

Minutes of the Work Session meeting of the Syracuse City Council held on September 25, 2012, at 6:00 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Brian Duncan  
Craig A. Johnson  
Karianne Lisonbee (participated via telephone)  
Douglas Peterson

Councilmember Shingleton was excused from the meeting.

Mayor Jamie Nagle  
Finance Director/Acting City Manager Steve Marshall  
City Recorder Cassie Z. Brown

City Employees Present:

City Attorney Will Carlson  
Community Development Director Michael Eggett  
Police Chief Brian Wallace  
Fire Chief Eric Froerer  
Public Works Director Robert Whiteley  
Detective Corey Rowley  
City Engineer Brian Bloeman  
Utility Billing Manager Holly Craythorn

|                   |                  |                  |                   |
|-------------------|------------------|------------------|-------------------|
| Visitors Present: | Joe Levi         | Kelsie Clegg     | Dana Bird         |
|                   | Jeremiah Zohner  | Patrick Lair     | Jon Fisher        |
|                   | Kerry Call       | Dylan Call       | Reece Martineau   |
|                   | Colby Hughes     | Matthew Powell   | Shane Crowton     |
|                   | Scott Taylor     | Makensey Swanson | Brooklynn Follett |
|                   | Kelsey Broadbent | Brantley McGuire | Hayden Johnson    |
|                   | Landon Ostler    | Dee Lamph        | Jason Hellewell   |
|                   | Jake McFadden    | Max McFadden     | Joseph McFadden   |
|                   | David Murray     | Kyle Murray      | Jayden Bearnson   |
|                   | Rieley Gibson    | Logan Harker     | Aneisa Shepherd   |
|                   | Trevor Poll      | Dainera Sickler  | Tara McCready     |
|                   | Mackenzie Tuttle | Sarah McEntire   | Emily Johnson     |
|                   | Paige Trimble    | Katelyn Davidson | Ray Zaugg         |

The purpose of the Work Session was for the Governing Body to receive public comment, discuss a potential budget opening, discuss Community Development Areas (CDAs), review the proposed rewrite of Title Seven of the Syracuse City Code, and discuss Council business.

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[Public comment.](#)

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Joe Levi stated that he has been following the rewrite of Title Seven and he has some concerns, especially regarding some of the comments that have been made, so he wanted to provide a hypothetical situation for the Council to consider. He stated that someday down the road the City wants to turn over some power to the Public Works Director to make the streets safer by adding more light to sidewalks and roads and the City will let the Public Works Director, who the City has full faith and trust in, tell citizens that they must have 100 watt light bulbs on their front porches and they must burn that light from dusk until dawn because it makes the City safer when there are lit streets and sidewalks. He stated that eventually the Public Works Director may decide to dictate that residents need to use compact fluorescents or LED lights. He reiterated “we” have full faith in the Public Works Director and no one thinks that “we” should make the City less safe by not having porch lights on, but dictating that by regulation or by rule is not appropriate and is something that is best left up to the legislative body. He stated the City Council is the people who write the laws and make the rules; not because “we” do not have faith in the Public Works Director. He stated it is ridiculous that “we” would turn over legislative power to an appointed person, even if

that person has the full faith and trust of the City. He stated that if that person comes to the City Council and recommends that lights be required to be on all the time and that an ordinance should be passed requiring that and the City Council allows public comment and then decides that they are going to do that because they value the input of the employee making the recommendation, that can be done at this table in front of the Council and the public. He stated those decisions should not be made by someone that is appointed rather than elected. He stated that it is a bad precedent to set. He stated that he knows that the Council is not talking about Public Works and instead another department of the City is the subject of Title Seven, but the subject is passing off legislative responsibilities to an appointed person and that is wrong. He stated that "we" still have full faith and trust in the Fire Chief, but saying that the Fire Chief should be allowed to make rules and regulations that are enforceable by punishment of law, that is not appropriate and should be done by the Council. He stated it is not the Council's job to pawn off those responsibilities by delegating them to other people. He stated doing so is a dereliction of the Council's duty because the citizens elected and hire them to write the laws of the City and he does not want someone that he has not elected making rules or laws for him.

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Ray Zaugg stated that regarding Title Seven he would like to talk about the agricultural aspect of that document; there are laws on the books in Utah that talk about not requiring permits to burn along fence rows, etc. He stated the City should adhere to State laws so that "we" do not get crosswise with the regulations regarding required permits. He stated that farmers are simply required to notify the Fire Department of their intent to burn on a specific day. He then stated the other thing he wanted to mention is that his wife called the City today to check on the prices for burial plots for infants and there seem to be two different costs advertised by the City. He stated his wife looked on the City's website and found one price, but when she called the price she was told over the phone was higher. He stated that error needs to be remedied and the prices on the internet should be honored.

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Discussion regarding potential budget opening

A staff memo from Finance Director Marshall explained he has closed the books for FY2012 and is currently awaiting the financial auditor's completion of the audit. The City's unrestricted fund balance in the general fund at June 30, 2012 increased to \$1,454,387 or approximately 17.26% of budgeted revenues. State Code requires that our fund balance be between 5-18%. Administration's philosophy is to maintain a healthy fund balance between 10-14%. This allows the city to maintain a healthy rainy day fund but also allows a portion of fund balance to be used in operations for our most critical needs. Staff has also projected revenues in FY2013 that are going to exceed original budgeted amounts. Administration has brainstormed and come up with several options for using these excess revenues and fund balance. Administration recommends that the excess revenues and fund balance be used for suggested options within the power point slide. Administration also recommends that we move forward with the additional capital improvements projects.

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Finance Director Marshall summarized his staff memo, with some input from City Manager Rice.

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Councilmember Duncan stated that if there are so many Fire Fighters working to put out fires in other cities, how the City's Fire Department is being staffed. He asked if overtime wages are being paid. Fire Chief Froerer stated that there are never more than two Fire Fighters sent to another jurisdiction at one time, but if the City had more resources that number could be increased. He stated the crew is backfilled with part time staff and overtime rates are paid. Mr. Rice added that there is never a detriment to the City's operation when Fire Fighters are sent to fight forest fighters.

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Mr. Marshall resumed reviewing his presentation.

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Mr. Rice then provided his explanation for why he feels employees deserve a merit pay increase.

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Councilmember Johnson asked for details on how the merit pay increases would be applied. He asked if all employees would receive the same amount of money across the board. Mr. Rice explained that the pay raises would be based on merit which will be determined by the results of the annual employee review process. He stated that he and the Department Heads will determine how much each employee gets based on their performance. Mayor Nagle clarified it is not a cost of living adjustment (COLA). Mr. Rice agreed and stated that there are some employees that may not get anything and

some that will get more than others. Councilmember Johnson asked what the average pay increase will be. Mr. Rice stated that \$150,000 would provide an average three percent increase for everyone.

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Mayor Nagle stated this is probably a good time to talk about the wages for the Police Officers and what has recently been discovered. Mr. Rice stated that one Police Officer submitted a resignation today so he can take a job in Bountiful. Chief Wallace stated the officer has been with the City for a year and he was initially a reserve officer; he will receive a \$3.00 per hour increase in Bountiful, which equates to \$6,000 a year. He stated that two other officers are going to Kaysville and they could potentially get a \$5.00 per hour pay increase, which equates to approximately \$10,000 per year. Mayor Nagle stated that the City has made a significant investment in one of those officers. Chief Wallace agreed and stated one is the K-9 officer. Councilmember Johnson asked what percentage increase \$10,000 translates to. Mr. Marshall stated it is approximately a 30 percent increase. Chief Wallace stated Syracuse City has the lowest paid Police Department in Davis County. Councilmember Johnson stated the Council budgeted some money for raises for Police Officers and he asked if that has been implemented. Mayor Nagle stated those raises will not be implemented until after Chief Wallace retires. Mr. Rice added that the money generated by Chief Wallace's retirement is not a lot.

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Councilmember Lisonbee asked if the Police Officers that are moving to the other cities are all staying in the same position with those other cities. Chief Wallace answered yes; they will all be patrolmen in the other cities. He added that Syracuse City will lose the K-9 Officer and the dog because he goes with the officer.

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Mr. Marshall continued his presentation regarding how the money in the budget opening will be divided.

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Councilmember Duncan stated that he does not understand the comparison Mr. Marshall has used whereby he compares salaries and then household incomes. He stated that is comparing apples and oranges because if the median income in Syracuse is \$80,000, but two thirds of households have dual incomes, he wondered how that compares. He stated that each person could be making \$40,000 a piece. Councilmember Peterson agreed and he noticed that comparison also, but the thing that stood out to him the most in the presentation is the argument for the need to invest in employees. He stated the employees need a raise because they have not had one for a long time and they deserve one. Councilmember Duncan stated he has another concern. He stated that merit pay is hard to do in government; he is worried about the guys that are making \$12.00 per hour because they are at the bottom and he wondered if they should be given more consideration than those making considerably more money. Mayor Nagle stated that the raises will be discretionary based on performance. Councilmember Johnson stated he would also think that the staff would look at the current salary of certain employees and see if there is a way to get them more of an increase if they are underpaid. Councilmember Duncan asked how many cities responded to the request for information regarding their salaries. He stated he would like to see how Syracuse compares to other cities; it is hard to compare to a private sector. He stated he knows of certain government employees that are making more money than those in the private sector. Mayor Nagle stated that it is not possible to benchmark a Police Officer's salary with a salary in the private sector. Councilmember Duncan stated he knows that and that is why he would like to see the information from other cities. City Recorder Brown stated that the staff did not conduct a true benchmark analysis; instead they just asked what cities had provided raises to their employees over the past five years. She stated that if the Council wants an actual benchmark it would be possible for staff to provide that by using a program the City subscribes to that provides data for every City in the entire State. She stated, however, that staff has done that in the past year and it was rejected. Councilmember Johnson stated he feels the information is more viable now that the City has the money available to potentially provide wage increases.

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Mr. Marshall asked if the Council wants staff to conduct a true benchmark study. Councilmember Duncan answered yes. Mayor Nagle stated she is frustrated; the Council has had the packet available to them since last week and if they wanted additional information they should have asked for that so that staff could provide it at this meeting. Ms. Brown added that benchmark surveys do not communicate that certain employees deserve a certain percentage in terms of a raise; instead benchmark data is typically used to set the overall wage scale of the City. She stated that if the starting pay for a patrolman in Kaysville is \$17.00 per hour and Syracuse City's is \$12.00 per hour, the Council needs to do a lot more than give raises – they need to adjust the entire wage scale. She stated that is what the City did in 2007, which was the last time employees received raises. She stated that same wage scale has never been adjusted again based on the true cost of living. She stated if staff is being directed to conduct a survey they need to know exactly what the Council is asking for. Councilmember Peterson stated he does not mind seeing that information, but it is pretty safe to say that the City's wages are low. He stated

that property taxes were raised in 2007 in order to adjust the City's wage scale according to benchmarking data, but no raises have been given since then. He stated he would think it is safe to say that the City's wages are low. Mayor Nagle added she also thinks it is safe to say that there has been a general consensus from the Council that the economy is still "in the toilet" and it is the employees that have recognized these savings in the City's budget. She stated that even with the surplus the City is dealing with, they have been able to put \$3.7 million into roads and infrastructure this year. She stated that three years ago that same budget was \$78,000. She stated that at some point the Council needs to recognize that the City asked the employees to tighten their belts and reconfigure the way they do business and they have done that and they are deserving of a raise. She stated that just because someone works for government does not mean they should never receive a raise. Councilmember Duncan stated he understands that, but he also recognizes that the average household income for the middle class in the United States is shrinking right now, so it is not just a government issue; revenues are a problem and people are struggling across the board. He stated that he struggles with this because there are several citizens who are not keeping pace; they are losing money over the last five or six years. He stated the Council needs to find a balance; he is not saying he is against wage increases, but his biggest concern is dealing with the people that are floundering at the bottom. He stated that he worked for government in Atlanta and he was at the bottom when he started and one of the first things they did was put a pay freeze on for two years; he was making less than \$40,000 a year and paying student loans and the pay freeze hurt him more than it hurt his boss who was making over \$100,000 a year. He stated there are several things the Council needs to consider and understand that the economy is affecting everyone, but also try to understand who it is affecting the most. Mayor Nagle stated that she takes issue with that because at the last meeting Councilmember Duncan said that one of the reasons he was opposed to the Ninigret project was because of the high demographics of the City and that our citizens did not need those jobs. She stated that if he is saying the economy is so healthy that the City does not need to look at jobs, why is the Council not considering raises for our associates that have provided the budget turnaround for the City.

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Councilmember Lisonbee stated that she has a few concerns as well; she agrees that, while it would be nice to pay everyone enough for them to be really comfortable and have yearly raises, the bottom line when she is out talking to citizens is that most of them have not received a raise in as many years and they do not expect a raise in the near future. Mayor Nagle disagreed. Councilmember Lisonbee stated that one of her concerns is that if the Council commits this amount of money this year, that will translate to an ongoing commitment of more than \$150,000, which ultimately translates to \$2 million over the next 10 years. She stated the Council does not know what will happen next year and what will be needed in infrastructure upgrades and other costs. She stated it may be unwise for the Council to commit that kind of capital outlay for the next 10 years until they are sure what they are facing as far as infrastructure needs. She stated that in looking at wages the City is fairly comparable when considering the increase in benefits that public employees get according to the study done by the Utah Tax Association; public employees receive approximately five percent more in benefits than their private sector counterparts. Mayor Nagle stated that the Department of Human Resource Management of the State is required by law to conduct a benchmark salary survey every two years. She stated that this was headed by John Dougal who said he did not have confidence that the State was giving accurate information and so at the Legislative Session two years ago the Legislature funded Mercer to conduct an independent study. She stated that while they did say that the benefits were richer, they also said the wages were lower and that survey must be considered in totality. She stated that is why the State employees received a benefit and wage increase this year. She stated Councilmember Lisonbee's comments are absolutely true when considering federal wages and that is what Mercer debunked with their study; the federal wages and benefits far exceed state and municipality wages and that is where the difference is. She stated there is merit to what Councilmember Lisonbee is saying, but that is considering federal benefits rather than benefits on the local level. Councilmember Lisonbee stated that the study she was referring to was conducted by the Utah Taxpayers Association and it was referring directly to communities; it was written by a certified public accountant (CPA) who was on the Council of one of the cities and he figured that out. Mayor Nagle stated it is not a comprehensive survey. Councilmember Lisonbee stated she simply wanted to express her concerns. Mayor Nagle stated that she finds it very problematic that the Council has asked the employees to do so much and they get beat over the head constantly; they are not appreciated, they are told to do more, and that they do not deserve the pay or the benefits they get. She stated they have sacrificed a lot and there will always be the need to invest in employees and if that is not done, the employees will leave. She stated the City has seen good employees leave and there is the potential for even more to leave. She stated the City invest in their training and then cannot retain them. She stated that at some point the Council needs to stand up and say they are being very responsible with the taxpayers' dollars and recognizing the employees for all they have done. She stated the Council is not bringing ideas for cost savings; rather those ideas are being brought to the Council by the employees. She stated that at some point the Council needs to be willing to invest in the employees. Ms. Brown stated that the Council continues to refer to people employed in the private sector that have lost money over the last several years. She stated that the same is true for City employees. She stated that she started

working for the City in 2006 and she received an increase in 2007, but every year since then her wages have actually been decreased due to increased benefits that have been passed on to the employees. She added that the 401K match that was given to the employees was also eliminated. She stated that she is concerned that City employees are being compared to employees in the private sector and comments are being made that the private sector employees have been impacted negatively while the City employees have not. She stated that is not true. Councilmember Duncan stated that is not what he is saying; he is simply saying that the Council needs to consider the reality. He stated he thinks everyone should make more money. He stated that at his own employment the pay increases have been decreased at the expense of the partners. Mayor Nagle asked if the wage increases have been reduced or eliminated. Councilmember Duncan stated some wage increases are still given, but it is at the expense of his firm making any profits. Mayor Nagle stated that she works in the human resources field and she is currently conducting a massive survey of private sector employees and she can tell the rest of the Council that the increases have not stopped and they have actually picked up. She stated that over the last two years the vast majority of employers are giving raises. Councilmember Duncan stated that he talks to a lot of citizens that say they have not received a raise for a significant amount of time. He stated his concern is that the Council needs to consider the economy and find out how to justify a three percent increase when there are citizens that have not received raises in several years. Mr. Rice stated that he is missing Councilmember Duncan's point. He stated that revenues in the City have been increased by \$700,000 due to the work of the employees; if the Council looks at the City as a business they must understand the employees have made the business stronger. He stated that businesses that do very well invest in their employees. Councilmember Johnson agrees with Mr. Rice. He stated that if one company is doing very well and is capable of giving raises to their employees, they should not forego those raises just because another company may not be doing as well as them. He stated he thinks the Council needs to be smart and look at investment along with the competitive nature of the City's wages. He added that he also feels the money needs to be budgeted in the City's budget each year. He stated that will alleviate some of Councilmember Lisonbee's concerns; if the revenue is ongoing each year the City will have the money to pay for the raises. He stated that he does not have a problem with the request and he does not think the staff is actually asking for that much money, especially when the employees have not received raises for some time.

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Fire Chief Froerer stated that it is worth reiterating the Mayor's point about the cost of losing talent. He stated that it will cost a large amount of money to replace the K-9 Officer and his dog. He stated that he has employees that are looking for employment elsewhere as well and if he were to lose one of his Engine Bosses that would be a severe detriment to the City's wildland program that produces \$200,000 in revenue for the City. He stated the same is true in any department of the City. Councilmember Duncan stated that is why he wants the benchmark data; he wants to compare apples to apples. He stated he does not want to simply give raises because the employees deserve it; there are a lot of people that deserve raises and they are not getting them right now. He stated he wants the City to be competitive and that is the most important issue to him. He stated he does not see the information to address the issue of competitiveness in the packet for this meeting. He then stated he wanted to respond to the Mayor's comments about Ninigret. He stated that in looking at the median household income for Syracuse residents, which is \$80,000, that is why he has said that Ninigret will not provide a whole lot of jobs for the residents here because they do not work for those kinds of wages. Mayor Nagle stated the \$80,000 is made up of two incomes. Councilmember Duncan stated that people will not be earning \$40,000 working for the types of companies that will be located in the Ninigret development. Mr. Rice stated they will actually be making a little more. Mayor Nagle stated that \$40,000 is less than \$20 per hour. Councilmember Duncan stated that he does not foresee Ninigret bringing a lot of jobs to the City, but he does not know how it relates to this discussion.

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Councilmember Peterson stated that he agrees with Councilmember Duncan in his request for benchmark data, but not for the reasons of justifying the \$150,000 that the staff is asking for. He stated he thinks the work the employees have done justifies the \$150,000. He stated he would like the benchmark data to be used in preparation of next year's budget and he would like to look at the wage scale as a whole.

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Mr. Marshall then continued to review his presentation, with input from Mr. Rice and Mayor Nagle.

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Councilmember Lisonbee stated that if the Council is considering giving a three percent increase across the board she would like to see a benchmark study done comparing the City to cities of like size and population. She stated she thinks that the City's salaries are actually above the average in some areas while there may be some that are lower than average. Mayor Nagle stated that the staff is not talking about giving a three percent increase across the board; rather the employees will receive a raise based on their merit, though \$150,000 spread across the number of employees the City currently has

averages three percent. Councilmember Duncan stated that he would like to see the benchmark data that Councilmember Lisonbee is asking for. Mayor Nagle concurred. Councilmember Lisonbee then stated she wanted to discuss some of the other items in the budget opening presentation. She stated she would submit that it may be wiser to purchase used trucks for the Fire Department because that will prevent the City from paying a premium for a new automobile.

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Mayor Nagle stated that she is not in favor of bringing on new Police Officers right now; the City is in the process of transitioning to a new Police Chief and she thinks it will be better to wait until a new Chief is on board and allow him to assess the Department and bring the proposal to the Council if he feels it is necessary. Councilmembers Johnson and Duncan agreed. Mayor Nagle stated that if the Police Officers are paid such low wages she would rather forego the hiring of additional Police Officers and raise the wages of the existing officers to where they need to be in order for the City to be competitive. Councilmember Duncan agreed and stated the reason he wants the benchmark data is because competitiveness is a high priority to him. He asked if it would be appropriate to consider diving the \$150,000 in a manner that some could be used for merit increases the rest could be used for COLA. Mayor Nagle stated that she thinks COLA's are a horribly bad idea because they reward someone that is just barely showing up for work every day the same as the top performers. Councilmember Johnson agreed. Councilmember Duncan stated that the idea is that looking at both options would be important for the City; if the City gives a COLA the wage scale will be adjusted. Mayor Nagle stated that the wage scale can be adjusted without a COLA increase.

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Councilmember Peterson stated that regarding the issue of hiring new Police Officers, he has heard that there should be one Police Officer per 1,000 residents in the City. He stated Syracuse has 19 Police Officers and a population of 25,000. He stated he sees some merit in adding new Police Officers. Councilmember Johnson asked where that statistic comes from. Mr. Rice stated that it is a generally recognized rule amongst the law enforcement community. Councilmember Duncan stated the numbers are a good guidepost, but it would be better to look at reality when determining how many officers the City needs. Mr. Rice stated that the City is always short on patrolmen because many officers are assigned to other tasks. He stated he thinks the City needs more Police Officers but he agrees it would be appropriate for the new Police Chief to assess the Department and bring a proposal to the Council as necessary. He then provided an explanation for the proposal to transition to Police Officers using motorcycles.

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Mayor Nagle then stated she wants to get a response to Councilmember Lisonbee's recommendation to purchase used vehicles rather than new ones. Mr. Rice stated that the City has access to the State contract, which can be used to purchase vehicles. Chief Froerer added that the City has access to significantly reduced prices for vehicles. He stated that he also does not know that the City will find the type of vehicles the City needs when searching used vehicles.

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Councilmember Johnson stated that he thinks the City needs to consider paying down some debt the City currently holds. He provided a further explanation; that led to a discussion about how much money the Council would like to keep in the City's "rainy day fund". Mayor Nagle stated she would rather see the money used for roads than to pay down debt. Councilmember Johnson stated that he does not want all of the money to go to paying down debt, but some of it could be used for that purpose.

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Councilmember Duncan asked a question about the camera the City purchased to evaluate underground infrastructure. Mr. Whiteley stated the camera has not been received by the City, but it will be used throughout the winter to assess the infrastructure. He stated after that is done he can provide more firm data to the Council.

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Councilmember Johnson inquired as to the state of the emergency equipment the City has to use to respond to a disaster or emergency. He asked what would be done in the case of food shortage, etc. Mayor Nagle stated that food shortage issues are not the responsibility of the City. Mr. Rice stated that the City has generators and other equipment to assist in the case of an emergency or disaster. A discussion regarding emergency response equipment then ensued.

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Councilmember Duncan asked for information about the proposal to purchase additional vehicles for the City. Mr. Marshall stated he will cover that in the continued review of his presentation.

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Councilmember Lisonbee asked about the expenditures related to grants. She asked if the City will be transporting children in the new recreation bus. Mr. Rice stated that it will be used for any recreation program. Councilmember Lisonbee inquired as to the long term expenditures and liabilities associated with that purchase. Mayor Nagle stated that the City already has a bus and this bus will replace it and the old one will be sold; it will not require any additional staffing or outlay. Councilmember Lisonbee stated that her understanding is that the bus currently owned by the City is very rarely used because it can only be used for the senior program, but if the City has a bus that can be used for all programs it will be used much more frequently and there will be more costs associated with that. Mr. Rice stated that the City charges the participants for the trips, which helps to cover some of those costs.

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Mr. Marshall then continued reviewing his presentation and responded to some of the comments and questions raised by the Council. The Council continued the discussion regarding how to use the fund balance.

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Public Works Director Whiteley then reviewed his presentation regarding the prioritization of road and water projects throughout the City. This led to a discussion of the projects among the Council and staff.

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Mayor Nagle thanked the staff for their work on this presentation as well as the budget.

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#### Discussion regarding Community Development Areas (CDAs)

A memo from City Attorney Carlson explained after the Syracuse Redevelopment Agency and Syracuse City Council approved the Economic Development Project Area Plan for the area east of Syracuse High School, Councilmember Lisonbee asked the City Attorney to research whether the city could unilaterally create a Community Development Project Area Plan (CDA Plan) for at least part of that same area. This memorandum is the answer to that request. The City Attorney's conclusions are 1- The City has the power, in concert with the Syracuse Redevelopment Agency, to create a CDA plan without the participation of any other taxing entities, and 2- The current ambiguity regarding development in the area, the lack of funding for unilateral plans, and the high likelihood of a need to amend the plan later lead the City Attorney to recommend against proceeding with a CDA plan at this time. The Syracuse Redevelopment Agency was created under an earlier version of State code which has since been replaced. While a CDA plan can include as much additional information as the Agency deems necessary or advisable, there are eleven elements which the CDA plan must include:

1. A description of the boundaries of the project area;
2. A general statement of the land uses, layout of principal streets, population densities, and building intensities of the project area and how they will be affected by the community development;
3. The standards that will guide the community development;
4. A demonstration of how the purposes of a CDA will be attained by the community development;
5. Indication of consistency with the general plan and show that the community development will conform to the community's general plan;
6. A description of any specific project or projects that are the object of the proposed community development;
7. Identification of how private developers will be selected to undertake the community development and identification of each private developer currently involved in the community development process;
8. The reasons for the selection of the project area;
9. A description of the physical, social, and economic conditions existing in the project area;
10. A description of any tax incentives offered private entities for facilities located in the project area; and
11. An analysis of the anticipated public benefit to be derived from the community development, including the beneficial influences upon the tax base of the community and the associated business and economic activity likely to be stimulated. UCA §17C-4-103

The process for approving a CDA plan is outlined by state code. Before taking any action, the Agency must adopt a resolution that authorizes the preparation of a draft CDA plan. UCA §17C-4-101. At that point, the draft CDA plan is created and the Agency conducts any examination, investigation, and negotiation that the agency considers appropriate. §17C-4-102. The CDA plan must then be made available to the public. A public hearing must be held next, after which the Agency can revise, reject, or approve the CDA plan. At that point, the CDA plan is presented to the City Council for adoption.

Plans are funded by an agency based on the project area budget. The agency usually obtains the funding for the project area budget by collecting a tax increment. A "tax increment" is the difference between the amount of property tax revenues generated each year in the project area and the amount of property tax revenues that would be generated from that

same area if the plan had not been implemented. The tax increment only comes from taxes paid in the identified project area. Tax payers outside the project area do not subsidize the increment.

EDAs, URAs, and RDAs created prior to 2006 are funded by the tax increment as approved by a Taxing Entity Committee (“TEC”) A TEC consists of representatives of:

1. The School District;
2. The County;
3. The City;
4. The State Board of Education; and
5. Special Districts.

As representatives of government agencies that each collect a portion of property taxes, these members of the TEC are empowered to commit their respective agencies to a specific amount or percentage of tax increment to dedicate to the Project Area Plan’s budget.

CDA plans are funded differently. Rather than form a committee to approve the tax increment, the Agency must come to an agreement with each independent taxing entity regarding how much, if anything, the entity is willing to dedicate to the CDA plan. This agreement can be memorialized through an interlocal agreement or a resolution. Utah Code §17C-4-201(2). This allows an Agency to create a CDA plan regardless of the cooperation of other taxing entities, but it also complicates funding of the plan.

According to the Davis County Economic Development Department, the first CDA Plan in Davis County was implemented in 2010. After implementing the plan, Davis County anticipated that many more could follow and so they created a guiding policy for county participation in CDAs. *See attached.* County participation is heavily weighted in favor of job creation. According to Davis County’s Marlin Eldred, “we want job creation centers. We are not wanting to incentivize housing or retail. As you look at the [guiding policy] you will notice the level of participation goes down as there is more housing and retail in a project area.”

Mr. Eldred indicated that the Davis School District “views it from a different perspective but the same premise. The school district views housing will equate to families that will bring kids that they have to provide an education for.... Retail isn’t a huge drain on them but job creation centers are no drain on the school district.” As a rule, the school district has also preferred shorter time frames for CDAs than the county.

Gauging the interest of the County and School District in any CDA plan is important because of the percentage of property tax that goes to those entities. Most paid property taxes do not go to the city, so even if the city were to dedicate 100% of a tax increment to a CDA plan, the value of that increment without any other taxing entity would be minimal.

City Council interest in creating a CDA plan has focused on the area east of Syracuse High School. Some concern was expressed by the Council that approving an EDA plan without also creating a CDA plan might give developers the wrong impression about what kinds of development Syracuse is inclined to approve in that area. In spite of this concern, state code is quite clear that neither an EDA plan nor a CDA plan constitute a land use ordinance for an area:

“An ordinance or resolution adopted under [The Community Development and Renewal Agencies Act] is not a land use ordinance...” Utah Code §17C-1-104(2).

The current EDA plan only addresses and budgets for the area east of the power lines. Any amendments that address development west of the power lines would have to be approved by both the Agency and every affected taxing entity. Utah Code §17C-3-109(3). Concerns that the approved EDA plan dictates terms of development west of the power lines are unfounded. Developers interested in the area must look to the General Plan and the city’s land use ordinances.

The land area between Syracuse High and the power lines have been addressed by the General Plan. Current city planning, zoning, development, and subdivision ordinances also govern the area.

While the city could quickly create a description of the boundaries of the project area, the other state requirements for a CDA plan require information that the city currently lacks. For example, the CDA plan must include a description of the specific project or projects that are the object of the proposed community development, but right now there are no specific projects being proposed, nor a clear object of the possible CDA plan, short of enforcing the General Plan. Without a clear objective and specific projects in support of that objective, the city will have great difficulty identifying a necessary budget and will be unlikely to convince other taxing entities to contribute tax increment to that budget.

As specific projects are proposed for a geographic area, the City will be in an ideal position to evaluate whether those projects provide a public benefit sufficient to justify diverting property tax dollars from the area back into those projects. If the answer is yes, a CDA is one tool that can be used to incentivize that development. In the absence of any proposed projects, the General Plan and land use ordinances are more effective tools for communicating city expectations to developers. If the city creates a plan now, it is highly likely that it will need to be amended when specific projects are introduced. Such Amendments would require the city to restart the approval process. Utah Code §17C-4-108

Mr. Carlson's memo concluded by noting he was asked whether the City could unilaterally create a CDA Plan for the area east of Syracuse High School. The City Attorney's conclusions are 1- The City has the power, in concert with the Syracuse Redevelopment Agency, to create a CDA plan without the participation of any other taxing entities, but 2- The current ambiguity regarding development in the area, the lack of funding for unilateral plans, and the high likelihood of a need to amend the plan later lead the City Attorney to recommend against proceeding with a CDA plan at this time.

[8:00:23 PM](#)

Mr. Carlson summarized his staff memo.

[8:04:46 PM](#)

Councilmember Duncan asked if the requirements of a CDA are similar to those for an Economic Development Area (EDA) plan. Mr. Carlson stated there are some overlapping requirements. He stated the EDA project budget plan is similar. Councilmember Johnson stated he thinks the recommendation to wait is a good one; he would rather focus on the General Plan for that area first. He stated he does not want to see industrial development in the area and so he does not want to incentivize that kind of development, but he would be happy to incentivize office or commercial space. Councilmember Duncan stated that EDA's cannot be used to incentivize commercial development. Councilmember Johnson agreed and stated that the CDA could be overlaid with the EDA. Mr. Rice stated the problem is that there is such a small amount of money to incentivize because the entity only gets 13 percent of the property tax; the pool of money is very small. Councilmember Johnson stated that an EDA can be used to incentivize job growth through office space development in a business park. He stated that is what he would recommend. Mayor Nagle stated that the City cannot direct the landowner to do certain things with their property. Councilmember Johnson stated the Council can direct the staff to have conversations with the landowners. He reiterated he does not want to incentivize industrial growth west of the power lines. Councilmember Duncan stated that he wants a CDA in the area, but he does not think it is practical to do that. Mr. Carlson agreed that it is not practical to do it right now. Councilmember Duncan stated that the City is currently at an impasse with Ninigret and everyone's ideas need to be considered to determine how the land should be used. Mayor Nagle stated that it sounds like the idea of a CDA should be put on hold until the property owner approaches the City to reopen that discussion. Mr. Carlson stated that the zoning laws and general plan are land use ordinances and they tell the developer what they cannot do. He stated that CDA's and EDA's are used as tools to entice certain growth on property. Councilmember Johnson agreed and reiterated that he wants to continue to work on the general plan. Councilmember Peterson agreed that the idea of a CDA should be put on hold.

[8:09:56 PM](#)

Review of proposed rewrite of Title Seven of the Syracuse City Code – Health and Fire.

The recent Council discussion regarding fireworks restrictions brought to the attention of staff some issues with the current version of Title Seven of the City Code, which deals with Health and Fire. As a result, Fire Chief Froerer and City Attorney Carlson began working on a draft rewrite of this Title to address those issues. A redlined version of the document was included in the Council packet as well as a clean version. The Council accepted this document for a first reading during the September 11 meeting. After further discussion, the Council can give staff direction to set a public hearing for October 9 to consider adoption of a final version of the Title.

[8:10:07 PM](#)

Mr. Carlson reviewed the staff memo as well as provided a brief summary of the discussions that have taken place to date regarding this issue. The Council reviewed the document; discussion ensued and the Council made recommendations for changes to the document. Input and responses were provided by Chief Froerer, Mr. Rice, and Mr. Carlson. After review, the Council concluded it would be appropriate to set a public hearing for October 9 to consider final adoption of document.

[9:20:25 PM](#)

Council business.

Mr. Rice asked if the Council is comfortable scheduling a public hearing to consider the budget opening on October 9. Mayor Nagle asked if staff can get the benchmark data to the Council as soon as possible before the meeting. Mr. Rice stated it can be provided by the end of the week. Councilmember Duncan stated that is important information for the Council to have. Mayor Nagle encouraged the Council to contact staff prior to the meeting if they have questions; this will help to increase the efficiency of meetings.

[9:21:42 PM](#)

COUNCILMEMBER PETERSON MADE A MOTION TO ADJOURN INTO CLOSED EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF SECTION 52-4-205 OF THE OPEN AND PUBLIC MEETINGS LAW FOR THE PURPOSE OF DISCUSSING THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL. COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR. Councilmember Shingleton was not present when this vote was taken.

The meeting adjourned into closed session at [9:21:59 PM](#) p.m.

The meeting reconvened at 9:39 p.m.

The meeting adjourned at 9:40 p.m.

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Jamie Nagle  
Mayor

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Cassie Z. Brown, CMC  
City Recorder

Date approved: April 9, 2013