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MINUTES

August 24, 2022

OAKLEY CITY COUNCIL MEETING PUBLIC HEARING FOR TRUTH IN TAXATION AND FY 2023 FINAL BUDGET 7:00 PM

PUBLIC HEARING FOR DISPOSAL OF CITY PROPERTY Oakley City Hall

Anchor Location: 960 West Center Street, Oakley UT

In Attendance:

City Administration: Mayor Zane Woolstenhulme, Councilmembers: Joe Frazier, Kelly Kimber, Dave Neff, Tom Smart, Steve Wilmoth; Planning Commissioners: Cliff Goldthorpe, Doug Evans, Richard Bliss, Jan Manning, and Lane Livingston.

City Staff: City Recorder, Amy Rydalch; City Planner, Stephanie Woolstenhulme,

Others in Attendance: (Please see the attached attendance registry)

1. Mayor Woolstenhulme welcomed everyone to the hearings and asked Councilmember Frazier to lead the Pledge of Allegiance and Councilmember Kimber offered the invocation.

2. Public Hearing for Proposed 2022 Tax Increase and FY 2023 FY Final Budget
Mayor Woolstenhulme expressed his pleasure at the attendance for the hearings as important decisions need to be made and this is an opportunity to share information and understanding. He then presented the PowerPoint presentation that was shared at the June 22nd City Council meeting in preparation of the 2023 fiscal year budget. He explained that this hearing is required because of the proposed property tax increase. He then summarized the purposes of local government, basic needs (infrastructure), a sense of community, and local control and explained that Oakley City has not gone through Truth in Taxation for quite some time if ever. He then explained the inverse relationship between the property tax rate and property values and how the objective is usually to keep tax revenues constant despite fluctuating property

values. If an entity wants to collect more property tax revenue the entity must go through the Truth in Taxation process. A summary of Oakley City's historical taxable value along with their respective certified tax rate was presented. The City is proposing to keep the rate the same 0.001 and capture the increase in taxable values to generate additional monies for a total of expected tax revenues \$382,782. The City is proposing to capture the monies pledged toward the expired 1996 Water bond and make double payments on the new USDA well financing with a goal to pay it off in 20 years as opposed to 40. This leaves an additional \$30,000 available for further infrastructure needs i.e., bridges, roads, water/sewer lines. Council has also discussed using the additional \$30,000 toward a dedicated public safety officer. Mayor Woolstenhulme then described the impact to the average home-owner in Oakley City. Annual impact on an average home valued at \$761K is \$148. He discussed relief programs for those that need assistance and for those that want to appeal the value of their home.

Mayor Woolstenhulme opened the Public Hearing for Public Comment:

Alyssa Woolstenhulme, 4210 N Meadow Lane: Stated that her understanding was that the increased tax revenue was to be used for debt and for a public safety officer. She asked if those funds were used for the public safety officer could that officer enforce city code as well.

Lori Hoggan, 4549 N State Road 32: Understands the property tax increase but is frustrated that the website is not up to date with the City minutes. It is a compliance issue and the minutes need to be posted for purposes of transparency.

Bob Elbert, 527 E Weber Canyon Road: Wants to know what happens if the well is not completed. Where will the additional property tax money go. **Mayor Woolstenhulme** stated that the City is making every effort to minimize the risk of problems in the development of the new well. Regardless of the success of the new well the City will need to find additional culinary sources of water for sustainability.

 Cami Fernandez, Boulderville Rd: Has been in the City for approximately two years. Is concerned about the tax rate going up in the same year that property values have increased. Is also concerned about financing of the new well and why it is being pursued. Is it for new home growth? And if so why do existing homeowners have to pay for this additional development.

Blake Hansen, 5450 N Franson Lane: What is the need to make principal payments over 20 years vs. 40 years?

Blake Frazer, 4951 N 850 West: Is in favor of the property tax rate increase if it is needed which it appears is the case. But wants the public to understand that even though the tax rate is being proposed to stay the same at 0.001 it is an increase in the amount they will be paying because of the increased property values. Also wanted to know if the City considered a General Obligation bond as opposed to financing with USDA.

 Carla Wilmoth, 4317 N River Road: Is concerned that the City is asking residents for property tax increase to make a double payment on a loan when most people in the room aren't able to afford double payments on their own homes. Is this a reasonable burden to place on the residents who are here now but those that are here in 40 are not asked to share in that burden.

Chris Dillman, 35 East Oakridge Lane: With the increase in taxes not having happened for a long time is this increase going to recur more frequently or is this a one and done? Has the City looked at impact fees for infrastructure needs as opposed to a tax increase?

Mayor Woolstenhulme closed the Public Hearing. He then addressed several of the questions from the public hearing. The well is not just for new growth. The restrictions during the summer months for the last couple of years and the current moratorium on development are because the City is not able to meet the current summer watering needs and maintain adequate fire protection requirements. The well is for both current and future watering needs. The benefit of the infrastructure you enjoy now is because of the forethought of those that were here before. There is a cost savings by paying the debt off early but also the incentive is that the city has several infrastructure projects that need attention and that freeing up capital sooner for these projects assists the City in getting to these projects sooner. The Utah Taxpayers Association actually encourages entities to go through this process at least every five years so that entities can keep up with the inflation without overly burdening the taxpayer all at once. Impact fees are an excellent source to capture the effect of new development. The City is in the process of having a comprehensive analysis done of our fees and rates to make sure the City is capturing what it should in these revenues.

Mayor Woolstenhulme turned time over to the Council to speak to this issue before any proposed action.

Councilmember Smart pointed out that Oakley City has one of the lowest tax rates in the area.

Councilmember Neff stated that there has been thoughtful deliberation regarding the amount of increase that is being asked at this time. That because of the length of time Oakley has stayed at the same revenue level there are significant areas that need investment. He wanted to assure the public that the Council even though it's an unpleasant ask to increase their tax burden the Council is being prudent in their ask for the additional revenues.

Mayor Woolstenhulme addressed the issue regarding the minutes and acknowledges that the City is behind and is working on getting them up to date. However, he stated that all agendas for City Council meetings are posted and noticed accordingly and members of the public are encouraged to attend these meetings. He pointed out that when the budget was first presented to the Council in an open meeting in June there were approximately two members of the public in attendance. He encouraged the public to come to the Council meetings as this is the best way to stay informed.

(Combined Agenda Items 3 & 4 in same motion)

Councilmember Smart motioned to adopt the FY 2023 Final Budget and to set the certified tax rate at 0.001 as proposed. **Councilmember Neff** seconded the motion. **All voted in favor. Motion carried.**

5. Public Hearing for Disposal of City Property

Mayor Woolstenhulme addressed the subject of the public hearing by stating that this hearing is a state and city requirement. The City has not made any commitments to any party to sell any City property. There is interest in development of the City Center and the City is engaging conversations with a party. He then reiterated that there have been no commitments made on behalf of the City. Anything regarding the City Center development will involve the thorough vetting by the Planning Commission, Public Hearings, and City Council.

Mayor Woolstenhulme opened the public hearing:

Alyssa Woolstenhulme, 4210 North Meadow Lane: is opposed to the sale of City Center property and believes the City should retain control of said property. She is mostly concerned about the property to the South of City Hall. She does not want to see retail and cited Kamas City and the problems they have with retail not being successful. Would like to see Dutch's and Kens Kash stay. In favor of more public spaces with picnic tables and gathering spaces, no living space.

Jake Woolstenhulme, 4210 North Meadow Lane: is opposed to the sale of the City Center property. Wants it to be outdoor public spaces with walkways etc. In favor of saving it for the future.

Carla Wilmoth, 4317 N River Road: read written statement – please see attachment to minutes. (Went over 3 minute limit. Lori Hoggan ceded her time to Ms. Wilmoth for continuation.)

Larry Devey, Business Owner – Ken's Kash stated that Ken's Kash is at it's limit and is in need of expansion. (Speaking to the option of leasing or purchasing property) He Stated, as a business owner, it's difficult to justify significant investment into a new store if the property is not owned by the business owner? There is far fewer incentives to invest in building a new store if the underlying ground is tied to a lease. He asks the public to consider the reality of asking businesses to invest without ownership. He asked the public to give the City a chance.

Lane Livingston, Planning Commissioner, 5350 N Franson Lane: the real purpose of this meeting is the City's obligation to meet the due diligence requirement before disposing of City property. He addressed the public that it is their responsibility to seek out elected representatives and share their thoughts and opinions about selling the property. He feels strongly that there should not be any agreement to sell city property without a full development agreement in place that dictates what will be in every location. It must have a plan that the planning commission reviews and the public is pleased with.

 Lori Hoggan, 4549 N State Road 32: continued reading in the written statement by Carla Wilmoth. She
 then asked Council and the Mayor to listen to the Public before they proceeded with any sale of
 property.

Laura Davis, 4178 Millrace Road, not in favor of hotel or a shopping center, loves the idea of a pond.
 Likes the farmers market idea and a way to support our local people. Appreciates the small town nature of the City.

176 Craig Davis, 4178 Millrace Road, wants to improve what the City has but would like to maintain control177 of the land.

Pat Cone, 4410 Millrace Road, read in the City Code ordinance regarding the sale of property and stated that he did not believe the City had complied with their own code. Also referred to a conversation with Councilmember Tom Smart and represented that Councilmember Smart indicated that the City had an offer and was proceeding with the sale for appraised value. (Councilmember Smart disagreed with this portrayal of the conversation.) Pointed out the benefits of bringing in business and the sales tax revenue that comes from this type of development. Encouraged the City to look into the MAG program for technical assistance. Emphasized that the City has one shot and wants this done right.

Jan Perkins, 1190 West 4960 North: stated that she is not sure whether she is in favor of the sale or not because there have been no details presented to the public. She asked the Council to be more transparent and to not communicate in vagaries. She feels it is unfair to sell property with one hearing without knowing what the development plan is for the property. She asks the City to bring the plans into the light to build more public trust. Cautioned about gentrification.

Chris Dillman, 35 East Oakridge Lane: opposed to the sale of property without any development plan. Concerned about growth and infrastructure, what would a development here in City Center do to those systems. How does a development here benefit the citizens.

Peter Sorensen, 591 E Weber Canyon Road: wants the city to consider how difficult it will be in the future for Oakley to attain property for open space use. Once this property is gone that opportunity is gone also. Stated that City Center is also the most populated area of the town and will continue to become more so and this area could benefit from the open space. When commercial development comes in it opens the door for future business that is not always foreseen. Asks Council to keep in mind that many residents come here to avoid commercial enterprise.

Blake Frazier, 4951 North 850 West: stated that most of the folks that spoke here tonight have been here 10,15, 20 years. He stated he's been here close to 70 years and has roots that go back further. He stated that most of what was invested here in infrastructure was built to not only serve those that were here but those that came and are to come. Including those that have been here 10, 15, 20 years. He stated that if you want a city to survive, a city must have commercial business. Residential taxes will not pay for your roads, water, and sewer. He stated that the property needs to be sold. It needs to be

developed. He's heard several comments tonight about how this development is going to affect Oakley and then pointed out that he lives adjacent to City Center property and is directly affected by the development. Oakley City needs an improved store. The sales tax needs to stay here. The service station needs self service pumps. We need to upgrade the City. There is a Master Plan Development in place. The process is in place. Recommended that the Council get independent appraisals. Asked Council about why the facilities were no longer being rented under current policy and stated that it was a Council decision.

Blake Hansen, 5450 Franson Lane: is an advocate for development but cautioned Council. As a developer he stated that he always asks for control of the land because that is how he ensures development goes as desired. He stated it's very important to understand the development plan before the land is sold. It's important that the development is sustainable and serves the City. This takes place in the planning process. Hard to control once land has been sold.

Robert Jones, 5957 N Triple Crown Trail: agrees with sentiments expressed by Mr. Blake Hansen. Referred to the City's mission statement and mentioned transparency and asked for the Council to be more engaged with the Community.

Doug Evans, 5370 North New Lane: addressed the public as a representative of the Planning Commission. He stated that the planning commission is very unified. That the City does have a master plan for the City Center. It was done in 2008. The goal of the Planning Commission is to follow that plan and update it where needed. He assured the public that there is no formal application currently with the City. The mixed-use zone allows the City to work out a development plan with the developer that is completely at the City's discretion. It requires several public hearings and allows the city to reject or approve what is being proposed. Development of property in this mixed-use zone regardless of land ownership requires this master plan development process that involves the public.

Kerbee Atkinson, 4451 N River Road: addressed her comments to the South portion of the City Center property. Is concerned that retail will not work in this area. She expressed her nostalgia for the area and prefers community space and is willing to volunteer time to create that space. If development begins when does it end? The small town disappears.

Jamie Knaphus, 914 W Center Street: spoke to the public desire to have these community spaces but asked the public how these amenities were going to be paid for, particularly if they are opposed to taxes being raised. She is building a home adjacent to the City property and is probably one of the most affected. She has no issue with small boutique businesses coming in and the increased tax revenue to pay for some of these amenities that have been proposed this evening.

Sam Aplanalp, 4230 North Meadow Lane: thanked the officials for their service. He appreciates the comments made tonight. He is not opposed to the sale of the property but wants to make sure that the city not just satisfy the minimum requirements but take extra care to go above what is required to involve the public. He agrees with comments by **Ms. Knapphis** and recognizes the realities of the cost

for community spaces. He is concerned about open spaces becoming large weed patches. Believes that a good development plan does ensure control and that the private sector does a better job when it comes time to develop this land. Concerned about the appraisals, are they looking at density or vacant ground. This will change the valuation based upon how the ground is viewed. Wants to know what the proceeds from the sale of the property would be applied to.

Heather Massa, 4532 North State Road 32: asked how Oakley can reconcile the City mission statement with the sale of the ground. Can we accommodate both? Encourages the Council to do more due diligence and push back the timeline to allow for more vetting.

Mayor Woolstenhulme closed the public hearing.

Mayor Woolstenhulme reiterated that the Council will not be taking any action on this item tonight. It fulfills a legal requirement to allow for further conversations. Any sale of ground will not be done without a thoroughly vetted development agreement that has been through Planning Commission, and additional public hearings before it comes to City Council for action. There is no intention of selling out the City. Thanked the public for the sentiments. Expressed his opinion that he as the Mayor and on behalf of the Council do intend on doing what they believe is in the best interest of the City.

6. Consent Calendar:

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- a. Extension of Farmer's Market Dates 2nd and 4th weekends in September 2022
- b. Invoice Register
- c. Interlocal Agreement with Summit County for Emergency Manager Kathryn McMullin

Councilmember Frazer motioned to approve the Consent Calendar. Councilmember Wilmoth seconded the motion. All voted in favor. Motion carried.

7. Meeting was Adjourned.

Approval is to form this

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Zane Woolstenhulme, Mayor