044 Utah housing prices could be equivalent to today's San Francisco housing prices with a median home price of \$700,000. As housing should only be 30% of an individual's income, this would price-out individuals that the State needed including teachers, nurses, firefighters and police.

Factors that are driving up housing costs included a housing shortage, construction and labor costs, local zoning ordinances, not in my back yard (NIMBY-ism), land costs, topography of the Wasatch front counties, demographics, and economic growth.

In response to the study the Chamber created the Housing Gap Coalition to work in conjunction with the Utah League of Cities and Towns and Wasatch Front Regional Council (WFRC) to determine possible solutions. Several solutions included working with the WFRC and the Transportation and Land Use Connection (TLC), the Keys to Success program to raise awareness for construction and labor careers, and a public awareness campaign to address and plan for growth.

Brynn Mortenson said that the Chamber and the Coalition were asking cities to review their general plans including a moderate income housing plan, review zoning and fees, and sign a support resolution to show that they are committed to doing their part to address the housing shortage.

Council Member Porter said that while historically there had been prejudice against renters due to their transient nature that there had been a recent shift. He then shared the example that many of his church leaders live in rental units.

Mayor Pro Tem Horrocks commented that he recently visited the San Antonio River Walk area which consisted of parks, walkways, restaurants, and shops along the river's edge. He said that while Utah's Jordan River was similar in size to the San Antonio River that Utah had built away from the river instead of embracing the area. Mayor Pro Tem Horrocks remarked that there were over 50 miles that could be developed along the Jordan River.

Ken Leetham stated that he had recently attended the Utah League of Cities and Towns Legislative Policy Committee meeting and said that a legislative housing committee was formed for the 2019 season to help prepare cities for legislation that may require municipalities to address the affordable housing crisis.

Mayor Pro Tem Horrocks commented that in order for nice development along the Jordan River that there would have to be a political will to clean up the area and maintain it afterward. He gave the example of Library Square in Salt Lake and the issues with homelessness.

Council Member Baskin said that the League should obtain expertise from the cities that have large university populations as they had decades of knowledge on how to deal with affordable housing issues.

Ken Leetham reported that staff had completed a draft ordinance regarding accessory dwelling units which would be brought before the Council in the next several months.

Council Member Baskin commented that Utah Valley University in Orem had a proposed housing development which residents opposed causing it to move to a referendum on the 2018

ballot. She said this was an example of how a city should engage the community in developments and explain that people have to have a place to live to help combat NIMBY-ism.

2. APPROVE CITY COUNCIL MINUTES-SEPTEMBER 18, 2018 AND OCTOBER 2, 2018

The City Council minutes of September 18, 2018 were reviewed and approved. **Council Member Baskin moved to approve the minutes for September 18, 2018. Council Member Hood seconded the motion. The motion was approved by Council Members Horrocks, Porter, Hood and Baskin. Council Member Mumford was excused.**

The City Council minutes of October 2, 2018 were reviewed and approved. **Council Member Porter moved to accept the City Council minutes for October 2, 2018 as corrected. Council Member Hood seconded the motion. The motion was approved by Council Members Horrocks, Porter, Hood and Baskin. Council Member Mumford was excused.**

3. ACTION ITEMS

The action items list was reviewed. Completed items were removed from the list.

Mayor Pro Tem Horrocks asked about new action item number four regarding finding a replacement for Bruce Oblad on the Parks and Arts Committee. Linda Horrocks replied that she had placed a notice seeking volunteers in the recent City newsletter.

Ken Leetham reported on the new item one regarding an intersection at Eagle Gate Drive and said that staff was working on setting up a meeting with UDOT. He also commented that the current item number one regarding impact fees paid to South Davis Metro Fire was completed and would be removed.

Council Member Baskin asked about new item number three regarding Ranked Choice Voting. Ken Leetham replied that he would follow up with Kory Holdaway with Ranked Choice. David Church commented that it would make more sense for voting in nonpartisan elections, such as for city council positions, as it would allow voters to rank everyone on the ballot.

Ken Leetham said there was also a national movement as the popular vote has been different than the electoral vote particularly in the presidential election.

4. COUNCIL REPORTS

Council Member Hood reported that the Youth City Council (YCC) would be present at several upcoming City Council meetings as this attendance was required in order for them to attend the

YCC leadership conference in Logan. He also said that the YCC would be helping with the Bountiful YCC Halloween Bash on October 26<sup>th</sup> and the City's Halloween 3K on October 27<sup>th</sup>.

Council Member Porter reported that the Jordan River Commission met and had a lively discussion regarding police enforcement along the river. He said that it was determined that North Salt Lake did not need security as the City's police department provided sufficient coverage of their section.

Council Member Baskin reported that she was over the senior citizens and they met once a month for lunch.

Mayor Pro Tem Horrocks reported that there were not a lot of mosquitoes along San Antonio's River Walk. He said that Utah had not done housing along the Jordan River as it was not considered an asset. Ken Leetham replied that according to the Jordan River Commission that the focus of the river was open space and to keep development away from that area. He said that the City should consider the idea of luxury housing/urban development along the river.

David Church commented that the housing gap had caused the rent increase and how some cities, such as Vineyard, could not zone small enough to allow for affordability. He said part of the problem in university cities were investors buying homes and renting to students. Mr. Church said density was only part of the problem and that public pushback regarding higher density housing was also an issue.

Ken Leetham said that while the League of Cities and Towns was working to prepare cities for legislation that would require addressing the housing shortage, some cities would not want to allow attached housing as it did not fit their community standards. Mr. Leetham said that fair share housing ideas may not work practically because every city is different. He explained that this perspective contributed towards the legislature taking control of land use authority, regulations, policy and laws that local government normally controlled.

David Church commented on Alpine city recently approved a townhome development at \$400,000 per unit. He asked what motivation Alpine would have to provide moderate income housing. Ken Leetham replied that any housing unit would help with the gap but may not help with moderate or affordable housing. He said the dilemma with affordable housing was that the Wasatch Front had passed the point in the marketplace in the price of homes and rent where the private industry could not afford to build affordable housing without government assistance.

Council Member Baskin said that during her campaign for the City Council position that a citizen approached her about turning the golf course into residential housing. Council Member Porter replied that the City had spent a lot of money on the golf course and he would hate to give the property away.

David Church explained that if the City transferred the use the golf course property, it would revert back to the grantor (the Wood family). He said that use of the property was restricted to golf course use.

Council Member Baskin said that the question was what the overall best use for the land would be especially as the golf course was losing money every year. Council Member Porter said comparatively that the City parks were also losing money, but they are assets that make a city nice.

Mayor Pro Tem Horrocks commented that the golf course and the parks were amenities of the City. David Church commented that the parks most likely cost more to maintain compared to the revenue they generated than the golf course.

#### 5. MAYOR'S REPORT

Mayor Arave was excused.

#### 6. CITY ATTORNEY'S REPORT

David Church had nothing to report.

#### 7. CITY MANAGER'S REPORT

Ken Leetham had nothing to report.

The Youth City Council members present introduced themselves and their roles on the YCC.

#### 8. ADJOURN

Mayor Pro Tem Horrocks adjourned the meeting at 6:54 p.m. to begin the regular session.

CITY OF NORTH SALT LAKE  
CITY COUNCIL MEETING-REGULAR SESSION  
OCTOBER 16, 2018

**FINAL**

Mayor Pro Tem Horrocks called the meeting to order at 7:05 p.m. Council Member Lisa Baskin offered the invocation and Joshua Godfrey, BSA Troop 1036, led those present in the Pledge of Allegiance.

PRESENT: Council Member Brian Horrocks  
Council Member Stan Porter  
Council Member James Hood  
Council Member Lisa Watts Baskin

EXCUSED: Mayor Len Arave  
Council Member Ryan Mumford

STAFF PRESENT: Ken Leetham, City Manager; Paul Ottoson, City Engineer; David Frandsen, Public Works Director; Janice Larsen, Finance Director; Craig Black, Police Chief; David Church, City Attorney; Sherrie Llewelyn, Community Development Director; Linda Horrocks, City Recorder; Andrea Bradford, Minutes Secretary.

OTHERS PRESENT: Annabelle Ballard, Sammy Wang, Cameron Marx, YCC; Kristian Wang, Joseph Blomberg, Isaack Blomberg, BSA Troop 1036; Alden Thorpe, Kevin Shaw, BSA Troop 1276; Daniel Blomberg, resident; Patrick Scott, Brighton Homes.

1. CITIZEN COMMENT

There were no citizen comments.

2. CONSIDERATION OF FINAL PLAT NSL CITY CENTER

Sherrie Llewelyn reported that the property was located at 25 East Center Street and that this was the final plat as the general development agreement had been signed. The Planning Commission reviewed and recommended approval with two conditions.

**Council Member Baskin moved that the City Council approve the proposed Final Plat and Final Site Plan for City Center and Park Lofts at City Center located at approximately 25 East Center Street with the following:**

- 1) **Additional street lighting locations along Highway 89, will be determined prior to building permit upon cross section lighting plan currently under design by city lighting contractor;**
- 2) **Final engineering redlines will be completed.**

**Council Member Hood seconded the motion. The motion was approved by Council Members Horrocks, Hood and Baskin. Council Member Porter abstained from voting. Council Member Mumford was excused.**

Council Member Porter recused himself from voting as he was personally involved with the project.

3. **CONSIDERATION OF RESOLUTION 2018-28R APPROVING ENTERING INTO A FRANCHISE AGREEMENT (AGREEMENT 2018-38A) WITH ECHO BROADBAND INC.**

Ken Leetham reported that this franchise agreement was similar to other agreements that the City had entered into with utility companies. He said that Echo Broadband would be expanding an existing fiber optic network which would result in high speed internet for residents. The company would begin in the Foxboro area and potentially expand to other areas of the community. Staff, including the City attorney, reviewed the franchise agreement to ensure that it was consistent with City ordinances and other franchise agreements and included a telecommunications tax.

Council Member Baskin commented that per her understanding these types of providers were entitled to have franchise agreement in the City. Ken Leetham replied that they were entitled as the City had granted similar franchise agreements.

Council Member Baskin asked what the term “material duty” referred to as stated in the franchise agreement under Article 7 which stated that “the provider, by act or omission, materially violates a material duty herein set forth in any particular within the provider’s control” would allow for early termination, revocation of the franchise and other remedies. David Church replied that Echo, as the provider would need to meet some obligations that would be considered material duty such as noticing, the use of the right of way, and the distance between other entities. These types of violations would allow the City the right to revoke the franchise agreement if the provider did not provide a remedy within a set period of time from receiving notice.

Council Member Baskin asked about the likelihood of Echo branching out into other parts of the City. Ken Leetham replied that it would be a business decision but felt that the provider would

most likely expand. He said that the reason they were starting in Foxboro was that there was an existing trunk line in Redwood Road.

David Church explained that Echo would be buying the ability to use that existing trunk line as the backbone was the expensive part. He said that they were only an internet provider but other providers could use Echo's line for cable or phone services. Mr. Church explained that State law did not allow the City to place conditions such as requiring minimum service requirements or expansion.

Council Member Baskin asked if the franchise fee was sent to the State Tax Commission. David Church replied that the 3.5 % tax was collected by the State Tax Commission and then remitted back to the point of sale. He said that City would receive a portion and the State tax Commission would keep a portion of the tax.

**Council Member Hood moved to approve Resolution Number 2018-28R a resolution of the City of North Salt Lake City Council approving a franchise agreement between City of North Salt Lake and Echo Broadband Incorporated. Council Member Porter seconded the motion. The motion was approved by Council Members Horrocks, Porter, Hood and Baskin. Council Member Mumford was excused.**

4. CONSIDERATION OF ORDINANCE 2018-13: AN ORDINANCE ADOPTING CERTAIN AMENDMENTS TO THE NORTH SALT LAKE CITY CODE REGARDING DRIVEWAY ACCESS

Sherrie Llewelyn reported that this ordinance would help to address deficiencies in the City Code regarding driveway access. The current code stated that two driveways may be permitted for each 100 feet of frontage. Theoretically this would allow an applicant with 800 feet of frontage to have 16 driveways. The current code also allowed for a minimum separation between driveways of 12 feet on a lot which was not an adequate separation along with a side property line setback of 3 feet which would not accommodate the landscape buffer requirement of 8 feet for a parking lot. The proposed changes would permit each property to have one driveway per street frontage, a second driveway on the same frontage would be allowed with more than 200 feet of frontage, a third driveway would be allowed with a conditional use permit and more than 400 feet of frontage. Other amendments would include a minimum separation on a single property of two times the driveway width, eight foot setbacks from the property line, and the ability for the Planning Commission to require shared driveways when feasible and warranted. The Planning Commission reviewed and recommended approval of the proposed ordinance with two findings.

Sherrie Llewelyn then presented visual examples of how the current code allowed for numerous driveways and how it would be detrimental.

**Council Member Hood moved that the City Council approve the proposed ORD2018-13 with the following findings:**

- 1) The proposed amendments are in accord with the comprehensive general plan, goals and policies of the city.**
- 2) Changed or changing conditions make the proposed amendments reasonably necessary to carry out the “purposes” stated in the Land Use Code.**

**Council Member Porter seconded the motion. The motion was approved by Council Members Horrocks, Porter, Hood and Baskin. Council Member Mumford was excused.**

#### 5. PROGRESS REPORT FOR REDWOOD ROAD CDA

Ken Leetham reported on the Sports World International Project and that the name had been changed to Northgate International Center. He asked that the City Council attend a special meeting on October 23<sup>rd</sup> to approve an agreement. The proposed 585-acre property located on the southwest side of Redwood Road on the old gun club property was a Community Development Project Area (CDA). The City established the CDA in 2013 to reinvest property taxes into these areas with the main goal to revitalize and encourage a land use pattern for the Redwood Road area. Mr. Leetham said that this CDA tool was used to incentivize the Lee’s Marketplace and allowed them to purchase the land at fair market value. He then explained tax increment financing (TIF) which allows a city to divert future property tax revenue increases from a defined area toward a development project. The assessed value would be fixed at the base year of the project. The tax increment would then occur each year with the City and the taxing agency to share 45% of the revenue collected. The remaining tax increment of 55% would go to the other taxing entities such as Davis County, schools, etc.

The City would require multiple performance markers for the Northgate project including a charter school, 245 multi-family units including dormitories for the charter school, 300,000 square feet of court space, a 115,000 square foot field house, a 10,000 seat stadium, a plaza/splash pad/skating rink, and 28 acres of retail/hotels. Mr. Leetham explained that the 33 acres of parking shown on the proposed site plan would no longer be allowed per UDOT. Two years ago the applicant asked for six million dollars to be used mainly for the land acquisition. City staff developed a plan to help accomplish this goal by sharing the six million participation equally with Davis County. However, Davis County had a different determination in that the City would use five million of tax increment from the CDA area with the County to contribute one million from tourism and sales tax dollars. Ken Leetham said that he also suggested to the County that the City collect the tax increment from the CDA until the year 2030 and to take the City and County’s property tax and extend it by three years which would generate approximately \$900,000.

Ken Leetham said that the City contracted with a financial advisor to do an analysis of the project including an estimate of the taxable value, property and sales tax as well as tourism taxes. The advisor estimated that the project would generate five million dollars in tax increment revenue. The total CDA area was estimated to generate eleven million dollars in TIF revenue.

Mr. Leetham explained that the Northgate International Center would generate \$911,000 in additional property tax to the City with 55% remaining TIF, \$1,928,000 in sales tax from three hotels and 25 thousand square feet of retail, \$1,547,000 in transient room tax from the hotels, \$1,134,000 for the City's housing needs which would help to address affordable housing. This project would promote revitalization of the Redwood Road corridor and reduce expansion of the industrial park including less truck traffic, improved and diversified economic base for the City, and provide more service and retail convenience for residents.

Ken Leetham then reported on how the proposed project related to the City's General Plan including encouraging quality development and intensity of activity, maximizing economic opportunities for the intersection of Redwood Road and 1-215, improving the appearance of the Redwood Road district, and increasing regional transportation access to the Redwood Road and Center Street area. He explained that Center Street, Redwood Road, and the I-215 interchange had been widened and rebuilt to encourage development and that the City had been preparing for this type of development since the General Plan revision was adopted in 2013. Mr. Leetham also said that the City had obtained public feedback for this area through open houses and surveys over the last several years.

Ken Leetham then presented images showing different alternatives of how the northwest quadrant of Redwood Road and 1-215 could be developed.

Ken Leetham explained some of the challenges that the developer was having with the property owner including the need for earnest money that would be nonrefundable and how the City could assist with this problem. He said that once the agreement was ready he would send it to the City Council and that it would have additional conditions such as a master development plan, the rezoning of the property, and that the City would retain discretion of the project. The City would also commit to having a public meeting to receive resident input.

Mayor Pro Tem Horrocks commented that the initial plan showed a Maverik gas station and asked if there would be two in close proximity. Ken Leetham replied that a different location had been proposed for the Maverik.

Mayor Pro Tem Horrocks asked for clarification on the Lee's Market agreement in regards to tax increment and what would happen if Lee's went out of business. Ken Leetham replied that the City would be out the remaining \$1.8 million in tax increment financing that was paid.

David Church clarified that the City would only be obligated to pay the property tax increment amount and if the increment did not come in the City would not be liable for that payment.

Council Member Baskin asked about the dormitories for the charter school and asked what the incentive or draw would be to encourage people to bring their children to this school and live in the dorms. David Church explained that the sports academies were very common and gave examples of sports campuses including Wasatch Academy in Utah and IMG in Florida.

Council Member Hood commented that there was a new soccer academy in Herriman, Utah.

Council Member Baskin expressed concern that this project was promoting football, which was tied to brain injury, and would encourage young children from kindergarten through high school to come to the City to learn how to play football. She also said that sports arenas did not always pay for themselves and worried that the new population may not invest in this project.

Mayor Pro Tem Horrocks commented that football was a billion dollar industry. Ken Leetham said that the football piece was related to the stadium and the 300,000 square foot sports complex would have more of a volleyball and basketball emphasis. The investment interest was to bring national volleyball and basketball tournaments to this location as there was a need for that type of facility.

Council Member Baskin asked if this would be an isolated campus or if the skating rink, splash pad and other amenities would be open to the public. Ken Leetham replied that while he was unsure he assumed the facilities would be open to the public. He said that the City could make it a condition of approval that the facilities were open to residents. Mr. Leetham said that this would be a regional, and potentially national, land use and commercial use that would bring in individuals from around the nation.

Council Member Hood recommended that a condition be included that the applicant would use the full name of the City in their advertising so as not to be confused with Salt Lake City.

Ken Leetham said that this piece of property was considered part of the blight area along Redwood Road from a study done in 2012. Mr. Leetham said that this finding was important when the City set goals for the CDA area and he felt this project would be a spectacular south entrance into the City and would help to change the character of the Redwood Road corridor.

Council Member Hood asked about Ken Leetham's earlier comment that UDOT would no longer allow the parking area that was shown on the concept plan. Ken Leetham showed a map of the area and explained that the trail divided the property into buildable and non-buildable areas. The non-buildable areas were found to be Native American settlement sites and the mitigation that would allow the use of the land would be approximately \$8 million and would

take three years to complete. The development group rejected the mitigation plan and determined that the adjacent five acre Zarbock property could be used for temporary offsite parking until a parking structure could be built in the future.

Council Member Baskin asked if staff could disclose the landowner, developer, and investor for the project. Ken Leetham replied that the property was owned by the Kimball family under different entities. He explained how the property would be developed by different development groups with Garbett homes to develop ten acres of multifamily and Frank Tusieseina, who managed sports events and athletes, Mike Morley, and a charter school group to develop the sports complex, etc.

Council Member Baskin asked if the development group had an interest in the retail and hospitality realm. Ken Leetham replied that the Kimball Development group had retained a portion of the eastern property for future development.

Ken Leetham clarified that the vision was to bring in families for the tournaments that would stay in the City so the development would include three hotels with 25,000 square feet of nearby retail and sit down restaurants.

Council Member Baskin asked if nearby refineries had been a deterrent due to environmental issues. Ken Leetham said that the refineries did not seem to be a problem and that the advantages of the site, beyond being a large and vacant site, were great freeway access and airport proximity.

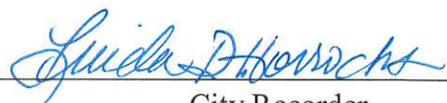
Council Member Baskin also asked if there were elevation issues with the site. Paul Ottoson replied that he had reviewed the drainage on the property and that the developer would have to work with Davis County to tie into their drainage ditch and culvert and also UDOT for drainage on the north end of the property. He said the while the site was flat the development and drainage were doable.

The Council determined that they would meet next week to discuss the development and review the Tax Increment Participation Agreement.

## 6. ADJOURN

Mayor Pro Tem Horrocks adjourned the meeting at 8:38 p.m.

  
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Mayor

  
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City Recorder