

AMERICAN FORK CITY COUNCIL
MARCH 5, 2019
WORK SESSION MINUTES

Members Present:

Brad Frost	Mayor
Kevin Barnes	Council Member
Staci Carroll	Council Member
Barbara Christiansen	Council Member
Rob Shelton	Council Member
Clark Taylor	Council Member

Staff Present:

David Bunker	City Administrator
Camden Bird	Admin Analyst
Wendelin Knobloch	Associate Planner
Lauralee Hill	Deputy Recorder
Kyle Maurer	Finance Officer
George Schade	IT Director
Cherilyn Egner	Legal Counsel
Adam Olsen	Senior Planner
Darren Falslev	Police Chief
Scott Sensanbaugher	Public Works Director

Also present: John Woffinden, Reese DeMille, Jerry Edwards, and one other person (Kent).

WORK SESSION

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

The American Fork City Council met in a work session on Tuesday, March 5, 2019 in the City Administration Office Conference Room, located at 51 East Main Street, commencing at 3:40 p.m. The agenda was as follows:

1. Discussion on an ordinance amending Section 17.5.134 of the city code regarding accessory apartments and creating a new Section regulating Short Term Rentals in American Fork City. (Requested by Terilyn Lurker, Recorder)

Mayor Frost - a neighbor approached Mayor Frost about someone in the neighborhood who was renting multiple rooms to multiple people. Worried about what could happen in the TOD. Asked Cherilyn Egner to discuss what other cities are doing.

Cherilyn Egner - The Mayor has addressed the basics. Biggest complaint is htat there is no business licensing or knowledge of the Ciyt. Landlord registry for long term rentals is available.

Short term rentals is what this is aimed at. Short term rentals mean that there is somebody available 24 hours per day that is available. That way if there is a huge party and the property owner doesn't respond and take care of the property, they can be cited. Terms - restrictions on number of rooms, number of people who can occupy the structure. Looked at several larger communities similar to AF to see what they were running into. Nothing has been invented. It's been recreated from other cities ordinances and pieces together. This document is a kick off.

Shelton - What short term rentals are legal right now?

Cherilyn - Ordinance that addresses short term rentals that prohibits them but there is no way for the City to know or enforce.

Shelton - What do we have to be able to cite them? Do we want short term rentals? If so, can we restrict this use to certain areas?

Cherilyn - Not as much of a concern in AF as it might be near a ski resort so we didn't narrow it down to certain geographic areas. Short term rental prohibition is in accessory structure code. The words are there but the location could be misinterpreted.

Carroll - personally in favor of short term rentals. I have had one and have stayed in one.

Shelton - Everyone says it's a great convenience when I'm out of town, but is it something that I want to have in my back yard. I consider this to be more commercial, in the nature of a longer term tenant.

Taylor - I just looked at VRBO. AF has listings on VRBO. How would we enforce this?

Carroll - I have a friend who couldn't afford her home any more and she uses Air B & B to supplement.

Mayor - Individual who has a home who rents out rooms for extended period of time. Sister-in-law lived in a place where 8 different people lived independently. Parking was very difficult. Has heard multiple complaints of subletting out rooms for long term periods of time - not just for days.

Carroll - Under current ordinance, how does it work? If you're renting a room

Egner - Long Term must register.

Shelton - Single family definition. Four People or Two unrelated can fall under the definition of family.

Carroll - If we already have the ability to cite someone who has 8 rooms that can be rented out to 8 people, how is this different?

Shelton - It's already illegal. Police show up and ask who to cite? If we allow this use, what restrictions?

Carroll - Isn't that the same?

Egner - If police know it's a short term rental, that's a violation. Every person rented to must be logged. Right now, if somebody rents all the rooms in their home, how do police know if four people are spending the night or if four people are renting it out? If we see a pattern, we know

that those four people are renting long term without a business license as opposed to four friends staying at a friend's house.

Carroll - I still think it could be hazy, what would you cite people for? Disturbing the peace?

Egner - Cited for not getting a license on a short term, we can ask for 12 months probation during which they can't rent out their home. If they violate that, they're in contempt of court.

Carroll - What if someone makes a mistake? I don't want to put our citizens in a hole.

Egner - People aren't going to know in the beginning. We give 30 day warnings and tell people that they have 30 days to correct the problem.

Carroll - How would that work with a back tax that someone hadn't paid for several years.

Egner - This would be the City's transient tax and would also probably be part of the State Tax Commission.

Mayor - I'm looking at this as different as Air B & B. You can't be a part of this unless you pay a tax. I'm looking at this as people who are gobbling out real estate and then renting it out by the room and making a business out of it.

Shelton - This is only for leases of 30 days. It's dealing directly with VRBO and Air B & B.

Chief Falslev - Citing somebody for noise put the responsibility on the tenant. This rule puts the responsibility on the homeowner. Fills a niche.

Shelton - Character of the neighborhood is protected. How do we ensure that residential character of a neighborhood isn't changed.

Taylor - Great intent. Lots of these bigger homes are the one who are in VRBO. Neighbors who park four cars on your side of the curb. We wrestle it out as neighbors. I don't know how to mandate by sections of town or neighborhoods. I'd prefer to simply have something to hold the property owner accountable so Chief has some recourse.

Barnes - Done VRBO as a family in several states and locations. Starting to crack down on how many are allowed to rent. Hard for big families to find a place. Some of the larger homes are more than four bedroom homes.

Cherilyn - If you have a 4-5 bedroom home, you can only have living quarters set up in four bedrooms. The other bedrooms don't have beds.

Barnes stated that this doesn't work because this is where you put the grandkids in sleeping bags on the floor. What will out-of-state owners do to enforce?

Egner - This requires that someone is designated to be available all the time to enforce regulations.

Barnes said that it's too bad that we have to write laws and regulations. Property rights guy. But the rights end when the fist hits the other guy's nose.

Cherilyn - Known that this isn't going to solve the problems. Prosecuting in other cities, it comes down to neighbors who have taken pictures of cars parked down the street and many

people coming and going. Community policing is required. City will still be reliant upon complaints.

Barnes - Enforcement becomes an issue. 1. Parking cars overnight on the streets when snow removal is needed. Police officers don't have time to go out and cite all those cars. 2. Individual in City who is complaining that tree ordinances aren't being enforced around the City. We keep making rules and putting responsibility on the police when they don't have the resources to do all this enforcing.

Taylor - We can't not do it because of enforcement problems.

Christiansen - We need something that law can fall back on when they are able to enforce.

Carroll Justification of a two night minimum?

Egner - 1 night big graduation party could be 1 day rental. But coming for a weekend limits this. This was common in nearly every City's code that was researched.

Carroll - Limiting accessory apartments?

Chief - Without the ordinance, we have no tools. There must be some mechanism in place to solve problems when there is a complaint.

Egner - Talking about the rental of the main home.

Shelton - How do you enforce. If I say, "I've got four rooms in my basement that I can rent. How do I determine that this is accessory.

Carroll stated that she can rent out her basement rooms because she doesn't have an outside door but Rob can't because he has a door.

Egner - We can replace this ordinance.

Adam Olsen - Short term is renting out a room, not an apartment. It doesn't have to be a separate living space.

Cherilyn - Reasoning would be that short term rental ordinance is to address the idea of people leaving and renting their home for 1 week at a time. The City doesn't want people creating accessory apartments specifically for the purpose of renting. Leaving the ordinance as it stands would prevent motivating building.

Shelton - Weird to have 2 different databases where people can register. One is with the Police. If the problems happen at night, police won't have access to utility records.

Chief - After utility gets records, police will enter info in their data base.

Shelton - Should we just have everyone register with the police. I'd like short term and long term to be consistent with each other. Both register with police. Rather than one going to police and one going to utilities.

Chief - Business license (utility billing) required for short term so makes sense to go to police station. When we did the ordinance, the intent was different. We were going out and enforcing. Landlords were saying that they would help.

Chief stated that not having access to database after hours. People were upset about the cost of a business licensing as opposed to the small fees police were solving.

Shelton - Why not create a process that will work for all of these different.

Jerry Edwards - I have rentals in town. Registration was a good idea. Lots of landlords weren't available and there are lots of problems that go on in long term rentals. It helps me as a landlord. With regard to short term rental, enforcement. In all fairness to existing hotels and motels that pay a room tax, that have licenses, they need a level playing field. Air B & B needs to be under the same regulation as motels and hotels. St. George has banned these. Enforcement of short term rentals should have an ordinance and should be licensed. Pull up website, see who is licensed. Should have registries like hotels and motels because if we do have a problem with these tenants the police need to know who these people are. Parties are an issue. Parking is an even bigger issue. If license include room tax and registry that is available all the time this would level things up.

Kent - New member of community. When moved into area next door to Jerry, I knew it was an R-1 zone but now we have a flophouse. On some weekends that thing is booked up. That's not what I bargained for when I moved into the R-1 zone and moved into the community.

Shelton - This is going to planning commission?

Woffinden - Yes. Different set of opinions coming tomorrow. A hearing review and action of the whole thing. Public hearing on the whole things.

Woffinden - Few drug houses in our neighborhood that we are getting rid of with help of police all the time.

Shelton - My biggest worry is low income areas where units are small and cheap. I want to prevent slum Lords. Hate to legislate.

Taylor - We're not a beach community. You still can rent but there have to be things put in place to protect residents. Let's put something in place to go on. Obligation to protect. You can still rent your room and abide. People that are going to break the law are going to break the law anyway.

Mayor suggested that the Council allow the planning commission to vet this through.

Woffinden invited the City Council to attend.

Egner asked if there was any one or two things that they want changed from the get go.

Christiansen - Is there anything that prevents people renting out this room to party A and this room to Party B.

Carroll - If we allow short term rentals, accessory dwellings should be included.

Taylor - Chief needs a way to access database at all times.

Egner stated that she could work with Chief on this.

Taylor like the idea of just one spot for the database for both long and short term rentals to be housed.

Jerry - The integrity of our zoning ordinance is at stake. The Planning Commissions have spent hours and hours of effort. There are reasons for the zoning laws. Willy Nilly anywhere you want in the community and put a business (a motel) in any zone in the City. If we choose this, we are leaving ourselves open to problems.

Mayor - Technology has brought it to the forefront.

Egner - Difficult with short term rentals is they already exist. How would we pick and choose?

Christiansen - Grandfathered?

Shelton - If we open the gates and make it legal, our integrity is at risk. A bad apple will be grandfathered into the code potentially.

2. Discussion on the city's recycling contract with Republic Services. (Requested by Terilyn Lurker, Recorder)

This item was scheduled first in the work session agenda but became item 2 as Reese DeMille was late arriving.

Bunker - Issue is that Republic is losing money on recycling. They have proposed the charging of an additional 60cent recycling charge. This might not be passed on to residents. The City might cover it. Republic would eat half of the, City would eat half. For every dollar increase the charge would go up or down by one cent per can. In our last discussion, about 35-50 percent actually gets recycled nationally. Locally, 70-80 percent is being recycled. Proposal to amend the 7th addendum. Also in packet is an analysis of where we are in that fund. If we absorbed that 60 cent charge we would still be at a positive balance through 2021.

Carroll - Only until 2023

David - Negotiate a new contract.

Carroll would like to remove the cost to have recycling can removed.

Bunker stated that this cost was lowered to \$10. Originally it was \$50.

Carroll - I don't want anyone to pay.

Barnes stated that one of the options was the the City would pay 60cents more, not the citizen.

Carroll changes her rationale.

Shelton - Let's charge more. It will be 60 cents more added to recycling customers. They should be the ones to supplement the additional cost. If we withdraw it from the fund, every citizen is helping them to pay for the privilege of recycling.

Taylor - How have the numbers changed so dramatically? I've been telling our neighbors that most of our recycling is going to trash. But this makes it look like most is being recycled.

Reese - In our area, because it is being separated according to Larry at Rocky Mountain, he said that they were recycling. It's harder. It takes longer. If its a paper product that they can't move quickly and it gets rained on and snowed on, it gets thrown away. But usually it is being recycled.

Shelton - Let's ask Larry and do Public Relation, What are you getting that you shouldn't be receiving? Helping people understand that you can't ship recyclables that have been bagged.

Christiansen - Let's just put in on the cans.

Taylor - City Website?

Shelton - I think we might need to do more. Facebook? An entire campaign. Maybe Republic would want to join in with that. League of Cities and Towns did a video.

Reese - I think I've provided the City with a video of what happens when something is recycled.

Taylor and Carroll - Small tips

Carroll - we got a flyer on our door from the Cub Scouts that listed recycling tips.

Taylor - I was surprised about how many people were aware that recycling is changing. We ought to show that the City is proactive. We should teach our citizens how to maximize if we're going to charge them more.

Mayor - Consensus

Supplementing

Non supplementing - Barnes, Carroll, Shelton, Taylor all in favor of passing the cost on to the Citizens who are going to continue to recycle.

Carroll - Campaign is a great idea.

Bunker suggested that this comes to the council for an amendment and then we start the campaign.

Reese - if the average over a twelve month period is... you will get a 10 cent decrease. If the average is....you will get a 10 cent increase.

Christiansen asked about the Hefty Orange Energy Bag program.

Reese stated that you can buy these bags at the store. You can put anything plastic inside including plastic bags. Throw it in your single stream bin. taken to a facility to be pyrolysis and made into energy. Salt Lake is doing this and Boise is doing this. It helps the recycling because they don't have those plastic bags jamming. 8.90 for 20 hefty orange energy bags.

Reese talked to Larry and he said that in all the markets, the residents that have to buy their own orange bags, the program dies. If there is a way to subsidize the orange bags, the program goes on.

Reese - we would have to pilot this program here before we could start this program here. Company that is receiving the bags is in SLC. SLC isn't recycling this way currently.

Carroll had a question on number 3. There is an increase or a decrease depending on the baseline. I'd like to see this in advance so that we have an opportunity to absorb this in advance.

Reese and Dave would work together and the City would receive a letter or a phone call with this information

Mayor stated that then we could change fee schedules.

Reese - When will this be voted on by the Council?

Mayor - Next Tuesday night.

3. Review of Proposed FY2020 Storm Drain, Broadband, Celebration, PARC, and Perpetual Care fund budgets. (Requested by Kyle Maurer, Administration)

Kyle Maurer went over the budgets with the Council. Storm Drain 3.7 percent operating revenue increase - \$45,720.

Personal operating increase is an anticipated personnel raise increase (3.4 percent) and insurance increase (4.3 percent)

Barnes - Does this include benefits?

Maurer yes. This is a projected amount for payroll and benefits.

Major proposed capital projects

50,000 dollars for "pooling" water areas that can happen as the year goes on.

\$30,000 - General curb and gutter replacements as they come up through out the year

643,040 - AF River rehabilitation.

Carroll What sort of work has to be done?

Sensanbauer - Box culverts near downtown - cracking and exposed rebar. Salvageable but need to do rehab work to get additional life out of them. We had an analysis done earlier this year and received recommended treatments. This will take care of a jump start on a multi-year project.

Shelton - Are we looking at 400 South? The landowner has been trying to shore up his property for years now. Under fourth south in the trailer park.

Sensanbauer - Make a note. A lot of the analysis was focused on downtown. Mainstreet, Pacific...

Overview Broadband

Fiber leasing agreement increase - \$15,000 (17.6 percent)

Admin charge increase - \$743 (3%)

Operatin increase - 1200 (2%) for blue staking and another line item

Capital Requests

Fiber Tester 20,000

Design Nine portion - 24,375 (wrong in packet)

194,444 left

Celberration fund Total expense: 60,360. General fund will need to cover about ten thousand dollars of this. We are going to pay the overtime expense for every police and fire.

Shelton - We need a line item every 4 or 5 years. That way we can build up the fun and create a new float every 4-5 years. This would allow the design and building the float around the vehicle.

Maurer- This fund doesn't have any revenue source anymore.

Carroll - Before it was being paid by a revenue fund.

Maurer With Gap, the revenue comes from a general fund.

Carroll - any sense of whether this structure is better for us?

Kyle - Yes, it ends up saving us money.

Taylor - Repair doesn't mean reconstruction or new design?

Maurere= Last year we had a flat tire. This would be a repair.

Taylor - Is this the same car we used to ride in?

Was told yes.

Cupas? Impala?

Carroll : Is it safe to drive.

Taylor stated that the City had this vehicle 27 years ago.

Mayor stated that if this happens again it should be towed around by a nice truck.

Barnes - Miss AF costs \$11,000?

Frost - Scholarship money and incidentals.

PARC Tax Fund

Sales Tax (5% increase)

Administrative expenses for copies or signe - \$1,000

Administrative Charge to General Fund - \$17,788 (tentative

PARC Tax Grants - \$1,011,962 (3.2 % increase)

Maurer - penny of every ten dollars (1/10 of 1%)

Maurer- Rate is expanding and legislature doesn't want us to have a windfall.

General discussion over

Christiansen - If you spend 10 dollars the state gets 47 cents and we get one cent.

Shelton - This Thursday at 7 pm the Chamber is holding a meeting about this.

Carroll - Administrative charge? Statutorial limit?

Maurer and Egner said they would look again but thought this was much lower.

Overview - Perpetual Care fund

Perpetual Care revenue \$8,000 transferred to general fund (on interest assuming 100 lots sales per year.

January 2019 loan balance - %455,104

Assuming 100 plot sales per year, will take 24 years to pay loan off

Fund balance as a point of reference about 1.8 million in fund balance.

If we remove our target fund, there would still be about 1.4 or 1.5 million fund balance for strom drain funds.

Storm Drain Impact Fund Balance

Barnes - From Impact Fees?

Maurer - yes, must be eligible projects.

FY2018:\$1,153,885

FY2019 (Projected): \$1,515,385

FY2020 (Projected) \$1,940,585

Barnes stated that he felt we ought to be using the impact fees.

Maurer stated that these fees would be used in the future for larger projects.

Ending fund balance for the PARC Tax FY2018 Ending 210,933

Perpetual Care About 20,000 ish?

Mayor - State Law would take care of cemetery for 3 years if City went belly up. This is the perpetual care law.

Celebrariton fund should be at a 0 balance as of next year.

Broadband fund - (net Position - 2 million in deficit)

1 is receivable from American Fiber and the 500,000 will help when we receive it.

Depreciation recognized and assets purchased

Maurer invited questions on the funds.

4. Follow-up discussion on the Budget Workshop Goals (Requested by Terilyn Lurker, Recorder)

Camden Bird compiled the notes from the budget workshop in the template typically used.

Public Safety notes/changes

3 different goals

Fire station 52

Capital

Operating

Police

Trying to capture all the hiddent costs

Police staffing - traffic, officers, equipment (desks) evidence, facility and storage needs and costs. Admin, police department and finance.

Barnes - 100,000 represetns?

Shelton - salary, vehicle, equipment, retirement are amortizing

Shelton - great to bealbe to get a city map and see what call volue is at.

Bunker said he had a map and would send.

Fiscal responsibility - time line of this, Maurer hopes to have it at the next work discussion and the following council meeting adopted, this could be done before the next fiscal year and not be a strategic goal.

Shelton asked if the 5 year plan would be done by the end of this fiscal year.

Maurer hoped that this would be the case.

Shelton - if the 5 year plan is done, there will be some hard decisions that need to be made. Talked so much about enforcement, what we are doing with Jay (enforcement officer) retiring? Administrative award?

Infrastructure improvements - discussion seemed to be around identifying the costs and discussing the funding options and timelines for funding. Continuing to update and finalize, the roads, sidewalks, and facilities. Next fiscal year making updates to that and looking at funding mechanisms. Also communications, the good and the needs to prepare the public and get their input.

Shelton - 5 year sidewalk plan similar to 10 year road plan? Don't we want to be more strategic and specific on this? These will be updated continually as needs change.

Communication - Technology committee, continue on. Re-emphasize that the focus is to look at an overall technology program that can bring together the current software into a one stop shop. Analysis, communicating it, training and evaluation of performance.

Barnes asked if they have met?

Mayor and Bunker said they are ready but have not yet met.

Shelton - If you already have an information utility, why don't the officers have it? This is the way the general resident asks.

Marketing plan to improve comm and promote the good. Types of comm, frequency, goals of performance.

Carroll - would committee be in charge of doing the communications themselves? Little nervous not having a central message coming from Council.

Bunker - we tell the Council what we want to accomplish and we ask the committee to come up with a plan. Council approves. Committee implements.

Carroll - Ongoing purpose?

Mayor - Technology is always evolving.

Bunker - Maybe the frequency at the beginning is more and later, they meet less.

Carroll - Committees need a clear vision about what they're doing

Shelton - Need a staff member to be on the committee. Maybe George. Marketing plan, we need someone who can go back and address that. Needs between committees will be different. Shelton wanted a consistent logo.

Bird - Come up with an education plan. Look at resources we have and what's needed. Images, hardware, software>

Taylor asked who did the infographic for the City?

Bird stated that he had and Taylor congratulated him.

Mayor stated that there were some likes on Facebook.

Last one is Economic Development

Revitalization, bringing in a pr, giving focus for a short period of time, what is needed to bring businesses in and how to help them

Bunker - dates, This is one we want to do right now. The opportunity zone window sweet spot is limited.

Bird - Lets attack this right now and spend intention on this.

Shelton - Love some of the ideas that are coming out of that meeting I mentioned in the last council meeting. This is a good way of connecting the City.

Bunker - Any other details, goals, or subcomponents.

5. Adjournment

Meeting adjourned at 5:35.