

**MURRAY CITY MUNICIPAL COUNCIL  
COMMITTEE OF THE WHOLE**

The Murray City Municipal Council met as a Committee of the Whole on Tuesday, September 23, 2008, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

**Members in Attendance:**

Krista Dunn	Council Chairman
Jeff Dredge	Council Member
Jim Brass	Council Member
Patricia W. Griffiths	Council Member

**Members Excused:**

Robert D. Robertson	Council Member
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**Others in Attendance:**

Daniel Snarr	Mayor
Frank Nakamura	City Attorney
Michael D. Wagstaff	Council Executive Director
Janet M. Lopez	Council Administrative Secretary
Zachery D. Fountain	Mayor's Office
Tim Tingey	Community Development Director
Pat Wilson	Finance Director
Lynn Pett	EDCU
Mike Flynn	EDCU
Jeff Edwards	EDCU

Chairman Dunn called the meeting to order at 5:37 p.m. and welcomed those in attendance. Mr. Robertson was excused for medical reasons.

**Approval of Minutes**

Ms. Dunn called for a motion on the minutes from the Committee of the Whole meeting held on Tuesday, September 16, 2008. Ms. Griffiths moved approval as written. Mr. Brass seconded the motion. The motion carried 4-0.

**Business Item #1**

**Economic Development Corporation of Utah -  
Lynn Pett presenting**

Ms. Dunn commented that present were representatives from the Economic Development Corporation of Utah (EDCU) and they would talk about the function of EDCU. Ms. Dunn invited

former Murray Mayor Lynn Pett to introduce the guests.

Mr. Pett presented Jeff Edwards, EDCU Chief Executive Officer, and Mike Flynn who is in charge of economic development and works with the communities. He stated his pleasure in working with both of them. EDCU was formed in 1988 and as Murray Mayor in 1990 he had the opportunity to serve on the Executive Committee and Board of Directors for eight years. When his term as Mayor ended, he began working as a consultant for EDCU and has been in that capacity for ten years. It is a great job for him, as he gets paid to visit with his friends. He works with government agencies including city councils up and down the state. Murray Mayor McMillan was instrumental in getting Murray involved with this agency which helps the government and private sectors come together for economic development.

Mr. Edwards remarked that it is a pleasure to have Mr. Pett with the organization as it helps to have an understanding of how city government works and the situation elected officials are in as they make decisions for their cities. Murray City did have a founding roll with EDCU in 1987. The entire premise is based on a public/private partnership. Both provide support and funding and it has proven to be a great model in getting things done.

EDCU has three responsibilities: (1) to recruit new jobs to the state, (2) to retain the jobs that exist in the state, and (3) to be a source for research, information and economic data about the economy for the public as well as for all members. They provide this service on the city, county and state levels.

When Governor Huntsman was elected, he made the decision to disband the state's office of economic development and outsourced that work to EDCU in a contract arrangement. That was the first time that the private sector was aligned with the cities, counties and state all working together. This has been a very successful merger. Results speak for themselves.

The annual report that was distributed shows that EDCU can account for more than 16,000 new jobs created in the state over the last three years and almost \$8 billion in capital investment. It was really a partnership with EDCU, the governor's office, cities and counties who help to find sites for these new companies. Several new companies are featured in the report and he is particularly proud of the Proctor and Gamble project which is located in Box Elder County and is currently under construction. In Salt Lake County, Oracle Corporation will be building a new data center in West Jordan. Goldman Sachs has announced plans to double the size of their operation here in Salt Lake City. Sephora is a cosmetic company building a new distribution center here in the county. Although Murray may not have sites for projects such as these, the employees and payroll it represents are all people who will live, shop and buy cars in Murray.

Mayor Snarr remarked that we get the retail business in Murray, as we have the finest places to shop.

There are also some significant projects here, such as Intermountain Medical Center (IMC), that is a landmark that provides a service to many employees relocating to the area. It shows a lot of foresight in Murray to make that happen, converting smoke stacks into a hospital, and it will be an amazing investment for years afterward. Intermountain Health Care (IHC) is a member of EDCU and has made a big impact on the kinds of jobs available. It is also one of the major economic clusters that the governor is interested in working in, health care, biomedical devices and biotech. Costco isn't bad either.

Retail and the sales tax generated is a significant part of each city's revenue and EDCU, in consultation with cities, made the significant effort six years ago to take a delegation to the International Council of Shopping Centers (ICSC). Some Murray Council members were original participants in that and it was very educational. It has been a great destination which has led to some excellent retail contacts and relationships.

EDCU has a matching grant program available to public organizations and Murray has been a recipient of those in different areas and some are pending now. This year there will be more than \$75,000 to provide matching programs around the state. This is the most money ever available for that, thanks in part to a successful fund-raiser. Questar and Mountain America Credit Union have contributed an additional \$15,000 to that program, as well.

Mr. Edwards said that he is thrilled to work with Murray's new Economic Development Director, Tim Tingey, and his great staff. He brings a lot of great experience to the position and EDCU is excited about the new projects Murray has underway. The RDA transit oriented development at Fireclay is an exciting project. Murray has really led the way in the county with such a high quality development. A Salt Lake County RDA has been discussed for the property adjacent to Fireclay and that looks interesting. EDCU looks forward to supporting Murray in its efforts there, as well as, downtown and will tailor economic development activities to things of interested in Murray, the kinds of businesses and opportunities the City is seeking.

Mr. Edwards introduced Mike Flynn, the Public Development Vice President, who works with communities all over the state and has responsibility for helping locate sites for specific projects.

Mr. Flynn explained that EDCU developed a real estate data base to gather information on locations in the state that might be of interest to the different companies they deal with. It contains industrial properties, office properties, developed properties and undeveloped green field properties. He would like to gather information on sites available in Murray. Much of what they do is industrial, blue collar type real estate, however, they also receive inquiries on a regular basis from people looking to build office projects or maybe smaller footprint projects. He will be working with Mr. Tingey to put together that type of information on Murray to promote the City as much as possible.

Mr. Flynn was just at Fashion Place Mall with a retailer who is considering a new store there when all the construction is completed.

Mayor Snarr said he had met with the Mall management earlier in the day and they are excited with what is happening.

Mr. Flynn said the particular person he met with was very pleased and commented that, nationwide, for a valley this size to have a mall the caliber of Fashion Place with so much traffic and business is quite remarkable.

Mr. Edwards added that while many malls are diminishing around the country it is unusual to see a mall that has maintained this level of success. He thanked Mayor Snarr for his faithful involvement on the EDCU Executive Committee, and for his time and effort contributed to the Committee.

Mayor Snarr thanked Mr. Pett for introducing him to everyone at EDCU. He felt strongly that EDCU needed to be recognized at the state level to accomplish economic efforts as a one stop shop for businesses, and for the dynamics of Murray it has been a great benefit. The Council has always supported that money in the budget, as well.

Mr. Pett commented that Murray City is the only city that has had a Mayor on the Executive Committee since 1990. The IMC hospital got the word on the smelter cleanup because of the Mayor's involvement in EDCU. Two entities were notified, the school district and Intermountain Health Care. Indirectly, with the relationships on the board and committee, this does much good for Murray City. In South Jordan, the University of Southern Nevada is coming to Utah to teach nurses, doctors and technicians as a result of the IMC facility. IBM has hired a number of engineers who are working at IMC on best practices in software programs. General Electric is working on patient software. The spin-off from the hospital alone is an economic development engine in that anytime there is a piece of property available in Murray, someone will grab it. Murray is fortunate to have that type of operation and the opportunity to provide jobs in one of the best work places in the state. Costco generates so much sales tax that Murray probably has one of the most stable tax bases as any community in Utah.

Mr. Pett explained that the staff of 16 people travels all around the country to encourage site developers to come and look at Utah. EDCU has done so much to train elected officials on economic development, how to work with developers and what funding sources are available for the community. They go from St. George to Logan. The private sector members really believe in EDCU and Questar has a paid employee that works for EDCU full time, however, it has enabled them to drop three employees. Utah Power and Light give EDCU office space at a very reduced rate. Most of the banks are extremely supportive of EDCU. There are 180 private sector members.

Mr. Brass stated that he enjoys the luncheons and gains very good information. He confirmed that Murray is very proud of Fireclay, although, now the developer is having trouble filling the commercial space and the Council could use some advice. If EDCU has inquiries along those lines, perhaps they could let businesses know we are looking. The Council believes walk able communities are the future, but we need the businesses.

Mayor Snarr remarked that there will be built in clients to sustain it on a 24-hour basis. It is difficult to know what comes first, if it is the retail, one must hope it can be supported long enough for the residential to be developed.

Ms. Dunn added that the residential project is being built right now.

The Mayor said that the retail won't come until there is enough residential to support it.

Mr. Brass said that the early phases are in the works, it needs to be built up, however, we don't want to walk away from the commercial or all you have is another multi-family development.

Ms. Dunn noted that there is an office building.

Mr. Brass feels that once it is completed it will be wildly successful, because of the hospital. It also leads into what Murray will try to accomplish in the downtown area, where we would like to see something similar being developed.

Ms. Griffiths pointed out the possibilities for a live/work situation for young professionals.

Mr. Pett mentioned that UTA was at the ICSC conference promoting Trax oriented development and EDCU invited them to participate with them next year to work on this retail section. It is exactly what the Council is discussing and working with various cities, EDCU and UTA it is possible to accomplish that all up and down the corridor.

Mr. Flynn stated that this is an awareness issue, too. Getting this information to EDCU is important, so that it has it in its arsenal when dealing with companies and it will give them something to look at and consider. People are looking for different types of development and opportunities and this represents something they are not going to see a lot of in other places. It is more an issue of EDCU working closer with the City on this kind of development. It may not be exactly what someone is looking for, however, sometimes we can suggest driving by to take a look and that is how a lot of projects happen. Better coordination on the EDCU end will contribute to awareness of what it is and what Murray wants the project to be.

Mr. Brass said that Mr. Tingey can get them that information and if it does not quite fit

what is conceived, the project is so early into development that by tweaking a building here or there it may be able to work. The Council is hearing that the retail is not going to succeed, and he feels that given time, it will. The question becomes, how the developer can finance that necessary time.

Sites like this are valuable employment centers even though it may be for smaller scale employers, Mr. Edwards added. Having availability here in the center of the valley, accessible to transit is quite rare in a high quality area. EDCU works with employers of all different sizes and he thinks there is a good opportunity.

Mayor Snarr pointed out that the general economy in America is a challenge right now and a rough spot to get past.

Mr. Brass offered that Utah is in a unique position with an economy that is slightly better than the rest of the nation; with energy resources such as oil shale and natural gas available, people will be coming to this area.

Ms. Dunn pointed out that Murray has better water resources than most cities.

Mr. Brass reiterated that any advice from EDCU would be most helpful and the Council would like to see this develop with the vision that was conceived.

Mr. Pett stated that this is something that can go on the EDCU internet site.

Mayor Snarr noted that we need to get enough built for people to catch the grand vision and potential.

Mr. Brass added that if the builder knows that EDCU is a potential resource that will be helpful.

Mr. Flynn commented that as an RDA it signifies a commitment by the City.

Mr. Brass said that he recognizes that commitment is a component and the more successful this is the better off the City is.

Mayor Snarr stated that putting in a new infrastructure has not been easy, a new sewer line had to be installed all the way over to 700 West, which ended up being a major project, larger than expected financially.

Centrally located, one stop from the hospital is a very attractive project location, observed Mr. Brass.

Mayor Snarr expressed his excitement about the county and the potential to partnership together as they develop the other side of the creek and clean up that area.

That central valley location and partnering with the county create a good sized site that could be a great advantage for a quality commercial development. There are not any out there, Mr. Edwards commented.

Ms. Dunn indicated that the City needs to make EDCU even more aware of locations in Murray that have some great possibility, such as the 300 West and State Street corridor.

Mayor Snarr said that many people are trying to quietly go about the process of picking up the parcels of land to put together a project. Much of that is going on in Murray right now.

Mr. Edwards suggested the possibility of Mr. Tingey arranging a tour so that the business development team could take an afternoon and drive around to see possible project sites. Actually seeing a site makes a big difference and it is so much better than looking at it on a map.

Ms. Dunn said that the Council Members would make themselves available for that also.

Mr. Dredge pointed out that Murray is involved in UTOPIA and one of the reasons for the involvement was its advantage in economic opportunity to businesses, and the possibility for attracting businesses to Murray for that band width. He noted that Qwest Communications is on the EDCU Executive Board and asked if there is a conflict of interests, because Qwest has made it clear it would like to squash UTOPIA.

Mr. Edwards answered that he and Jerry Fenn have talked at length about this topic. He is the incoming chairman for EDCU. Mayor Christensen of Brigham City and Mr. Fenn also had a lengthy discussion on this. His sense is that Mr. Fenn understands the different rolls that he plays and at Qwest he has a job to do and for EDCU he is very open minded on that approach and would give opportunities to cities whether they are connected to UTOPIA or not. He has never felt any pressure to say that he should not be working with a UTOPIA city. It is more a question of where can EDCU get the best service for a particular company that wants to locate a site and who can provide what the client really wants.

Mr. Pett stated that he had met with UTOPIA which is an investor in EDCU. It would help EDCU to have more information from them.

Mr. Dredge reported that in the next month they will know a lot more about UTOPIA when future plans are revealed. He feels that the business community should be very excited about what UTOPIA is doing. It should benefit EDCU in attracting businesses to the state.

Ms. Dunn thanked the EDCU representatives for presenting the information and

supporting Murray in the direction the City is trying to go. She looks forward to the opportunity in the future to show them more of what Murray has to offer.

Mr. Edwards thanked Murray officials for being at the top of the list of cities that support and partner with EDCU in their development efforts. He commented that they can each feel free to contact EDCU with any questions they may have for themselves or constituents.

Mr. Pett plans to spend some time with Tim Tingey and they are all so pleased to have him to work with in Murray City.

**Business Item #2**

**House Bill 40 - Township Survey**

\_\_\_\_\_ Ms. Dunn needs to get Council direction on this issue and she will try to give both sides of the issue as fairly as possible. She needs to know if it is a priority the Council would like to pursue or drop back and let others proceed in the direction they would like to.

House Bill 40 is the issue on whether or not the township sunset will come in 2010 or whether it will be extended in perpetuity.

The county's position is to have the sunset terminate and keep the townships in place forever. Some cities are on the band wagon and supporting the county. Three cities, Murray, Holladay and Salt Lake City have been pushing this. She said that South Salt Lake is looking at it from a different angle and they are not attending the meetings anymore. Sandy has been fairly vocal with the viewpoint that the townships should end.

Ms. Dunn said this issue began before most of them were in office. Many cities would cherry pick and take prime areas from the county. Since that time two different laws were enacted to stop that from occurring. Ms. Dunn was very involved with the Poulton provision when it went to the current law with forced annexation. This says that a city must take any area with the 105% rule and a petition representing more than 50% of the owners' population and the geographic area. Murray dealt with this when the new area was annexed. Murray said that as a City it wants the citizens to determine whether they go into a city or stay in an unincorporated area. Murray took the 12,000 owners to the east knowing that it was going to cost the City money. They were included willingly because they wanted to become part of Murray.

Then the Millcreek Township was put into place by a vote of the County Council, not the citizens. At that time there were groups who had come to Murray to talk about annexation and petition processes. Murray sees some areas at the northern boundaries of Murray as being at least potentially economically feasible to look at. It was the hope to take in areas that could support themselves and make up for some of the cost to the City for other areas of forced annexation. All these thoughts were ended with the vote of the County Council. That vote locked the doors for



smaller areas to be annexed. The county took the long snake like area of eastern and western Millcreek and made it one township. The author of the bill, Representative Skousen, acknowledges that the purpose was to keep areas from being annexed.

With the township in place, it would have to be annexed entirely into one city. Incorporation did not change with the township. If a smaller area wants to break off, they can, however, the entire township must vote in favor. This pretty much locks up a smaller area coming out.

Ms. Dunn posed the question of how hard Murray might like to fight to go back to the previous situation.

In 2005, the legislature asked for a survey to find out what the citizens wanted to do about the township question. To the credit of the county and cities, everyone tried to put together a good survey. In total honesty, the cities gave up. Their representatives did not show up and it became what the county wanted it to be. Some tried to give input, however, in the end the survey was completed with many questions omitted, according to Ms. Dunn. These are some of the omitted questions: (1) Do people know the services provided by the surrounding cities or of the county? (2) Do people realize they are in a township? (3) Do people know if they are unincorporated? None of these questions were included in the survey.

Ms. Dunn related that in every township, except Millcreek, the answers showed, unquestionably, that the citizens wanted to remain in the township.

Mayor Snarr said that those townships are Copperton, Magna, Kearns, White City and Emigration.

In Millcreek, by taking the answers one by one it was 58% that wanted to remain as they are. Those who wanted to remain in a township were below 50%, about 42%. Ms. Dunn believes that the answers to the other three questions are 40%. The county did not like the idea of lumping the other three questions together for comparison purposes. In meeting with a county representative, Ms. Dunn brought up the original vote of the County Council that put the Millcreek Township in place to begin with. The county said that does not matter, only the current issue is important. The county merely says the legislature asked for a survey, it was completed and the highest percentage was a desire to remain as they are. Ms. Dunn argues that there are not a majority of people that want to remain in a township. She feels that question should go to the people for a formal vote to finalize it. This sort of vote of the people has never taken place.

Ms. Dunn would like to see a vote on the simple question, would you like to remain a township or not, in the 2010 election. The reason she is in favor of this is, one, you will get a firm answer of yes or no. That will allow areas that are not in favor to move into the cities that they would like to annex into. The idea of wall to wall cities is something that has been discussed

for many years in the legislature. Second, if an area votes, to stay in the township, then the economic situation of increasing property taxes will probably affect them. Most cities will be raising property taxes. The county has suffered from different areas terminating county services, and in her opinion they will need to raise taxes to make up for that shortfall. Ms. Dunn stated that she is not advocating to annex areas if the sunset remains, her worry is that as Salt Lake City and the County raise taxes, pockets of areas may decide to run to Murray and Holladay. Murray may be forced to take citizens the City cannot afford. If there is an election of the people and they vote to remain a township, then she does not feel the legislature will tamper with that.

Another issue that has surfaced is a plan for an RDA in the western Millcreek township. This would work very well with what Murray is doing on development.

The county believes self determination was taken care of by the survey and piecemeal annexations will be the death of the county. Ms. Dunn pointed out that it is not about self determination, it is about the tax base. She feels that the county does need to be concerned about jobs. The League of Cities and Towns will come to the aid of Murray if we want them to do so. There are three cities that will be most impacted by this issue. The League will lobby and push this hard if Murray wants them to. This is the number one issue for the county this legislative session, to remove the township sunset.

Mr. Dredge said that he would like to see a map that would show the likely direction that certain areas would go.

Ms. Dunn said that there is a map based on the survey. The authors of the survey and even the county said that the mail-in survey is valid, however, there are compelling numbers in the survey. Some pockets were very strong in a desire to come into Murray, some areas wanted to go into Holladay, and others that wanted to go into Salt Lake City. The numbers were very small to go to South Salt Lake, although, an article in the newspaper told of South Salt Lake wanting to annex the entire township. She feels that will never happen.

Mayor Snarr talked about the eastern area annexed into Murray. He feels that Murray is trying to determine how the City can get the highest and best utilization for current land sources to help support and sustain that area that has taken much in Murray resources. Economically this is a big challenge. The Mayor said that he does believe in self determination.

Ms. Dunn asked if self determination has been proven by the survey that was taken.

Mayor Snarr responded no.

Ms. Dunn asked if others believe that it is right to lock the door forever on annexation of pieces of the current township. And if the door does get locked, is it something the legislature should do on its own or by an election of the people.

Mr. Fountain commented that the City needs to think about whether or not Murray wants to fight the county at the legislature and have the legislators, who really don't care about this issue, make the rules. This is a very controversial matter and as bills go into the caucus, the county is no longer in control, the City is no longer in control, and it is not a good idea to have the legislature mediate a fight. It might be better to see if we can cooperate and find an alternative before the issue goes to the legislature.

Mr. Wagstaff pointed out that we put our own legislators at odds between the county and Murray, because they represent both of us.

Ms. Dunn said that there is a meeting with three county and three city representatives to see if we can negotiate and come to a common answer.

The Mayor mentioned a comment made by Mr. Nakamura that the City department heads have legitimate concerns about the ability to go in and support that area with sound services to keep the people from becoming angry.

Ms. Dunn agreed that we can't keep them happy.

Mayor Snarr was a proponent of going north because of the commercial development to support the area, however, things have changed and Murray has this big property to the east we are trying to support and help and it has hurt City resources. Murray needs to make the remaining land work better to drive more money to the bottom line.

Ms. Dunn explained that the current residents need to be heard and they will not have a vote in this. She feels there are some good reasons to fight it and some good reasons to let it go.

Mayor Snarr said that if Murray did annex part of Millcreek, public services, fire and police would be greatly affected.

Mr. Dredge commented, it would not be good to close the door forever.

Ms. Dunn said that she would be in touch with everyone by email for additional input before getting back with them by the end of the week.

The Committee of the Whole meeting was adjourned at 6:35 p.m. by Ms. Dunn.

Janet M. Lopez  
Administrative Secretary