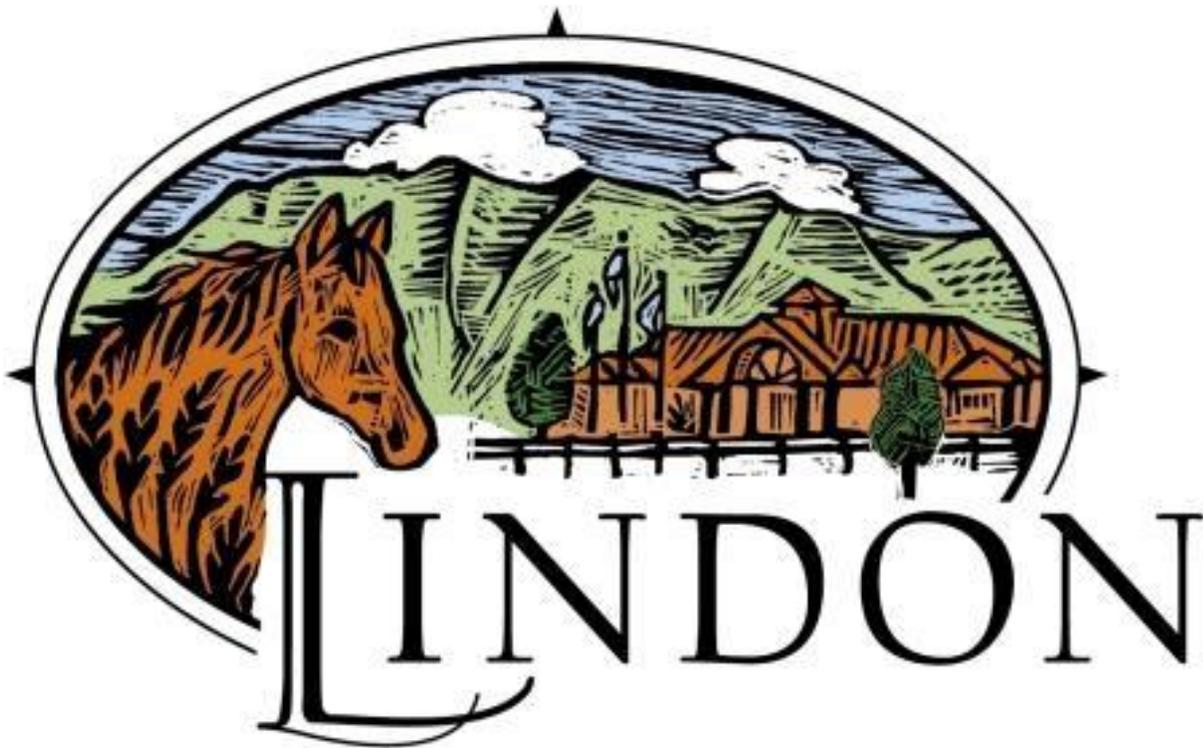


Lindon City Planning Commission Staff Report



October 10, 2017

Notice of Meeting

Lindon City Planning Commission



The Lindon City Planning Commission will hold a regularly scheduled meeting on **Tuesday, October 10, 2017**, in the Council Room of Lindon City Hall, 100 North State Street, Lindon, Utah. The meeting will begin at **7:00 p.m.** This meeting may be held electronically to allow a commissioner to participate by video or teleconference. The agenda will consist of the following:

AGENDA

Invocation: By Invitation

Pledge of Allegiance: By Invitation

1. Call to Order

2. Approval of minutes

Planning Commission 9/26/2017; and Joint Work Session City Council and Planning Commission 9/19/2017.

3. Public Comment

(30 minutes)

4. Public Hearing — Ordinance Amendment, Lindon City Code (LCC) 17.48.025

(Continued from Planning Commission meeting(s): 08/22/2017, 09/12/2017, and 09/26/2017)

The Lindon City Council has requested an amendment to LCC 17.48.025, regulating the Lindon Village Commercial zone, regarding the maximum acreage any given land use can occupy within the zone.

(30 minutes)

5. General Discussion — State of the City Report (August 2017)

Staff will present information regarding the Lindon City – State of the City Report (August 2017). No formal action will be taken at this time.

6. New Business from Commissioners

7. Planning Director Report

Adjourn

Staff Reports and application materials for the agenda items above are available for review at the Lindon City Planning Department, located at 100 N. State Street, Lindon, UT. For specific questions on agenda items our Staff may be contacted directly at (801) 785-7687. City Codes and ordinances are available on the City web site found at www.lindoncity.org. The City of Lindon, in compliance with the Americans with Disabilities Act, provides accommodations and auxiliary communicative aids and services for all those citizens in need of assistance. Persons requesting these accommodations for City-sponsored public meetings, services programs or events should call Kathy Moosman at 785-5043, giving at least 24 hours notice.

The above notice/agenda was posted in three public places within Lindon City limits and on the State <http://www.utah.gov/pmn/index.html> and City www.lindoncity.org websites.

Posted By: Brandon Snyder, Associate Planner

Date: October 4, 2017

Time: 2:00 p.m.

Place: Lindon City Center, Lindon Police Station, Lindon Community Center



Scan or click here for link to download agenda & staff report materials.

Item I: Call to Order

October 10, 2017 Lindon City Planning Commission Meeting

Roll Call:

Sharon Call
Steve Johnson
Rob Kallas
Charlie Keller
Mike Marchbanks
Mike Vanchiere
Bob Wily, Excused

Item 2: Approval of Minutes

9/26/2017 Planning Commission Meeting

9/19/2017 Joint Work Session City Council and Planning Commission (PENDING)

2 The Lindon City Council and Lindon City Planning Commission held a Joint Training
Session on **Tuesday, September 19, 2017 at 6:00 p.m.** in the Lindon City Center, City
Council Chambers, 100 North State Street, Lindon, Utah.

4 **WORK SESSION** – 6:00 P.M.

6 Conducting: Jeff Acerson, Mayor

8 **PRESENT**

ABSENT

10 Matt Bean, Councilmember
Van Broderick, Councilmember
12 Carolyn Lundberg, Councilmember
Jake Hoyt, Councilmember
14 Dustin Sweeten, Councilmember
Sharon Call, Chairperson
16 Mike Marchbanks, Commissioner
Rob Kallas, Commissioner
18 Bob Wily, Commissioner
Charlie Keller, Commissioner
20 Steven Johnson, Commissioner
Mike Vanchiere, Commissioner

22 **Staff Present**

24 Adam Cowie, City Administrator
Hugh Van Wageningen, Planning Director
26 Brandon Snyder, Associate Planner
Kathy Moosman, City Recorder

- 28
- 30 1. **Call to Order** – The meeting was called to order at 6:00 p.m.
 - 32 2. **Training Session**— The Lindon City Council and Planning Commission held a joint
work session present to the City Council and the Planning Commission the Open and
Public Meetings Act Training.
 - 34 3. **Discussion — Open and Public Meetings Act Training**

36
38 Brent Bateman, Property Rights Ombudsman, was in attendance to present to the
City Council and the Planning Commission the Open and Public Meetings Act Training.
Mr. Bateman noted there may also be additional discussion on related topics tonight as
40 follows:

- 42 • Land use laws, including hot topics and recent changes;
- Decision making for Local Governments;
- Handling public comments;
- 44 • Impact fees;
- Conditional Uses;

Mr. Bateman then gave his power point presentation on Open and Public Meetings Act Training highlighting some of the following bullet points:

- **Quorum**

- This is important whether electronic or in person and applies to both for the purpose of discussing the public business over which the body has jurisdiction.

- **Regular meetings**

- special meetings, workshops, site visits, traveling tours, executive sessions, unless it is properly closed.
- Meeting to not include chance meetings, social meetings, and convening solely for discussion on implementing of administrative or operational matters if:
 - No formal action taken
 - Matter will not come before the city council

- **Electronic meetings**

Cannot hold an electronic meeting if you have adopted the procedures which we have done and when, where and the ability to take comment is available and to make sure to make a record of everyone present.

- **Emails and text messages**

Nothing restricts a member of a public body from the transmitted electronic meeting statute. All are public documents and if you use private email it opens you up to letting people file a request and they can look at private emails. It is easier to use public email for public work; use a Gmail or Yahoo account for city related issues.

- **Closed meetings**

- What you may NOT do in a closed meeting
- Cannot take any final action on ordinance, resolution, rule, regulation contract or appointment
- Interview a person to fill and elected positions
- Cannot take any final action

- **How to go into a closed meeting**

- Start in an open meeting
- Must be quorum present and 2/3 must vote to go into it
- Name of every person needs to be listed and the reason
- Identify the location of the closed meeting
- Minutes can or cannot be done but the recording must be kept

- **Agenda needs to be noticed**

- Publish annual meeting schedule
- Agenda for a specific item
- Date and time

- 2 ○ Post at three public locations
- Publish on the State Public Notice website
- 4 ○ Publish in the local media newspaper
- Enough information to give public idea of what is being discussed

- 6 • **Emergency meetings**
- Does not have to be noticed if it is not foreseen and the matter is urgent in nature.
- 8 But must give notice as soon after as possible. Take every action as possible to
- 10 notify all city council and planning commission and board of adjustment
- members. A majority of the members are needed to approve.

- 12 • **Public Hearing**
- General notification requirements

- 14 • **Meetings and Recordings**
- 16 ○ Minutes are official record
- Time date and place
- 18 ○ Those present
- Substance of what was discussed
- 20 ○ Recording of votes that was taken
- Names of those who spoke

- 22 • **Closed minutes keep recordings not minutes**
- 24 ○ Mental or professional competency of an individual. Can turn off the
- recording
- 26 ○ Those present, date time etc.

- 28 • **Penalties**
- 30 ○ If intentionally violated the closed meeting provision you can be guilty of a
- class b misdemeanor
- 32 ○ Court can void any action taken in violation of the open meeting laws

- 34 • **Common violations**
- Closing meeting without members of the body voting
- 36 ○ Conducting a closed meeting for an unapproved reason
- Taking official or final action in a closed meeting
- 38 ○ Not giving proper notice

- 40 • **Executive sessions**
- Confidential

- 42 • **Ethics**
- 44 Must give disclosure for agreements with an interest in a business entity involved
- with any person's interest or investment that creates a conflict between a person's
- public duties. Best advice is to recuse yourself if there is a conflict of interest.
- 46 There may be some discussion and instances to recuse yourself from a meeting.

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- **Gifts**
Must not use office for economic benefit including loans, better rates, or compensation at higher rates for services rendered. Must not use private or protected information to obtain or further economic interest.
- **Civility among council members**
You represent the people of Lindon City and should at all-time act with dignity and respect. Discussions and debates among members of public bodies should always remain civil and professional. Cannot use your position to attempt to interfere or influence criminal investigations or persecutions.
- **The public has the right to record public meetings**

Adjourn – The meeting was adjourned at 7:00 pm.

Approved – October 10, 2017

Kathryn Moosman, City Recorder

Jeff Acerson, Mayor

Sharon Call, Chairperson

2 The Lindon City Planning Commission held a regularly scheduled meeting on **Tuesday,**
3 **September 26, 2017 beginning at 7:00 p.m.** at the Lindon City Center, City Council
4 Chambers, and 100 North State Street, Lindon, Utah.

6 **REGULAR SESSION – 7:00 P.M.**

8 Conducting: Rob Kallas, Vice Chair
9 Invocation: Mike Vanchiere, Commissioner
10 Pledge of Allegiance: Bob Wily, Commissioner

12 <u>PRESENT</u>	<u>EXCUSED</u>
13 Rob Kallas, Commissioner	Sharon Call, Chairperson
14 Mike Marchbanks, Commissioner	Kathy Moosman, City Recorder
15 Charlie Keller, Commissioner	
16 Mike Vanchiere, Commissioner	
17 Bob Wily, Commissioner	
18 Steven Johnson, Commissioner	
19 Hugh Van Wagenen, Planning Director	
20 Brandon Snyder, Associate Planner	

22 **Special Attendee**
23 Matt Bean, Councilmember

- 24
- 25 1. **CALL TO ORDER** – The meeting was called to order at 7:00 p.m.
 - 26 2. **APPROVAL OF MINUTES** –The minutes of the regular meeting of the Planning
27 Commission meeting held on September 12, 2017 were reviewed.

30 COMMISSIONER WILY MOVED TO APPROVE THE MINUTES OF THE
31 REGULAR MEETING OF SEPTEMBER 12, 2017 AS PRESENTED.
32 COMMISSIONER KELLER SECONDED THE MOTION. ALL PRESENT VOTED IN
33 FAVOR. THE MOTION CARRIED.

- 34
- 35 3. **PUBLIC COMMENT** – Vice Chair Kallas called for comments from any
36 audience member who wished to address any issue not listed as an agenda item.
37 There were no public comments.

38 **CURRENT BUSINESS** –

- 40
- 41 4. **Public Hearing — Ordinance Amendment, LCC 17.48.025** (Continued from
42 Planning Commission meetings: 08/22/2017 and 09/12/2017) The Lindon City
43 Council has requested an amendment to LCC 17.48.025, regulating the Lindon
44 Village Commercial zone, regarding the maximum acreage any given land use
45 can occupy within the zone.

46

47 Hugh Van Wagenen, Planning Director, gave a brief background of this agenda
48 item noting the City Council has expressed concern that the Lindon Village Commercial

2 zone may fill up before any substantial retail development is located on the corridor. He
 explained this ordinance will restrict the land use make up in the zone to limit the amount
 4 of service/office related uses that can be located in the LVC zone.

6 Mr. Van Wagenen noted in the September 12, 2017 meeting, the Planning
 Commission requested a rough analysis of “retail corners” to determine how much
 8 land/acreage may be suited to retail development. He then referenced the spreadsheet
 with the map depicting the retail corners analysis, hard corner acres and requested
 information for discussion as follows:

Size of LVC	Size of LVC undeveloped	# corners at full movement intersections	# corners with future signals	# corners with existing signal	Total corners
175 acres	121.1	13	4	3	20
Hard corner acreage available using .7 acres as baseline					
13.3					
% of hard corners acres to total remaining acreage					
11%					

18 Following some additional discussion Vice Chair Kallas called for any further
 20 comments or discussion. Hearing none he called for a motion.

22 COMMISSIONER VANCHIERE MOVED TO CONTINUE ORDINANCE
 AMENDMENT 2017-13-O. COMMISSIONER KELLER SECONDED THE MOTION.
 24 THE VOTE WAS RECORDED AS FOLLOWS:
 COMMISSIONER KALLAS AYE
 26 COMMISSIONER MARCHBANKS AYE
 COMMISSIONER WILY AYE
 28 COMMISSIONER KELLER AYE
 COMMISSIONER VANCHIERE AYE
 30 COMMISSIONER JOHNSON AYE
 THE MOTION CARRIED UNANIMOUSLY.

32
 34 5. **General Discussion — Lindon City General Plan - Chapter Review.** Staff will
 present information regarding the Lindon City General Plan update and review
 the Land Use section. No formal action will be taken at this time.

36
 38 Brandon Snyder, Associate Planner, led this discussion by presenting the R2
 Overlay information for discussion including the following bullet points:

40 **Adopted March 1998**

- 42 • Ordinance drafted to address affordable housing
- 44 • Intended to update General Plan and Zoning ordinances to address moderate
 income housing needs (as directed by the State Legislature and Governor Leavitt)
- 46 • Conclusions of Land Use/Density Committee
 - Disperse multi-family throughout the community
 - Limit how many units as part of one project

- 2 ○ Ordinance should provide for affordable housing
- Allow accessory apartments
- 4 ○ Limit number of units each year (tied to growth)
- Divide City into Districts (currently 18)
- 6 ● PUD and High Density ordinances repealed
- 8 ➤ Districts (1998)
- General Plan
- 10 ➤ R2 Overlay Zone (2017)
- Districts (2017) (1-18)

12 There was also some discussion as to whether the intent of the ordinance is being
 14 met. They also discussed whether the purpose is to provide moderate income housing, a
 variety of housing types, or to distribute multi-family housing.

16 The Commission had further discussion at this time on items to consider such as
 Anderson Farms (Ivory Homes), Senior Housing, R3 Overlay (Fieldstone and Creekside
 18 Retirement), and PRD Overlay (Knapp Townhomes). Mr. Snyder noted the remaining
 capacity is 41 units.

20 Vice Chair Kallas called for any further comments or discussion. Hearing none he
 moved on to the next agenda item.

- 22
- 24 6. **New Business: Reports by Commissioners** – Vice Chair Kallas called for any
 new business or reports from the Commissioners. Commissioner Johnson
 discussed the recent City Council review of the Walker Farms proposal
 26 (Jorgensen) stating he attended the meeting. He noted the city council continued
 the item for further review. He also stated that he gave a recap at the meeting of
 28 the planning commission’s general discussion regarding the failed motion (to
 approve) by the commission and a lack of other motions made or passed. There
 was then some discussion by the commission regarding the Walker Farms
 30 proposal. Vice Chair Kallas called for any further comments. Hearing none he
 moved on to the next agenda item.

- 32
- 34 7. **Planning Director Report** – Mr. Van Wagenen reported on the following items
 followed by discussion.

- 36 ● APA-Utah Fall Conference at Park City October 5 & 6, 2017
- 38 ● Discuss r-o-w improvements

40 Vice Chair Kallas called for any further comments or discussion from the
 Commissioners. Hearing none he called for a motion to adjourn.

42 **ADJOURN** –

44

46 COMMISSIONER MARCHBANKS MADE A MOTION TO ADJOURN THE
 MEETING AT 8:41 PM. COMMISSIONER JOHNSON SECONDED THE MOTION.
 ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

2

Approved – October 10, 2017

4

6

Rob Kallas, Vice Chair

8

10 Hugh Van Wagenen, Planning Director

12

Item 3: Public Comment

1 - Subject _____
Discussion

2 - Subject _____
Discussion

3 - Subject _____
Discussion

Item 4 : Ordinance Amendment, Lindon City Code 17.48 Commercial Zones, Lindon Village Zone

Applicant: Lindon City
Presenting Staff: Hugh Van Wagenen

Type of Decision: Legislative
Council Action Required: Yes

SUMMARY OF KEY ISSUES

1. Whether it is in the public interest to recommend approval of the proposed amendment to the City Council which would limit the amount of service/office related uses in the zone.

MOTION

I move to recommend (*approval, denial, continuation*) of ordinance amendment 2017-13-O (*as presented, with changes*).

BACKGROUND

The City Council has expressed concern that the Lindon Village Commercial zone will fill up before any substantial retail development is located on the corridor. This ordinance will restrict the land use make up in the zone to limit the amount of service/office related uses that can locate in the zone.

In the September 12, 2017 meeting, the Planning Requested a rough analysis of “retail corners” to determine how much land may be suited to retail development. Those findings were presented and the Commission asked staff to look at frontage along the corridor that could be used for sales tax generating business.

ANALYSIS

Staff is still working on the new request. It will be presented in the meeting on October 10, 2017.

Item 5: State of the City

The City Administration has begun to create a State of City document. The 2017 document was issued a few months ago and is a great overview of the City activities and finances. Staff will review the document with the Commission. No action will be taken.

Lindon City: A Positive Trajectory

Lindon City continues as a vibrant community that is providing quality services for its residents and businesses. Through a commitment to financial responsibility, planning for an improved quality of life, and efforts to create lasting economic development, Lindon is on a trajectory of success and remains the envy of many other cities. The City is maintaining its course as one of the most stable, safe and prosperous cities in the State of Utah.

This document is intended to be a brief overview of various services provided and activities performed by Lindon City. It will highlight Lindon's past achievements, aspects of the current FY2018 budget, examine crucial taxes & fees collected by the City, and provide insight into some of Lindon's future challenges.

Lindon's Past Year at a Glance (Fiscal Year 2016-2017):

Lindon City is a full-service municipality covering about 8.5 square miles and serves a population of about 10,930 people. The City provides a wide scope of urban services and amenities made possible, in part, by robust sales tax & franchise tax revenues and prudent use of public funds.

SERVICES, MAINTENANCE RESPONSIBILITIES, & PERFORMANCE STATS (JULY 1, 2016 - JUNE 30, 2017)

Public Works <ul style="list-style-type: none"> 85 miles of water lines 80 miles of sewer lines 49 miles of secondary water lines 47 miles storm drain lines 13 miles open ditches 802 fire hydrants 33 cemetery interments 	Streets <ul style="list-style-type: none"> 54.26 miles of streets maintained Operates 6 snow plows 7 tons of asphalt used to fill potholes 880 street signs maintained 160 city street lights 	Utilities <ul style="list-style-type: none"> 3,376 culinary connections 2,585 secondary water connections 1.1 billion gallons secondary water delivered 410 million gallons culinary water delivered
Parks & Recreation <ul style="list-style-type: none"> 55 acres of developed parks, w/ 12 pavilions 6.5 miles of trails Senior Center & Community Center 63,949 visitors to Aquatics Center (2016 season) 30 recreation programs 	Development <ul style="list-style-type: none"> 276 bldg permits issued \$43,662,904 = value of building projects 62 land use applications processed 12 new commercial / industrial developments 	Public Safety <ul style="list-style-type: none"> 15 full-time police officers <ul style="list-style-type: none"> 5,579 service calls 2,549 traffic stops 15 full-time fire & EMS (contracted through Orem) <ul style="list-style-type: none"> 218 fire service calls 571 EMS service calls
Employees <ul style="list-style-type: none"> 49 full-time 29 perm. part-time (includes elected & appointed officials) ~135 temp/seasonal Employee costs = 26% of total expenditures 	Justice Court <ul style="list-style-type: none"> 260 criminal cases 34 small claims cases 2,163 traffic cases 	Finance <ul style="list-style-type: none"> \$1.97 Million in General Fund balance (savings) Utility fund balances growing to support replacement projects GFOA Budget Award

FY2016-17 Accomplishments & Achievements

- Constructed new Police & Fire Station
- Built 2 new pavilions
- Held over 50 public meetings and open houses
- Re-surfaced approx. 7.3 miles of road ways
- Improved culinary water safety with permanent chlorination & digital monitoring
- Installed pickle ball courts and tennis court at Hollow Park
- Replaced nearly 3,000 feet of aging water lines
- \$5.65 million awarded to the City through grants and donations since 2005



Recognitions

Specific to Lindon City:

- 2017: Safest Cities in the State of Utah (6th), LendEDU
- 2016: Business Friendly City Award, State of Utah Governor's Office
- 2016: Safest Cities in the State of Utah (30th), www.safewise.com
- 2015: Best Commuter Cities in State of Utah (13th), www.obrella.com
- 2014: Safest Cities in the State of Utah (12th), www.safewise.com
- 2013, 2011, 2009: "100 Best Small Cities to Live In America", CNN Money Magazine
- 2013: Business Friendly City Award, State of Utah Governor's Office
- 2008: "Best City to Build In", Utah Valley Home Builder's Association

Regional (Provo-Orem MSA):

- 2017: Best Economy (4th); ValuePenguin
- 2017: Best Cities for Small Businesses (17th), ValuePenguin
- 2016: Best Cities for Tech (3rd); DataFox
- 2016: Best Performing Cities (2nd), Milken Institute
- 2015: Best Performing Cities (3rd), Milken Institute
- 2014: Best Cities for Work-Life Balance (1st), www.nerdwallet.com
- 2014: Best Places for Business and Careers (3rd), Forbes

2017-18 Budget – Saving for the Future

Since the Great Recession ended Lindon has gained momentum in growing its sales tax base and reaped benefits from new building permit revenues. However, as they closely follow economic fluctuations, sales taxes and permit revenues are not stable revenue sources. As such, the City has committed to build its General Fund balance (savings/reserves) as close as possible to the maximum allowed by the State in order to help avoid tax & fee increases during future economic downturns. The City is projecting it will end its current budget year (FY2018) with about 21.2% of revenues saved in its General Fund balance (State allows max of 25%).

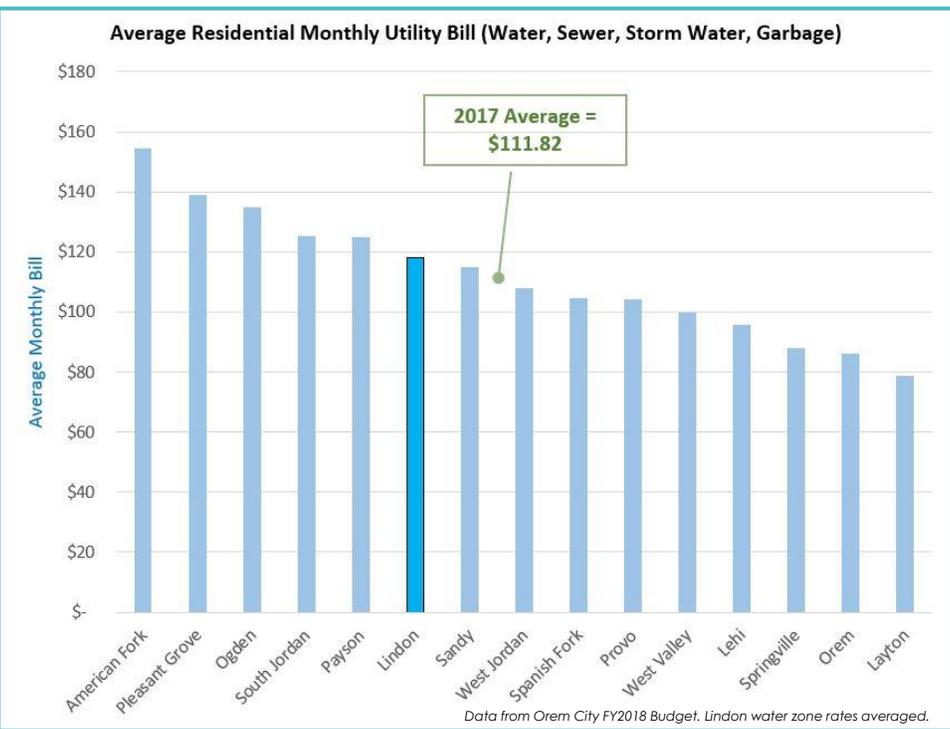
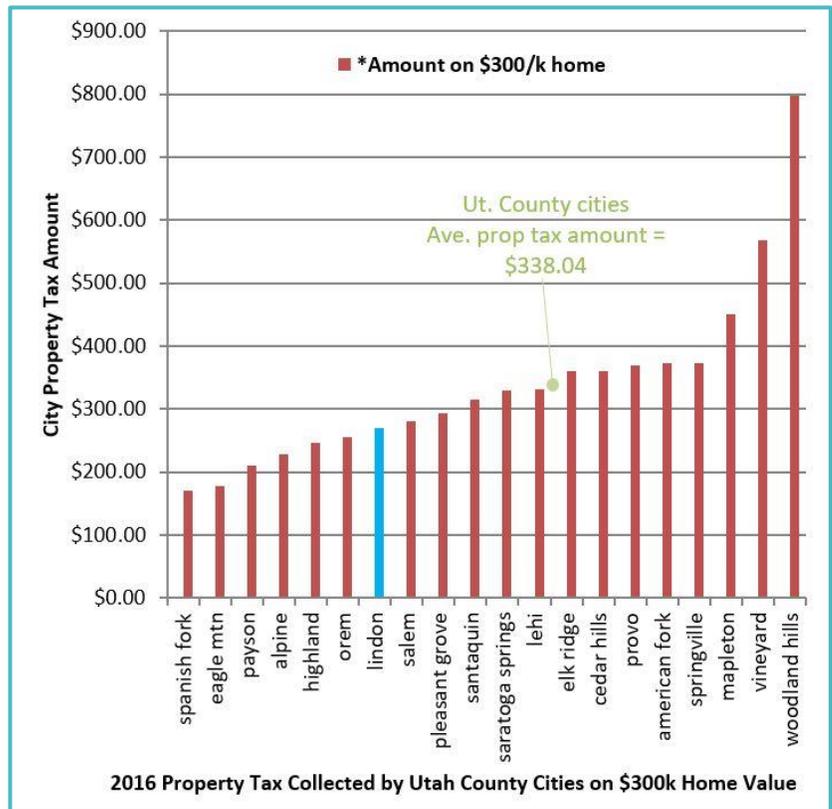
Annual reports published by newspapers and tax watchdog organizations often cite Lindon's high spending per capita. However, these reports are poor comparisons of true city-to-city costs on tax payers and ignore varying service levels between cities. They also fail to recognize the fortunate position Lindon enjoys by having a small population which benefits from a large commercial & industrial sales tax base. Lindon's citizens and businesses typically enjoy below average property taxes and fees with above average city services and amenities made available to improve their quality of life. Lindon's prosperous position enables it to meet demand for increased services and amenities without the need to significantly increase property taxes.

Property Taxes

Unrealized by many tax payers is that Lindon City receives only a portion of assessed property taxes. The majority of property taxes are distributed to Alpine School District (70%), followed by Lindon City (16%), Utah County (10%), and Central Utah Water Conservancy District (4%). The chart to the right compares the CITY PORTION of residential property taxes collected by Utah County cities.

In 2016, Lindon City received \$269 in property taxes from a residential property valued at \$300,000. For \$269 the land owner essentially purchased their access to one-year of full-time police/fire & EMS coverage, parks & trails, snow plowing, fixing of potholes, street signs, street lights, resurfaced roadways, a Senior Center, recreation programs, city fair & cultural events, discounted rates at the Aquatics Center, a Community Center, library card reimbursements, etc. What a deal! Lindon is fortunate to have a large sales tax base and healthy

franchise tax base that helps supplement general fund services so that property taxes can stay relatively low. In nearly 30 years Lindon's property tax rate has only been increased once (in 2009).



Utility Rates

Lindon City provides sewer, storm water, water (including secondary water) and garbage services. These utility services are supported by user fees paid through your utility bill. As shown in the chart to the left, Lindon's utility rates for water, sewer, storm water, and garbage are about average compared to 14 other Utah cities. Small increases are planned each year to help cover aging infrastructure replacement costs and keep up with inflation.

Data from Orem City FY2018 Budget. Lindon water zone rates averaged.

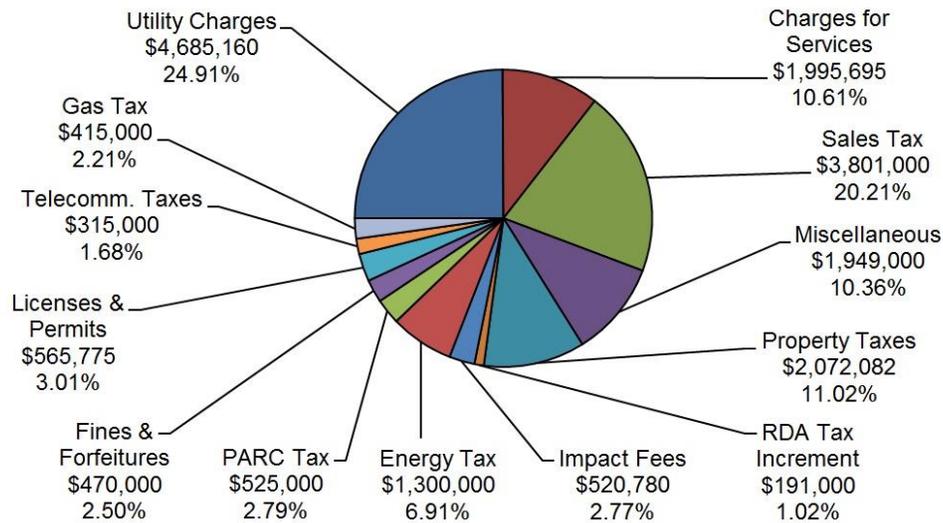
FY2017-18 Budget – Revenues vs. Expenditures

Each year Lindon City reviews and adopts a new budget through a series of committee meetings, recommendations from City department managers, and input from the public at City Council meetings. Below are charts showing projected city revenues and expenditures for the current fiscal year (FY2018). Largest portions of revenue come from Utility Charges, Sales Taxes, Property Taxes, Charges for Services, Miscellaneous Income (grants, leases, etc.), and other taxes and fees.

Where the Money Comes From

Total City Revenues = \$18,805,492

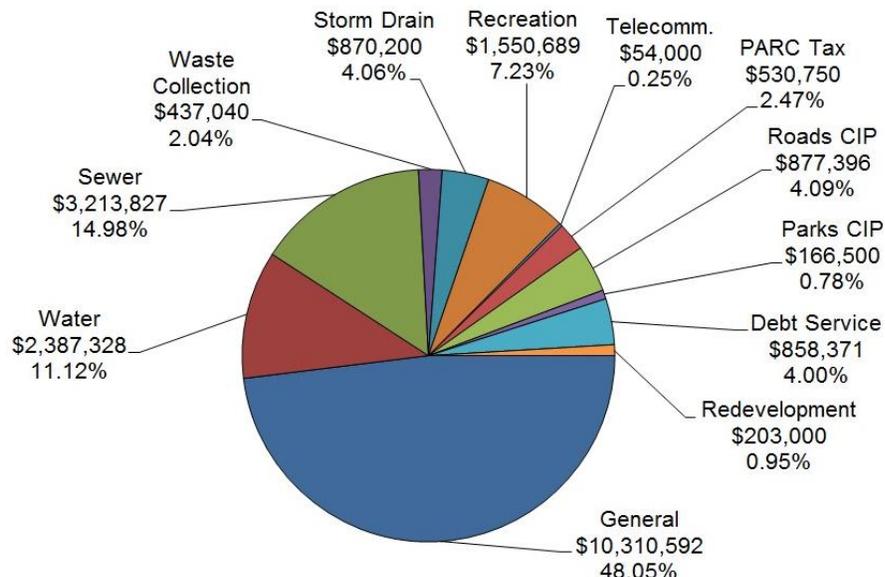
Net of fund balances and transfers



City Wide Expenditures by Fund

Total Expenditures = \$21,459,694

Total Includes Fund Balances and Transfers



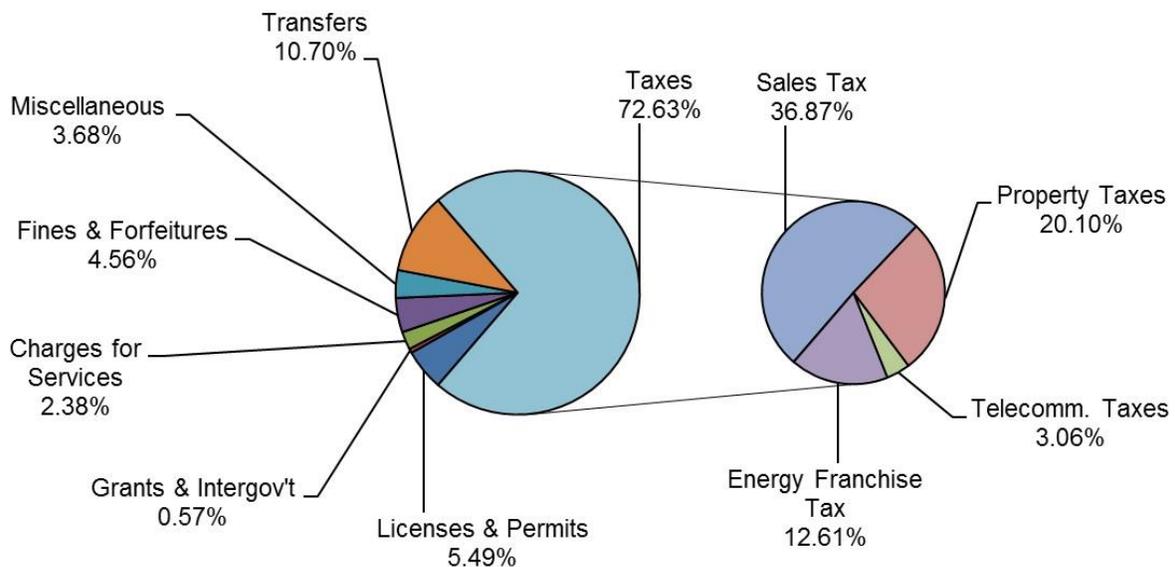
General Fund

The General Fund is the primary operating fund for most government activities and is the fund that elected officials have the most discretion in how revenues are spent. The General Fund supports services such as police, fire & EMS, streets, parks, city planning, building inspection, administration, facility & grounds maintenance, etc. The General Fund does not include utility funds, RDA funds, recreation funds, or PARC tax funds.

The chart below shows the breakdown of revenue sources for the FY2018 General Fund. The primary source of revenue for the General Fund is taxes, which are explained in more detail below.

GENERAL FUND REVENUES

Total = \$10,310,592



What are the primary taxes that the City collects?

Property Tax: Property taxes are assessed at rates set by the taxing entity (School District, City, County, Special Service Districts) and collected by Utah County. The County sends assessors to all properties to be appraised then a tax bill is sent based on those appraisals. Homes used as a primary residence are taxed at 55% of the assessed value, while secondary homes and non-residential properties (commercial, industrial) are taxed at 100% of the assessed value. Lindon's largest property tax payers are commercial, office, and industrial properties. Lindon anticipates receiving about \$2.07 million in property tax revenues this fiscal year.

Sales Tax: Of all the taxes, Lindon City receives the most revenue from sales tax and forecasts receiving about \$3.8 million in sales taxes this fiscal year. The combined sales tax rate in Lindon is 6.85%. The rate is a combination of various sales tax assessments with the majority of the tax rate going to the State of Utah (4.7%) and the remaining going to the City (1%), Utah Transit Authority (0.55%), Utah County (0.5%), and Lindon's PARC tax (0.1%). The Utah State Tax Commission collects all of the sales tax. The State requires cities to share half of their collected sales tax which

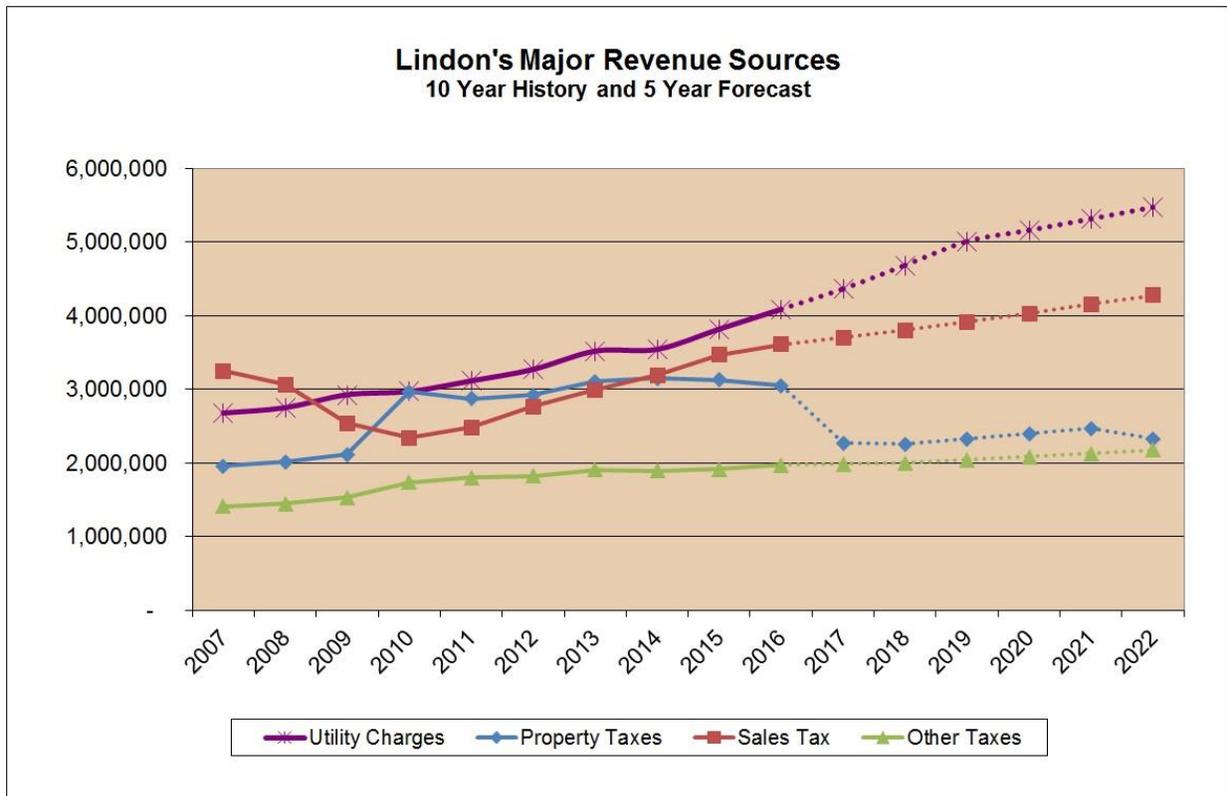
is then pooled and re-distributed back to every city based on population. Since Lindon has a smaller population the City is only able to retain a little more than half of the sales taxes it generates. Therefore, the City's *functioning* sales tax rate is about 0.65%.

Franchise Tax: The City charges utility franchise taxes (fees) on energy, cable, and telecommunication activities within the City. Most private utility service companies use Lindon's streets and right-of-ways to install their infrastructure and do business. Cities commonly assess fees for the use of these public corridors. Lindon's franchise tax rates match that of most other Utah cities. Lindon anticipates receiving about \$1.3 million in franchise taxes this fiscal year.

Revenue Projections

The chart below shows a ten year history and five year forecast for Lindon's major revenue sources consisting of utility charges, sales tax, property tax, and other taxes. As the City grows Lindon anticipates increased sales tax, increased utility charge collections (as new homes and businesses develop), and gradual increases in property valuations. With the ever improving economy and an optimistic outlook for new business growth along our 700 North corridor, Lindon's projection for future revenues is very positive.

Note the projected drop on property taxes received by the City (blue line) is due to special tax disbursements expiring in Lindon's Redevelopment Areas (RDA). Lindon's RDA's will no longer receive a higher proportion of the property taxes for those RDA areas, thus the projected decrease in total property tax revenues.



Future Challenges

While the outlook for Lindon in this growing economy is very positive the City still has its share of current and future challenges.

Road Funding: Many cities are facing shortages in available funds for maintenance, repair, and replacement of roadway infrastructure. Lindon annually receives about \$350k from State gas taxes and transportation funds. While this sounds like a lot of money, the cost of road construction does not allow it to stretch very far. Lindon recently reconstructed 1/2 mile of roadway at a cost of about \$220k. With nearly 55 miles of Lindon streets the gas tax and state funding just isn't enough to keep roads throughout the entire city in good condition. Lindon engineers estimate it will take about \$1.2 million per year to keep 70% of Lindon's roadways in good to fair condition. The Council is exploring possible transportation utility fees (like Provo, Vineyard, & Highland have adopted) and other funding options. Consistent road maintenance funding is Lindon's biggest financial challenge.



Aging Utility Infrastructure: Much of the City's water, secondary water, sewer, and storm water utilities were installed several decades ago. As these utilities age they will eventually fail and need to be repaired and/or replaced. The City's utility rates have historically been set at adequate levels to provide and maintain the services but not sufficient to replace large amounts of aging infrastructure. Over several years the City has initiated small increases to utility rates to build reserve funds for replacement of utility infrastructure.

Managing Growth: New development and growth brings jobs, housing, and shopping – and with that growth comes increased traffic and demand for city services. Lindon's 700 North corridor (North County Blvd) and the I-15 Lindon/PG interchange are ripe for development. The City has made efforts to plan appropriate types of land uses along the corridor and is carefully monitoring growth so as to not overburden services and utilities. A special revenue area has been created along the corridor to help fund utility improvements with increased property tax revenues as new development occurs. The City and UDOT are also planning for interchange and traffic signal improvements in the area. Lindon is ready and excited for new development!

Get Involved!

Citizens can get involved in the budget process by attending annual public budget hearings and budget discussions with the City Council. The City makes the proposed budget for the upcoming fiscal year available to citizens in late April or early May. From May to June the City Council holds meetings on the budget where citizens can come express their views and ask questions about the budget. Questions and comments at other times are always welcome.

Finalized budget, tax information, fee schedules, and associated documents are available for download through the city website at www.lindoncity.org.

Item 6: New Business (Planning Commissioner Reports)

Item 1 – Subject _____
Discussion

Item 2 – Subject _____
Discussion

Item 3 – Subject _____
Discussion

Item 7: Planning Director Report

- Utah Land Use Institute Fall Conference (October 24-25, 2017) Sandy, Utah
- Discuss r-o-w improvements

Adjourn