

SOUTH JORDAN CITY
CITY COUNCIL MEETING

March 1, 2016

Present: Mayor David Alvord, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, Council Member Tamara Zander, CM Gary Whatcott, Fire Chief Andrew Burton, Administrative Services Director Dustin Lewis, Police Chief Jeff Carr, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, City Attorney Ryan Loose, COS Paul Cunningham, City Commerce Director Brian Preece, Finance Director Sunil Naidu, IT Director Jon Day, Public Works Director Jason Rasmussen, City Council Secretary MaryAnn Dean

Others: Attachment A

REGULAR MEETING – 6:00 PM

A. Welcome and Roll Call – *Mayor David Alvord*

Mayor Alvord welcomed everyone present. All members of the City Council were present as listed.

B. Invocation – *By City Manager Gary Whatcott*

CM Whatcott offered the opening prayer.

C. Pledge of Allegiance – *Weblo Scout Troop 4391*

John Marshall, Scout Troop 4391, led the audience in the Pledge of Allegiance

Mayor Alvord recognized some scouts present.

Council Member Rogers indicated that Senator Osmond is unable to attend the meeting.

Council Member Rogers made a motion to remove item F from the agenda and move the consent items G.1. and G.2. to right after the minute approval, and to include a review of the legislative items during item J (Reports and Comments). Council Member Marlor seconded the motion. The vote was unanimous in favor.

D. Minute Approval

1. February 9, 2016 Special Budget Meeting
2. February 16, 2016 Special Study Meeting
3. February 16, 2016 City Council Meeting

Council Member Rogers noted some corrections to the minutes.

Council Member Marlor made a motion to approve the February 9, 2016 special budget meeting minutes, as amended, the February 16, 2016 special study meeting minutes, as amended, and the February 16, 2016 City Council meeting minutes as printed. Council Member Rogers seconded the motion. The vote was unanimous in favor.

The City Council moved to item G. Consent Items.

G. Consent Items:

1. Resolution R2016-15, authorizing Mayor to sign a Memorandum of Understanding pertaining to formalizing procedures for enforcement of applicable statutes, ordinances and Health Regulations to protect water quality. *(By Public Works Director, Jason Rasmussen)*
2. Resolution R2016-17, authorizing the City Manager to sign the Salt Lake County Officer Involved Critical Incident Task Force Interlocal Agreement, First Amendment. *(By Police Chief, L. Jeff Carr)*

Council Member Rogers made a motion to approve consent items G.1. and G.2. Council Member Shelton seconded the motion. The vote was unanimous in favor.

E. Public Comment:

Mark Seethaler, read a prepared statement (Attachment B).

Mayor Alvord asked Mr. Seethaler to stick to issues. Mr. Seethaler indicated that he would submit the balance of his comments to the clerk. He said this is an opportunity for residents to speak, it is not a debate.

Steve Barnes, said the Mayor's Facebook page has become the national inquirer of news sources in South Jordan with half-truths or complete lies to rile up the masses for his own agenda. The attendance at tonight's meeting is an example of that. The City Council discussed this issue for the better part of 2015; at the end of November, the Mayor was on board with the bond. He discussed a City Council meeting from December 22nd when a vote was taken to table this while a member of the City Council was in a restroom. Mr. Barnes said his objections to the vote are on record. Mayor Alvord is on record on Facebook and in emails that the passing of the bond will hasten the construction of 7000 apartments in Daybreak. This claim is false and he should cite his source for that claim or make the needed corrections on Facebook and apologize to those he misled, and to Kennecott. The plan is for less than half that many apartments for the buildout of Daybreak which could take a decade or more. He said the residents should be informed by listening to the recordings and reading the minutes of the meetings.

Jeff Stephenson, said he was embarrassed to learn of the Mayor's behavior when the bonds passed originally. That does not meet his expectations or show the office the dignity that it deserves. He would appreciate the office of the Mayor being respectful of other elected positions. They are representing the citizens. When they mislead, they are misleading the residents. He said future expectations of the office of the Mayor is one of respect and building bridges, not a lack of vision and deception. His expectation of that office is showing integrity, and listening to other's opinions. He is disappointed with past tactics. The Mayor should live up to the expectation and examples set by those going on before which is honesty, integrity, and being respectful.

Mayor Alvord said he would be surprised if anyone in the room knew that there was a bond before December 22nd. This meeting, with public awareness, is the one they should have had. Whatever the result is, the residents better understand the bond and this City Council is making a more informed decision. At the last meeting, they were about to vote on a bond and they didn't know if apartments were involved. He will respect the outcome of tonight's meeting.

Jamie Rigby, said he is in charge of the Gathering of the Tribes Lacrosse tournament. The past 5 years, it has been on South Jordan fields. This year, it is scheduled for March 11th and 12th, and they have not secured the fields yet. They have 62 teams signed up, both locally and out of state. That equates to approximately 4600 people for 2 days that will bring in a lot of revenue for South Jordan in restaurants and hotels. CM Whatcott indicated that staff would follow up with Mr. Rigby.

Eileen Luker, 2928 W. 10755 S., moved here for the rural and open space lifestyle. Her family established deep roots here. In May 2015, they found a second home to purchase for their daughter. They were told that this property (10635 S. 2700 W.) could have 2 horses, so they made an offer. At the closing, they called the planning department again and were told again that they could have 2 horses on the property. In November, 2 horses were brought in and a neighbor made a complaint. At that time, they learned they could only have 1 horse. She asked that they amend the policy to allow 2 horses on a minimum ½ acre parcel. Allowing only one horse is unreasonable and discriminate. All other surrounding cities would allow 2 animals on a ½ acre. West Jordan and South Jordan use a point system; all other cities go by acreage. She said horses are herd animals and they deserve to be in pairs. The land use element supports this request. She referred to some pictures (not submitted) and indicated that there are many similar properties with 2 horses; there are either many legal non-conforming or illegal uses in the city. She said the farm animal code is short sided and needs to be updated. She has until March 15th to come into compliance.

Mayor Alvord asked CM Whatcott to contact Ms. Luker and bring the issue to the City Council. CM Whatcott said they would work on the issue and with the March 15th deadline.

Jason McGuire, 4507 Sabago Way, said there are many types of high density housing including apartments or something integrated like in Daybreak. He encouraged the City Council to send out surveys to help shape and create the vision of South Jordan. They can show how both low density and high density can work in the city. He said they should take a more educational approach rather than just painting high density housing with the ugly stick. He said they could contact Envision Utah for help with the process.

F. Presentations:

1. Recognition of Senator Aaron Osmond's Public Service. *(By Chip Dawson)*

This item was not done.

G. Consent Items:

This item was discussed after item D.

H. Discussion Item:

1. Discussion of Daybreak Assessment Area #1 Bond:
 - a. Purpose of Bond and Associated Details. *(By Laura Lewis & Randy Larsen)*

Laura Lewis, Lewis Young Robertson and Burningham, noted that she is the city's financial advisor. She recognized Randy Larsen, bond counsel.

Ms. Lewis reviewed a handout on Assessment revenue bonds (Attachment C). She noted that the city has a good bond rating and they want that to continue.

Mayor Alvord said no one doubts the safety of this bond.

Council Member Marlor asked if the collateral supporting the bonds is adequate? Ms. Lewis said it is more than adequate.

Council Member Marlor asked about the level of risk to South Jordan? Ms. Lewis said the risk is very low.

Council Member Marlor noted that some information about the assessments bonds were made available on line and there is a handout available tonight (Attachment D).

- b. Kennecott Presentation on its associated use of Bond and related matters. *(By Ty McCutcheon & Rulon Dutson)*

Mr. McCutcheon, Kennecott, gave a brief overview of the projects included in the assessment area. He said they came to the City Council in 2015 after having met with staff. They discussed that during this upturn in the economy, they would not be able to continue funding the full infrastructure ahead of construction. They discussed the assessment area concept. It was determined for staff to continue exploring this option. The work involved to bring forward an assessment area is extensive. He reviewed a map of the assessment area (not provided). He noted that they hope to draw traffic from Herriman to the commercial area in Daybreak. He also noted that the water project will create water for new growth and put an adequate amount of water supply in the Sunstone Development. They have worked on engineering for roads and started

construction for one road. They want to position themselves so that the town center in Daybreak is the next area to broaden the tax base in the city.

Mr. McCutcheon said because they will be introducing some subdivisions adjacent to Sunstone, they will be having some neighborhood meetings with Sunstone. The adjacent neighborhood is going to be restricted to ages 55 and older. To the north, it will be like the East Lake neighborhood or Northshore, which is predominately single family with some townhomes. They have worked with Council Member Shelton on the buffering for Sunstone. Mayor Alvord said there were specific requirements for the buffer zone around Sunstone. As the bond was passed on December 22nd, there was an unfinished portion. He said he is encouraged with what he has heard so far. Mr. McCutcheon said they have agreed with all concepts and setback definitions. It is under final legal review now.

Mr. McCutcheon said they have agreed to a park. They are required to provide 80 acres of active park space that will be deeded to the city. They will also pay \$100,000 per acre in improvement costs. As part of this negotiation, they have agreed to pull forward the park 5-7 years sooner than planned. It is also a 20 acre park, instead of a 12 acre park. They also agreed to increase their participation in the Welby Park project in the amount of \$1 million. In addition to constructing the water and road projects with the bond proceeds, they will use their own funds for the commitments outlined. They also clarified the buffering around Sunstone.

Mayor Alvord asked about the Daybreak Community Center? He said there were marketing materials that left an impression that there would be a community center. He noted the petitions from the residents opposing the proposed development. There was an expectation by the Council that they see a Resolution to that issue. He said the options on the agenda tonight are to ratify the bond, revoke the bond, or pause on the bond until the issue with the townhomes is resolved.

Mr. McCutcheon said they have committed to a process. They have retained a facilitator. They will be hosting 2 open houses. They are open to any and all ideas to that parcel. They will more than consider all ideas including not proceeding with their current plan. He said they will not advance on the engineering, construction, or final plat while they engage the public on that issue. They will also form a working group with broad representation. They do not want to see a narrowly focused process. It will take a few months. The ideas need to be vetted, analyzed, and traffic studies complete. The issue will have to be studied before they reach a final decision.

Mayor Alvord asked why not pause the bond? He said it would take a couple months doing studies for that small area, and the bond assessment area is bigger and more impactful than the community center property. He said the City may need more time to do their due diligence as well. He said he still has a lot of questions on the bond.

Mr. McCutcheon said all of the development in the assessment area has been thoroughly studied as part of the master development agreement. They are proceeding with several projects already. They cannot wait on advancing the neighborhood next to the Sunstone development; they will be starting as early as this fall. If the City Council determines to pause, it will have the same effect as if they are not proceeding. They will have to rework the entire assessment area. Because of the concerns expressed, they have evaluated how to proceed without a bond. It will pull a lot of

opportunity to create commercial frontage off the table. They believe it will be a missed opportunity for both Kennecott and the City. They will continue to build, but will not be able to build all public infrastructure.

Council Member Rogers said it won't be a missed opportunity, it would just be delayed. Eventually, they will build the roads. The bond accelerates areas of the plan that is commercially focused by at least 4 years.

Mr. McCutcheon said if the bond isn't in place, future collateral will come off the table. City Attorney Loose said if the developer pulls the collateral off the table, they will have to start the process over if they want to bond in the future.

Mr. McCutcheon said the bond was already approved. They moved forward based on that. They have to continue to conduct business. He said the commercial frontages are real; it would be a missed opportunity for both of them. The cities to the south are eager to grow their tax base. He said they are very serious in satisfactorily resolving concerns with the community center site.

Mayor Alvord said for them to have more time to do their due diligence, Kennecott would be walking away from the bond. He believes a judge would see that as less of a cause of action. Mr. McCutcheon said if the city determines to walk away from the bond, they can debate if the city would have to pay the costs that have been incurred. The costs that the city has already incurred would have to be paid for by all taxpayers.

Council Member Rogers asked if a primary motivator of the bond is to compete with the recently announced Riverton project? Mr. McCutcheon said they knew all of the projects would be advanced. They would like to position the community to be competitive. The city's broadening of the tax base is of great importance. He said they are a large employer and sales tax payer. At some point, the mining operation will cease. With Daybreak, they are trying to broaden the tax base so the impacts to the city and school are offset with other taxes.

Council Member Rogers asked if Kennecott sees the bonds as directly helping them compete with Riverton to make this a town center. Mr. McCutcheon said they see it as a benefit to both Kennecott and the City.

Council Member Rogers reviewed some maps (Attachment E) and said if they add up the communal living units for all three areas, it equals 6816 units.

Mr. McCutcheon said some of the numbers in two of the zones (the water zone and zone 2) overlapped and were double counted. In total, in the 1100 acres, there are 7000 units, spread between condos, apartments, single family homes, attached and detached homes. Those unit counts don't change regardless of the bond.

Mayor Alvord said the assessment area is a large portion of the remaining land in Daybreak. Mr. McCutcheon said it is 1100 of the 2800 remaining acres to develop.

Mayor Alvord asked what is the apartment and condo total? Mr. McCutcheon said of the 7000 units, there is 2800 apartments planned. There are 1000 condominiums planned.

Mayor Alvord said they are just learning this tonight. Mr. McCutcheon said the numbers haven't changed in a year.

Council Member Rogers said they weren't told of the overlap, or that the numbers are wrong. He acknowledged that they are entitled to those units in the MDA regardless.

Council Member Rogers asked if they had worked with the school district on where the schools will go? Mr. McCutcheon said they do work with the school district to make sure the needs are being met. They have done an outstanding job of planning for and delivering the schools.

Rulon Dutson, Kennecott, reviewed sites for existing and future schools. He said they feel they have been generous; some properties were donated without cost. Mayor Alvord said the last 2 pieces of property were sold at a high market value. Mr. Dutson said they donated just under half of the property for Daybreak Elementary, and the entire property was donated for East Lake Elementary. For Creekside elementary and a middle school, the school district paid fair market price for that property, which was lower than they had paid in other locations. They did a mutual appraisal, and met half way. They provided to the school district another 8.5 acre site. The school district purchased the site before the infrastructure improvements and it came in tens of thousands of dollars lower because of that. They are as interested as anyone else to make schools in their community work. The school district is currently reviewing an MOU with Daybreak. They meet with Jordan School District annually and show their plans for the next 5-10 years, and plan for where schools can be located.

Mr. McCutcheon identified a potential site for a high school. He isn't concerned about their ability to identify sites for schools. He said they have a broad offering of housing options. He said their demographics are changing rapidly, including an increase in seniors and millennials. He said 70 percent of all housing built in Salt Lake County last year was attached. The demographics are changing. It is not because of financials; these are lifestyle decisions.

Council Member Marlor said it has been suggested on social media that moving ahead with the bonds will increase the amount of high density in Daybreak.

Mr. McCutcheon said there is a finite number of homes that the market can absorb each year. It could take 20 years for them to absorb all of the density built in the town center. They have 1 apartment community today. They will build 7 more apartment communities in the next 15-20 years. The bonds will not increase or accelerate the high density housing.

The City Council took a brief recess.

c. Public Comment on Bond (*By Mayor Alvord*)

Some letters/statements were submitted by people unable to attend (Attachment F).

John Snow, said he has lived in Daybreak for the last 7 years. He has been pouring over information to learn about the bond. He supports the bond. He is not in favor of revocation or delay. There are opportunities the city can gain from the bond that will more than pay for themselves. He noted the repercussions that could come from revoking the bond. The City Council is liable for a half a million of taxpayer money lost. He said the trends show that growth is slowing. He said there was a discussion in a recent City Council meeting about shopping in the city. They can't do that when the city is trying to slow or delay opportunities for upscale retail establishments. He would love to be able to work and live in the same community. The city's economic development strategy speaks of the assessment area that it should be promoted as shovel ready with infrastructure in place.

David Guinness, said he has been a Daybreak resident for 8 years. He expressed appreciation for the process that Kennecott has committed to. They can't tolerate the misinformation exploited on social media regarding high density housing. He said public finance mechanisms, such as bonds, are used widely. Without these mechanisms, many master planned areas would not be developed. The incentive is for the local municipalities to have quality development. The city is not giving money to a developer; Kennecott is using the city's credit rating. He said the density was long decided before the bond issue. The number of apartments has now been clarified. He said they should respect others opinions, and not raise false issues of high density.

Jeff Hyer, said he did his own study on the bond and did not base his opinions on social media. He thanked Mayor Alvord for his efforts; he was the only one that brought up density last year. He knows there is not an increase in high density with this proposal, but it goes against the survey that the city did last year about managing growth, traffic, and high density. He said the bond was voted in favor last year with little discussion. If they ratify the bond, they are not listening to the survey or the residents. They should do what the citizens want, not what the City Council or developer wants.

Jill Spackman said she finds it interesting that the numbers they were confused on were from Kennecott. She said the bond was pushed through. She said Kennecott's commercial track record is lacking. If they build a great town center, where are the tenants? Kennecott should make a list and write out the particulars for each area, along with a cost benefit analysis. The infrastructure should be able to manage the traffic and congestions. They should outline when things will be built, and at what rate. They should build as a safe community.

Eric Thatcher, 11723 Copper Skye Dr., said there are sunk costs associated with the bond. Maybe it was an excellent idea last year. Since then, they have learned through the DCC town house issue, they are dealing with a different animal. Kennecott puts profits ahead of anything else. Now that they see this trend, the bond is not a good idea. The city would be giving a gift of low interest financing. Sunk costs are never an excuse to move forward. Most people that support the bond are tied to real estate, construction, or land development. Those against are homeowners. The City Council should represent the residents, not those tied to real estate development.

Jill Thatcher said what happened at the beginning of the meeting was disgraceful. She applauded Mayor Alvord's efforts to stop and pause the bond. She is thankful he is sticking up

for the residents. They need to support all constituents. In this case, that may mean to pause the bond. She said Kennecott is behaving like a monopoly. They tried to block the townhomes. The schools can't speak up for their safety concerns because they still have to continue to build schools with Kennecott. She said they reject the traffic study done by Kennecott because it was contracted by Kennecott. The engineers passed it off as a good report. The police are unaware of the safety concerns in this area. She said there are safety issues with the traffic and parking around the school. There are not many concerned about the school situation. The total number of households has changed dramatically. Kennecott is the only with land for schools. She said they want better answers, more information, and a pause on the bond.

Sam Winkler, said he supports the bond. He has been a Sunstone resident for 14 years. He said his widowed mom wants to live in a townhome, and his daughter wants to live in an apartment. They can't live in South Jordan? He lived in an apartment. Does that make him a criminal? They need to think who they are affecting with these decisions. They need the taxes from businesses to fund things such as schools, roads, water tanks, and parks. He said this is a great deal for the city.

Dean Anderson, expressed appreciation for all of the City Council. He said they shouldn't confuse the bond with the issue of what is going on with the community center and townhomes. This is not an issue of density. He supports the bond, and said it was approved in December. The City Council spent the better part of 2015 studying those issues. Nothing about the bond or underlying assumptions have changed since it was approved. He hopes they will ratify the bond. He is a resident and a business owner.

Dave Robison echoed the sentiments that the misinformation on density and number of school children is getting people upset. The numbers are 2800 apartments that will produce 300 school children over the next 4 years. They need to get the correct facts out there. He said Joe Ross served on a Kennecott committee with him 8 years ago. The pool that they were putting together was not promised; they were negotiating to do that pool. Today, the Mayor said he needs more time to pause. Before, his reason was for leverage and something to sweeten the deal. Yesterday, the reason was because traffic is a problem if they do the bond. He said he asked for a traffic study. The Mayor presented him with a picture, not a traffic study. Why are they asking for more time? It undermines all the work that staff has done. They need to ratify the bond today and stop the shenanigans.

Jeff Stephenson said he has lived in a townhome and an apartment before. He said he has shopped in the District, and drove on the roads. He is surprised at the lack of vision by the City Council. They questioned the developers about their interaction with the school district. He feels that is the City Council's job, not the developer. He said his kids walk to Daybreak Elementary, and he thinks it's great. He said the Wasatch Regional Council projects that the population in Salt Lake County will double by 2050. Daybreak has a plan and vision. He hasn't seen a vision from the Mayor and that is surprising.

Johnathan Ward, 11138 Via Encantada Way, said they love South Jordan and they frequent the Daybreak community and participate in the resources there. His kids have attended East Lake Elementary and it was a great school. He is in support of the bond transaction. He said the bond was approved in December. The density is not changed because of the bond issue. The bond is a

means of facilitating a project. It is a financing tool, paid for by Kennecott rather than the residents. He feels that is forward thinking and progressive.

Michael Kortonick, 4623 W. Daybreak Rim Way, said he can't see a reason to revoke the bond. There will be high density regardless, and all of the improvements wouldn't happen until later if they revoked the bond. As a new resident, he moved here because of the vision of urban and single family mixed together. To see that delayed or pushed back worries him a little. He said with the traffic survey, it does not say there is not a problem. It said that the townhomes will minimally impact the already existing problem.

Paul Bateman, said the financials of the bond are solid and there is not a lot of risk. He said he ran for City Council, and he found that the residents didn't feel that the City Council was listening to what they had to say. Most are against an increase in high density housing. They can't change the master development agreement. He said this bond will accelerate the building in Daybreak. He said Bangerter Highway is not ready for this traffic increase. Many of the current City Council members ran on a platform of opposing high density housing and representing the people of the city better. They need to get input from the city and do what the people want regarding the bond. He said he is against the bond and feels the city as a whole is against it as well.

Jason McGuire, urged the City Council to allow the Daybreak bond to stand. It was already approved once after having been studied out for over a year. They knew what they were passing and that it was for the good of the city. The density in Daybreak has already been determined. The houses will be built regardless of the bond. On average, Daybreak only builds approximately 600 units a year. As they allow the commercial growth, it will give UDOT more incentive to finish the Mountain View Corridor. He said Daybreak integrates high density well. He is impressed with the proposal next to the Sunstone Development. Herriman tried to force this area into high density. Kennecott has done a good job bringing density down in that area. He said the issue of the townhomes by the Daybreak Community Center has nothing to do with the bonds. He said Kennecott has proven that they are a great working partner for the residents and the city.

Eric Malloy, has lived in Glenmoor Village for over 30 years. Glenmoor Village originally had a vision similar to Daybreak. The developer went out of business and they have suffered as a result. The city does a poor job getting information to the public before important votes. He said he supports Council Member Shelton's decision. He said a few weeks ago, they drove through Draper and it took an hour to go less than 5 miles. The area is lined with high density apartments on both sides. He said the real problem is that Kennecott's MDA was approved in the first place. He hopes that if the development continues, they will be required to have adequate street width so cars can pass each other. That will alleviate some of the safety concerns that have been raised. In the worst case, the City will spend a lot of time and money if this falls through. Because Kennecott is asking for help, they owe more transparency on what they are doing to make sure community concerns are listened to and dealt with.

Steve Barnes said the Mayor and others have commented that this is the meeting that should have taken place rather than on December 22nd because of lack of public involvement. The difference is that in December, the Mayor did go to as much trouble advertising the meeting. At

one point, the Mayor said he wasn't going to attend the December 22nd meeting, and Council Member Rogers left before the vote was complete. It is frustrating that Kennecott continues to be blackmailed to meet additional demands. After the November meeting with Kennecott, the Mayor and Council all indicated that they were on board with the bond but gave direction for the CM to see what else he could get out of the deal. CM Whatcott negotiated a commitment for a 20 acre park, and that Kennecott will pay \$100,000 per acre for improvements, as well as a \$1 million donation to the development of Welby Park. That quickly became not enough, and the townhomes at the Daybreak Community Center got tied into this. The Daybreak Community Center has nothing to do with this bond. And then concessions for Sunstone got thrown in. How many times are they going to agree and then change the terms? The Mayor and Council Member Rogers have been disengaged in the process and are supposedly learning for the first time tonight about the property donation for the schools and that there won't be 7000 apartments. The Mayor has been irresponsible with his posts on Facebook and in emails about the 7000 apartments to incite anger amongst the residents. It is irresponsible to be this far down the road and just now learn these facts. It has been suggested that this is rushed and that it was inappropriate for the outgoing Council to vote on this at their last meeting in office. That same Council spent most of 2015 studying the issue. The plead for more time is a stall tactic. We are talking about the development of a third of our city. This is not the time to play games or not pay attention to what is going on.

Mark Seethaler said over many months, he and the Mayor disagreed over issues more than they agreed. He said the Mayor is always willing to engage the next round of discussion. He read a prepared statement (Attachment G).

Ruth Dorius, 11712 Lake Run Road, said they enjoy it here, the DCC issue notwithstanding. She said Soda Row needs some help. She doesn't know why it has been such a problem. If they are going to build commercial with the new development, let's see some tenants. She thinks it would be great if they got some upscale businesses put in. Is there something that can be done to amend or change the contracts in Soda Row? They need to have a plan.

Floyd Teeter, thanked the City Council for having this forum. He also thanked Kennecott for their clear explanation of the plan. A lot of his concerns are alleviated. He feels he came here well informed; he thanked Council Member Rogers for the information. He said he found out about the meeting because of the Facebook page. The bond has been approved. The public felt a need to put a voice in that. He said he's not a fan of high density housing, but it is not his property and the bond doesn't fund that. It is a matter of timing. The bond is about the commercial development. He recognizes the need for the greater tax base, but he also recognizes the traffic issues. He said his lone concern is if the infrastructure can handle the traffic.

Mayor Alvord thanked everyone for their comments. He said public involvement is a wonderful thing. He said he knew advocating bond revocation would upset people. He reviewed a prepared presentation (Attachment H). When he did this, he was thinking about the 5200 voters that voted for him. Tonight was to gather information and hear the people. He said if the residents were surveyed, he feels the bond would fail. He feels they should pause the bond and put the issue on a ballot or do a survey. It accelerates high density housing by 4 years. The City Council should take the survey seriously. Most of the City Council ran on fighting high density housing. He has

a responsibility to represent the people. He said he does not want to hurry high density along. He noted that the high density figures are now off. He said if they add their current apartments, and what Daybreak will build, they will be tied with the number of units as West Valley City. He noted a concern that there is no east/west connection between Daybreak and I-15. It will be 5-7 years before the Mountain View Corridor connects. He said they should delay the growth so they can complete Mountain View Corridor; it needs to connect to 201 at least. They can pause the bond to do a traffic study. He said he does not need a traffic study to tell him traffic will be backed up because it already is. The commercial and residential development will come. There will be traffic chaos. There is nothing wrong with slowing the growth and asking the legislature to connect the road. They need to act instead of react.

I. **Action Item:** Resolution R2016-18 Options:

- A. Resolution R2016-18: Supporting ratifying Resolution R2015-83, which established the Terms and Conditions of the issuance of the Issuer's Special Assessment Bonds (Daybreak Assessment Area 1)
- B. Resolution R2016-18: Revoking Resolution R2015-83, which established the Terms and Conditions of the issuance of the Issuer's Special Assessment Bonds (Daybreak Assessment Area 1)
- C. Resolution R2016-18: Directing the designated officers not to move forward with approval of Resolution R2015-83, which established the Terms and Conditions of the issuance of the Issuer's Special Assessment Bonds (Daybreak Assessment Area 1)

Council Member Marlor made a motion to approve Resolution R2016-18 (item A) supporting ratification of the bond. Council Member Shelton seconded the motion.

Council Member Rogers made a substitute motion to approve item B, revoking the bond. The motion died for lack of a second.

Council Member Shelton expressed gratitude for the residents that spoke and reached out. He expressed appreciation to staff, the consultants, and Kennecott. He expressed appreciation to the Mayor and Council for dedicating more time and energy on this and further engaging the public. It is a good thing when the public is better informed. The density is coming; there is no changing that. The question is the commercial. They should do this in a way that is planned out long in advance. The infrastructure that will go in will be of benefit to the residents today. The housing units won't just pop up, Kennecott builds at a pace of about 400 units a year, which is plenty of time for Mountain View Corridor to connect and the infrastructure to go through. Most of the high density is planned around the trax line. They should move forward in a way where they have a commitment for a 20 acre active park, and buffering around Sunstone. With this agreement, it is the best path forward. There is opportunity for commercial. If they are not in the game, it is reasonable to believe that they will lose out where other municipalities are competing for these projects.

Council Member Marlor thanked the residents. In addition to those present, they are obligated to represent 67,000 people. There are people on both sides of the issue. The bond will impact many people. He said staff and the former City Council studied this issue and were deliberate in their actions. A lot of time and effort has been spent on this. He does not take lightly the taxpayer money that has already been spent. He supports the vote that was taken on December 22nd and he intends to keep those promises.

Council Member Harris said when this was passed, he felt that the prior City Council understood the bonds. The circumstances were unusual; a special meeting was called. He had a problem that the residents were not informed. He felt that the negotiation before the bond approval was rushed. The bond is a significant benefit to Kennecott. After he took office, he said because it was rushed and approved at a special meeting, they needed to be more transparent and needed more time to negotiate with Kennecott. Since then, the city has expended a significant amount of money into this. Kennecott has as well. If they revoke this, there is the potential of litigation, which the city could fight. If they were going to do this, they should have revoked the bond and engaged Kennecott immediately. They missed their time to do it. It is not practical at this time.

Council Member Zander said she appreciates the process. She started studying this before taking office. She agreed that the bond is a financial tool. She is not a proponent of high density. She will vote to ratify the bond. The city needs to keep their word and be trustworthy. The previous Council studied this for a year and found it to be worthy. She said facilitating the ratification of the bond will strengthen their road structures and water system. She concurred that development will not just pop up over night. She believes that people they treat congenially are better partners than if they are bullied or used for leverage. Upon further study, she doesn't feel revoking the bond is the right approach. If they want to be partners, they should be congenial and trustworthy. She indicated that she will continue discussions with Kennecott.

Council Member Rogers said he hopes the arguments for ratification are correct. He is not concerned about the risks associated with the bond. He is concerned about growth and the speed of that growth. He feels this will accelerate the high density and commercial. Part of the acceleration was for the commercial area. He doesn't feel they will get the town center. Riverton will get it; they are ahead of the game. He concurred that they have expended a lot of funds to this process. Every day that passes makes it more difficult to revoke the bond. He concurred that Daybreak does high density of a higher quality, but he is not in favor of the amount of high density that they do. He would like to reopen discussion of the MDA, which Kennecott has no interest in doing. If this does accelerate development, he hopes it incentivizes UDOT to connect the Mountain View Corridor to the 201.

Roll call vote. The vote was 4-1 in favor of Item A, with Council Member Rogers opposed.

The City Council took a brief recess.

J. Reports and Comments: *(Mayor, City Council, City Manager, and City Attorney)*

City Attorney Loose reviewed some legislative items with the City Council. This year, staff is behind the scenes rather than leading the charge. He reviewed the post retirement bill HB86. It

was noted that the amount listed in the fiscal note is a negotiated amount. They could never nail down an actual number. This bill will most likely be sent to interim for further study.

Council Member Rogers said he would take a no position or oppose on both retirement bills.

Council Member Shelton said with the retirement bills, it gets to the issue of municipalities, particularly those that are remote, and addresses the issue they have with the challenge of hiring individuals. He feels they should support HB86, and they should support Representative Cunningham. Council Member Marlor concurred. He said the year waiting period does not make sense.

City Attorney Loose noted that a person cannot draw two pensions in the end. The rate is set at the end of the 20 years.

City Attorney Loose recommended a no position on 205.

The City Council determined to take no position on HB86.

City Attorney Loose reviewed a bill regarding sales tax for online purchases. It was noted that there is another bill that addresses a sales tax exemption for mining.

Council Member Marlor said he is opposed to the sales tax for online purchases bill. That is a federal issue. Council Member Shelton said Jason Chaffetz can't get that bill out of committee in Washington DC. A number of states are working this legislation, trying to force a lawsuit. The City Council took no position on the sales tax bill.

The City Council took a position of being in favor of a local district tax revision bill. If a person is on a board, they would not be able to increase taxes unless they are elected to that board.

Council Member Rogers asked City Attorney Loose to make sure the mining bill will not affect the sales tax from Kennecott.

Mayor Alvord asked about Sim Gill and Sherriff Winder's idea to rehabilitate individuals rather than incarcerate. Police Chief Carr said he is in support of it conceptually. He does not know the specifics of their plan. He said he will look at in in detail and give guidance.

COS Cunningham said often the best police response is to separate the individual from the issue. Then they can come up with alternative programs to deal with problems.

CM Whatcott said the city is getting resistance from UDOT about Bangerter going under 11400 South. He said there may be a time where the city will need to lobby hard to get what they want. He said one road alignment would take out Olive Garden. City Attorney Loose said for the Kornwasser property, the city made accommodations that saved UDOT money. City Commerce Director Preece is putting together a meeting next week with landowners at that intersection to understand what they want. Development Services Director Klavano said they are trying to get a design exception for the road. They have been told that the costs for Bangerter to go under are

the same, but the issue is drainage. The city has offered to take care of the drainage issues. CM Whatcott said there may be some solutions to the drainage issues. It was noted that one of the alignments takes out 18 homes.

CM Whatcott said a different arm of UDOT is doing the 10600 South project and staff is fearful that both projects will land about the same time, which could present some traffic challenges.

Council Member Rogers said they could consider hiring a lobbyist just for this UDOT issue.

CM Whatcott suggested that they bring the finishing of Mountain View Corridor up at COM. Mayor Alvord said he would do that.

ADJOURNMENT

Council Member Shelton made a motion to adjourn. Council Member Zander seconded the motion. The vote was unanimous in favor.

The March 1, 2016 City Council meeting adjourned at 10:53 p.m.

This is a true and correct copy of the March 1, 2016 Council Meeting minutes, which were approved on March 15, 2016.


South Jordan City Recorder