

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-1-

THE WEST VALLEY CITY COUNCIL MET IN STUDY SESSION ON TUESDAY, MARCH 14, 2017, AT 4:30 P.M. IN THE MULTI-PURPOSE ROOM, WEST VALLEY CITY HALL, 3600 CONSTITUTION BOULEVARD, WEST VALLEY CITY, UTAH.

THE MEETING WAS CALLED TO ORDER BY ACTING CITY MANAGER PAUL ISAAC.

Councilmember Buhler moved to elect Councilmember Karen Lang to act as Mayor Pro Tem during this meeting. Councilmember Nordfelt seconded the motion.

A voice vote was taken and all members voted in favor of the motion.

THE MEETING WAS CONDUCTED BY MAYOR PRO TEM LANG.

THE FOLLOWING MEMBERS WERE PRESENT:

Lars Nordfelt, Councilmember At-Large
Tom Huynh, Councilmember District 1
Steve Buhler, Councilmember District 2
Karen Lang, Councilmember District 3

ABSENT:

Ron Bigelow, Mayor
Don Christensen, Councilmember At-Large
Steve Vincent, Councilmember District 4

STAFF PRESENT:

Paul Isaac, Acting City Manager/Assistant City Manager/ HR Director
Nichole Camac, City Recorder

Nicole Cottle, Assistant City Manager/ General Counsel/ CED Director
Eric Bunderson, City Attorney
Lee Russo, Police Chief
John Evans, Fire Chief
Steve Hyde, Acting Finance Director
Layne Morris, CPD Director
Russell Willardson, Public Works Director
John Brubaker, Acting Parks and Recreation Director
Sam Johnson, Strategic Communications Director
DeAnn Varney, Administration
Jake Arslanian, Public Works Department

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-2-

Jonathan Springmeyer, CED Department
Jeff Jackson, CED Department
Mark Nord, CED Department

SPECIAL RECOGNITIONS

Senator Karen Mayne
Representative Angela Romero

APPROVAL OF MINUTES OF STUDY MEETING HELD MARCH 7, 2017

The Council considered the Minutes of the Study Meeting held March 7, 2017. There were no changes, corrections or deletions.

Councilmember Nordfelt moved to approve the Minutes of the Study Meeting held March 7, 2017. Councilmember Huynh seconded the motion.

A voice vote was taken and all members voted in favor of the motion.

REVIEW AGENDA FOR REGULAR MEETING OF MARCH 14, 2017/ THIS MEETING HAS BEEN CANCELED

Mayor Pro Tem Karen Lang indicated that the meeting scheduled for later this night has been canceled. She indicated that members of staff and the City Council will be attending the Homeless Facility Open House at the Utah State Capital Senate Building State Room Cafeteria (350 State Street, Salt Lake City, Utah 84111). Items that were scheduled on the agenda will be reviewed at the Regular Meeting on March 21, 2017 at 6:30 PM.

RESOLUTION 17-41, AUTHORIZE WEST VALLEY CITY TO ACCEPT A SPECIAL WARRANTY DEED FROM THE REDEVELOPMENT AGENCY OF WEST VALLEY CITY FOR PROPERTY LOCATED AT 3550 SOUTH CONSTITUTION BLVD

Eric Bunderson, City Attorney, discussed proposed Resolution No. 17-41 that would authorize West Valley City to accept a Special Warranty Deed from the Redevelopment Agency of West Valley City for property located at 3550 South Constitution Blvd.

Written information previously provided to the City Council included the following:

This resolution will approve the transfer of property ownership for parcel 15-33-129-054 at approximately 3550 S. Constitution Boulevard from the RDA to West Valley City. This location is currently leased to Toys “R” Us and West Valley City is seeking to acquire all interests in the property.

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-3-

Under Resolution No. 16-196, West Valley City authorized the acquisition of all interests in the property through negotiation or condemnation in order to use the property for a public purpose. The RDA wishes to transfer ownership of the property to West Valley City, and the City has agreed to accept the transfer of ownership, in case a condemnation action becomes necessary to acquire all rights to the property.

Upon inquiry by Mayor Pro Tem Lang, the Council had no further questions or concerns.

RESOLUTION 17-42, AUTHORIZE THE CITY TO ENTER INTO A RIGHT-OF-WAY CONTRACT WITH NEIL R LUND AND SUSAN H LUND AND TO ACCEPT A WARRANTY DEED AND GRANT OF TEMPORARY CONSTRUCTION EASEMENT FOR PROPERTY LOCATED AT 4094 SOUTH CONSTITUTION BOULEVARD (PARCEL 15-33-380-025)

Russ Willardson, Public Works Director, presented proposed Resolution No. 17-42 that would authorize the City to enter into a Right-of-Way Contract with Neil R Lund and Susan H Lund and to accept a Warranty Deed and Grant of Temporary Construction Easement for property located at 4094 South Constitution Boulevard (Parcel 15-33-380-025).

Written information previously provided to the City Council included the following:

This portion of the Neil R. Lund and Susan H. Lund parcel located at 4094 S. Constitution Boulevard is being acquired as part of the 2700 West Improvement Project, scheduled to be completed in 2018. However, it is being done now so that the sidewalk that is being replaced as part of the 4100 South Signal Improvement Project with Federal Funds can be replaced with a parkstrip, to be improved in the future.. The acquisition from Neil R. Lund and Susan H. Lund includes 576 square feet of right-of-way. Compensation for the purchase of the Warranty Deed and Grant of Temporary Construction Easement is \$5,800.00 based upon the appraisal prepared by the Integra Realty Resources.

Upon inquiry by Mayor Pro Tem Lang, the Council had no further questions or concerns.

COMMUNICATIONS

A. COUNCIL UPDATE

Mayor Pro Tem Lang referenced a Memorandum previously received from the City Manager that outlined upcoming meetings and events.

Members of the City Council had no further questions regarding the Council Update.

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-4-

NEW BUSINESS

A. POTENTIAL FUTURE AGENDA ITEMS

There were no potential future agenda items discussed.

B. COUNCIL REPORTS

There were no Council reports.

C. REVIEW AGENDA FOR SPECIAL REDEVELOPMENT AGENCY MEETING SCHEDULED FOR MARCH 21, 2017

A. 17-02: AUTHORIZE THE REDEVELOPMENT AGENCY OF WEST VALLEY CITY TO GRANT A SPECIAL WARRANTY DEED TO WEST VALLEY CITY FOR PROPERTY LOCATED AT 3550 SOUTH CONSTITUTION BOULEVARD

Eric Bunderson presented the application. Written information was provided as follows:

This resolution will approve the transfer of property ownership for parcel 15-33-129-054 at approximately 3550 S. Constitution Boulevard from the RDA to West Valley City. This location is currently leased to Toys “R” Us and West Valley City is seeking to acquire all interests in the property.

Under Resolution No. 16-196, West Valley City authorized the acquisition of all interests purpose. The RDA wishes to transfer ownership of the property to West Valley City in case a condemnation action becomes necessary to acquire all rights to the property.

B. 17-03: APPROVING AN INCENTIVE AGREEMENT BETWEEN THE AGENCY AND BOART LONGYEAR COMPANY

Jonathan Springmeyer presented the application. Written information was provided as follows:

Boart has signed a 10-year lease to occupy the former Classic Cabinet building at 2455 South 3600 West, with an additional 10-year option to extend. The new facility will consolidate five (5) Salt Lake City facilities into one, located in West Valley City.

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-5-

Pursuant to the Agreement, RDA interest income will be used to offset costs associated with the permanent infrastructure improvements to the site including building improvements and significant improvement to the landscape around the building. These costs include efforts by the property owner to accommodate the surrounding uses by improving the existing pieces of infrastructure on the site. Under the proposed incentive agreement, Boart would receive three (3) annual payments of \$50,000 each. These payments would be paid under the following schedule: 1st at time of issuance of building permit, 2nd at one calendar year after first payment, and 3rd at issuance of Certificate of Occupancy.

The payments would be made out of the RDA Interest Income account and are intended to be used to offset expenses resulting from the improvements. These infrastructure improvements include a new decorative wall surrounding the site, and extensive landscaping improvements intended to provide a buffer to the surrounding neighborhoods.

Pursuant to the City's Economic Development Strategic plan, this development meets each of the City's strategic goals. First, the building owner has been unable to secure a long-term lease since the departure of Classic Cabinets during the recession. Second, Boart will have 200+ full time employees at this facility, with the ability to expand as needed. Third, Boart will be investing \$12.5 million in improving this facility, plus an additional \$2 million in relocation costs.

Since the 2008 recession, and the departure of Classic Cabinets, and in spite of the efforts of the RDA, this property has been unable to secure a long-term lease for the entire building. Prior to the Boart lease this property was the largest vacant for lease building in West Valley City.

The building was built in 1985 as a distribution warehouse for Mervyn's. In the 1990's, Classic Cabinets leased the building and is responsible for the unique interior configuration which has added to its leasing challenges. The owner of the building had no interest in redeveloping the property because it still retained a high market value despite its chronic vacancy.

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-6-

The size and age of the building has contributed to its vacancy due to the scarcity of tenants looking for buildings of that size, and newer options for those tenants that do need that much square footage.

Councilmember Buhler asked what the nature of the business would be at this location. Mr. Springmeyer replied storage, office, sales, leasing, etc. He indicated that there will be a significant number of employees. Councilmember Buhler asked if this use will increase the value of the property. Mr. Springmeyer replied this is difficult to guarantee but is anticipated. Councilmember Buhler asked if the company's entire operation will be moved to this location. Mr. Springmeyer replied yes with the exception of one Salt Lake City location.

Councilmember Karen Lang stated that there were concerns from neighbors during the Planning Commission public hearings and questioned if these were resolved. Mr. Springmeyer replied yes and stated that landscaping was installed to act as a buffer to the residential zone.

UPON ADJOURNMENT OF THE STUDY SESSION, THE CITY COUNCIL WILL LEAVE CITY HALL AND ATTEND THE HOMELESS FACILITY OPEN HOUSE AT THE UTAH STATE CAPITOL SENATE BUILDING STATE ROOM CAFETERIA (LOCATED AT 350 STATE STREET, SALT LAKE CITY, UT 84111)

Nicole Cottle discussed efforts of City staff to reach the community, its businesses and residents. She explained what the Council can expect at the Capitol and the message the City is working to portray regarding this issue.

UPON MOTION BY COUNCILMEMBER BUHLER ALL VOTED IN FAVOR TO ADJOURN.

THERE BEING NO FURTHER BUSINESS OF THE WEST VALLEY COUNCIL THE STUDY MEETING OF TUESDAY MARCH 14, 2017 WAS ADJOURNED AT 4:54 P.M. BY MAYOR PRO TEM LANG.

I hereby certify the foregoing to be a true, accurate and complete record of the proceedings of the Study Meeting of the West Valley City Council held Tuesday, March 14, 2017.

MINUTES OF COUNCIL STUDY MEETING – MARCH 14, 2017

-7-

Nichole Camac
City Recorder