



# CITY OF NORTH SALT LAKE

## CITY COUNCIL MEETING

### NOTICE & AGENDA

AUGUST 17, 2021

Work Session: 6:00 pm – Regular Session 7:00 pm

Posted August 11, 2021

Notice is given that the City Council of the City of North Salt Lake will hold a regular meeting on **AUGUST 17, 2021** at City Hall, 10 East Center Street, North Salt Lake, Utah. A work session will be held at 6:00 pm in the Council Conference Room followed by the regular session at 7:00 pm in the City Council Chambers. Some members may participate electronically.

The following items of business will be discussed; the order of business may be changed as time permits.

#### WORK SESSION –6:00 p.m.

1. Presentation and discussion of proposed River Ranch (formerly Misty River) annexation
2. Approval of City Council Minutes - August 3<sup>rd</sup> 2021
3. Action Items
4. Council Reports
5. Adjourn

#### REGULAR SESSION - 7:00 p.m.

1. Introduction by Mayor Len Arave
2. Invocation and Pledge of Allegiance ~ Council Member Lisa Baskin
3. Citizen Comment
4. Review and approve the 2021 Municipal Primary Election Canvass information provided by Davis County
5. Consideration of **Resolution 2021-28R**: a Resolution approving a CDBG Contract with Davis County for the Overland Road Sidewalk (**2021-26A**)
6. Consideration of **Resolution 2021-29R**: a Resolution approving an inter-local cooperation transportation project reimbursement agreement between Davis County and the City of North Salt Lake and authorizing the Mayor, or Mayor Pro Tempore, to sign and execute the agreement (**2021-27A**)
7. Consideration of **Ordinance 2021-07**: an Ordinance amending Title 8, Sections 1-3 of the City Code related to Delinquencies and Discontinuance of Service
8. Mayor's Report

9. City Attorney Report
10. City Manager Report
11. Adjourn

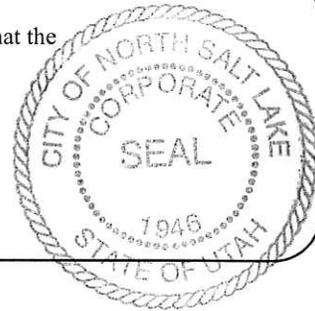
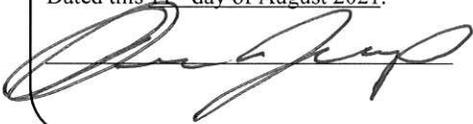
**CLOSED SESSION**

1. Possible closed session for the purpose of discussing pending or reasonably imminent litigation; to discuss the character professional competence, or physical or mental health of an individual; to discuss collective bargaining; or to discuss the purchase, exchange, sale, or lease of real property. *Utah Code 524-205*

Notice of Posting:

I, the duly appointed Deputy City Recorder for the City of North Salt Lake, hereby certify that the foregoing agenda was posted on the Utah Public Notice website, at city hall, and sent to the required newspapers this 11<sup>th</sup> day of August 2021.

Dated this 11<sup>th</sup> day of August 2021.





## CITY OF NORTH SALT LAKE COMMUNITY & ECONOMIC DEVELOPMENT

---

10 East Center Street, North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

### MEMORANDUM

**TO:** Honorable Mayor and City Council  
**FROM:** Sherrie Pace, Community Development Director  
**DATE:** August 17, 2021  
**SUBJECT:** Work Session-River Ranch Development (Misty River)

---

The City staff has been working with Mr. Dave Tolman, sponsor of the annexation of property in Salt Lake County on the west side of the Jordan River. He has asked for some time to come and update the City Council on their progress towards annexation and adjustments that they have made to their proposed development plans.

The Planning Commission has received the first draft of the Annexation Policy Plan and Proposed Expansion Map. There were many recommendations to staff to improve the draft for their next meeting on August 24. The focus of the work session will not be the draft policy plan, but a discussion regarding improvements along the Jordan River and specifics of the proposed development that will be submitted with a formal annexation petition.

In preparation for the work session, Mr. Tolman's consultant has prepared a letter detailing some of the work done over the past year that they would like to update the Council regarding, which is attached here. Mr. McCutchen also provided for the Council with a study from the Kem C Gardner Policy Institute regarding affordable housing in Utah.

Mr. Tolman has engaged Landmark Design to draft a conceptual plan for the Jordan River corridor and improvements along the river including a trail. Landmark will present the concept to the Council for feedback and discussion.



Stephen G. McCutchan  
Land Developer / Land Planner

August 10, 2021

Honorable Mayor and Members of the City Council  
City of North Salt Lake  
10 E Center Street  
North Salt Lake, UT 84054

## **Honorable Mayor and Members of the City Council:**

Proponents of the North Pointe Annexation and River Ranch Planned Development will be presenting at the August 17, 2021, City Council Workshop Meeting. We are completing our visual presentation but wanted to prepare you with background information. We will be forwarding our visual presentation to City Administration Friday morning, August 13<sup>th</sup> and hope that it will be forwarded to you in advance of the August 17<sup>th</sup> meeting.

## **Agreements with Salt Lake County, Salt Lake City and the Salt Lake City International Airport**

Since we met with the City Council on February 25, 2019, we have completed the following.

- Received approval from the Salt Lake County Council on July 21, 2020, to consider annexation to North Salt Lake.
- Have a signed agreement with Salt Lake City and the Salt Lake City International Airport that they will not contest the North Salt Lake annexation, which includes an agreement with the Airport to give them Avigation Easements over the River Ranch property.

## **Consideration of Draft Annexation Policy Declaration by City Planning Commission**

Regarding the Annexation Policy Declaration that the City Planning Commission is considering, we have assisted City Staff in preparing the document and attended the August 9, 2021, Planning Commission meeting where City Staff introduced the document. We will continue to work with City Staff and attend future Planning Commission meetings on the Annexation Policy Declaration.

## **Promoting Workforce Affordable Housing to Address the Wasatch Front Housing Crisis**



Since January 2018, when Dave Tolman and I began developing plans for River Ranch, we have recognized the opportunity to develop a master-planned neighborhood that included Workforce Affordable Housing. The term "workforce" suggests those gainfully employed (police officers, firemen, teachers, nurses, medical personnel and service sector employees) who are not typically the target of government affordable housing programs.

PO Box 382 Draper, UT 84020

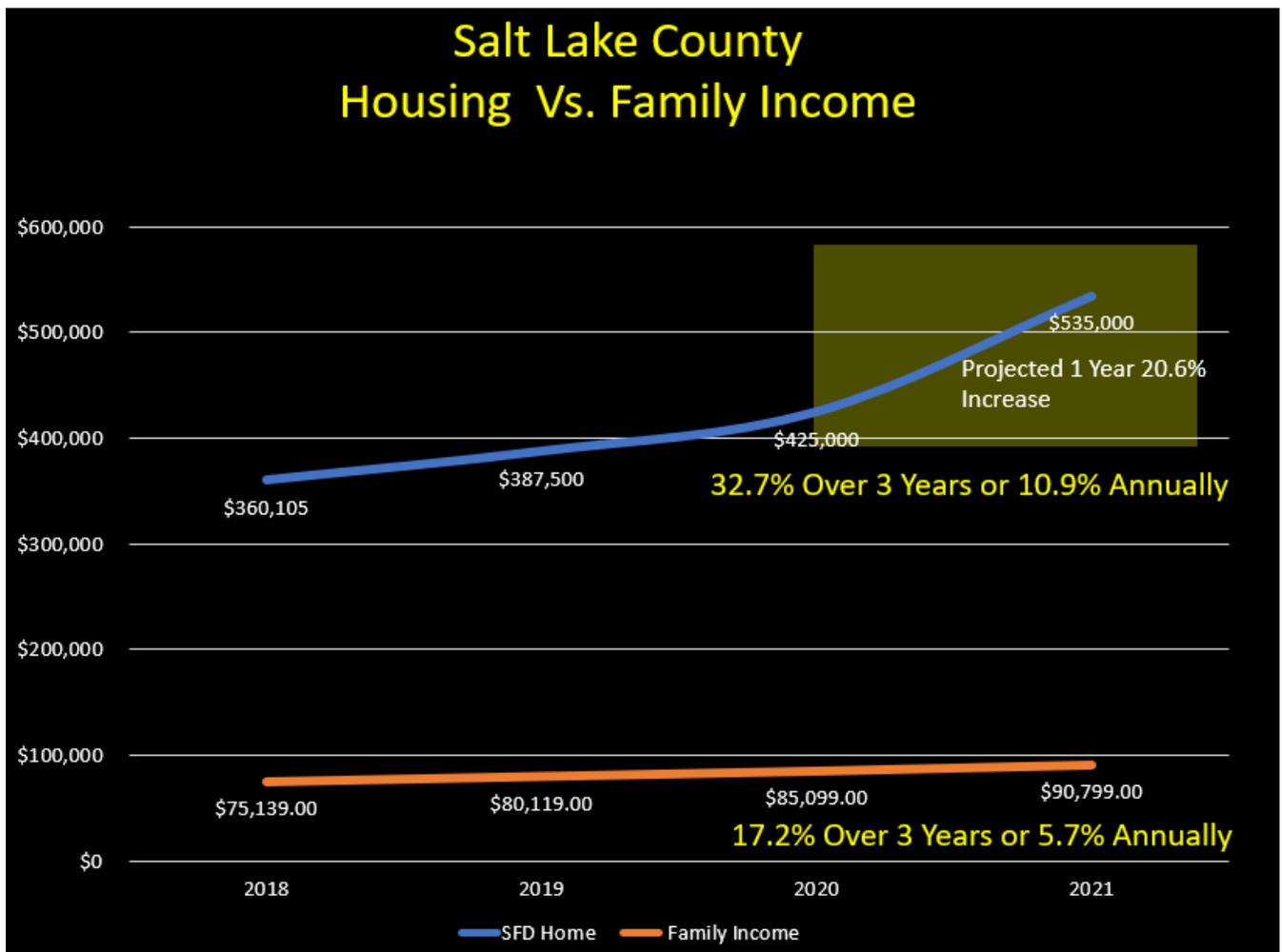
(801) 557-6945

stevemplan@gmail.com

[www.stevemplandevelopment.com](http://www.stevemplandevelopment.com)

The ever-worsening affordable housing crisis that has hit the Wasatch Front and, particularly Salt Lake County, has also hit Workforce Affordable Housing families hard. Often, college graduates, these young professionals have found that finding housing, particularly new housing, requires that they "drive until they qualify." The daily freeway congestion we see annually growing results from young families having to drive to North Davis County, Weber County, Tooele County, West Utah County and South Utah County to find affordable housing. Without Workforce Affordable Housing solutions like River Ranch, freeway congestion will grow and hurt the young families burdened with daily 45 minutes to one hour one-way commute.

To help you understand the housing crisis's severity, we have produced a graph that compares the rapid rise in housing prices with the consistent rise in family income. Housing prices are rising twice as fast as family income.

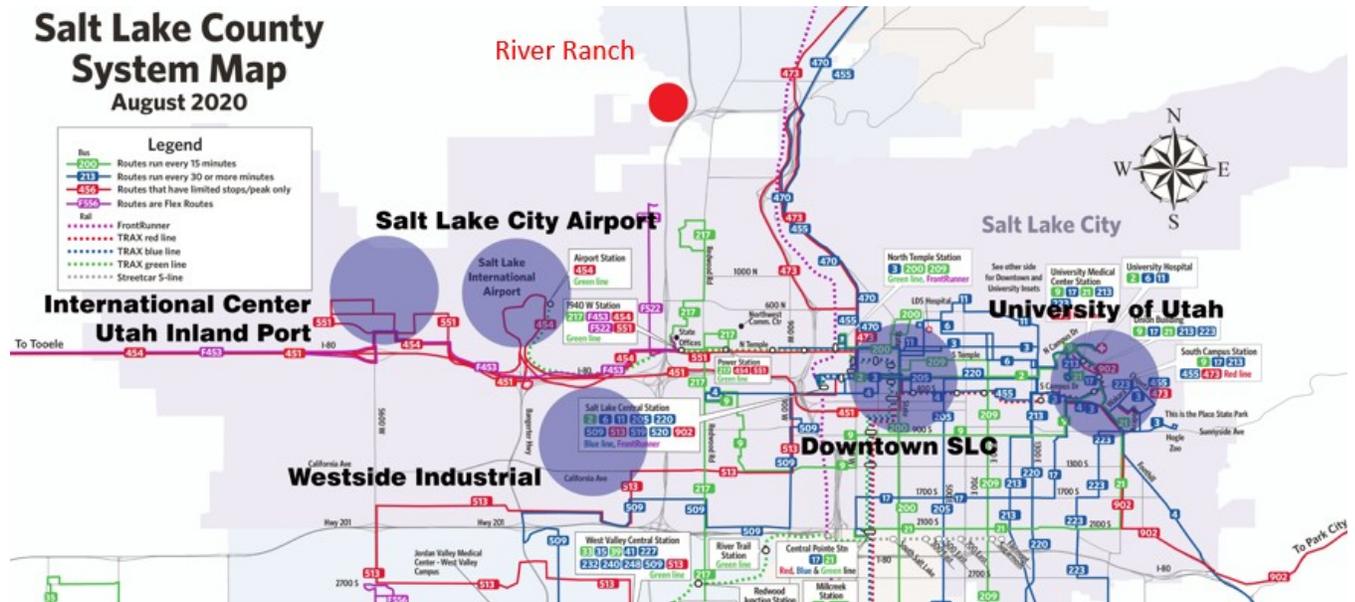


### Why is North Salt Lake's Role in Promoting Workforce Affordable Housing Important?

North Salt Lake is a substantial part of how River Ranch can dent the ever-worsening housing crisis. We believe that North Salt Lake has four features that will make a noticeable difference in the regional housing crisis and the lives of hundreds of young, future North Salt Lake families.

## Location

North Salt Lake is contiguous to Salt Lake County, Salt Lake City and the five major employment centers.



Commute times from River Ranch to the five major employment centers are between 10 and 20 minutes.

## Transportation

North Salt Lake has the unique opportunity to be served by two interstate freeways, the Legacy Highway and public transit – UTA bus lines, TRAX Via UTA Route F522 and FrontRunner.

## Infrastructure

North Pointe has remained a rural hollow surrounded by intense urban development because Salt Lake City and County have refused and failed to extend infrastructure, including streets, water, and sewer. North Salt Lake's streets and water lines and South Davis Sewer District's sewer lines and treatment plant are located just across the Jordan River from the North Pointe Annexation Area. Cross E Ranch, a co-applicant in the North Pointe Annexation, today operates a widely known agri-tourism business handing out bottled water and using portable toilets because it has no municipal services. The lack of municipal services has kept Cross E Ranch from obtaining a building permit to expand its business.

River Ranch has the financial capacity to bring streets, potable water lines, secondary water lines and sewer lines across the Jordan River and service both Cross E Ranch and River Ranch. It is estimated that offsite improvements to bring municipal infrastructure to North Poine Annexation Area will be roughly \$3.5 Million, paid by River Ranch developers up front and then reimbursed from development fees.

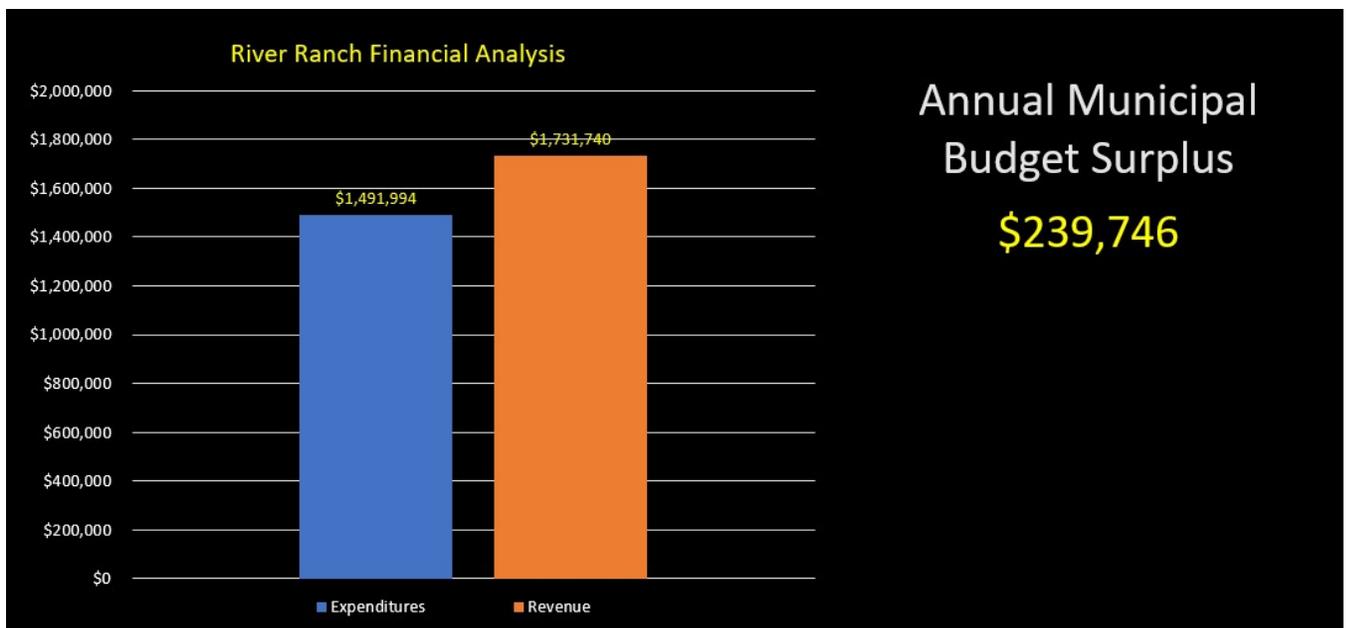
## Support for Reasonable Growth

North Salt Lake has shown support for reasonable growth that benefits the City's residents and fiscal base.

## River Ranch Will Generate an Annual City Budget Surplus

River Ranch hired Bob Springmeyer of Bonneville Research to prepare a Financial Cost/Benefit Analysis of the River Ranch planned development. Bob has prepared fiscal analysis for North Salt Lake, including work of the City's General Plan.

Bonneville Research found that with complete development, River Ranch will generate an estimated annual city budget surplus of \$239,746. While it is generally assumed that residential development is a financial drain on city budgets, the density of River Ranch and the amount of HOA maintained streets and parks would generate a surplus.



## River Ranch Families Will Purchase Goods and Services at North Salt Lake Businesses

Bonneville Research also estimated the family income that River Ranch residents will spend in North Salt Lake, particularly along Redwood Road. It is estimated that River Ranch families will annually spend \$8,348 per household in North Salt Lake. That means that River Ranch the total number of River Ranch families will annually spend \$8,765,400 in North Salt Lake businesses, again, particularly those along Redwood Road.

River Ranch will provide Redwood Road businesses the opportunity first to stabilize and second, grow their businesses and add new businesses. Jobs will be created by the growth brought on by the spending by River Ranch families.

## **School Choice for River Ranch Families**

The North Pointe Annexation Area is in a unique position regarding schools for future families. The Annexation Area is located in the Granite School District with neighborhood schools in Magna. The Salt Lake City School District only serves families in Salt Lake City and not the surrounding unincorporated areas. Traditionally, a small number of school-age children in the unincorporated area have attended Salt Lake City School District schools. A new solution needed to be developed with the North Pointe Annexation and the River Ranch Planned Development.

River Ranch has contracted with One West Construction (<https://www.1westconstruction.com/>) to authorize and build a 1,000 student charter school that will include Grades Kindergarten through Eighth Grade.

## **Additional Information About Housing Affordability**

The Kem C. Gardner Policy Institute at the University of Utah has provided valuable information about Utah housing. In November 2020, they produced an "Informed Decisions" document titled "Housing Affordability: What Are Best Practices and Why Are They Important?" We found the document highly informative about best practices associated with promoting housing affordability.

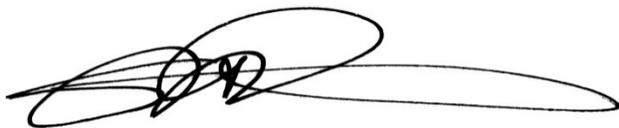
We have attached the document to this letter.

## **Conceptual Development Plan Summary**

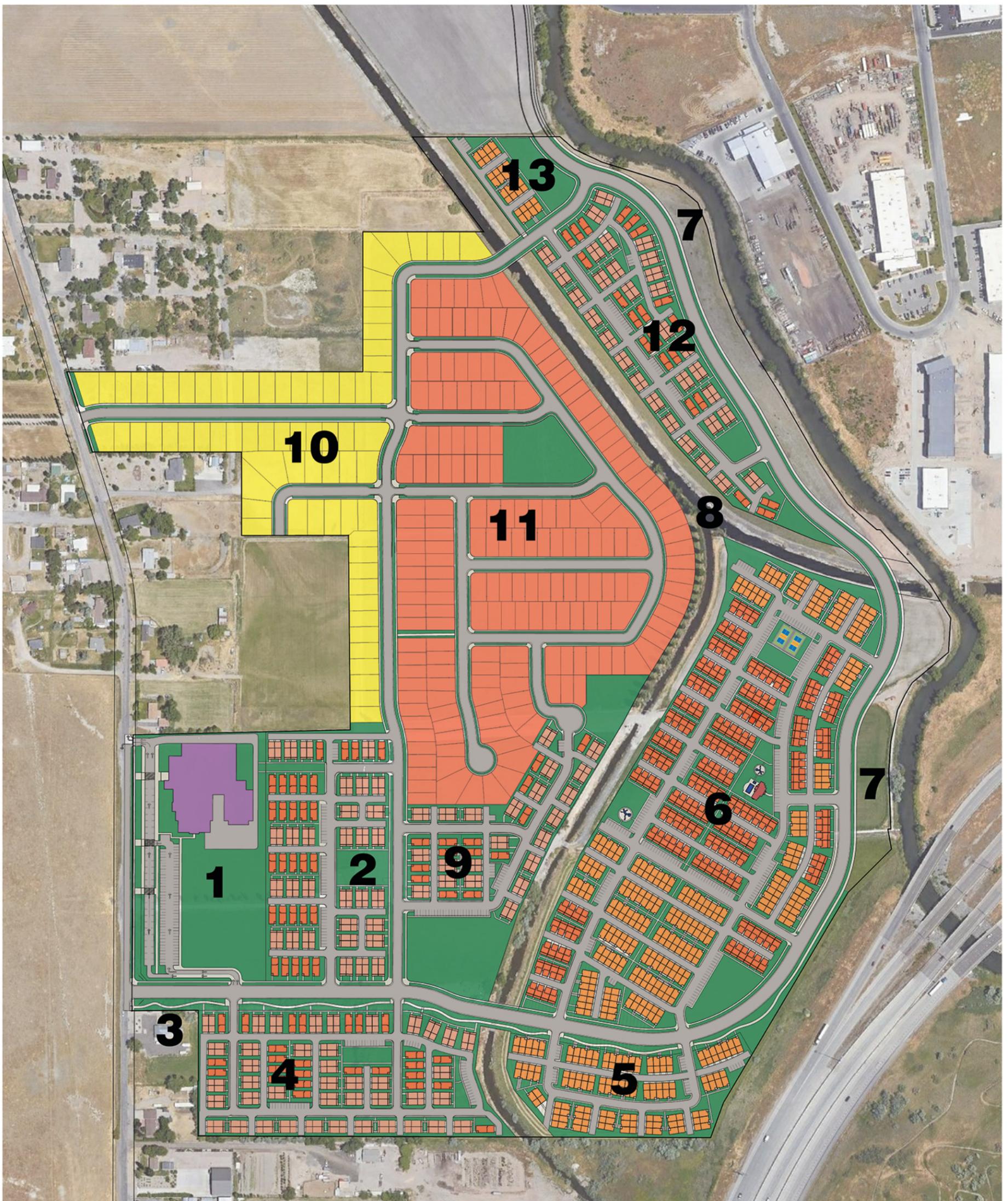
At the meeting, we will be presenting our current Conceptual Development Plan, including our Guidelines for Architecture and Community Design and our Conceptual Park, Trails and Open Space Plans. Before the meeting, we have included a copy of our current Conceptual Development Plan and the Statistical Summary for your review.

We look forward to meeting with you next week.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen G. McCutchan', with a long horizontal flourish extending to the right.

Stephen G. McCutchan

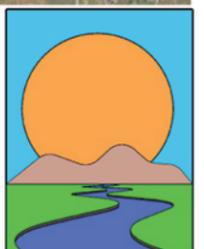


Overall Statistical Summary

Area	Acres	Land Use	Open Space	Parks & Trails	Density DU/Ac	Lots / Units
1	6.93	Charter School	6.93	6.93		
2	7.43	SFD/A PUD	1.11	1.11	12.65	94
		SFD Homes				30
		Twin Homes				64
3	1.96	2200 West Frontage / Loop Street Trail	1.96	1.96		
4	8.05	SFD/A PUD	1.21	1.21	13.41	108
		SFD Homes				26
		Twin Homes				82
5	4.25	Alley Loaded Townhomes	0.64	0.64	17.89	76
6	21.22	Alley Loaded Townhomes	3.18	3.18	16.68	354
		Neighborhood Park	0.64	0.64		
7	5.44	Jordan River Trail / Open Space	4.92			
		Landscaped Trail Area	2.49	2.49		
		Native Riverbank	2.43			
8	6.67	Combined Canal Open Space	6.67			
9	6.57	SFD/A PUD	0.72	0.72	8.88	58
		Neighborhood Park	1.75	1.75		
		SFD Homes				14
		Twin Homes				44
10	12.99	SFD-4500			5.47	71
11	23.15	SFD-3600			8.34	193
		Neighborhood Park	0.74	0.74		
12	6.67	SFD/A PUD	0.97	0.97	12.44	83
		Tot Lot	0.23	0.23		
		SFD Homes				21
		Twin Homes				62
13	1.47	Alley Loaded Townhomes	0.15	0.15	10.85	16
		Entry Park	0.60	0.60		
		Subtotal	37.34	22.57		1053
111.34	15.07	Collector Streets				
126.41		<b>Total</b>	<b>37.34</b>	<b>22.57</b>	<b>8.33</b>	<b>1053</b>
		Percent of Total	29.54%	17.86%		

Residential Summary

Total Acres	% of Total Res Acres	Residential Units	Average Density	Total Units	% of Total Units
12.99	15.39%	SFD-4500	5.5	71	6.74%
23.15	27.44%	SFD-3600	8.3	193	18.33%
21.29	25.24%	SFD PUD	16.1	343	32.57%
		SFD Homes		91	8.64%
		Twin Homes		252	23.93%
<b>57.43</b>	<b>68.07%</b>	<b>SFD Subtotal</b>	<b>10.6</b>	<b>607</b>	<b>57.64%</b>
26.95	31.93%	Townhomes	16.6	446	42.36%
<b>26.95</b>	<b>31.93%</b>	<b>Townhome Subtotal</b>	<b>16.6</b>	<b>446</b>	<b>42.36%</b>
<b>84.38</b>	<b>100.00%</b>	<b>Totals</b>		<b>1053</b>	<b>100.00%</b>



**River Ranch**  
A Master Planned Community  
North Salt Lake, UT

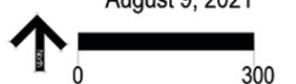
# River Ranch

## Conceptual Master Plan

North Salt Lake, Utah



PO Box 382  
Draper, UT 84020  
(801) 557-6945  
www.stevemplandevelopment.com



August 9, 2021

## Overall Statistical Summary

Area	Acres	Land Use	Open Space	Parks & Trails	Density DU/Ac	Lots / Units
1	6.93	Charter School	6.93	6.93		
2	7.43	SFD/A PUD	1.11	1.11	12.65	94
		SFD Homes				30
		Twin Homes				64
3	1.96	2200 West Frontage / Loop Street Trail	1.96	1.96		
4	8.05	SFD/A PUD	1.21	1.21	13.41	108
		SFD Homes				26
		Twin Homes				82
5	4.25	Alley Loaded Townhomes	0.64	0.64	17.89	76
6	21.22	Alley Loaded Townhomes	3.18	3.18	16.68	354
		Neighborhood Park	0.64	0.64		
7	5.44	Jordan River Trail / Open Space	4.92			
		Landscaped Trail Area	2.49	2.49		
		Native Riverbank	2.43			
8	6.67	Combined Canal Open Space	6.67			
9	6.57	SFD/A PUD	0.72	0.72	8.83	58
		Neighborhood Park	1.75	1.75		
		SFD Homes				14
		Twin Homes				44
10	12.99	SFD-4500			5.47	71
11	23.15	SFD-3600			8.34	193
		Neighborhood Park	0.74	0.74		
12	6.67	SFD/A PUD	0.97	0.97	12.44	83
		Tot Lot	0.23	0.23		
		SFD Homes				21
		Twin Homes				62
13	1.47	Alley Loaded Townhomes	0.15	0.15	10.85	16
		Entry Park	0.60	0.60		
	<b>111.34</b>	<b>Subtotal</b>	<b>37.34</b>	<b>22.57</b>		<b>1053</b>
	15.07	Collector Streets				
	<b>126.41</b>	<b>Total</b>	<b>37.34</b>	<b>22.57</b>	<b>8.33</b>	<b>1053</b>
		Percent of Total	29.54%	17.86%		

### Residential Summary

Total Acres	% of Total Res Acres	Residential Units	Average Density	Total Units	% of Total Units
12.99	15.39%	SFD-4500	5.5	71	6.74%
23.15	27.44%	SFD-3600	8.3	193	18.33%
21.29	25.24%	SFD PUD	16.1	343	32.57%
		SFD Homes		91	8.64%
		Twin Homes		252	23.93%
<b>57.43</b>	<b>68.07%</b>	<b>SFD Subtotal</b>	<b>10.6</b>	<b>607</b>	<b>57.64%</b>
26.95	31.93%	Townhomes	16.6	446	42.36%
<b>26.95</b>	<b>31.93%</b>	<b>Townhome Subtotal</b>	<b>16.6</b>	<b>446</b>	<b>42.36%</b>
<b>84.38</b>	<b>100.00%</b>	<b>Totals</b>		<b>1053</b>	<b>100.00%</b>

**James Wood**  
Ivory-Boyer Senior Fellow

**Dejan Eskic**  
Senior Research Analyst

**DJ Benway**  
Research Analyst

**Kathryn Macdonald-Poelman**  
Graduate Assistant

# Housing Affordability: What Are Best Practices and Why Are They Important?

A survey of leading housing practitioners identified five “best practices” for meeting the housing affordability challenge in Utah. This study examines why these practices are “best practices,” the implementation of the practice, and the outcomes produced.

---

**November 2020**

# Housing Affordability: What Are Best Practices and Why Are They Important?

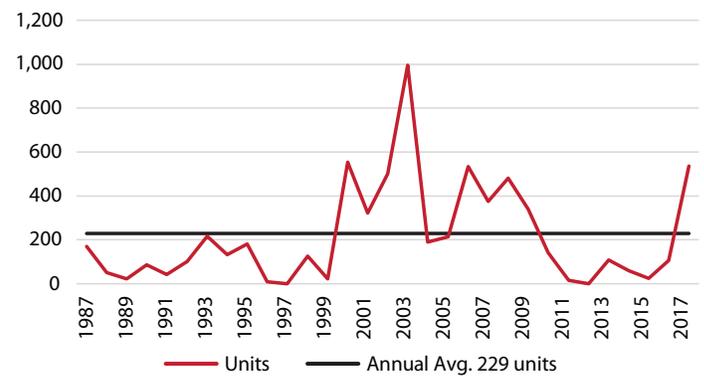
## Analysis in Brief

Utah's housing shortage and escalating prices reflect local housing policies. To be sure, market conditions—land, labor, and material costs—affect housing production and prices, but these factors offer scant opportunity for policy intervention. The best chance to shrink the shortage and improve affordability depends on local policies and practices. This study identifies five best practices developed by local jurisdictions to improve housing affordability. They include practices targeted at redevelopment agencies (RDAs), transit-oriented developments (TODs), accessory dwelling units (ADUs), preservation of existing affordable units, and changes in land use.

### Key Findings

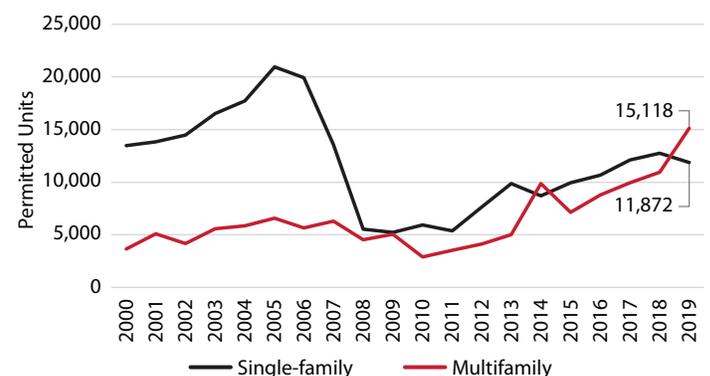
- No Single Practice Answers the Growing Threat of Housing Affordability**—Addressing the housing crisis requires a multi-practice approach. Successful housing strategies involve a set of practices tailored to the city's political climate, development history, and socioeconomic conditions. While a city's housing practices are unique to that city's needs, there are a few universal elements for successful housing strategies: community outreach, commitment, and flexibility.
- Success Is Measured in Small Increments**—By design and necessity, best practices often produce small, incremental outcomes. They are targeted at site-specific developments. For example, from 1987 to 2017, tax credits were used to preserve an average of 229 affordable rental units annually. While the annual average was incrementally small, the total number of units preserved over the 30-year period is 6,644 a sizeable share of Utah's affordable housing inventory.
- Land Use Regulations Determine the Effectiveness of All Best Practices**—Land use regulations control what type of housing gets built, where it gets built, and its affordability. Without accommodative land use regulations, there is little chance a city's housing policies can influence prices, provide diverse housing types, or meet changes in homebuyers' preferences. Recently, housing preferences have moved toward multifamily housing (condominiums, twin homes, townhomes, and apartments). From 2000 to 2009, multifamily units accounted for only 27% of all new residential units in Utah, but from 2010 to 2019 the share of

### Annual Preservation of Affordable Rental Units Using Tax Credits



Source: Utah Housing Corporation

### Permits Issued for Single-Family and Multifamily Units in Utah



Source: Kem C. Gardner Policy Institute

multifamily units increased to 44%, and in the last three years, it climbed to nearly 50%. Zoning ordinances, in many cities, do not reflect the shift in preferences to higher-density, more affordable housing. Zoning often lags changes in market preferences.

- Leadership and Political Will**—Progress on the housing crisis needs continued state and civic leadership. Without it, today's children, Utah's next generation, will face an even greater scarcity of affordable housing and more burdensome housing prices.

# Table of Contents

<b>I. Zoning Changes and Housing Affordability</b> ..... 1	Figure II.1: Acquisition and Rehabilitation of Rental Units Financed Through the Low-Income Housing Tax Credit ..... 10
Background .....1	Figure IV.1: Different Ways to Integrate ADUs with Existing Housing..... 16
Why Zoning Changes Are a Best Practice .....1	Figure IV.2: Permitted ADU Occupancy in Cities that Allow ADUs..... 18
Framework for Implementation .....5	Figure A.1: Copenhagen Mechanism for CPH City & Port Development ..... 23
Examples of Best Practice .....6	
<b>II. Preservation of Affordable Housing</b> ..... 8	
Background .....8	
Why Preservation is a Best Practice .....8	
Framework for Implementation ..... 10	
Examples of Best Practice ..... 10	
Variations on a Theme ..... 11	
<b>III. Redevelopment Agencies, Tax Increment Financing, and Housing Affordability</b> .....12	
Background ..... 12	
Why Tax Increment Financing Is a Best Practice ..... 12	
Framework for Implementation ..... 14	
Examples of Best Practice ..... 14	
<b>IV. Accessory Dwelling Units and Housing Affordability</b> 16	
Background ..... 16	
Why ADUs Are a Best Practice ..... 16	
Framework for Implementation ..... 17	
Examples of Best Practice ..... 17	
<b>V. Transit-Oriented Development and Housing Affordability</b> .....19	
Background ..... 19	
Why Transit-Oriented Developments Are a Best Practice..... 19	
Framework for Implementation ..... 20	
Examples of Best Practice ..... 20	
Variations on a Theme ..... 21	
<b>VI. Survey of Best Practices</b> .....22	
<b>VII. Examples of Best Practices Outside of Utah</b> .....23	
A. Public Asset Management and Housing Affordability ..... 23	
B. Up-Zoning and Housing Affordability ..... 24	
C. Housing Affordability and Adaptive Reuse of Commercial for Residential ..... 24	
D. Housing Trust Funds and Affordable Housing..... 25	
E. State Leadership and Housing Affordability ..... 26	
<b>Other Local Studies on Housing Affordability</b> .....27	
<b>Figures</b>	
Figure I.1: Change in Housing Price Index by State .....2	
Figure I.2: Top 25 Metro Areas Ranked by Median Sales Price of Single-Family Homes, Q1 2020.....3	
Figure I.3: Market-Rate Apartment Projects Completed in Salt Lake County, 2000–2019 .....4	
Figure I.4: Comparison of Form-Based Code to Conventional Zoning .....7	
	<b>Tables</b>
	Table I.1: Utah Households for Selected Years, 2009–2025 .. 1
	Table I.2: Permits Issued for Residential Units in Utah.....2
	Table I.3: Top Five Large Metropolitan Areas Ranked by Change in Price Index.....2
	Table I.4: Developed Residential Acreage by Type of Use, Salt Lake County, 2019 .....4
	Table I.5: S.B. 34 Strategies Selected by Municipalities .....6
	Table II.1: Rental Properties at Risk of Opting Out, 2020–2025 .....8
	Table II.2: Expiration Date and At-Risk Units in HUD Apartment Communities in Utah.....8
	Table II.3: Expiration Date of Low-Income Housing Tax Credit Projects in Utah, 2020–2025 .....9
	Table II.4: Gap of Affordable and Available Rental Units for Renters at 0–50% AMI in Utah.....9
	Table II.5: Rental Rate Increase in Wasatch Front Counties, 2008–2019 ..... 10
	Table II.6: Cities That Have Selected Preserving Existing Moderate-Income Housing as an S.B. 34 Strategy ..... 11
	Table II.7: Cities That Have Selected to Preserve Subsidized Low- to Moderate-Income Units on a Long-Term Basis as an S.B. 34 Strategy..... 11
	Table III.1: Housing Units Facilitated by Tax Increment Financing in Selected Cities ..... 12
	Table III.2: Project Areas by Type in Cities and Counties, 2018..... 12
	Table III.3: Project Areas by County and City..... 13
	Table IV.1: Share of Attached Renter-Occupied Units in Single-Unit Structures for Cities with 20,000 or More Residents in Utah, 2014–2018 ..... 18
	Table V.1: Market Rate Apartments Near UTA Rail Stations in Cities and Towns in Salt Lake County, 2018.. 19
	Table V.2: Low-Income Housing Tax Credit Units Near UTA Rail Stations in Cities and Towns in Salt Lake County, 2017 ..... 19
	Table VI.1: Respondents to Best Practices Survey ..... 22

# I. Zoning Changes and Housing Affordability

## Background

In 1908, Los Angeles became the first city to adopt a local zoning ordinance. It wasn't until 1925 that the Utah legislature passed the Municipal Land Use, Development, and Management Act. This enabling act allowed a city to "divide the territory over which it has jurisdiction into zoning districts to regulate and restrict the use of the land."<sup>1</sup> The enabling legislation provides the city the authority to control the land use and control what type of structures can be built, limit the size of structures, and, importantly, define the approval process required for new development. And beyond the broad fundamental authority given to cities, municipal zoning laws can also regulate dozens of related activities such as off-street parking, landscaping, setbacks, etc. Thus, the power to regulate and oversee development is vested in local authorities. The standardized language in Salt Lake County's municipal code sets out the purpose of zoning ordinances as "promoting the health, safety, morals, conveniences, order, prosperity and welfare of present and future inhabitants of Salt Lake County."<sup>2</sup>

Until recently, housing policy discussions rarely included much talk about zoning, except for the voices of ardent housing advocates. But Utah's extraordinary demographic and economic growth since 2010 has brought zoning to the forefront of housing policy discussions. Growth has led to a housing shortage, which has contributed to the rapid increases in housing prices and rents. According to the National Association of Realtors, the year-over median sales price of a home in the Salt Lake metropolitan area increased by 12.3% in the first quarter of 2020. The Salt Lake metropolitan area ranked 16th of 182 metropolitan areas surveyed for year-over price increase. Housing price increases were lower in 90% of the metropolitan areas surveyed. And rents across Wasatch Front counties have been increasing at 5% to 7% annually despite the addition of a record number of new apartment units. Consequently, attention by housing advocates, civic groups, and the business community has turned to factors restricting housing supply. One such factor is zoning, which allows municipalities to achieve valuable planning, aesthetic, and social goals, but can also contribute to the housing affordability problem.

For current residents, zoning is among the most popular of municipal regulations. Zoning ordinances, in all their complexity, reflect a bottom-up approach to governance. As city councils and planners respond to their constituents, zoning ordinances come to embody, in part, resident concerns, interests, and preferences. And a facet of land use regulation familiar to every developer is the opportunity for neighbors to express their views, in front of the city council and planning commission, on proposed new residential and commercial developments.

While neighborhood participation has long been a feature of city council and planning commission meetings, social media have increased and intensified resident involvement in the approval process.

Researchers and academics have tried to measure zoning stringency and develop comparative city-to-city metrics without much success. The "typical" zoning ordinance escapes definition. There are too many qualifications and nuances to the ordinances. For example, the minimum lot size in a city can vary throughout zones in the city. Surveying planners about the typical minimum lot size turns out to produce a complicated answer.

Zoning ordinances are the dominant public policy in determining the character of a community's housing stock. The number, type, price, size, and location of housing units reflect the local zoning ordinances. As a best practice, zoning reform has the greatest potential of any practice to positively affect housing affordability.

## Why Zoning Changes Are a Best Practice

- *Provide a Powerful Policy Tool to Increase the Supply of Housing*—Zoning ordinances, in no small measure, control the supply of housing through land use, density, design regulations. These regulations, more than any other local policies, govern the annual supply of single-family and multifamily housing. In recent years, the supply of housing has not met the demand. Since 2009, the number of Utah households has increased by 220,720, while the number of dwelling units has increased by 185,334, a shortfall of 30% (see Tables I.1 and I.2).<sup>3</sup> The housing shortage has driven-up housing prices and rents and created a serious housing affordability problem. The shortage has also excluded many from homeownership, added to substantial increases in doubling-up of households, delayed marriages, and discouraged young people from forming new households. Household projections from the Gardner Policy Institute show that the housing shortage and

**Table I.1: Utah Households for Selected Years, 2009–2025**

Year	Households
2009	864,771
2010	877,692
2019	1,085,491
2020	1,109,803
2025	1,247,948
2009–2019	220,720
<b>2020–2025</b>	<b>138,145</b>
<b>Annual Avg.</b>	<b>27,600</b>

Source: Kem C. Gardner Policy Institute

**Table I.2: Permits Issued for Residential Units in Utah**

Year	Permitted Dwelling Units
2009	10,597
2010	9,079
2011	9,083
2012	11,919
2013	15,008
2014	18,807
2015	17,287
2016	19,639
2017	22,374
2018	23,931
2019	27,610
<b>Total</b>	<b>185,334</b>

Source: Kem C. Gardner Policy Institute

its impacts will only worsen in the next five years, without the addition of at least 27,600 new housing units annually. Over the past five years, the number of new dwelling units in Utah has averaged 21,150 units, about 75% of the number required to meet the annual demand over the next five years.

- Provide, Through Higher Density or Up-Zoning, a Counterweight to Housing Price Increases*—In a recent survey conducted for the Salt Lake Chamber, housing affordability topped the list of issues that most concerned Utah families, ahead of transportation, air quality, and education. Since 2015 the median sales price of a home in Salt Lake County has increased from \$269,000 to \$405,000. The monthly mortgage payment on the median-priced home has increased from \$1,490 in 2015 to \$2,110 in 2020. Another measure of price increase comes from the Federal Housing Finance Agency. Of the largest 100 metropolitan areas in the country, the Salt Lake metro area ranks fourth in housing price increase since 2015, and the state also ranks fourth behind Idaho, Washington, and Nevada (see Table I.3 and Figure I.1). This troubling price trajectory can't be tamped down without a larger supply of high-density housing. Several sources of housing prices show that the Salt Lake metropolitan area and Utah have not only rapidly *increasing* housing prices but also have among the highest housing prices in the country. Of 183 metropolitan areas surveyed by the National Association of Realtors, the Salt Lake metro area ranks 22nd highest, with a median home price of \$372,100. Map 1.
- Provide the Most Effective Policy Response to Changing Housing Preferences*—Single-family parcels account for nearly 90% of developed residential land in Salt Lake County. A high concentration of residential land zoned for single-family homes is typical in many urban areas.<sup>4</sup> But housing demand, due primarily to affordability issues and changing

**Table I.3: Top Five Large Metropolitan Areas Ranked by Change in Price Index**

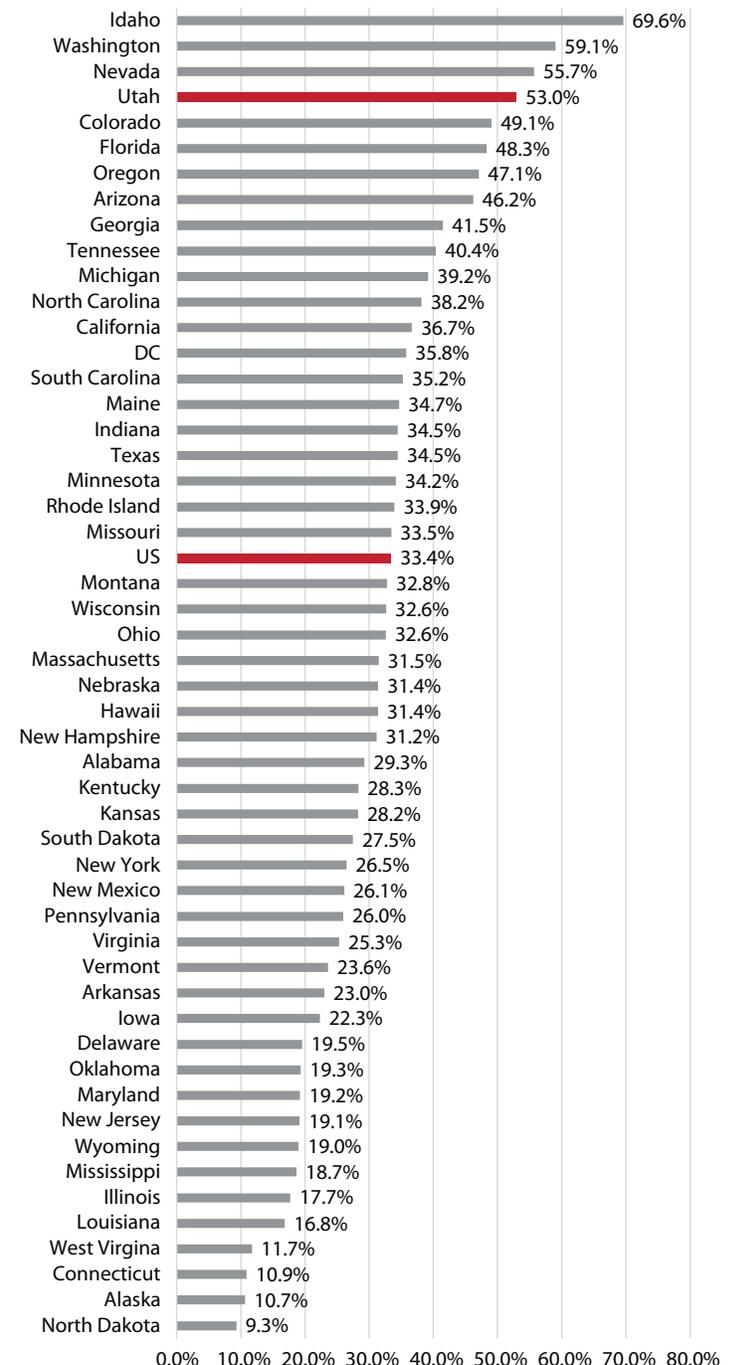
(First Quarter 2015 to First Quarter 2020)

Metropolitan Area	% Change
Boise, ID	84.1%
Seattle-Bellevue-Kent WS	58.9%
Tampa-St Petersburg-Clearwater FL	56.2%
Salt Lake, UT	55.1%
Las Vegas, NV	54.7%

Source: Price Changes in 100 Largest Metropolitan Areas, Federal Housing Finance Agency.

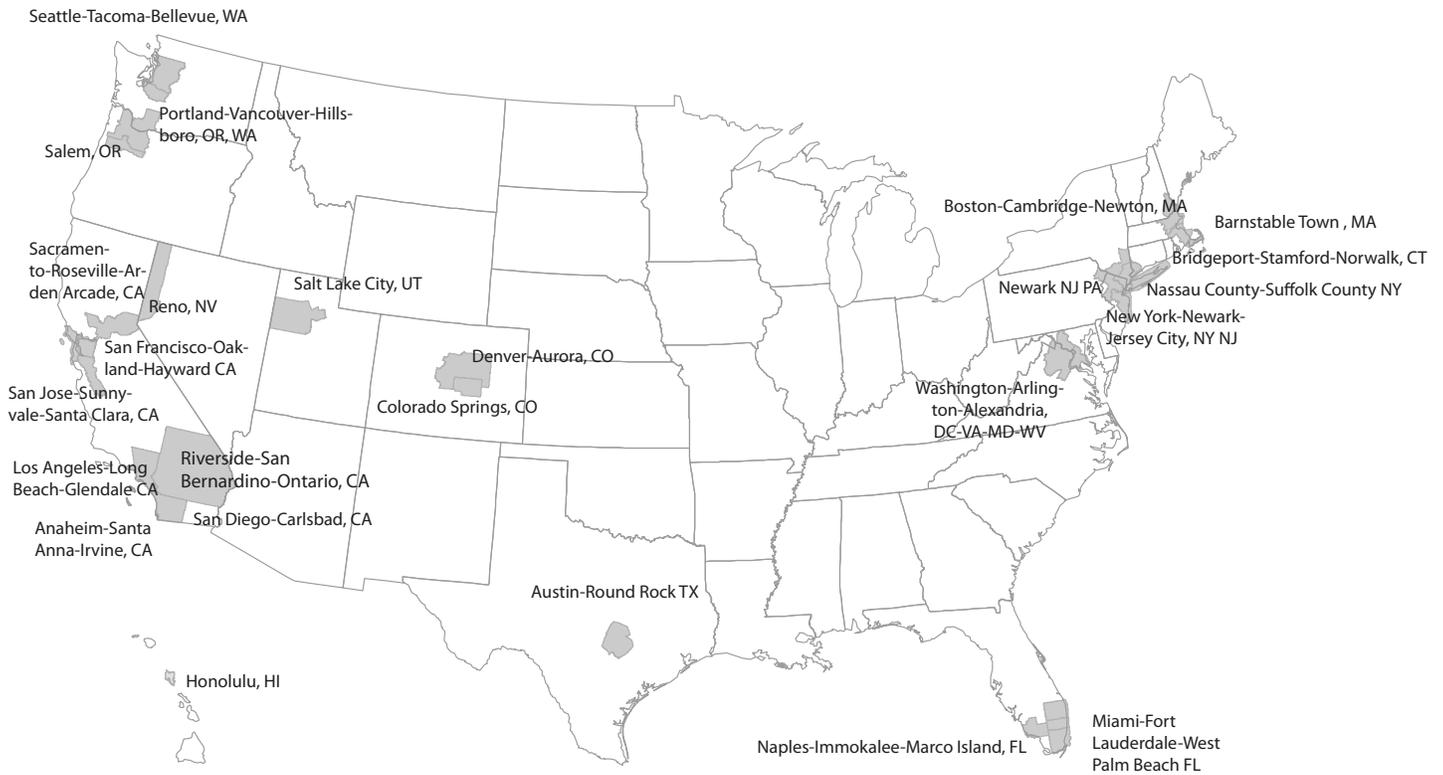
**Figure I.1: Change in Housing Price Index by State**

(First Quarter 2015 to First Quarter 2020)



Source: FHFA

**Figure I.2: Top 25 Metro Areas Ranked by Median Sales Price of Single-Family Homes, Q1 2020**



Area	Price	% Change YoY
Salem, OR	\$331,400	13.4%
Colorado Springs, CO	\$339,100	14.4%
Austin-Round Rock TX	\$341,500	12.6%
Salt Lake City, UT	\$372,100	12.3%
Miami-Fort Lauderdale-West Palm Beach FL	\$375,000	7.1%
Newark NJ PA	\$388,000	7.9%
Sacramento-Roseville-Arden Arcade, CA	\$392,300	9.0%
Riverside-San Bernardino-Ontario, CA	\$393,000	7.7%
Reno, NV	\$407,600	7.7%
Portland-Vancouver-Hillsboro, OR, WA	\$416,100	6.5%
New York-Newark- Jersey City, NY NJ	\$420,300	6.0%
Barnstable Town, MA	\$426,600	4.7%
Bridgeport-Stamford-Norwalk, CT	\$432,100	7.7%

Area	Price	% Change YoY
Washington-Arlington-Alexandria, DC-VA-MD-WV	\$438,900	4.5%
Denver-Aurora, CO	\$473,800	6.1%
Naples-Immokalee-Marco Island, FL	\$480,000	11.9%
Nassau County-Suffolk County NY	\$487,700	2.8%
Boston-Cambridge-Newton, MA	\$494,400	7.2%
Seattle-Tacoma-Bellevue, WA	\$554,500	11.5%
Los Angeles-Long Beach-Glendale CA	\$592,800	8.1%
San Diego-Carlsbad, CA	\$670,000	8.1%
Honolulu, HI	\$788,800	-0.7%
Anaheim-Santa Anna-Irvine, CA	\$875,000	9.4%
San Francisco-Oakland-Hayward CA	\$985,000	5.9%
San Jose-Sunnyvale-Santa Clara, CA	\$1,350,000	10.7%

Source: National Association of Realtors

preferences, has shifted toward multifamily living (condominiums, townhomes, twin homes, and apartments). From 2000 to 2009, multifamily units accounted for only 27% of all new residential units in Utah, but from 2010 to 2019 the share of multifamily units increased to 44%, and in the last three years it climbed to 50%. Zoning ordinances in many cities lag market preferences. Some cities and states are addressing the issue of outdated zoning ordinances with aggressive responses. Oregon and Minneapolis have ended the single-family zone and allowed higher density development on formerly single-family parcels. Massachusetts, Maryland, Washington, Virginia, and Nebraska are also con-

sidering proposals to change the single-family zone. Without changes in zoning ordinances that allow more multifamily housing, little progress will be made on easing Utah's housing shortage and tempering the increase in housing prices and rental rates.

Developed residential acreage in Salt Lake County is heavily concentrated in single-family lots. High-density, multifamily acreage represents a little less than 10% of developed land (see Table I.4). To accommodate shifting preferences for affordable, high-density housing, the future share of developed multifamily acreage will likely increase.

**Table I.4: Developed Residential Acreage by Type of Use, Salt Lake County, 2019**

Category	Acres	Share
Single-Family	65,118	88.1%
Multifamily	7,277	9.8%
Condos	2,201	3.0%
Townhomes	834	1.1%
Twin homes/duplex	1,119	1.5%
99 plus rental units	1,912	2.6%
50–98 rental units	357	0.5%
20–49 rental units	212	0.3%
10–19 rental units	167	0.2%
5–9 rental units	138	0.2%
3–4 rental units	338	0.5%
Group home	222	0.3%
Manufactured home	1,288	1.7%
<b>Total</b>	<b>73,905</b>	<b>100.0%</b>

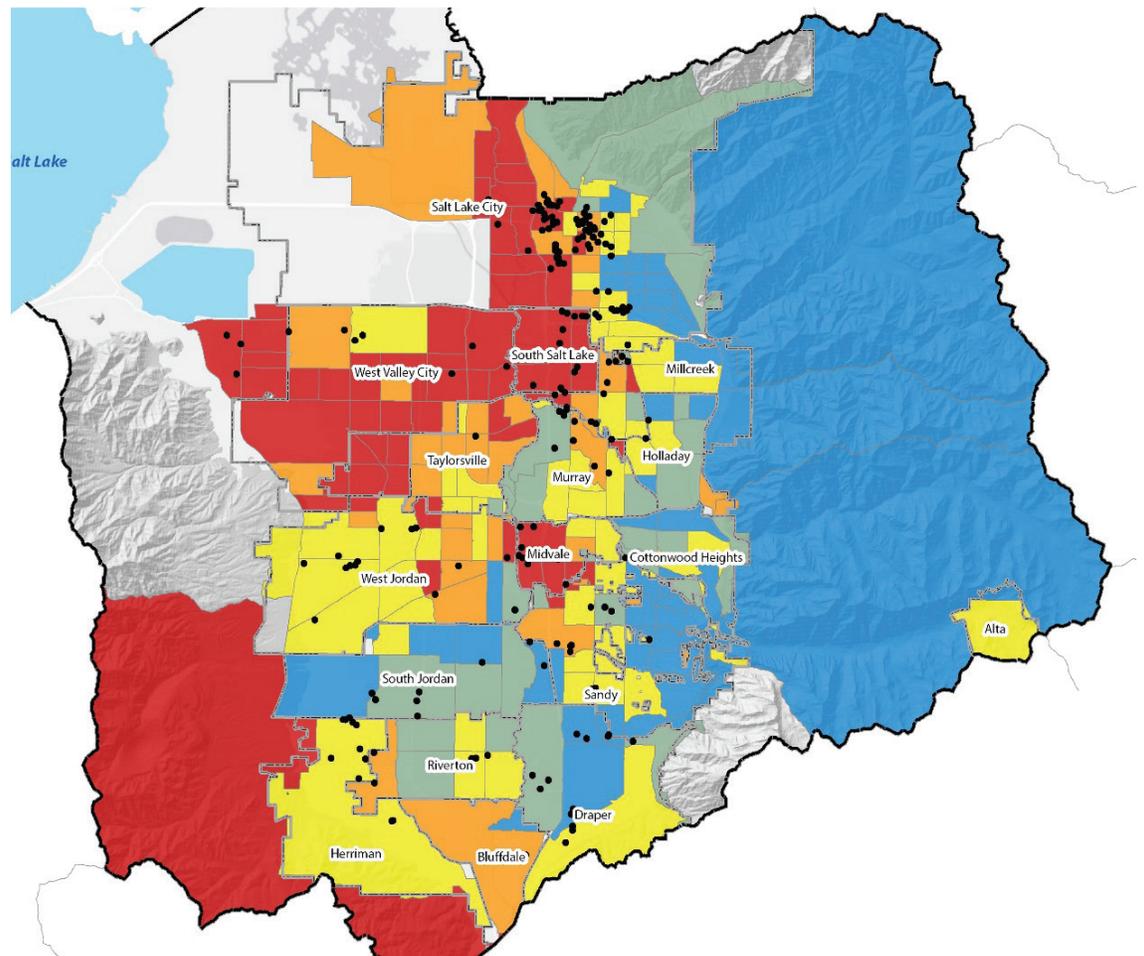
Source: Housing and Community Development, Salt Lake County

- Provide a Policy Tool to Reduce the Spatial Concentrations of Moderate- to Low-Income Renter Households of Color—Salt Lake and Utah counties have relatively high levels of moderate- to low-income households of color. A majority of these

households rent; however, affordable rental opportunities are limited in many cities because of zoning ordinances and Nimbysm. The consequences of limited housing choices are particularly harmful to children, affecting their schools, social environment, health, and long-term economic opportunities. The Kem C. Gardner Policy Institute has developed an opportunity index to categorize census tracts—from very low-opportunity neighborhoods to very high-opportunity neighborhoods. The opportunity index was developed from a set of nine variables. A map of the locations of market-rate apartment projects developed in Salt Lake County since 2000 (26,200 units) shows that approximately 70% of new market-rate apartment units (18,000) are located in very low- to low-opportunity neighborhoods, thus limiting socio-economic opportunities for these renter households (see Figure I.3). Relaxing zoning ordinances, along with other measures, can help provide greater opportunity for households of color.

- Provide, Through Higher Density or Up-Zoning, Greater Economic Efficiencies for Households and Government—Higher-density housing, which is often closer to employment centers, may reduce household transportation costs. Public infrastructure costs will be lower per household in higher-density residen-

**Figure I.3: Market-Rate Apartment Projects Completed in Salt Lake County, 2000–2019**



Source: Kem C. Gardner Policy Institute

tial developments. Higher housing densities, particularly surrounding transit-oriented developments (TODs), improve public transportation efficiency. And high-density housing is an essential component of a walkable community.

- *Facilitate Long-Term Economic Growth and Employment Opportunities*—In Silicon Valley and New York City, restrictive zoning ordinances have constrained the housing supply, limited employment growth, and left many workers poorer due to the mismatch between where people live and where they work. While Utah's economic growth has not yet been curbed by housing supply constraints, without modifications of local zoning ordinances, its long-term economic potential will not be realized.
- *Facilitate the Effectiveness of Other Best Practices*—The other best practices discussed in this report depend on revisions or adaptations in existing zoning ordinances. Pursuing measures to address housing affordability through the development of TODs, redevelopment agencies; accessory dwelling units; or preservation will likely require conditional use permits and at least some minor changes in the zoning ordinances. And at a broader level, two of Utah's leading planning organizations, Wasatch Front Regional Council and Envision Utah, both see metropolitan centers, urban centers, and city centers as key to the future of land use development. A concept of centered development includes high-density residential development.
- *Facilitate, Through Increased Rates of Homeownership, Wealth Creation*—Homeownership is the major source of wealth for moderate-income households. Harvard's Joint Center for Housing Studies found that, nationally, moderate-income households (\$39,500 to \$45,570 in household income) with a household head between 50 and 64 years old have median home equity of \$75,000, while a renter has no wealth from home equity.<sup>5</sup> Nationally, housing wealth accounts for about half the net wealth of moderate-income households. In Utah, where housing prices over the last 30 years have increased at more than double the national rate, the moderate-income homeowner could have as much as \$150,000 in home equity or housing wealth. Zoning that allows for more affordable homeownership opportunities reduces wealth inequality and provides housing security in some cases for multiple generations.<sup>6</sup>
- *Satisfy S.B. 34*—The 2019 Utah Legislature passed S.B. 34 Affordable Housing Modifications. The bill requires local communities to develop a moderate-income housing (MIH) plan as part of their general plan. The MIH plan requires local communities to adopt at least three strategies from a list of 23 strategies targeted at improving housing affordability.

Communities are then required to report on the implementation and outcomes of their selected strategies annually. Failure to implement the strategies will exclude the community from state transportation funds. The first strategy listed in S.B. 34 encourages a city "to rezone for densities necessary to assure the production of moderate-income housing."<sup>7</sup> Up-zoning meets one of the requirements of S.B. 34.

### Framework for Implementation

- *Political and Civic Engagement*—The level of participation in housing issues by the Utah Legislature, cities and counties, the Salt Lake Chamber, nonprofit organizations, and corporations is unprecedented. The convergence of three issues has prompted this engagement: (1) the homeless crisis, (2) the housing shortage, and (3) the housing affordability challenge. These related issues pose near- and long-term threats to the economic well-being of Utah households, individual opportunity, and the state's economic prosperity. But given the more favorable political and civic environment, the chances of meaningful local land-use revisions, to mitigate these threats, are the best in years.
- *Community Engagement*—New residential or commercial developments often require a zoning variance and/or conditional use permit. Approval for the variance will trigger public hearings. Thus, land use regulations provide opportunities for neighborhoods and individuals to be involved in the approval process, to voice their support or opposition to a proposed high-density development. Consequently, community engagement and coalition building become an essential component of the implementation framework. In addition to stakeholder outreach, another critical component is project design; careful design, compatible with zoning ordinances and neighborhood expectations, increases the likelihood of approval.
- *Complementary Policies*—Less restrictive zoning is a necessary condition for improved housing affordability and increased housing production. Complementary policies that would enhance less restrictive zoning include streamlining and standardizing the uncertain and time-consuming approval process and adopting form-based code for selected zones.
- *S.B. 34 Incentivizes Zoning Changes*—The 2019 Utah Legislature passed S.B. 34 Affordable Housing Modifications. The bill enacted new policies for cities to encourage local officials to plan and zone for affordable housing. The legislation provided a list of 23 strategies to encourage housing affordability. Cities are required to select at least three strategies to be eligible to apply for \$700 million in

**Table I.5: S.B. 34 Strategies Selected by Municipalities**

Strategies	Number of Municipalities Committing to Strategy
Create or allow for, and reduce regulations related to, accessory dwelling units in residential zones	57
Rezone for densities necessary to assure the production of MIH (moderate-income housing)	50
Allow for higher density or moderate-income residential development in commercial and mixed-use zones, commercial centers, or employment centers	46
Encourage higher density or moderate-income residential development near major transit investment corridors	39
Facilitate the rehabilitation or expansion of infrastructure that will encourage the construction of MIH	32
Preserve existing MIH	28
Implement zoning incentives for low- to moderate-income units in new developments	26
Any other program or strategy implemented by the municipality to address the housing needs of residents of the municipality who earn less than 80% of the area median income	22
Eliminate or reduce parking requirements for residential development where a resident is less likely to rely on their own vehicle, e.g. residential development near major transit investment corridors or senior living facilities	21
Facilitate the rehabilitation of existing uninhabitable housing stock into MIH	17
Utilize strategies that preserve subsidized low- to moderate-income units on a long-term basis	15
Apply for or partner with an entity that applies for services provided by a public housing authority to preserve and create MIH	14
Utilize an MIH set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency	13
Consider general fund subsidies or other sources of revenue to waive construction-related fees that are otherwise generally imposed by the city	12
Reduce impact fees, as defined in Section 11-36a-102, related to low and MIH	12
Apply for or partner with an entity that applies for state or federal funds or tax incentives to promote the construction of MIH	12
Apply for or partner with an entity that applies for programs offered by the Utah Housing Corporation within that agency's funding capacity	12
Apply for or partner with an entity that applies for programs administered by an association of governments established by an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act.	11
Implement a mortgage assistance program for employees of the municipality or of an employer that provides contracted services to the municipality	10
Apply for or partner with an entity that applies for programs administered by a metropolitan planning organization or other transportation agency that provides technical planning assistance	10
Apply for or partner with an entity that applies for affordable housing programs administered by the Department of Workforce Services	9
Allow for single-room-occupancy developments	6
Participate in a community land trust program for low or MIH	4

Source: Utah Department of Workforce Services

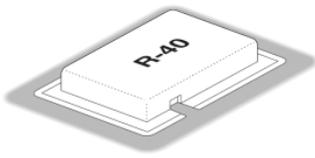
state transportation funds. While outcomes of policy changes will not be documented until 2021, it's encouraging that three of the four most frequently selected strategies applied to zoning (see Table I.5).

**Examples of Best Practice**

- *Salt Lake City's Affordable Housing Overlay*—The American Planning Association defines an overlay zone as “a zoning district applied over one or more previously established zoning districts, establishing additional or stricter standards and criteria for covered properties in addition to those of the underlying zoning district. Overlay zones can be used to promote specific development projects such as mixed-use developments, waterfront developments, housing along transit corridors, or affordable housing.”

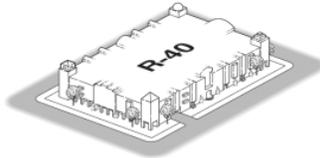
Salt Lake City is the first municipality in Utah to pursue an overlay zone for affordable housing. While Salt Lake City's overlay zone has not yet been finalized, the city is in the final stages of community engagement and input. In 2019 the city surveyed residents regarding an overlay zone. The survey results have helped the city develop the overlay's preliminary criteria. In July 2020, the city held a virtual open house to discuss the survey results and overlay zone's criteria. The city has made an extensive effort at resident and stakeholder engagement. The city's goal is to modify zoning to promote more affordable housing and increase the residential density in the city. The overlay zone will have three basic elements: modification of density limits, modification of lot requirements, and accommodation of adaptive reuse.

**Figure I.4: Comparison of Form-Based Code to Conventional Zoning**



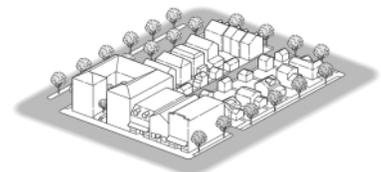
**Conventional Zoning**

Density use, FAR (floor area ratio), setbacks, parking requirements, maximum building heights specified



**Zoning Design Guidelines**

Conventional zoning requirements, plus frequency of openings and surface articulation specified



**Form-Based Codes**

Street and building types (or mix of types), build-to lines, number of floors, and percentage of built site frontage specified.

- *Form-Based Code: Millcreek*—Conventional zoning focuses on permissible property uses and the control of the use through floor area ratios, dwelling units per acre, setbacks, etc. Design guidelines can be used to complement the conventional zone but the guidelines are only advisory. Form-based code regulates land development of a designated area (from parcel to multi-block development) to achieve a specific physical form. A form-based code is a regulation adopted by the municipality rather than a mere guideline. A few cities have adopted form-based codes, but the practice is not widespread. West Valley City has adopted form-based code for its city center, and Clearfield, Millcreek, Provo, and Salt Lake City have all used form-based code for specific development areas.

Under form-based code, the form and scale of a project determine use rather than land use type and density. Form-based codes are generally developed through a collaborative process involving residents, municipal officials, consultants, and developers. This process creates a vision for development that includes the interaction between streets, buildings, and open space in terms of form and scale. The Form-Based Codes Institute uses the graphic below to show the difference in land use between conventional zoning and form-based code (see Figure I.4).

Millcreek has adopted a form-based code for a site at 3000 South Richmond Street. The form-based code has facilitated the development of a 328-unit apartment project, which will include street-level retail. Achieving the density of 100 units/acre would not have been possible without form-based code.

- *Form-Based Code: South Salt Lake*—South Salt Lake wrote two form-based codes, one focusing on transit-oriented development along the S-Line streetcar between 500 East and State Street, and another focused on the city's redevelopment area between State Street and I-15, and I-80 and 2100 South. Between 2012 and 2016, the city entitled over 600 new dwellings along the Streetcar Corridor, in three major projects east of State Street. West of State Street, in South Salt Lake's downtown, two projects were approved in 2016 and 2017, totaling 195 units, most of which are set aside as affordable housing. In 2019, the city approved a

significant mixed-use project incorporating 150,000 square feet of office and housing units in a 10-story multifamily structure at approximately 2200 South Main Street.

South Salt Lake's two form-based codes facilitated a significant redevelopment of the streetcar corridor and an ageing industrial area, bringing hundreds of new households, jobs, and retail/restaurant opportunities to the city. The Downtown South Salt Lake Zoning Ordinance and Design Standards, in particular, encouraged the adaptive reuse of existing industrial buildings. As a result, the city is not only experiencing significant population growth and new development, but is also enjoying the benefits of reusing existing buildings, in the form of restaurants, breweries and distilleries, art galleries, and small retail spaces.

- *Adaptive Reuse: South Salt Lake and Salt Lake City*—The first local adaption of a motel to housing occurred more than 20 years ago. The Frontier Motel, located in South Salt Lake at 3579 South State Street, was converted from a 14-unit motel to transitional housing. Following conversion, the Salt Lake County Division of Housing and Community Development; purchased the complex. The Frontier is currently part of the affordable housing portfolio of Housing Connect (formerly the Housing Authority of the County of Salt Lake).

Salt Lake City, in recent years, has had a number of adaptive reuse housing projects. Most notable is Palmer Court, a 201-unit apartment project at 999 South Main Street. Prior to becoming rental housing for extremely low-income households, the structure was a Holliday Inn. The motel was converted in 2009 to affordable rental units.

Two projects, converting struggling commercial space into mixed use projects including housing, are in the approval process in Salt Lake City. The conversion of Lamplighter Square, 1615 South Foothill Boulevard, will demolish existing commercial offices, a restaurant, gas station, and motel. The new development will include over 100 residential units, with a share of the units affordable. The second project, located at 2100 South and 2100 East, will convert the use from a restaurant, barbershop, tailor, salon, and commercial offices to 99 apartments units and 16,000 square feet of retail.

## II. Preservation of Affordable Housing

### Background

Affordable housing preservation programs usually, but not always, target privately owned subsidized rental housing. The subsidies most often include HUD's Project-Based Rental Assistance (PBRA) program and the Low-Income Housing Tax Credit (LIHTC) program. Privately owned subsidized rental properties are required to remain affordable for a specific period, depending on the program. Once the time requirement has expired, the property owner has three options: (1) renew the original subsidy, (2) secure a different subsidy that maintains the property's affordability, or (3) opt out of the subsidy program. Opting out almost always leads to a loss of affordable units as rents at the once-affordable project are increased to near market-rate levels. In high-rent markets, owners of subsidized rental properties have a strong incentive to opt out when their subsidy expires.

As indicated above, preservation efforts are not solely limited to subsidized rental property. Unsubsidized affordable rental properties and owner-occupied single-family homes also have been targeted for preservation. Generally, nonprofits and for-profit, private entities are involved in the preservation of unsubsidized affordable housing.

### Why Preservation is a Best Practice

- *Preserves Low Costs*—The preservation and rehabilitation of existing affordable units typically cost, at least, 40% less than the cost of new affordable rental units. Preservation avoids the high development costs of new construction and the neighborhood opposition (Nimbyism) associated with developing new units.
- *Preserves Affordability*—The number of LIHTC and HUD Project-Based units at risk of opting out over the next five years totals 2,493 units (see Tables II.1–II.3). The loss of any of these units will increase the shortage of affordable rental housing for very low-income renter households. The current shortage of affordable units for these renters is 49,500 units (see Table II.4).
- *Preserves Investment*—At-risk subsidized units represent millions of dollars of taxpayer investment in affordable housing. If owners opt out, this investment is lost. Since the commencement in 1988 of the Low-Income Housing Tax Credit Program, 27 apartment projects in Utah with 968 affordable units have opted out of their affordability status. Replacing these lost units today would cost well over \$100 million.
- *Counters Rapidly Rising Housing Costs in Hot Markets*—Rapid economic growth increases rental rates, which renders any new units much less likely to be affordable and increases the

**Table II.1: Rental Properties at Risk of Opting Out, 2020–2025**

Year	Project-Based Units	LIHTC Units	Total
2020	63	266	1,043
2021	133	272	459
2022	320	280	600
2023	136	382	518
2024	99	351	1,341
2025	191	0	191
<b>Total</b>	<b>942</b>	<b>1,551</b>	<b>2,493</b>

Source: HUD Multifamily Assistance and Section 8 Contracts Database and Utah Housing Corporation

**Table II.2: Expiration Date and At-Risk Units in HUD Apartment Communities in Utah**

Property Name	Expiration Year	Assisted Units
Mountain View Apartments	2020	29
Foothill Manor	2020	14
Parkwood Apartment	2020	20
Brigham City Senior Apartments	2021	29
Bramwell Court	2021	18
Midshore Manor I	2021	62
Midshore Manor II	2021	24
Capitol Villa	2022	108
Dominguez Park I and II	2022	50
Dominguez Park I and II	2022	60
St. Mark's Gardens	2022	72
Calvary Tower	2022	30
Wedgewood Villa	2023	50
Union Gardens	2023	50
Operation Conquest	2023	15
Canyon Cove	2023	21
St. Benedicts Manor II	2024	40
Glenbrook Apartments	2024	24
Jefferson Circle	2024	20
Foxborough	2024	15
Lorna Doone Apartments	2025	141
Black Hills Apartments	2025	50
<b>Total</b>		<b>942</b>

Source: HUD Multifamily Assistance and Section 8 Contracts Database

likelihood of owners opting out of affordable projects (see Table II.5). High growth conditions and rising rental rates place a premium on preservation efforts. In a high-growth market, preservation buyers face fierce competition from investors.

- *Accesses Multiple, Well-Established Funding Sources*—The Low-Income Housing Tax Credit program has been the most important source of funding for the acquisition, preservation, and rehabilitation of existing affordable units. Since

**Table II.3: Expiration Date of Low-Income Housing Tax Credit Projects in Utah, 2020–2025**

Name	Address	City	Year of Expiration	AMI Target Income	LIHTC Units
Riverwood Cove Apartments	592 N. Riverside Drive	Salt Lake City	2020	31	110
Liberty Heights Apartments	8176 S 1300 E	Sandy	2020	46	104
Sun Ridge Apartments	277 S 1000 E	St. George	2020	52	52
Elk Meadows Apartments	2627 W Kilby Road	Park City	2021	44	96
Lexington Park Apartments	2293 W. Lexington Park Drive	West Valley City	2021	48	80
Hidden Oaks V	6330 Dixie Drive	West Jordan	2021	49	96
Mill Hollow	598 S 100 E	Bountiful	2022	36	16
Riverside Cove	558-560 N. Redwood Road	Salt Lake City	2022	45	19
Rio Grande Hotel	428 W 300 S	Salt Lake City	2022	29	49
McGregor	810 E 25th Street	Ogden	2022	29	55
Parkway Commons	875 W Meadowbrook Expressway	Salt Lake City	2022	45	81
Holladay Hills II	3678-3680 S Highland Drive	Salt Lake City	2022	43	60
Roselane Apartments	105 S Fairfield Road	Layton	2023	57	64
Millcreek Meadows	885 E. Meadow Pine Court	Salt Lake City	2023	51	56
Holladay Hills I	3714 S Highland Drive	Salt Lake City	2023	47	70
Southgate I	609 S 300 W	Cedar City	2023	41	42
Canyon Pointe I	1737 W 360 N	St. George	2023	46	50
Southgate II	468 S 75 W	Cedar City	2023	33	30
Cedar Crest Apartments	1926 S. West Temple	Salt Lake City	2023	28	12
Stonecrest PUD	211 E Crestone Avenue	South Salt Lake	2023	47	16
Wedgewood Apartments	1888 N. Wedgewood Lane	Cedar City	2023	26	24
Royal Hotel	2522 Wall Avenue	Ogden	2023	21	18
Northfield Village	315 W 1175 N	Cedar City	2024	43	52
Westgate Apartments (Provo)	1187-1189 W 200 N	Provo	2024	38	8
Ridgeland Apartments	2685 S. Ridgeland Park Dr.	West Valley City	2024	49	64
Art Space II	353 W 200 S	Salt Lake City	2024	37	53
Riverview Townhomes	1665 S. Riverside Drive	Salt Lake City	2024	33	61
Willow Cove	580 N 1187 W	Orem	2024	21	8
Sierra Pointe I Apartments	1503 N 2100 W	St. George	2024	46	97
KD Apartments	1460-1490 W 25 N	Clearfield	2024	11	8
<b>Total</b>					<b>1,551</b>

Source: Utah Housing Corporation

1988 the program has provided funding to acquire and rehabilitate 6,644 units, an average of 229 affordable units annually. Both the 9% and 4% tax credit programs have been used to preserve affordable units (see Figure II.1). Another well-established source of funding, tax increment financing from a redevelopment agency has provided significant support for the preservation and rehabilitation of affordable housing. Salt Lake City has recently committed \$1,000,000 to the rehabilitation of the Jackson Apartments in the city's central business district. Other common sources of preservation funding are HUD HOME dollars, Community Development Block Grant funding (primarily single-family rehabilitation), and the private sector (Restore Utah).

- *Provides Recapitalization of Affordable Units*—Recapitalization is an important component of preservation programs. Aging subsidized and unsubsidized units often need recapitalization to fund improvements. Of the 28,000 LIHTC units

**Table II.4: Gap of Affordable and Available Rental Units for Renters at 0–50% AMI in Utah**

Year	Renter Households at ≤50%	Available and Affordable	Affordability Gap
2010	111,251	70,199	41,052
2011	113,717	78,010	35,707
2012	114,283	68,570	45,713
2013	116,299	69,012	47,287
2014	118,947	71,844	47,103
2015	121,701	77,037	44,664
2016	119,230	74,161	45,069
2017	123,432	75,417	48,015
2018	123,861	74,317	49,545
AARC	1.35%	0.72%	2.38%

Source: HUD CHAS, 2010–2015, and Kem C. Gardner Policy Institute, 2016–2018

**Table II.5: Rental Rate Increase in Wasatch Front Counties, 2008–2019**

Year	Davis	Salt Lake	Utah	Weber
2008	\$715	\$793	\$719	\$651
2009	\$701	\$740	\$701	\$639
2010	\$711	\$720	\$716	\$640
2011	\$701	\$754	\$753	\$655
2012	\$720	\$814	\$788	\$684
2013	\$756	\$850	\$807	\$678
2014	\$796	\$865	\$868	\$698
2015	\$839	\$907	\$924	\$754
2016	\$933	\$949	\$1,041	\$810
2017	\$1,005	\$1,011	\$1,097	\$864
2018	\$1,060	\$1,060	\$1,138	\$937
2019	\$1,102	\$1,145	\$1,188	\$1,021
AARC 2008–2019	4.01%	3.40%	4.67%	4.17%
AARC 2016–2019	5.07%	6.46%	4.50%	8.02%

Source: CBRE, The Greater Salt Lake Area Multifamily Market, and Cushman Wakefield, Annual Apartment Market Report (Salt Lake County)

**Figure II.1: Acquisition and Rehabilitation of Rental Units Financed Through the Low-Income Housing Tax Credit (6,644 units, 1987–2017)**



Source: Utah Housing Corporation

in Utah, 6,100 are at least 20 years old, and by 2025 that number will grow to 11,400 units. Many of these older units will need recapitalization for improvements and updating. LIHTC is a common source of funding for recapitalization through acquisition and rehab. The original partners of an LIHTC are allowed to sell their project after a 15-year holding period. At that point, a new owner can apply for tax credits to finance the acquisition and rehabilitation of the affordable LIHTC project.

- *Enjoys Broad Support and Less Opposition*—Preservation has been a long-standing practice in the housing policy toolkit of many cities and nonprofits, and for good reason. Preservation is a rare policy that has positive, quantifiable outcomes with a minimum of local opposition.

- *Satisfies S.B. 34* - Preservation is one of S.B. 34’s strategies: “(strategy L) preserve existing moderate-income housing.”

**Framework for Implementation**

- *Give Preservation Priority*—Commit to preservation as a housing strategy. Set performance targets and establish metrics to measure progress. Institute collaboration with stakeholders; owners of affordable housing projects, nonprofits and for-profit developers, HUD, and Utah Housing Corporation.
- *Identify At-Risk Properties*—Create an inventory of at-risk affordable projects and their characteristics, such as types of subsidies, rent restrictions, and expiration dates of affordability. Contact owners regarding their intentions about opting out and recapitalization needs.
- *Target Resources for Preservation*—Assist in financing preservation efforts through several potential funding sources: HUD HOME dollars, CDBG grants, LIHTC financing (through housing authorities), and tax increment financing.
- *Collaborate with Preservation Entities*—Nonprofit and for-profit organizations engage in preservation of affordable housing. Collaboration with experienced entities will improve outcomes. The local landscape for preservation expanded in March of 2020 with the creation of the Housing Preservation Fund. The fund is backed by the Clark and Christine Ivory Foundation, Intermountain Healthcare, and Zions Bank, plus a state appropriation of \$2.5 million from the Utah Legislature. The fund will contract with Utah Nonprofit Housing Corporation to manage preservation activities. Utah Nonprofit Housing Corporation has, over many years, acquired and rehabilitated hundreds of affordable units in Utah. The Housing Preservation Fund hopes to leverage seed money into \$100 million for affordable housing preservation.

- *S.B. 34 Strategies*—Twenty-eight municipalities have selected preservation of moderate-income housing and 14 have selected preservation of *subsidized* low- to moderate-income housing as their S.B. 34 strategies to encourage housing affordability (see Tables II.6 and II.7).

**Examples of Best Practice**

- *A Nonprofit’s Innovative Layering of Financial Support for Preservation*—NeighborWorks Salt Lake, a 40-year-old local nonprofit, has focused housing preservation and rehabilitation efforts on two neighborhoods in Salt Lake County: the Guadalupe neighborhood in Salt Lake City and neighborhoods on the west side of Murray. With the financial support of HUD’s HOME and CDBG programs, tax increment financing revenue, Salt Lake City’s financial assistance, and private sec-

**Table II.6: Cities That Have Selected Preserving Existing Moderate-Income Housing as an S.B. 34 Strategy**

Alpine	Harrisville	Pleasant View	Terrace
Bountiful	Heber	Provo	West Bountiful
Centerville	Herriman	Salt Lake County	West Jordan
Clearfield	Kaysville	Sandy	West Valley City
Farmington	Midvale	South Ogden	White City
Farr West	Millcreek	South Salt Lake	
Fruit Heights	Murray	Taylorsville	
Grantsville	North Salt Lake	Washington	

Source: Utah Department of Workforce Services

**Table II.7: Cities That Have Selected to Preserve Subsidized Low- to Moderate-Income Units on a Long-Term Basis as an S.B. 34 Strategy**

Cedar City	Logan	Providence	Washington City
Harrisville	Magna	Provo	West Valley City
Heber	Orem	Smithfield	
Kearns	Pleasant Grove	Tremonton	

Source: Utah Department of Workforce Services

tor contributions, NeighborWorks Salt Lake has preserved and rehabilitated dozens of homes through acquisition and rehab financing in the Guadalupe neighborhood, along with home improvement loans, and home improvement grants. NeighborWorks Salt Lake has also revitalized, through similar innovative funding, neighborhoods on the west side of Murray. Twelve deteriorating homes were purchased for \$1.98 million, rehabbed at a cost of \$718,000, and sold to moderate-income households. NeighborWorks Salt Lake also provided \$179,500 in favorable home loans to eight Murray homeowners and \$44,761 in home improvement grants to seven Murray homeowners.

This example demonstrates the value of a collaborative effort, spearheaded by a dedicated nonprofit, targeting public and private resources for the preservation of affordable housing.

- *Two Public Housing Authorities' \$21 Million Rehabilitation Project*—A joint venture with Housing Connect, formerly the Housing Authority of the County of Salt Lake, and the Housing Authority of Salt Lake City has secured \$21 million in tax credit funding for the hard costs to rehabilitate 299 affordable units in two high-rise projects; City Plaza and the County High Rise. These two projects were developed in the 1970s as traditional public housing properties and owned by the two public housing authorities. City Plaza, with 150 units, provided subsidized housing for very low- and extremely low-income disabled and elderly households, while the 149-unit County High Rise provided housing for very low- and extremely low-income households of all ages.

The joint venture is known as New City Plaza, LLC, and made use of HUD's Rental Assistance Demonstration (RAD) program, which "gives public housing authorities a powerful tool to preserve and improve public housing properties." Through the RAD program, the 299 units move from public housing to HUD project-based vouchers. The vouchers were critical as a revenue source, making the tax credit program financially feasible and paving the way for \$21 million in funding for rehabilitation of the units. As public housing units, City Plaza and the County High Rise were losing money and had become cost burdens for the housing authorities. This raised the inevitable question, Should the units be sold? Housing authorities do sell their public housing units when costs become too burdensome. If the buyer is a for-profit developer, the affordable units are most likely lost to the affordable housing inventory. However, in the case of City Plaza and the County High Rise, affordability will be preserved through the use of HUD's RAD program and tax credit funding. These two programs make the rehabilitation of 299 units possible and relieve two housing authorities of financially troublesome public housing properties.

This example demonstrates the role that aggressive public housing authorities can play in the preservation and rehabilitation of affordable housing units. Utah has 18 public housing authorities, each with its priority for preservation.

**Variations on a Theme**

- *Incentives*—Some preservation programs in municipalities outside of Utah include incentives through property tax rebates or tax exemptions on the incremental increase in a property's value due to rehabilitation and preservation.
- *Preservation Compacts*—The largest compact, The Chicago Preservation Compact brings together Cook County's public, private, and nonprofit leaders to address the loss of affordable housing.
- *Preservation Funds*—There are several dozen preservation funds throughout the country. Operational geographies vary from nation, region, states, and cities. The funding level is often tens of millions of dollars with the largest fund being the Partnership for the Bay's Future Fund, which has funding commitments of \$500 million. Seed funding was provided by Facebook, the Ford Foundation, and Kaiser Permanente. Kaiser Permanente is also involved with two other preservation funds, both operating in Oakland, California. Most funds target low- to very low-income households, and their missions include production and preservation of affordable housing.

# III. Redevelopment Agencies, Tax Increment Financing, and Housing Affordability

## Background

Redevelopment agencies (RDAs) in Utah have used tax increment financing or over 50 years to spur economic development. Tax increment financing is used to help finance investment, generally for 20 to 25 years, in a targeted geographical area designated as a project area. At the establishment of a project area, the current local property tax revenue from the land and structures within the project area becomes the “base” amount of property tax revenue. As economic development occurs in the project area, property values rise, and property tax revenues increase. The incremental increase in property taxes above the “base” amount provides the funding for redevelopment. The tax increment funds often finance an RDA bond for infrastructure development—roads, sidewalk, utilities, sewer, etc.—or the funds can be used to pay for land and construction of affordable housing within the RDA.

## Why Tax Increment Financing Is a Best Practice

- *Provides Funding Targeted for Housing Needs of Moderate- and Low-Income Households*—In most cases, the project’s housing fund receives at least 10% of the tax increment rev

**Table III.1: Housing Units Facilitated by Tax Increment Financing in Selected Cities**

City	Units
Salt Lake City	7,000
Midvale	3,252
Orem	2,007
Murray	1,026
Salt Lake County	516
<b>Total</b>	<b>13,801</b>

Source: Utah Association of RDAs

**Table III.2: Project Areas by Type in Cities and Counties, 2018**

Unincorporated County	Project Areas	City	Project Areas
CRA	0	CRA	1
URA	2	URA	9
EDA	6	EDA	36
CDA	21	CDA	55
NDP	1	NDP	46
RDA	0	RDA	63
Amendment	0	Amendment	2
Unspecified	2	Unspecified	12
<b>Total</b>	<b>32</b>		<b>224</b>

Source: Utah Association of RDAs

enue. These funds are for “income-targeted housing” within the city’s boundaries. Income-targeted housing is defined as housing affordable to moderate-income households, that is, households with incomes at 80% or less of the area median income. Since the establishment of their RDAs, the five most aggressive cities have facilitated the development of 13,801 housing units, many of them affordable units (see Table III.1).

- *Provides Funding for Multiple Uses*—The RDA, as spelled out in Title 17C of the Utah Code, “shall use the agency’s housing allocation to pay for part or all of the cost of land or construction of income-targeted housing...pay for the rehabilitation of income-targeted housing...replace housing units lost as a result of development” or transfer tax increment funds to the local housing authority or the Olene Walker Housing Loan Fund for the development of moderate- and low-income housing.<sup>8</sup>
- *Provides a Self-Financing Source of Funds*—Tax increment financing does not require approval at the ballot box or approval by federal agencies or politicians. The project areas are a self-financing source of funding for affordable housing projects.
- *Provides a Stable Source of Funding*—The creation of a project area requires the approval, usually through interlocal agreements, of the taxing entities within the boundaries of the Community Reinvestment Area (CRA). Legislation in 2016 changed the nomenclature to CRA.<sup>9</sup> The interlocal agreement specifies the share of the tax increment allocated to the tax entities and the project area. Once established, the project area represents a stable source of funding for new construction, rehabilitation, and preservation of affordable housing within the municipality. See Tables III.2–III.3 for project areas by type and location.
- *Provides an Opportunity for Public-Private Partnership*—The use of a project area’s housing set-aside funds often results in a public-private partnership between the project area and a private or nonprofit developer of affordable housing. The availability of project area funds provides a strong financial incentive for a developer to partner with the RDA. Since affordable housing projects present economic challenges to developers due to low rents, the tax increment financing provided by the project area makes the project financially feasible.

**Table III.3: Project Areas by County and City**

County/City	RDA	CDA	EDA	URA	NDP	Unspecified
Beaver County Unincorporated		8				
Box Elder County Unincorporated			4			
Cache County Unincorporated						1
Brigham City	1	1	2			
Perry City		1				
Tremonton City		1	1			
Logan City	4	2				
North Logan City		1	1	1		
Smithfield						
Carbon County Unincorporated			1			
Price		1				
Wellington			1			
Davis County Unincorporated	0	0	0	0	0	0
Bountiful	2					
Centerville		2				1
Clearfield		1	1		3	2
Farmington	1				2	
Layton	1		3			
North Layton		3				
Syracuse	2		1			
West Bountiful	3	1				
West Point		1				
Woods Cross	3	5				
Iron County Unincorporated		10				1
Brian Head		1				
Cedar City		1	1			1
Morgan County Unincorporated	0	0	0	0	0	0
Morgan	1	1				
Rich County Unincorporated						
Garden City	1					
Salt Lake County Unincorporated				2		1
Cottonwood Heights		1				
Draper		2			5	
Herriman		2				
Holladay	1	1				
Midvale	2					
Murray	2				1	2

Source: Utah RDA Association.

- *Provides an Opportunity to Offset Higher Housing Prices from Gentrification*—RDAs were first created, some 50 years ago, to spur local economic development and neighborhood revitalization, or “urban renewal” in the parlance of the day. Economic development continues as the primary mission of RDAs; however, economic development often comes from neighborhood gentrification and higher housing costs. The housing funds generated by a CRAs project area can help preserve existing affordable housing.

County/City	RDA	CDA	EDA	URA	NDP	Unspecified
Riverton					1	
Salt Lake City	3	2		1	4	
Sandy	1	4	1		2	
South Jordan	3	2	2		3	
South Salt Lake				2	2	
Taylorsville		1		2		
West Jordan	1		2		5	
West Valley						
Sanpete County	0	0	0	0	0	0
Mount Pleasant					1	
Salina			1			
Summit County Unincorporated	0	0	0	0	0	0
Park City	2				1	
Tooele City	1				1	
Uintah County Unincorporated						
Naples City					1	
Vernal City					1	
Utah County Unincorporated	0	0	0	0	0	0
American Fork	2		1			
Eagle Mountain	2		1			
Lehi City						
Lindon	1	1				
Orem						
Pleasant Grove		2				
Provo	3	2				
Spanish Fork		2			1	1
Springville					1	
Vineyard				3		
Washington County Unincorporated	0	0	0	0	0	0
St. George		2	4			
Weber County Unincorporated		1	1			
Ogden	13	1	3	1		
Pleasant View						1
Riverdale	1				1	
Roy	2					
South Ogden					1	1
<b>Total</b>	<b>59</b>	<b>67</b>	<b>32</b>	<b>12</b>	<b>37</b>	<b>11</b>

- *Provides an Opportunity for Local Officials to Hand-Pick Developer and Location of Affordable Housing*—In June 2018, the Redevelopment Agency of Salt Lake City invited developers to submit proposals for developing affordable housing in the city to be supported by \$10 million in RDA financial assistance. The RDA selected developers and reserved \$4.5 million in funding for projects in high-opportunity neighborhoods—areas with higher quality-of-life measures for schools, housing, jobs, and income. This example under-

scores how RDA funding can guide affordable housing development, its location, and the selection of the most qualified developer.

- *Satisfies S.B. 34*—Using a Redevelopment Agency’s Tax Increment Financing for moderate and low-income housing meets one of the requirements of S.B. 34.

### Framework for Implementation

- *Establish a Project Area*—Sixty-three cities and 8 counties in Utah have RDAs, with a combined total of 256 project areas (Tables III.2–III.3). State statutory guidelines govern the establishment of project areas. The guidelines require a general description of the proposed project area’s current social and economic conditions and how establishing a project area will promote economic development that “but for” RDA assistance would not occur. The project area must be consistent with the municipality’s general plan, and the financial assistance anticipated described. While project areas differ widely in scope and projected tax revenue, the sheer number of project areas demonstrates the potential of tax increment financing as a tool for developing and preserving affordable housing. In addition to meeting statutory guidelines, a project area must have approval from the tax entities within the proposed project area.
- *Develop a Strategy for Housing Fund Expenditures*—For most of the project areas, a housing fund was created at inception. The share of tax increment revenue earmarked for the housing fund varies by project area, from at least 10% to as much as 20%. As mentioned above, RDAs have a fair amount of latitude regarding housing fund expenditures, including the purchase of land, construction, infrastructure, preservation, etc. The one restriction is funds must assist moderate- and low-income households with affordable housing.

Many cities have project areas that don’t generate significant amounts of housing funds. Nevertheless, low annual dollar amounts can be accumulated over a few years, providing sufficient funding for down payment assistance, preservation loans and grants, or rental assistance. If an RDA lacks a strategy for disbursing tax increment funds, the funds can be transferred to the Olene Walker Housing Loan Fund to support statewide programs for affordable housing. Most important, housing funds should not sit idle on the sidelines. With a severe shortage of housing, particularly affordable housing, aggressive housing fund strategies should employ tax increment dollars.

- *Assess Policy Considerations*—In Utah, RDAs and tax increment financing have been relatively free of controversy; however, in many states, there has been sharp criticism of tax increment financing. Some principal policy considerations should include transparency, absence of favoritism, demonstration of public benefit, and sensitivity to the impacts of economic development on local government entities, notably increased enrollment at public schools.

### Examples of Best Practice

- *West Capitol Hill Project Area*—In 1996, the RDA of Salt Lake City created the West Capitol Hill Project Area. The boundaries are 300 North to 800 North and 400 West to 200 West. This 18-block area includes Salt Lake City’s Marmalade neighborhood. The project area has generated \$5.8 million in tax increment financing, which has helped revitalize the neighborhood, preserve a historic building, and develop 12 owner-occupied townhomes, a plaza, city library, and, currently under construction, 252 market-rate rental units and 12 two-bedroom live/work units. In addition to assisting in development costs, the Salt Lake City RDA provided a land write-down on the sale of the property. The tax increment financing meets several goals of the RDA: “stabilization through the rehabilitation of single-family, owner-occupied homes, preservation of the neighborhood’s historic fabric, and diversification of the tax base.”<sup>10</sup>
- *Central Business District Project Area*—The RDA of Salt Lake City created the Central Business District Project Area in 1983. The trigger year—the first year tax increment funds were disbursed—was 2009. In 2018, the RDA received \$25 million in tax increment funding from the Central Business District, the largest single-year funding level of any of the 256 project areas in Utah. The RDA has recently provided substantial support for a large housing development at 255 South Main. The site had become blighted due to a half-finished mixed-use development. In 2012, the developer ran into financial problems and structural engineering issues and eventually lost the project to bankruptcy. Over the next five-years, the abandoned site and structure sat idle and became a well-known eyesore in downtown Salt Lake City.  
In 2017 the parcel was put up for auction, and the RDA purchased the site for \$4 million. A year later, the RDA entered into a purchase agreement with Brinshore Development, LLC of Chicago, for the 1.1-acre site. The RDA agreed to issue a seller’s note for \$4 million to the developer for the land and provide a \$9.2 million loan for the construction of a

190 unit mixed-income housing project. Only 15 rental units are market-rate while 175 are tax credit units affordable to renters at 57% AMI. The total value of the project is \$46.7 million. The one-bedroom tax credit units will rent for \$930 and the two-bedroom units for \$1,110. These rents, which include utilities, are at least 30% below market-rate rents for new units in the Central Business District. For the many low-income employees working in downtown retail, offices, or restaurants, 175 new affordable units will be a welcome addition to the “tight” and expensive housing market.

- *The Redevelopment Agency of Murray*—The Redevelopment Agency of Murray created the Fireclay Redevelopment Area in 2005. The tax increment was triggered in 2014. Since then, the tax increment funding has been about \$800,000 annually. The project area’s boundaries are State Street on the east, 4500 South on the south, the heavy rail line on the west, and Big Cottonwood Creek (4000 South) on the north. The project area facilitates mixed-use development in a blighted area dominated by deteriorating commercial buildings.

Since 2012 the project area has seen several large apartment communities with affordable and market-rate units. The RDA entered into development agreements with Hamlet Homes, Fireclay Investment Partners, and Parley’s Partners. Hamlet Homes developed 41 condominium units, and 10 townhomes live/work units. Fireclay Investment Partners completed two of three phases of development. The completed phases included two large apartment communities with a total of 400 market-rate units and 268 tax credit units. The third development agreement was with Parley’s Partners. Phase I is a 137-unit family apartment community. Phases II and III include a 65-unit family apartment community and a 105-unit senior community. Three-quarters of the units developed by Parley’s Partners (228 units) are tax credit units. The RDA’s development agreements reimbursed the developers for roads and environmental remediation.

In 1999, the Redevelopment Agency of Murray created the Smelter Site Redevelopment Area to improve a blighted area that included the smokestacks of American Smelting and Refining Company. The project area is now the location of Costco and the Intermountain Medical Center. Tax increment at the Smelter project area was triggered in 2009 and generates about \$900,000 annually.

In contrast to the large housing projects discussed above, tax increment financing from the Smelter project area has helped facilitate the acquisition and rehabilitation of nearly 50 homes for moderate- to low-income families.

## IV. Accessory Dwelling Units and Housing Affordability

### Background

An accessory dwelling unit (ADU) is a smaller dwelling on the same property as a single-family structure. As limited housing supply continues to push prices and rents higher, affordability remains a challenge for many, especially those entering the housing market and those looking to downsize. While accessory units have been around for some time, they have emerged in recently as a viable option in addressing affordable housing challenges. Their flexibility to serve as an affordable option while providing additional income makes ADUs an attractive housing product.

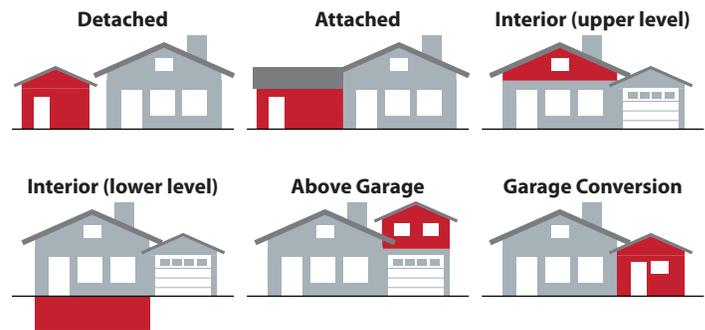
The building of ADUs is still somewhat of a challenge for most communities. Financing alternatives are limited. Currently, the only viable option is to use personal savings or a home equity line of credit. Additionally, lenders may undervalue ADUs, and zoning may require parking or other burdensome stipulations. Cities are continuing to explore how to fit ADUs within existing zoning. Regulations and the permitting process can vary across the same municipalities, making it confusing for developers or potential owners. Additional requirements such as floor size restrictions, permitting and impact fees, and occupancy restrictions (family member versus non-family member), continue to be challenges for the construction of ADUs.

ADUs come in many different shapes and sizes, but are classified either as detached structures on the same lot, attached but as a separate unit within a single structure, or as an interior unit such as a basement or upper level. As shown in Figure IV.1, there are numerous ways to integrate an additional unit into an existing property.

### Why ADUs Are a Best Practice

- *Provide an Affordable Housing Option*—According to a recent survey completed by the Turner Center for Housing Innovation out of UC Berkeley, ADU rents average 58% below market value. ADUs are an essential tool for delivering affordable units to the market. They can quickly provide affordable options in areas with higher rents increasing affordable housing in owner-occupied, high-cost, residential neighborhoods.
- *Deliver Units to the Market Quickly*—The construction timeline of new ADUs is relatively fast compared with a traditional dwelling unit such as single-family or apartments. However, the timeframe can vary based on the approval process.
- *Generate Wealth*—ADUs offer an attractive housing alternative that benefits both renters and homeowners in various community types. Financial gain through rental income is the most common motivation for the homeowner-developer

**Figure IV.1: Different Ways to Integrate ADUs with Existing Housing**



Source: "The ABCs of ADUs," AARP

ers who create ADUs, followed by offering housing for a family member or caretaker. ADUs provide homeowners with additional income to maintain their properties, sustain their mortgages, and increase disposable income.<sup>11</sup>

- *Appeal to All Ages*—Because ADUs tend to charge below-market rents, they are an affordable option to those entering the housing market. They also provide empty nesters with a possibility of aging in place while renting their larger homes to a family member or caretaker. ADUs are an attractive housing or investment option for older generations and allow families to expand beyond their primary residence. For example, in Portland, Oregon, ADUs are disproportionately owned by 55- to 64-year-olds.
- *Fit into Existing Neighborhoods*—ADUs can create lower-cost housing without disrupting architectural or community character. Accessory units provide a more dispersed and incremental way of adding homes to a neighborhood and avoiding Nimbysism. Additionally, ADUs do not need new infrastructure investments and can connect to existing water, sewer, and power lines.
- *ADUs Are Environmentally Sustainable*—Their median square feet per resident is 44% lower than newly constructed single-family residences, and some ADUs have a notable number of above-code green features. For example, Portland, Oregon, ADUs are associated with an average of 0.93 cars per rental, lower than the city average of 1.31 vehicles per rental unit. Of those 0.93, just under half are parked on the street.<sup>12</sup> ADUs are likely to have a low environmental impact compared with other dwellings.
- *Satisfy S.B. 34*—Permitting ADUs is one of S.B. 34's affordable housing strategies.

## Framework of Implementation

- *Zoning & Approvals*—Allowing ADUs is an essential step in the implementation of this strategy. While some cities allow detached and attached ADUs, others allow only attached accessory units or forbid them entirely, particularly in single-family zones.

Most ADUs are built by homeowners who are typically unfamiliar with the development process, so navigating the permitting and building process can be a barrier. The approval of ADUs can be difficult, with parking, infrastructure, and neighborhood character some of the more noted concerns. Regulations on parking, lot size, and setbacks, as well as impact fees, often increase the costs, making ADU construction financially unfeasible at times.

Often homeowners aren't aware of ADU opportunities, and cities around the country are beginning to promote and market their ADU programs. Educating residents about the approval process and design challenges facilitates bringing more ADUs to the market. For example, the city of Hillsborough, California, formed a 22-person advisory committee to identify neighborhoods where ADUs would be a good fit. The committee also provided input on design elements and overall neighborhood fit. By doing this, the city was able to get greater acceptance of ADU zoning upgrades, which can often be the biggest obstacle to overcome. Another California city, Santa Cruz, provides several tools to encourage ADU construction. These include ADU manuals, architectural prototypes, a loan fund, fee waivers, and community workshops.

- *Financing*—ADUs are an investment, and like any investment, the numbers have to be appealing. Currently, there are limited financial tools for existing homeowners to use to build accessory units. Existing financing vehicles include personal savings, a cash-out refinance, a home equity loan, and renovation financing. A recent study out of Oregon found that the majority of homeowners who built an ADU financed it through personal cash savings. Traditional home builders may not see a big enough profit margin to add an ADU to new single-family construction projects. Many homeowners already have a mortgage on their existing property, therefore borrowing against it may be limited depending on their loan-to-value ratio.

The debt-to-income ratio of the homeowner may be improved by rental revenue generated by the ADU. Since lenders assess individuals' debt-to-income ratio, the potential rental income from an ADU may allow borrowers to obtain a larger loan and reduce out-of-pocket costs.

Another financial constraint is municipal fees. ADUs' impact on municipal infrastructure and services is different from those created by traditional development, such as single-family homes or multifamily units. Often, cities charge

the same fees for ADUs as for larger projects. Proportional municipal fees are vital in keeping ADUs affordable.

Some cities across the United States are developing low-interest or forgivable loan programs for ADUs. For example, Santa Cruz offers 20-year loans up to \$40,000 with interest-only payment. At the end of the 20-year term the principal can be forgiven if the ADU has been rented at specified affordable guidelines.

## Examples of Best Practice

- *The Alley Flat Initiative*—The Alley Flat Initiative is a nonprofit created in 2005 by the University of Texas School of Architecture and Austin Community Design and Development Center, in Austin, Texas. The goal of the initiative is to provide planning and design of ADUs that specifically target affordable housing. The nonprofit works with homeowners and guides them through the construction and financing, with the goal of providing an affordable rental unit to low- and moderate-income households.
- *State of California Reforms*—In 2016 and 2017, California passed ADU reforms that require cities to permit one ADU per single-family home, streamlined ADU permitting, set utility fees proportional to the burden of ADUs, and further reduced fees for ADUs built inside an existing home. The law also waived parking requirements for ADUs located within a half-mile of a transit stop or within a block of a car-share stop. Other reforms addressed structure setbacks and floor space. As a result of these reforms, ADU applications increased, especially in Los Angeles. Before these reforms, the city was permitting 100 to 200 ADUs per year. After the reforms, permits increased to 2,326 in 2017 and nearly doubled to 4,171 in 2018, accounting for 20% of all new housing permits for the year.
- *Portland, Oregon Reforms*—The city of Portland added almost 2,000 units between 2010 and 2016. Portland began reforming housing regulations to encourage more ADUs in 1997, when it revised minimum square footage and owner-occupancy requirements. By 2004, citywide garage conversions were permitted with no on-site parking requirements, and the code relaxed design standards. In 2010, the System Development Charges were waived, leading to a spike in permits; and in 2014, short-term-rentals were permitted. By 2015, design and setback standards had been further relaxed, leading 2016 to be a record year for ADU permitting in the city.

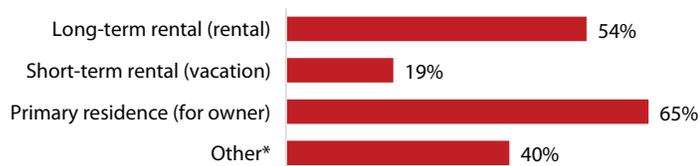
In Portland, ADU construction costs range from a few thousand dollars to nearly \$300,000, averaging approximately \$150,000. One intervention that stood out for Portland was the fee waiver, which allowed the construction of more affordable ADUs. As a result of these combined policy changes, ADU permits are issued at about the same rate as single-family permits.

## ADUs in Utah

Utah cities are revising their affordable housing strategies to use ADUs as one tool to address rising housing costs. A survey completed by the Salt Lake County Department of Regional Development in early 2018 found that 58 out of the 92 cities surveyed allow some type of ADU in one of its zones, and 40 of the cities allow for a detached structure. Among the cities that allow ADUs, a little over 50% permit long-term rentals of ADUs, as shown in Figure IV.2. Sixty-five percent of cities allowing ADUs require that the owner live in either the main or accessory unit.

Additional findings from the survey show that a little over half of the cities that approve of ADUs allow them to be built across 75% or more of residential zones. Unfortunately, an estimate of the total number of ADUs legally allowed in cities does not exist. Many cities have not tallied their ADUs. But half the cities acknowledged they have illegal ADUs in their jurisdictions. Census data provide an estimate of the number of attached rental units in single-family homes, primarily basement apartments. Some of these units may be legal ADUs, but a large share are likely illegal. Attached rental units of single-family homes total 8.3% of the rental inventory of cities with more than 20,000 population, a total of 19,428 units.

**Figure IV.2: Permitted ADU Occupancy in Cities that Allow ADUs**



Note: Respondents were allowed to select multiple answers, therefore the sum exceeds 100%.  
\*Includes limitations of occupancy where rent can't be charged or only family members can occupy unit.

Source: Salt Lake County Planning Division, Survey of Utah Cities.

**Table IV.1: Share of Attached Renter-Occupied Units in Single-Unit Structures for Cities with 20,000 or More Residents in Utah, 2014–2018**

City	Total Renter Units	1-Unit Attached	% of Total Renter Units
Provo	19,913	2,041	10.2%
Orem	11,395	1,514	13.3%
Salt Lake City	40,360	1,500	3.7%
St. George	10,147	1,256	12.4%
Logan	10,356	1,152	11.1%
West Valley City	11,734	1,115	9.5%
West Jordan	8,519	841	9.9%
Cedar City	4,836	811	16.8%
Ogden	13,297	686	5.2%
Clearfield	3,998	653	16.3%
Millcreek	9,626	606	6.3%
Midvale	7,033	520	7.4%
Draper	2,705	517	19.1%
Springville	2,805	451	16.1%
Sandy	6,752	420	6.2%
Lehi	3,026	412	13.6%
Spanish Fork	2,388	398	16.7%
Cottonwood Heights	3,522	348	9.9%
South Jordan	3,888	330	8.5%
Taylorsville	6,173	326	5.3%
South Salt Lake	5,424	322	5.9%
Washington	2,586	316	12.2%
Murray	6,423	313	4.9%
Pleasant Grove	3,653	304	8.3%
Holladay	2,574	303	11.8%
Herriman	1,410	223	15.8%
American Fork	1,857	220	11.8%
Magna	2,032	192	9.4%
Bountiful	3,769	185	4.9%
Layton	6,700	176	2.6%
Tooele	2,243	173	7.7%
Riverton	1,233	142	11.5%
Saratoga Springs	1,245	119	9.6%
North Salt Lake	1,745	79	4.5%
Eagle Mountain	930	78	8.4%
Farmington	1,183	74	6.3%
Kaysville	1,022	73	7.1%
North Ogden	907	58	6.4%
Syracuse	525	52	9.9%
Roy	2,132	50	2.3%
Kearns	1,909	43	2.3%
Clinton	957	36	3.8%
<b>Total</b>	<b>234,932</b>	<b>19,428</b>	<b>8.3%</b>

Source: US Census Bureau, 2014–2018 American Community Survey

# V. Transit-Oriented Development and Housing Affordability

## Background

Transit-oriented developments (TODs) are compact, mixed-use developments anchored around transit hubs and walkable communities. Zoning for high-density housing often comes with the establishment of a TOD. TOD housing has the additional advantage of reducing transportation costs and increasing access to jobs, education, essential goods, and local services.

The establishment of a TOD requires multiple agency coordination and regional planning. These entities can include municipalities, counties, regional planners, associations of governments, transit and transportation authorities, and private developers. Funding for a TOD comes from a variety of national, state, and local sources.

The development of a TOD generally increases the value of the surrounding land. Higher land costs require collaborative efforts by cities, developers, and nonprofits to provide financial incentives to housing developers, particularly developers of affordable housing.

## Why Transit-Oriented Developments Are a Best Practice

- Provide Infill Development*—Utah Transit Authority (UTA) manages 72 rail transit stations along the Wasatch Front and owns 442 acres of property within half a mile of 36 of those stations; 14 of these are commuter rail stations, and 22 are light rail stations. A majority of the UTA-owned property is currently used as surface parking, bus loops, drop-off areas, and other uses. The average amount of contiguous property within these 36 station areas is 12.55 acres. Much of this property could be consolidated and incorporated into more active developments. Through cooperation with the landowners of other surrounding properties and municipal leadership, much of this area is available for future TOD development.
- Provide the Opportunity for Increased High-Density Housing and Reduced Transportations Costs*—UTA completed the first TRAX line (Salt Lake City to Sandy) in 1999. Since then additional TRAX lines have been completed, along with FrontRunner and the S-line (streetcar). With this transit development has come a number of transit stations. About 20 of these transit stations have become TODs with mixed-use developments. These TODs have spurred construction of several thousand housing units. Without the transit hub most of these housing units would not have been built or built in locations far from rail transit. At present, about 35% of all market-rate apartment units in the cities and towns in Salt Lake County, nearly 30,000 units, are within walking distance (half a mile) of a rail (TRAX or FrontRunner) station (see Table V.1). And 45% of all Low-Income Housing Tax Credit units, 5,100 units, are within walking distance of a rail station (see Table V.2).

**Table V.1: Market Rate Apartments Near UTA Rail Stations in Cities and Towns in Salt Lake County, 2018\***

City	Within One-Half Mile	Total Units
Bingham Canyon	0	15
Bluffdale	0	311
Cottonwood Heights	0	646
Draper	1,373	3,637
Herriman	0	2,496
Holladay	0	354
Kearns	0	24
Magna	0	703
Midvale	1,863	5,009
Millcreek	0	20
Murray	921	2,569
Riverton	0	517
Salt Lake City	21,060	45,455
Sandy	1,032	4,723
South Jordan	817	2,807
South Salt Lake	377	646
Taylorsville	0	1,968
West Jordan	876	5,747
West Valley City	492	3,626
<b>Total</b>	<b>28,811</b>	<b>81,273</b>

\*Does not include unincorporated Salt Lake County.  
Source: CoStar

**Table V.2: Low-Income Housing Tax Credit Units Near UTA Rail Stations in Cities and Towns in Salt Lake County, 2017\***

City	Within One-Half Mile	Total Units
Bluffdale	0	336
Draper	0	113
Herriman	0	258
Kearns	0	9
Magna	0	164
Midvale	446	725
Murray	624	837
Salt Lake City	3,607	5,747
Sandy	192	486
South Salt Lake	96	166
Taylorsville	0	331
West Jordan	0	825
West Valley City	138	1,247
<b>Total</b>	<b>5,103</b>	<b>11,244</b>

\*Does not include unincorporated Salt Lake County.  
Source: Utah Housing Corporation

- *Utilize Existing Transportation Infrastructure*—Utilizing the existing infrastructure, municipalities and regional authorities can focus TOD growth around existing transit hubs, minimizing the need for significant new transportation infrastructure.
- *Access Multiple, Well-Established Funding Sources*—Financing for TODs comes from a variety of public and private sources, including federal grant funds from the Federal Transit Administration: Many regions, including Atlanta and Denver, have partnered with municipalities, financial institutions, state and federal government, and nonprofits to create TOD-specific funds.
- *Accommodative Zoning*—TOD zoning, in a number of cities, has facilitated the development of high-density housing. Some of the most successful are American Fork, Sandy, Midvale, Millcreek, Salt Lake City, Farmington, and Ogden. These cities are a ready resource in the implementation and development of TOD housing.

In Utah, the Utah Equitable TOD Loan Fund will have an initial two-year origination period and a total term of five years, with the intent of renewing these terms annually. The fund is made possible by the support of \$5 million from the State of Utah Division of Housing and Community Development and \$2 million from Salt Lake County. Envision Utah, Morgan Stanley, Synchrony Financial, Zions Bank, the Utah Center for Affordable Housing, and other partners have also made this fund possible.

- *Revitalize Neighborhoods/Create a Sense of Space*—The promotion of TOD on urban infill parcels can create opportunities to revitalize older communities and neighborhoods. Mixed-use developments at TODs can also serve as an essential tool in achieving broader community strategies. TOD neighborhoods provide gathering places, open spaces, and community resources that may not otherwise be available to the community.
- *Satisfy S.B. 34*—TODs are included in S.B. 34’s strategies: “(G) encourage higher density or moderate-income residential development near major transit investment corridors.”

### Framework for Implementation

- *Multiple Stakeholder Coordination*—Municipal leadership, regional authorities, transportation agencies, private developers, and other community stakeholders coordinate efforts to bring affordable housing to TODs. Inclusion of low- to very low-income housing in TODs is rare and generally requires the development of Low-Income Housing Tax Credit projects. Private-public partnership can facilitate affordable housing with land write-downs, tax increment financing, and federal assistance.
- *American Fork*—In 2018, American Fork lifted a moratorium on new development in its TOD zone surrounding the American Fork FrontRunner station. With the repeal and replacement of Section 17.4.608 of the American Fork City Development Code, the city council issued revised design guidelines for the TOD section of its municipal code. American Fork’s plans allow for housing development that ranges from high-intensity urban designs to low-intensity designs, including single-family homes. The city plans to incorporate affordable housing opportunities and create housing communities that accommodate a variety of economic and demographic segments. Currently, two notable residential projects are in the review process: the Castlewood Apartments located at 900 West 200 South, and the Edgewater TOD residential development at 1150 West 200 South.
- *Farmington*—Station Park opened in 2011 and has been a commercial anchor of transit-oriented development in Farmington. Farmington City has adopted a mixed-use district development plan that encourages a compatible mix of uses. By allowing for flexibility in design, the plan promotes a transit- and pedestrian-oriented pattern of development that is consistent with the objectives of the Farmington City General Plan. Specifically, the Transit Mixed Use District (TMU) is intended to develop retail and mixed-use projects in a manner that promotes walkability and enhances the desirability of transit use. The TMU allows for higher-intensity development as long as it doesn’t impair walkability or transit use and helps create a viable TOD that transitions smoothly into the surrounding communities.
- *Denver Transit-Oriented Development Fund*—Led by the Office of Economic Development (OED), Denver established a TOD fund to provide a new financing mechanism allowing for the acquisition and preservation of affordable housing along existing and new transit corridors. The TOD fund brought funds from the City of Denver, the MacArthur Foundation, U.S. Bank, Wells Fargo, Colorado Housing and Fi-

nance Authority, Rose Community Foundation, and the Mile High Community Loan Fund, among others. OED also leveraged other federal funds, including the Neighborhood Stabilization Program, to maximize the fund's impact. The Urban Land Conservancy, a local nonprofit, acts as the fund's sole borrower and oversees land purchases to target three types of properties in TOD areas: existing federally assisted rental properties, existing unsubsidized but below-market-rate rental properties, and vacant or commercial properties to be converted to new affordable housing. Since its inception, 17 loans have been made through the Denver Regional TOD Fund, providing a total of \$34 million in financing for property acquisitions near public transit in the Denver metro area. As a result, more than 1,450 affordable homes near public transportation have been created or preserved.

### **Variations on a Theme**

- *Land Value Capture*—Potential value capture tools include special assessments and taxes, tax increment financing, varying forms of developer contributions, and joint development or other public sector real estate transactions. These tools are used to help offset the significant upfront investment needed to develop TODs, including public infrastructure, connectivity improvements, affordable housing, and other community features, including parks and open space. Value capture tools work best in areas where there is a robust real estate market, significant development potential, strong political and community support, one (or few) jurisdictions involved, and a strong municipal fiscal position.

## VI. Survey of Best Practices

To identify “best practices” the Gardner Policy Institute conducted a survey of 35 practitioners. The survey included a list of 16 potential practices gleaned from a literature search. The survey asked the practitioner to identify practices that in their experience were most effective in addressing the issue of housing affordability. Thirty of the 35 practitioners responded. The selection of best practices for this study was confirmed by the results of the survey. See below for the survey and the list of practitioners.

### Best Practices Survey

The Gardner Policy Institute is engaged in a study of “best practices” used by Utah’s cities and counties to improve housing affordability and increase the supply of affordable housing. I’ve conducted a literature search to identify some best practices used in other states; see below. I need help in identifying the practices that have been most effective in Utah. I’d appreciate it if you’d take a few minutes and identify, from your experience, a couple practices that you feel have been most effective. Please return your comments by email. Any specific examples of implementation, outcomes, and jurisdictions with best practices would be very helpful.

### List of some possible best practices

- Accessory Dwelling Units
- Use of RDAs, CRAs, tax increment financing
- TODs as source of housing development
- Preservation and rehabilitation of existing affordable housing
- Density bonuses
- Up-zoning and land use regulations
- Inclusionary zoning
- Development incentives for city (S.B. 34)
- Repurposing of underutilized commercial space
- Streamlining approval process
- Reduced fees for affordable housing
- Land trust
- Housing trust fund Olene Walker, Pamela Atkinson
- Homeless
- Tax or fee rebates
- Use of innovative materials to reduce cost
- Rental assistance/down payment assistance
- Other practices you are familiar with

**Table VI.1: Respondents to Best Practices Survey**

Practitioner/ Respondent	Organization
Ackerow, Mike	Executive Director, Community Development Corporation of Utah
Bishop, Brad	Executive Director, Self-Help Homes
Brereton, John	Consultant to Utah Private Activity Bond Authority
Corroon, Peter	Former mayor of Salt Lake County, developer of affordable housing
Dahl, Matt	Redevelopment Agency Director, Midvale City
Datwyler, Kim	Former Executive Director, Neighborhood Housing Solutions
Diehl, Cameron	Executive Director of Utah League of Cities and Towns
Erickson, Steve	Housing advocate
Funk, Tim	Director of Community Housing Assistance Programs, Crossroads Urban Center
Gallegos, Mike	Director of Housing and Community Development, Salt Lake County
Garciaz, Maria	CEO, NeighborWorks Salt Lake
Goff, Lani	Director, Salt Lake City Housing and Neighborhood Development
Gray, Lilly	National Development Council Greater Salt Lake Area
Jepperson, Randy	Housing Program Manager, Salt Lake County
Jones, Jeff	Economic Development and Housing Director, Summit County
Kimball, Janice	CEO, Housing Connect (formerly the Housing Authority of the County of Salt Lake)
Lofgren, Dan	President and CEO, Cowboy Partners
Loomis, Scott	Executive Director, Mountainlands Community Housing Trust
Milligan, Marci	Development Consultant, Utah Nonprofit Housing Corporation
Nelson, Chris	Professor of Planning & Real Estate Development, University of Arizona
Parker, Chris	Executive Director, GIV Group
Price, Tim	Executive Director, Ogden City Housing Authority
Rollins, Tara	Executive Director, Utah Housing Coalition
Royall, Heather	West Valley City Grants Division
Schulte, Jim	President, Restore Utah
Smith, Lynell	CEO, Housing Authority of Utah County
Springmeyer, Bob	Bonneville Research
Stauffer, Rhoda	Director, Park City Affordable Housing Program
Tippits, Bill	Associate Director, Crossroads Urban Center
Weaver, Michele	Rural Community Assistance Corporation

## VII. Examples of Best Practices Outside of Utah

- A. Public Asset Management and Housing Affordability
- B. Up-Zoning and Housing Affordability
- C. Adaptive Reuse
- D. Housing Trust Funds and Housing Affordability
- E. State Leadership

### A. Public Asset Management and Housing Affordability

Public entities such as states, cities, counties, school districts, utilities, transportation agencies, special districts, etc., own billions of dollars in real estate assets. However, these assets are not utilized to their full potential. This creates an opportunity to develop new streams of revenue for public entities by optimizing the uses of these assets in partnership. Rather than disposing of surplus land or an underutilized real estate asset, the public entity enters into a partnership with a private or state public entity to maximize the asset's market potential. This improves the value of the asset and generates new revenue.

A critical piece for managing public assets is identifying commercially valuable assets versus those public assets that should remain as public goods. The concept of using public assets to generate revenue isn't new, but it is not often utilized. The most successful utilization of this strategy comes from Denmark, while a few US cities are beginning this process as are several tech and philanthropic institutions.

#### How It Works

Many public institutions don't know the true market value of their assets. A critical step to public asset management is a comprehensive inventory and value assessment. Often, an independent public entity is established to manage the assets. The assets are transferred from the local government to the entity. This allows for transparency and objective valuation, while insulating the project from political interference.

The assets can also be merged or bundled. For example, a school district and a city can form an entity to execute a project plan. In most cases, public ownership is fragmented across different entities. Combining assets under a single entity eases entitlement and financial lending obstacles. It is likely that the project will require a land-use rezone. This step alone can increase the project value without significant financial investment.

This new entity can borrow (generally with favorable terms) by using the improved land value as collateral. The asset can also be applied as a capital contribution for a public-private partnership, or leased to a private entity.

The public entity can then use the profits from the development to invest in other public infrastructure projects such as transportation, education, and other public amenities. This, in theory, increases the value of remaining land and assets, further enabling the entity to invest and expand.

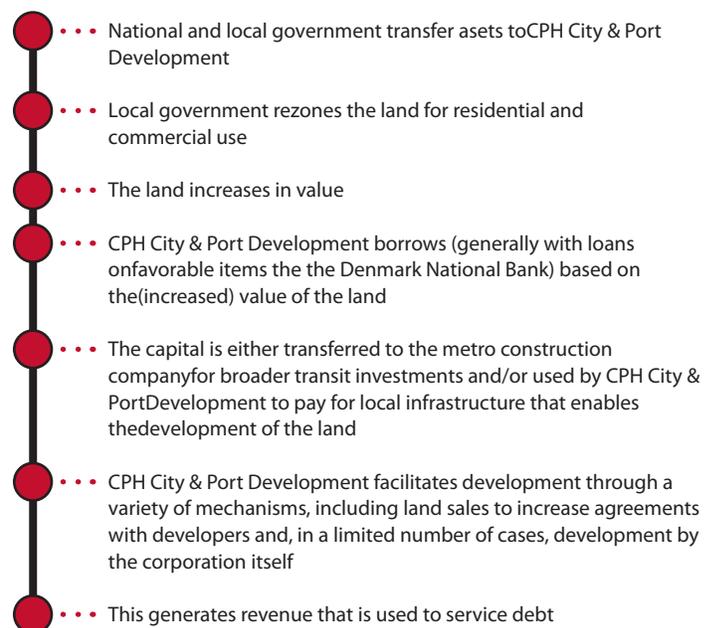
#### Example of Strategy

*CPH City & Port Development Corporation—Copenhagen, Denmark*

As the city of Copenhagen, Denmark, was facing major budgetary and economic woes in the early 1990s, local and national government entities formed a public-private corporation to redevelop a part of the city. The goal was to revitalize a part of the city and finance large-scale infrastructure by increasing revenue from publicly owned land and buildings without raising taxes.

Upon forming the development corporation, strategic parcels of land were identified then rezoned to reflect favorable market conditions. This step immediately increased the value of the land. The process followed with a favorable loan against the rezoned property from the Denmark National Bank. The capital was used to expand the transit system and pay for additional local infrastructure. As the project expanded, revenue was raised from land sales and lease agreements, which was used to service the original debt.

**Figure A.1: Copenhagen Mechanism for CPH City & Port Development**



Source: Brookings Institute

## Applications to Utah

Utah's public entities are uniquely positioned to utilize the public asset, public-private partnership model. There are numerous public universities, utilities, and even health care providers that could provide a wide range of public benefits such as affordable housing or health care services.

This could involve making land available for critical public needs such as providing affordable housing, addressing food deserts, increasing education and job training, and expanding green or open space. Public asset management could also involve commercial endeavors, generating returns that flow back into government budgets to be invested in transportation, infrastructure, public housing, behavioral health care, public education, or other government services.

## B. Up-Zoning and Housing Affordability

### Background

Up-zoning is defined as land use change that allows for higher development intensity. During the 1970s cities rezoned land to increase restrictiveness of land use intensity, such as housing. Today, the opposite philosophy is applied to up-zoning. Cities use the policy to increase housing density and provide options for affordable housing. As housing affordability continues to be a burden, policy makers are using up-zoning as one of the solutions to decrease displacement as well as provide new opportunities to lower-income residents in amenity-rich areas.

### Examples of Up-Zoning

*Minneapolis, Minnesota*—Over the last three years the city worked on the Minneapolis 2040 plan, which includes strategies aimed at addressing climate change, density, and affordable housing. The plan went into effect at the beginning of 2020 and included at least two drafts and over 100 amendments.

The major affordable housing intervention includes a two-strategy approach. First, the plan allocates \$25 million in subsidies to a housing fund and requires that 10% of apartment units must be reserved for moderate-income households. Second, the plan effectively up-zones the whole city to allow denser development with more units to be built in areas that previously contained only single-family homes.

The plan also focuses on providing higher density near transit stops and eliminating off-street minimum parking requirements to free up land for denser multifamily development.

*State of Oregon*—Because Oregon has defined urban growth boundaries, metropolitan and state regulatory authorities regularly assess whether cities are meeting their population needs to accommodate 20 years of growth.

In 2019 the Oregon State Legislature passed H.B. 2001, allowing for increased housing density in residential areas where only single-family building was previously approved, thus up-zoning the whole state. The policy eliminates any local bans on duplexes in low-density residential areas that have more than 10,000 residents. In cities with more than 25,000 residents, the policy allows triplexes, fourplexes, and attached townhomes. The bill gives cities the ability to regulate design characteristics and size, and allows for flexibility to incentivize projects that create new, below-market units.

*Seattle, Washington*—The city established a Mandatory Housing Affordability (MHA) policy with new zoning guidelines ensuring that new commercial and multifamily residential developments provide affordable housing units. This policy change is expected to produce over 6,000 low-income units over the next decade.

There are five zones throughout the city requiring different levels of development density, ranging from low-rise detached and row house neighborhoods to taller mixed-use districts, where buildings will be allowed to rise to a height of 95 feet or more. Approximately 6% of Seattle's single-family zones will be up zoned.

For builders, there are options to opt out of these regulations; however, required fees in lieu of on-site affordable housing construction start at \$5.58 per square foot for developments located in low-rise areas outside downtown and increase to a maximum of \$35.75 per square foot for larger mixed-use developments.

## C. Housing Affordability and Adaptive Reuse of Commercial for Residential

### Background

Adaptive reuse or repurposing of office, industrial, and retail properties for residential use is not a new idea. It has been a redevelopment staple in major metropolitan areas like New York City and San Francisco for years. Salt Lake City has several examples of adaptive reuse in the Central Business District (CBD). The 2002 Olympics spurred the adaptive reuse of aging warehouses to residential use, including the Dakota Lofts, Artspace, Broadway Lofts, and Pierpont Lofts. The city has adopted a D-3 Downtown zone that allows for the adaptive reuse or replacement of warehouse space with mixed-use, multifamily spaces. Repurposing commercial space to residential in Utah has been limited to Salt Lake City's CBD. But the recent closures of big box locations by Shopko, Kmart, Sears, J.C. Penney, and Toys-R-Us provides adaptive reuse opportunities for suburban and even some rural communities.

In the past two years Shopko has closed 19 locations in Utah. A review of commercial listings shows Shopko properties for sale in four cities: Ogden, Nephi, Roosevelt, and Brigham City.

The continued growth of online shopping, along with the impact of COVID-19, will likely open up more opportunities to convert retail space to residential uses. But the conversion can be difficult. A different use will require a zoning change. The best prospects for conversion are freestanding buildings that require demolition, which can cost as much as \$500,000. There can be local tax issues. Additionally, there could be many interested parties in the “dark space.” Amazon, At Home, and Dick’s Sporting Goods have all expressed interest in former Sears and Kmart locations. Despite these complications, collaborative efforts by cities and developers have created additional housing through adaptive reuse in markets facing housing shortages.

*Examples of Adaptive Reuse*—In Burbank, California, the relocation of an IKEA store left an abandoned site that was developed into a mixed-use location with several hundred housing units. A 94-unit apartment complex in Westport, Connecticut, was developed after demolition of an abandoned office building. The Howard Hughes Corp., landlord of a shuttered mall in Alexandria, Virginia, donated a Macy’s store to temporarily house the homeless. Converted office space in downtown Dallas provided over 500 new rental units. Numerous examples of commercial-to-residential conversion can be found through a web search. Crucial to all conversions is the receptivity of the local planning commission and city council to a change in land use.

## D. Housing Trust Funds and Affordable Housing

### Background

Funding is one of the many challenges facing affordable housing projects in Utah. One way to address funding challenges is through housing trust funds (HTFs). These state and local funds secure ongoing dedicated public funds for affordable housing needs. Common revenue sources for HTFs include developer fees, penalties on late payments of real estate taxes, a dedicated portion of the local real estate transfer tax, and fees from other real estate-related transactions. Most often, HTFs address affordable housing needs by providing financing for affordable housing construction and preservation through techniques like zero-interest loans or gap financing. Other tactics may include demand-side solutions such as subsidizing down payments for low- to moderate-income households.

The National Housing Trust Fund, created in 2008, complements existing local efforts to preserve and produce affordable housing. The program provides block grants to states to increase or preserve the supply of rental housing affordable to extremely low-income households (30% of the area median income or less, or below the federal poverty guideline). The national HTF requires 90% of awarded funds to be used for rental housing. The first awards of the national HTF began in 2016, with Utah awarded funds for three projects for a total of 39 units.

### Housing Trust Funds in Utah

The Olene Walker Housing Loan Fund (OWHLF) is Utah’s state housing trust fund. The fund supports quality affordable housing options to meet the needs of Utah’s individuals and families, with a focus on developing housing for very low-income, low-income, and moderate-income persons. The program is administered by the Utah Housing and Community Development Division. It combines federal HOME funding, USDA rural development funding, annual appropriations from the state legislature, and, recently, program income and loan repayments. For the 2018–2019 program year, the OWHLF had 933 current loans, a \$146.4 million total portfolio value, and assisted 1,217 units for a lifetime total of 20,703 units funded.

Salt Lake City also has a housing trust fund, and while it acts similar to a traditional HTF, it is not subject to the same rules and regulations from HUD. This fund provides loans to housing sponsors and developers to support affordable and special needs housing within the city. It is funded through the general fund of the city and functions as a revolving loan fund that accepts applications year-round and requires detailed descriptions of the project and how it will assist with the city’s affordable and special needs housing. Since 2009, 2,330 affordable units in 29 developments have been assisted by Salt Lake City’s HTF. From July 2018 to June 2019, 65 new units and 95 rehabilitated units in three developments were completed. As of March 2020, 11 developments, including two rehabilitation projects, were in the development process and 10 projects in the pipeline for HTF funding. Currently, the city’s Housing and Neighborhood Development department is working with the RDA under the direction of the city council to streamline the funding process for multifamily developments.

### Housing Trust Funds in Other Regions

Nationally, there are over 800 state and local HTFs generating more than \$2.5 billion a year to support critical housing needs. These funds are a result of state and local action led by community organizers, housing advocates, elected officials,

and other allies who have agreed that the development of a permanent stream of revenues dedicated to affordable housing is a public priority. For HTFs to be effective on a local level, there needs to be persistent advocacy, ongoing revenue support, and administrative direction.

In King County, Washington, the county collaborated with cities to create a regional HTF, A Regional Coalition for Housing (ARCH), to address the affordability crisis driven by robust economic growth in the region. Each jurisdiction contributes funds to the HTF, and all members receive an equitable distribution of ARCH resources. Additional revenue sources include general funds, federal Community Development Block Grant funds, payments by developers, loan repayments, earned interest, fee waivers, infrastructure improvements, and contributions of land. Since 1993, the ARCH HTF has funded over 3,250 units of housing for families, seniors, and persons with special needs.

The Sadowski Fund operates as an HTF in Florida and is administered by the Sadowski Coalition. The coalition of 32 statewide organizations began in 1991 to obtain a dedicated revenue source to fund the state's affordable housing programs. Initially, Florida's housing programs were funded when the "document stamp tax" paid on all real estate transactions was increased in 1992. All monies generated were dedicated to state and local housing trust funds.

## E. State Leadership and Housing Affordability

Local opposition often impedes progress on Utah's housing shortage. Any housing development that requires a special permit or variance will likely trigger a public meeting. Public meetings have their virtues. They allow those who are most affected to voice their views and can act as a check on developer excesses. But they can also allow a small group of unrepresentative neighbors to amplify opposition to new developments. In addition to being relatively few in number, the opponents may not be representative demographically or socioeconomically of the jurisdiction. Their interests may not reflect the larger community's interests and housing needs.

A large share of those who would benefit from a new development almost always live outside the jurisdiction. Their voices in support of additional housing go unheard. This imbalance between staunch opposition and widely diffused support underscores the need for the state to step in and balance the scales. Local governments are often limited in their ability to make meaningful progress on the challenges of affordability. State support can help. An example, in 2019 the Utah Legislature passed S.B. 34, the most consequential affordable housing legislation to date. S.B. 34 incentivizes affordable housing development by tying state transportation funding to strategies aimed at encouraging affordable housing.

State leadership, as a best practice, is exemplified by Oregon and California. In 2019 the Oregon Legislature passed H.B. 2001 that eliminates single-family zoning in much of the state. "Under the new bill, cities of more than 1,000 in the Portland metropolitan area and those of more than 25,000 in the rest of the state will have to allow up to fourplexes in single-family neighborhoods. Cities between 10,000 and 25,000 would have to at least allow duplexes."<sup>13</sup> Oregon will be a test case for other cities and states contemplating eliminating the single-family zone.

In 2016 and 2017, California passed accessory dwelling unit reforms that require cities to permit one ADU per single-family home, streamline ADU permitting, set utility fees proportional to the burden of ADUs, and further reduce fees for ADUs built inside an existing home. The law also waived parking requirements for ADUs located within half a mile of a transit stop or within a block of a car-share stop. After passage of the ADU legislation, the annual number of ADU units receiving building permits in Los Angeles increased from a few hundred to almost 4,200 in 2018.

Progress on the housing crisis needs continued state and civic leadership. Without it, today's children, Utah's next generation, will face an even greater scarcity of affordable housing and more burdensome housing prices.

# Other Local Studies on Housing Affordability

---

## Utah League of Cities and Towns

In 2018, the Utah League of Cities and Towns published *Keys to Housing Policy in Utah*. The first section of this report is devoted to housing terminology: common housing terms, land use terms, and financial terms. The second section includes brief descriptions of 15 strategies followed by four case studies briefly describing the implementation of a strategy: Clearfield (form-based code for downtown housing), Park City (workforce deed-restricted housing), South Salt Lake (TOD/Community Redevelopment Area), and Ogden (Community Reinvestment Area and zoning code updates).

<https://site.utah.gov/ulct/wp-content/uploads/sites/4/2018/06/Keys-to-Housing-Report.pdf>

In November 2019 the Utah League of Cities and Towns published *One Key to Housing, Accessory Dwelling Units: A Resource Guide for Municipal Officials and Staff*. This is a how-to publication for municipalities considering adopting an ADU ordinance.

[http://www.ulct.org/wp-content/uploads/sites/4/2019/08/One-Key-ADUs\\_Updated-8.13.2019.pdf](http://www.ulct.org/wp-content/uploads/sites/4/2019/08/One-Key-ADUs_Updated-8.13.2019.pdf)

## University of Utah, Department of City & Metropolitan Planning

Graduate students have produced a 50-page draft report titled *Affordable Housing Strategies: State-of-the-Practice in Ten Utah Cities*. The study identifies 15 housing strategies and then examines the use of those strategies in 10 major cities in Utah. The report was produced and published under the direction of Professor Reid Ewing.

## Utah Foundation

This study will address the issue of housing affordability and the “missing middle.” In this report, missing middle is defined as those households who earn too much to qualify for subsidized housing but not enough to cover the costs of market-rate housing. This study will examine the scope of the problem, identify geographic problem areas where the issue is most acute, and analyze the pros and cons of various strategies that could help alleviate it. Particular emphasis will be placed on exploring homeownership options.

## Endnotes

1. Utah Code Ann., 10-9a-5.
2. Salt Lake County Municipal Code, Chapter 19.02.020.
3. Kem C. Gardner Policy Institute, Demographics, and Ivory-Boyer Construction Database.
4. “Cities Start to Question an American Ideal: A House with a Yard on Every Lot,” *New York Times*, June 18, 2019.
5. *Housing America’s Older Adults 2019*, Harvard Joint Center for Housing Studies.
6. “One Home, a Lifetime of Impact,” *Washington Post*, July 23, 2020.
7. Utah Code Ann., 10-9a-403.
8. Utah Code Ann., 17C-1-412.
9. Original Redevelopment Agency legislation used the nomenclature of RDA. In 2006, legislation created Urban Renewal Areas (URA), Community Development Areas (CDA) and Economic Development Areas (EDA). In 2016 Legislation collapse URA, CDA, and EDA into a single designation of Community Reinvestment Area (CRA). Project areas retain the nomenclature used at the time of their creation.
10. The Redevelopment Agency of Salt Lake City, 2019 Annual Report.
11. Karen Chapple, et al., *Jumpstarting the Market for Accessory Dwelling Units: Lessons Learned from Portland, Seattle, and Vancouver* (Turner Center for Housing Innovation, UC Berkeley: 2017).
12. Tara Horn, Debi Elliott, and Amber Johnson, *Accessory Dwelling Unit Survey for Portland, Eugene, and Ashland, Oregon* (Survey Research Lab for the State of Oregon Department of Environmental Quality: September 2013).
13. “Oregon Strikes Exclusive Single-Family Zoning, But Effects May Take Years,” Oregon Public Broadcasting, July 3, 2019.

## Partners in the Community

The following individuals and entities help support the research mission of the Kem C. Gardner Policy Institute.

### Legacy Partners

The Gardner Company  
 Intermountain Healthcare  
 Clark and Christine Ivory Foundation  
 KSL and Deseret News  
 Larry H. & Gail Miller Family Foundation  
 Mountain America Credit Union  
 Mitt and Ann Romney  
 Salt Lake City Corporation  
 Salt Lake County  
 University of Utah Health  
 Utah Governor's Office of Economic Development  
 WCF Insurance  
 Zions Bank

### Executive Partners

Mark and Karen Bouchard  
 The Boyer Company  
 Salt Lake Chamber

### Sustaining Partners

Clyde Companies  
 Dominion Energy

## Kem C. Gardner Policy Institute Advisory Board

### Conveners

Michael O. Leavitt  
 Mitt Romney

### Board

Scott Anderson, Co-Chair  
 Gail Miller, Co-Chair  
 Doug Anderson  
 Deborah Bayle  
 Cynthia A. Berg  
 Roger Boyer  
 Wilford Clyde  
 Sophia M. DiCaro

Cameron Diehl  
 Lisa Eccles  
 Spencer P. Eccles  
 Christian Gardner  
 Kem C. Gardner  
 Kimberly Gardner  
 Natalie Gochnour  
 Brandy Grace  
 Clark Ivory  
 Mike S. Leavitt  
 Derek Miller  
 Ann Millner  
 Sterling Nielsen

Cristina Ortega  
 Jason Perry  
 Ray Pickup  
 Gary B. Porter  
 Taylor Randall  
 Jill Remington Love  
 Josh Romney  
 Charles W. Sorenson  
 James Lee Sorenson  
 Vicki Varela  
 Ruth V. Watkins  
 Ted Wilson

### Ex Officio (invited)

Governor Gary Herbert  
 Speaker Brad Wilson  
 Senate President  
 Stuart Adams  
 Representative Brian King  
 Senator Karen Mayne  
 Mayor Jenny Wilson  
 Mayor Erin Mendenhall

## Kem C. Gardner Policy Institute Health Care Advisory Council

Nathan Checketts  
 Edward Clark  
 Joseph Miner

Mikelle Moore  
 Phillip Singer  
 Eric Hales

Stephen L. Walston  
 Chad Westover

## Kem C. Gardner Policy Institute Staff and Advisors

### Leadership Team

Natalie Gochnour, Associate Dean and Director  
 Jennifer Robinson, Associate Director  
 Shelley Kruger, Accounting and Finance Manager  
 Colleen Larson, Administrative Manager  
 Dianne Meppen, Director of Survey Research  
 Pamela S. Perlich, Director of Demographic Research  
 Juliette Tennert, Chief Economist  
 Nicholas Thiriot, Communications Director  
 James A. Wood, Ivory-Boyer Senior Fellow

### Staff

Max Backlund, Senior Research Associate  
 Samantha Ball, Senior Research Associate  
 Mallory Bateman, Senior Research Analyst  
 Andrea Brandley, Research Associate  
 Marin Christensen, Research Associate  
 Mike Christensen, Scholar-in-Residence  
 John C. Downen, Deputy Director of Economic and Public Policy Research  
 Dejan Eskic, Senior Research Analyst  
 Emily Harris, Demographer  
 Michael T. Hogue, Senior Research Statistician  
 Mike Hollingshaus, Senior Demographer  
 Thomas Holst, Senior Energy Analyst

Meredith King, Research Associate  
 Jennifer Leaver, Senior Tourism Analyst  
 Levi Pace, Senior Research Economist  
 Shannon Simonsen, Research Coordinator  
 Joshua Spolsdoff, Research Economist  
 Paul Springer, Senior Graphic Designer  
 Laura Summers, Senior Health Care Analyst  
 Natalie Young, Research Analyst

### Faculty Advisors

Matt Burbank, Faculty Advisor  
 Adam Meirowitz, Faculty Advisor

### Senior Advisors

Jonathan Ball, Office of the Legislative Fiscal Analyst  
 Gary Cornia, Marriott School of Business  
 Theresa Foxley, EDCUtah  
 Dan Griffiths, Tanner LLC  
 Roger Hendrix, Hendrix Consulting  
 Joel Kotkin, Chapman University  
 Darin Mellott, CBRE  
 Chris Redgrave, Zions Bank  
 Bud Scruggs, Cynosure Group  
 Wesley Smith, Western Governors University

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43

CITY OF NORTH SALT LAKE  
CITY COUNCIL MEETING-WORK SESSION  
AUGUST 3, 2021

**DRAFT**

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

PRESENT: Mayor Len Arave  
Council Member Natalie Gordon  
Council Member Brian Horrocks  
Council Member Ryan Mumford  
Council Member Stan Porter

EXCUSED: Council Member Lisa Watts Baskin

STAFF PRESENT: Ken Leetham, City Manager; Paul Ottoson, City Engineer; David Frandsen, Public Works Director; Janice Larsen, Finance Director; Craig Black, Police Chief; Tyler Abegglen, Golf Course General Manager; Sherrie Pace, Community Development Director; Linda Horrocks, City Recorder.

OTHERS PRESENT: Dee Lallis, Tammy Clayton, residents.

1. POLICE DEPARTMENT UPDATE-CHIEF CRAIG BLACK

Chief Black reported on changes to the criminal justice system that occurred on all levels due to COVID, civil unrest, and public scrutiny. One of the key ways was providing non-emergency services and responses without in person contact. He said that it was important to further review the efficiencies of not having to send an officer on every call. Chief Black explained that this also pertained to medical calls and that during COVID police officers would only accompany the fire department at their request instead of for every call.

Mayor Arave asked if this was due to a change in fire department staffing levels. Chief Black replied that it was due to reducing the risk of exposure. He said that officers would still respond to cardiac arrest calls to provide CPR services until the paramedics arrived.

Chief Black spoke on the big issues for 2020 including police use of force and interaction with the public. He said they tracked actual uses of force since 2014 and presented the last five years of interactions. There were over 10,000 calls for service in 2020 with only 11 uses of force as defined by State statute, which was the level above verbal persuasion, and included display of a firearm. He said these numbers were on par with most national statistics. Chief Black further explained use of force including deadly force, which had never been employed in 10+ years of this department.

44

45 Chief Black reported on the measures they employed to reduce the necessity of using deadly  
46 force including supervisors time spent with officers, judgment of officers, vetted hires, training,  
47 and an emphasis on de-escalation. He spoke on less lethal force methods and tools including the  
48 beanbag shotgun, 40mm “nerf” gun, BolaWrap restraint device, taser, batons, and pepper spray.  
49 Chief Black explained that his officers rarely, if ever, used these tools but were trained to employ  
50 these tools before resorting to deadly force. He said that in the event where use of force was  
51 exhibited that the on-scene supervisor would be required to write a memo to the assistant chief  
52 and articulate 15 factors of why this decision was made. This could include individual was  
53 armed/believed to be armed, violent, why was the level of force used believed to be the most  
54 appropriate, shotgun versus taser (or other weapon choice), etc. Then the decision is made if the  
55 use of force was justified or not justified. This information would be logged and if it was found  
56 to be an intentional misuse of force the officer would be disciplined. He said an officer had been  
57 terminated for intentional misuse of force from the department.

58

59 Chief Black mentioned that the chokehold was not taught in the department but the carotid  
60 control which was designed to reduce carotid arteries which does not affect breathing. He said  
61 they have prohibited throat holds in the department.

62

63 Chief Black then focused on the other areas of the report including crime statistics which were  
64 those compared on a national standard including murder, rape, robbery (property taken by  
65 force/fear), aggravated assault, burglary, theft, arson, and motor vehicle theft. He noted that  
66 vehicle thefts continued to rise in the City. He said that proactive measures had been taken  
67 including working with other departments and sending stolen vehicle cases through the  
68 prosecutor’s office. The quality of life crimes including traffic accidents decreased significantly  
69 last year; however, injury accidents increased. Chief Black spoke on domestic violence cases  
70 which had increased to over 200 cases which was an all time high. This resulted in assigning a  
71 staff member to be a victim advocate coordinator who helps victims obtain post incident  
72 services.

73

74 Council Member Horrocks asked if the increase in domestic violence cases was symptomatic of  
75 what was occurring in society. Chief Black replied that there had not been a substantial decrease  
76 this year even with fewer COVID restrictions. He explained that some of the contributing factors  
77 included mental health issues, substance abuse, and financial or fidelity issues.

78

79 Mayor Arave spoke on property crimes. Chief Black responded that during 2020 there were two  
80 factors including the bail reform bill and early release due to COVID. He commented that there  
81 were not a lot of criminals out there but individuals who were committing multiple crimes.

82

83 Council Member Mumford asked about incidents when the victims did not press charges. Chief  
84 Black replied that oftentimes victims would not follow through on charges. He provided an

85 example of a victim who would not press charges because she would no longer have the  
86 perpetrator's income to support her.

87 Mayor Arave asked if the department was fully staffed. Chief Black responded that they were  
88 one officer short and currently had 24 officers with one in the academy and one in field training.

89

90 Ken Leetham then presented additional information about pay disparity among public agencies  
91 and the difficulties of hiring police officers due to the public's poor perception of police. He  
92 stated that there were an estimated 130 open positions currently in Utah. Mr. Leetham explained  
93 that when an officer left that the costs were high to replace them including overtime and burnout  
94 for the remaining officers.

95

96 Ken Leetham spoke on pay disparity for police and that his research showed that the market  
97 analysis for 57 comparative departments that there were only ten agencies that paid less than the  
98 City for a starting officer. He said that some departments were offering signing bonuses and  
99 other incentives that had not been used before. The City has made two step increase adjustments  
100 in both fiscal years 2017 and 2021 but was still experiencing wage discrepancy. Several cities,  
101 including Salt Lake, Taylorsville, West Valley, and South Salt Lake, had dramatically increased  
102 their wages in the last 90 days. Mr. Leetham said the third problem related to the police  
103 profession was a 45% increase in retirement rates, a 25% increase in resignations nationwide,  
104 and a 63% decline in applications. He spoke on his experience and said there were fewer  
105 applicants to choose from and that three out of the last seven resignations had been individuals  
106 who left the profession entirely.

107

108 Mayor Arave asked if this was due to pay or stress. Ken Leetham responded that the individuals  
109 had different reasons for leaving.

110

111 Council Member Horrocks asked if the officers in the department felt respected and supported by  
112 the community. Chief Black replied that that he felt like overall they were respected by residents  
113 but those that were defiant seemed more so.

114

115 Ken Leetham commented that when he reviewed the videos of one-on-one interactions that there  
116 was an increased level of defiance that he had not seen before. He asked to present a plan to the  
117 Council detailing pay increases and recommended implementing a new pay structure with  
118 corresponding data. This plan would include a funding solution as well. Mr. Leetham explained  
119 that this was a significant issue with rising housing and other costs which affected those who  
120 made less than \$60,000 a year.

121

122 Council Member Gordon said the proposed increases were a 24% increase to salaries and a 16%  
123 increase to benefits and asked if this was a high or low estimate. Ken Leetham replied that this  
124 was an estimate for the entire department and the entry level positions may be higher while the  
125 senior positions may be lower.

126

127 Council Member Gordon asked if these increases would be enough to retain the high-quality  
128 employees in the force right now. Ken Leetham replied that staff would review the data and  
129 present a plan to the City Council. He said they had senior level staff that they wanted to retain  
130 would propose what the City needed to keep providing great service.

131  
132 Mayor Arave asked if enough money was being spent on training. Chief Black responded that  
133 when cities faced fiscal issues that the first things to be cut are training budgets. He said the City  
134 Council had never cut the training budget and the department identified training for each  
135 assignment such as de-escalation training, etc.

136  
137 Mayor Arave questioned how the department's training compared to other cities. Chief Black  
138 replied that he felt the City's training was above average for a department of their size.

139  
140 Council Member Mumford asked if there were other ways the City Council could support the  
141 department beyond a pay increase. He asked about a shooting range or other technical resources  
142 that might be needed. Chief Black thanked the City Council for their support. He spoke on wage  
143 discrepancies and said the market was driving this problem which was not just a police  
144 department issue.

145  
146 2. ADJOURN

147  
148 Mayor Arave adjourned the meeting at 7:05 to begin the regular session.

CITY OF NORTH SALT LAKE  
CITY COUNCIL MEETING-REGULAR SESSION  
AUGUST 3, 2021

**DRAFT**

Mayor Arave called the meeting to order at 7:13 p.m. Council Member Brian Horrocks offered the invocation and led those present in the Pledge of Allegiance.

**PRESENT:** Mayor Len Arave  
Council Member Natalie Gordon  
Council Member Brian Horrocks  
Council Member Ryan Mumford  
Council Member Stan Porter

**EXCUSED:** Council Member Lisa Watts Baskin

**STAFF PRESENT:** Ken Leetham, City Manager; Paul Ottoson, City Engineer; David Frandsen, Public Works Director; Janice Larsen, Finance Director; Craig Black, Police Chief; Tyler Abegglen, Golf Course General Manager; Sherrie Pace, Community Development Director; Linda Horrocks, City Recorder.

**OTHERS PRESENT:** Court Huish, Karen Mills, John Logan, Golf Course Committee; Lo Nestman, Janyce Nestman, Dee Lallis, Rachel Butterfield, Tammy Clayton, residents.

1. CITIZEN COMMENT

There were no citizen comments.

2. PUBLIC HEARING TO RECEIVE INPUT FROM THE PUBLIC WITH RESPECT TO THE ISSUANCE OF SALES TAX REVENUE BONDS BY THE CITY

Ken Leetham reported that the City Council had authorized staff to proceed with the issuance of a sales tax revenue bond. The first project would be the completion of the Foxboro Wetlands Park, which consisted of 23 acres from Cutler Drive to Legacy Highway. The Wetlands area would be rehabilitated at the estimated cost of \$3.5 million dollars. The project would include a boardwalk, beautification, reintroduction of native plants, and a fishing pond. He spoke on the funding source and explained that the Community Development Area (CDA) along Redwood Road was formed many years ago. Revenue has been generated in this area with an estimated remaining \$12 million dollars. The purpose of this plan was to generate and divert property tax that was paid by the landowners in the area towards projects that would beautify and enhance economic opportunity as well as consolidate redevelopment properties. Mr. Leetham said that the

191 biggest project in the CDA so far was the Lee's Market which they were able to obtain by using  
192 some of the tax increment revenue. He said this was a great tool and the repayment of the bond  
193 should come from this revenue stream. The bond was structured so this portion of the bond  
194 would be paid in ten years.

195  
196 Ken Leetham said the next project that the bond would be used for included renovation of the  
197 Eaglewood Golf Course building and other improvements.

198  
199 Tyler Abegglen reported that the four areas of focus were the clubhouse, event center, exterior of  
200 the building, and irrigation. The current building would be retained and standardized to be more  
201 efficient. The projected costs were \$4.25 million with \$680,000 for the clubhouse, \$420,000 for  
202 the event center, \$2.3 million for exterior renovations, and \$450,000 for irrigation. He presented  
203 a few photographs to show the dated exterior and interior as well as a rendering of the new  
204 building exterior. Mr. Abegglen showed examples of the golf simulator space which would  
205 replace the unused office space in the basement of the clubhouse. He estimated the operational  
206 revenue for the simulator would pay back the cost of installation within three years. Other repairs  
207 would include the restrooms, irrigation repairs, and golf cart paths.

208  
209 **Mayor Arave opened the public hearing at 7:25 p.m. There was no public comment on this**  
210 **matter. Council Member Gordon moved to close the public hearing at 7:26 p.m. Council**  
211 **Member Horrocks seconded the motion. The motion was approved by Council Members**  
212 **Gordon, Horrocks, Mumford and Porter. Council Member Baskin was excused.**

213  
214 3. CONSIDERATION OF BID AWARD FOR EAGLEWOOD GOLF COURSE CART  
215 PATH REPAIR AND SURFACE TREATMENT  
216

217 Tyler Abegglen reported that this would be part of the aforementioned golf course project. He  
218 said that if the cart repair and surface was not addressed now that repairs could not be made until  
219 spring of next year. Staff went out to bid for this project with the repair of the existing path with  
220 either asphalt or overlay. Post Asphalt was the only bidder at \$32,835 for asphalt repair with  
221 Holbrook Asphalt as the sole source provider for the seal at \$99,043.

222  
223 Mayor Arave commented on hole 7 and issues with homes on the west side being hit with stray  
224 golf balls. He asked about changing the golf path and widening the hole to the east. Tyler  
225 Abegglen replied that this would be a good time to make changes and staff would review the  
226 options.

227  
228 Council Member Horrocks commented that this may have been a good project for the  
229 construction crew in the Public Works Department. Ken Leetham replied that the construction  
230 staff mainly did waterline and storm drain projects. He said that this project was a reimbursable  
231 project out of the proceeds of the bond.

232

233 **Council Member Porter moved to award the “Eaglewood Golf Course Cart Path Repair”**  
234 **project to Post Asphalt for the price of \$32,835.00 and the “Eaglewood Golf Course Cart**  
235 **Path Surface Treatment” project to Holbrook Asphalt for the price of \$66,208.00. Council**  
236 **Member Mumford seconded the motion. The motion was approved by Council Members**  
237 **Gordon, Horrocks, Mumford and Porter. Council Member Baskin was excused.**

238

239 Ken Leetham recognized three members of the Golf Course Committee in attendance: Court  
240 Huish, Karen Mills, and John Logan.

241

242 4. CONSIDERATION OF BID AWARD FOR THE TOWN CENTER TRAFFIC  
243 CIRCULATION STUDY TO KIMLEY-HORN IN THE AMOUNT OF \$40,000  
244

245

246 Sherrie Pace reported that in January 2021, the City was awarded \$22,500 from UDOT through  
247 the Technical Planning Assistance Program for the Town Center Traffic Circulation Study. This  
248 project aimed to build upon the work of the General Plan, Town Center Master Plan, draft Town  
249 Center Form-Based Code, and Active Transportation plan to ensure the compatibility of land  
250 uses and development with transportation safety and efficiency in the Town Center. This plan  
251 would include all modes of transportation (vehicle traffic, transit, cyclist, and pedestrian). The  
252 goal would be to ensure that the very impactful decisions being made in the Town Center were  
253 informed by good data and all scenarios were being considered.

254

255 She explained that the grant funds total was \$22,500 with a City match of \$2,500. After speaking  
256 with some engineering firms, City Staff decided to publish the Request For Proposals (RFP) with  
257 a total amount of \$40,000 to ensure a better work product from the selected firm. This increased  
258 price would put the City match amount at \$17,500.

259

260 Staff received five total proposals from the project from Avenue Consultants, ESI Engineering,  
261 Horrocks Engineers, Kimley-Horn, and Parsons. A Selection Committee which included  
262 representatives from the Police Department, Engineering, Community Development, and the  
263 City Manager narrowed those proposals down to two firms. The two firms then gave their  
264 proposals to the committee in-person. The Selection Committee found that Kimley-Horn would  
265 provide the best work product as well as data collection which was important for decision  
266 making in the Town Center area. This data collection would include origin and destination  
267 counts, walking and parking audits, an existing conditions report, other transportation including  
268 bus rapid transit, and a forecast report. At the end of the project Kimley-Horn would also provide  
269 an analysis of any issues, traffic pattern models, recommendations on peak hour signal warrants,  
270 active transportation, and intersection improvements.

271

272 Council Member Horrocks disclosed that Kimley-Horn was a tenant in one of his buildings and  
273 said he did not feel that would be a conflict of interest.

274 **Council Member Porter moved that the City Council award the Town Center Traffic**  
275 **Circulation Study project to Kimley-Horn for the price of \$40,000 and authorize the City**  
276 **Manager, or designee, to enter into a contract for services. Council Member Horrocks**  
277 **seconded the motion. The motion was approved by Council Members Gordon, Horrocks,**  
278 **Mumford and Porter. Council Member Baskin was excused.**

279  
280 5. CONSIDERATION OF A PRELIMINARY PLAN AND FINAL PLAT FOR ALTYN  
281 VISTA PUD, A FOUR-LOT SUBDIVISION AT 340 AND 360 NORTH ORCHARD  
282 DRIVE, DARIN FENWICK, APPLICANT

283  
284 Sherrie Pace reported the concept plan for the Altyn Vista PUD subdivision was approved by  
285 Planning Commission during the March 9, 2021 meeting and City Council during the March 16,  
286 2021 meeting. This approval would be for the preliminary plan and final plat for a minor  
287 subdivision in the R-1-10 zone. She explained that there were two existing homes on the parcel  
288 with a proposal for a PUD with a private road and the addition of two more homes. The Planning  
289 Commission reviewed this proposal on July 27<sup>th</sup> and made a favorable recommendation with two  
290 conditions. The conditions included completion of all engineering redlines and the addition of a  
291 note on the plat regarding the potential surface fault rupture special study area from the UGS.  
292 She explained that there was concern the area was located in a geologic hazard study. After  
293 review by staff, it was found that there were certain faults in this area per UGS. The note that  
294 would be placed on the plat would notify anyone that built the two new homes that if a geologic  
295 hazard or fault was found that a geotechnical engineer would need to review the property.

296  
297 **Council Member Horrocks moved that the City Council approve the preliminary plan and**  
298 **final plat for a four-lot subdivision called Altyn Vista PUD located at 340 and 360 North**  
299 **Orchard Drive subject to the following conditions:**

- 300  
301 1) **Completion of all engineering and planning redlines, including the addition of a plat**  
302 **note**  
303 **specifying potential geohazards in the area;**  
304 2) **Reference negotiated setbacks on the plat to be recorded with the County;**  
305 3) **Receive approval from South Davis Metro Fire Agency on driveway placement for**  
306 **lot 3.**

307  
308 **Council Member Gordon seconded the motion. The motion was approved by Council**  
309 **Members Gordon, Horrocks, Mumford and Porter. Council Member Baskin was excused.**

310 6. CONSIDERATION OF A REQUEST FOR PARTICIPATION IN THE COST OF  
311 STORM DRAIN IMPROVEMENTS LOCATED AT 761 PARKWAY DRIVE, LO  
312 AND JANYCE NESTMAN  
313

314 Ken Leetham reported that Lo and Janyce Nestman live at 761 Parkway Drive near the  
315 Eaglepointe Estates Landslide. When the home located directly above the Nestmans, at 309  
316 Parkway Circle, was constructed the Nestmans reported the appearance of a spring in their  
317 backyard which has increased in intensity. They constructed a retaining wall to arrest the surface  
318 water and protect their backyard, but that wall was eventually breached by the spring. The first  
319 repair also diverted water to a neighboring lot and that lot owner has demanded that they contain  
320 the spring water on their own property.

321  
322 Their second and most recent repair was to fix the damaged wall and install an underground  
323 storm drain line which collected the water and routed it out to the City's storm drain located  
324 in Parkway Drive. They recently completed this project at a cost of \$13,480. On July 29, Mayor  
325 Arave and Ken Leetham met with the Nestmans and during that meeting the Nestmansy  
326 requested that the City consider sharing the cost of those repairs. Mr. Leetham then stated that  
327 the City owned the property uphill and between the home on Parkway Circle and the Nestman  
328 property. He said that both the Mayor and himself he felt that sharing one-half of the cost of this  
329 improvement with Nestmans would be a defensible and good resolution to this request. The  
330 City's portion would be \$6,740 or half the cost of the improvements.

331  
332 Mayor Arave commented that a retaining wall failed there already. He said it was in the City's  
333 best interest to keep drainage in the area. He also said that the City had assisted those with  
334 similar matters related to this landslide including the Colosimos.

335  
336 Council Member Horrocks asked if the Nestmans experienced any additional issues with the  
337 heavy rainstorm the other day. Janyce Nestman replied that a French drain was installed behind  
338 the rock wall as well as a drain out to the storm drain in front of the home.

339  
340 Lo Nestman commented that there was a good amount of spring water and not surface water. He  
341 said they did not notice additional flooding due to the recent storm with the installation of the  
342 French drain.

343  
344 **Council Member Gordon moved that the City pay half of the cost for the Nestman's storm**  
345 **drain improvements. Council Member Horrocks seconded the motion. The motion was**  
346 **approved by Council Members Gordon, Horrocks, Mumford and Porter. Council Member**  
347 **Baskin was excused.**

348 7. CONSIDERATION OF A PROPOSED PURCHASE OF POLICE DEPARTMENT  
349 VEHICLES

350  
351 Chief Black reported that this was part of the budget process to replace three vehicles and  
352 purchase one new vehicle for an authorized position to be filled this year. The request was to  
353 purchase one (1) Ford Explorer Police Interceptor, two (2) Toyota Highlander Hybrids, and one  
354 (1) Toyota Rav-4 Hybrid. The Explorer Police Interceptor would be assigned to the new traffic  
355 position in Uniform Operations. One Highlander would be assigned to Police Administration  
356 (the Chief) to replace a 2013 Highlander, and the other Highlander would be assigned to the  
357 Investigations Division, also replacing a 2013 Highlander. The Rav-4 will be assigned to the  
358 Investigations Division replacing a 2012 Kia Optima.

359  
360 Chief Black explained the difficulty with obtaining new vehicles and said the vehicles that were  
361 authorized for purchase last fiscal year had still not been delivered. This would result in a budget  
362 adjustment to move last year's vehicle purchase money and move it to this year's budget. All of  
363 these vehicles will be "hybrid" fuel efficient vehicles. The department has contacted the two (2)  
364 Toyota dealerships that are authorized to offer state bid pricing through the manufacturers. The  
365 department has also contacted dealerships that are not on the State Bid pricing list and the  
366 "Fleet" pricing is not available without a fleet account set up through those dealerships.

367  
368 Chief Black commented that the build time for the Ford Interceptor was expected to begin in  
369 September for an estimated delivery in November to December 2021. The 2022 Toyotas build  
370 time was projected to begin in November with an estimated delivery in January to February  
371 2022. One of the vehicles being replaced was experiencing a failing transmission with estimated  
372 costs of over \$5,000 after several bids for repair. For that reason, one of the Highlanders was  
373 proposed to be purchased from existing 2021 inventory at a state bid price. The bids obtained  
374 included the Toyota Highlander Hybrid at Tony Divino for \$42,291, the Toyota Highlander  
375 Hybrid from Young Automotive Group at \$38,743, the Ford Explorer Police Interceptor from  
376 Larry H. Miller Ford at \$36,183, and the Toyota Rav-4 Hybrid from Young Automotive Group  
377 at \$26,845. He noted that this would not include the cost to up-fit these vehicles and that pricing  
378 would be based on the equipment that could be recycled from current vehicles.

379  
380 Council Member Horrocks asked if this fit into the vehicle replacement timetable. Janice Larsen  
381 replied affirmatively.

382  
383 **Council Member Mumford moved to approve the purchase of one (1) Ford AWD Hybrid**  
384 **Police Explorer at a cost of \$36,183 from Larry H. Miller Ford, the purchase of one (1)**  
385 **Toyota Rav4 from Young Automotive Group at a cost of \$26,845, one (1) Toyota**  
386 **Highlander Hybrid from Young Automotive Group for a purchase price of \$38,743, and**  
387 **one (1) 2021 Toyota Highlander from Tony Divino Toyota for \$42,291. Council Member**  
388 **Gordon seconded the motion. The motion was approved by Council Members Gordon,**  
389 **Horrocks, Mumford and Porter. Council Member Baskin was excused.**

390 8. CONSIDERATION OF RESOLUTION NO. 2021-19R: A RESOLUTION  
391 ALLOCATING \$76,000 OF THE CITY'S AMERICAN RESCUE PLAN ACT FUNDS  
392 TO SOUTH DAVIS SEWER DISTRICT TO BE USED FOR THEIR NORTH PLANT  
393 NUTRIENT REMOVAL PROJECT  
394

395 Ken Leetham reported that the South Davis Sewer District made a request during the July 6,  
396 2021 City Council meeting for \$76,000 of the City's American Rescue Plan Act funds for  
397 participation in a grant application the District was submitting related to the North Plant Nutrient  
398 Removal Project. The District was trying to accumulate \$1 million from its participating public  
399 agencies (5 cities and the County) to use as a local match for this grant application. The project  
400 would cost an estimated \$38 to \$50 million to make plant improvements. The District has  
401 proposed in the attached table that the participation levels be established based upon the relative  
402 percentage of ARPA funds by agency rather than by population or number of connections.  
403

404 Ken Leetham felt this was a reasonable request since the County's proportionate share would be  
405 covering a sizable portion of the proposed match. This use of ARPA funding was authorized  
406 under the American Rescue Plan Act. He said that the City would receive \$2,479,209 in ARPA  
407 funds and had received half of the money already.  
408

409 Council Member Horrocks asked if the City Council could approve the funding conditioned  
410 upon participation from the other five entities. Ken Leetham replied that the City Council could  
411 place any conditions they felt necessary.  
412

413 Council Member Mumford commented that a smell event was occurring now and asked what  
414 would happen if staff invested additional funds and it did not work out.  
415

416 Mayor Arave suggested that the current odor issues may be due to problems with the trickling  
417 filter. He said there were other options, but it may be more expensive and recommended using  
418 the ARPA funds.  
419

420 Council Member Gordon asked if the odor events were back if the City still had the option to  
421 impose the sanctions from last August. Ken Leetham replied that the City had not given up any  
422 of the options or legal remedies.  
423

424 **Council Member Horrocks moved that the City Council approve Resolution No. 2021-19R:**  
425 **A resolution allocating \$76,000 of the City's American Rescue Plan Act funds to be**  
426 **allocated to South Davis Sewer District to be used for their North Plant Nutrient Removal**  
427 **Project with the strong encouragement that the neighboring cities and County contribute.**  
428 **Council Member Porter seconded the motion.**  
429

430 Council Member Gordon asked if the motion should have stronger wording. Council Member  
431 Horrocks replied that he would still like the project to proceed even if a neighboring city did not  
432 participate.

433  
434 Ken Leetham commented that the City would not pay the money until the grant was awarded.

435  
436 **The motion was approved by Council Members Gordon, Horrocks, Mumford and Porter.**  
437 **Council Member Baskin was excused.**

438  
439 9. APPROVAL OF CITY COUNCIL MINUTES

440  
441 The City Council minutes of July 20, 2021 were reviewed and approved.

442  
443 **Council Member Gordon moved to approve the City Council minutes from July 20, 2021.**  
444 **Council Member Mumford seconded the motion. The motion was approved by Council**  
445 **Members Gordon, Horrocks, Mumford and Porter. Council Member Baskin was excused.**

446  
447 10. ACTION ITEMS

448  
449 The action items list was reviewed. Completed items were removed from the list.

450  
451 Council Member Gordon asked about using ARPA funds for people facing eviction or landlords  
452 that were not being paid. Ken Leetham replied that staff would review this.

453  
454 11. COUNCIL REPORTS

455  
456 Council Member Mumford reported on the photography contest and the NSL Reads event.

457  
458 Council Member Porter reported a water event and said the City's detention basins were  
459 functioning well. Council Member Horrocks commented that he noticed bark and rocks from the  
460 park strips in the streets after the storm and the need to reflect on whether it was a good idea to  
461 remove the grass there. He also said several of the drinking fountains in the building were not  
462 working correctly.

463  
464 12. MAYOR'S REPORT

465  
466 Mayor Arave reported that the truth in taxation hearing was held yesterday for the fire district.  
467 He said the Board had not yet approved the tax increase and suggested that the cities could use  
468 ARPA funds to support the fire district and delay an increase this year.

469

470 Mayor Arave reported on the Recreation District and their search for property to build a new  
471 center. Bountiful City suggested that a city could donate land and funds to build facilities. He  
472 suggested that an area of Hatch Park may be appropriate for this use.

473

474 13. CITY ATTORNEY'S REPORT

475

476 Todd Godfrey was excused.

477

478 14. CITY MANAGER'S REPORT

479

480 Ken Leetham reported on the September 11<sup>th</sup> service project and said there were three projects  
481 proposed. The first project was "rip the strip" which included replacing sod in the park strips at  
482 church parking lots. He said City code seemed to require living material in park strips but the  
483 project proposal did not include this. Mr. Leetham showed a park strip area near Legacy Park  
484 and suggested that the park strip not be removed there so as not to disrupt the larger urban design  
485 there. He also said the church did not maintain that park strip.

486

487 Council Member Gordon said that the irrigation system would potentially need to be redone  
488 there if the sod was replaced with rock.

489

490 Ken Leetham commented that the second project was a Citywide cleanup and the third project  
491 was a spurge removal.

492

493 Ken Leetham proposed the City Council tour of the golf course for August 11<sup>th</sup> which was also  
494 the date for the next Golf Course Committee meeting.

495

496 Ken Leetham reported on the Sunday night storm and showed the damage to the City's waterline  
497 project on Eaglewood Loop which required cleanup and repair by the contractor and City staff.  
498 He also showed an area where homes were damaged on Tanglewood Loop at the Cove  
499 subdivision. Three homes between Tanglewood Loop and Sunflower Circle were damaged.

500

501 Council Member Porter asked who would be responsible for the damage. Ken Leetham replied  
502 that the property owners were working with the developer. He said there was a process in the  
503 event that the property owners pursued a claim with the City.

504

505 Ken Leetham showed flooding at Deer Hollow Park and said the spillway worked by keeping  
506 water out of the street.

507

508 Council Member Mumford commented that he noticed vegetation in the upper pond at Deer  
509 Hollow Park and if it needed to be removed routinely. Ken Leetham replied that the City did  
510 clean it out.

511

512 Paul Ottoson said that the vegetation was caused by a spring in the area. He said the spillway  
513 would still function properly even with the vegetation.

514  
515 Council Member Horrocks asked about the Eagleridge storm drain system. Paul Ottoson replied  
516 that the new system worked well in that area.

517  
518 Ken Leetham reported on the Night Against Crime to be held on Thursday August 19<sup>th</sup> at Legacy  
519 Park.

520  
521 15. ADJOURN

522  
523 Mayor Arave adjourned the meeting at 8:32 p.m.

524  
525 *The foregoing was approved by the City Council of the City of North Salt Lake on Tuesday*  
526 *August 17, 2021 by unanimous vote of all members present.*

527  
528 \_\_\_\_\_  
529 *Linda Horrocks, City Recorder*

### Action Items for August 17, 2021

Item	Staff	Description
<u>New</u>		
1	Tyler	Staff to research changing the golf path or other means to help with the issue of homes being hit with golf balls near hole 7 at the golf course. <i>Tyler and his staff will review options for reducing potential damage from stray golf balls.</i>
2	Ken	Staff to review whether ARPA funds could be used for residents facing eviction or landlords who were not being paid.
3	Sherrie	Repair of several drinking fountains is needed in City Hall.
4	Linda	Setup a time in August for the City Council to tour the golf course.
<u>Current</u>		
1	Sherrie	Review Stericycle zoning and permitting to determine if Stericycle has a land use entitlement to operate a drop-off and sorting facility for medical waste at their current location. Basically, can they continue to operate their facility there after the incineration operations cease. <i>Staff is reviewing the legal status.</i>
2	Paul, David	Public Safety Committee to evaluate the need for a traffic light at the intersection of 1100 North and 400 West. <i>Staff will reach out to WX City to discuss the need for a traffic light.</i>
3	Linda	Staff to evaluate and propose a new solution for front facing monitors for the City Council chambers. <i>Linda is looking into options.</i>
4	Linda	Schedule the next meeting of the 75 <sup>th</sup> Anniversary Committee and make plans for the December final celebration. <i>Meeting scheduled for August 16<sup>th</sup>.</i>
5	Linda	Schedule a tour of Eaglewood Golf Course facility for the City Council after receiving final plans. <i>Staff to schedule with the Council prior to the Golf Committee Meeting on 8/11.</i>
6	Sherrie, Paul	Staff to evaluate current codes related to permissible improvements in public park strips. Staff to also perform a legal review of whether or not a land owner can replace the grass in the park strips adjacent to their property. <i>Staff to review and prepare report.</i>
7	Ken, Linda	Include information in the City newsletter about water conservation and how current water billing is calculated so that residents can understand that some conservation may not translate into reduced water bills. <i>Staff is gathering information to share with residents.</i>
8	Ken, David	September 11 service projects to include a project on the Jordan River, City-wide clean up, park strip retrofits --- and September 10 ETS employee service project (noxious weed removal).
9	Sherrie	Mayor Arave asked that staff check to see if there was an ordinance related to truck access/restrictions in the Village Station development. If not then staff to look at formal restrictions that would be enforceable. <i>Staff is preparing a report for the City Council on this.</i>
10	David	Repair work to the trail leading to Tunnel Springs Park (off Eaglepointe) as well as the Bountiful Shoreline Trail. (a resident had contacted Natalie about it)
11	Ken	Staff to review whether power lines could be buried along Redwood Road. <i>Ken to report back to CC.</i>
12	Paul	Staff to research solutions for maintaining the commuter trail along the frontage road to Salt Lake.
13	Craig	Chief Black to determine how to coordinate emergency reporting and resources between Bountiful and the City in relation to LDS stakes/wards. <i>(Chief Black has reached out and has info – will create response – ken and Craig.)</i>
14	Ken, Craig, Linda	Mayor Arave spoke on Uniting Neighbors, emergency preparedness, Communities Who Care, and health. He suggested appointing residents to a board that would encompass these aspects (as well as poverty, mental and physical health, financial needs). <i>Working on a plan for a wellness and health committee to present to the City Council.</i>
15	Sherrie	Assignment to amend the Park and Recreation Element of the City's General Plan so that it includes Hatch Park, Tunnel Springs Expansion and Capital Projects and repairs. <i>An RFP is being prepared to complete the amendment.</i>

16	Paul, Tyler	With the re-routing of storm water near the 14 <sup>th</sup> hole on the golf course, Staff to look into using the storm water in a water feature at the Eaglewood Sign. <i>Paul met with contractor regarding a design for the storm drain and water feature (may need a budget adjustment). Possibly include in the golf course bond?</i>
17	Ken	Staff to prepare policy (or review current policy) related to tree removal particularly when related to sidewalk damage. <i>Staff is working on a follow-up report to the City Council.</i>
18	Ken	Staff would prepare a proposal related to small insurance claims and a fund to pay for these types of items in-house rather than submitting them through insurance.
19	Ken, Linda	CM Porter asked for recognition/formalization of the City's History Committee on a future agenda. <i>Staff reviewing history committees of other cities and will draft resolution.</i>



## CITY OF NORTH SALT LAKE COMMUNITY & ECONOMIC DEVELOPMENT

---

10 East Center Street, North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

### MEMORANDUM

**TO:** Honorable Mayor and City Council  
**FROM:** Sherrie Pace, Deputy City Recorder  
**DATE:** August 17, 2021  
**SUBJECT:** 2021 Municipal Primary Election Canvass

---

The official results of the 2021 Municipal Primary Election, held on August 10, 2021, will be provided by Davis County before the City Council meeting on Tuesday, August 17<sup>th</sup>. Submitted results will include absentee/by-mail, election day, and provisional ballots. The canvass must be completed between August 17<sup>th</sup> and 24<sup>th</sup> and the canvass totals will not be available until the morning of the 17<sup>th</sup> to allow the required time to process by-mail ballots and address ballots that have been cast which have been held for verification of signatures. Voters with ballots that have been held will be contacted by the County and the voter correct the issue at the County offices until 5 p.m. on Monday, August 16, 2021 to be included in the final count and canvass totals.

As the 2021 Election Official for the City of North Salt Lake Municipal Primary Election, I recommend to the City Council the acceptance of the 2021 Municipal Primary Election Canvass.

**Possible Motion:**

I move that the City Council accept the 2021 Primary Municipal Election Canvass as presented.



# CITY OF NORTH SALT LAKE COMMUNITY & ECONOMIC DEVELOPMENT

---

10 East Center Street, North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

## MEMORANDUM

**TO:** Honorable Mayor and City Council

**FROM:** Ali Avery, Long Range Planner

**DATE:** August 17, 2021

**SUBJECT:** Consideration of Resolution No. 2021-28R: A resolution approving a subrecipient agreement for the conduct of a community development project between Davis County and the City of North Salt Lake and authorizing the City Manager to sign and execute the agreement.

### RECOMMENDATION

Staff recommends approval of Resolution No. 2021-28R: A resolution approving a subrecipient agreement for the conduct of a community development project between Davis County and the City of North Salt Lake and authorizing the City Manager to sign and execute the agreement.

### BACKGROUND

In November 2020, the City Council authorized the submittal of an application to Davis County for Community Development Block Grant (CDBG) funds for the purpose of constructing a section of sidewalk on Overland Road directly adjacent to Colonial Woods Mobile Home Park. By the same resolution, the City Council authorized matching funds at 25% of the total project cost. In July 2021, the Davis County Commission awarded the grant to the City, but was unable to fund the entire amount. At this time, the County wishes to enter into an agreement regarding the terms and administration of the grant which requires City Council approval.

The total project cost is estimated at \$66,624. The original grant request was for \$49,968 (75%) and \$16,656 (25%) in matching funds. Davis County has awarded the City \$48,000. Therefore, in order to comply with the grant agreement, the City match will need to be increased to \$18,624 (28%).

The attached resolution authorizes the City Manager to execute the agreement on behalf of the City Council in addition to authorizing the increased matching funds.

### POSSIBLE MOTION

I move that the City Council approve Resolution No. 2021-28R: A resolution approving a subrecipient agreement for the conduct of a community development project between Davis County and the City of North Salt Lake and authorizing the City Manager to sign and execute the agreement.

Attachments:

- 1) Resolution No. 2021-28R
- 2) Agreement No. 2021-26A

**RESOLUTION NO. 2021-28R**

**A RESOLUTION APPROVING A SUBRECIPIENT AGREEMENT FOR THE CONDUCT OF A COMMUNITY DEVELOPMENT PROJECT BETWEEN DAVIS COUNTY AND THE CITY OF NORTH SALT LAKE AND AUTHORIZING THE CITY MANAGER TO SIGN AND EXECUTE THE AGREEMENT**

**WHEREAS**, the City of North Salt Lake applied for and has been awarded funds for the Community Development Block Grant administered by Davis County in order to construct a section of sidewalk on Overland Road immediately adjacent to Colonial Woods Mobile Home Park; and,

**WHEREAS**, the Governing Bodies of Davis County and the City of North Salt Lake have prepared an agreement which provides for the administration of the project; and,

**WHEREAS**, the Governing Body of the City of North Salt Lake finds that it is desirous to enter into this agreement and that it has the authority to enter into said agreement.

**NOW THEREFORE BE IT RESOLVED** by the Governing Body of the City of North Salt Lake as follows:

1. The attached agreement entitled, SUBRECIPIENT AGREEMENT FOR THE CONDUCT OF A COMMUNITY DEVELOPMENT PROJECT between Davis County and the City of North Salt Lake is hereby approved by the City Council.
2. The City Manager is hereby authorized to sign and otherwise execute this agreement on behalf of the City Council.
3. The cost estimate for the project is \$66,624. The total grant award is \$48,000. City Staff is hereby instructed to set aside \$18,624 in matching funds.
4. This resolution shall become effective immediately upon passage.

**PASSED and ADOPTED** this 17<sup>th</sup> day of August, 2021.

---

Leonard K. Arave, Mayor

ATTEST:

---

Linda D. Horrocks, City Recorder

City Council Vote as Recorded:

<u>Name</u>	<u>Vote</u>
Lisa Baskin	_____
Natalie Gordon	_____
Brian Horrocks	_____
Ryan Mumford	_____
Stan Porter	_____

## SUBRECIPIENT AGREEMENT FOR THE CONDUCT OF A COMMUNITY DEVELOPMENT PROJECT

This subrecipient agreement for the conduct of a community development project is between Davis County, a body corporate and politic of the state of Utah, ("County"), and North Salt Lake City, a municipal corporation and politic of the State of Utah, 10 East Center Street North Salt Lake City, Utah 84054, ("Subrecipient"), DUNS Number 62-531-4653.

### RECITALS

A. County has entered into a grant agreement ("Grant Agreement") with the United States Department of Housing and Urban Development ("HUD") for financial assistance to conduct a Community Development Block Grant Program (the "CDBG Program") pursuant to Title I of the Housing and Community Development Act of 1974 (the "Act"), as amended, and the Rules and Regulations promulgated by HUD governing the conduct of Community Development Block Grant ("CDBG") programs, 24 Code of Federal Regulations ("CFR") Part 570, as amended, (the "Rules and Regulations") and the applicable provisions of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the "Super Circular"); and

B. As provided in the Rules and Regulations regulating CDBG program funds, County is authorized to contract by subgrant agreement with public entities or private non-profit entities for qualified activities and projects; and

C. Under this Agreement the Subrecipient will be a subrecipient of CDBG program funds from County under County's Urban-County CDBG Program.

THEREFORE, in consideration of the mutual promises, payments and other provisions hereof, the County and the Subrecipient agree as follows:

### GENERAL PROVISIONS

**1. Content of this Agreement.** This Agreement consists of this part "General Provisions," and the following listed attachments that are appended hereto and incorporated herein:

Attachment I - Statement of Work

Attachment II – Budget

Attachment III – Statistical Report and Gantt Chart

Attachment IV – Subrecipient Score Card

**2. Project Responsibility.** County, through its Community & Economic Development Office, is hereby designated as the representative of County regarding all CDBG Program matters. County is responsible for the overall administration and management of that program and the manner in which the activities or projects described herein are conducted. County will monitor the performance of Subrecipient against goals and performance standards required in Attachment I - Statement of Work. Substandard performance, as determined by County, will constitute non-compliance with this agreement. If action to correct such substandard performance is not taken by Subrecipient within a reasonable period of time after being notified by County, suspension or termination procedures will be initiated which may result in withdrawal or termination of funding.

- 3. Project(s) or Activities.** The project(s) or activities to be conducted hereunder are listed in County's "Consolidated Plan" as submitted to HUD for CDBG Program Year 2021, and are generally described as follows and referred to hereinafter as the "Project":

<b>PROJECT NUMBER</b>	<b>PROJECT TITLE</b>	<b>PROJECT TOTAL COSTS (\$)</b>
211	Overland Street Sidewalk Project	\$66,624

- 4. Statement of Work/Scope of Service.** Subrecipient shall perform or cause to be performed all work required for the Project(s) described generally in paragraph 3 and, in that performance, Subrecipient shall provide all personnel staffing and contracting, and provide all services and furnish all related real and personal property required. The Project(s) shall be performed in a manner satisfactory to County and in accordance with the provisions of this paragraph and with Attachment I appended to this Agreement. Attachment I contains a more detailed statement of the work that is to be done on the Project(s) but it is not intended to strictly limit the scope of that work (see Attachment I and any Sub-attachments thereto). Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet one of the CDBG program's National Objectives: (1) benefit low/moderate income persons; (2) aid in the prevention or elimination of slums or blight; or (3) meet community development needs having a particular urgency — as defined in 24 CFR § 570.208.

**5. Period of Performance.**

- A.** The period of performance of this Agreement shall be 12 months which period shall begin on July 1, 2021, and end on June 30, 2022. The Agreement expiration date will be 60 days after the period of performance. In the event the date on which this Agreement is fully signed is more recent than the above beginning date, then this Agreement shall be considered to be retroactive and to have taken effect on the above beginning date. However, in no event shall this Agreement be considered valid or binding if not signed prior to the termination date set forth above. All costs which are incurred on any of the Project(s) by Subrecipient after the effective date of this Agreement and which have been determined by County to be appropriate and allowable costs of the Project(s) shall be eligible for reimbursement and payment hereunder.
- B.** This Agreement may be extended at County's sole option for two additional 12 month periods on the same terms and conditions and in such amount and budget as shall be attached to said written notice from County to Subrecipient; however, such extension does not permit Subrecipient to carry over funds from the budget attached hereto into such extension period. No extensions will be granted after expiration or termination of this Agreement.
- C.** All performance of this Agreement shall be undertaken and completed by Subrecipient in an expeditious manner and shall not extend beyond the end of the contract expiration date specified in paragraph 5.A, unless the Parties elect to extend this Agreement as provided in paragraph 5.B. All amendments of this Agreement, including extensions of time and termination, shall be accomplished in writing and in accordance with all requirements of subparagraph 10.G.

**6. Budget.**

- A.** A budget ("Budget(s)") must be prepared for each of the Projects listed in paragraph 3 and submitted to County for review prior to the start of each of the Project(s). These Budgets

must be approved by County and be attached to this Agreement when executed. The Project(s) shall be identified as Attachment II, with a sub-attachment number, if appropriate, for each Project. Each of the Budget(s) shall be prepared in a format that is acceptable to County and, in general, shall list the major cost elements of the Project with the estimated cost of each of those elements equaling in sum total the fixed total project cost to be paid or reimbursed to Subrecipient for that Project, as provided in paragraph 3.

- B.** Subrecipient shall adhere to the requirements of the Budget(s) as approved by County but is not precluded from making changes in the amounts budgeted for the major cost elements within the Budget(s) or between Project Budgets as such changes become necessary. All changes within the Budget(s), however, shall be reported to County in a timely manner for acceptance and approval. All proposed changes in the total amount of any of the Budget(s) under this Agreement that would increase or decrease the total amount of funding specified in paragraph 7.A., or result in a change in the scope, location or beneficiaries of the Project, shall be submitted to County for prior approval and must be formally authorized by a written amendment to this Agreement in accordance with the provisions of subparagraph 10.G.

## **7. Funding Amount/Payment.**

- A.** Subject to the requirements of this Agreement, County will fund the Subrecipient for the full performance of this Agreement and the actual conduct of the Project(s) specified herein a total sub-grant amount of \$48,000, for all Projects undertaken by Subrecipient. This is a fixed ceiling amount and shall not be considered as an “estimate-of-cost,” “percentage-of-cost” or any kind of “cost-plus” sum, price, or amount. In addition, as used in this Agreement, unless the context indicates otherwise, the words “expend,” “expended” and “expenditure” shall include all amounts obligated or committed by Subrecipient by written agreement (including unilateral purchase orders) for expenditure on the Project(s).
- B.** Subrecipient must make a concerted, good-faith effort to expend the total subgrant amount specified in paragraph 7.A. within the period of performance stated in paragraph 5. Subrecipient costs and expenditures, however, shall not exceed the total funding amount. County shall not be liable for or reimburse Subrecipient for any extra costs or overruns on the Project(s) or any additional funding in excess of the total amount stated above without prior written amendment of the agreement in accordance with subparagraph 10.G.
- C.** In the event the full funding amount to be paid or reimbursed hereunder by County is not expended by Subrecipient for project costs as specified in Attachment II by the end of the contract expiration date, as that period may have been extended or otherwise changed, Subrecipient shall refund, release, or transfer any unexpended amount back to County within 30 days. Any project funds held by County at the end of the period of performance or refunded, released, or transferred to County shall be reallocated by County. Subrecipient shall be eligible to apply for these funds but shall have no greater priority than any other applicant.
- D.** In the event that congressional action, HUD rules and regulations, or other lawful directive modifies or reduces the funds and/or services obligated under this Agreement, Subrecipient shall, upon notice from County, immediately modify or reduce the scope of work or cease expenditures hereunder as directed by Congress, HUD, County or other lawful directive.
- E.** Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

- 8. Notices.** Notices required by this Agreement or other written communications between the parties must be in writing and delivered either personally or by United States mail. Notices delivered personally shall be effective upon delivery and notices sent by United States mail will be effective three business days after deposit in the United States mail. All notices and other written communications under this Agreement must be addressed as set forth below, unless otherwise modified by subsequent written notice.

<u>County</u>	<u>Subrecipient</u>
Davis County	North Salt Lake City
Community & Economic Development	Community Development
Attn: Stephen Lyon, Grants Administrator	Ali Avery, Senior Planner
61 South Main St, Suite 304	10 East Center Street
Farmington, UT 84025	North Salt Lake, Utah 84054

**9. Special Conditions (Reserved).**

**10. General Conditions.**

**A. General Compliance.**

- (1) Subrecipient agrees to comply with the requirements of the CDBG program regulations, found at 24 CFR Part 570, and all incorporated and related federal regulations, statutes, policies, and directives, as applicable. Subrecipient also agrees to comply with all other applicable federal, state, and local laws, regulations, policies, and Davis County program directives governing the funds and services provided under this Agreement, including, but not limited to, 2 CFR Part 200. The following information is provided pursuant to 2 CFR § 200.331(a)(1):
- (a) Subrecipient name: North Salt Lake City;
  - (b) Subrecipient’s unique entity identifier (EIN): 87-6000626/5D3K3;
  - (c) Federal Award Identification No. (FAIN): B-21-UC-49-0002;
  - (d) Federal award date: May 21, 2021;
  - (e) Subaward period of performance state and end date: July 1, 2021-June 30, 2022;
  - (f) Amount of federal funds obligation by this action: \$48,000;
  - (g) Total amount of federal funds obligation to Subrecipient by County: \$48,000;
  - (h) Total amount of federal award committed to Subrecipient by County: 48,000;
  - (i) Federal award project description: Public Facilities project sidewalk repair/replacement in an LMA area of NSL;
  - (j) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity: U.S. Dept. of Housing and Urban Development; Davis County, Grants Administrator, 61 S. Main St. Ste. 304, Farmington, UT 84025;
  - (k) CFDA number and name; Dollar amount under federal award; and CFDA number at time of disbursement: 14.218, Community Development Block Grant (CDBG);
  - (l) Indirect cost rate for the Federal award: subrecipient shall refer to 2 CFR § 200.413.
- (2) Subrecipient Certifications. In accordance with the applicable statutes and the regulations governing the consolidated plan regulations and this Agreement, the Subrecipient will abide by the applicable certifications found at: <https://www.hudexchange.info/resource/2396/consolidated-plan-certifications-state-and-non-state/>.

**B. Independent Contractor.** The relationship of County and Subrecipient under this Agreement shall be that of an independent contractor status. Each party shall have the entire responsibility to discharge all of the obligations of an independent contractor under federal, state and local law, including, but not limited to, those obligations relating to employee supervision, benefits and wages; taxes; unemployment compensation and insurance; social security; worker's compensation; disability pensions and tax withholdings, including the filing of all returns and reports and the payment of all taxes, assessments and contributions and other sums required of an independent contractor. Nothing contained in this Agreement shall be construed to create the relationship between County and Subrecipient of employer and employee, partners, or joint venturers. The parties agree that Subrecipient's obligations under this Agreement are solely to the County. This Agreement shall not confer any rights to third parties unless otherwise expressly provided for under this Agreement.

**C. Indemnification.** Both parties are governmental entities under the Governmental Immunity Act, §§ 63G-7-101 et seq., Utah Code Annotated. Therefore, consistent with the terms of the Act, the parties agree that each party is responsible and liable for any wrongful or negligent acts which it commits or which are committed by its agents, officials, or employees. Neither party waives any defenses or limits of liability otherwise available under the Act and all other applicable law. Both parties maintain all privileges, immunities, and other rights granted by the Act and all other applicable law.

**D. Insurance for contracts over \$50,000 and all Facility Improvement Projects.**

Subrecipient shall, at its sole cost and expense, secure and maintain during the term of this Agreement, including all renewal or additional terms, the following minimum insurance coverage:

(1) General insurance requirements for all policies.

- (a) Subrecipient shall furnish certificates of insurance, acceptable to County, verifying compliance with the insurance requirements herein prior to the execution of this Agreement. Subrecipient shall also provide updated certificates of insurance on or before the anniversary date of any of the evidenced policies throughout the life of this Agreement.
- (b) In the event any work is subcontracted, Subrecipient shall require its subcontractor, at no cost to County, to secure and maintain all minimum insurance coverages required of Subrecipient hereunder.
- (c) Subrecipient's insurance policies shall be primary and non-contributory to any other coverage available to County. The workers' compensation, general liability, and auto liability policies shall be endorsed with a waiver of subrogation in favor of County.
- (d) In the event that governmental immunity limits are subsequently altered by legislation or judicial opinion, Subrecipient shall provide a new certificate of insurance within thirty (30) days after being notified thereof in writing by County, certifying coverage in compliance with the modified limits or, if no new limits are specified, in an amount acceptable to County.
- (e) In the event Subrecipient fails to maintain and keep in force any insurance policies as required herein, County shall have the right at its sole discretion to obtain such coverage and reduce payments to Subrecipient for the costs of said insurance.

- (2) Required insurance policies. Subrecipient agrees to secure and maintain the following required policies of insurance in accordance with the general insurance requirements set forth in the preceding subparagraph:
- (a) Workers' compensation and employer's liability insurance sufficient to cover all of Subrecipient's employees unless a waiver of coverage is allowed and acquired pursuant to Utah law. This requirement includes contractors who are doing business as an individual and/or as a sole proprietor as well as corporations, limited liability companies, joint ventures, and partnerships. In the event any work is subcontracted, Subrecipient shall require its subcontractor(s) similarly to provide workers' compensation and employer's liability insurance for all of their employees, unless a waiver of coverage is allowed and acquired pursuant to Utah law.
  - (b) Commercial general liability insurance, on an occurrence form, with the following minimum limits—\$1,000,000 per occurrence, \$10,000 medical expense (any one person), \$2,000,000 personal and advertising injury, \$2,000,000 general aggregate, and \$2,000,000 products completed operations policy aggregate. The policy shall protect Subrecipient and any subcontractor from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from Subrecipient's operations under this Agreement, whether performed by Subrecipient itself, any subcontractor, or anyone directly or indirectly employed by either of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, and completed operations. Similar coverage through an indemnity pool or governmental trust may be accepted by County if presented by Subrecipient and approved by County.
  - (c) If Subrecipient will be operating a vehicle in connection with any services rendered under this Agreement, regardless of the amount provided in the Agreement, commercial automobile liability insurance that provides coverage for owned, hired, and non-owned automobiles, in the minimum amount of \$1,000,000 for combined single limit each occurrence.

**E. Bond Requirements.** If the Project(s) involves construction or rehabilitation costing \$25,000 or more, Subrecipient may require that contractors furnish, at the contractors' expense, a separate performance bond and a labor and materials bond, each for an amount not less than 100% of the contract price, or such other assurances as approved in writing by County. If required, the bonds shall be issued by a qualified corporate surety licensed to transact business in Utah. If at any time during performance of the work, the surety on the bonds shall be disqualified from doing business in Utah, or shall become insolvent or otherwise impaired, contractors shall furnish bonds from an alternate surety acceptable to County and Subrecipient. The bonds shall remain in effect until completion of the Project(s) including completion of all warranty and guaranty work and shall be delivered to County prior to the commencement of any work. Subrecipient shall secure an increase in the bonds in an amount equal to the cost of any additional work authorized pursuant to a duly executed change order or amendment to this Agreement.

**F. Grantor Recognition.** Subrecipient shall insure recognition of the role of HUD in providing services through this Agreement. All activities, facilities, and items funded under this Agreement shall be prominently labeled as to funding source. In addition, Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

**G. Amendments.**

- (1) Either of the parties may request amendments to any of the provisions of this Agreement at any time during the period of performance but no amendment shall be made or performed until it has been mutually agreed to by the parties. All amendments shall be authorized by a duly executed modification of this Agreement prior to any work being done, except that, extensions of time amendments in the period of performance and contract expiration date may be authorized and given by County as provided below.
- (2) County may, in its discretion, amend this Agreement to conform with federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the purpose, the scope of services, the location, or beneficiaries of the Project(s) to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both County and Subrecipient.
- (3) All adjustments or extensions of time proposed for the performance of this Agreement and extension of contract expiration date shall be requested in writing by Subrecipient and be submitted to County for processing. All such requests must be received prior to the termination date set forth in paragraph 5 or in any subsequent valid amendments or extensions to the agreement in force at the time of the request. Upon approval by County, the parties shall each sign a written amendment to this Agreement.

**H. Suspension and Termination.**

- (1) Remedies for noncompliance. County and Subrecipient acknowledge and agree that if Subrecipient fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, HUD or County may impose additional conditions, as described in 2 C.F.R. §200.207 Specific conditions. County and Subrecipient further acknowledge and agree that if HUD or County determines that noncompliance cannot be remedied by imposing such additional conditions, HUD or County may take one or more of the following actions, as appropriate in the circumstances:
  - (a) Temporarily withhold cash payments pending correction of the deficiency by Subrecipient or more severe enforcement action by HUD or County.
  - (b) Deny both use of funds and any applicable matching credit for all or part of the cost of the activity or action not in compliance.
  - (c) Wholly or partly suspend or terminate the Federal award.
  - (d) For HUD, initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations; for County, recommend that HUD initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations.
  - (e) Withhold further Federal awards for the project or program.
  - (f) Take other remedies that may be legally available.
- (2) Termination.
  - (a) County and Subrecipient acknowledge and agree that the Federal award may be terminated in whole or in part as follows:
    - (i) By HUD or County, if Subrecipient fails to comply with the terms and conditions of a Federal award;
    - (ii) By HUD or County for cause;

- (iii) By HUD or County with the consent of Subrecipient, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or
  - (iv) By Subrecipient upon sending to HUD or County written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if HUD or County determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, HUD or County may terminate the Federal award in its entirety.
- (b) County and Subrecipient acknowledge and agree that when a Federal award is terminated or partially terminated, both HUD or County and Subrecipient remain responsible for compliance with the requirements of 2 C.F.R. § 200.343 Closeout and 2 C.F.R. § 200.344 Post-closeout adjustments and continuing responsibilities.
- (3) Notification of termination requirement.
- (a) County and Subrecipient acknowledge and agree that HUD or County must provide to Subrecipient a notice of termination.
  - (b) County and Subrecipient further acknowledge and agree that if the Federal award is terminated for Subrecipient's material failure to comply with the Federal statutes, regulations, or terms and conditions of the Federal award, the notification must state that:
    - (1) The termination decision will be reported to the OMB-designated integrity and performance system accessible through SAM (currently FAPIIS);
    - (2) The information will be available in the OMB-designated integrity and performance system for a period of five years from the date of the termination, then archived;
    - (3) Federal awarding agencies that consider making a Federal award to the non-Federal entity during that five year period must consider that information in judging whether Subrecipient is qualified to receive the Federal award, when the Federal share of the Federal award is expected to exceed the simplified acquisition threshold over the period of performance;
    - (4) The non-Federal entity may comment on any information the OMB-designated integrity and performance system contains about the non-Federal entity for future consideration by Federal awarding agencies. The non-Federal entity may submit comments to the awardee integrity and performance portal accessible through SAM (currently (CPARS)).
    - (5) Federal awarding agencies will consider non-Federal entity comments when determining whether the non-Federal entity is qualified for a future Federal award.
  - (c) County and Subrecipient also acknowledge that upon termination of a Federal award, the Federal awarding agency must provide the information required under FFATA to the Federal Web site established to fulfill the requirements of FFATA, and update or notify any other relevant governmentwide systems or entities of any indications of poor performance as required by 41 U.S.C. 417b and 31 U.S.C. 3321 and implementing guidance at 2 CFR part 77 (forthcoming at time of publication). See also the requirements for Suspension and Debarment at 2 CFR part 180.

- (4) Opportunities to object, hearings and appeals. County and Subrecipient acknowledge that upon taking any remedy for noncompliance, the Federal awarding agency must provide Subrecipient an opportunity to object and provide information and documentation challenging the suspension or termination action, in accordance with written processes and procedures published by the Federal awarding agency. The Federal awarding agency or County must comply with any requirements for hearings, appeals or other administrative proceedings to which Subrecipient is entitled under any statute or regulation applicable to the action involved.
  - (5) Effects of suspension and termination. Costs to Subrecipient resulting from obligations incurred by Subrecipient during a suspension or after termination of a Federal award or subaward are not allowable unless the Federal awarding agency or County expressly authorizes them in the notice of suspension or termination or subsequently. However, costs during suspension or after termination are allowable if:
    - (a) The costs result from obligations which were properly incurred by Subrecipient before the effective date of suspension or termination, are not in anticipation of it; and
    - (b) The costs would be allowable if the Federal award was not suspended or expired normally at the end of the period of performance in which the termination takes effect.
- I. Licensing.** Subrecipient will obtain all licenses, permits, and/or certificates required by federal, state, and local government statutes, laws, ordinances, and/or regulations required by every governmental jurisdiction in which the Program is provided for the duration of this Agreement. Subrecipient shall have said licenses, permits, and certificates available during normal business hours for inspection by County.

## **11. Administrative Requirements.**

- A. Uniform Requirements.** Subrecipient shall comply with 2 CFR part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements” as modified by 24 CFR § 570.502. The Super Circular supersedes and consolidates the requirements from OMB Circulars A-21, A-50, A-87, A-89, A-102, A-110, A-122, and A-133.
- B. Other Program Requirements.** Subrecipient shall comply with the program requirements set forth at 24 CFR part 570, subpart K, except that Subrecipient does not assume County’s environmental responsibilities described at 24 CFR § 570.604, and Subrecipient does not assume County’s responsibility for initiating the review process under 24 CFR part 52.
- C. Financial Management.** Subrecipient agrees to comply with the standards for financial and program management in accordance with 2 CFR Part 200, Subpart D and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.
- D. Cost Principles.** Subrecipient, as specified in 24 CFR § 570.502(a), shall administer its program in conformance with 2 CFR Part 200, Subpart E, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.
- E. Allowable Costs.** Federal awards will meet the following general criteria in order to be allowable except where otherwise authorized by statute;  
Be necessary and reasonable for proper and efficient performance and administration of Federal awards. Be allocable to Federal awards under the provisions of the Uniform Guidance.

Be authorized or not prohibited under State or local laws or regulations. Conform to any limitations or exclusions set forth in this policy, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.

Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the County or subrecipient.

Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

Except as otherwise provided for in the Uniform Guidance, be determined in accordance with generally accepted accounting principles. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation. Be the net of all applicable credits (ex. Program Income).

Be adequately documented.

#### **F. Reasonable Costs**

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally funded. In determining reasonableness of a given cost, consideration shall be given to:

Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the County or the subrecipient of the County for the performance of the Federal award.

The restraints or requirements imposed by such factors as: sound business practices; arms-length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.

Market prices for comparable goods or services.

Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the County or subrecipient of the County, its employees, the public at large, and the Federal Government.

Significant deviations from the established practices of the County which may unjustifiably increase the Federal award's cost.

#### **G. Allocable Costs**

A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. All activities which benefit from the County's indirect cost, including unallowable activities and services donated to the County by third parties, will receive an appropriate allocation of indirect costs.

Any cost allocable to a particular Federal award or cost objective under the principles provided for in the Uniform Guidance may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons.

Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required.

#### **H. Documentation and Record-Keeping.**

(1) Records to be Maintained. Subrecipient shall maintain all records required by the federal regulations specified in 24 CFR § 570.506, pertinent to the activities to be

funded under this Agreement. Such records include, but are not limited to, the following:

- (a) Records providing a full description of each activity undertaken;
  - (b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
  - (c) Records required to determine the eligibility of activities;
  - (d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
  - (e) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
  - (f) Financial records as required by 24 CFR 570.502, and 24 CFR 84.21–28; and
  - (g) Other records necessary to document compliance with Subpart K of 24 CFR Part 570.
- (2) Retention. Records shall be retained for the periods set forth at 24 CFR § 570.502(a)(7)(ii) and 2 CFR § 200.333. The retention period for individual CDBG activities shall be the longer of three years after the expiration/termination of the agreement or after the submission of the annual performance and evaluation report in which the specific activity is reported on for the final time by County. Records subject to reversion of assets or change or use provisions must be maintained for as long as those provisions continue to apply to the activity. Records of outstanding loan balances or other receivables or contingent liabilities must be retained until such receivables or liabilities have been satisfied. Records for non-expendable property acquired with funds under this Agreement shall be retained for three years after final disposition of such property. Records for any displaced person must be kept for three years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later.
- (3) Client Data. Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.
- (4) Disclosure. Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of County's or Subrecipient's responsibilities with respect to services provided under this Agreement, is prohibited without lawful court order unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.
- (5) Property Records. The Subrecipient shall maintain real property inventory records, which clearly identify properties purchased, improved, or sold. Subrecipient will adhere to 2 CFR § 200.329, which requires annual reporting of real property for which there is a Federal interest. If the Federal interest extends beyond 15 years the reporting periods are multiyear reporting periods.
- (6) Close-Outs. Subrecipient's obligation to County shall not end until all close-out requirements, which are set forth at 2 CFR § 200.343, are completed. Activities during

this close-out period shall include, but are not limited to, making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to County), and determining the custodianship of records.

- (7) Audits and Inspections. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to County, grantor agency, their designees or the federal government, at any time during normal business hours, as often as County or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by Subrecipient within a time period as agreed upon by County and Subrecipient after receipt by Subrecipient. Failure of Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments or refunding of payments to County. Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current County policy or practice concerning Subrecipient audits and, as applicable, 2 CFR Part 200, Subpart F.

#### **I. Reporting and Payment Procedures.**

- (1) Program Income. Subrecipient shall return all program income, as defined at 24 CFR § 570.500(a), to County immediately upon being earned. Program income in possession, custody, or control of Subrecipient at either the expiration or termination of this Agreement or after this Agreement expires or is terminated, shall be paid to County in accordance with the provisions of subparagraph 11.H, Reversion of Assets. At the end of the program year County may require remittance of all or part of any program income balances (including investments thereof) held by Subrecipient, except those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for section 108 security needs.
- (2) Indirect Costs. Indirect costs may be charged if Subrecipient develops an indirect cost allocation plan, prepared in accordance with 2 CFR Part 200, Subpart E, for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to County for approval.
- (3) Payment Procedures/Methods of Disbursement.
  - (a) Subrecipient may request disbursement from County of that part of the funding amount stated in paragraph 7, relating to a particular Project, either on the basis of a lump sum reimbursement of the Project costs upon completion or on the basis of periodic reimbursement payments during the course of a Project as the funds for that Project are expended.
  - (b) A request by Subrecipient for either a lump sum or for periodic reimbursement payments on a Project shall be in a form and content as prescribed by County and shall be submitted to County for review and for a determination of eligibility for payment. Upon approval by County, County will pay Subrecipient. Requests for periodic payments shall be supported and documented as required by County on the basis of costs actually incurred by Subrecipient on a Project during the period for which payment is requested.
  - (c) Prepayment of the funds stated in paragraph 7 or a partial advance of funds to Subrecipient for a Project may be made by County if the nature of the Project or unusual circumstances justify such payment. Any prepayment or advance payment

made hereunder must be justified in writing by Subrecipient and must be pre-approved and authorized by County. With the exception of certain advances, payments will be made for eligible expenses actually incurred by Subrecipient, and are not to exceed actual cash requirements. Payments will be adjusted by County in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, County reserves the right to liquidate funds available under this Agreement for costs incurred by County on behalf of Subrecipient.

- (d) Expenditures under this Agreement, whether or not prepaid, determined by County or HUD to be ineligible for reimbursement or which are inadequately documented will, upon written request, be immediately refunded to County by Subrecipient.
  - (e) No requests for reimbursement or other payments under this Agreement due to cost overruns of any kind on the Project(s) shall be approved, allowed, or paid by County unless the amount requested has been approved by a written amendment and authorized in accordance with the provisions of Paragraph 10.G.
- (4) Progress Reports. During the actual conduct of the Project, Subrecipient shall prepare and submit to County every three months, or as otherwise specifically requested by County, a detailed project status report. The report format shall be as approved by County but must show, at a minimum, the current performance status of the Project being reported, the costs and contractual commitments incurred to date that have been charged to that project, the beneficiaries of the project, the money leveraged by CDBG-funded Activity, information relating to the HUD performance indicators, and any CDBG program income received on that project for the period preceding the report date.

**J. Procurement.** Subrecipient shall procure all materials, property, or services in accordance with the procurement standards of 2 CFR Part 200, Subpart D, except when Subrecipient's procurement standards are more restrictive, in which case Subrecipient shall implement its procurement standards.

**K. Reversion of Assets.** As provided in 24 CFR § 570.503(b)(7), upon the expiration or termination of this Agreement, Subrecipient shall transfer to County any unexpended CDBG funds provided under this Agreement, all program income in its possession, custody, or control that Subrecipient has not returned to County, and any accounts receivable attributable to the use of CDBG funds provided under this Agreement. Any real property under Subrecipient's control that was acquired or improved, in whole or in part, with CDBG funds is subject to the following:

- (1) Real Property Acquired with CDBG Funds. All real property acquired by Subrecipient in whole or in part with CDBG funds in excess of \$25,000 must be used for a minimum of 15 years following the expiration or termination of this Agreement to meet one of the national objectives, found at 24 CFR § 570.208, of benefiting low and moderate income persons, aiding in the prevention or elimination of slums and blight, or meeting community development needs having a particular urgency.
- (2) Real Property Improved with CDBG Funds. All real property improved in whole or in part with CDBG funds in excess of \$25,000 must be used by Subrecipient to meet one of the national objectives found at 24 CFR § 570.208 in accordance with the following timetable:
  - (a) A minimum of five years following the expiration or termination of this Agreement for CDBG funds between \$25,001 and \$99,999;

- (b) A minimum of ten years following the expiration of termination of this Agreement for CDBG funds between \$100,000 and \$199,999; and
  - (c) A minimum of 15 years following the expiration or termination of this Agreement for CDBG funds of \$200,000 and above.
- (3) If Subrecipient desires to change the use of real property covered by this paragraph prior to the expiration of the applicable period listed above, it must comply with the following:
- (a) Provide affected citizens with reasonable notice of any proposed change in use and an opportunity to comment; and
  - (b) Ensure that the new use meets a CDBG national objective; or
  - (c) Pay County an amount equal to the market value of the real property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the real property. This payment by Subrecipient to County is program income to County.
- (4) The threshold amounts set forth in subparagraph 2 above are cumulative, based on the total CDBG funding provided to Subrecipient in this Agreement for acquisition or improvement of real property, plus any previous or subsequent CDBG funding provided by County to acquire or improve said real property. However, the use periods set forth in subparagraph 2 do not commence until closeout of the final agreement under which Subrecipient receives such acquisition or improvement funds.

**L. Equipment.** Equipment means tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit (2 CFR § 200.33). Subrecipient shall comply with 2 CFR Part 200, Subpart D as modified by 24 CFR § 570.502(a)(6). In the event the policies of Subrecipient are more restrictive than those in 2 CFR Part 200, Subpart D, the more restrictive standards and requirements will apply.

**12. Displacement, Relocation, Acquisition, and Replacement of Housing.** Subrecipient agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR § 570.606(b); the requirements of 24 CFR § 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the Housing and Community Development Act; and the requirements in § 570.606(d) governing optional relocation policies. (County may preempt the optional policies.) Subrecipient shall provide relocation assistance to persons (families, individuals, businesses, nonprofit organizations, and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. Subrecipient also agrees to comply with applicable state law, including Utah Code Annotated, §57-12-1, *et seq.* (1953, as amended), and County ordinances, resolutions and policies concerning the displacement of persons from their residences.

### **13. Personnel & Participant Conditions.**

#### **A. Civil Rights.**

- (1) Nondiscrimination and Equal Opportunity.
  - (a) Subrecipient, and all persons acting on its behalf, agree to comply with the non-discrimination and equal opportunity requirements set forth in 24 CFR § 5.105 and with all federal, state and county laws governing discrimination, and they

shall not discriminate in the application, screening, employment, participation, or any other involvement of any person in relation to any phase of the Project(s).

- (b) Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Subrecipient agrees to post in conspicuous places notices setting forth the provisions of this nondiscrimination clause.
  - (c) Subrecipient will, in all solicitations or advertisements for employees, state that it is an Equal Opportunity or Affirmative Action employer. Subrecipient must comply with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Part 60, as enforced by the Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.
- (2) Excessive Force. Subrecipient agrees that it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
  - (3) Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR §§ 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that County and the United States are beneficiaries of and entitled to enforce such covenants. Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.
  - (4) Section 504. Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (290 U.S.C. 706), which prohibits discrimination against the disabled in any federally assisted program. County shall provide Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

#### **B. Affirmative Action.**

- (1) Approved Plan. Subrecipient agrees that it shall be committed to carry out an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086 and

12107 regarding Equal Employment Opportunity programs; and implementing regulations at 41 CFR Part 60.

- (2) **Women- and Minority-Owned Businesses.** Subrecipient will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement in keeping with the principles as provided in President's Executive Order 11625, as amended by Executive Order 12007 (Minority Business Enterprises); Executive Order 12432 (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (Women's Business Enterprise). As used in this Agreement, the term "minority and Women's business enterprise" means a business at least 51% owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are those groups of U.S. citizens found to be disadvantaged by the Small Business Administration pursuant to Section 8(d) of the Small Business Act. Subrecipient may rely on written representations by businesses regarding their status as minority and women business enterprises in lieu of an independent investigation.
- (3) **Access to Records.** Subrecipient shall furnish and cause each of its own subgrantees or subcontractors to furnish all information and reports required by County and will permit access to its books, records, and accounts by County, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.
- (4) **Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement.** Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.
- (5) **Subcontract Provisions.** Subrecipient will include the provisions of subparagraphs 12.A., Civil Rights, and 12.B., Affirmative Action, in every subcontract, specifically or by reference, so that such provisions will be binding upon each of its own subgrantees or subcontractors.

### **C. Employment Restrictions.**

- (1) **Prohibited Activity.** Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.
- (2) **Labor Standards.**
  - (a) **Davis-Bacon.**
    - (i) For all contracts and subcontracts for construction, alteration, or repair in excess of \$2,000, Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276a1-276a7, as amended, including (a)(1) Minimum wages, (a)(2) Withholding, (a)(3) Payrolls and basic records, (a)(4) Apprentices and trainees, (a)(5) Compliance with Copeland Act requirements, (a)(6) Subcontracts, (a)(7) Contract termination: debarment, (a)(8) Compliance with Davis-Bacon and Related Act requirements, (a)(9) Disputes concerning labor standards, and (a)(10) Certification of eligibility.
    - (ii) Subrecipient agrees that, except for the rehabilitation or construction of residential property containing less than eight (8) units, all contracts or subcontracts in excess of \$2,000.00 for construction, renovation or repair work

financed in whole or in part with assistance provided under this Agreement, shall comply with federal requirements pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided, that if the wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve Subrecipient of its obligation, if any, to require payment of the higher wage. Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this subparagraph.

- (b) **Work Hours.** Subrecipient agrees to comply with the requirements of the Contract Work Hours and Safety Standards Act, 40 U.S.C. § 327; and the Copeland "Anti-Kickback" Act; 40 U.S.C. § 276c, and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. Subrecipient shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to County for review upon request.
- (3) **"Section 3" Compliance.** Subrecipient, and any of Subrecipient's subrecipients and subcontractors, shall comply with the provisions of Section 3 of the Housing and Urban Development Act, as set forth at 24 CFR Part 135. Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements. Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

**D. Conduct.**

- (1) **Assignments and Contracting.** The responsibility for the performance of this Agreement shall not be assigned, transferred, or contracted out by Subrecipient without the prior, written consent of County. Contracts or purchase orders by Subrecipient for the acquisition of equipment, materials, supplies, or services for the Project do not require the consent of County but shall be done in accordance with the competitive bidding requirements described in subparagraph 11.G above and any applicable state laws and local government ordinances.
- (2) **Subcontracts.**
  - (a) **Approvals.** Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the consent of County prior to the execution of such agreement.
  - (b) **Monitoring.** Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
  - (c) **Content.** Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

- (d) Selection Process. Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to County along with documentation concerning the selection process.
- (e) Debarment and Suspension. No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension" as set forth at 24 CFR Part 24.
- (3) Hatch Act. Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V, United States Code.
- (4) Citizen Participation. Subrecipient has had the opportunity to review and follows County's Citizen Participation Plan which satisfies the requirements for 24 CFR § 91.105.
- (5) Community Development Plan. Subrecipient has had the opportunity to review and follows County's Community Development Plan, specifically identifying short-term and long-term community development objectives that provide for decent housing, expanding economic opportunities for persons of low- and moderate-income.
- (6) Conflict of Interest. Subrecipient agrees to abide by the provisions of 24 CFR § 570.611 and 2 CFR § 200.112 with respect to conflicts of interest, and certifies that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of County, or of any designated public agency or Subrecipient receiving funds under the CDBG Entitlement program.
- (7) Ethical Standards. Subrecipient represents that it has not: (a) provided an illegal gift or payoff to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or County ordinances.
- (8) Public Funds and Public Monies.
  - (a) Definitions: "Public funds" and "public monies" mean monies, funds, and accounts, regardless of the source from which they are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body. The terms also include monies, funds, or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services. Said funds shall maintain the nature of "public funds" while in Subrecipient's possession.

- (b) Subrecipient's Obligation: Subrecipient, as recipient of "public funds" and "public monies" pursuant to this and other contracts related hereto, expressly understands that it, its officers, and employees are obligated to receive, keep safe, transfer, disburse and use these "public funds" and "public monies" as authorized by law and this Agreement for the provision of services to County. Subrecipient understands that it, its officers, and employees may be criminally liable under §76-8-402, Utah Code Annotated, for misuse of public funds or monies. Subrecipient expressly understands that County may monitor the expenditure of public funds by Subrecipient. Subrecipient expressly understands that County may withhold funds or require repayment of funds from Subrecipient for contract noncompliance, failure to comply with directives regarding the use of public funds, or for misuse of public funds or monies.
- (9) Lobbying. Subrecipient hereby certifies that:
- (a) No federally appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement;
  - (b) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit a Disclosure Form to Report Lobbying in accordance with its instructions;
  - (c) It will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subawards shall certify and disclose accordingly; and
  - (d) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
  - (e) No funds may be expended for lobbying purposes and payments from other sources for lobbying must be disclosed (24 CFR Part 87); Subrecipient, if a public entity, shall also comply with the provisions of the Hatch Act (5 USC 1501-1508) and the Intergovernmental Personnel Act of 1970 as Amended by Title VI of the Civil Service Reform Act (Pub. L. 95-454 Section 4728), which limit political activities of public employees.
- (10) Copyright. If this Agreement results in any copyrightable material or inventions, County and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

- (11) Religious Organization. Subrecipient agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR § 570.200(j).
14. Drug-Free Workplace. Pursuant to the Drug-Free Workplace Act of 1988, 42 U.S.C. § 701, Subrecipient certifies that it will provide a drug-free workplace in accordance with the Act and with the rules found at 2 CFR Section 2429.
15. **Environmental Conditions.**
- A. Air and Water.** Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:
- (1) Clean Air Act, 42 U.S.C., § 7401, *et. seq.*; and
  - (2) Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, as amended, relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- B. Flood Disaster Protection.** In accordance with the requirements of the Flood Disaster Protection Act of 1973, 42 U.S.C. § 4001, Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).
- C. Lead-Based Paint.** Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR § 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint poisoning and the advisability and availability of blood lead level screening for children age six and under. The notice should also point out that if lead-based paint is found on the property, interim controls or paint stabilization may be undertaken.
- D. Historic Preservation.** Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, 16 U.S.C. § 470, as amended, and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.
16. **Employee Status Verification System.** Subrecipient shall register and participate in the Status Verification System before entering into a contract with County as required by Utah Code § 63G-12-302(3). The Status Verification System is an electronic system operated by the federal government, through which an authorized official of a state agency or a political subdivision of the state may inquire by exercise of authority delegated pursuant to 8 U.S.C. § 1373 to verify the citizenship or immigration status of an individual within the jurisdiction of the agency or political subdivision. Subrecipient is individually responsible for verifying the employment status of only new employees who work under Subrecipient's supervision or direction and not those who work for another contractor or subcontractor, except each

contractor or subcontractor who works under or for another contractor shall certify to the main contractor by affidavit that the contractor or subcontractor has verified, through the Status Verification System, the employment status of each new employee of the respective contractor or subcontractor. Subrecipient shall comply in all respects with the provisions of Utah Code § 63G-12-302(3). Subrecipient's failure to so comply may result in the immediate termination of its contract with County.

- 17. Survival of Provisions.** The parties to this Agreement specifically agree that all the paragraphs, terms, conditions and other provisions of this Agreement that require some action to be taken by either or both of the parties upon or after the expiration or termination hereof shall survive the expiration or termination of this Agreement and shall be completed, taken or performed as provided herein or as may be required under the circumstances at that time.
- 18. Waiver.** No waiver or failure to enforce one or more parts or provisions of this Agreement shall be construed as a continuing waiver of any part or provision of this Agreement, which shall preclude the parties from receiving the full-bargained-for benefit under this Agreement. A waiver of any of the provisions of this contract or of any breach thereof shall not constitute a waiver of any other provision or breach, whether or not similar, and any such waiver shall not constitute a continuing waiver.
- 19. Entire Agreement.** This Agreement, including all attachments, constitutes the entire agreement and understanding between the parties with respect to the subject matter herein. There are no other written or oral agreements, understandings, or promises between the parties that are not set forth herein. Unless otherwise set forth herein, this contract supersedes and cancels all prior agreements, negotiations, and understandings between the parties regarding the subject matter herein, whether written or oral which are void, nullified, and of no legal effect if they are not recited or addressed in this contract.
- 20. Severability.** If any part or provision of this Agreement is found to be prohibited or unenforceable in any jurisdiction, such part or provision of this Agreement shall, as to such jurisdiction only, be inoperative, null, and void to the extent of such prohibition or unenforceability without invalidating the remaining parts or provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render inoperative, null or void such part or provision in any other jurisdiction. Those parts or provisions of this Agreement, which are not prohibited or unenforceable, shall remain in full force and effect.
- 21. Rights and Remedies Cumulative.** The rights and remedies of the parties under this Agreement must be construed cumulatively, and none of the rights and/or remedies under this contract are exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law, unless specifically set forth herein.
- 22. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all such counterparts shall constitute one and the same contract.
- 23. Approval.** This Agreement shall be submitted to the authorized attorney for each party for review and approval as to form in accordance with applicable provisions of Section 11-13-202.5, Utah Code Annotated, as amended. This Agreement shall be authorized and approved by resolution or ordinance of the legislative body of each party in accordance with Section 11-13-202.5, Utah Code Annotated, as amended, and a duly executed original counterpart of this Agreement shall be filed with the keeper of records of each party in accordance with Section 11-13-209, Utah Code Annotated, as amended.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be approved by its governing body or board and to be duly executed on the following dates:

DAVIS COUNTY

\_\_\_\_\_  
Bob J Stevenson, Chair  
Board of Davis County Commissioners  
Date:\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Curtis Koch  
Davis County Clerk/Auditor  
Date:\_\_\_\_\_

REVIEWED AS TO PROPER FORM:

\_\_\_\_\_  
Davis County Attorney's Office

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be approved by its governing body or board and to be duly executed on the following dates:

NORTH SALT LAKE CITY

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

REVIEWED AS TO PROPER FORM:

\_\_\_\_\_  
North Salt Lake City Attorney

## ATTACHMENT I

**SUBRECIPIENT:** North Salt Lake City  
**PROJECT:** Overland Street Sidewalk Project  
**PROJECT NO:** 211

### PROJECT STATEMENT OF WORK

This attachment is a supplement to the general work statement contained in paragraph 4 of this Agreement. Therefore, in addition to the general work required to be done under that paragraph, which applies to all projects to be conducted under this Agreement, the particular work to be performed for this Project is as follows:

**Eligibility and Reference:** Public facilities and improvements. Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in Sec. 570.207(a), carried out by the recipient or other public or private nonprofit entities; see **24 CFR 570.201(c)**

**National Objective and Reference:** LMA/Low/Mod Area Benefit; LMA; Activities providing benefits that are available to all the residents of a particular area.

**IDIS Matrix Code:** 03K/Street Improvements- Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs: Also use 03K:

- For improvements that include landscaping, street lighting, and/or street signs (commonly referred to as “streetscaping”);
- If sidewalk improvements (see code 03L) are part of more extensive street improvements. (see 24 CFR 570.201(c))

**CPD Outcome Performance Measurement Information:** The construction or installation of infrastructure improvements such as street improvements, or water and sewer lines;

- Number of persons assisted, that is the number of persons with new access to a facility or infrastructure benefit.
- Number of persons assisted with improved access to a facility or infrastructure benefit.

**Priority:** Public Facilities and improvements; Non-community Housing Development; create a suitable living environment.

**County Outcome:** Davis County’s goals is to improve and expand public facilities which may include, but not limited to ADA improvements and street improvements.

**Program Activity:** North Salt Lake City will utilize CDBG funds to repair/replace the installation of new ADA complaint sidewalk facilities for the residents of the Colonial Woods Mobile Home Park, 260 East 1100 North, for primarily LMI residents in the area.

#### NATURE AND SCOPE OF PROJECT:

**Subrecipient Scorecard:** Subrecipient shall adhere to the Key Performance Indicators (KPIs) as identified in the Subrecipient Scorecard (Refer to Attachment III) and strive to achieve the score of “A” for all KPIs listed as applicable. Scorecard reports shall be filled out by County staff and sent to Subrecipient semi-annually unless otherwise decided at the discretion of the County. Mitigating factors to KPI scores may be submitted by Subrecipient to the County and considered in good faith by County staff when scoring. Any requested changes to the Subrecipient Scorecard must be submitted in writing by Subrecipient and may be approved at the discretion of County staff in good faith and in writing.

**Performance Evaluation Plan:**

In regard to the Subrecipient Scorecard:

- At the discretion of the County, if Subrecipient scores a “C” in any of the KPI categories, it may be considered as a monitoring “recommendation” according to County monitoring policies. Subrecipient may be asked to submit in writing an improvement plan to County staff to address the deficiency and any such plan would be resolved with Subrecipient’s program staff.
- At the discretion of the County, if Subrecipient scores a “D” in any of the KPI categories, it may be considered as a monitoring “concern” according to County monitoring policies. Subrecipient may be asked to submit in writing an improvement plan to County staff to address the deficiency and any such plan would be resolved with Subrecipient’s program and/or executive staff.
- At the discretion of the County, if Subrecipient scores an “F” in any of the KPI categories, it may be considered as a monitoring “finding” according to County monitoring policies. Subrecipient may be asked to submit in writing an improvement plan to County staff to address the deficiency any such plan would be resolved with Subrecipient’s program and/or executive staff and may be sent to Subrecipient’s board of directors.

Any low scores may trigger a formal monitoring. Low scores on the Subrecipient Scorecard is subject to review by the allocation committee.

**Gantt Chart:**

Subrecipient will adhere to the project milestones as specified in the Gantt Chart attachment and as referenced in the Agency Scorecard. Any requested changes to the milestones in the Gantt Chart must be submitted in writing by Subrecipient and may be approved at the discretion of County staff in good faith and in writing.

**REPORTING:** Subparagraph 11.F. of the Agreement requires timely progress reports from Subrecipient. Subrecipient will complete an online quarter report according to the timelines below.

	<b>Dates of Service</b>	<b>Due Date</b>	<b>Period Ending</b>	<b>Fiscal Year</b>	<b>Calendar Year</b>
<b>Q1</b>	July 1 – Sept. 30, 2021	Oct. 31, 2021	9/30	FY21-22	2021
<b>Q2</b>	Oct. 1 – Dec. 31, 2021	Jan. 31, 2022	12/31	FY21-22	2021
<b>Q3</b>	Jan. 1 – Mar. 31, 2022	Apr. 30, 2022	3/31	FY21-22	2021
<b>Q4</b>	Apr.1 – June 30, 2022	Jul. 20, 2022	6/30	FY21-22	2021

Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the provisions of the *Davis-Bacon Act, 40 U.S.C. § 276a1-276a7, as amended; the Contract Work Hours and Safety Standards Act, 40 U.S.C. § 327; and the Copeland "Anti-Kickback" Act; 40 U.S.C. § 276c*, and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this agreement. County shall maintain documentation which demonstrates compliance with hour and wage requirements of this part.

**Subrecipient agrees to compile and provide to the County all HUD-required Section 3 information regarding the hiring of low-income employees and (sub) contractors.**

**TIMETABLE:** The project will be completed within the 12-month Agreement's period of performance beginning July 1, 2021- June 30, 2022.

Subrecipient shall not undertake any work nor incur any costs on the Project until it has been informed by County that all environmental protection procedures and requirements prescribed in 24 CFR Part 58 which are applicable to the Project have been accomplished or satisfied.

**ATTACHMENT II**

**SUBRECIPIENT:** North Salt Lake City  
**PROJECT:** Overland Street Sidewalk Project  
**PROJECT NO.:** 211

**PROJECT BUDGET**

I. Estimated Total Project Cost: **\$66,624**

II. Budgeted CDBG Expenditures:

Mobilization	Qty	Units	Unit Price	Amount
Mobilization	1	LS	\$10,000	\$10,000
Clear & Grub vegetation/Haul away excess soil	1	LS	\$10,000	\$10,000
Furnish & install 6" roadbase	163	Ton	\$40	\$6,250
Install 4" concrete sidewalk/6' in width	4500	SF	\$6	\$27,000
Adjust monitoring wells to sidewalk elevation	1	LS	\$2,000	\$2,000
<b>Subtotal</b>				<b>\$55,020</b>
<b>Contingency</b>	20%			<b>\$11,104</b>
<b>Total</b>				<b>\$66,624</b>

**TOTAL CDBG EXPENDITURES: \$48,000**

All other funding needed to complete this project is the responsibility of Subrecipient.

<b>Other funding sources</b>	<b>\$18,624</b>
------------------------------	-----------------

In no case will reimbursement exceed Subrecipient's actual costs. Subrecipient will maintain records necessary for justification and verification of such costs.

Services must be provided before the end of the period of performance of June 30, 2022. A final invoice must be received with payment issued before the contract end date of July 15, 2022.

## ATTACHMENT III

### Gantt Chart

**ATTACHMENT IV**  
**Subrecipient Score Card**

	Goal	Explanation	A 100%	B 75%	C 50%	D 25%	F 0%	Agency Score	Comments
Program Management	Agency Submits Quarterly Reports On-time	Quarterly reporting is submitted to the on-time and correctly	Submitted early or by due date	Up to 10 days after the Due date	10-30 days after the due date	30-90 days after the due date	90+ days after the due date		
Program Management	Adhering to Project Schedule on Gantt Chart	Updates to Gantt Chart timelines need to be communicated to and approved by County staff	Submitted early or by due date	Up to 10 days after the Due date	10-30 days after the due date	30-90 days after the due date	90+ days after the due date		
Program Management	Agency Submits Quarterly Billing On-time	Billings are submitted to the County with all the necessary documentation	Submitted early or by due date	Up to 10 days after the Due date	10-30 days after the due date	30-90 days after the due date	90+ days after the due date		
Program Management	Agency is Progressively Spending Down Allocated Funds	Agency is on-track to spend down funds in the Program Year	Spending is on track as anticipated	Factors have affected anticipated project, but a reasonable plan has been communicated to fully expend	Factors have affected anticipated project, but a reasonable plan has been communicated to fully expend a majority of the award.	Factors have affected anticipated project implementation, and although a plan has been communicated to expend a majority of the award, Davis Co has concerns.	Factors have affected anticipated project implementation, and there are significant concerns about the ability of the agency to meet the original intent of the contract.		
Outcome Performance	Agency is Achieving Outcome Set in Application	Agency is meeting the outcomes identified in the application	Meeting or Exceeding Anticipated Progress to Date on Goals	Factors have affected the anticipated outcomes to-date, but a reasonable plan has been communicated to meet original goals	Factors have affected the anticipated outputs, but a reasonable plan has been communicated to revise goals to a level that is realistic and acceptable to the County.	Factors have affected the anticipated outputs, but a reasonable plan has been communicated to revise goals to a level that is acceptable to the County, but there are concerns if they are realistic.	Factors have affected the anticipated outputs, but a reasonable plan has been communicated to revise goals to a level that is acceptable to the County, but there are concerns if they are realistic.		
Outcome Performance	Achieving Clients to be Served	Progress towards goals as stated in CDBG application	Meeting or Exceeding Anticipated Progress to Date on Goals	Factors have affected the number of clients anticipated to be served, but a reasonable plan has been communicated to meet original goals	Factors have affected the anticipated number of people to be served, but a reasonable plan has been communicated to revise goals to a level that is realistic and acceptable to the County.	Factors have affected the anticipated number of people to be served, but a reasonable plan has been communicated to revise goals to a level that is acceptable to the County, but there are concerns if they are realistic.	Factors have affected the anticipated number of people served, but a reasonable plan has been communicated to revise goals to a level that is acceptable to the County, but there are concerns if they are realistic.		
Compliance Monitoring	Outstanding Compliance Monitoring Issues	Financial Audits Findings, issues with policies & procedures, etc...	No Findings or Concerns; No minimal # of recommendations	No Findings or Concerns; No minimal # of recommendations	No Findings or Concerns are moderate in number and/or severity but can be remedied	1 or more Findings and/or Concern(s) that are significant or numerous enough to risk current or future funding.	Number and/or Significance of Findings and/or concerns makes current future funding unlikely.		
Compliance Monitoring	Conformance with Labor Standards (i.e., Davis-Bacon)		Proactively Responsive		Somewhat responsive to Labor Standards Process		Makes no effort to conform		
Compliance Monitoring	Responsiveness to the request to monitor, monitoring report, and related requests		Proactively Responsive	Responsive	Mostly Responsive	Reluctantly Responsive	Not Responsive		
Responsiveness	Submits any additional requested documents in a timely manner	(i.e., Contact, documents, etc...)	By the requested Date	Within 5 business days after the due date	Within 10 business days after the due date	Within 15 business days after the due date	20+ business days after the due date		



# CITY OF NORTH SALT LAKE

---

10 East Center Street  
North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

Len Arave  
Mayor

Ken Leetham  
City Manager

## MEMORANDUM

**TO:** Honorable Mayor and City Council

**FROM:** Ken Leetham, City Manager

**DATE:** August 17, 2021

**SUBJECT:** Consideration of Resolution No. 2021-29R: A resolution approving an interlocal cooperation transportation project reimbursement agreement between Davis County and the City of North Salt Lake and authorizing the Mayor, or Mayor Pro Tempore, to sign and execute the agreement.

---

### **RECOMMENDATION**

I recommend approval of Resolution No. 2021-29R: A resolution approving an interlocal cooperation transportation project reimbursement agreement between Davis County and the City of North Salt Lake and authorizing the Mayor, or Mayor Pro Tempore, to sign and execute the agreement.

### **BACKGROUND**

The Davis County Commission approved the collection of the authorized 3<sup>rd</sup> quarter cent sales tax for transportation projects in 2019. The City worked very hard with other public entities to achieve that and the County is now collecting over \$11 million annually to fund local transportation projects. In 2020, the City submitted an application to the County for its final engineering feasibility study and design for the 1100 North bridge project. Ultimately, the County Council of Governments recommended approval of our application and the County Commission approved our request up to \$1,000,000 in reimbursement for project-related costs.

The attached resolution approves an interlocal cooperation agreement that will facilitate the reimbursement to the City once the project is complete.

The City recently published a solicitation (RFP) for qualified engineering firms to perform the project. For the Council's information, the Mayor, Craig Peterson and I also met with UDOT's new Region 1 Director, Rob Wight, on this project and they have assigned a project manager to assist us with the project review phases, consultant selection and project oversight. We are very grateful for this support and know that it will greatly assist us as we coordinate and integrate this project into the State's efforts to improve I-15

through Davis County also. We hope to be awarding this project to a successful bidder in one of our September meetings.

**PROPOSED MOTION**

I move that the City Council approve No. 2021-29R: A resolution approving an interlocal cooperation transportation project reimbursement agreement between Davis County and the City of North Salt Lake and authorizing the Mayor, or Mayor Pro Tempore, to sign and execute the agreement.

**RESOLUTION NO. 2021-29R**

**A RESOLUTION APPROVING AN INTERLOCAL COOPERATION TRANSPORTATION PROJECT REIMBURSEMENT AGREEMENT BETWEEN DAVIS COUNTY AND THE CITY OF NORTH SALT LAKE AND AUTHORIZING THE MAYOR, OR MAYOR PRO TEMPORE, TO SIGN AND EXECUTE THE AGREEMENT**

**WHEREAS**, the City of North Salt Lake applied for and received approval of its application to Davis County to use 3<sup>rd</sup> quarter cent sales tax funds in order to complete the final design engineering project for the grade separation at 1100 North and the railroad corridor; and,

**WHEREAS**, the Governing Bodies of Davis County and the City of North Salt Lake have prepared an agreement which provides for the sharing of such tax funds for the purpose of reimbursing the City for its project-related costs up to \$1,000,000; and,

**WHEREAS**, the Governing Body of the City of North Salt Lake finds that it is desirous to enter into this agreement and that it has the authority to enter into said agreement.

**NOW THEREFORE BE IT RESOLVED** by the Governing Body of the City of North Salt Lake as follows:

1. The attached agreement entitled, INTERLOCAL COOPERATION TRANSPORTATION PROJECT REIMBURSEMENT AGREEMENT between Davis County and the City of North Salt Lake is hereby approved by the City Council.
2. The Mayor, or Mayor Pro Tempore, is hereby authorized to sign and otherwise execute this agreement on behalf of the City Council.
3. This resolution shall become effective immediately upon passage.

**PASSED and ADOPTED** this 17<sup>th</sup> day of August, 2021.

\_\_\_\_\_  
Leonard K. Arave, Mayor

ATTEST:

\_\_\_\_\_  
Linda D. Horrocks, City Recorder

City Council Vote as Recorded:

<u>Name</u>	<u>Vote</u>
Lisa Baskin	_____
Natalie Gordon	_____
Brian Horrocks	_____
Ryan Mumford	_____

Stan Porter \_\_\_\_\_

**INTERLOCAL COOPERATION TRANSPORTATION  
PROJECT REIMBURSEMENT AGREEMENT**

This Interlocal Cooperation Transportation Project Reimbursement Agreement (this “Agreement”) is made and entered into by and between Davis County, a political subdivision of the state of Utah (the “County”), and the City of North Salt Lake, a municipal corporation of the state of Utah (the “City”). The County and the City may be collectively referred to as the “Parties” herein or may be solely referred to as a “Party” herein.

**Recitals**

A. WHEREAS, the Parties, pursuant to Utah’s Interlocal Cooperation Act, which is codified at Title 11, Chapter 13, Utah Code Annotated (the “Act”), are authorized to enter into in this Agreement; and

B. WHEREAS, Utah Code Annotated §59-12-2217, the County Option Sales and Use Tax for Transportation Fund provide the opportunity for a Council of Governments and the local legislative body to prioritize and approve funding for transportation projects that are included in the area’s Regional Transportation Plan; and

C. WHEREAS, The Davis County Council of Governments (COG) is the council of governments with the authority to work with Davis County, the local legislative body, to prioritize and approve funding for such transportation projects; and

D. WHEREAS, the County, on or about May 22, 2020, requested the cities located within Davis County, the Utah Department of Transportation (“UDOT”), and the Utah Transit Authority (“UTA”) to submit applications for a limited portion of the County’s 2020 3<sup>rd</sup> Quarter transportation sales tax revenue to be used for qualifying transportation projects; and

E. WHEREAS, the City, on or about June 30, 2020, submitted a *Davis County 3<sup>rd</sup> Quarter Funding Application* (the “Application”) to the County for the 1100 North Bridge Design (the “Project”), a copy of the Application is attached as Exhibit A to this Agreement, incorporated into this Agreement by this reference, and made a part of this Agreement; and

F. WHEREAS, The COG accordingly approved such request on October 21, 2020 and subsequently sent a recommendation to the Davis County Commission requesting approval, and such request was approved by the County Commission on October 27, 2020; and

G. WHEREAS, the City desires to commence and complete the Project in a manner consistent with the Application and as further set forth in this Agreement; and

H. WHEREAS, the County desires to grant the Application and partially reimburse the City for the permitted or authorized costs, expenses, or otherwise incurred by the City in connection with the Project in a manner consistent with the terms and provisions of this Agreement.

NOW, for and in consideration of the mutual promises, obligations, and/or covenants contained herein, and for other good and valuable consideration, the receipt, fairness, and sufficiency of which are hereby acknowledged, and the Parties intending to be legally bound, the Parties do hereby mutually agree as follows:

1. The City’s Duties, Obligations, Responsibilities, or Otherwise.

a. The City shall commence and complete all material aspects of the Project in a manner consistent with the Application within two years from the date that this Agreement is executed by the City and the County; and

b. The City shall be fully and solely responsible for all costs, expenses, or otherwise related to the Project; and

c. The City shall be solely responsible for operating and maintaining the Project including, but not limited to, all costs, expenses, or otherwise related to the operation and/or maintenance of the Project; and

d. The City shall ensure that the Project complies with the American Public Works Association (“APWA”) standards and all other federal, state, or local laws, regulations, rules, requirements, codes or otherwise that are applicable to the Project; and

2. The County’s Duties, Obligations, Responsibilities, or Otherwise. The County shall reimburse the City in an amount up to 80% of the total permitted or authorized costs and/or expenses of the Project as identified in the Application, incorporated herein by this reference, and made a part of this Agreement, not to exceed \$1,000,000, only upon all of the following being timely and completely satisfied by the City:

a. The City commences and completes the Project in a manner consistent with the Application within two years from the date that this Agreement is executed by the City and the County; and

b. The City notifies the County of its timely completion of the Project and provides the County with a detailed breakdown of all expenses, costs, or other approved match payments paid by the City in connection with the Project.

3. Effective Date of this Agreement. The Effective Date of this Agreement shall be on the earliest date after this Agreement satisfies the requirements of Title 11, Chapter 13, Utah Code Annotated (the “Effective Date”).

4. Term of Agreement. The term of this Agreement shall begin upon the Effective Date of this Agreement and shall, subject to the termination and other provisions set forth herein, terminate fifty years from the Effective Date of this Agreement.

5. Termination of Agreement. This Agreement may be terminated prior to the completion of the Term by any of the following actions:

a. The mutual written agreement of the Parties;

b. By either party:

1) After any material breach of this Agreement; and

2) Thirty calendar days after the nonbreaching party sends a demand to the breaching party to cure such material breach, and the breaching party fails to timely cure such material breach; provided however, the cure period shall be extended as may be required beyond the thirty calendar days, if the nature of the cure is such that it reasonably requires more than thirty calendar days to cure the breach, and the breaching party commences the cure within the thirty calendar day period and thereafter continuously and diligently pursues the cure to completion; and

3) After the notice to terminate this Agreement, which the non-breaching party shall provide to the breaching party, is effective pursuant to the notice provisions of this Agreement; and

c. As otherwise set forth in this Agreement or as permitted by law, ordinance, rule, regulation, or otherwise.

6. Notices. Any notices that may or must be sent under the terms and/or provisions of this Agreement should be delivered, by hand delivery or by United States mail, postage prepaid, as follows, or as subsequently amended in writing:

<u>To the City:</u> City of North Salt Lake Attention: City Manager 10 East Center Street NSL, UT 84054	<u>To the County:</u> Davis County Attn: Chair, Davis County Board of Commissioners P.O. Box 618 Farmington, UT 84025
---	---

7. Damages. The Parties acknowledge, understand, and agree that, during the Term of this Agreement, the Parties are fully and solely responsible for their own actions, activities, or business sponsored or conducted.

8. Indemnification and Hold Harmless. The City, for itself, and on behalf of its officers, officials, employees, agents, representatives, contractors, volunteers, and/or any person or persons under the supervision, direction, or control of the City (collectively, the “City Representatives”), agrees and promises to indemnify, save and hold harmless the County, as well as the County’s officers, officials, employees, agents, representatives, contractors, and volunteers (collectively, the “County Representatives”), from and against any loss, damage, injury, liability, claim, action, cause of action, demand, expense, cost, including defense costs, fee, or otherwise (collectively, the “Claims”) that may arise from, may be in connection with, or may relate in any way to this Agreement, the Project, and/or the negligent acts or omissions of the City and/or the City Representatives, whether or not the Claims are known or unknown, or are in law, equity, or otherwise. The City, for itself, and on behalf of the City Representatives, agrees and promises that all costs, including defense costs, expenses, or otherwise relating to the Claims and incurred by County or the County Representatives or which the County or the County Representatives would otherwise be obligated to pay, shall be paid in full by the City within thirty (30) calendar days after the County provides the City with documents evidencing such costs, including, if applicable, defense costs, expenses, or otherwise. No term or condition of this Agreement, including, but not limited to, insurance that may be required under this Agreement, shall limit or waive any liability that the City may have arising from, in connection with, or relating in any way to this Contract, the Project, and/or the negligent acts or omissions of the City or the City Representatives.

9. Governmental Immunity. The Parties recognize and acknowledge that each Party is covered by the *Governmental Immunity Act of Utah*, codified at Section 63G-7-101, et seq., *Utah Code Annotated*, as amended, and nothing herein is intended to waive or modify any and all rights, defenses or provisions provided therein. Officers and employees performing services pursuant to this Agreement shall be deemed officers and employees of the Party employing their services, even if performing functions outside of the territorial limits of such party and shall be deemed officers and employees of such Party under the provisions of the *Utah Governmental Immunity Act*.

10. No Separate Legal Entity. No separate legal entity is created by this Agreement.

11. Approval. This Agreement shall be submitted to the authorized attorney for each Party for review and approval as to form in accordance with applicable provisions of Section 11-13-202.5, *Utah Code Annotated*, as amended. This Agreement shall be authorized and approved by resolution or ordinance of the legislative body of each Party in accordance with Section 11-13-202.5, *Utah Code Annotated*, as amended, and a duly executed original counterpart of this Agreement shall be filed with the keeper of records of each Party in accordance with Section 11-13-209, *Utah Code Annotated*, as amended.

12. Survival after Termination. Termination of this Agreement shall not extinguish or prejudice either Party’s right to enforce this Agreement, or any term, provision, or promise under this

Agreement, regarding insurance, indemnification, defense, save or hold harmless, or damages, with respect to any uncured breach or default of or under this Agreement.

13. Benefits. The Parties acknowledge, understand, and agree that the respective representatives, agents, contractors, officers, officials, members, employees, volunteers, and/or any person or persons under the supervision, direction, or control of a Party are not in any manner or degree employees of the other Party and shall have no right to and shall not be provided with any benefits from the other Party. County employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the County for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits. City employees, while providing or performing services under or in connection with this Agreement, shall be deemed employees of the City for all purposes, including, but not limited to, workers compensation, withholding, salary, insurance, and benefits.

14. Waivers or Modification. No waiver or failure to enforce one or more parts or provisions of this Agreement shall be construed as a continuing waiver of any part or provision of this Agreement, which shall preclude the Parties from receiving the full, bargained for benefit under the terms and provisions of this Agreement. A waiver or modification of any of the provisions of this Agreement or of any breach thereof shall not constitute a waiver or modification of any other provision or breach, whether or not similar, and any such waiver or modification shall not constitute a continuing waiver. The rights of and available to each of the Parties under this Agreement cannot be waived or released verbally, and may be waived or released only by an instrument in writing, signed by the Party whose rights will be diminished or adversely affected by the waiver.

15. Binding Effect; Entire Agreement, Amendment. This Agreement is binding upon the Parties and their officers, directors, employees, agents, representatives and to all persons or entities claiming by, through or under them. This Agreement, including all attachments, if any, constitutes and/or represents the entire agreement and understanding between the Parties with respect to the subject matter herein. There are no other written or oral agreements, understandings, or promises between the Parties that are not set forth herein. Unless otherwise set forth herein, this Agreement supersedes and cancels all prior agreements, negotiations, and understandings between the Parties regarding the subject matter herein, whether written or oral, which are void, nullified and of no legal effect if they are not recited or addressed in this Agreement. Neither this Agreement nor any provisions hereof may be supplemented, amended, modified, changed, discharged, or terminated verbally. Rather, this Agreement and all provisions hereof may only be supplemented, amended, modified, changed, discharged, or terminated by an instrument in writing, signed by the Parties.

16. Force Majeure. In the event that either Party shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, acts of the United States Government, the State of Utah Government, fires, floods, strikes, lock-outs, labor troubles, inability to procure materials, failure of power, inclement weather, restrictive governmental laws, ordinances, rules, regulations or otherwise, delays in or refusals to issue necessary governmental permits or licenses, riots, insurrection, wars, or other reasons of a like nature not the fault of the Party delayed in performing work or doing acts required under the terms of this Agreement, then performance of such act(s) shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, without any liability to the delayed Party.

17. Assignment Restricted. The Parties agree that neither this Agreement nor the duties, obligations, responsibilities, or privileges herein may be assigned, transferred, or delegated, in whole or in part, without the prior written consent of both of the Parties.

18. Choice of Law; Jurisdiction; Venue. This Agreement and all matters, disputes, and/or claims arising out of, in connection with, or relating to this Agreement or its subject matter, formation or

validity (including non-contractual matters, disputes, and/or claims) shall be governed by, construed, and interpreted in accordance with the laws of the state of Utah, without reference to conflict of law principals. The Parties irrevocably agree that the courts located in Davis County, State of Utah (or Salt Lake City, State of Utah, for claims that may only be litigated or resolved in the federal courts) shall have exclusive jurisdiction and be the exclusive venue with respect to any suit, action, proceeding, matter, dispute, and/or claim arising out of, in connection with, or relating to this Agreement, or its formation or validity. The Parties irrevocably submit to the exclusive jurisdiction and exclusive venue of the courts located in the State of Utah as set forth directly above. Anyone who unsuccessfully challenges the enforceability of this clause shall reimburse the prevailing Party for its attorneys' fees, and the Party prevailing in any such dispute shall be awarded its attorneys' fees.

19. Severability. If any part or provision of this Agreement is found to be invalid, prohibited, or unenforceable in any jurisdiction, such part or provision of this Agreement shall, as to such jurisdiction only, be inoperative, null and void to the extent of such invalidity, prohibition, or unenforceability without invalidating the remaining parts or provisions hereof, and any such invalidity, prohibition, or unenforceability in any jurisdiction shall not invalidate or render inoperative, null or void such part or provision in any other jurisdiction. Those parts or provisions of this Agreement, which are not invalid, prohibited, or unenforceable, shall remain in full force and effect.

20. Rights and Remedies Cumulative. The rights and remedies of the Parties under this Agreement shall be construed cumulatively, and none of the rights and/or remedies under this Agreement shall be exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law, unless specifically set forth herein.

21. No Third-Party Beneficiaries. This Agreement is entered into by the Parties for the exclusive benefit of the Parties and their respective successors, assigns and affiliated persons referred to herein. Except and only to the extent provided by applicable statute, no creditor or other third party shall have any rights or interests or receive any benefits under this Agreement. Notwithstanding anything herein to the contrary, the County is expressly authorized by the City to enter into similar agreements with any or all of the other cities, or other governmental or quasi-governmental entities, located within Davis County.

22. Recitals Incorporated. The Recitals to this Agreement are incorporated herein by reference and made contractual in nature.

23. Headings. Headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.

24. Authorization. The persons executing this Agreement on behalf of a Party hereby represent and warrant that they are duly authorized and empowered to execute the same, that they have carefully read this Agreement, and that this Agreement represents a binding and enforceable obligation of such Party.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, and all such counterparts taken together shall constitute one and the same Agreement.

[This space is left blank intentionally. The signature page follows.]

WHEREFORE, the Parties have signed this Agreement on the dates set forth below.

CITY OF NORTH SALT LAKE

\_\_\_\_\_  
Mayor  
Dated:\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City of North Salt Lake Recorder  
Dated:\_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
City of North Salt Lake Attorney  
Dated:\_\_\_\_\_

DAVIS COUNTY

\_\_\_\_\_  
Chair, Davis County Board of Commissioners  
Dated:\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Davis County Clerk/Auditor  
Dated:\_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Davis County Attorney's Office, Civil Division  
Dated:\_\_\_\_\_

# EXHIBIT A



**Davis**  
COUNTY

**3rd Qtr**  
Davis County Transportation Funding

*Davis County 3rd Quarter Transportation Funding Application*

**Notes:** Signatures confirm the commitment of the Applicant to follow the Guidelines established by Davis County. The Applicant is responsible for the maintenance and upkeep of the project during implementation and after project completion.

Your signature below indicates your agency's willingness to enter into formal agreement to complete and maintain the project if selected for funding.

Signature: <i>Kenneth J. Faltin</i>	Date: 6/30/20
-------------------------------------	---------------

**APPLICATION INFORMATION**

<b>Project Sponsor:</b>	City of North Salt Lake		
<b>Contact Person:</b>	Ali Avery	<b>Title:</b>	Long Range Planner
<b>Address:</b>	10 East Center Street	<b>ZIP:</b>	84054
<b>Phone:</b>	801-335-8729	<b>Mobile:</b>	N/A
<b>Email:</b>	alia@nslcity.org		

**PROJECT INFORMATION**

**Project Title:** 1100 North bridge design

**Project Location:** 1100 North from 220 East to 95 West in North Salt Lake

(A location map with aerial view must be attached)

<b>Facility Length:</b>	0.35	<b>Jurisdiction</b>	State Owned	Locally Owned	Yes	Multiple (List Other Agencies)
-------------------------	------	---------------------	-------------	---------------	-----	--------------------------------

**Brief Project Description:** The rail crossings in North Salt Lake have proven to be extremely dangerous with increasing accidents, in addition to being the cause of heavy delays decreasing emergency response times and contributing to poor air quality. A grade separated crossing needs to be constructed at 1100 North to resolve those issues. A conceptual study has been completed for the project, and now the City is ready to move forward with engineered construction drawings and environmental work. The engineering/environmental work is what funding is being requested for at this time.

**(Attach conceptual plans if available):**

**Have any public information or community meetings been held?** Yes Yes / No

**Describe public and private support for the project.**  
(Examples: petitions, written endorsements, resolutions, etc.):  
The City Council has held many public meetings regarding the 1100 North bridge. Additionally, the 1100 North bridge is on the WFRC RTP, which was subject to public meetings.

**Project Description**

<u>Functional Classification - Link</u>	<b>Minor Arterial</b>	Is the Project on the RTP highway or Transit Network?		<b>Yes</b>	<a href="#">Regional Transportation Plan - Link</a>
Anticipated year of Project Construction	<b>1 to 5 years</b>	Time Period for Right-of-Way Acquisition		<b>Less than 1 year</b>	
		<u>Existing</u>	<u>Projected</u>		
Roadway	<a href="#">Average Daily Traffic - Link</a>	<b>10000</b>	<b>13000</b>	<a href="#">Projected Traffic - Link</a>	
Transit	<i>Current Daily Ridership</i>	<b>43</b>	<b>43</b>	<i>Opening Day - Anticipated Daily Ridership</i>	
Provide Source of Ridership numbers	UTA Service Planner				

**Scope of Work** (Attach conceptual plans if available):

The goal of the proposed project is to complete the fully engineered construction documents and environmental work in preparation for construction of a separated grade rail crossing at 1100 North in North Salt Lake. At the completion of the design and environmental work, the City will then be prepared to move forward with right-of-way acquisition and construction of the bridge. Completing this work will also improve our chances of obtaining funding for construction, as the project will be moved up on the WFRM Regional Transportation Plan.

**Summarize any special characteristics of the project:**

(Provide Typical Section drawings and describe the typical section here.):

Attached are the conceptual drawings of the bridge and re-alignment of Main Street. During the final design phase, it will be determined whether the bridge will span all the railroad tracks or end at the re-alignment of the Main Street intersection.

**How many Jurisdictions are Collaborating on this project?**

4

**Describe the nature of the Collaboration**

Note: Collaborating is significantly more than a letter of support, and includes financial obligations to the project from each jurisdiction collaborating.

The cities of North Salt Lake and Woods Cross are supporting this application. Also, because the project includes the elimination of an at-grade rail crossing, UTA and Union Pacific are federally obligated to each pay 5% of the total cost of the construction.

**Describe any project work phases that are currently underway or have been completed.**

A preliminary study/conceptual plan has been completed (see attached). The next step is to get the engineered construction drawings and environmental work completed in preparation for construction.

**Describe existing right of way ownerships along the project**

(Describe when the right-of-way was obtained and how ownership is documented, i.e., plats, deeds, prescriptions, easements):

The City owns much of the right-of-way, but the acquisition of right-of-way from private property owners will be completed in the construction phase of the project. At this point, the right-of-way needed is unknown until the construction documents are completed.

**Is right-of-way acquisition proposed as part of the larger project?** (if Yes, describe proposed acquisition including expected fund source, limitations on fund use or availability, and who will acquire and retain ownership of proposed right-of-way)

Yes

**Yes/ No/ NA**

Yes, right-of-way acquisition from private property owners will be part of the construction phase of the project, but funding is not requested for property acquisition at this time.

**Efforts to Preserve the Corridor**

((How much Right-of-Way has been acquired) divided by the (Total Amount of Right-of-Way necessary for the Project)) = (Percent of Corridor Preserved)

**50 to 75 %**

**Davis County 3rd Quarter Transportation Funding Application - 2020**

**Project Details**

**Access to Opportunities**

[Link for "Access to Opportunities" - Reference Interactive Map](#)

For the following 2 questions, 'please identify the dominant color at or along your project on the Interactive Map.

What is the Color for the Employment Intensity?

**Blue**

What is the Color for the Residential Intensity?

**Clear**

*If Intensity or destination is planned, applicant must provide documentation e.g., zoning, developer agreement(s).*

To which of the Following Does the Project Improve Access. (Select All that Apply) <i>Some have been identified on the map</i>	Community Center	<b>Yes</b>	Vulnerable Community	<b>No</b>	Elementary School	<b>No</b>	Library/ City Center	<b>No</b>
	Grocery Store	<b>Yes</b>	Trails/ Parks	<b>Yes</b>	Junior High School	<b>Yes</b>	Other Retail	<b>Yes</b>
	Core Transit Station	<b>Yes</b>	Higher Education	<b>No</b>	High School	<b>Yes</b>	Other Services	<b>Yes</b>

*List other Destinations here*

To what extent does the project fill a gap or complete a connection?

When constructed, this project will eliminate the barriers to vehicular, pedestrian, and cyclist traffic on 1100 North by creating a separated crossing over the railroad tracks.

Which of the listed Safety Improvements will be included with this project	Sidewalks/ Path	<b>Yes</b>	Shoulders/ Curb & Gutter	<b>Yes</b>	Lighting/ Visibility	<b>Yes</b>
	Bike Lanes	<b>Yes</b>	Adequate Turn Lanes	<b>Yes</b>	Access Control	<b>Yes</b>
	Intersection Geometry	<b>Yes</b>	Removal of Roadway Obstructions	<b>No</b>	ADA/ Crosswalk	<b>Yes</b>
	Signals/ Signs	<b>Yes</b>	Center Lane or Raised Median	<b>Yes</b>	Other . .	<i>If Other Enter Here</i>

Discuss the safety improvements that are included in this project.

The construction of the project, after the engineered design, will drastically improve the safety of vehicles, pedestrians, and cyclists on 1100 North by creating a grade separation between vehicles and train tracks. Bike lanes and a sidewalk will be included with adequate lighting. Additionally, the Main Street intersection will be re-routed.

Estimated delay reduction (Vehicle Hours) <i>(Provide documentation)</i>	N/A	<a href="#">Project Safety Index from UDOT Traffic and Safety Data (2013-2015)</a>	0	<a href="#">Recreational Opportunities Associated with Project - Link</a>	How many access management improvements are included? <i>(Provide documentation)</i>	3	
Estimated reduction in vehicle miles traveled. <i>(Provide documentation)</i>	N/A	Total number of crashes on this facility or parallel roadway during the three years	56	How many signal phasing, timing, and other improvements are included <i>(Provide documentation)</i>	0	Number of Intelligent Transportation System (ITS) elements included <i>(Provide documentation)</i>	0

Number of Intersection Improvements?  
*(Provide documentation)*

**1**

Other Project Benefits not yet listed?

Reduction in time delays spent idling at the train crossing. Improved air quality.

**Project Implementation Information**

**Project phases included in funding request:**

**Project Cost and Contributions:**

<b>No</b>	Planning Activities	\$	<b>1,800,000.00</b>	Total Estimated Project Cost	<b>Eligible Match</b>
<b>Yes</b>	Project Development & Environment Study	\$	<b>1,350,000.00</b>	Davis County 3rd Quarter Funding Request	
<b>Yes</b>	Preliminary Engineering/ Final Design Plans	\$	<b>450,000.00</b>	Local Funds	
<b>No</b>	Construction	\$	-	In-Kind Donations <i>(Dollar Value)</i>	
<b>No</b>	Construction Engineering & Inspection	\$	-	Other Funding Contributions	

**\*\* NOTE \*\*** A minimum of 20% match is required

**Davis County 3rd Quarter Transportation Funding Application - 2020**

***Project Cost Summary***

*Below, provide a summary of the estimated cost for the work being proposed. (A detailed project cost estimate must be attached to this application.)*

<b><u>Planning Activities</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Project Development &amp; Environment Study</u></b>		<i>(enter estimate)</i>
<b><u>Preliminary Engineering/ Final Design Plans</u></b>	\$1,800,000	<i>(enter estimate)</i>
<b><u>Right of Way</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Construction</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Maintenance of Traffic (MOT)</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Mobilization</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Subtotal</u></b>	\$ 1,800,000.00	
<b><u>Contingency (15 % of Subtotal)</u></b>		
<b><u>Utilities</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Miscellaneous</u></b>	\$ -	<i>(enter estimate)</i>
<b><u>Total Construction Cost</u></b>	\$	
<b><u>Construction Engineering &amp; Inspection (CEI) (13% of Total)</u></b>		<i>(enter estimate)</i>
<b><u>Other (Describe) _____</u></b>		<i>(enter estimate)</i>
<b><u>Total Project Cost</u></b>	\$ 1,800,000.00	

**Project Notes**

This project does not include any contingency or construction inspection costs. Funding is being requested for engineering costs only to complete the final construction drawings and environmental work.

# 1100 North Bridge Design

City of North Salt Lake

**Legend**  
1100 North Bridge





**F4. - Alternative 2 - Realign Intersection of 1100 N and Main, 1100 N 5-Lane**

PIN: N/A PROJECT #: N/A PROJECT NAME: 1100 North Grade Separation Feasibility Study  
 Cost Estimate - 5 Lane Realigned Concept Level

Prepared By: Horrocks Engineers Date 11/1/2018

Proposed Project Scope: Grade separation of 1100 North and UPRR/UTA tracks at approximately 1000 West in North Salt Lake.

Approximate Route Reference Mile Post (BEGIN) =	(END) =
Project Length = 0.000 miles	ft
Current FY Year (July-June) = 2018	
Assumed Construction FY Year = 2025	
Construction Items Inflation Factor = 1.32	7 yrs for inflation
Assumed Yearly Inflation for Engineering Services (PE and CE) (%/yr) = 3.0%	
Assumed Yearly Inflation for Right of Way (%/yr) = 3.0%	
Items not Estimated (% of Construction) = 20.0%	
<b>Preliminary Engineering (% of Construction + Incentives) = 8.0%</b>	
Construction Engineering (% of Construction + Incentives) = 10.0%	

Construction Items	Cost	Remarks
Public Information Services	\$35,000	
Roadway and Drainage	\$5,235,230	
Traffic and Safety	\$400,000	
Structures	\$8,169,200	
Environmental Mitigation	\$100,000	
ITS	\$0	
	Subtotal	\$13,939,430
	Items not Estimated (20%)	\$2,787,886
	<b>Construction Subtotal</b>	<b>\$16,727,316</b>
P.E. Cost	P.E. Subtotal	\$1,338,185 8%
C.E. Cost	C.E. Subtotal	\$1,672,732 10%
Right of Way Low	Right of Way Subtotal	\$11,733,500 See Assumption/Risk 3
Contingent Right of Way	Contingent Right of Way Subtotal	\$6,027,500 See Assumption/Risk 4
Contingent Roadway Items	Contingent Roadway Items Subtotal	\$600,000 For ROW access
Utilities	Utilities Subtotal	\$4,764,000
Incentives	Incentives Subtotal	\$0
Miscellaneous	Miscellaneous Subtotal	\$0

Cost Estimate (ePM screen 505)	2018	2025
P.E.	\$1,338,000	\$1,646,000
Right of Way	\$11,734,000	\$14,431,000
Utilities	\$4,764,000	\$6,268,000
Construction	\$16,727,000	<b>\$22,008,000</b>
C.E.	\$1,673,000	\$2,058,000
Incentives	\$0	\$0
Aesthetics	0.75% \$125,000	\$164,000
Change Order Contingency	9.00% \$1,517,000	\$1,996,000
UDOT Oversight	\$0	\$0
Miscellaneous	\$0	\$0
<b>TOTAL</b>	<b>\$37,878,000</b>	<b>\$48,571,000</b>

PROPOSED COMMISSION REQUEST	TOTAL	\$37,878,000	TOTAL	\$48,571,000
<b>PROPOSED COMMISSION REQUEST INCLUDING CONTINGENT ITEMS</b>	<b>TOTAL</b>	<b>\$44,505,500</b>	<b>TOTAL</b>	<b>\$55,198,500</b>

**Project Assumptions/Risks**

1 Utility realignment/relocation costs include service connection adjustments/replacements, hydrants, manholes, etc.	8
2 Assumes no utility franchise agreements in place to offset costs	9
3 Low estimate Assumes favorable ROW prices and only partial takes where feasible.	10
4 High estimate assumes high ROW prices and additional roadway costs to construct ROW accesses.	11
5 UDOT oversight and incentives are assumed to be 0 for this estimate.	12
6	13
7	14

---

# Woods Cross City

---



June 30, 2020

Ken Leetham, City Manager  
North Salt Lake City  
10 East Center Street  
North Salt Lake, Utah 84054

Dear Ken,

I am writing to affirm Woods Cross City's support for the City of North Salt Lake's application for 3<sup>rd</sup> Quarter Davis County Transportation Funding for further work on the 1100 North separated grade crossing. There is a need for a separated grade crossing on 1100 North Street. We concur that there is a safety issue at this railroad crossing and support your application for funding to move forward with engineering construction drawings and environmental studies for the project. If we can be of further assistance during the application process, please let me know.

Best Regards,

A handwritten signature in blue ink, appearing to read "Gary Uresk".

Gary Uresk  
City Administrator  
Woods Cross City



# CITY OF NORTH SALT LAKE

---

10 East Center Street  
North Salt Lake, Utah 84054  
(801) 335-8700  
(801) 335-8719 Fax

Len Arave  
Mayor

Ken Leetham  
City Manager

## MEMORANDUM

**TO:** Honorable Mayor and City Council

**FROM:** Ken Leetham, City Manager

**DATE:** August 17, 2021

**SUBJECT:** Consideration of Ordinance No. 2021-07: An ordinance amending Title 8, Sections 1-3 of the City Code related to Delinquencies and Discontinuance of Service.

---

### **RECOMMENDATION**

I recommend approval of Ordinance No. 2021-07: An ordinance amending Title 8, Sections 1-3 of the City Code related to Delinquencies and Discontinuance of Service.

### **BACKGROUND**

This item will seem familiar to you already since the City Council considered and approved these identical provisions by resolution on July 20, 2021. Since these provisions are changes to the adopted City Code, they must be done by ordinance. I have attached the correct ordinance, exhibit A which contains the proposed code language that you already approved and the minutes of the July 20, 2021 meeting when you approved the resolution.

The required action on this item is to re-approve the attached provisions using the proposed ordinance.

### **PROPOSED MOTION**

I move that the City Council approve Ordinance No. 2021-07: An ordinance amending Title 8, Sections 1-3 of the City Code related to Delinquencies and Discontinuance of Service.

**ORDINANCE NO. 2021-07**

**AN ORDINANCE AMENDING TITLE 8, SECTION 1-3 OF THE  
CITY’S MUNICIPAL CODE RELATED TO DELINQUENCY AND  
DISCONTINUANCE OF SERVICE**

WHEREAS, the City of North Salt Lake operates a water utility service for residential and commercial water users throughout the City; and

WHEREAS, the City has a need to adjust its ordinance related to delinquency and discontinuance of service due to non-payment so that the City can more effectively assist its customers; and

WHEREAS, the City Council finds that the procedures described in the proposed code amendment have been effective in assisting customers to avoid discontinuance of service, thereby allowing improved and uninterrupted access to safe drinking water.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of North Salt Lake as follows:

Section 1. Code Amendment. Title 8, Section 1-3 of the City Code is hereby amended as shown in the attached Exhibit “A”.

Section 2. Effective Date. This Ordinance hereby adopted is effective August 17, 2021.

APPROVED AND ADOPTED by the City of North Salt Lake, Utah on this 17th day of August, 2021.

CITY OF NORTH SALT LAKE

By:

\_\_\_\_\_  
Leonard K. Arave, Mayor

Attest by:

\_\_\_\_\_  
Linda Horrocks, City Recorder

City Council Vote as Recorded

Council Member Baskin \_\_\_\_\_  
Council Member Gordon \_\_\_\_\_  
Council Member Horrocks \_\_\_\_\_  
Council Member Mumford \_\_\_\_\_  
Council Member Porter \_\_\_\_\_

# EXHIBIT "A"

## 8-1-3: FEES, RATES AND CHARGES:

A. Rates And Connection Fees: The rates, penalty fee for delinquency in payment, connection fee, reservoir fee, inspection fee and other charges incidental to connection and services from the city water system shall be in such amounts as specified in the comprehensive fee schedule resolution. The governing body may from time to time promulgate rules for levying, billing, guaranteeing and collecting charges for water services and all other rules necessary for the management and control of the water system. Rates for services furnished shall be uniform with respect to each class or classes of service established or that may hereafter be established. (1989 Code § 14-117; amd. 2012 Code)

~~B. Board Of Equalization For Rates: The governing body is hereby constituted a board of equalization of water rates to hear complaints and make corrections of any assessments deemed to be illegal, unequal or unjust. They may, if they see fit, rebate all or any part of the water bill of any indigent person. (1989 Code § 14-119)~~

~~C. Delinquency; Discontinuance Of Service:~~

~~1. The city recorder or designated worker shall furnish to each user, or mail to, or leave at his place of residence or usual place of business, a written or printed statement stating thereon the amount of water service charges assessed against him once each month or at such other regular interval as the governing body shall direct.~~

~~2. The statement shall specify the amount of the bill for the water service and the place of payment and date due. If any person fails to pay the water charges within thirty (30) days of the date due, the city recorder or designated worker shall give the customer notice in writing of intent to discontinue the service to the customer unless the customer pays the bill in full within five (5) days from the date of notice.~~

~~3. If the water service is thereafter discontinued for failure to make payment, then before the water service to the premises shall again be provided, all delinquent water charges must have been paid to the city treasurer or arrangements made for their payment in a manner satisfactory to the city. In the event water is turned off for nonpayment of water charges, then before the water service to the premises shall again be provided, the customer shall pay, in addition to all delinquent water charges, such extra charge as specified in the comprehensive fee schedule resolution for turning the water on and off. Furthermore, in addition to such payments and penalties, a delinquent customer may be required to make and file a new application and deposit if the previous deposit has been applied to the payment of delinquent bills. The city recorder is hereby authorized and empowered to enforce the payment of all delinquent water charges by an action at law in the name of the city. (1989 Code § 14-121; amd. 2012 Code)~~

B. Delinquency; Discontinuance of Service

1. The City shall provide a utility bill containing the utility service charges assessed to each customer once a month. The utility bill may be sent electronically, or by mail.

2. The utility bill shall specify the amount charged for utility service, the available methods of payment, and the date payment is due.

3. Utility bills shall be delivered by the 20<sup>th</sup> of each month for services provided during the previous month. The due date for the utility bill shall be the last day of the same month as the utility bill is delivered.

4. Delinquent Notification Procedure:

a. If utility bills are not paid by the 15<sup>th</sup> of the following month:

Notice of "Past Due" amount will appear on the customer's next utility bill.

b. If the past due amount remains unpaid 30 days after the original due date:

Within 10 days an automated voice message call will be sent to the telephone number the customer has provided as their primary contact.

c. If the past due amount remains unpaid 60 days after the original due date:

Within 10 days the City will attempt a direct call (not automated) to the telephone number the customer has provided as their primary contact.

d. If the bill is not paid within 24 hours of the direct call:

The City may disconnect the delinquent customer from water services.

e. Shut-offs will be done between the 5<sup>th</sup> - 12<sup>th</sup> of each month and not sooner than a delinquency of at least 65 days or when 3 monthly payment due dates have passed without payment.

f. After water service is disconnected, the City will only reconnect the delinquent customer when the total charges are paid in full or other arrangements are made only with approval of the Finance Director or City Manager.

g. Furthermore, in addition to such payments and penalties, a delinquent customer may be required to make and file a new application and deposit.

5. The City is hereby authorized and empowered to enforce the payment of all delinquent water charges by an action of law in the name of the City.

1. CONSIDERATION OF RESOLUTION NO. 2021-27R: A RESOLUTION AMENDING TITLE 8, SECTION 1-3 OF THE CITY'S MUNICIPAL CODE RELATED TO DELINQUENCY AND DISCONTINUANCE OF SERVICE

Ken Leetham reported that staff had been reviewing the City's utility shutoff policy. He said historically there were multiple shutoffs, so staff began to change the process. Mr. Leetham explained how expensive and time consuming the previous shutoff process had been which involved robocalls and multiple shutoffs. He said staff was now reaching out to residents with individual calls and that shutoffs had been reduced to a couple dozen a month.

Ken Leetham stated that the proposed changes to the code included an expansion of the shutoff for the nonpayment period from 30 days to at least 65 days or three monthly due dates without payment. The second proposed code change described the specific steps and processes used to contact customers prior to discontinuation of their utility service. He said while it could be risky to allow customers to build up large delinquencies that in his experience that risk was offset by staff's outreach efforts.

Janice Larsen commented that David Frandsen had also contributed to the code revisions and offered his perspective. She said the policy change would help and spoke on how staff had been successful in reducing the delinquent accounts via phone calls to residents.

Council Member Baskin asked how much the City was in arrears on average in a given month. Janice Larsen replied that it depended on the resident and the month. She gave the example of a high user in the summer months and said those bills could be large amounts. Ms. Larsen explained that it was not significant as the number of delinquent accounts had been reduced due to staff's efforts.

Council Member Mumford asked if there was a fee to restart the utility service for residents. Janice Larsen responded that there was a \$50 fee or \$250 if they tampered with their meter.

Council Member Horrocks commented that this seemed like a much better system than some of the policies he had experienced with his business in other cities.

Council Member Mumford questioned whether \$100 was put into escrow when a utility account was setup. Ken Leetham replied that the City had collected deposits in the past but State law had changed which no longer allowed this practice.

Janice Larsen explained that if there was a resident who had repeat shutoffs the City could collect a deposit at that time.

Council Member Gordon commented that this policy was compassionate and fair, and she commended staff for being committed to communicating with residents.

Council Member Baskin asked if there were appeal rights for residents. Janice Larsen responded that there was a policy in place related to leaks and a way for staff to reduce the bill to a lower tier once the leak was fixed.

Ken Leetham explained that the City did not have an official hardship program, but residents could sign up for an equal pay program -- even those with delinquent high bill balances. He said David Frandsen had helped to improve the program with his background as a certified water operator and his experience with Murray City.

**Council Member Mumford moved that the City Council adopt Resolution 2021-27R: A resolution amending Title 8, Section 1-3 of the City's municipal code related to delinquency and discontinuance of service. Council Member Porter seconded the motion. The motion was approved by Council Members Baskin, Gordon, Horrocks, Mumford and Porter.**