

Minutes of the meeting of the Logan Municipal Council convened in regular session on Tuesday, October 3, 2017 at 5:30 p.m. in the Logan City Municipal Council Chamber, 290 North 100 West, Logan, Utah. Chairman Holly H. Daines conducting.

Councilmember's present at the beginning of the meeting: Chairman Holly H. Daines, Vice Chairman Tom Jensen, Councilmember Herm Olsen, Councilmember S. Gene Needham and Councilmember Jeannie F. Simmonds. Administration present: Mayor H. Craig Petersen, Finance Director Richard Anderson, City Attorney Kymber Housley and City Recorder Teresa Harris.

Chairman Daines welcomed those present. There were approximately 36 citizens in the audience at the beginning of the meeting. She also welcomed a local scout troop that attended tonight's meeting.

OPENING CEREMONY:

Council Candidate Paul Rogers gave the opening thought and led the audience in a moment of silence and the pledge of allegiance.

Meeting Minutes. Minutes of the Council meeting from September 19, 2017 were reviewed and approved with minor corrections.

ACTION. Motion by Councilmember Olsen seconded by Councilmember Simmonds to **approve the September 19, 2017 minutes and approve tonight's agenda.** Motion carried unanimously.

Meeting Agenda. Chairman Daines announced there are five public hearings scheduled for tonight's Council meeting.

Meeting Schedule. Chairman Daines announced that regular Council meetings are held the first and third Tuesdays of the month at 5:30 p.m. The next regular Council meeting is Tuesday, October 17, 2017.

QUESTIONS AND COMMENTS FOR MAYOR AND COUNCIL:

Logan resident Darlene Hoedt addressed the Council. She lives at 1035 North 130 West #100. She read a prepared statement regarding the 1000 North Road Project and several residents' concerns about the City's proposal to widen 1000 North between Main Street and 300 West. Copies of the prepared statement were given to the Council and Mayor.

Logan resident Jeff Hoedt addressed the Council and also lives at 1035 North 130 West #100. He expressed his concern about the 1000 North Road Project and asked the Council to reconsider the project and work even more closely with the community on transportation plans.

Logan resident Kim Jensen addressed the Council and lives in the area of 1000 North 130 West. She is currently secretary of the Lexington Village Townhomes in this area and said the residents were not notified of the construction project along this road. She said that recently Tom Dickinson from the Logan City Public Works Department attended an HOA meeting and presented the proposed plans to the residents. Her biggest concern is a comment made by the Logan City Engineer who stated that the City Masterplan is not as current as it should be and feels this should be in place before projects such as 1000 North are implemented. She wants to make sure that her voice and the local residents voices are heard and she encouraged the Council to reconsider the road project on 1000 North. She also provided the Council with a petition signed by several residents in this area.

Stacey Despain addressed the Council and lives in the area of 1000 North. She said this project will encroach upon her property and will greatly impact her home and all those who visit and live in the area.

There were no further questions or comments for the Mayor or Council.

MAYOR/STAFF REPORTS:

Updates on Projects/Issues – Mayor Craig Petersen

Mayor Craig Petersen addressed the Council with the following updates on projects/issues.

1. Construction
 - a. Construction on 1000 North did not impede departure of the BYU/USU game last Friday evening. The intersection at 1000 North 800 East is now open. However, construction will continue on 1000 North to the East of 800 East until November.
 - b. 1000 East and Mountain Road will remain closed until the end of October for a waterline replacement.
2. The pickleball courts at Bridger Park are fenced and the parking lot is in progress.
3. He stated an excellent Employee Appreciation Lunch was held yesterday and thanked the Council for their participation.
4. Hotel construction has started on the corner of City Block. Arrangements have been made for parking South of the Library and on the corner of 300 North and Main Street. Negotiations are underway for additional parking, if needed.
5. The river restoration project at Rendezvous Park is underway.

Public Works Director Mark Nielsen addressed the Council and gave a brief presentation on the Logan River Restoration project.

6. The USU segment of the Canyon Connector Trail is nearing completion. The segment from 1500 East to First Dam will be constructed next summer.

Chairman Daines said there are some projects that take a long time and she asked if when construction is not going on if, the road could be opened up until construction begins again.

Public Works Director Mark Nielsen stated this is the Johnson Cove Subdivision project. A new waterline was installed at 1000 East and they are now working on curb, gutter and sidewalk. He will talk with the contractor and ask them to open the road when they are not working to allow traffic to move through. The problem is keeping the road open will require additional work to be done and it could take longer. Access for the local residents in this area will be allowed.

Board Appointment (Cache Valley Transit District Board) – Mayor Petersen

Mayor Petersen asked for ratification of Patrick Jenkins (new appointment) to serve on the Cache Valley Transit District Board which is a four-year term.

ACTION. Motion by Vice Chairman Jensen seconded by Councilmember Olsen to **approve ratification of Patrick Jenkins** as presented. Motion carried unanimously.

Proclamation: Domestic Violence Awareness Month – Mayor Petersen

Mayor Petersen read a proclamation declaring October as Domestic Violence Awareness Month.

Library Update – Mayor Petersen

Mayor Petersen announced that he will give an update on the Library at the October 17, 2017 Council meeting.

COUNCIL BUSINESS:

Planning Commission Update – Councilmember Simmonds

Councilmember Simmonds reported the Planning Commission did not have a meeting so she has nothing to report to the Council at this time.

Calendar Item: Council Workshop with Power Board and RECAB, Tuesday, October 10, 2017, 5:30 p.m. Logan City Hall Conference Room – Chairman Daines

Chairman Daines announced that a workshop will be held on Tuesday, October 10, 2017 at 5:30 p.m. in the Logan City Hall Conference Room. Topics to be discussed are the Small Scale Nuclear Reactor and the proposed RECAB Roadmap.

Chairman Olsen announced that on Friday, October 6, 2017 at 7:00 p.m. Mexican Consulate Jose Borjon will be in Logan and the public is invited to hear him speak at the Tabernacle.

Mayor Petersen also announced that Jose Borjon will be meeting with public officials in the Cache County Administration Building on Friday, October 6 from 1:00 – 2:00 p.m.

No further Council business items discussed at this time.

ACTION ITEMS:

***(Continued from September 19, 2017)* – PUBLIC HEARING – CODE AMENDMENT – Consideration of a proposed code amendment to the Logan Municipal Code Section 5.20 regarding Mobile Food Vendors – Ordinance 17-09**

Councilmember Olsen indicated that he and Community Development Mike DeSimone met with Garth Barker who is a representative of a mobile food vendor. They had a good meeting and from that meeting came several recommendations.

Mr. DeSimone said the ordinance is basically the same as it was presented on September 19 with an additional item regarding licensing and insurance.

Chairman Daines opened the meeting to a public hearing.

Logan resident Bronwyn O'Hara addressed the Council and said she does not understand the ordinance and asked for further explanation about the code amendment.

Mr. DeSimone explained that based on State law the mobile food truck, mobile food trailer or ice cream truck operate differently. The amendments are a result of changes in State law based on lobbying from the mobile food industry on how mobile food vendors are regulated. The amendment is going from regulating a site to regulating an actual business or vehicle. The standard is they have to be movable and will be regulated on a complaint basis.

Chairman Daines said we also need to make sure the mobile food trucks take care of their wastewater properly, etc.

There were no further comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Olsen seconded by Councilmember Simmonds to **adopt Ordinance 17-09 as presented** as presented. Motion carried unanimously.

PUBLIC HEARING - Budget Adjustment FY 2017-2018 appropriating: \$91,468 library funds for programming architectural services in anticipation of building a new library; \$12,000 for a grant the Police Department was awarded from the Internet Crimes Against Children (ICAC) Task Force of Utah; \$1,250 funds for a grant the Police Department received from the State of Utah to purchase and maintain drug task force equipment; \$2,600 fund for a grant for a grant the Police

Department received from the State of Utah to purchase and maintain drug task force equipment – Resolution 17-45

At the September 19, 2017 Council meeting, Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustments.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Simmonds seconded by Vice Chairman Jensen to **approve Resolution 17-45 as presented** as presented. Motion carried unanimously.

PUBLIC HEARING – Consideration of a proposed resolution finding that the Eccles Theatre Facility benefits the South Main Project Area – Resolution 17-47

City Attorney Kymber Housley addressed the Council and stated what the proposed resolution allows is the use of redevelopment tax increment for redevelopment agencies for the use of public infrastructure. However, the code requires to do that both the legislative body in the community of which the project is located and the agency approve a resolution that there is a benefit to the project from which the funds are being taken. In this case, it's the South Main RDA which consists of several hotels and restaurants. The resolution before the Council is making a finding that the Eccles Theatre which, in this case is to repair the roof, is a benefit to that project area and therefore is justifiable to use RDA funds for that purpose.

Councilmember Simmonds reminded everyone that the City of Logan owns the Eccles Theatre.

Mr. Housley stated that is correct and that is why it meets the definition of public infrastructure. There is also a definition of public buildings but this does not meet that definition because it specifically excludes buildings that are for cultural or recreational purposes. It falls under the category of publicly owned improvements and infrastructure.

The proposed resolution states that the Eccles Theatre Facility provides cultural benefits to the citizens in and outside of Logan and generates tourism dollars for Logan City, including, in the South Main Project Area with its many hotels, restaurants and other retail. The Eccles Theatre is in need of a roof repair which qualifies as a publicly owned infrastructure and improvement as defined by Utah Code Ann. §17C-1-102(53). The Council needs to determine if the Eccles Theatre benefits the South Main Project Area, and further finds that it is therefore appropriate to use funding from this Project Area to fund said roof repairs.

Mr. Housley continued and said that originally we took from the general fund but, because of the issues we are having with the Eccles Theatre of potentially giving them a one-time donation, this is a way we are trying to find those resources, because it does qualify to use RDA funds. This is a way we can accomplish both projects of the roof and the one-time funding. We are taking what was going to be funded through the general

fund, using the RDA funding for that purpose to free up those monies to be used, which is decision the Council will need to make.

Chairman Daines said the funding for the roof came to the Council as part of the budget process and was approved to come originally from the general fund as part of the budget process which Council approved. The other request of one-time funding is an extraordinary request that is not within the budget.

Finance Director Richard Anderson added the Council approving this proposed resolution doesn't approve anything else in regards to the theatre.

Councilmember Simmonds asked why this was not discussed in a previous budget meeting.

Mr. Anderson responded our understanding is better now as we've looked closely at RDA funding for this specific purpose as well as others.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Olsen seconded by Vice Chairman Jensen to **approve Resolution 17-47 as presented** as presented. Motion carried unanimously.

WORKSHOP ITEMS:

Consideration of a proposed resolution supporting one-time funding for the Utah Festival Opera and Musical Theatre (UFOMT) – Resolution 17-43 – Mayor Craig Petersen

Mayor Petersen addressed the Council regarding the proposed resolution. His perspective is the opera is very important to Logan. He proposed the following resolution:

BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF LOGAN, UTAH THAT:

WHEREAS, the Utah Festival Opera and Music Theatre (UFOMT) has, for 25 years, provided a high quality summer cultural series; and

WHEREAS, UFOMT has a significant impact on summer hotel occupancy, restaurant utilization, and the economic well-being of other businesses in Logan City; and

WHEREAS, UFOMT is an important factor for many Summer Citizens in deciding to live in Logan City during the summer; and

WHEREAS, continuance of UFOMT is important to the public image of Logan City; and

WHEREAS, UFOMT is facing an immediate cash flow problem; and

WHEREAS, the Council believes that the future economic viability of UFOMT is important to the City of Logan and will require changes in certain operating procedures within UFOMT; and

WHEREAS, Utah State Code requires that a cost-benefit study justifying the expenditure be performed and publically noticed prior to a municipal council approving funding for a non-profit entity and that the required study is included with this resolution as Attachment A.

NOW THEREFORE, BE IT RESOLVED that based on the identified benefits of the UFOMT and in order to facilitate its continued contribution, the Logan Municipal Council supports providing UFOMT one-time support from the City's General Fund in the amount of \$150,000, if the following conditions are met prior to funding being received:

1. UFOMT publically announces a 2018 performance season together with a FY 2018 budget that has been approved by the UFOMT Board of Directors.
2. The UFOMT Board of Directors is expanded to include a representative jointly designated by the Logan City Mayor and the Cache County Executive.
3. The UFOMT Board of Directors enacts a "Continuity and Succession" plan that will ensure that UFOMT continues to have strong artistic and executive leadership.
4. The UFOMT Board of Directors approves changes in UFOMT bylaws that provide assurance of improved financial and operational policies.

Mayor Petersen specifically referred to the following Whereas clause which states:

WHEREAS, Utah State Code requires that a cost-benefit study justifying the expenditure be performed and publically noticed prior to a municipal council approving funding for a non-profit entity and that the required study is included with this resolution as Attachment A.

He further stated that Attachment A represents the outcome of the study and the conclusion is that the city would benefit by the support of the opera. In doing this, we meet the legal requirement to perform the study and the law requires that the cost benefit study be noticed for 14 days. What that means is legally the Council cannot adopt the resolution tonight and would have to wait until the October 17 Council meeting. What he would like to see happen is for the Council to give the opera representatives that are here tonight an informal head nod in terms of what the intent of the Council might be and then make a formal decision on October 17. The resolution requests one-time support in the amount of \$150,000 and it also specifies that before the \$150,000 is provided, that four conditions be met which are outlined in the wording of the resolution. These four conditions are met before he would sign-off on actually transmitting any money and he would do that in consultation with the Council. The UFOMT Board will come back with

the changes they have identified are necessary and then the Council will ratify those changes.

Councilmember Simmonds said she represents the entire community and \$150,000 is a lot of money and could be used in other areas of the city. She talked with Finance Director Rich Anderson about the possibility of doing an entirely forgivable loan based on performance criteria of the UFOMT which, she feels should be part of the resolution.

Mayor Petersen said he wrote the resolution and the wording he used is the \$150,000 would occur if the following four conditions were met. He viewed that as being more restrictive. Mayor Petersen stated that Rich Anderson works for him but Mr. Anderson will give the Council a clear, honest opinion and that is exactly what he wants the Council to hear.

Mr. Anderson commented that the one drawback of doing a loan is the announcement of the 2018 season.

Vice Chairman Jensen asked are people buying tickets for the 2018 opera season and are things moving forward in terms of announcing a season and doing the marketing.

UFOMT Board Chairman Marc Ensign responded that the 2018 season has been determined and the UFOMT Board voted to approve the season. He also announced that the Board approved the budget.

Councilmember Simmonds asked is it a balanced budget.

Mr. Ensign responded yes, it is a balanced budget.

Mr. Anderson said he has looked at the budget and the UFOMT is presenting a balanced budget. There are some items including the anticipation of the County increasing their RAPZ funding that are somewhat contingent in the budget. If the County does not approve the RAPZ funding then, there would have to be some kind of trimming of the budget. He said the budget looks fairly reasonable and is achievable. He still thinks it's going to be a stretch and always will be for these types of organizations because they rely heavily on contributions. The concern is, what is the current financial position with a balanced budget and the current financial position is still tenuous. The opera will still get the same disclosure requirements that were in their previous audit regarding the current assets over liabilities and that is still an issue although, the opera has leveraged many of their assets and have turned some into longer term liabilities. He feels those liabilities are manageable for the most part. There are some current accounts payable and a current line of credit and other items that they would use and anticipate the funding we would give them to hopefully liquidate. There are a few obligations that also need to be taken into consideration. With the funding the City gives the opera and funding from Cache County, it comes back to a fairly close to zero sum on their balance sheet. The opera will need to have a good ticket season and he feels their ticket sales amount is realistic. He feels with the \$150,000 one-time contribution there is a fairly decent chance they will be successful.

Chairman Daines said the Council needs to ask the question, would the majority of the taxpayers feel this was an appropriate use of taxpayer money.

Councilmember Simmonds said she would like to take time to make that consideration.

Councilmember Olsen said he received a message from a Logan resident who cannot afford to attend the opera. He understands this concern but also said the arts can be a very powerful economic engine for our community and the entire community can benefit. He is comfortable with the resolution and feels there is benefit to the South Main project and to the community. He suggested a program called Opera for Everyone and have discount tickets available for people who otherwise cannot afford to attend the opera.

Councilmember Needham stated the opera has been very important to him his entire life and feels we have a great opera here in Logan and is needed in the community. He fully supports helping the UFOMT.

Vice Chairman Jensen asked what are the liabilities for the opera and what is the County's position on this issue. He feels if we don't support the opera, the Council would be far more criticized than if we do help the opera. He said this is not a cost or gift, this is an investment. He proposed a head nod in favor of helping the opera.

Chairman Daines said she hopes the opera can get its financial house in order and continue to operate, she wished the opera the very best. She honestly does not think the majority of her constituents would approve of the use of funds to the opera where we have so many city projects that need funding.

Councilmember Simmonds said at this point, she has not seen budget figures and any assurance of improved financial and operational policies by the opera. She would like to withhold any judgment whatsoever and would like to see additional information in the next two weeks before she makes a decision.

The proposed resolution will be an action item and public hearing at the October 17, 2017 Council meeting.

Budget Adjustment FY 2017-2018 appropriating: \$5,751 funds the Police Department was awarded for bullet proof vests purchased this fiscal year; \$12,016 RDA funds to repay the Business Improvement District assessment on the Emporium property – Resolution 17-49 – Richard Anderson, Finance Director

Finance Director Richard Anderson addressed the Council regarding the proposed budget adjustments. He explained that the \$12,016 is for the City portion of the RDA payback. We created a Business Improvement District and we put in some improvements. The Emporium building which, the City owns in the downtown has an assessment that is still outstanding so the requests is for the RDA to pay back that assessment. The RDA will pay that to the Business Improvement District fund and the Business Improvement District will return it to the general fund.

The proposed resolution will be an action item and public hearing at the October 17, 2017 Council meeting.

OTHER CONSIDERATIONS:

ADJOURN TO MEETING OF THE LOGAN REDEVELOPMENT AGENCY

Chairman Daines welcomed those present. There were approximately 14 citizens in the audience at the beginning of the RDA meeting.

ACTION ITEMS:

PUBLIC HEARING - Consideration of a proposed resolution approving Agency Assistance for the City of Logan’s Housing Rehabilitation Assistance Program, in an amount not to exceed \$40,000 – Resolution 44 RDA

At the September 19, 2017 Council meeting, Community Development Director Mike DeSimone addressed the Council regarding the proposed resolution. He stated the City of Logan Redevelopment Agency (hereinafter “Agency”) is authorized by U.C.A. §17C-1-411 and §17C-1-412 to use tax increment for affordable housing projects within Logan City. The Housing Rehabilitation Assistance Program, administered by the City of Logan’s Community Development Department, qualifies as affordable housing as defined by U.C.A. §11-38-102 (1), with said definition being adopted by the City of Logan in its Land Development Code §17.62 and by the Agency for the administration of its affordable housing funds.

The program provides grants of up to \$5,000 per eligible household, or exceeding \$5,000 when approved by the City’s Affordable Housing Committee, for minor home repairs, excluding repairs to and replacements of appliances and other unattached personal property, that if neglected, pose a potential health and safety threat, such as roof repairs, bathroom repairs, correction of faulty electrical systems, individual utility hook up repairs, which repairs are made to correct hazardous situations and to keep dwellings in a safe, livable condition. The program may also provide assistance for certain home beautification projects on single family dwellings, such as siding repair, doors, windows, paint, etc., all which are designed to enhance the surrounding neighborhood.

The Economic Development Committee has reviewed the requested assistance and recommends its approval. He asked the Council to approve an allocation from the Agency’s affordable housing reserves, in an amount not to exceed \$40,000, to provide funding for the City of Logan’s Housing Rehabilitation Assistance Program, administered by the Community Development Department, to be used for emergency home repairs, livability upgrades, or rental conversion projects on existing, owner-occupied, single-family dwellings occupied by low-to-moderate income households. Grants to eligible households will not exceed \$5,000 unless approved by the Affordable Housing Committee.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

ACTION. Motion by Councilmember Simmonds seconded by Vice Chairman Jensen to **approve Resolution 17-44 RDA as presented** as presented. Motion carried unanimously.

PUBLIC HEARING – Consideration of a proposed resolution approving funding for the Eccles Theatre Facility improvements from the South Main Project Area – Resolution 17-48 RDA

City Attorney Kymber Housley explained the proposed resolution. The Eccles Theatre is in need of a roof repair which qualifies as a publicly owned infrastructure and improvement as defined in the State Code. The request is to approve the funding of \$150,000 to be taken from the South Main Project Area and used for the repair of the Eccles Theatre roof.

Mr. Anderson said the \$150,000 is specified to come from the South Main RDA budget which is healthy because of significant development without tax increment financing involved. It will affect the South Main RDA.

Chairman Daines opened the meeting to a public hearing.

There were no comments and Chairman Daines closed the public hearing.

Councilmember Simmonds said the Council has stated that it's appropriate for the South Main RDA to fund improvements at the Eccles Theatre and now as the RDA, the Council agrees that its appropriate to use funds from the South Main RDA at the Eccles Theatre.

Mr. Anderson responded that it allows administration to change the appropriation that already exists. This is an appropriation in the RDA and not in the general fund.

ACTION. Motion by Councilmember Olsen seconded by Vice Chairman Jensen to **approve Resolution 17-48 RDA as presented** as presented. Motion carried unanimously.

WORKSHOP ITEM:

Budget Adjustment FY 2017-2018 appropriating: \$12,016 RDA funds to repay the Business Improvement District assessment on the Emporium property – Resolution 50 RDA

Mr. Anderson explained the proposed budget adjustment to repay the Business Improvement District assessment on the Emporium property.

The proposed resolution will be an action item and public hearing at the October 17, 2017 Council meeting

ADJOURNED. There being no further business to come before the Council, the meeting of the Logan Municipal Council adjourned at 7:05 p.m.

Teresa Harris, City Recorder