The City Council held a meeting on Wednesday, April 13, 2022, at 5:30 p.m. in the City Council Chambers, 10 North Main Street, Cedar City, Utah.

MEMBERS PRESENT: Mayor Garth O. Green; Councilmembers: Terri Hartley; Craig Isom; W. Tyler Melling; Ronald Riddle.

MEMBER EXCUSED: Scott Phillips.

STAFF PRESENT: City Manager Paul Bittmenn; City Recorder Renon Savage; Finance Director Jason Norris; City Engineer Jonathan Stathis; Police Chief Darin Adams; Economic Development Director Danny Stewart; Water Superintendent Robbie Mitchell; Wastewater Superintendent Eric Bonzo.

OTHERS PRESENT: Ryan Talbot, Ann Clark, Teri Kenney, Wendy Green, Laura Henderson, Kalub Spendlove, Steve Miller, Mindy Benson, Mark Mumford, Tom Jett, Alysha Lundgren, Dave Clarke, Carter Wilkey, Sandy Smith, Dallas Buckner, Matt Phillips, Kate Sorensen, Derek Morton.

CALL TO ORDER: Paul Bittmenn gave the invocation; the pledge was led by Jonathan Stathis.

AGENDA ORDER APPROVAL: Councilmember Isom moved to approve the agenda order; second by Councilmember Hartley; vote unanimous.

ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS: STAFF COMMENTS: Melling – a few weeks ago on social media the condition of the sidewalks along 600 South were posted. Scott and I were tagged in that. I forwarded it to staff and they were fixed and I was praised on social media, I want to give that praise to staff. Hartley – I want to congratulate GenPak, I see in the bills that they are getting paid their tax incentive, thank you Danny for your work, they have brought good paying jobs to our community in order to receive this incentive. Report from the Housing Committee: Melling – in January the Mayor appointed a housing committee. We met about 10 weeks looking at our ordinances, looking at surrounding communities, it went in a direction no one was expecting. I want to thank the mayor for putting it together, and Don for his work to help ensure the suggestions would fit in our existing framework. Kate Sorensen – when invited to participate I didn’t know what to expect and have been pleasantly surprised. It is clear the people care about the community. Housing is a hot topic everywhere. In Cedar City we identified a few groups. Attached Exhibit “A” was presented. Dallas Buckner, Go Civil – it was a pleasure to work on this committee. He continued with Exhibit “A”. Derek Moreton, Netgain Property Management. Continued with Exhibit “A”. Mindy Benson, Interim President of SUU. This was a committee of very different people coming together for the good of Cedar City. She continued with Exhibit “A”. We need to find a balance between building new and what we treasure in the older neighborhoods. Allowing people to live in our downtown area,
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this needs to happen in a slow process. Make more concentrated, more walkable, more livable and more affordable. We want incremental changes. The definition of form-based housing which is a tools cities use to get to the middle housing. Form based housing – looks at the size and scale of the building instead of the number of units which introduces more opportunities to redevelop older properties, keep existing structures and allow more people to live near walkable neighborhoods.

Melling – thank you all for helping us with this project. We didn’t make the code changes, looking at the building envelope option we have some specific language, but will have minor edits. When it comes to council, we will have notes to fine tune in the RDO and then go from there on form-based options. Hartley – is building envelope on percentage? Melling – it is the setbacks; the language has minimum square footage depending on the zone and minimum width of the envelope as well.

Mayor – it was fascinating to see this group work together with Melling, Derek Morton, Dallas, Mindy and Kate, it was fascinating every Friday morning. We covered a lot of ground, and everyone was so open and congenial and nice. Thanks to all for your participation on the community. It brought a new perspective to the community.

Melling – I don’t think the building language was noticed, so it will be to council the third week in May. I will have Don send you the language to look over.

Riddle – one question I have, we talk about it as an option. I wonder, I have relatives that do large and small development in Northern Utah. In our opinion, do we feel a developer will pick this up and go with it. a 10-acre parcel with 3 different styles of homes, has anyone said I will do that or no I wouldn’t do that. It is great if we say we do it. If you want expensive housing have the City do it, they are very expensive and they are owned by cities. It drives the price so high. Melling – that is a complete failure. The data is not indicating subsidy anymore, but more free market options because subsidy drives things up. Dallas – there is a wide array of developers, some go to higher density because of setbacks. With the option to generate more density is a benefit. A 4-B Ranch is 1 acre lots, we had R-2-1, most are 8,500 square feet, but I have Shadow Cove with amenities before it was a part of the ordinance, and some targeting more affordable. Adding this option, you won’t see every developer utilize it, but it is a good option. You give someone the ability to use a portion of this, with the cul-de-sac. The minimum lot width, if the envelope is 54 feet you max it out. This gives an option for better use of the land and also gives variety. Melling – when I looked at this it is a neighborhood with 40 twin home units. The developer can do 58 units, with it even R-2-2 you have 24 single family homes where there were none before. Fast forward 5 years, if every R-2-2 does this option it is a new standard. Dallas – we don’t have the RDO language defined, but by using some of these examples, if you can contain multiple type of housing in one area you have a better-quality product. If the RDO can be done with the same efficiency as zone changes you get a better master plan with low, medium and high density.

**PUBLIC COMMENTS: **Ann Clark – he was saying 54% is owner occupancy, then why are we building, and some say it is all investors. I am concerned that we are building for investments. I am concerned, you can build apartments and rent them out, but rentals do not
help anyone. It helps if they own. We have too many apartments, it is initial help. When you build town homes and high density and they don’t have space, the rent goes up and with only 54% owner occupancy and are we really hurting everyone in the end. Kalub Spendlove – I want to applaud the council for allowing the casita option. Also applaud the commission for the work they put into this to increase options. When I purchased my home 4 years ago, I was able to afford it on a lower income, but there is not that option now with middle housing. By opening liberty and building we can have beautiful places. If developers want their money flowing, they will keep them nice.

CONSENT AGENDA: (1) APPROVAL OF MINUTES DATED MARCH 16 & 23, 2022; (2) RATIFY BILLS DATED MARCH 23RD AND APRIL 1, 2022; (3) APPROVE ENTERING A SUBCONTRACTOR AGREEMENT WITH THE CEDAR CITY HOUSING AUTHORITY. PAUL BITTAPER; (4) APPROVE A MEMORANDUM OF UNDERSTANDING WITH IRON COUNTY DEALING WITH LIFT STATION UPGRADE FEES. PAUL BITTAPER; (5) APPROVE BID IN THE AMOUNT OF $80,988 FROM KLW CUSTOMS, LLC FOR THE FIRE TRAINING CENTER UPGRADE. MIKE PHILLIPS; (6) APPROVE APPOINTMENT OF MARK MUMFORD TO THE BOARD OF ADJUSTMENTS. MAYOR GREEN; (7) APPROVE VICINITY PLAN FOR MOUNTAINVIEW INDUSTRIAL PARK SUBDIVISION PHASES 1 AND 2 LOCATED AT APPROXIMATELY 2600 WEST 850 NORTH. GO CIVIL/DON BODREAU; (8) APPROVE THE FINAL PLAT OF 4-B RANCH SUBDIVISION PHASE 3 LOCATED IN THE VICINITY OF 4450 WEST 1525 SOUTH. GO CIVIL/TYLER ROMERIL; (9) APPROVE THE FINAL PLAT OF TRAILSIDE TOWNHOMES PUD PHASE 2 LOCATED IN THE VICINITY OF 25 EAST 1000 SOUTH. PLATT & PLATT/TYLER ROMERIL; (10) APPROVE VICINITY PLAN FOR SUGAR PLUM SUBDIVISION LOCATED AT APPROXIMATELY 3900 WEST AND 800 NORTH. PLATT & PLATT/DON BODREAU: Councilmember Isom moved to approve the Consent Agenda items 1 through 10 as written above; second by Councilmember Hartley; vote unanimous.

CONSIDER A RESOLUTION FOR THE MUNICIPAL WASTEWATER PLANNING PROGRAM ANNUAL REPORT, ERIC BONZO: Councilmember Hartley moved to approve the resolution for the Municipal Wastewater Planning Program Annual Report; second by Councilmember Isom; vote as follows:

AYE: 4
NAY: 0
ABSTAINED: 0

CONSIDER A RESOLUTION ADOPTING A VOLUNTARY WATER RESTRICTION SCHEDULE, ROBBIE MITCHELL: Councilmember Isom moved to approve the resolution adopting the voluntary water restriction schedule; second by Councilmember Hartley; vote as follows:

AYE: 4
NAY: 0
ABSTAINED: 0

CONSIDER AN AMENDMENT TO THE LITTLE LEAGUE FIELDS CELL TOWER LEASE. PAUL BITTMENN: Councilmember Melling moved to deny amending the lease for the Little League Fields Cell Tower; second by Councilmember Hartley; vote unanimous.

CONSIDER AN ORDINANCE AMENDING CHAPTER 38 OF THE CITY’S ORDINANCES CONCERNING RETENTION BASINS. JONATHAN STATHIS: Melling – have we received any comments from developers? Jonathan – I haven’t heard any other comments, I feel comfortable moving forward.

Councilmember Melling moved to approve the ordinance amending Chapter 38 concerning retention basins; second by Councilmember Hartley; vote as follows:

- Terri Hartley - AYE
- Craig Isom - AYE
- Tyler Melling - AYE
- Ronald Riddle - AYE

CONSIDER APPROVING THE FINAL PLAT OF CEDAR RESERVE PUD UNIT C TOWNHOMES LOCATED IN THE VICINITY OF 1600 NORTH LUND HIGHWAY. PLATT & PLATT/TYLER ROMERII: Hartley – did that include the waiver of the penalty. Paul – make it a part of the motion.

Councilmember Hartley moved to approve the final plat of Cedar Reserve PUD Unit C Townhomes in the vicinity of 1600 North Lund Highway, but deny the request for the waiver of the penalty;

Dave Clarke, Platt & Platt – there was quite a bit of grading for the storm basin and did the city portion of Lund Highway. Unit B was approved under the old ordinance. There is a recreation area and not part of the bond, he is putting a commercial grade $30,000 investment for a nice playground for the kids in the neighborhood. He is putting in 6 streetlights in the development. We hope you will give us some consideration. We have all learned a lot from this. The grading was shown on the plans.

Melling – in discussion with Council and Staff. I don’t like the ordinance as written, I think it is not tailored to what it should. I don’t see a problem with some of the soil work for the utilities for the other part of the subdivision. In grubbing brush, as long as it doesn’t impact materially, maybe $500 a unit is too high. The major issue, two things on my mind, #1 it is an ordinance we have enforced in the past and collected $75,000 in the previous 3 years and developers have not said a word. #2 I think it is the over excavation and compaction. That is weighing on the council and the developer did save some money, that is not as bad as stubbing in materials, but it was major dirt work compared to some of the other things. Dave – we have been up front, I mentioned they had done grading. Ignorance is no excuse, but we are asking for mercy. It won’t ruin the project.
Riddle – I want to make sure I am clear on what has been done. Grading, compaction, how far with infrastructure? Dave – the sewer went through the lot in Iron Willows and up through a manhole into the other phase, no laterals were put in. The detention area was constructed. We platted an easement on a previous phase and a storm drain pipe was run to that. In Lund Hwy there was a storm drain pipe put in, it was public infrastructure in the first phases.

Tom Jett – I am not taking a stand one way or another, but approximately 15 years ago where this ordinance originated was behind Canyon View High School under the freeway on the east edge of the Sunroc pit, a subdivision by some real estate agents and they went in and carved out the roads and built the subdivision before the city had a chance to review it. There were problems out there and still are. That is where it came from the city said no more starting subdivision without us knowing they exist. Paul – that one and one on Leigh Hill also where storm drain, sewer, and gas, were installed before final approval they were lining up asphalt and the council said this is stupid, why are we doing this, why are we even approving subdivisions. Tom – they didn’t meet city specs and they said the city was going to bankrupt us and the city drew a line that it wouldn’t happen in the future. This is just history.

Hartley – when we changed the ordinance last year we lessened the severity, in the past we didn’t allow pre grading. I feel they went way beyond what would have been allowed with the permit. I don’t feel we have the ability to waive the penalty. Melling – if they had stubbed utilities, it was a problem. I think the penalty is necessary because of the over ex, compaction and scope of work done. I would have waived the stuff along the frontage and what was done for the other subdivision. I feel the penalty is appropriate, not harsh enough if utilities were stubbed.

The motion second by Councilmember Melling; vote on the motion AYE - 3; NAY - 1, Mr. Isom. I have seen that Mr. Platt has proposed changes to this ordinance.

ADJOURN: Councilmember Isom moved to adjourn at 6:42 p.m.; second by Councilmember Hartley; vote unanimous.
Housing Committee Presentation for Cedar City Council

Kaitlin Sorensen
Executive Director for Canyon Creek Services

Dallas Buckner
Engineer/Owner at Go Civil

Derek Morton
Owner at NetGain Property Management

Mindy Benson
Interim President at Southern Utah University

Tyler Melling
Cedar City Council

EXHIBIT "A"
CITY COUNCIL – APRIL 13, 2022
Who needs change in housing policy?

• Newly married couples wanting to live in the same town as their parents.
• Young professionals, college students, and individuals living alone who don’t want or need a 3-bedroom unit.
• Those on limited income, disability, aging population looking for a place to live that is affordable and isn’t oversized for their needs.

And this is where I come in...
• Women leaving abusive relationships who work, have secured assistance with funding, and cannot find a livable unit that fit the needs of her family.
• The influx of homeless individuals that have no access to affordable and independent housing due to a limited supply in that range
Committee Purpose

Research, discuss, and recommend ways to bring the right kind of housing to the market to mirror the needs we have in the community, specifically, the "Missing Middle Housing".

Bring people from different viewpoints to the table to provide perspective.

Focus on a serious issue that we are facing in the community.
What is "Missing Middle Housing?"

The term "missing middle" is meant to describe housing types that were common in the pre-WWII United States such as duplexes, rowhomes, and courtyard apartments but are now less common and, therefore, "missing."
Barriers & Impediments to Accomplishing “Missing Middle Housing”

- Zoning that does not permit or encourage middle housing
- Parking requirements
- Neighborhood opposition to sustainable building patterns
Why do we need to adjust?
More than 80% of Utahns feel that home prices and rents are too high.

Over time, the cost of lower-priced homes has increased more than higher-priced ones, so the attainability of homeownership with affordable mortgages has disappeared for some Utahns.

Most Utahns think they could not afford the homes they currently own if they wanted to purchase them today.

Nearly 90% of Utahns are worried about housing costs, but even more are worried about the costs to our young residents.

Utah’s rapid population growth is projected to continue. While the younger population is expected to shrink in percentage terms, the number of young households is expected to grow in sheer numbers – suggesting a need for lower-cost, entry-level housing options.

From the Utah Foundation report on Middle Housing
Utah Foundation Solutions

- Apartment complexes alone cannot close the 45,000-door Utah housing gap, considering the demand for owned homes.
- Single-family homes cannot close the gap considering costs. Instead, Utahns need a wider variety of options.
- Middle housing seeks to cover a range of rental and for-sale price points. Middle housing is usually more costly than lower-income housing but below single-family market rate housing.
- The cost of building middle housing is often less per square foot than midrise and high-rise condos and apartments because they are stick frame, wood-constructed units, with lower costs for materials and simpler construction parameters.
- Middle housing focuses on smaller-sized, often attached, homes on smaller lots.
Utah Foundation Middle Housing Reports

- Part 1: The Scope of the Challenge

- Part 2: What is the Middle Housing, and Where is It?

- Part 3: Utahns’ Development Preferences

- Part 4: Obstacles and Opportunities
Summary of Committee Recommendations

1. Allow permitted guest homes to be used as rental dwellings ✔️
2. Allow subdivisions to plat based on building envelope & general plan density
3. Revise RDO standards to allow mixed housing types in larger projects
4. Explore owner occupancy standards in certain cases
5. Consider changes for aging neighborhoods and the downtown area
Recommendation #1: Allow permitted guest homes to be used as rental dwellings

- We identified a need to generate more housing/rentals within existing lots by utilizing the similar requirements to the guest homes we already allow in almost all residential zones.
- This allows for infill and additional housing within existing areas and specifically older areas of town, which hopefully can promote some revitalization of existing properties.
- Allows homeowners to generate additional income and provides more rentals to market, usually below market value.
- City Council approved external ADU's on March 23, 2022, which is a great first step.
Recommendation #2: Allow subdivisions to plat based on building envelope & general plan density.
Problem, Solution, and Application

- We identified conflicts between permitted density in the current general plan, and what can feasibly be built with our current standards.

- The current zoning minimum widths and lot area requirement allow for very little variation in lot layout and require bigger lots than the planned density would require.

The Solution: Efficiency Subdivision Option

- Use existing general plan densities and plat lots based on a minimum building envelope and minimum envelope width

Existing applications:

- Cedar City’s Residential Estates Zone
- Iron County’s Maximum Density Option
Applied Solution

Twin Homes: 17 Lots => 34 Units  
Single Family: 24 Lots  
Total = 41 Lots => **58 Units**

Subdivision Area = 9.90 Acres  
Density = 58 Units/9.9 Acres  
Acres = **5.85 Units/AC**

Existing Plat (from 2 slides ago): 20 Twin Home lots, 40 total units
Density is closer to general plan

Allows smaller more unique lot configuration if min. envelope can be achieved

More efficient distribution of city infrastructure

May reduce future R-3 zoning needs

Reduces requests for general plan and zone changes

Provides better medium density housing mix while eliminating ‘seas’ of garage doors by requiring each twin home subdivision phase to not exceed 50% twin home units.
Recommendation #3: Revise RDO standards to allow mixed housing types in larger projects

- In its current state, RDO process allows bonus density that is unattainable and therefore unattractive.
- Cedar City can adopt RDO bonus densities and policies that allow a mix of housing types without changing the zone or general plan of the subdivision.
- Example: With the efficiency subdivision option, a Low Density RDO could reach permitted bonus densities if 60% of units are R-1 standard, 30% maximum could be R-2 standard, and 10% maximum could be R-3 standard.
- Developers could vary lot and housing types and sizes, and work product of higher density impacts the marketability of lower density parts.
Large investors (own 10+ homes) purchased 6% of the homes in the country in January. Small investors (<10 homes) purchased 27%. Owner occupants purchased 67%. The total investor share (33%) is a 5% larger market share than the average over the last decade.

Investors now buy 33% of all the homes in the country. We define an investment to include any property where the property tax bill is sent to another address. I will post the % that are large vs small investors at this same time tomorrow.

Recommendation #4: Explore owner occupancy standards in certain cases.
Benefits of Owner Occupancy Standards

- Occupancy Standards may help Cedar City's low owner occupancy rate of 54%
- Occupancy Standards increase work product quality while reducing cost by 30% or more
- Occupancy Standards reduce parking pressures
Recommendation #5: Consider policies aimed at aging neighborhoods and downtown.
General Policies to Consider

- Encourage the preservation of old structures
- Expand opportunities for downtown living
- Consider multifamily options on smaller footprints to allow more incremental intensification instead of limiting redevelopment to large multi-lot buildings.
- Explore parking policies that encourage residential and retail/restaurant uses near downtown.
Take out the roads, and over 40% of this land is devoted to parking & driveways.
Avoid Shock of Rapid Leaps in Development
The Missing Middle

Form-Based Options Focus on Incremental Steps