

SOUTH JORDAN CITY
CITY COUNCIL STUDY MEETING

February 15, 2022

Present: Mayor Dawn R. Ramsey, Council Member Tamara Zander, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Don Shelton, Council Member Jason McGuire, City Manager Gary Whatcott, Assistant City Manager Dustin Lewis, City Attorney Ryan Loose, Planning Director Steven Schaefermeyer, Director of Administrative Services Spencer Kyle, Director of Public Works Jason Rasmussen, City Engineer Brad Klavano, Strategic Services Director Don Tingey, City Commerce Director Brian Preece, Director of Government Affairs Melinda Seager, Police Chief Jeff Carr, Fire Chief Chris Dawson, IT Director Jon Day, GIS Coordinator Matt Jarman, City Recorder Anna Crookston, Meeting Transcriptionist Diana Baun, Associate Director of Recreation Services Janell Payne, Communications Manager Rachael Van Cleave

Others: Tina Falk, Carol, Sam Bishop, Jordan, Douglas Bjerke, Jill Lash, Kristi Jackson (x2), kalyani, iPhone, Satish Bathula, Shari Harris, Scott Howell, Doug MacDonald, Jeff Seamans, Barrett Peterson, Dr. Anthony Godfrey, Tracy Miller, Marilyn Richards, Tami Pyfer, Scott Festin, Caleb Olson, Scott Thomas, Mike Anderson

4:46 PM
STUDY MEETING

A. Welcome, Roll Call and Introduction: *By Mayor Dawn R. Ramsey*

Mayor Ramsey welcomed everyone present and introduced the meeting.

B. Invocation: *By City Commerce Director Brian Preece*

City Commerce Director Brian Preece offered the invocation.

C. Mayor and Council Coordination

Council Member Don Shelton mentioned he is having knee surgery this Friday and will join upcoming meetings, both in and out of the city, electronically until he is able to attend in person again.

Council Member Tamara Zander said she has had a hard week with her daughter coming home early from her mission a few days ago, she is doing her best to be here and participate while she supports her family at home.

Council Member Shelton mentioned that he heard there is someone running against Salt Lake County Council Member Steve DeBry, and asked if Council Member DeBry was running again

for re-election this year. The council responded that yes, he is running again this year. Council Member Shelton said he was told the potential opponent is a Bingham High graduate who is promising a swimming pool and other things.

Mayor Ramsey said she hasn't heard that, but she did get texts from Salt Lake County Council Member Dave Alvord and Mr. DeBry today, and she believes they are coming from different sides on this possible opponent. She hasn't had a chance to respond to either gentlemen for more information yet. She said there was a lot of stuff going on in Washington, DC while she was there; they talked a lot about how to access all the federal money that is available, including 70 new funding programs. They heard from most, but not all, of the cabinet areas; they did not hear from the secretaries directly, it was mostly deputy secretaries. Their presentations at each conference were a little different, but similar, because so much is going into the infrastructure law. She had the chance to visit with every member of Utah's delegation her last day there. The federal government has not approved a budget for this fiscal year, that was supposed to be done back in September and they are continuing to function on regular continuing resolutions. She was told that from the political side this is actually a good thing because it's the same budget from back in 2020, which means it's a republican led budget. However, it is very outdated and we are a few years past the value of that money; if we continue to live on these resolutions to keep the government running, we can't harness the full value of the infrastructure law money. They pleaded with everyone to be supportive of passing a budget, although there are some hard lines in the sand that republicans and democrats working this out are not willing to cross; she can appreciate what those lines are, but we still don't have an approved federal budget and we need that to utilize all of that infrastructure money. Our delegates are all aware of our needs here in the city and they had some great conversations with her. Utah Construction and Design's Most Outstanding Municipal Project in 2021 was announced as our own South Jordan Fire Station 64. She thanked everyone who was a part of that and for all the work that went into that project. She mentioned that she excused some of the executive staff from this meeting in anticipation of more visitors coming in later. As an update on House Bill (HB) 151, which is the retail tax incentives, as of last night she and Cameron Diehl were able to get some things worked into the bill that would really help push things in a favorable direction, and she was happy about that. They had some other progress on a bill that was important to us today; she thanked Senator Fillmore for stepping up on behalf of our city and making a substitute on the floor and getting that approved unanimously, because it matters for us. That bill was related to the HTRZ Zones Radius, and under certain requirements expanding that to a half mile instead of a quarter mile. There was some pushback and the county wasn't happy, but it sounded like our Director of Government Affairs Melinda Seager worked her magic and got the county to back off their opposition for now.

Director Seager said the county is just backing off for now, but we still need to see the bill go through the house.

Council Member Zander asked for some more data and information, she would love to text Senator Fillmore personally but she is not completely up to date on what happened.

Mayor Ramsey said there will be some visits done tomorrow and they will have the chance to go into greater detail about why this issue matters for us.

City Attorney Ryan Loose mentioned that thanking Senator Harper would be a good idea as well if you know him.

Mayor Ramsey said Senator Harper was the one who originally ran this bill.

Attorney Loose also thanked Director of City Commerce Brian Preece for his help on HB 151, regarding Redevelopment Agency's (RDA).

Mayor Ramsey said yesterday at Legislative Policy Committee (LPC) they reached the point where they only have four "sticky" items to work through and adjust to reach a point where the LPC can vote and the League would go neutral on HB 151. They know the bill is going to pass, and they are quite close to where they can be neutral because they have been able to mitigate most of the damage that will impact not just us, but many of the cities. They are still waiting for three of the biggest bills this session that impact South Jordan to come out, they are the three bills by Representative Waldrip; he has been really great to work with on these housing bills. There was a meeting today with the Property Rights Coalition, they have a different view on things and want the bill to include state mandatory zoning and density requirements in all the TRAX Station and planned areas. The League has not sent out any action alerts at this point, they are saving them for when they will matter the most. They are making some good progress and are just waiting and hoping the good faith that has come from Representative Waldrip works out. The governor's office reached out, sending the mayor a text asking for help, regarding a proposal in the governor's budget of \$1.65 million of ongoing funding for planning technical assistance. A lot of cities don't have the amazing staff like we do to help plan or even execute many of the things they are directed and required to do, they don't have what it takes to make those things happen. One million dollars of one-time funding was also pushed for a statewide planning discussion about growth, led by the state. The Economic Opportunities Commission passed both of those funding proposals unanimously and we feel strong about this; the Governor's Office of Planning and Budget will be the ones leading out on those conversations. While in the subcommittee, the appropriations request was cut significantly, so there is a recommendation for funding but it's only half of the amount and it's just not enough; the governor's office asked us to help them try and get that back. Mayor Ramsey created a letter, the Executive Appropriations Committee has not received it yet but she is emailing it to them tomorrow and then planning to go there Thursday to have personal conversations with them. Since she is going to the Executive Appropriations Committee on behalf of the League and WFRC, this letter shows what they both are asking for. In four weeks, on March 15, she will be back in Washington, DC and said she can join the council meetings that night electronically if needed. The Just Serve Organization has decided to be a major leading sponsor for the National League of Cities this year and asked if she would be willing to join that effort to bring awareness of the Just Serve program to communities across the country. They are coming to her office tomorrow to film a video and ask her about projects done in our city that made a difference.

D. Discussion/Review of Regular Council Meeting

Presentation Item:

-2022 Community Survey and Final Report.

Mayor Ramsey said she had a chance to look at the approval ratings of the council, how they're doing, and it was quite high. Overall, it looks good but she anticipates good information from Y2.

Action Item:

-Resolution R2022-16, Appointing members to the Art's Council.

Mayor Ramsey said this resolution will be making her appointment to the Art's Council official.

Public Hearing Items:

-Ordinance 2022-04, Re-adopting the City's Construction Standards and Specifications.

-Ordinance 2022-08, Vacating a portion of Right-of-Way along the North side of Lake Avenue (5215 West 5340 West) and a portion of Right-of-Way along the West side of Lake Run Road (10965 South to 11120 South).

-Ordinance 2022-09, Vacating a portion of Right-of-Way along the North and South sides of Docksider Drive, East of Bingham Rim Road (11320 South 6850 West).

E. Discussion Items:

E.1. Jordan School District update. *(By Jordan School District)*

Dr. Anthony Godfrey has been the Superintendent for the Jordan School District (JSD) for three years now. He introduced Tracy Miller and let her begin.

Tracy Miller is the Board President for the JSD who also represents the western and southern parts of South Jordan City. Also here tonight is Marilyn Richards who is the Vice President of the Board for JSD, she represents the north part of South Jordan City. Bryce Dunford was unable to be here tonight, he is a board member who represents South Jordan further to the west. There are a lot of great things going on in our district. They understand the schools are a very important part of the infrastructure of a city, and they are very grateful for the good relationship they have with South Jordan City. JSD staff works closely with a lot of city staff on various issues, including getting kids safely to and from school, building new schools, etc.; they also have a lot of support from many here tonight at school activities, which they appreciate.

Dr. Godfrey introduced Marilyn Richards with the Board of Education, Tami Pyfer, Scott Festin, Caleb Olson and Scott Thomas. Mike Anderson, who is the Assistant Superintendent, is also here but he stepped out to take a call so Dr. Godfrey could stay in the meeting. Dr. Godfrey was excited to say that he has been a resident of our city for one year now. He loves living here, the roads clear quickly and the service has been wonderful; as a resident he couldn't be happier. As Ms. Miller mentioned, they really enjoy their association with South Jordan City; he has sat in many meetings with staff and our elected officials, where that relationship has grown closer and great things were accomplished. They know we have different roles, but the same goals to build a strong community; a place where people enjoy living and visiting, working together to accomplish great things and support the families and businesses in our community. They are here to express appreciation and offer their help strengthening those bonds and supporting each other.

In the Jordan School District they have been focusing on literacy, it's the way you access all other learning. By improving their literacy program, they improve students' access to all other learning. They have been focused on elementary literacy recently, they have seen some great results already but it takes time to see those results long term. Their program, Walk to Read, has been really successful. Their teachers, despite the fact we are in "Covidious" times, have done an incredible job of moving this forward. If we don't start with strong literacy skills at the beginning, then we're playing catch up the rest of the time, like trying to bail out your basement but not turning off the leaky faucet first. Their teachers have done a great job for a long time, and this is just the next evolution of that; it doesn't happen without parents supporting the effort. They have also focused on health and wellness, as has the city, including a health and wellness day on Friday which was very exciting to have as a focus for families. The district provided materials for families to work together on health and wellness at home and provided time for employees to connect with each other. There were some great community sponsors who made all of this possible as well and allowed for employees to come to fitness centers and gyms, get a treat, and just celebrate their connection with each other and focus on themselves. They will continue to provide that for employees, and work to find what services they need for families and employees. They have worked to provide a broad spectrum of opportunities for students, which has really been a focus of the board. They have created things like the Arts Academy where elementary students can make art a part of every day and the Virtual Academy where they have three distinct schools with their own principals and faculty to learn virtually. In regards to the Virtual Academy, it doesn't work for everyone, but for some it's ideal with a partial or full schedule at the secondary level, or a full schedule at the elementary level; they are excited to have those options available as well. When they are trying to meet the needs of 58,000 students they need a wider variety of options, they have tried to continue to provide that. They also take very seriously the taxpayer dollars received, including when those funds are received through bonds. They take very seriously the promises made, and they have been able to build every building that they promised, plus one, and it was all done on time. Scott Thomas is the Administrator of Auxiliary Services and he oversees all of those operations. The timing of bids and the way buildings are built becomes more and more efficient over time, and they are very proud of that in a growing district and a growing city. You can't meet those needs unless you are responsible with the bond dollars when they come in. We hear a lot about the schools in various areas of the state, and everyone deals with different issues, but they are proud to be on time and under budget for every one of the schools. As mentioned, growth is an issue throughout the district and South Jordan. It's a huge issue they deal with all the time, so he has Scott Festin, their Demographer, here to talk a little about the growth here in South Jordan.

Scott Festin is in the Planning and Enrollment group in Student Services at the District, he has been doing this for a little over two years; for 23 years before that, he was with the Wasatch Front Regional Council. His role at the district is to look at things from a planner's perspective. He oversees and tracks the current residential developments, watches the birth rates and data from the Department of Health, and gets building permit reports every week from the construction monitor; all of that to help them keep track of where things are going. He handed out a map for reference (Attachment B) and talked about what they see in South Jordan from a school district's perspective. He sat down with Director of Planning Steven Schaefermeyer last week to go over the map and make sure everything is accurate. There are 15 schools in South Jordan, nine elementary schools, three middle schools, two high schools and one special school.

Also, while preparing for this, he was reminded that all of the South Jordan City residents in Daybreak go to Herriman High School, just over the boundary from South Jordan. We don't always think of that school as serving South Jordan residents, but there is a fair chunk of the student body at Herriman High School that is South Jordan residents. Living in the city boundaries, in their student database, there are just over 14,000 student in the city; of those students, 7000 are elementary students, and approximately 3500 each are middle and high school students. A good portion of the district's 57,000+ students are here in South Jordan. The district does hold some property within South Jordan City, this includes three elementary school sites, two out in Daybreak in Villages 9 and 13, and then a small elementary site called the Bergen Property just off of 1300 West. There is some other property in Daybreak including a middle school, a lone high school site, and then some property that hasn't been determined yet. They are anticipating more growth, more school construction out west. Some areas of interest they are watching include Daybreak, more specifically West Daybreak; in the last few years he has tracked over 1300 housing units permitted, 365 of those are currently under construction. He gets the construction reports every week, maps them, and for six months they are considered currently under construction. Those 365 units currently under construction, at current rates, would yield another classroom of elementary students plus more. Other areas they are keeping an eye on include scattered infill east of Redwood Road, where there is a parcel or two they are seeing building permits in there. He was surprised when he counted them, it was over 500 units in the last few years with 53 still under construction. They also have an area they consider "the wild card," they know it's there but aren't sure what is going to show up there, and that's the downtown Daybreak area along the TRAX line. Depending on what kind of development and how much or what type of residential goes in there, that could have a big impact on our schools, especially the ones in Daybreak east of Mountain View Corridor. He tries to get out and drive through these developments every once and a while, he drove through the downtown Daybreak area the other day after meeting with Director Schaefermeyer. They keep their eyes on affordability issues, as housing prices go up they look at what the impact is on the ability to afford housing; if they don't have families in those houses, they don't get more students.

Dr. Godfrey said certain types of homes used to bring families of a certain size and that has shifted dramatically.

Mayor Ramsey mentioned, on the housing front, we are proud of the Bingham Court project and the nine units the city was able to subsidize to make workforce housing more affordable. Six of those units were purchased by South Jordan City employees, three by Jordan District employees. It's just the tip of the iceberg, but it's a very outside the box model that hasn't been done and we are working on additional opportunities to be able to offer that. There were 65+ applications for those nine units, not everyone qualified but we are well aware the need is there and we want to do what we can to be mindful of our public employees and try to help them afford to live in the city they are working in.

Dr. Godfrey said in order to strengthen our relationships with our communities, they hired a part-time community engagement specialist, Tami Pyfer. She was Governor Herbert's Education Advisor; she has been on the State Board of Education, is a former professor and has done all kinds of things connected to education as a foundation director up in Logan.

Tami Pyfer said it's fun to come into a job where all these things you've done in your previous life come into play. She was able to be at Mayor Ramsey's swearing in and she thanked the mayor for all the great work we are doing as a city. She lives in the same neighborhood as the superintendent and the plows do get out early, and she has been so thankful for that; the streets are well cared for. She knows how hard it is to keep those things running, she was on the Logan City Council for eight years and dealt with a lot of the things we are dealing with now. It was hard to leave Cache Valley, she didn't know if they would find a place that she felt they belonged, especially after being so involved in the community. They rented an apartment their first year here in the Sterling Village Apartments and happened to be in a ward there where a house came up for sale. It was a huge leap to purchase a home because it meant they were staying there, but it was a great decision and move for them; they have felt very connected to their neighborhood there. She doesn't have kids in school, but while she was the governor's education advisor she watched what all the districts in the state were doing. She could see where some districts were leading, some were struggling, and where the challenges were; she was very impressed with the Jordan School District. They were the first district to come out with raising teachers' salaries and she remembers that being a bold move, it made her think good things were happening in this area. When this opportunity came up for her to work part time with the district, she jumped at it and is very happy to be here. Her role is to help connect the cities with the schools. She knows we are already connected with a mayor who chairs the Jordan Education Foundation Board, but if we can share our interests with her, she can help track programs or activities. They would love to have city staff and elected officials judge the We the People event, or be a part of activities in the schools. If there are areas anyone specifically wants to be engaged in, she asked them to please let her know.

Council Member McGuire expressed his gratitude to the Jordan School District; he has three kids in JSD schools and he appreciates the education they are receiving. He is very fond of the DLI program, particularly the Chinese program, which his kids participate in. He knows other families are very pleased with the Spanish program and thanked them for the great educational services they provide.

E.2. Harvest Pointe West Development (*By Peterson Development*)

Barrett Peterson gave everyone a handout presentation (Attachment C). Tonight they hope to bring everyone back up to speed. The last time they were in a work session was September 2020, they have been to Planning Commission, back to staff, back to Planning Commission and met with neighbors. This all takes time and he doesn't believe it's for lack of any effort on anyone's part. He asked everyone to look at the map of Harvest Pointe West (Attachment C). He began by introducing himself as working for Peterson Development, a family business his dad started over 60 years ago. They take great pride in what they do. They have a home building arm called Peterson Homes and they are building a lot of the permits on River Heights Road, including the Senior Community called Haven Villas. They are active in our city and have been doing land development and building here and in West Jordan for the last 25 years or so; he has been with the company for about 20 years. He pointed out that they try to be thoughtful and patient, they have done a lot of master plans; they try to look at the ground and way, "what is the right way to use the ground." These decisions are obviously not unilateral, but they try to be thoughtful about them. They are used to the opposition they often see from residents, it just comes with the

territory. Council members and the mayor all see it too, change always causes concern with residents and they understand that. However, they have to come up and say they feel like as a property owner they also have the right to petition the council for a change to a land use. He also reminded everyone that they have been in business for a long time, along with doing residential development they are also a commercial developer and it has been done for a long time. East of here, they brought in Costco and Walmart years ago, Sportsman's Warehouse and they are holding out hope for a Trader Joe's here on the east side; they are also working with EOS which was recently presented at a Planning Commission meeting. They have done a lot in the way of commercial development in the city; they are working with Home Depot right now on a project in West Jordan where they are trying get under contract and move in. This is what they do, they think they are pretty good at it. They are not the biggest or best show in town, but they have been around and they are confident in what they do, along with trying to be thoughtful. Regarding Harvest Pointe West, it has been a tough project for them over a 20-year period. They were so excited when Albertson's came in back in the early 2000s, and then they pulled the rug out from under them and went dark a couple years later, boarding up their windows without even bothering to tell them. Of course, Peterson had already developed the Subway shop, UPS, Mountain Mike's, and they took a risk on them staying in business before they vacated. Peterson could have walked and not met their obligations with the bank or the community of South Jordan, but they stayed with the center, lowered rents and it was a long, hard time getting through that. Today they are in a better spot, they have the VASA in there which is from another developer; they also brought in Nielsen's Custard and AutoZone. He gives all that history to show that the center has changed. The original design had Albertson's as an anchor and two junior anchor pads, one of them is now gone because of the Bangerter expansion. Junior anchors are kind of dying because of Amazon, things like iPhones that weren't around 20 years ago, and now they're left with another junior anchor pad that no longer has the synergy or growth to bring in traffic. He has received questions like "what is the purpose of changing the land use from Economic Center to Stable Neighborhood SN," and he thinks the driving thought behind Peterson's answer is that there is a higher and better use. They aren't just coming to this overnight, they have given a lot of thought to this and marketed this property for a long time. The council has asked questions about a restaurant going there, or some other commercial pads; he would argue that a restaurant is better served in another location or down at the District, there are certain uses that go certain places in retail. The fact that this location hasn't developed tells us a lot about the demand for retail, a lot of times these types of uses go elsewhere. Office was brought up, but office is going to migrate over to River Heights or down to 11400 South, and they have an office pad over there that they haven't been able to put anything on; that location is a higher and better use for office. The JSD was just here and talked about the legislature, we really are in a housing crisis; where are our kids and grandkids going to live. He thinks the more little infill projects like this that can be rezoned across the Wasatch Front, the more help we will have with housing. He really does wonder about where our kids and grandkids are going to live that is affordable, that they can actually purchase. These will be for sale units and he is going to pass the presentation on to Jeff Seamans to continue discussing how things have been going, how they have responded to the concerns of the council, staff and neighbors because sometimes it feels like they can't keep anyone happy. After Mr. Seaman, they will have Doug MacDonald, an economist, who presented here a few years ago on the senior project on River Heights Road, to show the fiscal impact of senior housing versus an office development as he believes at one time the city was hoping for an office development in the same location. He thanked City Manager

Gary Whatcott for proposing the idea of Peterson coming to a work meeting, he thinks it's a great idea to have some dialogue before coming back to a public hearing. They stand behind their idea, they know it's not the most popular idea but they asked the council to ask themselves if this is something that could be the highest and best use as they look at it from the long term perspective.

Jeff Seamans referenced the map in Attachment C, noted that the 3.16 acre odd shaped piece of land outlined in red is what they're dealing with. Albertson's was in the shopping center, they left and now VASA is there. When you go to the grocery store you can shop around at the other junior retailers in the shopping center, when you go to the gym you come out sweaty and want to go home and shower; the gym is an in and out destination. In the September 15, 2020 work session, they presented two different options shown in Attachment C. He continued to review his prepared handout (Attachment C) and outlined the feedback received from that work session. He reviewed the current proposal and renderings.

Council Member Zander said she can see these proposed homes will be up to 35 feet, and asked what the height of the homes directly behind the property were.

Mr. Seamans said those homes reach 28 feet 10 inches, and referenced some renderings in Attachment C showing the difference in heights. He continued with his presentation and noted that the current neighbors have played a key part. They have had three meetings with them, one of their major concerns is privacy, with them asking how Peterson can make a three story home and respect their privacy at the same time. Since they didn't want anyone looking down in their backyards, Peterson put elevated windows so natural sunlight can come in but they can't look down in the neighbor's yards. The main floor has the garages, they will be 22 feet 1 inch by 25 feet; they wanted them big enough to put garbage cans in so they aren't on the road. The main floor also includes a nice entry with a living room. The second floor has a family room and kitchen, and the bedrooms and bathrooms are on the third floor. He further discussed setbacks from the handout, as well as the landscape and open space plans. The building envelope area is roughly 2.5 acres. Of that 2.5 acres, 0.97 acres is landscaping and common areas. As far as landscape, they are committed to the privacy of the neighbors and are planning for trees along the border. One example of a possible tree is a Musoshino Zelkova, which is fast growing and can grow up to 45 feet tall and have a 15 foot spread. They would commit to thoughtful placement of those trees to observe that privacy, but they are not married to that tree and are open to suggestions. Another concern was traffic and safety. To tie the center into the park, they want to install flashing lights together with a crosswalk. They also brought up the idea of installing a raised crosswalk, however in talking to Engineering they prefer not to do that because of a conflict with the snowplows. That park is an incredible amenity, and as opposed to having a commercial use or retail right across the street, what if they took advantage of that incredible amenity to have it used for families. A lot has been said about traffic, they know that during the summer Nielsen's Frozen Custard can get a little backed up. He referenced a table in Attachment C that shows estimated trips for both a retail space and the proposed townhomes. Those estimates show the townhomes having significantly less trips, and less trips equals more safety. Regarding density, this property is being compared to Bingham Point and Rushton Meadows quite frequently. Knowing that, they looked at the density of both projects and included those comparisons on Attachment C. Rushton Meadows averaged out with a density of

15.43. He said the reason that works out to the requirement of 8 units per acre is because there are single family homes that buffer it, which means the density is blended. When looking at Bingham Court, there are cottage homes and townhomes which averages out to 11.3 units per acre for just those two; if you blend that with the single family homes, it drops it down to 7.37 units per acre. When we add in Harvest Pointe West, the townhome area averages out to 11.2 units per acre, which is right in line or less than the others. The difference here is that Peterson doesn't have the ability, or the space, to add any more units to the whole tax parcel which puts them at 8.86 units per acre.

Mr. Peterson said they are blending here as well, taking a parcel as it is and just blending it; similar to residential projects that blend high density and low density, they are blending high density with commercial, and that's how they arrived at 8.86 units to the acre. He said that their project really isn't any more dense, possibly less dense, than even Rushton Meadows or Bingham Court if those densities weren't blended together. He understands there has been some talk among council members about the density, so they wanted to explain this and hear everyone's concerns.

Council Member McGuire said that to him, the density still isn't the biggest issue. His issue is with the best land use, and that can be discussed later. Regarding density, he asked why Peterson feels that they should count the full 3.16 acres. Peterson chose to use some of that land as parking lot on the original commercial development, and he feels like they are basically double dipping so they can get their density down to a lower number. Rushton Meadows does have a density of 8.18, but when you factor in the developer's contribution to the park and other open space, they actually fall below the eight mark, somewhere around seven.

Mr. Peterson said they don't want to say this has to be exactly like Rushton Meadows or Bingham Court, but it's good to get some context. The parking here is a very strange shape, but it was put in at the time to serve commercial then and in the future; because of this, he feels that should also be counted for overflow parking as it's also consistent to blend density like has been done in other places. It is strange and unique because it's an infill parcel, and it's commercial next to potentially high density residential, not residential next to residential. They aren't trying to hide anything, but this is how they calculated it and they wanted to show everyone what they're doing.

Council Member Marlors asked the acreage that will be deeded to this project.

Mr. Seaman's said the townhome HOA would be compromised of the 3.16 acres, this is because there are shared expenses across the whole thing. Right now there is an alleyway in their entrance, they kept the entrance as far away from the existing homes as possible so there is some shared expense between the Harvest Pointe West HOA and the center.

Doug MacDonald noted in Rushton Meadows they counted a park, and in this they are counting in parking.

Council Member McGuire said grass is better than asphalt when it comes to amenities.

Mr. MacDonald said some of the neighbors here might argue with that because they complain about the parking a lot, and they could say this is overflow parking for this project.

Council Member McGuire asked if those spots are going to be dedicated for that project.

Mr. Peterson said it wouldn't be roped off, it would be shared, just like the other common areas.

Planning Director Steven Schaefermeyer noted that we are talking about this park as if it's part of Rushton Meadows, and a part of the approval process for Rushton Meadows; it was not, it was the adjacent Bluffs at Oquirrh Park, which was part of a larger development, who actually dedicated the park land. The section that was part of this agreement was completing some of the road that went onto the park property, so the full property that was dedicated was part of the Bluffs at Oquirrh Park includes a portion of the road as it curves. The Rushton Meadows developers agreed to improve some of that area. There were smaller open space pieces throughout the development, but in order to bring it down to the overall density 7.97 units per acre they did not include that park.

Council Member Zander asked who built the park, if we did it as the city.

Director Schaefermeyer said we did build the park, but there were some contributions as part of the adjacent development to the west. Oquirrh Park is part of a bigger area that includes our fire station and that park, some property that's along the canal over by a church off 10200 South. If the question is regarding Rushton Meadow's entitlement, it included more than just the townhomes; it includes single-family homes, as well as some other contributions and things they offered up as part of that development. The same goes for the Bluffs at Oquirrh Park that included a much larger area. The townhomes closest to the park were just a subset of the overall agreement.

Council Member Zander asked about the floorplans, they show the townhomes are 2100 square feet; she asked what the square footage was on the townhomes in Bingham Court and Rushton Meadows. No one had those measurements at the time.

Mr. Seaman's said 2100 square feet is a pretty good size, and them all being three bedrooms will mean higher sale prices for the units; they did not add any one or two bedrooms.

Council Member Zander is wondering if these are going to feel like tightly packed, skinny townhomes, or are they going to feel open compared to the other projects mentioned.

Mr. Peterson referred back to the aerial view from Attachment C, he loves the streetscape across from the park; it's much better than their original iteration. He also believes that it's been shown to slow traffic when you have a streetscape facing the street like that. Regarding the crosswalk, he spoke to Manager Whatcott and said Peterson would be willing to help with improvements in that area to add some parking for the park so everything works together.

Mr. MacDonald is with EconoWest, a consulting firm. They agree with Peterson Development that this proposal for Harvest Pointe West offers the current highest and best use for this

property. Based on what they're seeing in the housing market, because of the job market and recent in-migration, there should be strong demand for Utah residential homes in the next two years. They actually thought demand from the big recession in 2008-2009 was going to push this even further, but that has since been mitigated this year. If the developer waits for a professional office space to materialize, since they haven't been getting many calls for that sort of thing, one of his realtor/developer friends at Commerce CIG said that it would be a train wreck for the developer to wait another 5-10 years to put in some professional office space there. In their analysis, they start out about seven years, about 2028-2029, with office space. The revenue for the next 20 years for South Jordan would be 80% higher for a residential project, compared to a retail dollar store and professional office space. They don't believe there is any net difference in the cost to the cities between residential, retail or commercial according to a recent study by Commerce CIG in Utah Valley. According to the finance staff, as far as expenses go, it's only \$1000 more for residential compared to retail or office space. He referred to a chart in Attachment C showing the demand for housing should continue in short-term, and there is a demand for this particular project from their point of view. The next page also shows a 20-year value analysis, where they found that Harvest West revenues are about \$887,000, compared to about \$500,000 for the office project and \$468,000 for the dollar store. For the office project, they don't believe that would really get going until 2029, so that's another reason it's got a lower revenue potential. In the big scale of things, these numbers aren't that material as you want to have a good cost benefit, but they're pretty small compared to the city's General Fund of hundreds of millions of dollars. In addition to that, the impact fees would be about \$356,000, compared to what it would be for retail or office.

Council Member McGuire asked what their calculation for the impact fee was based off of.

Mr. MacDonald said it was \$400 for each residential home.

Mayor Ramsey reminded everyone that impact fees are not a way to make money, they don't bring in much at all.

Manager Whatcott noted those fees are tied to strictly infrastructure, it doesn't go into the General Fund.

Mr. MacDonald discussed annual revenue from the chart in Attachment C.

Mayor Ramsey asked where they got their rate for the taxes in the residential area.

Mr. MacDonald pointed to another page from Attachment C discussing the 50/50 population/point of sale formula and explained those calculations. These calculations could be a little high, but it's in the general ballpark.

Scott Howell asked if Amazon purchases being shipped to homes in the city were a part of this calculation, as the conventional wisdom is that retail is going to make the most money. However, Peterson is proposing something here that says it's not quite as simple as that, that these residential units will bring in more to the city in a quicker amount of time.

Mr. MacDonald said the numbers are pretty close, a dollar store produces more sales tax but it doesn't produce as much property tax as this would. The office space generates a lot more property tax, but hardly any sales tax. He's not sure how the office space would generate any sales tax unless there was something like a restaurant or medical supply store underneath. He referred back to tax estimates in Attachment C.

Mr. Peterson said the center has a certain amount of office they can't exceed right now unless they get their partner that owns the VASA to agree to it.

Council Member Zander asked to clarify that they can't do office unless VASA approves it.

Mr. Peterson said yes, the VASA owners have to approve it. This is because of a covenant they created originally with Albertson's. The Albertson's drove those covenants because they were the big box store and wanted to be able to control the businesses in there. This other developer has said they'd love residential there, they don't love the idea of office.

Mr. MacDonald continued with his presentation from Attachment C. They don't believe this project's cost to the city should be calculated on costs in the future like needing additional police and fire; they don't believe there will be additional staffing needs because of these 28 units. They also mentioned that the estimated 92 possible residents will be spending money, so they included some additional sales tax in their estimate because of that. With those numbers, their charts indicate residential development would bring in the most money for the city.

Council Member McGuire asked why 2023 was being used as their target year.

Mr. Peterson said that's because they try to build things as quickly as possible, and these numbers were based on an estimated completion of the project before that time.

Mr. MacDonald mentioned impact fees, which would be coming in right away.

Mr. Peterson mentioned that in Utah, VASA gets taxed for their memberships now, it didn't used to be that way.

Council Member Harris asked if the numbers Assistant City Manager Dustin Lewis was calculating match what Peterson is showing us.

ACM Lewis said they only did some quick numbers on the impact fees and the total for 28 units looks like it would be around \$228,897; Peterson's numbers showed that to be around \$355,000. He doesn't understand some of the assumptions made on some of these numbers, particularly the estimate with 92.3 people all spending \$15,984 for point of sale; that would be \$60,000 per unit in point of sale transactions to generate sales tax.

Mr. MacDonald said he believes they took the city's \$784 million and broke it down from there to get to the \$15,000 per person.

ACM Lewis said there are some big assumptions here. He would have to sit down with CFO Sunil Naidu's team and take a look at everything to figure out where it's coming from.

Mr. MacDonald said all their numbers are the same numbers the city has, and the expenses are all the same. The numbers are all the same, except Peterson argues that there is going to be some sales tax impact. He believes the main problem is that their estimate amounts don't start for five to seven years, so the city is getting zero for those years.

Director Schaefermeyer said the financial projected numbers provided by the finance department do include sale tax, just not in that section; they have already estimated direct and indirect sales tax.

Mr. MacDonald said it was not included in the city's net income, so he included half of it here.

Council Member Shelton said we're discussing finances here, but that's not the issue. The issue is density, and in South Jordan RM-6 is the highest density zone; unless we overlay it with a PD Zone, then it's a development agreement. The PD Zone overlay happens when there is a unique municipal benefit that's coming from the project; there is nothing unique about these numbers, this isn't why we bring developments in. When you look at the projects on 11400 South where they did the overlay, there was something unique with both of those projects that made the city feel like they could do that. He asked what Peterson is bringing that's a unique benefit here.

Mr. Peterson said they thought it would be helpful to share some of these numbers, just like they did on the Haven project that was going to be either residential or office, to show what's going back to the city. He understands density is the issue, but there has been a bit of a "game of telephone" going on where they haven't met with the council in over a year. They have met with Council Members Zander and McGuire recently, and there were some questions about workforce housing that was brought up before in the discussion with the Jordan School District. Workforce housing is one idea that has come up and he has spoken with Director Brian Preece about it. There are 28 planned units, which is over the desired density, and Peterson has offered three units of workforce housing. There was a little bit of confusion with that however, he knew the city had RDA funds for it, but then he heard back with questions about what Peterson was getting. He did some research, talked to Ivory and Skyler Tolbert who was the point contact on Bingham Court, and was told not too long ago the city gave Ivory \$100,000 per unit for nine units and Ivory made up the difference. Since then, the market has risen, the bill has gone up and Peterson believes they could do three units of workforce housing; it's not nine units, but it's something. He doesn't believe the city wants too many of the units to be affordable, but if it's three units and the city comes with \$150,000 on each unit, and Peterson covers the rest like Ivory did, that would be something to put on the table. He also mentioned the pocket parking they can offer as a small gesture across from the park, the buffering of nice landscaping and trees; there is only so much they can do to "wow" the city with why this is different. Peterson is arguing this is needed in the city, residential and workforce housing. Their current proposal is 28 units, three of which would be workforce housing with details that could be worked out later. If that doesn't work for the council, and they need to get below that eight units to the acre, they could go to 25 units and just make them all market rate and that gets them to the required density.

Council Member McGuire asked how much they are expecting each of these units to sell for.

Mr. Peterson said the market rate is around \$500,000 - \$520,000 today, but in a year or two we don't know. After speaking with Mr. Tolbert from Ivory, he believes the workforce housing sold in the \$300,000 - \$330,000 range to be able to qualify for affordable. He doesn't know all the details of the workforce housing program like he should; he has spoken to Director Preece about it but didn't want to get too far into it if it didn't matter to the decision and those funds were already intended for another project.

Council Member Shelton said he needs to think about this. He likes the streetscape they've presented, but he feels like Peterson is getting feedback and rather than making changes they're just trying to sell the same project still.

Mr. Peterson asked what feedback they've missed in their presentation tonight.

Council Member Shelton said that Council Member McGuire's email was full of all kinds of ideas (Attachment D).

Mr. Peterson said they went through all of those items, and asked what they've missed.

Mr. Seaman's said they did miss addressing light pollution tonight.

Mr. Peterson said they didn't address that because that's a detail, that's something that can be worked out later. They want to be collaborative with the city, but they need to know what the council wants them to do. They talked about putting in the down lighting, and they have that technology. He feels they have gone through everything. Council Member McGuire had some designs in his email that might work in another project, but they weren't able to work in this project due to architectural integrity. They genuinely want to know what more they can do; they can add amenities to the park, they could contribute more swing sets or something like that, and they've already mentioned adding parking. He feels like they have this great zone, but the city keeps asking for more and more. They can put the dollar store there, and it's a permitted use, but is that really what's best. They are willing to go through the hoops for workforce housing, \$200,000 worth of parking; if those are things that move the needle Peterson can come back in a few weeks and make sure that's what they're willing to offer. He asked if going down to 25 units makes a difference, as that gets them under the eight units per acre.

Council Member McGuire said that depends on how things are calculated.

Mr. Peterson said they used the same method to calculate the density as the city has done it in other projects.

Council Member McGuire said other projects didn't use part of their land for a parking lot.

Mr. Peterson said this is consistent, it's one parcel and blended density. Admittedly, it's a little different than Rushton Meadows, but it's the same idea.

Mayor Ramsey said she would allow a few more council questions, and then they needed to wrap things up because they are already two minutes past when the regular city council meeting was supposed to start and they need to move over there.

Council Member Zander said she loves the two car garages and two car driveways, she likes what they did with their windows for privacy, she likes the setbacks and that they turned the houses to face the park; she thanked them for those options. If they are willing to go from 28 to 25, she would rather see them get the three units and pay for the workforce housing. She doesn't know their numbers or profit margins, but rather than the city come to the table with anything, they have other places to put those RDA funds. We are trying to put in a senior center, and she'd rather use those funds there than for this project. She would rather see Peterson put up the money, give us three workforce housing units, and that would allow her to say yes to the 28 units.

Council Member Marlor said he wanted to reiterate what Council Member Zander just said. He is a little sensitive to these kinds of projects because on one hand they back commercial and residential, so we're trying to squeeze something in that doesn't really fit in either zone. If they don't provide some of these opportunities to put in more affordable housing, one day the legislature will come in and take it all away from the cities and start telling them what they have to put in. He would rather have a nice development that will make sense, and as long as that property for parking is deeded to the project, it counts in his opinion; if it is not deeded to the project, he has a problem with the density. He would like to see some affordable housing units in there, as that is something they are hoping for and counting on in these multi-unit developments.

Council Member Shelton is grateful for the work Peterson has done. He likes the streetscape and the fact they are facing the street. He would like to see parking on that street somehow, and he would like to see the workforce housing; that might blow up the deal for Peterson, but he could support this if there was some street parking and workforce housing. The reason they are asking Peterson to put up the money for the workforce housing is because, as was mentioned earlier, the city is looking at another project to commit most, if not all, of the RDA funds.

Council Member Harris said six units to the acre makes sense in here, and he thinks if Peterson wants more than six units per acre they will need to find ways to bring something to the table like the other projects discussed. He was a little disappointed tonight as he thought Peterson was coming to this meeting with some revisions after being unanimously rejected by the Planning Commission. He hopes that the next time they come back they bring something a little more palatable.

Mr. Howell asked what else they can do.

Council Member Harris said there are only so many things you can do. He thinks six units per acre is where the comfort level is in general for this. If they want to bring workforce housing or something else to the table he is not opposed to those kinds of ideas, but they need to bring something else in addition to what they already have to get the extra density.

Council Member McGuire appreciates their revisions to the very first plan. The architectural renderings he sent over to them wasn't to critique their design so much, other than to see if there could be a step down on the sides, along the south property line to help reduce the height on the end units. He agrees with a lot of what the council members have already mentioned; he does still have issues between the residential and commercial being there, knowing that UPS and Sherwin Williams has their trucks going back and forth. His biggest issue is that when he looks at the other projects we've done, at the end of the day he felt good about them, and he's not there yet with this project.

Mayor Ramsey turned to the council and asked if Peterson comes to the table with an offer of 28 units, three of them affordable and not using city RDA funds, would the council support that.

Mr. Peterson said they can go back to their group and discuss these ideas and come back with what they can offer.

Mayor Ramsey said she is just trying to find the threshold for the council, would that offer be something they could support. It sounds to her like that might be an offer the council could support, but she wants to verify and make sure they can give Peterson clear direction.

Council Member Zander was a yes, with zero South Jordan funds for the workforce housing.

Council Member McGuire said no.

Council Member Harris is undecided, he would need to hear from residents before making a final decision on something like this.

Council Member Shelton said he could support this.

Council Member Marlor said he could support this as well.

Mr. Peterson said they just want good feedback and thanked everyone for working with them on this project, and the ones in the future they will be bringing.

Mayor Ramsey thanked Peterson for their efforts, taking the feedback and working to try and make the project work according to the previously received feedback. There are a lot of things about the project that have changed, that she does like better. Tonight was not an official vote, and they will see what Peterson brings back in the future based on the feedback given tonight.

ADJOURNMENT

Council Member Shelton motioned to adjourn the Study Meeting. Council Member Marlor seconded the motion; vote was unanimous in favor.

The February 15, 2022 City Council Study meeting adjourned at 6:41 p.m.