

**MINUTES OF THE
HOLLADAY CITY COUNCIL MEETING**

Thursday, February 15, 2024

6:00 p.m.

**Mt. Olympus Room
4580 South 2300 East
Holladay, Utah**

BRIEFING SESSION - 5:30 p.m.

ATTENDANCE:

Mayor Rob Dahle
Paul Fotheringham
Emily Gray
Matt Durham
Ty Brewer
Drew Quinn

City Staff:
Gina Chamness, City Manager
Todd Godfrey, City Attorney
Stephanie Carlson, City Recorder

Mayor Dahle called the Briefing Session to order at 5:33 p.m. The agenda items were reviewed and discussed.

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CITY COUNCIL MEETING**

Thursday, February 15, 2024

6:00 p.m.

City Council Chambers

4580 South 2300 East

Holladay, Utah

ATTENDANCE:

Mayor Rob Dahle
Paul Fotheringham
Emily Gray
Matt Durham
Drew Quinn
Ty Brewer- *excused*

City Staff:
Gina Chamness, City Manager
Todd Godfrey, City Attorney
Stephanie Carlson, City Recorder
Holly Smith, Assistant City Manager
Carrie Marsh, City Planner
Ann Frances Garcia, Economic Develop &
Housing Mgr

I. *Welcome* – Mayor Dahle.

Mayor Rob Dahle called the City Council Meeting to order at approximately 6:00 p.m.

II. *Pledge of Allegiance.*

Mayor Dahle led the Pledge of Allegiance.

III. *Public Comments.*

There were no comments.

IV. *Consideration of Resolution 2024-05 - Expressing the Condemnation of the City Council Regarding the Actions of State School Board Member Natalie Cline and Demanding Her Immediate Resignation of Her Elected Post.*

Mayor Dahle reported that the above item expresses the condemnation of the City Council regarding the actions of State School Board Member, Natalie Cline. The Council demands her immediate resignation from her elected post. He noted that the drafted resolution is on the City website and has been distributed to Council Members. It expresses the feelings Council Members have on this issue.

Council Members shared comments about the resolution. Council Member Matt Durham felt it was appropriate for the City of Holladay to take the position expressed in the resolution. Elected officials responsible for the well-being of children are expected to behave appropriately. Council Member Paul Fotheringham explained that in the City of Holladay, there is a mutual understanding that resolutions are not brought forward that are solely political or are not within the jurisdiction of this body to legislate. However, this resolution falls within the purview of this body. It does not address the policy positions of Ms. Cline but about her public behavior and her decision to publicly attack a student. Ms. Cline attacked a child in a manner that was callous and thoughtless. He pointed out that Ms. Cline has barely shown remorse. This is not a free speech issue, as she will not be prosecuted,

fined, or jailed for her speech, but elected officials cannot expect to be protected from removal from office when their speech and actions harm the institutions and people they are elected to strengthen and protect. She has deeply violated the spirit of the Oath of Office.

Council Member Drew Quinn agreed with the comments made and explained that she would be voting in favor of the resolution. Council Member Emily Gray expressed her support for the passage of this resolution. Mayor Dahle felt it was important for the City to take a position and stand with local and state elected officials who voted to censure Ms. Cline. It is also important to stand in solidarity.

Council Member Fotheringham moved to APPROVE Resolution 2024-05 – Expressing the Condemnation of the City Council Regarding the Actions of State School Board Member Natalie Cline and Demanding Her Immediate Resignation of Her Elected Post. Council Member Durham seconded the motion. Vote on Motion: Council Member Durham-Aye; Council Member Fotheringham-Aye; Council Member Quinn-Aye; Council Member Gray-Aye; Mayor Dahle-Aye. Resolution 2024-05 was approved by a unanimous vote

V. *Public Hearing on Proposed Amendments to the Moderate-Income Housing Element of the General Plan. (The Proposed Amendment Does Not Apply to Any Specific Location but Would Apply Generally Throughout the City and Include Additional Strategies and Tasks that Will Comply with Requirements Adopted by the State Legislature During the 2022 Legislative Session.)*

Ann Frances Garcia, Economic Development and Housing Manager explained that this is a public hearing on the Chapter 5 – Moderate-Income Housing plan. On January 18, the City Council provided direction to City Staff to research and provide proposed revisions to the plan that could assist the City in meeting the reporting requirements that have been set forth by the State. There were several conversations with the Utah Department of Workforce Services. After some research and guidance, a comprehensive list of actions and tasks was developed. An additional three strategies were also proposed. This was taken to the Planning Commission on February 6, 2024.

Mayor Dahle opened the public hearing at 6:14 pm

Ron Hilton -2394 E Murray Holladay Rd. He was in favor of what was proposed, as there are a lot of good strategies listed. The largest issue he has encountered in his work is striking a balance between density and affordability. It is not an easy problem to solve. Mr. Hilton noted that the residential infill idea is still out there, though it was tabled some time ago. He knew that Community and Economic Development Director, Jonathan Teerlink, thought it was something that might be worth *discussing* again in the future. Mr. Hilton believed that was a good way to create balance. Additionally, he believed accessory dwelling units (“ADU”) were likely the best way to create truly affordable housing in Holladay. It is important to look at long-term affordability.

There were no further comments. The public hearing was closed at approx. 6:16pm.

VI. *Public Hearing on Proposed Amendments to Title 13.100.010 - Adding Quasi-Public (Churches) as a Permitted Use in the C-2 Zone.*

Carrie Marsh, City Planner, explained that the application is to amend the table of Allowed Uses to allow quasi-public in the C-2 Zone. The application was prepared by the Korean Presbyterian Church

of Utah, which is interested in locating its meeting space on a property that is across from Holladay Hills. Their current options are to rezone to the Public (“P”) Zone, where quasi-public use is permitted, or to request an amendment to the Allowed Uses table. One consideration brought up by Council Member Fotheringham had to do with the distance requirements in State Law. It is something to consider when thinking about the impact of allowing a church use in the C-2 Zone, as it could impact other commercial properties. Currently, bar use is either conditional or permitted in three different zones: C-2, O-R-D, and HCR. The distance requirement is 600 feet from bars to community locations and 300 feet from restaurants to community locations. At this particular property, the 600-foot and 300-foot would extend into the Holladay Hills area. That is a significant consideration.

David P. Billings, applicant representative, stated that is a desire to assist the Korean Presbyterian Church of Utah with their efforts to relocate. It was noted that the Korean Presbyterian Church of Utah started in 1980 and is well-established in the valley. Growth and demographics have required the church to move, so their previous property was listed and sold. The church is looking for new space, and Holladay has been considered, because of the membership that lives in this area. The Holladay property is under contract in the due diligence period, which is 90 days. A variety of issues, including the zoning, need to be resolved. One of the difficulties with a rezone is the rezone process timeline. Additionally, rezoning to the P Zone damages the resale value of the property, because it reduces the options available that the property can be used for. It would likely involve an additional rezone.

The request is to include church use within the C-2 Zone. Many other city codes in the State allow churches to be in a variety of locations. There is a desire to move this application ahead as quickly as possible due to the existing Purchase Agreement. The applicant representative encouraged the City Council to allow churches in the C-2 Zone. Mayor Dahle believed the main issue the City Council needs to discuss is the distance requirement, as that can result in some unintended impacts.

Council Member Gray referenced the statement that many other cities have allowed this use in commercial zones. She asked how the 600-foot and 300-foot issues were resolved in those cities. The applicant representative reported that it is frequently done as a Conditional Use rather than as an Allowed Use. In Sandy City, it was looked at as a Conditional Use. He pointed out that 600 feet is not a significant distance, since a parking lot is frequently deeper than the required 600 feet. The requirements do not cast such a broad net that it will impact all of the commercial properties.

Mayor Dahle opened the public hearing at 6:25 pm.

Kris Longson - 4954 Fairview Dr. If the 600 feet encroach into the major commercial areas that are anticipated tax bases for the City, that would have a significant impact on plans that have been in the works for a long time as well as properties that have been in existence for a long time. There are restaurants in Holladay Hills that could be impacted by this type of decision. Unless there is some kind of solution where other commercial properties are not impacted by this use, there is no support for the amendment. He reiterated that it could impact existing and future uses.

There were no further comments. The public hearing was closed at approx. 6:28pm.

VII. *Public Hearing on Proposed Amendments to Title 13.76.73, 13.100.010, and Chapter 5.54.010 Regarding Home Occupations. (The Amendments would Create Standards for*

Common and Customary Home Occupations that Involve Clients Going to an Individual's Home, such as In-Home Salons, Lessons, Crafts, Counseling, Consulting, Massage, Computer Repair, Etc.)

Ms. Marsh explained that Home Occupations are currently a Conditional Use overseen by the Planning Commission. The proposal is to move Home Occupations from a Conditional Use to a Permitted Use, with standards. Ms. Marsh noted that a total rewrite of the code is proposed. The language included in the packet is new. One significant change is to shift the employee number to one, whether the employee is a resident of the home or not. Another proposal relates to accessory buildings. Currently, the code does not allow accessory building use. The change would allow an exterior accessory building. Additionally, there was a definition for owner-occupied.

Ms. Marsh reported that Conditional Uses are currently used that run with the land. That meant a Home Occupation would be tied to the property itself. The Planning Commission discussed owner-occupied, meaning someone who would have to live on the property or have a relative living on the property. A middle ground between that would be tying that to property ownership. In the staff report, there is clarifying language that can be discussed further during the Work Meeting portion.

Mayor Dahle opened the public hearing. There were no comments. The public hearing was closed.

VIII. Public Hearing Regarding the Creation of Public Infrastructure Districts ("PID") at Royal Holladay Hills (i) whether the Requested Service is Needed in the Area of the Proposed Districts; (ii) whether the Service Should be Provided by the City or the Proposed Districts; and (iii) All Other Matters Relating to the Proposed Districts).

Todd Godfrey City Attorney, reported that the City has received an application from the ownership property within the Royal Holladay Hills project to create a PID. Ms. Carlson has certified the petition to be adequate and it is now before the Council for a public hearing. The creation of the district would allow the issuance of bonds and essentially levy the tax within the district to build infrastructure to support that project. The way the district boundaries have been drawn in the proposal excludes any owner-occupied properties. While the tax should be assessed on commercial activities and potentially apartment projects, there would never be a tax assessed against an owner-occupied residential unit. Mr. Godfrey informed the City Council that there will be additional discussions about this matter during the scheduled Work Meeting.

Mayor Dahle opened the public hearing. There were no comments. The hearing remained open.

IX. Consent Agenda

There were no items to approve on the Consent Agenda.

X. City Manager Report – Gina Chamness.

Manager Chamness reported that there was a Spring Lane Adaptive Reuse Plan meeting with City Staff and other Steering Committee Members, as well as members of the concept and design team. More information will be shared during the Work Meeting. Ms. Chamness reported that the Historic Exhibit Experience project work started with two meetings last week. One meeting included some Council Members, some members of City Staff, and community leaders. The other meeting included members of the general public. There is a lot of excitement for this work to begin. She noted that there is a form that members of the public can use to share their stories about Holladay's history. It will be circulated via email and on social media.

Ms. Chamness reported that the Finance Director position has been posted. A number of applications have been received for that position so far. The first round of interviews will take place next week. She explained that the intention is to make an offer to an applicant by the end of the month.

XI. Council Reports and District Issues.

Council Member Durham reported that he attended one of the meetings for the Historic Exhibit Experience. It was an exciting meeting and he enjoyed hearing about all the interest people have in sharing the stories of Holladay. Council Member Durham discussed a meeting that included himself, Mayor Dahle, and Assistant City Manager, Holly Smith, at the capitol. He was there on behalf of the Happy Healthy Holladay Coalition. There was an anti-addiction lobbying effort on behalf of several groups. At that time, there was a meeting with Representative GayLynn Bennion, who represents part of Holladay. Council Member Durham also thanked City Engineer, Jared Bunch, for his help with stormwater issue in his district and he has been working closely with residents.

Council Member Fotheringham reported that he was at the Unified Fire Authority (“UFA”) Benefits and Compensation Committee Meeting earlier that day. He stated that the ask might be higher than last year. However, there are still additional discussions to be had at the Committee level.

Council Member Quinn discussed Morningside Elementary School, which is in her district. Due to the programs at that school, a lot of parents drop their children off in the morning and pick them up afterward. She explained that there are traffic and parking problems associated with this. Council Member Quinn expressed her appreciation to Police Chief Justin Hoyal and Mr. Bunch for looking into this issue. She noted that there have been a lot of requests related to sidewalks and crossing guards. Holladay does not have a lot of sidewalks, but sidewalks are being put in along 2700 East as part of a three-year project. That addition will be beneficial to the students walking there.

Council Member Gray reported that she sits on the Wasatch Front Waste and Recycling Board. A few weeks ago, in Millcreek, one of the recycling trucks caught on fire. Thankfully, the driver was able to evacuate. UFA arrived and was able to move the truck to another location and resolve the situation. Currently, it is believed that the fire was the result of non-recycled materials put in the recycling. The best guess is that batteries were put in and that created the spark. She stressed the importance of being mindful about what is put into the garbage and recycling. There was over \$100,000 worth of damage to the recycling truck in addition to the more immediate costs.

Mayor Dahle stated that one of the issues being raised at the Legislature relates to gravel pits. Both of the related bills will be tracked closely to see whether those move forward to a vote. Mayor Dahle discussed The Brinton Home and acknowledged that it is an emotional issue for a lot of residents. It is difficult to balance the desire the community has to maintain a historical structure while also protecting private property rights. The owner of that property tried to work with others to see if there was a path forward, but an agreement was not reached where the home could be saved. He appreciated that Mr. Teerlink had engaged in the process and that an effort was made to communicate with others.

Mayor Dahle reported that the Interfaith Council meets quarterly and there is a meeting scheduled for Monday at 7:00 p.m. He noted that anyone interested in attending is welcome to do so.

XII. Recess City Council in a Work Meeting:

Council Member Fotheringham moved to RECESS the City Council Meeting and RECONVENE in a Work Meeting. Council Member Quinn seconded the motion. The motion passed with the unanimous consent of the Council.

Mayor Dahle convened the Council in a work meeting at 6:40pm

a. Spring Lane Reuse Plan – MHTN.

Ms. Smith noted that the MHTN team of Ryan Wallace, Logan Hunt, Daniel Smith, Mark Harris, and Scott Later are present to share information about the plan. Ms. Smith explained that this is the first chance to talk about the project, but it will come back to the City Council two additional times in the future.

Ryan Wallace noted that he is the Principal in charge and that Mr. Hunt is the Project Manager. Mr. Hunt reviewed the schedule and went over the Project Kick-Off and Visioning information. The kick-off happened last week and some initial visioning exercises are being done. He noted that a Site Assessment will be conducted shortly to analyze the existing conditions. The assessment report will be delivered by the end of March. That information, as well as some of the public engagement efforts, will be presented to the Council. With feedback, the options will be refined in May and there will be a presentation in June. Mr. Hunt explained that those items are discussed in more detail within the Work Plan materials.

A significant part of the Work Plan is the public engagement process. The public engagement process involves identifying groups that need to be informed, consulted, or involved. Mr. Hunt explained that this will be done through: resident workshops (in-person in March for residents adjacent to the project area), stakeholder interviews (online and in-person in February and March), a concepts survey (residents will rank their preferences in April), and a Draft Plan Overview (on the website in May).

Mr. Wallace shared information about the kickoff meeting. There were a series of different exercises, one of which was called Rose, Thorn, Bud. The rose was something positive, the thorn related to challenges, and the bud represented areas of potential. That conversation as well as the information provided to MHTN resulted in the Draft Vision and Goals document. One of the goals is to be a place of community and connection. Other goals are for the area to be: sustainable and resilient, innovative and flexible, and also for there to be a focus on legacy and placemaking. Mr. Hunt reviewed the community park context. It was perfectly located between the two main parks that already exist. City Hall Park and Knudsen Park are slightly over 6 acres each, while Spring Lane Park would be 12.5 acres. When thinking about potential opportunities for Spring Lane Park, it is important to consider what already exists at the other parks.

Mr. Later introduced himself and reported that in 2015, there was an assessment of the entire Granite School District, including the Spring Lane area. Specifically, there was work done to look at the seismic and structural capacity of the Spring Lane building. He shared some statistics about the building. Mr. Harris next spoke about the seismic capacity of the space. Federal Emergency Management Agency (“FEMA”) has some basic checklists and score sheets that are filled out and scores are assigned for the building. This particular building scored quite low. It was built in the early 1960s and is load-bearing masonry with a wooden roof. The walls are considered reinforced masonry, but the only steel reinforcing walls in the building are along the top of the walls where the

roof ties in. Other than that, there is no reinforcing. The structure as it currently exists does not meet the current standards with regards to seismic safety for buildings. It has received different seismic strengthening attempts over the years. The first attempt occurred in 2000. There was another strengthening attempt made in 2006. The building has been improved, but the fact that it is still primarily unreinforced masonry is something that should be considered by the Council.

Something interesting about this particular building is that it is essentially slab on grade, but there are a series of utility tunnels that ring the entire perimeter and go through each of the classrooms. There is an extensive system of tunnels underneath the floor and all of the utilities that serve the building are located underground. Any proposal that considered taking down part of the building while leaving part of the building in place will need to consider how the utilities interact with the tunnel. Additionally, he noted that once major modifications are made to the building, there are mandatory upgrade requirements. Depending on what is proposed to be done, those requirements could kick in.

Mayor Dahle explained that if there is no use for the building, it is unlikely that the building will remain because it can become a nuisance. It might be more effective to remove the building and rebuild it if there is a desire to have another structure on the site. Unless there is some historical value or architectural feature that makes the existing building relevant to the community, it was noted that seismic renovation and remodeling are not generally the most cost-effective choices. Some high-level cost assumptions were shared with the Council. For a substantial renovation with seismic upgrades, it is between \$350 and \$400 per square foot. On the other hand, a full demolition was \$10 to \$15 per square foot. There was a discussion about the layout of the existing building and the location of the utilities.

Several building condition considerations were shared with the City Council, which included:

- Code requirements (certain actions may trigger upgrades, including seismic upgrades);
- Mechanical, electrical, and plumbing overhaul;
- Cost impacts;
- Ongoing maintenance;
- Benefit/use potential and alternatives;
- Area legacy (how to honor the history of the area/community relics that are worth preserving).

Mayor Dahle asked about the square footage of the different sections of the existing building. It was noted that some of the design elements or heritage can be reincorporated elsewhere on the site. For instance, reusing the motif seen on the front elevation of the building. It is possible to capture the spirit of the existing building and reintegrate it on the site. However, it is also possible to reuse the existing building if there is a legacy value there. There are several possibilities for Council Members to consider for the site.

The next steps were reviewed. It was noted that the intention is to confirm the vision and goals, discuss revenue-generating uses, and discuss building adaptive reuse potential. There is a desire to have discussions with the Council about how much active reuse of the building should be explored moving forward. There was also a question about potential revenue-generating uses on the site. Part of that will tie into whether or not the building remains. A revenue-generating use can take many different forms. For instance, it can be as simple as playing fields remaining on-site to be rented out. Alternatively, a new pavilion can be rented for events. There are several different options to explore.

Mayor Dahle reported that there had been a discussion about a potential small STEM center. It could include programming for children that revolves around STEM. That is something that can be considered. However, he is not sure there is necessarily a justification to keep the existing building. He believed the decision about the building should be made fairly early on in the process because it will impact the overall site plan. Council Member Gray asked whether residents in the district had expressed a desire for the building to remain. Council Member Fotheringham denied this and noted that he had some concerns about the expenses associated with keeping the building. There is likely more demand for something like a dog park or another outdoor amenity than there is a building. He pointed out that anything that is done to the existing building could trigger upgrade requirements.

Mayor Dahle thought it would be better to remove the building, taking advantage of where the infrastructure connections are, and build something new on that piece. He did not believe there was a desire to keep the existing building, but he reiterated that this decision needs to be finalized fairly quickly, as it will dictate what is done on the site. Council Member Durham asked what the demand is like for rental spaces that hold community events. Council Member Fotheringham noted that there are outdoor venues. The Arts Council has not been looking for indoor venues beyond what is already used. Ms. Chamness noted that the Cottonwood Room is fairly consistently rented, but there is space in the building that there has not been a great deal of demand for. She does not think event space is necessarily a pressing need. Council Member Fotheringham pointed out that schools are still available for public events. The schools have their rental rates and address a certain need.

Council Member Quinn liked the idea of taking some of the architectural elements from the existing building and incorporating those into the site. From the photos shown, there are some interesting features. References to those elements would likely be appreciated by the surrounding residents. She suggested that the tone be carried through as much as possible as the development took place. There was support to capture some of those elements and call back to the building that was on the site.

Mayor Dahle stated that he might have an interest in exploring the auditorium space to convert it into a nice performing space. He referenced the Speaker Series, events, and receptions. The space could be used for those kinds of gatherings. Council Member Gray wondered whether it would be cheaper to keep the space and renovate it or to remove the existing building and put something new there. She thought it was stated previously that it would be more cost-effective to create something new. It was clarified that the costs will depend on what is discovered as more of the details are finalized.

Council Member Fotheringham pointed out that a separate building will result in significant ongoing costs. There are opportunities in the remodel of the City Hall building to improve the programming space that already exists rather than look into another building. As for the question about whether revenue-generating use was preferred, Mayor Dahle informed those present that he did not want to do anything on the Spring Lane site strictly to generate revenue. He did not feel it was appropriate to have the revenue be the main focus. It is best to do what is right for the space instead of thinking only about revenue generation. Potential revenue should be a secondary consideration.

The Council talked about the vision and goals. Mayor Dahle stated that there is a desire to maintain the field space or at least a good portion of the field space for sporting activities in the community. There is not a lot of that kind of open space in the City, so there is a desire to preserve that as much as possible. As for the rest of the site, he suggested thinking outside of the box about what amenities

could be added there. He wanted to see something that will be an asset to the community. Mr. Wallace explained that more detailed recommendations can be made as more is discovered about the existing needs in the community and the kinds of things that the Council is interested in seeing.

Council Member Gray noted that a dog park was discussed previously because there isn't one in Holladay currently. A lot of the schools are having issues with people bringing their dogs to the school sites. A dog park is a need that currently exists in the community and can be explored further.

Mr. Wallace asked whether any of the vision statement language or the goals seemed out of alignment with the Council. The plan is to move forward with the Steering Committee and start to create some strategies in connection with the goals. As for revenue-generating uses, the Council stated that the goal is not specifically to generate revenue and that is a secondary concern. When it comes to the existing building, it was noted that there is only so much that can be done with a building from the 1960s. Modernization of the building can become fairly costly. Mayor Dahle noted that during initial conversations with Granite School District, it was communicated to them that the City believed the building would be removed. At that time, the District talked about covering that cost. If there are no plans for the existing building, he would rather there be a flat site so money can be put into amenities.

In terms of reuse, Mayor Dahle loved the idea of saving pieces that could be incorporated into whatever is done on the site. MHTN shared example scenarios where that has been done. Reusing specific items in new ways is an excellent way to recognize the heritage of a site. There is a desire to understand what elements could be repurposed from the building if that is the preferred direction. Mayor Dahle thought incorporating certain elements would add character to the site in the future. To those who live in the area, it will also add another layer of meaning to the Spring Lane project.

Mayor Dahle reported that the Spring Lane project has created an opportunity for open space, which is meaningful because Holladay does not have many open space opportunities. There was a discussion about notable features of the existing building. Council Member Fotheringham referenced the photographs included in the presentation materials and believed those illustrated notable elements. Mr. Wallace noted that this area has a slightly different context than other parks in the City because there are single-family residences on three sides and a chapel to the north. It is more urbanized, so there will be different opportunities. It is important to consider the experiences of neighbors as well.

b. Discussion on Previous Public Hearings.

Moderate-Income Housing Hearing.

Council Member Fotheringham referenced Page 1 of the Staff Report. The Analysis section talked about becoming eligible for transportation funding. He wondered whether this was a new pot of funding or if it was an existing pot of funding that the City had previously been eligible for. Ms. Garcia explained that it is the transportation funding. Five strategies need to be reported on in order to be eligible to apply for those funds. It is a pot of funding the City has traditionally had access to, but there are now more constraints as a result of the requirements. This puts current funding at risk.

Council Member Fotheringham wanted to know if meeting the requirements means it is possible for the City to receive a share of the funding or if there is a chance to receive the funding. Ms. Garcia explained that compliance means the City has a chance at receiving funding. Council Member

Fotheringham pointed out that even if the City complies, there is no guarantee that funding will be obtained. It just makes it possible to apply for the funding so there is a chance to receive it.

Council Member Fotheringham discussed the Staff Report and some comments made by the Planning Commission. He viewed this as a multi-year campaign by the Legislature to gradually make this topic a little more onerous on the municipalities each year. As a result, it seems the strategy should be for the City to be barely compliant each year. If the City is overly compliant or does extra, it will not be advantageous the following year, since it will be harder to carry that progress over. Once something is counted, it cannot continue to be counted the next year. Council Member Fotheringham clarified that the goal of affordable housing is shared with the Legislature, but there is a desire to be compliant with the requirements. Ms. Garcia clarified that the statute includes ongoing strategies and ongoing tasks. She informed Council Members that it is possible to report on tasks quarterly, annually, and bi-annually.

Mayor Dahle noted that six items were identified and then an additional three were identified. To the point made by Council Member Fotheringham, there were discussions about whether those three should be held back in reserve. After speaking to Ms. Garcia, it was clarified that it is possible to add them. Some cannot be accomplished yet, but those are on the list, and it is possible to report on them as long as work is being done to address the items. What is before the Council may be sufficient for the next couple of years without more additions. Council Member Gray believed it was strategic to identify areas where it is possible to create ongoing goals for a longer period. She wondered whether that was what was intended with the proposal. Ms. Garcia confirmed that the intention was to look for items that would take time to accomplish or could be reported on over a certain period.

Mayor Dahle discussed affordable housing in the community. The inferred solution is to increase density, which will increase inventory, which will then lower the prices. However, in Holladay, that does not seem to be a formula for success for affordable housing. He acknowledged that affordable housing is a serious issue, but it is difficult to solve it in the City through density increases alone.

Proposed amendment to Title 13.100.010 – adding quasi-public as a Permitted Use in the C-2 Zone. Mayor Dahle was initially supportive of the amendment until the issue related to distance was mentioned by Council Member Fotheringham. If the use is added to the C-2 Zone, it essentially places limitations on what can be added nearby. Council Member Durham asked where the 600-foot and 300-foot would be measured. Mr. Godfrey reported that a bar is 600 feet. He does not believe there is a straight-line measurement for bars in the State Code, but he offered to look into that. For a restaurant, the proximity restrictions are 300 feet and that is measured from the door of the alcohol service facility along a normal pedestrian route to the property boundary of the community location. Then there is a straight line measurement that is 200 feet, which he explained goes from the door of the serving establishment in a straight line to the property boundary of the community location.

Council Member Fotheringham pointed out that if the church use was in the location first, it would impact the ability for other commercial uses to come into that area. That can impact surrounding landowners and their ability to lease to a bar or restaurant. Mr. Godfrey suggested that City Staff look at the measurement points and how that might impact what is happening in Holladay Hills. There is some idea of where the restaurant pads are slated to be. He suspects that the subject property is outside of the proximity restrictions for a restaurant license at least, but thought it was best for City Staff to look into that further.

Council Member Fotheringham explained that he does not have an issue with a church existing in the C-2 Zone, but it is necessary to think about how this might impact other properties in the area. He believed allowing the quasi-public use in the zone will impact the property ownership rights of those adjacent, which is a concern to him. Mayor Dahle explained that the Council needs to consider the 600-foot line and the properties that would be impacted, but it is also necessary to think about potential impacts to all of the other C-2 Zones in the City. If a church went in, then it would essentially exclude certain uses within a particular radius. That is something that he is having difficulty with.

Council Member Durham noted that the applicant representative stated that this was done in other cities and asked City Staff to look at how the issue has been addressed in other areas. Council Member Quinn asked for clarification about the 600-foot and 300-foot measurements. Mr. Godfrey clarified that the different alcohol licenses have different proximity restrictions. For a tavern or bar, there is a 600-foot proximity restriction. For a restaurant with a beer license or a full-service alcohol license, it is a 300-foot measurement along a normal pedestrian route or a 200-foot straight line measurement. The State Code specifies the different kinds of licenses and the proximity requirements. Those are adopted in the City Code and the City does not have the ability to alter them.

Mayor Dahle shared some examples of alcohol licenses within the community. He reiterated that he does not have an issue with a church in the C-2 Zone, but it is necessary to think about the unintended consequences and the impacts on other properties in the zone. Mayor Dahle asked for an image of the area to see what the radius impact would look like. Council Member Fotheringham agreed that the image was needed because a quasi-public use in the C-2 Zone would impact surrounding property owners. Mayor Dahle reiterated his request for a visual to illustrate the potential impacts of this application. He also wanted to understand how this would impact future applications.

Mayor Dahle explained that there are issues with this specific application, but the Council also needs to consider what it means to entitle this property right in all of the C-2 Zones in the City. Council Member Fotheringham pointed out that there are C-2 Zones that border Millcreek. This is a more complex application than originally believed. Mr. Godfrey explained that a community location can choose to locate within proximity to alcohol use if they choose to, but it cannot be done the other way around.

Title 13.76.73, 13.100.010, and Chapter 5.54.010, regarding Home Occupations.

The Staff Report expressed a desire to create standards that will allow City Staff to approve straightforward applications. That approach could address a lot of the administrative workload. If something was outside of the standards, then it could come to the Planning Commission so mitigating conditions could be created. Ms. Marsh noted that Council Member Fotheringham had expressed concerns with the language, as it was currently drafted. Council Member Fotheringham asked about the current code versus what has changed.

There was discussion about the proposed language and how that varied from what was mentioned in the Staff Report. Ms. Marsh noted that staff proposed clarifying language to allow home occupations by the property owner and examples of that are on the second page. There might be situations where someone has purchased a property, but does not live there, as it was purchased to operate the business. She shared some example scenarios with the City Council for consideration.

Council Member Gray asked if it is possible to tighten up the language on Line 88. Ms. Marsh explained that the question for the City Council is whether there is a desire to limit a home occupation to someone who either resides there or is related to the property owner. Council Member Durham explained that part of the reason for requiring a business owner to reside on the property is so the owner can observe what is happening. Ms. Marsh noted that the impacts of a home occupation would be the same whether the property owner is living at the home or someone else is living at the home. She asked the Council to consider whether those impacts are mitigated by the standards.

Council Member Fotheringham felt it was necessary to consider the worst-case scenarios. There have been instances where property owners rent out residences and do not take care of the properties. Ms. Marsh explained that the licensing came with the ability to inspect a property to ensure that it complies with the standards in the code. Failure to comply means fines can be issued to the business and the license can be revoked. Council Member Quinn expressed hesitation about the drafted language and what has been proposed. She felt that someone living on the property should have a connection to the business. Ms. Marsh explained that the property owner can sign a Property Ownership Affidavit to authorize a tenant to apply for a Home Occupation. The tenant who resides on the property can then operate the home occupation.

Mayor Dahle pointed out that there are already issues with short-term rentals in the community. Some people are looking at the purchase of a home as an investment tool rather than a place to live. That is driving up the home prices and is creating some of the affordable housing issues. Expanding the opportunity for people to purchase homes, have a home occupation business, and not even occupy that home is a concern. The property owner will not necessarily care about the home or business.

Council Member Fotheringham was supportive of taking away the Conditional Use that runs with the land and standardizing Home Occupation licenses. Mayor Dahle did not have an issue with creating standards and trying to make it easier for staff to approve requests. However, if there was a business being run on the property, he felt it made sense for the property owner to live there.

Mr. Godfrey wanted to understand better the concerns expressed by the Council. He asked if the desire is for the business operator to reside on the property or if the desire is for someone with an ownership interest in the property to reside there and conduct the business. He wanted to understand whether the Council wanted to require that for a home occupation to be undertaken within a residence, the residence has to be owner-occupied. Council Member Fotheringham pointed out that the current standard was for the occupant, which he supported. Mr. Godfrey explained that it is important from a policy standpoint to understand whether the concern is that the owner of the property conducts the business or that the resident on the property conducts the business. Council Member Durham wanted to make sure the person operating the business was living on-site.

Council Member Durham referenced the home occupation for a flower farm near his house. He wondered whether that use would be included in the uses identified in this provision. Ms. Marsh explained that if the property owners moved and someone else purchased the property, they would need to apply for a new permit under the standards proposed. The way the language is written, and the flower farm use would be appropriate for staff approval. If there is a use that falls outside of the standards, it would go to a Conditional Use for review by the Commission.

Creation of PID at Royal Holladay Hills.

Mayor Dahle referenced the application that has been delivered to the City. His questions largely center on the bullet points that were included in the Staff Report. Those bullet points were as follows:

- Clarification of commercial and residential definitions in Section I;
- Inclusion of provisions related to the future PIDs' ability to use C-PACE funding;
- Technical changes related to correct current references in state law, and related to the qualifications of a Municipal Advisor;
- Clarification of the purpose and permitted uses of the PIDs in Section IV;
- Discussion of the total debt issuance limitation in section V (F);
- Clarification of Governance and Board requirements;
- Clarification of requirements for dissolution of the PIDs;
- Clarification on phasing, and costs of individual parking structures.

Ms. Chamness noted that staff and Counsel have reviewed the document and identified several issues that either required further clarification or additional information. In the last day or so, another draft was received that resolved some, but not all, of those issues. Mr. Godfrey reported that the creation of a Board to govern the PID, which is a governmental entity, would be created inside the City of Holladay. There are statutory ways to have that Board created. In the Governing Document, it is possible to establish who will serve on that Board. Those people need to be an owner of property within the district or be an agent of an owner with property in the district. That requirement has to continue throughout the life of the infrastructure district. The levy that is proposed to be authorized inside of the district could be relatively heavy. Mr. Godfrey asked whether there is a desire to provide an opportunity for someone with a substantial interest to have a seat on that Board. It is also important to think about what should happen if there is a substantial property owner who purchases later and will be taxed in the district. He noted that there can be a requirement that there must be a certain percentage of ownership before there is a right to have a seat on that Board. Mr. Godfrey noted that he did not believe there should be a requirement for someone to sit on the Board, but for those interested in having a seat, that seems to make sense.

Mr. Godfrey asked for guidance from the City Council about the Board. Council Member Fotheringham thought it made sense for the Governing Document to have a minimum amount. If someone owned a certain percentage, there was an opportunity to have a seat on the Board. There could also be a proxy appointed if that owner did not want to exercise their right individually. Other Council Members supported this approach. There was discussion about the size of the Board and the percentage needed to participate. Mr. Godfrey stated that a larger percentage would be preferable. However, that is something that can be discussed after the meeting and brought back to the Council.

Another issue where additional information has been requested has to do with the maximum bond issuance number of \$80 million that is currently in the Governing Document. Mr. Godfrey explained that City Staff is trying to get a better handle on that number. There is a desire to understand the amount, so a request has been made for more information. He anticipated there will be a resolution on that matter. More details will likely be brought forward to the Council at the next meeting.

Mayor Dahle explained that the Council is learning from this process, as a PID has not been done before. There will likely be a lot of questions in an effort to understand the justification behind some of the items in the document. Aaron Wade with Gilmore Bell introduced himself to the City Council

and explained that he is outside PID Counsel. The primary reason there would be a budget of \$50 million and a debt limit of \$80 million has to do with inflation. There will always be a lower project number than the requested debt limit to account for that, but additional information was requested to ensure that the budget number and the debt limit are appropriate. Ms. Chamness noted that Section 4 details the benefits of the districts and has a broader definition than was previously discussed with the applicant. It stated: "The Districts anticipate providing many benefits to the City and surrounding areas including parking structures, sewer and wastewater improvements, water lines, common area landscaping, streets, curbs, sidewalks, and related site work." There have been discussions of narrowing that definition slightly. She anticipates that in the next draft, the language will be different.

Mr. Wade shared information about dissolution requirements and annexation potential. Generally speaking, a local district or special district would dissolve upon the Board determining that its purpose is no longer needed. For this district, that would be when the debt has been discharged and the ownership of the parking structure has been settled. Currently, the language states that it is upon the determination of the City Council. The recommendation will request to change that from the City Council to the Board because, under State Law, the City Council does not make that finding. Mayor Dahle asked what the reason was to allow the PID Board to continue once the parking structure is finished and the bonds are retired. Mr. Wade stated that the district could continue to exist, but it would not be possible to levy the property taxes without a justification to do so. Mayor Dahle wanted to make sure that all of the money goes towards what it is intended to be used for.

Ms. Chamness reported that currently, the Governing Document would allow for the creation of three distinct PIDs. It also provides an annexation area, which is permitted under statute. Mr. Wade shared a map that was included in the packet. He explained that State Law allows the City to approve the districts with an annexation area. Mayor Dahle discussed ownership in the annexation area and whether those owners would have an avenue to the PID Board. Mr. Wade noted that despite pre-approval from the City, approval from the property owner at the time of the annexation is still needed.

Ms. Chamness noted that the PID is labor-intensive for staff, the City Attorney, and outside counsel. Many cities have imposed a fee for PID applications. That is something for the Council to consider as part of a future policy. Mayor Dahle believed that was something that should be done.

c. Calendar

- **Council Meetings – March 7 and 21, April 11 and 25**
- **Council Retreat and Pictures – February 29**

The calendar items were reviewed and discussed.

XIII. *Closed Session Pursuant to Utah Code Section 52-4-204 and 205 to Discuss the Physical or Mental Health or Professional Competence of an Individual, Potential Litigation, Property Acquisition, and Disposition.*

Council Member Fotheringham moved to go into CLOSED SESSION Pursuant to Utah Code Section 52-4-204 and 205 to Discuss the Physical or Mental Health or Professional Competence of an Individual, Potential Litigation, Property Acquisition, and Disposition. Council Member Quinn seconded the motion. Vote on Motion: Council Member Gray-Aye; Council Member Durham-Aye; Council Member Quinn-Aye; Council Member Fotheringham-Aye; Mayor Dahle-Aye. The motion passed with the unanimous consent of the Council.

The Council convened in a closed session at 8:55 p.m. Those in attendance in the Closed Session included Council Members Durham, Fotheringham, Quinn, Gibbons, Brewer, and Mayor Dahle. Others present included Gina Chamness, Jayme Blakesley, Stephanie Carlson, and Jon Teerlink.

The minutes of the Closed Session were taken and are on file as a Protected Record

Council Member Fotheringham moved to adjourn the Closed Session. Council Member Durham seconded the motion. The Council roll call vote was as follows: Council Members Durham, Fotheringham, Quinn, Gibbons, and Mayor Dahle in favor. The motion to go out of closed session at 9:13 p.m. passed with a unanimous vote.

XIV. Adjourn.

Council Member Fotheringham moved to ADJOURN the City Council Meeting. Council Member Quinn seconded the motion. The motion passed with the unanimous consent of the Council.

The City Council Meeting adjourned at approximately 9:15 p.m.

I hereby certify that the foregoing represents a true, accurate, and complete record of the Holladay City Council Meeting held Thursday, February 15, 2024.

Stephanie N. Carlson, MMC
Holladay City Recorder

Robert Dahle, Mayor

Minutes approved: **April 25, 2024**