

## PLANNING COMMISSION MINUTES

February 19, 1991

Present: Chairman Cheryl Okubo, Kathi Izatt, Berwyn Andrus, Mick Johnson, Mike Holmes, Dick Dresher, Elaine McKay, Jeffrey Chretien; Les Foy, City Council Rep.; Jack Balling, City Engineer; Jon Reed Boothe, Planning Director; Tom Hardy, City Engineer

Invocation: Berwyn Andrus

Minutes of February 5, 1991 were unanimously approved with modifications: In the January 15th minutes, an additional addendum should be mentioned: Les Foy proposed that the City and any developer ensure the historical preservation of the pioneer home located on the NE corner of 100 West and 200 South intersection. Also, "as attached" should be added to the sentence in reference to Dick Dresher's letter being an addendum to the minutes of February 5th.

Commercial Applications:

2-19-91.10A Winegar's Supermarket, 845 N. 400 E., Final Site Plan Approval

Cancelled.

2-19-91.11A Discussion with City Manager re Block 29.

Mr. Hardy stated he was quite concerned when he received Dick Dresher's letter (See minutes of February 5, 1991), in that he was unaware that there was a feeling with Dick personally or with the Planning Commission in general that the downtown project as proposed was not something that would be looked upon favorably by the Planning Commission or as individual members. Mr. Hardy stated he was here tonight to address the concerns of the Planning Commission and to work with those concerns.

These projects are the hardest to do for several reasons: 1. The multiplicity of land owners; 2. The property is usually developed in some form which usually increases the price, and this is another disadvantage; 3. The demographics of how we do business, i.e., the citizens of Bountiful and the citizens of the United States, from a retail standpoint, has changed markedly. Seventy percent of the citizens of Bountiful work elsewhere, and we cannot force our citizens to shop in Bountiful. People want to shop where there is price, convenience, quality, and service, which tends to work against downtowns.

The Shopko project was an easy project to put together as was the Albertson project. The City had very little involvement in both. Most of the property was purchased privately, no city funds were involved, the developer was able to meet all of his parking and landscaping requirements, and the tenants were well capitalized and able to move right in. However, we have not been that successful downtown. There is no assurance that this project will be put together. It is very dependent upon the concurrence of one major property owner who has not yet consented to sell. If an agreement is reached, tenants have to be found and financial backing secured.

In response to Mr. Hardy's letter dated February 8, 1991, addressed to Dick Dresher, Dick stated his biggest concern is: 1. It seems as though the comment that the whole goal of downtown is to make it into a retail area regardless of what it is, seems as though there is not a whole lot of concern for downtown Bountiful as downtown proper area. It is very limited now. It is getting smaller all the time, but Bountiful has always had a downtown and is something Dick feels is important. Whether a project is financed or not doesn't necessarily mean if it could be financed, it is the thing that ought to be there, or that something should be changed just to accommodate it.

The area between 1st No. and 2nd So. streets seems to be the only downtown that is left, and putting a retail shopping center in that area wipes out one-half of what is left of downtown Bountiful.

The City spent a lot of money renovating the street downtown. There is a three block area that has planter boxes and light poles. It still has a downtown feel and that ought to be worked on and developed, versus just the retail element. Dick said he would not want to see Main Street turned into a 5th So., 5th W., or 2nd W. retail strip corridor. He sees no problem with developing the downtown area, but not strip center development which he feels is wrong for downtown.

Dick mentioned his comments in his letter to Mr. Hardy were his own personal feelings and not intended to reflect the feeling of the entire Planning Commission.

Mr. Foy stated that in the Economic Development Study (Charettes), the number one recommendation was retail development, e.g., a major impact retail development with a minimum of 50,000 sq. ft. The second highest recommendation was to do more with the University of Utah.

Mr. Hardy said this group was composed of over 40 leading citizens from the private sector, accounting, engineering, architecture, business, school, government, who said they wanted it.

Kathi Izatt, who attended the Charettes meetings, stated that from the beginning, once that study was published when they were finished with the Charettes, she was shocked and chagrined that the result was those recommendations. After progressing through the Charettes, she did not come up with the conclusions that Sumerhays and his crew did. In recalling the last meeting that was held, things were being wiped off the board very quickly because they were ideas that we had never dreamt of, let alone expressed verbally. She said they didn't get a chance after it was published to go back and refine the written document. The finished product came directly from the consultant's office.

Kathi said that they did talk about wanting to have large scale development, and they specifically discussed ZCMI. Subsequent to the end of the Charettes, it has become obvious that, that kind of business cannot be generated here that specific type. She understands that what Dick Dresher is trying to say is he doesn't like that in the first place. She is not convinced that the Charettes were saying that they wanted that big type of business as the only alternative for downtown. We were saying, "What do we want Bountiful to be? What is our focus in Bountiful?" We

never came up with an answer to that very important question. That was not decided and Sumerhays didn't even come up with an answer for it in the report. She still thinks we are struggling with the answer to that question, and until someone in charge says this is what we want Bountiful to be, and the majority or all of the City Council, or the majority or all of the Planning Commission says this is the focus we want to have and we are going to follow through with it just as fast and furiously and determinedly as we can, then we are going to have this conflict. There are different interpretations from some of those who attended the same meetings.

Kathi further stated that she disagrees with the written form of that report because it did not accurately reflect what came out of the Charettes.

Tom asked what was the vision of the comprehensive plan for downtown; and, what is the vision as expressed in the implementing document - the zoning ordinance for downtown? Tom said he has studied all the reports of all the studies that have been made, and they all say the same thing - that downtown ought to be an important retail center and its need major retail and major infusion of parking because it is grossly inadequate in parking, and if we don't do that, then it will continue to deteriorate.

Cheryl Okubo feels that the character of downtown Bountiful is that it is slightly antiquated which was enhanced by the new lighting that was installed, and that there is a feel of times gone by that has been preserved, and that is the flavor we are looking for. In comparing the Bountiful area with the Foothill Village shopping area in Salt Lake City, it is not anywhere close in approximation to the sense of downtown Bountiful. There is a different approach to marketing than we need here, and it is the appearance itself that we are struggling with. It just doesn't look or feel like the Bountiful that we have been trying to work with over the years.

Dick Drescher said he had no objection to a 50,000 sq. ft. retail project for downtown as long as it doesn't look like a shopping center. The important thing is to not lose the downtown feel.

Cheryl mentioned downtown is a pedestrian area. To increase traffic is not an important thing to do for the sake of retail and the way it has been proposed to do it. People will go to the malls to shop the big stores, and developments like K-Mart and ShopKo, but what they want to find in Bountiful is something that is relaxed, comfortable, pedestrian, specialty type stores, and we may not accomplish that. It may be too costly to draw that kind of business here.

Les Foy said he disagreed with the pedestrian type theme. He feels most of the people in Bountiful do not live within walking distance. We are talking of all of Bountiful, not just those people that live within that two or three block radius. In talking with some of the downtown business people, they like the proposal because they are just barely hanging on. They are looking forward to something that will stimulate some business to them and the Bountiful area.

Cheryl feels people will want to walk in an area that offers them something unique, which is not another ZCMI type store.

Tom agrees with Dick in the sense that the reason downtown projects are so hard to do is that they are not the normal retail center anymore. You are trying to introduce something in here that does not come naturally, and that is what Redevelopment is all about - trying to make something that the marketplace is not going to make happen. It would be a lot simpler for us to have never gotten into downtown and to just let it go whatever it turned out to be. He agrees with it in a lot of ways no matter what we do, even if we put this project in, it is not going to be a major economic force in the overall scheme of things for Bountiful. When looking at where the sales tax comes from, one ShopKo or one Fred Meyer gets more sales tax than all of this. There is more sales tax from the Albertson's store that the City didn't put a thing into. We have spent 10 years trying to do something in Block 29 and it still hasn't happened. The sales tax is based not on profit margin but sales volume.

One of the questions asked early in the Charettes was: are Bountiful citizens willing to be strictly a residential community and pay higher taxes for the privilege of not having any congestion, any commercial, any big developments that create all sorts of urban problems that a development creates, be it traffic, garbage, crime, lighting or open late nights, etc., or, is it better to be a more laid back, sleepy, strictly residential type community that doesn't have the balance?

Tom: The downtown flavor is in the eye of the beholder. There are strip centers with the parking in the back, and this is a strip center with parking in the front. That's the issue.

Cheryl: Facing into neighborhoods you have a wall that people are going to be looking at where now they look at trees and open spaces.

Les: The trees, park strip, and sidewalk would remain.

Cheryl: What would be the difference of putting the front on the street and have it architecturally adapted to what Dick Drescher would feel comfortable with as a downtown Bountiful?

Tom: The objection and the difference is that these developers are telling you that to make this development, first of all, attractive to the people that would go into it - and second, financible because it's attractive to them, you need to have parking in the front so that you don't have double frontage stores.

Tom said he personally would rather see it front on Main Street and he would do it exactly as Dick suggests. He said he has worked with four different developers and all four had different concepts. Three of them haven't been financed, and there's a chance this one won't be financed.

Mick Johnson feels we ought to study what other cities have done who faced this same challenge to see if they were successful, and if not, what happened?

Cheryl said the main thing we are saying is you have to get the people there. Can you get them there with the same thing they can get anywhere else, or are you going to get them there with

unique-ness and availability of things they can't get anywhere else? Are you going to draw people for the value of being able to find things that just don't exist anywhere else, and if so, are they going to travel that far to get it? Do we have the kinds of businesses that we could put in and draw people for their uniqueness?

Tom asked if there were any Commission members who drive 20 or 30 miles to a specialty shop. Cheryl said she does, and Kathi said she drives 150 miles to go to a specialty shop in Idaho.

Les said other things were talked about such as a community center, working with the University of Utah, and there is still room in Bountiful to do all those things. If you do have a core area where people feel comfortable to shop, then you have created the Bountiful we are talking about.

Elaine McKay's questions: who are the tenants and how many tenants will you need, and will this be approved? The general consensus here is that we do want to develop downtown and attract people to shop there. People go places where they can be entertained, have places to eat, and where they can buy something they need. They want to find beauty and be comfortable when they walk downtown. She feels that this plan is unacceptable to the Planning Commission and that this is the point being made tonight.

Tom asked why, to which Elaine replied that it is basically ugly. She feels you don't face Main Street with parking lots and walls facing residential areas, particularly when there is the danger of the project not going and the City being stuck with it forever.

Tom replied that if you are looking for risk free development in these days and times, don't do anything downtown. There has not been any new buildings in downtown Bountiful in 30 years. Approximately 70% of the businesses downtown are not owner-occupied; they are landlord-tenant relationships. Most landlords are not interested in putting major money into the building. The Redevelopment Agency offers low interest loans to businesses for improvements; however, it is the owner-occupant and not the landlord-tenant people who are interested.

Kathi: We all want a success, but if the project goes up this way there's enough dissatisfaction on this Commission, that it is going to have a difficult time getting through. Mick's idea is a good one - we want to do more study by finding a city who attempted something similar that worked.

Tom wants to clarify what the word "work" means.

Kathi said in the city where a downtown project has been successful, and in her definition it means that it is occupied, and more than 50% of the people are satisfied with the way it works, that they have been able to generate a tax base, or if it's not a tax generating project, that it fulfills the purpose for which it was built.

Tom said that about a year and a half ago a survey was made, in conjunction with Utah State University, of a thousand people within the city of Bountiful. These people said they wanted more shops for clothes, more appliances, more furniture, and they were very specific about the things they wanted in Bountiful. Now we are trying to bring in what these people overwhelmingly told us they wanted us to bring in, and we are doing it in a place where the

Charette people told us they wanted to bring it into which is allowed by both the general plan and the zoning ordinance. What you are saying is, we like what you are trying to do but because we don't like the layout, we as a Planning Commission, while not unanimous, don't want it.

Berwyn Andrus mentioned, from the zoning ordinance, there are 8 acres in the project which comes under the zoning definition of a Neighborhood Shopping Center. There are some restrictions such as, the site shall be located with primary access onto an arterial collector street, which puts the primary access onto Main Street only. The Planning Commission has the right to request the review of their market studies to verify the feasibility of the potential success of the proposed center.

Cheryl, in summarizing: We agree there needs to be shopping in downtown Bountiful; we agree with the citizenry, we agree with the Charettes. We disagree with the plan that is proposed. Let's get the input from Bountiful residents to see what they think. They are the ones who will be supporting it.

Tom said the developers will not build if they are forced to build with double frontages and parking in the back. He shares the feelings and frustrations of the Planning Commission, but with what the general plan and the zoning ordinance says, the EDAW plan, the Charettes, he would do everything he could to get it adopted by the City Council. The reason the developers are not here tonight, is no one knows where this will go. The only reason they were brought in last month was to give the Planning Commission a sneak preview. They are flexible in architecture and materials, but they are not flexible with the general configuration of parking in front of the stores.

Dick Drescher feels that the decision and recommendation from the Planning Commission on this plan will likely be appealed to and approved by City Council. He is still concerned that the downtown ought to be looked at more seriously.

There is an option agreement with the developer and they are in their first of five three-month periods. The first 3 months, which began January 9, 1991, they have to prepare a plan showing the proposed site plan, parking and elevations. They have to obtain an architect or engineering report showing the estimate of costs. We do not have that at this time. They also have to do what is called a pro forma. They have to meet with all the property owners between Center Street and 2nd South, Main Street and 1st West, to see if they are interested in sale or other disposition.

After that, the City takes a look at what their pro forma says with regard to construction costs, rent, vacancy rates, return on investment, loan-to-value ratios, etc. The City determines what, if any, compensation will be paid to us for our land.

At the end of the first three months, if they don't get the land, or if it is too high, they don't do the project. If it looks like they can get the land and do the project, they proceed on to the second three month period. The City has the option of bailing out at the end of the period if they don't like the development plan.

The second 90 days, if they accomplish everything in the first period, we execute a binding option of purchase agreement for the property contingent upon their successfully purchasing all the other properties and obtaining financing for the project. They then start to receive staff approval from the governmental agencies for the proposed developments. That would be primarily the Redevelopment Agency and the City, which would include the Planning Commission and City Council. They would submit a preliminary site plan and a Conditional Use permit application. They would also prepare their marketing plans and brochures to enable retail tenants to make final decisions regarding the feasibility of the project.

If they are successful in doing that, in the 3rd three month period they have to obtain letters of intent from tenants to occupy no less than 50% of the critical space, which is every space but the freestanding specialty space (pads). They have to disclose a tenant list to the City and we have the right to independently contact that tenant list to determine if they are for real or just courtesy letters.

The fourth benchmark begins with final zoning and site plan approval, application for financing, execution of leases.

The fifth benchmark includes the closing of the loan, the purchase of the property, the completion of the architectural drawings or working drawings for building permits, commencement of construction. There is no RDA financing involved; the only contribution would be the property. It might be free or it might be at a fee dependent upon what the pro forma shows.

Mick Johnson said he would research the books to try and find a city that we can study as an example of a similar project. If there are several cities, then each Planning Commission member can call one.

Bountiful is a suburban community of an urban center within easy driving distance, the majority of our citizens work outside our community and commute, and we have millions of square feet of retail within 15 minutes drive. That's the challenge we are facing. Retail may not be possible downtown, except perhaps for this project, and if this is not what we want, one thing the Planning Commission could do is get together and decide as a group what you would like to see.

Meeting adjourned at 9:00 PM.