#### SOUTH JORDAN CITY CITY COUNCIL MEETING

#### October 1, 2024

Present:Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member<br/>Tamara Zander, Council Member Kathie Johnson, Council Member Jason<br/>McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen,<br/>City Attorney Ryan Loose, Director of Strategy & Budget Don Tingey, Director<br/>of City Commerce Brian Preece, Director of Public Works Raymond Garrison,<br/>CFO Sunil Naidu, City Engineer Brad Klavano, Director of Administrative<br/>Services Melinda Seager, Police Chief Jeff Carr, Fire Chief Chris Dawson,<br/>Director of Recreation Janell Payne, Communications Manager Rachael Van<br/>Cleave, IS Senior System Administrator Phill Brown, IS Systems Administrator<br/>Ken Roberts, GIS Coordinator Matt Jarman, City Recorder Anna Crookston,<br/>Meeting Transcriptionist Diana Baun, City Planner Greg Schindler

 Absent: Council Member Don Shelton
Others: Mylee Wong, Lilly Wong, Brody Harris, Gabriella Helm, Lili Brady, Sam Longhurst, Thalea Longhurst, Lisa Stowe, John Gust, Josh Gibbons

#### <u>6:41 P.M.</u> <u>REGULAR MEETING</u>

#### A. Welcome, Roll Call, and Introduction - By Mayor, Dawn Ramsey

Mayor Ramsey welcomed everyone and introduced the meeting. She excused Council Member Shelton who was absent tonight.

#### B. Invocation – By Council Member, Kathie Johnson

Council Member Johnson offered the invocation.

#### C. Pledge of Allegiance – By Communications Manager, Rachael Van Cleave

Manager Van Cleave led the audience in the Pledge of Allegiance.

#### **D.** Minute Approval

**D.1.** September 17, 2024 City Council Study Meeting

**D.2.** September 17, 2024 City Council Meeting

Council Member Harris motioned to approve the September 17, 2024 City Council Study Meeting and September 17, 2024 City Council Meeting minutes as published. Council Member McGuire seconded the motion; vote was 4-0, unanimous in favor. Council Member Shelton was absent from the vote.

#### E. Mayor and Council Reports

Council Member Jason McGuire

- Attended the Shields Lane Corridor Open House to view public reactions.
- Met with some members of the Bingham Creek Regional Park Authority Board to discuss future plans.

Council Member Kathie Johnson - Nothing

Council Member Patrick Harris

- Attended a Sewer Board Meeting with Jordan Basin.
- Reached out to City Manager Dustin Lewis to discuss a proposal about cities potentially being reimbursed for various sewer things.
- Has some interactions with Assistant City Manager Jason Rasmussen, who has been helpful.

Council Member Tamara Zander

- There have been a few short-term rental discussions during study meeting, and since the last one she has had a few residents reach out to her verbally and through email, expressing their thoughts about the discussion. She has appreciated the engagement from the city as well.

Mayor Dawn Ramsey

- Attended the Herriman City Community Partners Luncheon.
- Attended the second to last Bees home game at Smith's Ballpark, in her official capacity.
- Last week, the American Metropolitan Planning Organization had their national conference here in Salt Lake with regional planning organizations. The largest regional planning organization in Utah is the Wasatch Regional Front Council. She chairs that council which represents about 80% 85% of the state's population, and was asked to be on a panel for the opening session with other elected officials in the area.
- Last night she attended the Hispanic Heritage Congressional Recognition with Congressman Burgess Owens who recognized four South Jordan residents for their contributions.

#### F. Public Comment

Mayor Ramsey opened the public comment portion of the meeting.

Lisa Stowe (Resident) – I have two short term rentals on my street. Thank you for allowing me to sit in on your study meetings, it has been extremely educational and enlightening, and it has been very hard to keep my mouth shut but I have done it so far; thank you for giving me this

forum to speak. I also wanted to thank those of you who have been able to read the letter that I had provided previously, and am assuming you all have or will read that letter; I don't want to get into too much detail but wanted to share specifically some of things I have been able to observe in the study meeting and some of your proposals and some of my thoughts on that. I have heard a lot of things in the study meetings about regulating it, but I have not heard anything about benefits of having short-term rentals, other than perhaps residents might be annoved and complain. Based on some of the statistics in the meeting, it seems to me that some of these people might not even be South Jordan City residents, and I would be less inclined to think their opinion would matter as much as those of us who actually live here. We talked a little bit about property rights and private property rights, I would personally argue that property owners don't have the right to operate residences as a business. I know that I have proposed in my letter and other places that it's perhaps a zoning violation, and I understand that probably from a regulatory perspective to enforce and manage that there may be challenges, so I know that might not be the angle we want to take, but I would still suggest that providing short-term housing to someone is a non-residential use because it is solely for business purposes. Just like I can't move out of my home and turn it into a restaurant, even if I had a business license because it's still a business, I think that's a similar argument for what they're doing as well. Again, I think the business license might be a good vehicle for that, but I think it's interesting to acknowledge it being a business, but it's not a home business because they don't live there. In talking about some of the solutions, I think I want to consider some of the outcomes we are looking for. I think if we are looking to limit complaints of residents in terms of people like me who live next to short-term rentals, certain regulatory actions could be taken, but I also think volume in and of itself is a concern and what it does to a community; being able to regulate the volume of them is also really important to me as well. If that is the case, I think some of what we would want to put into place might be those things that might dissuade someone from wanting to start, or maintain their short-term rental, that may make it a little bit harder to do so versus just trying to solve the concerns of the citizens that live next to it. In terms of the other solutions we talked about, people being nearby to come quickly, in my particular situation, the person that lives next door to me that maintains that home is less than five minutes away, but it doesn't arm me with a lot of ability. I can either try to talk to them, but why would they want to please me when they have someone who's going to be rating them on a website that's going to affect their bottom line, where they want to get five starts. I also don't like to call the police, assuming it's a citable offense, because I understand that's also a disruption to the police department if it's not a dangerous situation. It still doesn't allow me a lot of options.

#### G. Public Hearing Item

**G.1.** <u>Ordinance 2024-21</u>, Adopting an amended and updated Impact Fee for Transportation within the "Last Hold Out" properties; establishing certain policies related to Impact Fees for Transportation Facilities; establishing Service Area; and/or other related matters. (*By Director of Strategy & Budget, Don Tingey & LRB Vice President, Fred Philpot*)

**Fred Philpot** reviewed his prepared presentation (Attachment A) regarding the proposed amendment related to Transportation elements of the Impact Fees. Mayor Ramsey opened the Public Hearing for comments.

John Gust (Business Representative) – I represent the South Jordan Commercial Development on 10600 South and Mountain View Corridor. We haven't formally named it yet, but we're close. We have been going over the fees with Don and our traffic engineer. We met yesterday and today, and there are some issues we still feel are open. The biggest issue is we have the retail component, the sit-down restaurant component, and we have the fast food/drive-thru/fast casual component. We don't have a problem with retail or sit-down restaurants basically, but the area that is really kind of troubling for us is the fast food or fast casual drive-thru. If I can just indulge you for a moment and go over the fees for retail on the Daybreak side, which is on the south side, and we are on the north side. We sold them the south side so they could be cohesive in what they wanted to do around the ballpark area. For retail their fees are around \$2000, they did put in the improvements out there obviously, but they still have a fee of \$2000 for retail. Sit-down is \$4569 and fast food is \$15,731 per thousand square feet. On our side, the fee is doubled where our retail is up to \$4780, the sit-down restaurant is \$11,125, and it's about a two to one difference in price. However, the fast food casual is \$38,000 per thousand square feet. The problem we have is that obviously we are competing technically, they have the south side and we have the north side, and we feel it puts us at somewhat of a disadvantage out there, how do we compete. In the ordinance that Don and those guys gave to us today there was a blended opportunity under the rules, and Josh can explain that better, but we talk about the blended rate and he can do a better job on that than I can. What I am asking is if we could maybe postpone making this decision for a couple of weeks, allowing us to work this through with the staff a little further and come back with a recommendation that we can all agree on, and I can brief Doug and all the other partners in our project a little bit more thoroughly than I have.

Josh Gibbons (Hales Engineering) – we worked with John to review the impact fees. I will say, before I go over a couple things, we reviewed how the impact fees were calculated, overall it looked like a great process. We worked with Fred on other projects and he does great work, so from that side of things it all looked good. What John is referring to tonight is more on the back end when the development is brought forth to calculate the impact fees, how it is calculated. As he mentioned, the fees have lowered, and are still at least double what Daybreak would be. It is less than South Jordan proper, but double the Daybreak area. What we have discussed a little bit is that you can look at individual retail land uses, general retail or fast food. Fast food generates much more traffic than a typical retail, so you can look at them individually, but based on the national standards you can also look at them as a collective retail development, which is what John is planning in that area, where it is a mix of retail, restaurants which can include fast food and other things like that. The standard that would be followed would be to look at the site as a whole and run it as a collective general retail shopping plaza or shopping center, those are the terms we use, and in the end it is more of a blended rate, where it is going to be slightly higher than your just retail land use, but lower than your fast food. What that allows you to do is to have it be more spread out amongst all the square footage, instead of fast food being so high; that is what John is talking about, the concern of fast food being high. From a traffic engineer's prospective, that would meet the standard procedures to look at the site as a whole, if that were possible on the back end, but obviously I understand that would be up to staff how that is calculated, potentially with a traffic study to back that up with the data to show that. That is the information I wanted to share today, that the typical would be a blended rate, which in the end is actually how WCG ran the numbers in the first place, as a collective whole of square footage for retail and similar uses.

Mayor Ramsey closed the Public Hearing and turned to the council for comments or questions.

Council Member Zander asked Mr. Philpot about the quoted numbers being double and triple the Daybreak rates.

Mr. Philpot explained the difference between the Daybreak service area and South Jordan proper service area as having to do with the agreements made relative to Daybreak putting in infrastructure, which had a credit applied. The impact fee, while it might look disproportionate on the surface, actually has other mechanism used to pay for infrastructure that are not included in the Daybreak fees because they are fronting that cost. To keep that proportionate and fair, those agreement are considered. For other areas without that development agreement in place, the infrastructure is funded, in part, with the impact fee, which increases that allocation.

Council Member Zander asked Mr. Philpot if he feels, in his professional opinion, that the fees are balanced.

Mr. Philpot responded that yes, they are proportionate relative to the information.

Council Member Johnson noted Mr. Gust's comment on "blending," and asked if he is developing the whole development.

Mr. Philpot responded that he was not sure on the specifics to the development itself, but all impact fees, including the city's impact fees ordinance, allows for consideration for different land use types. They provide a schedule with standard uses, relative to the cost per trip and application at cost per trip, but there is also a nonstandard formula that can be utilized for a developer to come in and say they feel differently about what the schedule shows and present data to support their feelings. The city is obligated to review that information. They are not required to take action, but the city is obligated to review that information and have that dialogue with the developer. If they come to consensus that there is a need to asses an alternative fee, then the city can do that; that often happens with communities, but it is conditional upon the developer providing that information to the city for reconsideration. It is also part of the ordinance that a developer can come in and offer to do some of the improvements themselves in lieu of impact fees. In this case that doesn't necessarily apply because it's all a buy-in for infrastructure that is already constructed. For this specific service area, there is no additional infrastructure assessed, which is why you see the impact fee for this service area is actually lower than the South Jordan proper service area recently adopted.

Council Member Zander noted that Mr. Gust discussed their property being split and sold partially to Daybreak, with the southern piece being adopted into the Daybreak service area.

Mr. Philpot responded that he wasn't sure if that would remove them from the service area. As defined in the 2024 Transportation Impact Fees, there is a delineation for the Daybreak service area, the South Jordan proper service area, and the Rio Tinto service area. These areas were specifically pulled out during the last hold-out analysis and addressed separately, not included in the Daybreak or South Jordan proper service area.

Council Member Harris acknowledged Mr. Gust's request to delay voting for this tonight, but based on the discussion it sounds like there is already a solution for that, allowing him to address the city directly if he feels there is an alternative way to calculate his fees.

Mr. Philpot agreed and reiterated that there is a process in the current ordinance to allow for alternative consideration.

Manager Lewis stated that there has been a lot of time spent working on this, and he feels the city is good to move forward with it as presented.

#### Council Member McGuire motioned to approve Ordinance 2024-21, Adopting an amended and updated Impact Fee for Transportation within the "Last Hold Out" properties. Council Member Zander seconded the motion.

Roll Call Vote Yes – Council Member McGuire Yes – Council Member Zander Yes – Council Member Harris Yes – Council Member Johnson Absent – Council Member Shelton

Motion passes 4-0, vote in favor; Council Member Shelton was absent from the vote.

#### H. Staff Reports and Calendaring Items

Director of Engineering Brad Klavano gave a quick update on 9800 South and Bangerter. A few weeks ago, UDOT informed the city they would not close the east/west until the first of December; they are behind getting the future on and off ramps completed. Regarding the pedestrian bridge, we should start to see components coming in over the next month or so, being installed as they come in, with their commitment to have it done by Thanksgiving with it being open after Thanksgiving break. UDOT is still working with the school district on bussing and paying for hazardous bussing at the moment.

Council Member Zander motioned to adjourn the October 1, 2024 City Council Meeting. Council Member Johnson seconded the motion; vote was 4-0, unanimous in favor. Council Member Shelton was absent from the vote.

#### **ADJOURNMENT**

The October 1, 2024 City Council Meeting adjourned at 7:18 p.m.

This is a true and correct copy of the October 1, 2024 City Council Meeting Minutes, which were approved on October 15, 2024.

Anna Crockston

South Jordan City Recorder





## SOUTH JORDAN, UTAH

## LAST HOLDOUT TRANSPORTATION IFA AMENDMENT

October 2024

# Methodology

- 1. Intent to amend the 2023 impact fee for Service Area 1 Last Hold Out.
- 2. Supported by an analysis completed by Wall Consulting Group ("WCG") relative to the transportation buy-in value of South Jordan Parkway.
- 3. The impact fee has been adjusted to account for the recalculation of buy-in value based on the 2015 Purchase and Reimbursement Agreement for the Extension of South Jordan Parkway (dated November 2, 2015, see Article III).
- 4. No changes to the Service Areas, demand analysis, LOS, capital facilities analysis, or other assumptions from the 2023 analysis have been incorporated into this amendment.

# ANALYSIS

### **AMENDED TABLE 4.1: ALLOCATED COST PER TRIP**

	TR				
South Jordan Parkway Segment	High School Site	School Dist. Flex/Mixed Use Site	BASTIAN PROPERTY EAST SITE	QUALIFIED COST	
Mountain View Corridor East to Daybreak Boundary				\$17,905,637	
2016 Developer Agreement				(\$1,481,636)	
Amended Mountain View Corridor East to Daybreak Boundary Cost				\$16,424,001	
Percent of daily traffic on segment	1.22%	3.96%	7.03%	12.21%	
Buy-in Cost	\$200,373	\$650,390	\$1,154,607	\$2,005,370	
West of the Mountain View Corridor to Highway 111				\$17,753,634	
Percent of daily traffic on segment	1.87%	4.81%	2.48%	9.16%	
Buy-in Cost	\$331,993	\$853,950	\$440,290	\$1,626,233	
Amended Overall Corridor within Daybreak				\$34,177,635	
Total Buy-in Cost	\$532,366	\$1,504,340	\$1,594,897		
Percent of total qualified cost	1.56%	4.40%	4.67%		

Source: South Jordan Parkway Buy-In Fee Analysis Update, Table 1 Amended August 2024



### **AMENDED TABLE 6.1: ALLOCATED COST PER TRIP**

	TOTAL QUALIFIED COST	% of Total Qualified Cost	Cost to Service Area	New Trip Ends	Cost per Trip End	Professiona l Expense	TOTAL
School District Property	\$34,177,635	5.96%	\$2,036,706	11,221	\$181.51	\$0.96	\$182.47
Bastian East Property	\$34,177,635	4.67%	\$1,594,897	4,395	\$362.86	\$0.96	\$363.82

### **AMENDED TABLE 6.2: RECOMMENDED IMPACT FEE BASED ON LAND-USE TYPE**

LAND USE	ITE Code	Unit	WEEKDAY TRIP RATE	Pass-By Adjust.	Entering / Exiting	Adjusted Trips Ends	School District Property	Bastian Property
Single Family Residential	210	Unit	9.43	0%	0.5	4.72	\$860.36	\$1,715.39
Multi-Family Low-Rise (≤ 3 stories)	220	Unit	6.74	0%	0.5	3.37	\$614.93	\$1,226.06
Light Industrial	110	KSF	4.87	0%	0.5	2.44	\$444.32	\$885.89
General Office	710	KSF	10.84	0%	0.5	5.42	\$989.00	\$1,971.88
Shopping Center/General Commercial 150k-300k sq ft	820	KSF	37.01	29%	0.5	13.14	\$2,397.43	\$4,780.02



**Amended Formula** 

FORMULA FOR NON-STANDARD IMPACT FEES:

**School District Property:** Total Trip Ends (per specified land use) x Applicable Adjustment Factors x Cost Per Trip End (\$182.47) = Impact Fee

**Bastian Property:** Total Trip Ends (per specified land use) x Applicable Adjustment Factors x Cost Per Trip End (\$363.82) = Impact Fee

# NEXT STEPS

- Outcome = Results in a slightly reduced fee from 2023 Study and lower fee than City in General
- Hold public hearing
- Adopt, Modify, Reject Impact Fees

## 90 Day Wait Period

## QUESTIONS

Fred Philpot | Vice President/COO **LRB Public Finance Advisors O** 801.596.0700 **C** 801.243.0293 Irbfinance.com

Lewis Young Robertson & Burningham is now LRB Public Finance Advisors



