



MURRAY CITY MUNICIPAL COUNCIL COUNCIL POLICY WORKSHOP

The Murray City Municipal Council met as a Committee of the Whole on Friday, May 1st, 2015, at the Residence Inn by Marriott, 171 East 5300 South, Murray Utah.

Council Members in Attendance:

Blair Camp, Chair	Council Member, District #2
Diane Turner, Vice-Chair	Council Member, District #4
Dave Nicponski	Council Member, District #1
Jim Brass	Council Member, District #3
Brett Hales	Council Member, District #5

Others in Attendance:

Ted Eyre	Mayor	Janet Towers	Exec. Asst. to the Mayor
Janet M. Lopez	Council Administrator	Tim Tingey	ADS Director
Justin Zollinger	Finance Director	Frank Nakamura	Attorney

Chairman Camp called the Council Policy Workshop meeting to order and welcomed those in attendance. All council members were present.

Chairman Camp said the purpose of the meeting was to give direction so that the Policy Document could be drafted for review and eventually adopted. Mr. Brass would be speaking about the budget intent document also.

Mr. Nakamura added that sometimes in order for staff to correctly interpret items, it is helpful to know the intent and thought processes behind them. He noted that policies are good and outline the intentions of the Council. Murray is a very dynamic and progressive City, he added. He said when recently developing an RFQ (Request for Qualifications), he appreciated the policies in place to guide staff in the right direction.

Chairman Camp asked if everyone had looked at the topics for discussion and if anyone had topics to add. Mr. Nicponski suggested adding the discussion of water and sewer capacity throughout the City. He also mentioned that sidewalks should be discussed.

Chairman Camp suggested listing some priority issues from everyone. Mr. Nakamura commented that the number one issue for him was UTOPIA. The second issue was sales tax, followed by downtown development. Mr. Zollinger noted that his top issues

were the same, with the addition of the new City Hall. Mr. Brass said new City Hall and the downtown development were both matters of urgency. UTOPIA is important and a major money drain, but he asked what Murray can do at this point. Mr. Hales agreed with the downtown development and new City Hall as priority issues. He commented that he heard the Mayor may have another option for UTOPIA that he is interested in hearing about it. Ms. Turner added that the environmental issues are important and permeate the other issues, including: the downtown development, new City Hall, and transportation. Mr. Nicponski noted that his priorities were the New City Hall, water and sewer capacity citywide, and quality of life issues, with recreation as an economic development initiative. He commented that Murray now has the hotel capacity to support some large recreational tournaments that would bring in a lot of sales tax revenue.

Ms. Turner asked about one of the topics which was Murray Power for the area east of 900 East. Mr. Brass replied that Rocky Mountain Power has no intention of selling any part of their system, and recently just purchased Eagle Mountain. He said the topic could be discussed but nothing could actually be done. It was decided it was a non-issue and could be removed from the list.

Chairman Camp asked Mr. Zollinger to share recent information regarding reserve accounts. Mr. Zollinger stated that the State Auditor had reversed its position regarding Murray booking the UTA sales tax. He said it is simply a paperwork issue and he would make the adjustment. Mr. Nakamura said Mr. Zollinger should be complimented on his efforts in that process.

Chairman Camp stated that it was a broad vision regarding the downtown area that should be listed in the policy statement. He said historic preservation and quality of life are both important aspects. He asked for some thoughts regarding maintaining the historic buildings downtown. A comment was made that a new and modern look for the downtown area would be nice. Other comments were that the City heritage needs to be preserved and respected, and some historic buildings should be saved. Chairman Camp asked if a balance between economic development and historic preservation is the goal for the policy. Mr. Nakamura stated that with all things being equal, he asked if the Council would like to remain on the side of historic preservation. Mr. Tingey said there is an ordinance to preserve certain buildings in the downtown area, but there are exceptions for development opportunities listed in the ordinance. There are certain requirements, such as whether the value of the property is enhanced five times, etc. The current policy is to try and preserve historical buildings, but certain steps can be taken to tear them down, if needed. He noted that the policy is more flexible now than in the past.

Mr. Nakamura reiterated that it would be helpful to know where the Council sits on those types of issues that will come up. Mr. Zollinger asked how the past can be respected, but at the same time, not slow future development. Mr. Nicponski commented that there is limited available space for development. Ms. Turner asked if it could be looked at on a piece by piece basis. Mr. Nakamura replied that could be done, but the new City Hall design would reflect those choices- traditional or very modern.

Mr. Brass said that the last two consultants have both chosen the downtown site for City Hall and the Performing Arts Center. He said the entire RDA area is just under 100 acres. Some buildings may not be worth saving, so the façade could be saved or something similar built. It is difficult to get an environmentally sensitive or "green" building in an old building. He believes that the diversity of old and new buildings is what

makes a city spectacular. He said, for example, there are such buildings as the Carnegie Library that would be difficult to tear down, but the old Safeway may not be worth saving. He added that City Creek Center in downtown Salt Lake City has been criticized because it wasn't tied into the rest of the City. He noted that Murray has three big hospitals and the City should embrace that, and added that medical services are recession proof. Chairman Camp mentioned that the medical community is experiencing a workforce shortage and the City should help by creating an environment where they want to work and live.

Ms. Turner commented that there is a place in Oklahoma City called brick town that has combined the old with the new and connected them with great pathways in a beautiful setting.

Mr. Zollinger stated that at his recent conference in St. George, the St. George Mayor stated that they have connected every single park by walkways, but it took 39 years to accomplish.

Mr. Tingey stated that the current policies promote walkability with larger sidewalks, etc. One of the biggest challenges will be the connectability across State Street. Some of the design concepts include a bridge or an underground walkway for State Street. That concept has to be addressed to really make the downtown area walkable, he noted.

Mayor Eyre said the goal is to have a walkable and also bicycle friendly pathway, which a bridge over State Street would not accommodate. However, a tunnel underground would accommodate that. The City was able to get an easement from Jordan River to Murray Boulevard and over the freeway. There was \$200,000 budgeted for that, and a possibility of more funding received through grants. The goal is to have a pathway from Murray Park to the Jordan River. He said the staff is looking into the feasibility of going under the freeway, which opens up some new possibilities. He said he believes the downtown area could be walkable in a relatively quick time frame.

Chairman Camp said it sounds like the policy should include things such as supporting the walkability aspect, and historic preservation as long as it isn't detrimental to new development. Ms. Turner added connectability and sustainability.

Mr. Zollinger suggested discussing the water/waste water capacity issues. He said that \$1 million had already been set aside for upgrading the sewer lines. He noted that Mr. Astill said it could be an additional \$2 million if they needed to increase the size of the sewer lines to handle 100 residential units per acre. Mr. Zollinger stated that it would be within the guidelines to draw the reserves down to accommodate the additional \$2 million. He said there would be future conversations on the issue, but it does fall within the financial guidelines. Mr. Nakamura clarified that the line increase could come in stages of 25, 50, 75 or 100 units per acre. He said each step is approximately \$1 million, and 100 units could be more than needed currently, but makes sense if the long-term future plans call for it.

Chairman Camp asked if impact fees could be utilized for these improvements. The answer was yes.

Mr. Nicponski asked Mr. Tingey if a high density housing unit was being considered for the Central Business District. Mr. Tingey said the likelihood is that there will be some.

Mr. Nicponski stated that it might be a good idea to increase the line to 100 unit capacity. Mr. Tingey agreed and said it would be unfortunate to put in a smaller line and then need to increase it. Mr. Nakamura said legislation could be introduced also. There were examples of areas discussed that have stopped development due to lack of sewer capacity. Mr. Nakamura added that density was an issue also.

Mr. Tingey said currently there are three zones that provide pretty much unlimited density if they meet certain criteria. One is the TOD (Transit Oriented Development) or Fireclay area, second is the downtown Murray City Center District, and lastly, the mixed use areas. Those three areas are a small percentage of the entire City, he added. For example, if there is a developer that wants to build 700 units and there is capacity in those areas, then it is allowed. He said there are residents that are concerned with the number of apartment buildings in the City. He said apartments are booming all across the state. Ms. Turner said she has heard that people are less concerned if the units are individually owned versus rental units. Mr. Tingey replied that the policy does not stipulate to the difference in those, and the current market favors rentals. Mr. Brass noted that the quality of the density project matters. He stated that water is an issue, and Murray is a City of wells and springs.

There were comments that complaints have been made about the Fireclay area but Mr. Tingey replied that it is just two good commercial projects away from being a great development. Mr. Brass said the management of the property is a concern, as well as the parking. He added that the cost for Police service calls in the area had also increased. Mr. Tingey replied that parking is only a problem in one of the areas. Mr. Zollinger stated that the charges for VECC (Valley Emergency Command Center) calls this year was over \$40,000. Chairman Camp added that the VECC charges may be minor compared to the Police resources being used.

Chairman Camp asked how high end residential can be qualified. Mr. Tingey said it is challenging, and he hasn't ever seen an ordinance requiring residential units to be individually owned. The market pushes the developers into what is profitable. He said ordinances can restrict apartments, but you want density in the downtown area. Mr. Nakamura said that could be part of the development agreement.

The comment was made that ample parking needs to be available in the downtown area.

Chairman Camp added that density could be controlled by zoning laws that limit units per acre. Mr. Tingey replied that was correct but the success is subject to market conditions. Chairman Camp asked if a residential component was required in the mixed use zone. Mr. Tingey replied that lower level commercial was required in the mixed use zones, as well as the MCCD. He added that the mixed use allows for conditional use permits for residential above commercial. Mr. Brass added that conditional use permits cannot be denied, only reasonable conditions can be made, as outlined in the ordinance.

Mayor Eyre said that two of the most valuable corners in the City are State and Vine, and 4800 South and State. He questioned whether they should both be tied up with non-tax paying entities. He believes it would be advantageous to any developer to develop that land and create tax revenue. City Hall could be located in a more accessible area, and on property more amenable to a sally port. He believes that an example of an area would be west of Poplar Park. He added that there are challenges to moving Day Murray Music. He noted that it may not be necessary to have City Hall located right on State

Street, and other land may be easier to acquire. It would facilitate and speed up the construction of the building and also open up the existing current property for other use. He said he was opposed to an idea which involved moving City offices to accommodate a tenant, then later building City Hall. He believes there are real advantages to developing City Hall in a location off of State Street, and utilize the properties on State Street in other ways.

Chairman Camp said he has heard that there is a shortage of Class A office space in this area. Mr. Tingey replied that was correct, and there are a lot of potential proposals.

Ms. Turner asked about the price difference in the property west of State Street. Mayor Eyre noted that the City owns about 2/3 of the block of 4800, which is considered more valuable land compared to the proposed site west of State Street. He said the price is unknown, and depends somewhat on what Wells Fargo believes that property is worth. He added that many banks are moving into smaller buildings because few people actually go into the bank.

Mr. Tingey commented that there are a lot of moving parts in the proposals, including the Performing Arts Center.

Mr. Zollinger noted also that the Wright property was purchased with a bond and was intended for government use; care needs to be taken if a swap is done. Mr. Tingey said he believes it needs to be a value for value acquisition but the legal department would review that.

Mayor Eyre said his goal is to find an affordable and attractive place to build a City Hall as quickly as possible.

Chairman Camp asked Ms. Lopez if there was enough discussion on the downtown area to draft a broad policy. She replied yes. Mr. Nakamura stated that he believes there is some good direction.

Ms. Lopez asked about locating City Hall facing Poplar, as the Mayor suggested, and if there was support for that plan, if the cost is comparative. Several people were in support of that location and agreed that it would open up State Street frontage for commercial business and also clean up an unattractive area of the City. There was some discussion about whether the City owned the property adjacent to Sharky's bar and also Sharky's bar itself. Mr. Brass commented that there was a lot of undeveloped space in that area.

Mr. Tingey noted that there were acquisition possibilities in the downtown area, which would be discussed later in a closed meeting.

Chairman Camp asked to discuss UTOPIA, and if there was anything relevant that could be put in the broad policy. He said the Council supports broadband and high speed internet. Mr. Nakamura stated that he was aware of the position the Council has taken regarding the OpEx (operating expenses) for UTOPIA. Mr. Zollinger said the term OpEx is really a loan to UTOPIA, which the City does not want to provide.

Mr. Nakamura stated that the City has been trying to become more independent of UTOPIA. He said that is a good policy direction, whether or not it would be

accomplished. Mr. Hales commented that UTOPIA has not been helpful with the customers in the City. Mr. Brass noted that UTOPIA needs to support the efforts by Murray, or it will end up hurting Murray.

Chairman Camp asked Mr. Nakamura to discuss the sales tax proposal. Mr. Nakamura replied that there are two different proposals. One is the .20% sales tax increase, and the other is the .25%, which is for transportation. The .25% sales tax proposal must be put on the ballot by Salt Lake County, and it has .10% that would go towards UTA.

The .20% proposal would go towards very specific things outlined by the Mayor. The Mayor said 50 letters were sent out to the top businesses in the City explaining what would be done with the money, but they have not heard a single response. He met with an additional 25 business leaders in the City and received positive responses from those that attended. One of the auto dealership owners stated that it was a positive thing to have 2-3 more policemen to keep the businesses safe.

Mr. Nakamura stated that the Mayor met with the Tax Commission and they did not see any adverse information.

Chairman Camp noted that the intent document should state that the Council supports adequate staffing and funding for public safety needs. Mr. Nakamura stated that the Mayor will outline what those funds should be used for, and that should be put in the intent document. He added that the citizens should be supportive of the money going towards public safety and capital.

Mr. Brass noted that the .20% sales tax has a 15 year limit, and that needs to be thought of when hiring employees that would work longer than 15 years. Funds would need to be available to cover the jobs in 15 years, or hope the legislature extends the sales tax. Ms. Lopez suggested slowly converting those positions into the regular budget over the next 15 years. Mr. Brass said he is supportive but another source of revenue may need to be found. Mr. Zollinger said it involves a plan of action. He said there would be pressure to give raises, but as much money as possible should be kept in capital, which can be stopped at any time.

Mayor Eyre clarified that this increase would go into effect on July 1, 2015, but not start generating taxes until Oct. 1st, 2015, and the City really won't see any money until Dec. 1, 2015.

Mr. Nicponski stated that regarding sewer and water, he just wanted to make sure the capacity is understood as it relates to the Master Plan.

Mr. Nicponski stated there was a quality of life discussion also, relating to recreation. He stated that the City now has the hotels to accommodate some recreational tournaments, and the City should actively recruit those.

Chairman Camp asked to discuss waiving City fees, and also donations for non-profit groups and organizations. The policy needs to be determined, and decisions need to be made regarding future donations. Mr. Brass noted that there is a page in the budget for fee waivers. Chairman Camp said care needs to be taken when fees are waived. Mr. Nakamura asked if there was a certain criteria that needs to be met, so it isn't arbitrary. Mr. Brass commented that the criteria could be similar to the CDBG (Community

Development Block Grants) guidelines, stating that the event had to somehow benefit Murray City. He added that it is hard to say no, but those are dollars that could be spent elsewhere in the City. He said some causes are debatable because they bring business into the City, for example, the Chamber of Commerce golf tournament.

Chairman Camp asked to discuss environmental issues. In the past, one of the biggest issues at the legislature was air quality. This year it wasn't discussed as much because of the mild winter. He believes environmental issues should be included in the intent document. Ms. Turner said that Utah is still ranked as the 7th worst state for air quality. Ms. Turner stated that the City has a responsibility to the citizens to ensure the community is as healthy as possible.

Mr. Brass noted that the MCCD has a requirement for LEED (Leadership in Energy & Environmental Design) buildings, as well as bike paths, trails, etc. He added that air quality needs to be addressed when discussing recreation and quality of life. He noted that Mexico City recently cleaned up their air, and Utah should be trying also. He also added that he isn't in favor of creating ordinances that are not enforceable, but is in favor of educating. He commented that there are a lot of diseases and cancers in this State that could be linked to the air quality. Chairman Camp agreed and said it ties into the transportation plan with trails, and also supporting public transit. Mr. Brass said there needs to be transit options.

Ms. Turner stated that better efforts could be made with such things as recycling. She noted that Ogden has clean air initiatives and sponsors an idle-free week in January. She believes the community would support such efforts. Chairman Camp added that the effectiveness of the recycling program should be reviewed annually. Mr. Brass commented that WFWRD (Wasatch Front Waste & Recycling District) tracks their recycling and he could provide that data. Mr. Brass commented that the eastern part of Murray will start to get glass recycling once a month. Mr. Hales stated that more education regarding recycling is being given in the newsletters, and he appreciates that. Mr. Brass noted that if the container of recyclables is contaminated, then the entire container would be rejected. Ms. Turner stated that the containers are getting better and more specific. She thanked the Mayor's office for their support. Mr. Brass said that recycling extends the life of the landfill also.

Mr. Hales asked for clarification on policies versus procedures. Mr. Nakamura replied that policies are more general and are part of the separation of powers between Council and Administration. Policies help with interpretation of the budget and ordinances, he added.

Ms. Turner stated that \$16,000 was provided for environmental issues last year, and she would like additional funding to help convert the fleet to greener vehicles. Chairman Camp stated that he would like to see that in the intent document for review.

Chairman Camp stated that he would like the policy regarding video streaming in the intent document. He said he believes it would begin with the video streaming of the Council Meetings, and not yet the Committee of the Whole Meetings. The intent is to be transparent, he added. Mr. Brass commented that if the Committee of the Whole Meetings were held in the Council Chambers, they could be streamed also. Mr. Brass said that written minutes don't capture the feeling, and could often be interpreted

differently. Ms. Turner suggested beginning with the Council Meeting and getting responses to see if people want more.

Mr. Brass stated that reserve accounts keep popping up for discussion. Ms. Lopez asked if the policy should be restated year to year. Chairman Camp stated that it would just need to be adjusted after the ruling on sales tax.

Chairman Camp asked if it was the intent of the Council to accept applications for annexation, but not pursue them. Mr. Nicponski said he believes that the City cannot legally pursue annexations. There are limited areas adjacent to Murray, available for annexation. Mr. Nakamura said that annexation is possible. It was decided to look at the applications on a one by one basis.

Chairman Camp said that they received reports from the two additional lobbyists hired for this year's session. He clarified that there were two lobbyists and an intern working for Murray City this session. Ms. Turner stated that \$40,000 was allocated for the lobbyists, and she wondered if that money could be used elsewhere.

Mayor Eyre said the amount paid was \$500 weekly for the intern, and \$1000 weekly for the Mayor's lobbyist for a period of six or seven weeks. Mr. Hales asked what the administration thought about the expense. Mayor Eyre replied that he feels like the City got a bang for its buck between the lobbyist and the intern. He said he received comprehensive weekly written reports from them that were very helpful. Mr. Nicponski added that they were helpful and saved the City a lot of money regarding the auto dealership bill. Ms. Towers added that both Pete Busche and Kory Holdaway were always in attendance at the League Policy Meetings. Mr. Hales asked if they just lobbied for Murray City. Ms. Towers replied that there were other clients, but Murray was the only municipality. Mr. Nicponski stated that he believes it was money well spent.

Mr. Zollinger added that Mr. Stewart helped secure funding last year for road projects. Ms. Towers stated that Mr. Holdaway was a previous legislator and has some great relationships on the Hill. Mr. Nicponski stated that the auto dealership bill will continue to be one that has to be watched closely. Ms. Lopez stated that Mr. Stewart was specifically hired for transportation dollars, and has brought the City well over \$1 million per year for several years. Ms. Turner stated that she isn't sure if two lobbyists are required if they are working towards the same goals. Mr. Hales said that has been discussed whether it should come from two different budgets. Ms. Lopez said that Mr. Stewart's contract goes through September of this year, and is a one-year renewable contract.

Chairman Camp asked if Mr. Brass had anything to report from the Budget Committee meeting. Mr. Brass replied that the sales tax had already been discussed and the Mayor would present the budget the following week. He added that the City is financially sound but not as great as in 2007, for example. He added that in 2008, the City lost millions of dollars in sales tax revenue, not one employee was laid off, all the 401k contributions, and insurance contributions were made. He said budgets were cut, and probably hurt infrastructure, but all employees were kept. He said many employees are aware of that and grateful. He added that the retirement option was offered, and 31 people retired. He added that those budget years were not enjoyable, but the City is climbing back.

Mr. Nicponski commented that the employees have been given raises every year that he has been a council member. Mr. Brass agreed and added that the Police Department has some nice new cars. He said he believes the City has done right by the citizens and the employees.

Mr. Zollinger said the electronic version of the budget would be emailed out that evening, and the books would be available the next week. Mr. Brass asked if the non-profit donations and fee waivers would be included also. Mr. Zollinger replied yes.

Chairman Camp commented that the City has a Premier Medical Center and asked if the City wants to build on that and capture it as its image. Mr. Brass said when he visited the Mayo Clinic, he appreciated the fact that 80% of the patient's time is spent out in the community. The Mayo Clinic spends \$6.5 billion to maintain their position as the premier medical center in the nation, of which \$2.5 billion is spent on amenities for patients outside the hospital. He said that Murray City cannot ignore an entity that brings in 700,000 visits per year. He said the City needs to provide places for the patients to go, and not go downtown. He commented that density is great, but there needs to be pockets of open space. He added that healthcare is recession proof and those cities with medical centers have not suffered. He believes Murray should play to its strength of a medical community.

Chairman Camp stated that possibly a basic concept of supporting the medical community should be included. Mr. Brass said that the Intermountain Medical Center could help integrate the facility into the community also, and would benefit from it. Mr. Nicponski commented that a communications firm should be involved to help with the branding. Mr. Tingey said that there are marketing grant dollars available from EDCU, and conversations have taken place with communication firms. He is in the process of getting estimates on marketing, possibly a video.

It was decided to further review and evaluate the possible location for City Hall proposed by the Mayor.

Mayor Eyre commented that the population in Utah is going to surge in the next 30 years, and Murray is a bit landlocked. There will be a lot of people that want to live in Murray. The best way to do that is to protect the existing neighborhoods and to determine the people that Murray wants to attract. One of the major components is to provide a vibrant, bikeable and walkable downtown community. The housing element will be an important part of that also. He added that there are many major deals currently going on. He believes the economic development is going to come, and the emphasis should be the protection of character, history of the neighborhoods, and the quality of Murray. He noted that the beautiful parks, wonderful roads, great neighborhoods, and safe communities will draw quality people to live in Murray. Mr. Brass agreed and said the future workforce wants nice and fun places to live. Murray can provide both, he added.

Chairman Camp thanked everyone for their attendance and adjourned the meeting.

Kellie Challburg
Council Office Administrator II

