

### Sandy City, Utah

### Meeting Agenda

### **City Council**

Tuesday, March 26, 2024	5:15 PM	City Hall & Online
	Cyndi Sharkey, At-large	
	Brooke D'Sousa, At -large	
	Aaron Dekeyzer, At-large	
	Marci Houseman, District 4	
	Zach Robinson, District 3	
	Alison Stroud, District 2	
	Ryan Mecham, District 1	

Web address to view complete packet: http://sandyutah.legistar.com

This Council Meeting will be conducted both in-person, in the Sandy City Council Chambers at City Hall, and via Zoom Webinar. Residents may attend and participate in the meeting either in-person or via the webinar link below. Virtual participation is offered as a courtesy. If for any reason the virtual meeting is inoperable, virtual attendees are encouraged to instead attend in-person. The meeting will be held regardless of the availability of a virtual option.

Register in advance for this webinar: https://us02web.zoom.us/webinar/register/WN\_Is9eSIUfTJiINieE-hJIuA

After registering, you will receive a confirmation email containing information about joining the webinar.

Or listen by phone: Dial(for higher quality, dial a number based on your current location): US: +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171

Webinar ID: 871 7264 4499 Passcode: 602748

NOTICE OF SPECIAL ACCOMMODATION DURING PUBLIC MEETINGS In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the City Council Office at 801-568-7141.

### 5:15 Council Meeting

Prayer, Pledge of Allegiance, and Introductions

General Citizen Comment Period (No earlier than 6:00 PM)

The General Citizen Comment period is the time set aside for the public to comment on any City business, including any item listed on tonight's agenda. General Citizen Comment will begin no earlier than 6:00 PM. Citizen comment will also be taken during each Council Voting Item and each Public Hearing Item for comments related to those items.

Each speaker is allowed three minutes during each comment period. A speaker may comment during multiple comment periods, so long as the topic of the comment is different each time. No speaker will be permitted to comment more than once during any individual comment period.

Speakers wishing to comment live should attend the meeting in person or access the meeting virtually via the Zoom Webinar link. The call-in number is generally for listening only. You may also leave a written comment by emailing CitizenComment@sandy.utah.gov.

### Council Business

Special Recognition

1. <u>24-116</u> Special Recognition of service by Wasatch Front Waste and Recycling District

#### Informational Items

2.	<u>24-117</u>	2023 Annual Report from the South Valley Chamber of Commerce
	<u>Attachments:</u>	SVChamber Presentation.pdf
3.	<u>24-120</u>	Metropolitan Water District of Salt Lake & Sandy presenting a proposed tax increase.
	<u>Attachments:</u>	2024.03.26 Sandy City Council MWDSLS
		MWDSLS flyer 2024.03.18
		PUAB Recommendation 2024 - Metro Water Tax increase vs Sandy water rate
4.	<u>24-114</u>	First Reading: Council Member Zach Robinson presenting an overview of proposed amendments to short term rental regulations.
	<u>Attachments:</u>	Robinson_3-26-24_STR Memo.pdf
Conse	nt Calendar	
5.	<u>24-113</u>	Approval of the March 19, 2024 Draft Minutes

Attachments: March 19, 2024 Draft Minutes

#### **Council Voting Items**

6.	<u>CA02262024-</u> 0006721 (CC)	Amendments to Title 21, Chapter 11 Section 5 of the Land Development Code related to Home Occupations
	Attachments:	24-05 Ordinance- Home Occupations
		Home Occupation Presentation (3-26-2024)
		Staff Report
		Supplemental Memo
7.	<u>24-115</u>	Public Works Department requesting Council direction on the project's bid status and funding
	Attachments:	Phase 2 Revised Plans Presentation
		PW Phase 2 Funding Gap Sources
		24-11C Capital Projects (PW Facility)
8.	<u>24-119</u>	Possible Closed Session: Discuss pending or reasonably imminent

### Standing Reports

Agenda Planning Calendar Review & Council Office Director's Report

litigation

Council Member Business

Mayor's Report

CAO Report

### Adjournment



Staff Report

### File #: 24-116, Version: 1

Date: 3/26/2024

### Agenda Item Title:

Special Recognition of service by Wasatch Front Waste and Recycling District

### Presenter:

Pam Roberts - General Manager/CEO **Description/Background:** Wasatch Front Waste and Recycling District presenting a special recognition of service to a member of the Sandy City Council.



### Staff Report

### File #: 24-117, Version: 1

Date: 3/26/2024

### Agenda Item Title:

2023 Annual Report from the South Valley Chamber of Commerce

### Presenter:

Jay Francis - President/CEO South Valley Chamber

#### Description/Background:

Jay Francis presenting the 2023 Annual Report from the South Valley Chamber. Please review the attached presentation

### **Recommended Action and/or Suggested Motion:**

This is an informational report and no council action is necessary.

# 2023 YEAR IN REVIEW

# WHAT WEDO



# IN THE NEW S



#### **Cottonwood Heights joins South Valley Chamber**

#### Details

Published: 04 November 2023

The South Valley Chamber of Commerce has added Cottonwood Heights to the list of cities it represents. The announcement came from Cottonwood Heights Mayor Mike Weichers.

"The South Valley Chamber has consistently demonstrated its dedication to equipping small businesses with the tools and knowledge they need to not only survive but thrive," said Jay Francis, president and CEO of the Please log in to see the rest of this story.



# SOUTH VALLEY TOURISM Winter Campaign

Impressions: 1,370,828 Clicks: 39,756

Events: 2,585

Top Hotels:

1.Best Western Plus - Sandy

2.Courtyard by Marriott - Sandy

3.Hilton Garden Inn - Sandy

4.Hamton Inn - Sandy



# W MEN IN BUSINESS



In 2023, our Women In Business Committee selected Holding Out HELP for their annual service project.

### 10

Women in Business Luncheons with speakers such as:

- Crystal Maggelet
- Judge Graves
- Tami Steggell
- Sharlene Wells

# JR WOMEN IN BUSINESS



# **BUSINESS INSTITUTE**











### 15 Graduates



### Topics Covered:

- Health Care
- Tourism
- Government & Legislation
- Housing & Transportation
- Sports & Entertainment
- Economic Development
- Banking & Finance





# BUSINESS BOOT CAMPS

# 9

Business Boot Camps Held

# 100+ Participants

### Topics Included:

- Social Media
- Tax Prep
- Company Culture
- Communication



### Hosted Cohorts 5 & 6





### EVERYDAY ENTREPRENEUR





# 43 Enrolled Participants

### Course Topics:

- Startup 101
- Getting Funded
- Operations
- Growing Your Startup
- Marketing Plans
- Budget/Finance Planning



# AMBASSADORS

- Member Outreach
- Networking Coordination at Events
- Ribbon Cutting
- True Ambassadors



### GOVERNMENT AFFAIRS & PUBLIC POLICY

### 20 +

Bills Tracked During 2023 Legislative Session

In Partnership with SLC Chamber Organized, Weekly Calls for State Chamber Organization South Valley Chamber Delegates on Annual Washington D.C. Advocacy Trip

15

### SMALL BUSINESS COMMITTEE

Small Business of the Year Award

Cookie Advantage

Participated in Shop Small Saturday; Coordinated 9 Social Media Raffles from Small Businesses CONSUMER SUMMIT A SPECIAL THANKS TO OUR SPONSOR



May 24, 2023 | Hale Centre Theatre, Sandy | ConsumerSummit.org

# LET'S DO LUNC



Let's Do Lunch Events Hosted

### Our Presenters included:

- Gail Miller
- Thurl Bailey
- Sean Bott
- Josh Downs
- Bullfrog Spas



## **MEET THE MEMBER**

Meet the Member Events Hosted

> 50+ Business Pitched







# CHAMBER 101

100+ Businesses Instructed



8 Chamber 101 Hosted

Held at Various Locations Such as:

- Fatcats
- Sunday's Best
- XGolf
- Draper Park
- Salt Lake City Motorcars



, Connect After Hours Events Hosted



# CONNECT AFTER HOURS

# EXECUTIVE FORUM & IN THE KNOW

### Held Executive Forums with:

- President Adams
- Speaker Wilson

Executive Forum and In the Know Events

5

In the Know Events with:

- Congressmen Curtis
- Congressmen Owens
- Senator Mike Lee
- Howard Hadlee

# GOLF TOURNAMENTS





### 3 Courses Played

- River Oaks
- South Mountain
- Glenmoor





Hosted Young Entrepreneurs Shark Tank

11K Awarded to Winners for Business Startups



First Lady Abby Cox State of Utah

Chuck and Crystal Maggelett Maverick / FJ Management

> Brandon Fugal Colliers International

Michelle Zarlengo - Cookie Advantage Small Business of the Year











# 40+Ribbon Cuttings



# NEW MEMBERS

125 Total 36 Sandy City



Staff Report

File #: 24-120, Version: 1

Date: 3/26/2024

### Agenda Item Title:

Metropolitan Water District of Salt Lake & Sandy presenting a proposed tax increase.

### Presenter:

Annalee Munsey - General Manager

### **Description/Background:**

The Metropolitan Water District of Salt Lake & Sandy (MWDSLS) is a special district that provides drinking water to Salt Lake City and Sandy City. MWDSLS has identified escalating costs and capital needs for aging infrastructure projects within the system. In order to generate revenue sufficient for these capital needs their FY25 budget proposes an increase of the tax rate from .000216 to .00035 to generate revenue of \$1,867,420. The District's last property tax rate increase was in 2008 which set the rate at .00035. Since 2008 the property tax rate has eroded as the values of property have increased. Currently the property tax rate is .000216. Consistent with current statute 17B-2a-608 increasing the certified tax rate requires approval by the legislative body of each municipality that appoints a member to the board of trustees. In this case both Salt Lake City and Sandy City appoint members to the Metro Water board of trustees.

### Fiscal Impact:

The fiscal impact of this proposal would generate an estimated net revenue increase of \$1,867,420 from Sandy City property owners.

### Further action to be taken:

This item will return to the Council on 04/16/2024 for a vote on whether or not to approve the proposed increase. Action will also need to be taken by the Salt Lake City Council to increase the certified tax rate.

### **Recommended Action and/or Suggested Motion:**

No formal action will be taken on this informational item. The Council may ask questions and seek additional information.

Sandy City Council Meeting March 26, 2024



# FY25 Property Tax Certified Rate Increase Proposal

# Background

- The Metropolitan Water District of Salt Lake & Sandy is a special district that provides drinking water to Salt Lake City and Sandy City.
- Sandy City joined the District in 1990.
- The District's board is comprised of seven trustees.
  - The Salt Lake City Council appoints five of the trustees.
  - The Sandy City Council appoints two of the trustees.
    - JOHN KIRKHAM, Vice-Chair, Chair of Finance Committee, appointed in 2019. (Also served from 2003-2014)
    - DON MILNE, Chair of Engineering Committee, Finance Committee member, appointed in 2006



# **Revenue Sources**

FY24 Revenue

- 49.1% Water Sales
- 23.5% Property Taxes
- 25.0% Assessments
- 2.4% Miscellaneous



# FY25 Escalating Costs and Capital Needs for Aging Infrastructure

Description	Annual Cost	Type of Expense	Long-Term Financial Impact	Entity responsible for securing funding
Cottonwoods Connection Project (District/SLC/SC) <u>Purpose</u> : Required project to address aging infrastructure and Salt Lake Aqueduct seismic and other elements of resiliency.	\$2,276,800	Capital	\$41.5 Million (repayment of 30 year loan/bond)	Metropolitan Water District of Salt Lake & Sandy
Deer Creek Dam Intake Project (PRWUA costs) <u>Purpose</u> : Required project to replace aging dam infrastructure that delivers 85,000 AF of water (80% of water portfolio) to the Salt Lake Valley.	\$1,240,000	Capital	\$37 Million (30 years repayment)	Provo River Water Users Association
Jordan Aqueduct/Jordan Valley Water Treatment Plant Capital and O&M (JVWCD costs) Purpose: Address aging infrastructure that delivers water to Northwest quadrant of Salt Lake City.	\$5,023,680 (5 year average)	Capital and O&M	\$32.5 Million (10 years of capital projects)	Jordan Valley Water Conservancy District
<b>Central Utah Project OMR&amp;R (CUWCD costs)</b> <u>Purpose</u> : Expenses related to the District's investment in Central Utah Project water.	\$1,501,500	O&M and repair and replacement of CUP facilities	\$6.9 Million (forecasted target increase)	Central Utah Water Conservancy District
Total	\$9,371,370	)	\$117.9 Million	

\$9.3M of revenue needs

# FY25 Tentative Budget

### **Review of certified rate increases**

- District's last property tax increase occurred in 2008.
- In 2008, the rate was set to 0.00035.
- Rate has eroded as the value of properties has increased.
- Sandy City current year tax rate is 0.000216.
- FY25 budget proposes an increase (or reestablishment) to 0.00035 to generate revenue of \$8.6 Million.

able 1. Annual imputed property tax indicate to hoperty owner									
	Median Market	Taxable Home		Current	Proposed Next		MWDSLS	Net	
	Value of	Value (55% of	Current Year	MWDSLS Tax	Year Certified	Percent	Tax	Annual	
City	Property	Median)	Tax Rate	(Annual)	Tax Rate	Increase	(Annual)	Increase	
Sandy City	\$628,000	\$345,400	0.000216	\$74.61	0.00035	62.04%	\$120.89	\$46.28	
Salt Lake City	\$576,000	\$316,000	0.000200	\$63.36	0.00035	75.00%	\$110.88	\$47.52	

#### Table 1: Annual impact of property tax increase to Property Owner

# Property Taxes versus Water Rates

- Increasing the certified tax rate to 0.00035 will generate revenue of \$8.6 Million.
- Increase of water rates by 36.33% will generate the same amount of revenue.

City	2023 Tax Year Certified Tax Rate	2023 Tax Revenue	Proposed Certified Tax Rate	Estimated 2024 Tax Revenue	Net Revenue Increase
Sandy City	0.000216	\$3,010,170	0.00035	\$ 4,877,590	\$1,867,420
Salt Lake City	0.000200	\$9,030,509	0.00035	\$15,802,603	\$6,772,094
Total MWDSLS Taxes		\$12,040,679	0.00035	\$20,680,193	\$8,639,514

Table 2: Dollar amount generated from an increase in the certified tax rate

#### Table 3: Dollar amount generated from an increase to water rates

City	FY24 Water Sales Revenue	Percent Increase	Estimated FY25 Water Sales Revenue	Net Revenue Increase
Sandy City	\$ 6,658,388	36.33%	\$ 9,077,381	\$2,418,993
Salt Lake City	\$17,121,570	36.33%	\$23,341,836	\$6,220,266
Total MWDSLS Water Sales to Member Cities	\$23,779,958	36.33%	\$32,419,217	\$8,639,259

## MWDSLS Property Taxes versus Water Rates

### Table 4: Certified tax rate increased to 0.00035

		Estimated	
	2023 Tax	2024 Tax	Net Revenue
City	Revenue	Revenue	Increase
Sandy City	\$3,010,170	\$4,877,590	\$1,867,420
Salt Lake City	\$9,030,509	\$15,802,603	\$6,772,094
Total MWDSLS Taxes	\$12,040,679	\$20,680,193	\$8,639,514

Table 5: Water rates increased by 36.33%

		Estimated	
	FY24 Water	FY25 Water	
	Sales	Sales	Net Revenue
City	Revenue	Revenue	Increase
Sandy City	\$6,658,388	\$9,077,381	\$2,418,993
Salt Lake City	\$17,121,570	\$23,341,836	\$6,220,266
Total MWDSLS Water Sales	\$23,779,958	\$32,419,217	\$8,639,259

Council's decision will determine if there is an increase to the certified tax rate. If not approved by either council, the District will increase water rates to both member cities.

## Background on Budget Process


# Statute 17B-2a-608

## Requirements

- Consistent with current statute (17B-2a-608), increasing the certified tax rate requires approval by "the legislative body of each municipality that appoints a member to the board of trustees under Section 17B-2a-604."
- Salt Lake City and Sandy City Council must approve increasing the certified tax rate.
- Approval occurs after the District adopts tentative budget in April and before the District's public hearing in May.
- Consensus required.
- Member Cities agreement requires equal application of certified tax rate and water rates.
- Note: MWDSLS Board of Trustees will evaluate property tax rate every 2 years and determine if the District needs to re-establish or increase property tax rate every 3 years.



# FY25 Budget Process Timing Considerations



# Thank you



### Metropolitan Water District of Salt Lake & Sandy FY2025 Proposed Rate Increase

With several, significant projects underway, the atmosphere at the Metropolitan Water District of Salt Lake & Sandy (MWDSLS) is buzzing. MWDSLS is critical to ensuring that the Cities of Salt Lake and Sandy are able to supply drinking water to their communities. As a wholesale water provider, MWDSLS's revenue sources are limited to water sales, assessments, and property taxes. Effective

management of water sales and assessment revenues has enabled MWDSLS to support the cost of doing business without having to increase property taxes. Yet, escalating costs resulting from the need to upgrade or replace vital infrastructure are beyond what can be generated from water sales. For the first time in 15 years, MWDSLS is proposing a tax rate increase.

# Capital Projects



### **Cottonwood Connection Project**

In preparation for replacing the Salt Lake Aqueduct, MWDSLS has implemented a longrange maintenance program that includes hazard mitigation measures like seismic upgrades. By prioritizing the upkeep of the aqueduct corridor, the district aims to ensure uninterrupted water supply and facilitate continued growth in the region.

### Annual Cost \$2.28M

## Deer Creek Dam Intake

The Deer Creek Dam & Reservoir is an essential infrastructural feature for Utahns living on the Wasatch Front for many reasons. It is crucial to address the issues impacting the safety and health of the dam and reservoir.



### Annual Cost \$1.24M



## Jordan Aqueduct / JVWCD Treatment Plant

Seismic improvements are required of this critical infrastructure, which conveys water to the northwest quadrant of Salt Lake City.

### Annual Cost \$5M

## **Central Utah Project**

The Central Utah Project (CUP) is the largest and most complex water resources development project undertaken by the Bureau of Reclamation in the State of Utah. This cost reflects MWDSLS's investment in this vital resource.





### Annual Cost \$1.5M

#### Projected Annual Cost \$9.3M Projected Long-Term Financial Impact \$117.9M

### How does the proposed tax rate increase impact homeowners?

A portion of property taxes paid by homeowners in Salt Lake City and Sandy is allocated to MWDSLS. Currently, those rates are .000200 and .000216 respectively. In 2008, the tax rate was set at .00035 but has eroded over time. This proposal recommends restoring that rate to .00035. On average, property owners in MWDSLS's service area will see an annual property tax increase of \$47. 447 ANNUALLY IS ESSENTIALLY THE COST OF ONE GOURMET CHOCOLARE CHIP COOKIE (LESS THAN \$4) PER MONTH!



## SANDY CITY PUBLIC UTILITIES

PUBLIC UTILITIES ADVISORY BOARD

JOHN KIRKHAM, CHAIR FLORENCE REYNOLDS, VICE CHAIR DON MILNE COLLEEN HANSEN PAT CASADAY JEFF BUDGE LARRY BOWLER TOM WARD. P.E. PUBLIC UTILITIES DIRECTOR

> MONICA ZOLTANSKI MAYOR

SHANE E. PACE CHIEF ADMINISTRATIVE OFFICER

To: Ryan Mecham, Chair, Sandy City Council Mayor Monica Zoltanski

From: John Kirkham, Chair, Sandy Public Utilities Advisory Board

Date: March 21, 2024

RE: Public Utilities Advisory Board (PUAB) Recommendation on Metro Water tax increase in lieu of Sandy water rate increase

Dear Council,

Annalee Munsey, General Manager for the Metropolitan Water District of Salt Lake & Sandy (Metro) presented Metro's budget needs and proposed tax increase to the PUAB today.

The PUAB discussed the policy, financial implications, and impact to Sandy taxpayers / water customers under the two options. The PUAB unanimously recommended that the Sandy City Council accept the increase in Metro property tax in lieu of an additional 11% to 13% Sandy water rate increase.

The most significant issue favoring a Metro tax increase rather than an additional increase on Sandy water customer rates is that the cost to the average Sandy taxpayer and water customer is about 29% less if it is a tax increase vs water rate increase. Below is a comparison of the net financial impacts to the Sandy community as a whole under the two options.

	Option 1 Metro Tax Increase	Option 2 Sandy Rate Increase
Total Sandy community increase	\$1.87M	\$2.42M
Average increase per month per residence	\$3.92	\$5.05

Please feel free to reach out to myself or any of the PUAB members if you have any questions.

Sincerely,

John Kirkham, Chair Sandy Public Utilities Advisory Board

Page 1 of 1



Staff Report

File #: 24-114, Version: 1

Date: 3/26/2024

#### Agenda Item Title:

First Reading: Council Member Zach Robinson presenting an overview of proposed amendments to short term rental regulations.

#### Presenter: Council Member Zach Robinson

#### Description/Background:

Short term rentals are becoming increasingly popular and problematic within Sandy City. The issue is complex and requires a thorough examination of both policy and enforcement in order to achieve the best outcomes for residents. The attached memo includes a host of recommended amendments meant to update our current ordinance and to mitigate the issues brought on by short term rentals.

#### Further action to be taken:

After gathering feedback from the Council, Council Member Robinson will work with council and city staff to produce redline amendments to our current ordinance in line with his recommendations. This proposal may be brought back for a second reading during a future council meeting. As is appropriate at the time, the council may choose to move the proposal forward through the appropriate process required to amend the land development code and/or or adopt the amendments

#### **Recommended Action and/or Suggested Motion:**

Council Member Robinson is seeking council feedback on the proposal.



# Sandy City Council Office

10000 South Centennial Parkway Suite 231 Sandy, UT 84070 O | 801-568-7141 Sandy.Utah.Gov

#### MEMORANDUM

March 26, 2024

To:	City Council Members
CC:	Monica Zoltanski, Mayor Shane Pace, CAO Dustin Fratto, Council Executive Director Lynn Pace, City Attorney James Sorensen, Community Development Director
From:	Zach Robinson, Council District 3
Subject:	First Reading: Proposed amendments to the Sandy Short Term Rental (STR) Ordinance

#### BACKGROUND

I am writing to solicit your valuable feedback on a series of proposals that I have been developing aimed at enhancing the processes and regulatory framework associated with Short-Term Rentals ("STRs"). These ideas have been crafted in collaboration with our city council staff, with the objective of refining our approach to STR oversight. In Sandy City, the short-term rental market has precipitated a host of neighborhood challenges. Noise complaints have surged, with late-night parties, and disruptive guests in residential areas. Additional vehicles driven by short-term renters have caused parking issues throughout our community. There are also many STR's that do not have a business license in Sandy. Adding to these problems is a challenging process for governing, monitoring, and regulating short-term rentals. Together, these issues present a complex challenge for Sandy City's residents and government.

The objective here is to improve the regulatory framework that is transparent and facilitates greater compliance, thereby seeking to minimize instances of operations circumventing legal requirements. This proposal aims to reduce disturbances, ensure operations adhere to established laws, and enhance protections for community members so that they may more peacefully enjoy their neighborhoods. The proposal additionally seeks to enhance the safety of guests residing in STRs.

This evening my intention is to gather input and feedback on my proposal. I will then take that feedback and work with council and city staff to develop a final proposal that I will present to the council for its consideration during a second reading. As many of my suggested amendments are related to the land development code, there may be some additional steps and review required in front of the Planning Commission. I will be sure to remember that when deciding what action(s) to request from the council during the second reading.

#### PROPOSED AMENDMENTS TO THE CURRENT CODE

Below you'll find an overview of my proposed amendments to two specific sections of our municipal code: Section 21-11-26, titled "*Residential Short-Term Rental (STR) Special Use Standards*," and Chapter 15-11, which focuses on "*Short-Term Rental Business License Standards*." These revisions seek to address and refine the regulatory framework governing short-term rentals, ensuring it aligns with current needs and practices.

- 1. <u>Enhancements in Education and Informing Stakeholders</u>: Under this proposal, prior to the submission of an application, the proprietor of a prospective STR property shall be required to complete a class or watch a short City-developed education video. This prerequisite aims to elevate the standard of STR operations by equipping owners with essential knowledge and policies of the City.
- 2. <u>Improved Noticing and Posting Requirements</u>: Amendments are proposed to refine the clarity and efficacy of notices, communications, and the dissemination of contact information pertaining to STR owners. This includes the incorporation of technical improvements that ensure all relevant information is posted accessibly and transparently within the STR unit. Additionally, the proposal will integrate explicit references to current ordinances prohibiting parking during designated snow events or throughout the winter season, thereby addressing a critical aspect of community concern.
- 3. <u>Refinement of the Business License Process</u>: The proposal advocates for a change in the business license procedure for STR. Instead of a static, one-time submission of information, it necessitates the periodic certification of critical details, such as proof of home ownership and residency, on an annual basis.
- 4. <u>Expansion of Permit Allocation</u>: The proposed amendment seeks to increase the cap on STR permits, with the objective of encouraging compliance. This initiative reflects a pragmatic approach to regularization.
- 5. <u>Feasibility Study of Third-Party Software for STR Management</u>: This consideration is spurred by Salt Lake City's recent acquisition of a third-party monitoring system, the outcomes of which are yet to be evaluated. By examining tools like GovOS Short-Term Rental Solution or Granicus, the study aims to determine their efficacy in verifying compliance with permits and licenses, conducting regulatory inspections, and managing STR activities efficiently.
- 6. <u>Diversification of STR Business Licensing Framework</u>: This proposal recommends a comprehensive review to evaluate the feasibility of varied types of business licenses for STRs. Key considerations include the potential for issuing temporary permits in scenarios where permanent licenses are pending or not available, and whether prior temporary

operation as an STR should be a prerequisite for license application review. Furthermore, I am interested in exploring a tiered licensing system, distinguishing between owneroccupied STRs and those operated remotely by non-resident owners (which are presently operating but not legally authorized). Specially, I am contemplating a difference between stand-alone STR rentals, wherein an entire non-owner-occupied dwelling is offered for rent; and partial STR rentals, wherein only certain portions of an owner-occupied dwelling are offered for rent.

- 7. <u>Mandating Display of City Issued STR License Number on Listings</u>: This proposal maintains but simplifies the existing requirement that the STR license number be listed in all online listing service advertisements. This measure aims to enhance transparency and facilitate regulatory compliance verification. By linking listings directly to their respective licenses, this initiative seeks to ensure that only legally sanctioned STRs are accessible to consumers, thereby promoting a more accountable and secure rental market environment for renters.
- 8. <u>Strengthening Administrative Capacity to Address STR Violations</u>: This proposal advocates for an administrative enforcement mechanism that could lead to the revocation of an STR license or necessitate the owner's participation in an administrative process. I hope to review and streamline our current administrative enforcement system, which remains underutilized. See below.
- 9. <u>Implementation of Compliance Certification Requirement</u>: This proposal requires the inclusion of a compliance certification within the application process for an STR license. This certification, to be signed by the STR owner, affirms the owner's commitment to adhere to the ordinance's terms and conditions and to ensure that renters do likewise.
- 10. <u>Enhanced Noise and Nuisance Regulation</u>: This proposal seeks to enforce noise and nuisance control for STRs by requiring owners to ensure that renters are informed and compliant with Chapter 13-2: Noise Control and Salt Lake County Health Department Health Regulation No. 21: Community Noise Pollution Control.
- 11. <u>Code Revision and Clean-Up</u>: Among the suggested changes is the reconsideration of the stipulation that an STR dwelling may not be rented out for more than one hundred eighty-two (182) nights per year. This particular requirement should be reviewed for its necessity and relevance.
- 12. <u>Administrative Authority</u>: This policy proposal seeks to empower the Administration with broad authority to develop and implement any policies and procedures it finds necessary for the effective enforcement of the STR ordinance.

#### **ENFORCEMENT**

The enforcement of regulations on STRs is inherently complex. Concerning enforcement, three primary strategies emerge, each presenting a distinct approach to addressing this challenge.

The first option (and the option primarily relied upon now) is to prosecute violations criminally. For many reasons this approach is problematic. The issue of whether to resort to criminal prosecution for this type of behavior, especially when alternative remedial options exist, presents a complex policy question.

The second option available to regulate and enforce short-term rentals is to file a civil complaint in District Court. Civil proceedings require a lower standard to obtain a favorable verdict. However, the civil proceedings option also has its drawbacks. Civil proceedings tend to take much more time than criminal cases. Additionally, civil proceedings often involve more expensive legal processes and more legal personnel than required in criminal proceedings.

Given that the criminal process requires a higher standard of evidence and places a strain on existing legal and law enforcement resources, and that civil actions may consume considerable time and financial resources, an administrative hearing process may be more favorable. The third option available to regulate and enforce short-term rentals is to submit short-term rental complaints and violations to an Administrative Law Judge ("ALJ") for review and correction.<sup>1</sup>

An administrative process would likely be more effective. However, an established administrative review process can become complex and requires the creation and maintenance of a dedicated administrative body. An administrative solution would require the City to hire an ALJ, establish a clear process for violations including providing appropriate notice to an applicant in violation, establishing which City personnel will be responsible for submitting violations to the ALJ, scheduling hearings, etc. In fact, in 2018, the Council<sup>2</sup> engaged in a comprehensive and meticulous debate over matters concerning the issue of enforcement. After an exhaustive deliberation and debate that scrutinized various facets and implications, the Council arrived at a consensus to implement a policy. This policy sought to standardize administrative procedures of enforcement and review, thereby obviating subjective interpretation and ensuring a more uniform application of the law.

In Section 1-4-8 of the Sandy City Code, the process for appointing an Administrative Hearing Officer has been clearly outlined and stipulates specific qualifications for the appointee. Section 1-4-8(a)-(b) states:

The Mayor, with the consent of the City Council, *shall* appoint an administrative hearing officer to preside over administrative hearings and issue administrative orders. A person appointed to serve as an administrative hearing officer shall either be law trained or have significant experience with the requirements and operation of administrative hearing processes. The person shall be free from any bias or conflict of interest that might affect impartiality of decisions.<sup>3</sup>

This codification ensures that the administrative hearing officer possesses either legal training or substantial experience in administrative hearing processes, thereby guaranteeing a level

<sup>&</sup>lt;sup>1</sup> In the Sandy City Code an ALJ is referred to as an administrative hearing officer.

<sup>&</sup>lt;sup>2</sup> It is noteworthy that this legal framework for appointment was reviewed and approved by the Council and Mayor on October 26, 2018, under Ordinance No. 18-32.

<sup>&</sup>lt;sup>3</sup> See Ord. No. 18-32, § 1(1-8), 10-26-2018, (Emphasis added).

of expertise and impartiality essential for the role. The adoption of this policy reflects the Council's commitment to upholding equitable governance, while assiduously considering the complexities and nuances of the issues at hand.

From a practical standpoint, the planning department has encountered difficulties in finding an individual who fulfills the qualifications specified in the Code. Philosophical considerations also come into play, as there exists an ongoing debate concerning the role and necessity of an administrative hearing officer within the municipal framework.

Additionally, fiscal constraints have contributed to the hesitation, raising questions about cost-effectiveness. In recent years, the revenue generated from sales taxes on short-term rentals (STRs) has shown an increase, with amounts totaling \$163,000 and \$207,000 in the last two years respectively. This tax revenue is collected through the State Tax Commission, with the largest contributions coming from prominent platforms such as Airbnb, Travelocity, VRBO, and Hotels.com, in addition to a range of smaller, miscellaneous sources. It is important to note that all short-term rentals are obligated to remit taxes to the State Tax Commission, regardless of whether they have been officially permitted by the city.

From my perspective, a designated portion of these funds should be allocated towards educational and enforcement initiatives. Such allocation may effectively address and mitigate the impact of STR usage on the community, ensuring that both residents and visitors benefit from a well-regulated and informed short-term rental environment.

#### CONCLUSION

I am eagerly anticipating the opportunity to present the proposed amendments to the city council for your review. My hope is that you will provide valuable feedback and suggestions for improvement, aimed at effectively addressing and mitigating the issues associated with short-term rentals in our community. With your feedback I will bring back a final draft of proposed amendments for council consideration during a second reading.



### Staff Report

#### File #: 24-113, Version: 1

Date: 3/26/2024

Approval of the March 19, 2024 Draft Minutes

Motion to approve the minutes as presented.



## Sandy City, Utah

### **Meeting Minutes**

Citv	Coun	cil
Ulty	0041	

Ryan Mecham, District 1 Alison Stroud, District 2 Zach Robinson, District 3 Marci Houseman, District 4 Aaron Dekeyzer, At-large Brooke D'Sousa, At -large Cyndi Sharkey, At-large

#### 5:15 Council Meeting

Present:	5 <b>-</b>	Council Member Alison Stroud
		Council Member Zach Robinson
		Council Member Cyndi Sharkey
		Council Member Ryan Mecham
		Council Member Aaron Dekeyzer

Excused: 2 - Council Member Marci Houseman Council Member Brooke D'Sousa

> Council Staff in Attendance: Dustin Fratto, Council Director Justin Sorenson, Assistant Director Christine Edwards, Council Clerk Liz Theriault, Policy & Comms Analyst Tracy Cowdell, Council Attorney

Administration in Attendance: Mayor Monica Zoltanski Shane Pace, CAO Lynn Pace, City Attorney Jeff Bassett, Fire Greg Severson, Police Dan Medina, Parks & Recreation Mike Gladbach, Public Works James Sorensen, Community Development Scott Ellis, Public Utilities Kim Bell, Deputy Mayor Martin Jensen, Deputy CAO Susan Wood, PIO Jake Warner, Community Development Melissa Anderson, Community Development

#### Prayer, Pledge of Allegiance, and Introductions

Council Chair Ryan Mecham welcomed those in attendance.

Shane Pace, CAO, offered the Prayer. Council Member Cyndi Sharkey led the Pledge.

Council moved to Item 1 on the Agenda.

#### General Citizen Comment Period (No earlier than 6:00 PM)

Council Chair Ryan Mecham invited the public to participate in General Citizen Comment.

Public comment opened. Mr. Josh Chandler spoke about the possibility of establishing a sister city relationship with a city in Ukraine and hoped the Council would be supportive of this should an opportunity arise. Public comment closed.

Council moved to Item 4 on the Agenda.

#### **Council Business**

#### Informational Items

1. <u>24-109</u> Public Works Department requesting the Council receive a presentation on the Trans Jordan Landfill Annual Report and receive an update on the construction and operations of the Trans Jordan Transfer Station.

Attachments: Trans Jordan Landfill Update Presentation

Mike Gladbach introduced Jaren Scott, Executive Director of Trans Jordan who provided an update on the Trans Jordan organization. The primary function of Trans Jordan is to serve the solid waste needs of 500,000 plus residents. Member cities include Sandy City, Draper, West Jordan, Midvale, Riverton, South Jordan and Murray. Mr. Scott provided a historic timeline of Trans Jordan's growth. Trans Jordan is committed to providing member cities with low rates, environmental stewardship, and the company emphasizes safety, forward thinking and long term commitment. Mr. Scott also provided an overview of their company's managment techniques and upgrades, and solid waste diversion from the landfill to recycling program. The Trans Jordan Landfill has approximately 8.5 years of life remaining. He reviewed Sandy City's landfill usage and provided statistics. Mr. Scott also reviewed the construction and operations of the new Sandy City Transfer Station which is anticipated to open in early spring of 2025. Mr. Scott also reviewed the Bayview Renewable Natural Gas System which converts landfill gas to Renewable Natural Gas (RNG). He also spoke about the need to close the Greenwaste program. Mr. Scott spoke about the impact of House Bill 107 and the outreach and educational programs offered by Trans Jordan. Trans Jordan is looking forward to coming to Sandy and he thanked Sandy City for their support. Council questions and comments followed.

# **2.** <u>24-110</u> Public Works Department requesting the Council receive an update on the Household Hazardous Waste (HHW) construction and operations.

#### Attachments: HHW Rendering

HW Sandy 2024 presentation

Chris Bowden, Program Manager with the Salt Lake County Health Department HHW Program provided an update on the Household Hazardous Waste (HHW) new facility construction and operations. Mr. Bowden provided details on the disposal amounts of hazardous materials collected in 2023. He reviewed the Reuse and Waste diverted program. The Sandy facility is scheduled to open some time this summer. He reviewed the facility site plan. Mr. Bowden mentioned that they have worked very closely with Sandy City staff and acknowledged the support from the city. Council questions and comments followed.

#### **3.** <u>CA02262024</u> Amendments to Title 21, Chapter 11 Section 5 of the Land Development -0006721 Code related Home Occupations

## (CC WS)

Attachments: Staff Report and Exhibits

PC Minutes (DRAFT) 03.07.2024 DSPD Eligibility Exhibit A - Home Occupations - PC Modification Home Occupation Presentation 3-19-2024

Melissa Anderson, Community Development, presented proposed amendments to Title 21, Land Development Code Chapter 11, Special Use Standards and Chapter 5, Home Occupations. The purpose of the code amendments is to clarify the land uses and activities that are allowed as Home Occupations. Through administration of the home occupation code, staff identified issues that needed clarification or refinement. The amendments clarify the following issues: Bona Fide Resident, Satellite Offices, Adult Day Care, Home Occupation Conducted Outside of the Home, Home Occupation Conducted Inside a Garage, and Prohibited Home Occupations. The Planning Commission forwarded a positive recommendation. This item is an information item presented to Council this evening and will come back to the Council for consideration and action at the March 26th Council meeting. Council questions and comments followed.

Council moved to General Citizen Comments.

#### 4. <u>CA02292024</u> Amendments to Title 21 of the Land Development Code related to <u>-0006725</u> Subdivision Review Standards and Public Notice Requirements (CC WS)

<u>Attachments:</u> Exhibit A (Redline Version)

Exhibit B (Clean Version)

City Council WS Presentation

Melissa Anderson, Community Development, presented on amendments to Title 21 Land Development Code Chapter 30, Subdivision Review and Chapter 36, Notice Requirements. The proposed amendments relate to property line adjustment, subdivision plat amendment, and public notice amendments. The current proposed amendments are discretionary amendments and provide clarifications to the existing code. Staff are looking to the Council for feedback and direction before proceeding to the public hearing process. Council questions and comments followed. Council expressed their support and thanked Ms. Anderson for her presentation.

#### Consent Calendar

#### Approval of the Consent Calendar

A motion was made by Cyndi Sharkey, seconded by Zach Robinson to approve the Consent Calendar... The motion carried by a unanimous voice vote.

5. <u>24-108</u> Approval of the February 27, 2024 Draft Minutes

Attachments: February 27, 2024 Draft Minutes

Item approved.

**Council Voting Items** 

6.	<u>GPA0220202</u>	Community Development Department presenting a General Plan
	<u>4-006718</u>	Amendment (File #GPA02202024-006718) for City Council Action, on
	<u>(CC Ord)</u>	behalf of the Parks and Recreation Department, requesting that an
		updated Parks, Trails and Recreation Master Plan be adopted.

Attachments: Planning Commission Staff Report

Ordinance #24-04

Parks, Trails and Recreation Master Plan (Exhibit A)

Public Meeting Notice

Meeting Presentation (City Council 3/12/24)

Y2 Survey Report

Jake Warner, Long Range Planning Manager, presented Ordinance 24-04 for Council consideration and action. This item was presented to the Council as an informational item at the March 12th meeting. The proposed Sandy City Parks, Trails and Recreation Master Plan includes a summary of the public engagement process, analysis of existing conditions, goals and policies to guide future improvements, and recommendations related specifically to individual parks. The Planning Commission forwarded a positive recommendation. Council questions and discussion followed. Council expressed support of the master plan but also expressed concerns about the costs of the proposed improvements currently included in the master plan. Dan Medina, Parks & Recreation Director, explained that master plans needs to be inspirational and are used to give the city something to strive for. He is open to changing some of the language in the plan to include Council feedback. Shane Pace, CAO, weighed in on the use of master plans which serve as a guide and not a commitment to future projects. He also encouraged the Council to include any proposed changes to the plan in their motion which may include an addition in the preamble that projects are contingent on funding availability. The Chair reviewed the timeline for approval of the master plan. Council discussed possible changes to the language included in the plan.

Public comment opened.

Mr. Steve Van Maren expressed concerns with the plan which may conflict with other city plans. He also expressed disappointment that a specific park improvement item was not included in the plan.

Public comment closed.

After further discussion, a motion was made which included amendments to the ordinance.

A motion was made by Zach Robinson, seconded by Alison Stroud to adopt Ordinance #24-04 with the following amendments included:

 Adding a preamble that states this plan is contingent on funding
Include the following language to Page 5 under the implementation box that the implementation is contingent upon funding to implement.

3. Amend language on page 47 to note that the city will conduct a study as to whether the purchase of Crescent Elementary is warranted and feasible4. Amend page 30 to note that the city will conduct a study on the included

4. Amend page 30 to note that the city will conduct a study on the inclu crossing signal

5. Amend the timelines in the implementation plan to the following form: Short-Term, Mid-Term, Long-Term

The motion carried by the following roll call vote:

- Yes: 5 Alison Stroud Zach Robinson Cyndi Sharkey Ryan Mecham Aaron Dekeyzer
- Excused: 2 Marci Houseman Brooke D'Sousa
- 7. 24-111 Public Works Department requesting the Council receive an update on Public Works Phase 2, and requesting Council direction on the project's bid status.

#### Attachments: Phase 2 Revised Plans Presentation

Mike Gladbach, Public Works Director, provided an overview of Phase 2 of the Public Works construction project. Phase 1 is completed. Phase 2 of the project includes the construction of a new maintenance facility. He reviewed the current issues with the existing facility which include electrical, rust/decay, inefficient work space, and varmints. To keep costs down, the staff redesigned the building project and made the following changes: changed to tilt-up concrete, removed enclosed breezeway between buildings, removed interior mezzanine, elimination of the construction of the brine storage shed, and a few other changes. After substantial redesign by the public works staff to reduce costs, the new bid still came in \$1.7 million over budget. The bid is good for 30 days. Public Works staff is looking for direction and feedback from the Council on whether to proceed forward with negotiations with the contractor. Shane Pace provided additional insight to Council. Council discussion, comments and questions followed.

Public comment opened. Mr. Steve Van Maren suggested the Council authorize 2 million to cover the Public Works construction budget shortfall. Public comment closed.

The Council Chair made a commitment to bring this item back next week as an item on the Council agenda to give the Council Members additional time to study this issue. Council directed staff to bring back various funding options to cover the budget shortfall. They asked staff to examine all funding possibilities available. Council will bring this item back next week for further discussion and potential action.

Council moved to Standing Reports.

#### **Standing Reports**

Agenda Planning Calendar Review & Council Office Director's Report

Dustin Fratto, Council Director: At next week's meeting there will be a special recognition from WFWRD and a presentation from the South Valley Chamber and a possible closed session.

#### **Council Member Business**

	Council Member Alison Stroud provided an update from the Historic Committee. The committee is not expecting to receive matching funding from a state grant. She enjoyed her first Sandy Ambassadors' meeting and provided an update.
	Council Member Zach Robinson is bringing a first reading next week related to short-term rentals and requested a meeting with Administration and Legal to discuss. He also mentioned that he and Council Member Houseman would like to move a council workshop to the fall.
	Council Member Ryan Mecham invited all to attend the General Plan Open House tomorrow evening in the Multi Purpose Room from 6 pm to 8 pm.
Mayor's Report	
	Mayor Zoltanski invited the public to attend the General Plan Open House tomorrow evening at City Hall. Your feedback is important in shaping our city's future. The Royals had their season opener and it was a sold out stadium. Four of the players are from Utah and she spoke about issuing a Proclamation honoring the event. She spoke about an organization to establish and connect cities with sister cities in Ukraine and the involvement of Dell Loy Hansen and Mayor Wilson. The Elementary Art Show is now on exhibit at the Shops at South Town. She visited Waterford School and spoke to their middle school students about civic responsibility. The Sandy One Awards and the Mayor's State of the City address is this Thursday evening at Willowcreek Country Club. The evening will highlight residents and businesses that go above and beyond for the Sandy community.
CAO Report	
	Shane Pace, CAO, thanked the Council for this evening's discussion on the Public Works Phase 2 proposal. He appreciated the feedback and discussion. Brian Kelley announced that the city was awarded a AAA rating for our GO Bond. There are currently only two cities in Utah that have this rating and it is a tremendous accomplishment for Sandy City. Mr. Pace also mentioned that the Sandy Police Department received the Agency of the Year award from the US Marshalls. This presentation will take place at an upcoming Council meeting.
Adjournment	
	Council upprimously parent to adjourn the meeting at 8:17 pm

Council unanimously agreed to adjourn the meeting at 8:17 pm.



Staff Report

File #: CA02262024-0006721 (CC), Version: 1 Date: 3/26/2024

#### Agenda Item Title:

Amendments to Title 21, Chapter 11 Section 5 of the Land Development Code related to Home Occupations

#### Presenter:

Melissa Anderson, Zoning Administrator

#### Description/Background:

On behalf of Sandy City, the Community Development Department is proposing to amend Title 21, *Land Development Code*, Chapter 11, *Special Use Standards*, and Chapter 5, *Home Occupations*. The Home Occupation requirements provide an opportunity for residents to conduct home businesses as an accessory use when they are compatible with the neighborhood. Through on-going administration of the home occupation code, staff have identified issues that need clarification or refinement.

To address these issues,code amendments were presented to the Planning Commission on March 7, 2024 during a public hearing. The Planning Commission recommended the City Council adopt the proposed amendments to Title 21, of the Land Development Code, relating to Home Occupations with a modification to the Section on "Adult Day Care." The revised language is included in Exhibit "A" of proposed Ordinance 24-05.

This item was discussed at the City Council work session on March 19, 2024. During those discussions, there were questions related to Horse Boarding and Home Occupations. A memo to address this issue is attached to this agenda item.

#### Fiscal Impact:

None

#### **Recommended Action and/or Suggested Motion:**

Planning Commission recommends the City Council adopt Ordinance 24-05 and amend Title 21, Land Development Code, Chapter 11, Special Use Standards, and Chapter 5, Home Occupations as shown in Exhibit "A", based on the following findings:

1. The City Council may amend land use ordinances consistent with the purposes of the Sandy Land Development Code, the Sandy City General Plan, and the Utah Code, Municipal Land Use, Development, and Management Act per Title 21 Chapter 5 of the Sandy Municipal Code.

2. The proposal is reviewed by the Planning Commission and City Council in accordance with the requirements of Title 21 Chapter 5 of the Sandy Municipal Code.

3. The proposal complies with the purpose of the Land Development Code under Section 21-1-03 by promoting the public health, safety, and welfare; ensuring consistent and equitable standards; establishing fair procedures that are efficient and effective in terms of time and expense; and by facilitating the orderly growth and development of Sandy City.

4. The proposal complies with the Goals and Policies of the General Plan by establishing appropriate development standards for all uses and zoning categories within Sandy City.

#### **ORDINANCE # 24-05**

#### AN ORDINANCE REVISING TITLE 21 OF THE SANDY CITY MUNICIPAL CODE, CHAPTER 11, "SPECIAL USE STANDARDS", SECTION 5, "HOME OCCUPATIONS"; ALSO PROVIDING A SAVING CLAUSE AND EFFECTIVE DATE FOR THE ORDINANCE.

WHEREAS, a request has been made to revise Title 21 of the Sandy City Municipal Code, Chapter 11, "Special Use Standards", Section 5, "Home Occupations". The purpose of the code amendment is to clarify the land uses and standards for Home Occupations; and

WHEREAS, the Planning Commission held a public hearings on March 7, 2024, which meeting was preceded by notice posting in Sandy City Hall, the Sandy City Parks & Recreation Building, Salt Lake County Library – Sandy, on the Sandy City Website – <u>http://www.sandy.utah.gov</u>, and the Utah Public Notice Website – <u>http://pmn.utah.gov</u> on February 20, 2024; and

WHEREAS, following the public hearing before the Planning Commission, the Commission made a recommendation to the City Council regarding the amendment; and

WHEREAS, a public meeting was held by the Sandy City Council on March 26, 2024 to consider adoption of the proposed amendment; and

WHEREAS, the City Council has been given specific authority in Title 10, Chapter 9a, Utah Code Ann. to adopt land use regulations to regulate the erection, construction, reconstruction, alteration, repair and uses of buildings and structures, and the uses of land; and

WHEREAS, the State legislature has granted welfare power to the City Council, independent, apart from, and in addition to, its specific grants of legislative authority, which enables the City to pass ordinances which are reasonable and appropriate to the objectives of that power, i.e., providing for the public safety, health, morals, and welfare; and

WHEREAS, the forgoing legitimate governmental objectives are achieved by reasonable means, in that any adverse impact on private property value or use has been carefully balanced against the corresponding gain to the public; and the regulations have been calculated to permit property owners to beneficially use their properties for the practical purposes to which the property is reasonably adaptable; and procedures have been established by the Land Development Code and Utah Code Ann. whereby appeals can be heard and decided if it is alleged that there is legislative or administrative error, or where a special exception or variance to the ordinance is required.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Sandy City, State of Utah, as follows:

Section 1. <u>Amendment.</u> Title 21 is amended as shown on **Exhibit "A"**, which is attached hereto and by this reference made a part hereof.

Section 2. <u>Severable.</u> If any part of this ordinance or the application thereof to any person or circumstances shall, for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgement shall not affect, impair or invalidate the remainder of this

ordinances or the application thereof to other persons and circumstances, but shall be confined in its operation to the section, subdivision, sentence or part of the section and the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the City Council that this section would have been adopted if such invalid section, provisions, subdivision, sentence or part of a section or application had not been included.

Section 3. <u>Effective</u>. This ordinance shall become effective upon publication of a summary thereof.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Ryan Mecham, Sandy City Council Chair

ATTEST:

City Recorder

PRESENTED to the Mayor of Sandy City for her approval this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Monica Zoltanski, Mayor

ATTEST:

City Recorder

PUBLISHED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

#### Sec. 21-11-5. Home Occupations.

- (a) *Purpose*. The purposes of this <u>sS</u>ection are to:
  - (1) Provide an opportunity for home occupations as an accessory use when they are compatible with the neighborhoods in which they are located. A home occupation shall not be construed to mean an employee working in his home in the service of an employer whose principal place of business is licensed at another location.
  - (2) Provide an opportunity for a home occupation to engage in the business of child care and other group child activities and encourage this type of home occupation to draw clients/customers from their immediate neighborhood.
  - (3) Guide business activities which are not compatible with neighborhoods to appropriate commercial zones.
  - (4) Safeguard peace, quiet, and domestic tranquility within all residential neighborhoods. Protect residents from the adverse effects of business uses being conducted in residential areas from noise, nuisance, traffic, fire hazards, and other possible business uses that create significant impacts on a neighborhood.
  - (5) Provide a means to enforce and regulate the businesses that are licensable through the authority of the business license regulations of this Code, and, if necessary, terminate home occupations if violations of the ordinances regulating home occupations occur.
- (b) Home Occupation License. All home occupations shall be licensed unless specifically provided an exemption in this section or in the business license regulations of this Code. Regardless of whether a license is required, all home occupations must adhere to the standards and qualifications listed in this <u>Section</u>. The authority to issue a license to conduct a home occupation shall be under the jurisdiction of the Business License Office of the Community Development Department.
- (c) Categories and Requirements of Home Occupation Licenses. Home occupation businesses are classified as Category I, Permitted Home Occupation, or Category II, Conditional Use Home Occupation. A Category II, Conditional Use Home Occupation requires review and approval of the Planning Commission.
- (d) *Home Occupation Standards.* All home occupations, licensed or not, shall comply with the following standards at all times:
  - (1) Bona Fide Resident. The home occupation business shall be owned by and carried on only by a bona fide resident of the home that resides in the home more than six months (183 days or more) per calendar year. Proof of residency shall be provided as follows:
    - a. A signed statement stating that the property is the primary residence of the business owner and will remain as the primary residence for the duration of the home occupation license; and
    - b A government-issued identification listing the address of the property as the address of the business owner, unless the Director determines, for good cause, it is not required.
  - (2) Satellite Office Not Allowed. A home occupation shall not be construed to mean an employee working in his home in the service of an employer whose principal place of business is licensed at another location. Business activities <u>that do not qualify for the exemption from licensure as described in this</u> <u>Section</u> shall not be conducted at the home of an employee of a company and <u>shall not be conducted</u> by nonresident company employees.
  - (3) Accessory Use on the Property. For residential purposes, the home occupation shall be clearly secondary and incidental to the primary use of the dwelling unit.
  - (4) *On-Site Employees.* One full-time or full-time equivalent nonresident may be employed, volunteer, or work on the premises where the home occupation business is located. No more than two persons shall

comprise the equivalent full-time employee, and only one nonresident employee may work at the home at one time.

- (5) Off-Site Employees. Any home occupation may utilize employees to work off-site. The off-site employee, volunteer, hiree, or any other person engaged with the home occupation shall not come to the home for purposes related to the home occupation business license except for incidental vehicle stops.
- (6) *Off-Street Parking.* All business-related vehicles which park at the location of the home occupation, including those of the applicant, employee, customers, clients, or business-related visitor vehicles, must use off-street parking. This provision excludes stops made by delivery vehicles.
- (7) *Vehicle Advertisement.* Vehicles, trailers, or equipment may not be used for the primary purpose of advertising the home occupation at the site of the home occupation.
- (8) Designating Areas of Property to be Used. The home occupation applicant must designate the portion of the home, accessory structure, yard, or attached or detached garage to be used as the location for business activities. No businesses are allowed to operate outside of an enclosed structure, unless otherwise approved by the Planning Commission for outside activities.
- (9) External Appearance. The home occupation must maintain or improve the external residential appearance of the principal structure, attached or detached garage, or accessory structure. Any structural alterations to accommodate the home occupation shall maintain the architectural aesthetics and compatibility of the neighborhood.
- (10) Outdoor/Yard Space. The home occupation shall not involve the use of any yard space for storage or display of supplies, inventory, or equipment when such use is in conjunction with the sales, service, or production of goods, unless specifically stored within trailers or accessory structures as allowed herein. Any screened area or structure used for the home occupation must be located in either the side or rear yard areas.
- (11) *Business Trailer*. One trailer may be used in association with the home occupation. Trailers allowed in conjunction with a home occupation are as follows:
  - a. An open or enclosed trailer with a body length of 20 feet or less, excluding the tongue.
  - b. Materials/equipment shall not be stored outside of the trailer.
  - c. The trailer shall be placed in the side or rear yard behind a fence or garaged on private property and not within the front yard of the dwelling. If the home is located on a corner lot, the trailer shall not be stored on the street side of the house unless it is out of the required front yard setback. If the topography of the lot prohibits the parking of the trailer on the side or rear yard, the trailer must be stored off-site.
  - d. The trailer must be well-maintained and must not present negative impacts for adjacent neighbors, including, but not limited to, odors, dust, or parking location.
  - e. All areas utilized for the parking of trailers shall be paved with a hard surface (e.g., concrete, asphalt, brick, or other water impenetrable surface). This includes the side and rear yard of the home. It is prohibited to park upon areas that have been landscaped or are reserved for future landscaping.
  - f. A site plan shall be included with all business license applications indicating where the trailer will be stored outside of the front yard.
- (12) *Commercial Vehicle.* Only one such vehicle may be parked on a residential lot. A commercial vehicle parked or stored on a residential lot must be owned or apportioned by an occupant who resides at the residence. This vehicle must comply with all residential parking requirements contained within this title.

- (13) *Conformity with Safety Codes.* There shall be complete conformity with fire, building, plumbing, electrical, and all other City, County, State, and Federal codes.
- (14) *Health and Safety.* No process can be used which is hazardous to public health, safety, morals, or welfare.
- (15) No Excessive Utility Uses. The home occupation shall not cause a demand for municipal, community, or utility services that are substantially in excess of those usually and customarily provided for residential uses.
- (16) Neighborhood Disruptions Not Permitted. The home occupation shall not interfere or disrupt the peace, quiet, and domestic tranquility of the neighborhood. The home occupation shall not create or be associated with or produce odor, smoke, dust, heat, fumes, light, glare, noises or vibrations, excessive traffic, or other nuisances, including interferences with radio and television reception, or any other adverse effects within the neighborhood.
- (17) Renter/Owner Responsibility. If the applicant for a home occupation license rents or leases the property wherein the home occupation is intended to be conducted, the applicant must provide a letter of acknowledgment and consent from the property owner at the time the application is submitted to the Business License Office.
- (18) Interior Alterations/Remodeling. Interior alterations of the principal dwelling for the purpose of accommodating the home occupation are prohibited if such alteration eliminates the kitchen, and/or all of the dining areas, bathrooms, living areas, or all of the bedrooms.
- (19) *Exempt from Business Licensure*. A business license will not be required unless the combined off-site impact of the home occupation and the primary residential use materially exceeds the impact of the primary residential use alone. If a home occupation has any of the following impacts, a business license is required:
  - a. Business-related customers, client visits, or meetings on the property.
  - b. Signage or advertising of the business that is visible from the exterior of the home.
  - c. The business owner or operator desires a physical copy of a business license.
  - d. Any nonresident working on the property.
  - e. Business-related deliveries are made to or from the property.
  - f. Accessory or commercial vehicles are stored or parked on the property for the home occupation.
  - g. The home or property requires inspections from any regulatory authority or agency, including, but not limited to, the City, Salt Lake Valley Health Department, and/or the Department of Agriculture.
  - h. The business generates any additional vehicular traffic or parking on the property.
  - i. If the State requires a sales tax number for any reason.
  - j. If the home occupation is categorized as a Category II, Conditional Use Home Occupations, as described herein.
  - k. If the home requires any modification requiring a building permit to accommodate the business operations.
  - I. When the business use within the home exceeds 25 percent of the primary dwelling.
- (e) *Category I Qualifications.* In addition to the standards previously set forth above, all Category I home occupation businesses must also comply with the provision of the qualifications outlined below. If a business finds that they are unable to fully comply with all of the qualifications set forth, the applicant may pursue

possible approval as a Category II home occupation through the conditional use permit process before submitting the application for a home occupation business license.

- (1) *Hours.* No visitors in conjunction with the home occupation (clients, patrons, employees, volunteers, students, pupils, etc.) shall be permitted between the hours of 10:00 p.m. and 6:00 a.m.
- (2) Traffic. Vehicular traffic from business related visitors and customers shall not exceed that which normally and reasonably occurs for a home in the neighborhood and shall be conducted so that the neighbors will not be significantly impacted by its existence. The home occupation shall be limited to two business related visitors or customers per hour, to a maximum of eight business related visitors or customers per day. Business related deliveries or pickups shall not exceed two per day.
- (3) *Delivery Vehicles.* The receipt or delivery of merchandise, goods, or supplies for use in a home occupation shall be limited to vehicles with a gross vehicle weight rating (GVWR) of 23,000 pounds or less.
- (4) *Conducted in a Home.* When business activities are being conducted on the property that is to be licensed, the home occupation shall be primarily conducted within the principal home.
- (5) *Maximum Floor Space.* No more than 25 percent of the total main floor area or upper living levels of the dwelling unit, nor, in the alternative, more than 50 percent of the total floor area of any basement of the home unit shall be utilized for the home occupation.
- (6) Signs. The home occupation may utilize one unanimated, non-illuminated flat sign for each street upon which the home abuts. The sign must be placed either in a window or on the exterior wall of the home wherein the home occupation is being conducted and may not have an area greater than one square foot.
- (7) *Display of Products.* The home occupation may include the sale of tangible goods. Direct sales from display apparatus is permitted only if the goods or products are not visible from the exterior of any approved structure being used for the home occupation.
- (8) Food or Beverage Preparation for Consumption Outside of the Home. Any home occupation involving or proposing to involve food or drink preparation, storage, or catering will be permitted when it is authorized by the appropriate State or County department or agency.
- (9) Category I Home Occupation Licensing Involving Child Day Care and Other Child Group Activities.
  - a. This type of home occupation shall not exceed eight children associated with child day care or other child group activities (e.g., dance schools, preschool, music classes, etc.) at any one time. A maximum of eight students/children are permitted per day. This number shall include the licensee's own children if they are under six years of age and are under the care of the licensee at the time the home occupation is conducted.
  - b. All child day care and other group child activity facilities shall provide safe, outdoor play time and spaces as required by Federal, State, County, or local laws governing such business activities.
- (10) Category I Home Occupation License Involving-Elderly Adult Day Care.
  - This type of home occupation shall not exceed supervising more than two elderly persons 60 years of age or older or more than two persons who have an intellectual or physical disability or acquired brain injury, as defined by the Utah Department of Health and Human Services (DHHS) Division of Services for People with Disabilities (DSPD). Any home occupation of this nature which exceeds two individuals or more than 12 hours of operation will be considered a Category II home occupation and shall be reviewed and approved by the Planning Commission.
  - b. This type of home occupation must comply with all local and state laws governing such business activity.

- (11) Category I Home Occupation Licensing Involving Renting Recreational Vehicles from Personal Property in Single-Family Residential Zones.
  - a. A property owner/resident living in the home may rent one recreational vehicle that is owned by the owner/resident. Where more than one recreational vehicle can fit on a recreational trailer, the owner may rent a maximum of two recreational vehicles.
  - Any recreational vehicle must be parked according to the residential parking requirements and restrictions within this title, except that any recreational vehicle that is being rented from the home must be parked on a hard surface (concrete, asphalt, brick, or other impenetrable surface). In addition, the maximum area of hard surface for the purpose of parking a recreational vehicle shall be complied with.
  - c. Advertising on the recreational vehicle is prohibited.
  - d. Servicing the recreational vehicle shall be limited to those activities which will comply with Chapter 13-2 and Title 19.
  - e. Any customer renting the recreational vehicle shall not leave their own car on the street, but may place their vehicle on the homeowner's property in compliance with all residential parking requirements during the time the recreational vehicle is being rented.
- (f) Category II, Conditional Use Permit Required. If a home occupation is able to comply with all of the standards but is unable to comply with all of the Category I qualifications established above, the proposed business activities must be reviewed by the Planning Commission and granted a conditional use permit before pursuing a home occupation business license through the Business License Office.
  - (1) *General.* In addition to any conditions established by the Planning Commission at the time of its review, all Category II home occupations must comply with the following:
    - a. All Category II home occupation uses shall only be conducted from property with a single-family dwelling.
    - b. The conditional use permit and the home occupation business license shall be maintained in good standing for the entire period that business is being conducted.
  - (2) Compliance. Uses are appropriate as licensable home occupations only if they are determined to be compatible with residential neighborhoods after full conditional use review by the Planning Commission, compliance with Title 15, all of the standards and qualifications that have not been granted an exception through the conditional use process, and additional regulations set forth hereafter.
  - (3) *Child Day Care.* The following items indicate maximum limits that may be granted by the Planning Commission when a child day care is expected to exceed eight children at one time:
    - a. A maximum of 16 children is permitted at any one time.
    - b. A maximum of 18 children is permitted per day.
    - c. These numbers shall include the licensee's and any employees' children if they are under six years of age and are under the care of the licensee at the time the home occupation is conducted.
    - d. A maximum of 24 vehicular stops per day for child drop off or pick up is permitted.
  - (4) Group Child Activities. The following provisions indicate a maximum limit that may be granted by the Planning Commission for other group child activities which are expected to generate or exceed eight children/students (e.g., dance schools, preschools, music classes, other care or instruction for children) at any one time other than child day care:

- a. The following guidelines shall be used to determine the maximum number of students/children permitted:
  - 1. A Traffic Plan that has been reviewed and approved by the City Transportation Engineer which includes acceptable traffic flow, drop off, and turn-around areas.
  - 2. The existing residential street is of sufficient width to accommodate additional vehicular traffic.
- b. A maximum of 12 students/children per session and a maximum of 24 students/children per day shall be permitted.
- c. A maximum of four sessions per day may be permitted.
- d. All sessions combined shall not generate more than 24 vehicular stops per day.
- e. The total number of students/children shall include the licensee's and any employees' children if they are under six years of age and are under the care of the licensee at the time the home occupation is conducted.
- f. No group child activities falling under a Category II home occupation may be established within 300 feet as measured from property line to property line of another group child activity, Category II home occupation use.
- (5) *Work Shops.* Repair shops, including welding, carpentry, sheet metal work, furniture manufacturing, upholstery, and other similar manufacturing activities
- (6) Business Not Conducted Within a Home. Any home occupation which proposes or conducts activities within an outbuilding, accessory building, attached or detached garage. The following guidelines standards shall be used to determine the maximum impacts permitted:
  - a. The applicant for a home occupation business license shall designate the areas of the home, attached/detached garage or accessory structure that will be used for the home occupation. If approved, the home occupation may be conducted only in the designated area.
  - b. No more than a maximum of 200 square feet, or, in the alternative, no more than 50 percent of the total floor space (whichever is the greater) of any accessory structure or attached or detached garage may be used for a home occupation unless-there are specific an exceptions is granted by the Planning Commission through the Conditional Use Permit, and they find that:
    - 1. The total floor space used for the home occupation in a detached accessory structure does not exceed the maximum size of an accessory structure that is permitted by-right within the zone, as regulated in this Title (for example, the size of the accessory structure does not require a conditional use permit); and
    - 2. The use does not adversely impact the residential character of the neighborhood.
  - c. Any home occupation uses in an attached or detached garage may not eliminate minimum parking requirements for the particular zone wherein the home occupation is located. The required minimum off-street parking area shall be maintained and clear of all materials and equipment that would prohibit the parking of vehicles during non-business hours.
  - d. Any accessory structure used for a home occupation must maintain the architectural aesthetics or compatibility of the home and the immediate neighborhood.
  - e. The home occupation may utilize one unanimated, non-illuminated flat sign to be attached to the accessory structure where the home occupation is being conducted in lieu of a sign attached to the home or in a window. The sign may not have an area greater than one square foot.
- (7) *Home Occupations and Outdoor Activities.* Any home occupations proposing to conduct business utilizing any yard space or in a swimming pool.

- (8) *Dangerous Home Occupations*. Any home occupation using explosives, incendiary products and devices, flammable, or hazardous chemicals.
- (9) Home Occupations Generating Excessive Traffic. Any home occupation which will generate in excess of two customers or visitors per hour or eight per day. A maximum of 12 business-associated visitors per day may be allowed under a conditional use permit, except as provided for child day care and other group child activities.
- (10) *Large, Business Related Vehicles.* Any home occupation which utilizes vehicles more than 24 feet in length (with the exception of renting recreational vehicles).
- (11) *More Than Two Home Occupation Licenses.* Any home where the applicant is seeking more than two home occupation licenses.
- (g) *Prohibited Home Occupations.* The following uses, by nature of the occupation, substantially impair the use and value of residentially zoned areas for residential purposes and are, therefore, prohibited:
  - (1) Mortuary, crematorium, columbarium, or mausoleum.
  - (2) Animal hospitals or veterinary services.
  - (3) Clinic, dental office, medical office, chiropractic office, or hospital.
  - (4) Junkyard, auto wrecking yard, or salvage yard.
  - (5) Stables, <u>animal kennels, animal day-care</u>, <u>on-site animal training</u>, pet store, <del>or any other</del> commercial animal breeding business, or <u>any other</u> similar activities are prohibited.
    - a. Activities may be allowed within the scope of a hobby license as issued by the Animal Services Division of Sandy City.
    - b. Pet grooming services without on-site kenneling may be allowed to operate in accordance with the standards of this Section.
  - (6) Storage, service, repair, or sales of ambulances, tow trucks, recreational vehicles, water craft, automobiles, ATVs, or other motorized vehicles.
  - (7) Fitness or health spa facilities that exceed two clients at a time.
  - (8) Boutiques, sample sale, or craft shows.
  - (9) Auto body repair or motor vehicle repair.
  - (10) Use of specified chemicals, pesticides and flammable/combustible materials, and including any other process or business where current adopted Building and Fire Codes would require an operational permit.
  - (11) Number of vehicular stops or visits that would exceed 24 per day.
  - (12) Massage therapy or other alternative healing and energy healing businesses, with the exception that a home occupation license may be issued if the applicant is the only person employed in said operation and he has obtained any required licenses from the State of Utah. Limit one massage therapy or alternative healing and energy healing business per residence. All other standards and Category I qualifications must be complied with. No massage therapy or other alternative healing and energy healing businesses may be permitted if a Category II qualification is required.
  - (13) Bed and breakfast facilities.
  - (14) Parent-child or adult group activities that exceed two clients at a time.

(Ord. No. 09-18, 7-31-2009; Ord. No. 10-45, 12-14-2010; Ord. No. 12-33, 9-17-2012; Ord. No. 15-25, 7-21-2015; Ord. No. 16-13, 3-23-2016; Ord. No. 17-29 , § 1, 12-1-2017)



# Proposed Code Amendment Title 21, Land Development Code

# Proposal

- Amends Title 21, Land Development Code Chapter 11, Special Use Standards Chapter 5, Home Occupations
- Through on-going administration of the home occupation code, issues that need clarification or refinement have been identified.
- To address these issues, amendments are proposed to the home occupation standards.







City Council

# Bona Fide Resident

- Issue: "Bona Fide Resident" is not clearly defined. A person may own five homes in Sandy, spend some residency in each home and potentially operate five home occupations at the same time.
- Proposal: Bona fide resident is defined as a person who lives in the home at least six months out of the year, and proof of residency is required.





City Council

# Satellite Offices

- **Issue:** Satellite offices are not allowed, but clarification is needed.
- Proposal: The code amendment clarifies that satellite offices are not allowed if they need a home occupation business license. For example, an employer is not allowed to ask employees to manufacture goods with multiple deliveries at their residence.





Home Occupations Outside of Home: Garage or Accessory Structure





City Council





City Council

# Home Occupations Outside of Home in Garage or Accessory Structure

 Issue: Home occupations in an accessory structure or in a garage is limited to 200 s.f or 50% of the total floor space (whichever is the greater). This size limitation may be increased with an exception approved by the Planning Commission but currently, there are no criteria upon which the Commission may make that decision.





City Council

Home Occupations Outside of Home Proposal: Two criteria are added related to compatibility for Planning Commission approval:

- 1. The use does not adversely impact the residential character of the neighborhood, and
- 2. The total floor space used for the home occupation in a detached accessory structure does not exceed the maximum size of an accessory structure that is permitted by-right within the zone (i.e., the accessory structure does not require a conditional use permit).




## Maximum Area of a Home Occupation in a Detached Accessory Structure Allowed with Planning Commission Approval

### **Property Size**

14,999 sq. ft. or smaller 15,000 sq. ft.—19,999 sq. ft. 20,000 sq. ft. or larger Maximum Floor Space 750 sq. ft. 1,000 sq. ft. 1,500 sq. ft.

City Council





## Home Occupations Conducted Inside Garage

- **Issue:** Clarification needed for home occupations conducted inside a garage.
- Proposal: Clarification is provided to ensure the minimum parking area is maintained and clear during non-business hours.





City Council



City Council

**Prohibited Animal-related Activities** 

- Issue: Clarification is needed for commercial animal-related activities.
- **Proposal:** "Animal Day Care" and "On-site Animal Training" are specified as prohibited activities. In contrast, pet grooming services that do not include kenneling are specified as allowed, but only within the parameters of the home occupation standards.





## Prohibited Fitness or Health Spa Facilities



**City Council** 







City Council

**Prohibited Fitness or Health Spa Facilities** 

- Issue: Currently prohibited as home occupations, regardless of the number of customers (*impact*) served at any one time.
- Proposal: Allow up to 2 customers at a time, because the impact is not anticipated to exceed normal activities that occur in a home in a residential neighborhood.







Adult Group Activities (e.g. Social Dance Class)

## Parent-child (e.g. Mommy & Me)





City Council



**Prohibited Parent-child or Adult Group Activities** 

- Issue: Customers have inquired about these activities, but there are concerns about excessive parking when adults (vs. children) participate in group activities on a regular basis.
- Proposal: Allow "Parent-child or Adult Group Activities," but only up to 2 customers at a time.







City Council

## Adult Day Care

- Issue: "Elderly Day Care" is allowed as a home occupation but other adults with mental or physical disabilities who need care during the day is not provided for in the code.
- Proposal: The provision is expanded to "Adult Day Care" to allow care for individuals who have an intellectual or physical disability or acquired brain injury, as defined by the DHHS, Division of Services for People with Disabilities.





# Planning Commission Recommendation

Recommend the City Council adopt Ordinance 24-05 and amend Title 21, of the Sandy Municipal Code, relating to Home Occupations, as shown in Exhibit "A" of the ordinance, based on the analysis and findings in the staff report.





Council



### SANDY CITY COMMUNITY DEVELOPMENT

JAMES SORENSEN COMMUNITY DEVELOPMENT DIRECTOR

> MONICA ZOLTANSKI MAYOR

SHANE E PACE CHIEF ADMINISTRATIVE OFFICER

### Staff Report Memorandum March 7, 2024

To: City Council via Planning Commission From: **Community Development Department** Subject: Amendments to Title 21 of the Land Development Code CA02262024-0006721 related to Home Occupations

**Public Hearing Notice:** 

This item has been noticed on public websites, sent to affected entities and posted in three public locations at least 10 days prior to the Public Hearing.

#### Request

On behalf of Sandy City, the Community Development Department is proposing to amend Title 21, Land Development Code, Chapter 11, Special Use Standards, and Chapter 5, Home Occupations. The purpose of the code amendments is to clarify the land uses and activities that are allowed as Home Occupations. The specific amendments to the Land Development Code are included as Exhibit "A" (red-lined version) and Exhibit "B" (clean version).

#### Background

The Home Occupation requirements (Sec. 21-11-5) provide an opportunity for residents to conduct home businesses as an accessory use when they are compatible with the neighborhood. Through on-going administration of the home occupation code, staff have identified issues that need clarification or refinement. To address these issues, amendments are proposed to the home occupation standards, as outlined in this report, and shown in the exhibits.

Case History			
Case Number	Case Summary		
Ordinance No. 09-18	The amendment allows homeowners to rent RVs from their home on a limited basis as a Category 1 Home Occupation. (7-31-2009)		
Ord. No. 10-45	The amendment modifies the type of items that can be stored on the premises of a home occupation. (12-14-2010)		
Ord. No. 12-33 CODE-6-12-2365	The amendment made changes that align with State Code relating to child day care as a home occupation. (9-17-2012)		
Ord. No. 15-25 CODE-5-15-4342	The amendment made changes related to massage therapy. (7-21-2015)		

Ord. No. 16-13 CODE-2-16-4959	The amendment made changes to allow alternative healing and energy healing types of businesses in residential districts as home occupations. (3-23-2016)
Ord. No. 17-29 CODE-09-17-5305	The amendment made changes that align with State Code changes relating to home- based businesses and allow for a small number of home-based businesses to be exempt from a business license. (12-1-2017)

#### Public Notice

The city issued notice of the public hearing for the proposed code amendments on public websites, mailed notice to affected entities and posted in three public locations at least 10 days prior to the Planning Commission public hearing in accordance with the Land Development Code Sec. 21-36-1 and the Utah State Code § 10-9a-205.

#### <u>Analysis</u>

A summary of the proposed code amendments is described below:

- 1. **Bona Fide Resident:** The code amendment clarifies that a bona fide resident lives in the home at least six months out of the year, and adds the documentation needed to verify proof of residency. This change was made because a person may own five homes in Sandy and spend some residency in each home (there is currently no stipulation how much), and could therefore operate five home occupation businesses in the city at the same time.
- 2. Satellite Offices: The code amendment clarifies that satellite offices are not allowed. For example, an employer whose principal of business is licensed at another location, is not allowed to ask employees to manufacture goods with multiple deliveries at their residence.
- 3. Adult Day Care: The provision for "Elderly Day Care" is expanded to allow care for not just seniors, but other adults with mental or physical disabilities who need care during the day. The Utah Department of Health and Human Services (DHHS) <u>Division of Services for People with Disabilities</u> (DSPD) identifies specific conditions that are eligible for services through their agency as intellectual disabilities, physical disabilities and acquired brain injury. None of these conditions include disabilities caused by drug or alcohol addiction. Therefore, adult day care is added to home occupations, but only for individuals who have a condition that is eligible through DSPD.
- 4. Home Occupations Conducted Outside of the Home: With Planning Commission approval of a Conditional Use Permit, a home occupation may be conducted in a detached accessory structure or in an attached or detached garage; however, the size is limited to 200 square feet, or, 50% of the total floor space (whichever is the greater). This size limitation may be increased with an exception approved by the Planning Commission but currently, there are no criteria upon which the Commission may make that decision.

Therefore, two decision-making criteria related to compatibility have been added for the Planning Commission's evaluation. These are: a) the use does not adversely impact the residential character of the neighborhood, and b) the total floor space used for the home occupation in a detached accessory structure does not exceed the maximum size of an accessory structure that is permitted by-right within the zone (for example, the size of the accessory structure does not require a conditional use permit). Based on this criterion, the following table shows the maximum floor space the Planning Commission may approve for a home occupation in a detached accessory structure.

Maximum Area of a Home Occupation in a Detached Accessory Structure Allowed with Planning Commission Approval		
Property Size	Maximum Floor Space	
14,999 sq. ft. or smaller	750 sq. ft.	
15,000 sq. ft.—19,999 sq. ft.	1,000 sq. ft.	
20,000 sq. ft. or larger	1,500 sq. ft.	

- 5. Home Occupations Conducted Inside a Garage: For home occupations that are conducted inside a garage, clarification is provided to ensure the required minimum off-street parking area is maintained and clear of all
- 6. Prohibited Home Occupations: The proposed amendments relate to activities currently listed as prohibited:

materials and equipment that would prohibit the parking of vehicles during non-business hours.

- a. Animal-related Activities: Generally, commercial animal-related activities are prohibited as home occupations because they have the potential for causing negative impacts to the neighborhood; however, clarification is needed to address ambiguities. Therefore, animal day care and on-site animal training are added to the specific list of prohibited activities. In contrast, pet grooming services that do <u>not</u> include kenneling may be allowed, but only within the parameters of the home occupation standards<sup>1</sup>.
- b. Fitness or Health Spa: "Fitness or Health Spa Facilities" are currently prohibited as home occupations, regardless of the number of customers served at any one time. These activities are amended to allow a maximum of two customers at a time because the impact is not anticipated to exceed normal activities that occur in a home in a residential neighborhood.
- c. **Parent-child or Adult Group Activities:** The code allows "Group Child Activities" as either a Category I or II Home Occupation. There have been inquiries from customers about home businesses for parent-child activities (e.g. *mommy-and-me* classes) and adult activities (e.g. social dance classes). The code does not currently prohibit these activities, but there are concerns about excessive and overflow parking when adults participate in group activities on a regular basis in residential areas. Therefore, parent-child and adult group activities that exceed two customers at a time are added to the list of prohibited activities, similar to fitness or health spa facilities.

#### Non-Conforming Uses

This code amendment would not create any non-conforming situations.

#### Land Development Code Purpose Compliance

The Sandy City Land Development Code in 21-1-3 lists the criteria explaining the intent and purpose of the Ordinance. The purpose is:

#### 21-1-3 Purpose

This Code is adopted to implement Sandy City's General Plan and to promote public health, safety, convenience, aesthetics, welfare; efficient use of land; sustainable land use and building practices; transportation options and accessibility; crime prevention; timely citizen involvement in land use decision making; and efficiency in development review and land use administration. Specifically, this Code is established to promote the following purposes:

- 1. General
  - a. To facilitate the orderly growth and development of Sandy City.
  - b. To facilitate adequate provision for transportation, water, sewage, schools, parks, and other public requirements.
  - c. To stabilize property values.
  - d. To enhance the economic well-being of Sandy City and its inhabitants.
- 2. Implementation of General Plan

To coordinate and ensure the implementation of the City's General Plan through effective execution of development review requirements, adequate facility and services review and other goals, policies, or programs

<sup>&</sup>lt;sup>1</sup> There are several standards that apply to all home occupations. One standard that significantly limits the impact to neighboring properties relates to traffic limitations, which states: "Vehicular traffic from business related visitors and customers shall not exceed that which normally and reasonably occurs for a home in the neighborhood and shall be conducted so that the neighbors will not be significantly impacted by its existence. The home occupation shall be limited to two business related visitors or customers per hour, to a maximum of eight business related visitors or customers per day. Business related deliveries or pickups shall not exceed two per day (Sec. 21-11-5(e)(2))."

contained in the General Plan.

- 3. Comprehensive, Consistent and Equitable Regulations To establish a system of fair, comprehensive, consistent and equitable regulations, standards and procedures for review and approval of all proposed land development within the City.
- 4. Efficiently and Effectively Managed Procedures
  - a. To promote fair procedures that are efficient and effective in terms of time and expense.
  - b. To be effective and responsive in terms of the allocation of authority and delegation of powers and duties among ministerial, appointed, and elected officials.
  - c. To foster a positive customer service attitude and to respect the rights of all applicants and affected citizens.

The proposed code amendment is consistent with the purpose of the Land Development Code because the proposal promotes the public health, safety and welfare; ensures consistency and equitable standards; establishes fair procedures that are efficient and effective in terms of time and expense; facilitates the orderly growth and development of Sandy City; and is consistent with the Sandy City General Plan.

#### General Plan Compliance

The Sandy City General Plan encourages appropriate development standards for all uses and zoning categories within the city. The proposed code amendment furthers that goal and objective by establishing appropriate land development standards for all uses and zoning categories within Sandy City.

#### Recommendation

Staff recommends that the Planning Commission forward a positive recommendation to the City Council to amend Title 21, of the Sandy Municipal Code, relating to Home Occupations as shown in Exhibit "A", based on the following findings:

#### Findings:

- 1. The City Council may amend land use ordinances consistent with the purposes of the Sandy Land Development Code, the Sandy City General Plan, and the Utah Code, Municipal Land Use, Development, and Management Act per Title 21 Chapter 5 of the Sandy Municipal Code.
- 2. The proposal is reviewed by the Planning Commission and City Council in accordance with the requirements of Title 21 Chapter 5 of the Sandy Municipal Code.
- 3. The proposal complies with the purpose of the Land Development Code under Section 21-1-03 by promoting the public health, safety, and welfare; ensuring consistent and equitable standards; establishing fair procedures that are efficient and effective in terms of time and expense; and by facilitating the orderly growth and development of Sandy City.
- 4. The proposal complies with the Goals and Policies of the General Plan by establishing appropriate development standards for all uses and zoning categories within Sandy City.

Planner:

We

Melissa Anderson Zoning Administrator

Exhibits:

A. Proposed code amendments (red-lined version)

B. Proposed code amendments (clean version)

File Name: S:\USERS\PLN\STAFFRPT\2024\CA02262024-0006721 HOME OCCUPATIONS\STAFF REPORT\STAFF REPORT - HOME OCCUPATIONS.FINAL.DOCX



### SANDY CITY COMMUNITY DEVELOPMENT

JAMES SORENSEN COMMUNITY DEVELOPMENT DIRECTOR

> MONICA ZOLTANSKI MAYOR

SHANE E. PACE CHIEF ADMINISTRATIVE OFFICER

### **Supplemental Memorandum**

March 21, 2024

To:City CouncilFrom:Community Development DepartmentSubject:Horse Boarding in Sandy City<br/>(Community #22)

CA02262024-0006721 CA02092022-0006266

Per the request of Councilmember Sharkey, our staff has assembled some additional information regarding the proposed home occupation amendments (see file CA02262024-0006721) and horse boarding. This issue was discussed and addressed in detail during the Bell Canyon Acres SD Zone Code Amendments (see file CA02262024-0006721, and ordinance 22-18 for the full details of that amendment and associated review process).

- Horse boarding activity is categorized as a <u>Commercial Animal Kennel</u> in existing land use code. *Animal kennel, commercial,* means an establishment boarding, breeding, raising, treating, or training small, medium, or large farm animals or household pets for commercial gain.
- This use is not allowed in any residential areas, and is <u>not allowed to be licensed as a home occupation</u> (see <u>21-11-5(g)(5)</u>). It is only allowed in <u>certain commercial areas</u>.
- A <u>new definition of limited horse boarding</u> was adopted for the Bell Canyon Acres SD Zone (an equestrian focused development) and only applies to that zone district (see Section Sec. 21-19-34(3)(a)) and is not applicable or permissible in any other area of the city:

*Horse Boarding.* This use may be permitted as an ancillary use only if the home is owner occupied. The use will not be regulated as a business or a home occupation. This use is not allowed if operated by a commercial entity or property renter. All other kenneling or boarding of any other animal is expressly prohibited.

• Permitted only as <u>ancillary</u> to the primary use essentially functions as though they are housing their own animals with negligible increased land use impact with no net increase of allowed animals or structures on the property. Ancillary use is defined as follows:

Ancillary use means a use conducted on the same lot as the primary use of the structure to which it is related; a use which is clearly incidental to and customarily found in connection with such primary use.

- Limited to owner occupied properties. Commercially owned properties couldn't legally operate a boarding facility.
- Could not obtain a business license. This limits scope and scale of any private stable operation. The use and potential impact are confined to operating as a hobby rather than a full-blown commercial business.
- Boarding is not new to the Bell Canyon Area and has been in use by various owners for decades.

- This defined limited use <u>does not have the same impact as Commercial Animal Kennel</u> as this does not allow for many commercial services typically found in other commercial stables or kennels (no signage, riding lessons, classes, events, clinics, training, or veterinarian care would be allowed).
- Limitations in the code prevent commercial entities from purchasing properties with the intent to operate a larger scale commercial kennel or stable within this neighborhood thus minimizing any undue burdens or impacts from the use.
- A business license is not recommended by staff.
  - Home occupation licensing standards are established to set limits of business activities that create material impacts that exceed that of the primary use.
  - Current <u>home occupation ordinance</u> does exempt certain business types from licensure by the City, in particular where the material impacts are limited or non-existent (see 21-11-5(d)(19)).
  - <u>Staff finds no material impacts</u> are generated from this type of limited boarding use. If there are no material differences between homeowner horses and those boarded, then there is no need for a business license to limit the land use impacts.
  - By licensing the use as a home occupation, these could create more visible commercial operations (signage would be allowed), which would not be allowed under staff's recommendation.
- Permitting horse boarding outside of Bell Canyon Acres is not recommended.
  - $\circ$   $\;$  This area is unique from other animal right properties in the city.
  - $\circ$   $\;$  This area was established with the central purpose of catering to horses.
  - Bridle path networks were established with the plat (no other subdivisions in the city have this feature).
  - Unique proximity and access to Dimple Dell Park, a major equestrian riding area which contains miles of riding trails. Residents can access the park without need of trailers. The city has even provided an equestrian rider activated street crossing on Dimple Dell Road (10600 South Street).
  - $\circ$   $\;$  This proximity limits the need for trailering horses and storage of trailers.
- Positive Code Enforcement Impact.
  - We have seen a drastic reduction in the number of code complaints received in the Bell Canyon Acres Subdivision since the code was adopted in February 2023. Before the code amendment we averaged almost 9 boarding related code cases a year. Since adoption there has been one case that was resolved by the owner applying for a special use permit and are now in compliance.
  - This has simplified enforcement on reported issues to focus on land use impacts rather than ownership of the horses. We can focus on the number of horses kept on a property and keeping these horses in a non-nuisance manner. We have found that boarding alone has not generated a negative impact.
  - Code Enforcement officers' time has been freed up to address issues in other areas of the city, rather than spending a disproportionate time in the Bell Canyon Subdivision.

Mike Wilcox Planning Director



Staff Report

#### File #: 24-115, Version: 1

Date: 3/26/2024

#### Agenda Item Title:

Public Works Department requesting Council direction on the project's bid status and funding

#### Presenter:

Mike Gladbach, Public Works Director Brian Kelley, Administrative Services Director

#### Description/Background:

Phase 2 of the Public Works project includes the construction of a new Maintenance Facility to address inefficient work space, outdated systems, and a decaying structure. In 2023, the project had an estimated cost of \$7.4 million, and the Council allocated \$7 million in funds towards the project in the FY 2023-24 budget. However, after initially going out to bid in June of 2023, the low cost estimate of the project was \$9.8 million, resulting in a \$2.8 million shortfall.

Considering the amount of the initial low bid, the Public Works Department has since redesigned the construction plans in an attempt to lower costs, and requested new bids for the updated project in March of 2024. The new bids ultimately came in a bit lower at \$8.1 million, however, a shortfall still exists.

On March 19, 2024 The council requested additional details and recommendations on possible funding sources to cover the shortfall. Finance staff has worked with Council Staff to identify capital funding sources for the council to consider. Attached to this agenda item you'll find a list of those sources identified, including the recommendations of the finance staff.

Please see the attachments for details.

#### Fiscal Impact:

The Public Works Department is requesting \$1.7 million in additional funds for the completion of Public Works Phase 2.

#### Further action to be taken:

The Public Works Department is looking for Council direction, via motion, on whether to move forward with this new bid for Public Works Phase 2. The Council may also consider adoption of the attached Resolution 24-11C, which transfers appropriations within the capital projects fund.

#### **Recommended Action and/or Suggested Motion:**

Suggested motions for the council to consider:

## 1. If you would like to direct the administration to move forward with the existing bid AND transfer the appropriations to cover the short fall at the same time:

I motion that the council adopt Resolution 24-11C as presented (or as amended, if the funding sources are updated by the council).

## 2. If you would like the administration to move forward with the existing low bid but would also like additional time to consider an appropriate funding source:

I motion that the council express its support for moving forward with the low bid to complete Public Works Phase 2 and express its intention to fund the \$1.7 million dollar shortfall.

#### 3. If you do not want the administration to move forward with the existing low bid:

I motion that the council oppose moving forward with the low bid to complete Public Works Phase 2.

#### 4. If you would like more time to consider whether to move forward with the existing low bid:

I motion that the council table this item to (select a date).

#### 5. If you would like additional data, information, or options:

I motion that we request (name of individual) to provide the council with the following (list request).



## Public Works Phase 2



## Phase 1 (today)





## Current Maintenance Facility

### **Building:**

Issues:

- Remains of a 20,000 SF steel building built in 1977 as a storage building.
- In 1980s converted 2,000 SF to office, 9,000 SF maintenance facility, and 9,000 SF truck storage.
- Office and truck storage lost in 2017 fire.



### • ½ space needed (built when city was less than 50,000)

- Rust/decay and varmints
- Overloaded electrical and air flow systems
- Small parts room
- Inefficient workspace (3 doors no drive thru ability)



## Phase 2 (Build new Maintenance Facility)





## June 2023 Phase 2 bid

- Council allocation:
- Cost estimate:
- Low bid June 2023:
- Shortfall:

- \$7 million
- \$7.4 million
- \$9.8 million
- \$2.8 million

- Bid not accepted.
- Decided to remove several items, redesign and rebid.



## Changes to Design

- Changed construction from block to tilt-up concrete.
- Removed enclosed breezeway between buildings.
- Removed interior mezzanine.
- Eliminated construction of brine storage shed.
- Excavated hillside (approx. 3,000 yards) with in-house crew (no cost).
- Installed water and stormwater lines on southside as separate contract.
- Costs for changes: Redesign: \$200,000
   Utility work: \$278,000
   <u>City fees:</u> \$99,000
   Total: \$577,000



## March 2024 Phase 2 bid

• Shortfall:	\$1.7 million
• Low bid March 2024:	\$8.1 million
<ul> <li>Cost estimate:</li> </ul>	\$7.4 million
<ul> <li>Remaining budget:</li> </ul>	\$6.4 million

Bid market remains tight, high priced, and challenging.





## Need: \$1.7 million



Ideas for Funding Public Works Building Phase 2 Funding Gap			
Source	Available	Recommended	
Capital Contingency	5,670,556	-	
Alta Canyon Capital Reserves	3,000,000	-	
Streetscapes/Wall Replacement	200,000	100,000	
Bridge Projects	None Available	-	
Street Reconstruction	250,000	100,000	
Street Edge Reconstruction	348,976	348,976	
Future Projects FY25 (Current Surplus - Use Park Impact Fees for RAISE Grant Match)	650,000	-	
Park Parcel West of Statium (Recode to Park Impact Fees)	1,121,014	1,121,014	
Future Sale of Land (WS & Fire 31)	Unknown		
Future Sale of Land (Grassy Resuarant Pad West of City Centre Apartments)	Unknown		
Municipal Building	100,000	30,010	
		1,700,000	

### *RESOLUTION #24-11 C*

#### A RESOLUTION TRANSFERRING APPROPRIATIONS WITHIN THE CAPITAL PROJECTS FUND FOR THE FISCAL YEAR COMMENCING JULY 1, 2023 AND ENDING JUNE 30, 2024.

**BE IT RESOLVED** by the City Council of Sandy City, State of Utah, that the amounts described in the Exhibit A be adjusted as outlined. These adjustments are made pursuant to the provisions of Section 10-6-125 U.C.A. as amended, and are done with the provision that no appropriation for debt retirement and interest, reduction of deficit or other appropriation required by law or ordinance is reduced by this resolution.

PASSED AND APPROVED THIS day of , 2024.

Ryan Mecham, Chair Sandy City Council

ATTEST:

Wendy Downs City Recorder

RECORDED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

#### **EXHIBIT A - Capital Projects Fund (Public Works Facility)**

Sources:				
Land Purchase - Parcel West of Stadium (Change source from General Revenue to				
Park Impact Fees, freeing up General Revenue for Public Works Facility)	\$	1,121,014		
Street Edge Reconstruction (Reduced Appropriation)		348,976		
Streetscapes/Wall Replacement (Reduced Appropriation)		100,000		
Street Reconstruction (Reduced Appropriation)		100,000		
Municipal Building (Reduced Appropriation)		30,010		
Total Sources		1,700,000		
Uses:				
Public Works Facility Phase 2	\$	1,700,000		



### Staff Report

#### File #: 24-119, Version: 1

Date: 3/26/2024

#### Agenda Item Title

Possible Closed Session: Discuss pending or reasonably imminent litigation