



**BLUFFDALE CITY COUNCIL
SPECIAL MEETING AGENDA
Wednesday, March 13, 2019**

Notice is hereby given that the Bluffdale City Council will hold a special meeting Wednesday, March 13, 2019, at the Bluffdale City Hall, 2222 West 14400 South, Bluffdale, Utah, scheduled to begin promptly at **4:30 p.m.** or as soon thereafter as possible. Notice is further given that access to this meeting by the Mayor and or City Council may be by electronic means via telephonic conference call.

BLUFFDALE CITY COUNCIL SPECIAL BUSINESS MEETING 4:30 P.M.

1. Roll Call
2. WORK SESSION - Economic Development
3. Adjournment

Dated: March 8, 2019

I HEREBY CERTIFY THAT THE FOREGOING NOTICE AND AGENDA WAS FAXED TO THE SOUTH VALLEY JOURNAL, THE SALT LAKE TRIBUNE, AND THE DESERET MORNING NEWS; POSTED AT THE BLUFFDALE CITY HALL, EMAILED OR DELIVERED TO EACH MEMBER OF THE BLUFFDALE CITY COUNCIL; ON THE CITY'S WEBSITE AT WWW.BLUFFDALE.COM AND ON THE PUBLIC MEETING NOTICE WEBSITE, WWW.PMN.UTAH.GOV

**Wendy L. Deppe, CMC
City Recorder**

In compliance with the American with Disabilities Act, individuals needing assistance or other services or accommodation for this meeting should contact Bluffdale City Hall at least 24 hours in advance of this meeting at 801-254-2200. TTY 7-1-1.



Economic Development Committee of the City Council

March 13, 2019, 4:30 PM

AGENDA

1. Welcome and Dinner
2. Facilitated Discussion with Regional Commercial Brokers and Zion's Public Finance
3. Other Topics and Future Agenda Items
4. Next Meeting: April 10, 2019 @ 4:30 PM

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Present: Mayor Derk Timothy
Wendy Aston
Dave Kallas
Boyd Preece

Staff: Mark Reid, City Manager
Grant Crowell, City Planner/Economic Development Director
Bruce Kartchner, Administrative Services Director
Caitlyn Miller, Senior City Planner
Vaughn Pickell, City Attorney
Matt Montgomery, City Intern
Jennifer Robison, Senior City Planner
Gina Miller, Deputy City Recorder

Others: Amanda Lawson, Cushman & Wakefield
Dana Baird, Cushman & Wakefield
Jonathan Owens, Newmark Grubb
Benj Becker, Zions Bank
Tom Freeman

Excused: Travis Higby
Ty Nielsen

BLUFFDALE CITY COUNCIL SPECIAL BUSINESS MEETING

Mayor Derk Timothy called the meeting to order at 4:44 p.m.

1. Roll Call.

All Members of the Bluffdale City Council were present with the exception of Ty Nielsen and Travis Higby, who were excused.

2. WORK SESSION – Economic Development.

City Planner and Economic Development Director, Grant Crowell, reported that the group meets monthly as a sub-committee of the City Council to focus on Economic Development. The City is currently contracted with Zions Bank to do economic planning, data work, and land use planning. The intent tonight was to facilitate discussion with players in the brokerage community about how Bluffdale fits in the region.

Mayor Timothy explained that half of Bluffdale is well developed with there being room for growth and development in the other half. There are areas that need short-term planning and other areas, such as the gravel pits, that could benefit from long-term planning. The gravel pit areas have the potential to accommodate fairly tall buildings. Mayor Timothy mentioned that the City is trying to get the new interchange in Bluffdale.

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City Manager, Mark Reid, identified the major points of interest in Bluffdale such as Redwood Road and the FrontRunner location. He also described the plans for Porter Rockwell Boulevard when the prison relocates. He identified where the interchange will ideally be located. The hope was to construct a road running north and south along the freeway for easier access to the gravel pit areas.

Jonathan Owens asked if most of Bluffdale's population is located east of Redwood Road. Mr. Reid confirmed that the ratio is approximately 50% on each side.

Mr. Owens asked where residents currently shop for groceries in the City. Mr. Reid identified each grocery store location. Mr. Crowell identified where the majority of sales tax revenue is generated.

Mr. Crowell displayed the map of the possible interchange plans and explained they would like to utilize the interchange to support growth in the area. Wendy Aston responded to a question about how the public has responded to the interchange plan. She stated that there are residents who would like to see Bluffdale remain more rural but she explained that certain areas will include higher density while others will consist of larger plats. It was noted that the residents are on board with the plans.

Mr. Crowell stated that a hearing was recently held about zoning for commercial plats in the area. Most residents were more interested in it becoming something other than concrete and sand producing. The neighbors were expecting some type of commercial conversion. Mayor Timothy commented that the primary message from Independence to the City was that they want a place to shop in Bluffdale. He reported that as part of a new project, the citizens demanded that retail be included. He stressed that there is support on the east side of Redwood Road for commercial/retail. Word has been getting out that something needs to be done.

Jonathan Owens asked Mayor Timothy to address the status of the Woodbury development at the corner of Redwood Road and Bangerter Highway. Mayor Timothy stated that the area is referred to as the Gateway and he is in frequent contact with Taylor Woodbury. It has been an ongoing process where over the past eight years Smith's has come and gone twice. Recently, the road was realigned from Market View to 14000 South since UDOT wanted the roads to be aligned to accommodate the light. In addition, the road was improved through the Gateway. Woodbury wants to secure an anchor before they were willing to develop the pads; however, the Mayor felt they were warming up to the idea of developing some of the pads in an effort to attract retailers to their site.

Mr. Reid indicated that representatives from Woodbury were in the City offices earlier in the week and were looking to plat the area. They have eight sites for which they were seeking tenants. Mr. Crowell reported that they have been doing a lot of utility work and hoped to move forward with 7,000 square feet of retail soon but continue to look for an anchor. Mr. Reid stated that there is also an opportunity near the new Maverik where there is available frontage. Staff was currently working with UDOT to get it surplussed. The two properties north of Maverik are under private ownership and are being marketed. The eight properties to the north were the parcels the City was looking to have surplussed.

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Mr. Reid reported that the City has committed to building a road that will connect. There were objections to the Maverik because of traffic concerns. Since the City had committed to the road there have been fewer objections raised.

Mr. Owens asked what the residents want to see there. Mr. Reid stated that all want a grocery store there. He also noted that a credit union was slated for one of the two pad sites, which will be the first financial institution in the City. Mayor Timothy recalled that a lumber/hardware store considered relocating to the area near the new Maverik but ultimately decided against it, which was disappointing to residents.

Mr. Owens observed that access is limited in the area. Mayor Timothy explained that the back entrance to Maverik is actually the new road that will eventually connect to the frontage road. As properties develop, the road will continue. On the UDOT parcel, the City received a commitment from UDOT to donate the land if Bluffdale builds the road. Mr. Reid stated that UDOT is in the process of conducting an appraisal for the property to be surplussed.

Mr. Owens explained that components retailers are looking for include visibility, access, and residential density. He commented that Bluffdale's reputation is one-acre lots and lack of density. He asked what Bluffdale could show potential retailers they are doing to increase density in the area. Mayor Timothy stated that density has already been increased. East of Redwood Road they are continuing to increase in population. Mr. Reid explained that 500 apartments have been approved in Independence, 250 are under construction, and 168 units have been completed. There are 550 very high-density units mostly consisting of townhomes with 20 acres of park area. In another area near Redwood Road, 330 more units were approved consisting mostly of townhomes.

Mr. Owens asked how residents in Independence access the Gateway area. Mr. Reid explained that Porter Rockwell will be in place in approximately two years. Another option was to take 14600 South, which is in the process of being improved.

Dave Kallas commented that in Salt Lake City there are numerous neighborhoods that offer a variety of lifestyles and attract specific types of residents. He supported something similar in Bluffdale. Older areas of Bluffdale attract those who may like to ride horses while Independence is more high density.

In response to a question raised, Mr. Owens stressed the importance of traffic volumes for retailers. He referred to the Mountain View Corridor, which was considered by retailers because of the traffic potential. Mr. Reid identified corridors that will bring traffic circulation through the City.

Amanda Lawson displayed a map showing possible development within the State of Utah. She stated that development is coming because of the City's location between Utah and Salt Lake Counties. She suggested the City get ahead of the growth and establish good traffic pattern plans before growth arrives. Technology companies do not want to be in Lehi because the traffic patterns are not ideal. As a result, they are locating in areas along I-15. Ms. Lawson stated that office tenants consider density and parking when looking for new locations. In terms of parking, they desire over four stalls per 1,000 square feet.

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Ms. Lawson stated that FrontRunner sites will be critical to development. Boyd Preece stated that in his office building the parking lot is only half full most of the time. He questioned why parking is such a priority if proximity to transportation is a priority as well. Ms. Lawson felt this may change in the future but presently parking is a huge priority. She commented that the reality is that the tenant's brokers will not give the City credit for the TOD site.

Ms. Lawson addressed the high cost of UTA passes. She commented that employers frequently approach UTA to get discount passes for their employees. A recent change in UTA's services provides a discount for employees. Employers want flexibility and the ability to park employees. Ms. Lawson stated that if parking lots become obsolete or less used, developers could ultimately build other buildings on the property.

Mr. Reid reported that UTA purchased 40 acres of vacant land in Bluffdale. On Porter Rockwell Boulevard the City offered to do a TOD with UTA but they would not consider it. Ms. Lawson expected that to change going forward in anticipation of changes in the area. Mr. Reid stated that the City is working to improve transportation in the area.

Mr. Crowell asked what the office tenants think about having housing nearby office uses and if it is something they look for. Ms. Lawson explained that office tenants want housing in close proximity.

A question was raised with respect to what Bluffdale is doing differently to attract retailers that Sandy or Lehi cannot. Ms. Lawson stated that it is necessary to help a tenant visualize themselves in a space and doing so requires drawings. Another draw for tenants is proximity to dining, fitness facilities, and access to nature. Tenants want to be seen from the freeway and have easy access. Ms. Lawson noted that there has been a significant increase in tenant improvements. Historically the cost was \$40 to \$45 per square foot to build out a space from scratch. That number had since increased to \$70 to \$80 per square foot. There is a trend among tenants who are willing to pay a higher price but have the City cover the tenant improvements.

Tom Freeman addressed industrial space and stated that it no longer includes smokestacks and steel mills but more modern warehouses that can house call centers. Access is one of the largest drivers so ingress/egress to major arterials is important. The largest driver in the industrial sector is labor, which is directly associated with density. He was interested in seeing the City's Master Plan and stated that Bluffdale offers a great deal because of its location. He noted that Utah truly is the crossroads to the west with I-80 and I-15. Fast shipping times from large retailers is also very important to consumers. Mr. Freeman further explained that industrial space fulfills office and retail needs in addition to warehouses.

A question was raised about the importance of density for industrial space with automation becoming more common. Mr. Freeman explained that Amazon has a 900,000 square foot plate with 2.5 million feet beneath it. One-half of the building is a three-level mezzanine that is robotics. The other half employs about 1,800 people and at maximum capacity will employ 3,000. Mr. Freeman reported that the largest privately held automotive manufacturer in China recently purchased a \$200 million race track in Tooele. Their focus is research and development. He explained that Bluffdale has an

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opportunity to embrace industrial development in ways that will help grow the City and support the population.

Mr. Reid pointed to a large parcel that is available for industrial development near the proposed interchange. Mr. Freeman stated that ease of access and population density is very important to any industrial user. Mr. Reid reported that there is an employer in the City who will have up to 2,000 employees near Camp Williams. He noted that the National Guard is moving from Draper to Bluffdale. This will bring a greater demand for dining options. The 25-acre space is currently under construction.

Mr. Freeman explained that traffic in the Salt Lake Valley adds an additional one hour of driving time to truck routes so alternatives such as Bangerter Highway will be very important. Mr. Reid explained that Porter Rockwell Boulevard will eventually be a seven-lane road.

Mayor Timothy wrote a recent article that appeared in *The Bluffdale Times* describing the need for density to attract uses that are desired in the City. The article also proposed that the Citizens Committee conduct research and help City residents understand the importance of zoning. Response to the article was minimal beyond those involved with the Citizens Committee.

A question was raised about what high density means to potential tenants. Mr. Owens explained that in some areas it means 75 to 85 units per acre. In a suburban area such as Bluffdale, 50 units per acre is considered high density. To attract more development in the City, 50 units per acre would be a good number to consider. Mr. Owens explained that Lehi added extreme high-density areas along the mountainside to attract retail and office uses.

Mr. Kartchner was concerned that the brokers were not aware that Porter Rockwell Boulevard would be such an effective way of moving traffic. He asked how they can ensure that information gets out. Ms. Lawson stated that *Utah Business Magazine* is key to their profession so asking the Citizens Committee to highlight Bluffdale in the magazine would help. She also suggested marketing.

Mr. Owens stated that industry events such as CCIN and ICSC are important. It is also important to get this information in front of brokers because they will provide information to their clients. He noted that 2100 North has been in existence for some time but it took a while for it to be used effectively. It also took time for the Mountain View Corridor to gain attention.

Tom Freeman stated that every month their industrial group takes clients on tours of areas where things are happening. He also stressed the importance of the City getting involved in the real estate community. Messaging was determined to be an important component. Ms. Lawson offered to connect the City with potential tenants and brokers.

3. Adjournment.

The City Council Special Meeting adjourned at 6:00 p.m.

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Gina Miller

Gina Miller
Deputy City Recorder:

Approved: April 10, 2019

