



CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
June 28, 2022

*This meeting may be held electronically
to allow a Councilmember to participate.*

3:00 P.M. WORK SESSION - CITY COUNCIL CHAMBERS

PRESENTATION - Economic Development Strategic Plan (45 min)

Presentation

Presenters: Kathi Lewis, Economic Development Division Manager, Nate Prescott, Economic Development Analyst, and Brett Wiler & Aaron Finlay, Consultants from Thomas P. Miller and Associates

PRESENTATION - Fraud Risk Assessment (10 min)

Presentation

Presenter: Brandon C. Nelson, CPA, Finance Director

DISCUSSION - Utah State Retirement Contribution Amendment (5 min)

Discussion

Presenter: Keri Rugg, Human Resource Manager

DISCUSSION - Public Outreach Consideration for the School District Study (45 min)

Discussion

Presenter: Mayor and City Council Members

DISCUSSION - Development Review Committee Process Revisions (15 min)

Discussion

Presenter: Jason Bench, Planning Division Manager

DISCUSSION - Parking Proximity Ordinance (15 min)

Discussion

Presenter: Steve Earl, Deputy City Attorney

1. AGENDA REVIEW & PREVIEW OF UPCOMING AGENDA ITEMS

The City Council will review the items on the agenda.

2. CITY COUNCIL REPORTS (BOARDS & COMMISSIONS, NEW BUSINESS, ETC.)

This is an opportunity for members of the City Council to raise issues of information or concern.

6:00 P.M. REGULAR SESSION - COUNCIL CHAMBERS

3. CALL TO ORDER

4. INVOCATION/INSPIRATIONAL THOUGHT: Jim Lauret

5. PLEDGE OF ALLEGIANCE: Blaine Blad

6. MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

7. PERSONAL APPEARANCES – 15 MINUTES

Time has been set aside for the public to express their ideas, concerns, and comments on items not scheduled as public hearings on the Agenda. Those wishing to speak are encouraged to show respect for those who serve the city. Comments should focus on issues concerning the city. Those wishing to speak should have signed in before the beginning of the meeting. (Please limit your comments to 3 minutes or less.)

8. CONSENT ITEMS

8.1 RESOLUTION - Authorize the City of Orem's Participation in the Utah Valley HOME Consortium

**8.2 MOTION - Mayor Pro Tem - July through December 2022
The Mayor and Council will appoint Council Member LaNae Millett as Mayor Pro Tem to serve from July through December 2022.**

8.3 RESOLUTION - Utah State Retirement Contribution Amendment

9. SCHEDULED ITEMS

9.1 ORDINANCE - Amending Chapter 23 of the Orem City Code for Storm Water Utility

Presenter: Reed Price, Assistant Public Works Director

9.2 ORDINANCE - Amending Fiscal Year 2021-2022 Budget

Presenter: Brandon C. Nelson, CPA, Finance Director

10. CITY MANAGER INFORMATION ITEMS

This is an opportunity for the City Manager to provide information to the City Council. These items are for information and do not require action by the City Council.

11. COMMUNICATION ITEMS

**11.1 MONTHLY FINANCIAL SUMMARY - May 2022
For Review Only**

12. ADJOURN TO A CLOSED MEETING - Meeting to be held in Conference Room #107, Orem City Hall, 56 North State Street, Orem Utah.

12.1 A closed meeting to discuss "the character, professional competence, or physical or mental health of an individual", pursuant to Utah Code Section 52-4-205(1)(a).

13. CLOSED MEETING

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL CITY COUNCIL MEETINGS.
If you need a special accommodation to participate in the City Council Meetings and Study Sessions, please call
the City Recorder's Office at least 3 working days prior to the meeting.
(Voice 801-229-7000)

This agenda is also available on the City's webpage at orem.org

General Plan Chapter 5, Economics

The City of Orem is well-known and highly respected in the State of Utah as a great place to do business. It is ~~also additionally~~ known for its entrepreneurship, especially in technology-oriented companies, ~~and, Orem is known~~ as the regional retail hub of Utah County. ~~Orem accounts for one-third of retail sales countywide.~~ This economic vitality is exciting to businesses and is attractive to employers who are drawn to the strong workforce from area universities, the low cost of living, and the recreational opportunities in the City's backyard.

Commented [1]: Due to current regulations on sales tax revenue, we are not able to access data to determine if retail sales in Orem still account for one-third of retail sales countywide.

Even with all these advantages, Orem, like all cities, has its challenges. ~~The~~ While the City's regional market share of sales is declining, Orem's population continues to grow rapidly, increasing 11% in the past 10 years, from 88,328 in 2010 to 98,129 in 2020, and growth in the City has slowed and is projected to be modest through 2040. Orem continues to hold its position as the fifth-largest municipality in Utah. However, cities to the north, such as American Fork ~~and Pleasant Grove, and~~ Lehi are ~~also~~ rapidly growing, creating strong competition in the Valley to attract employers and new retail. In addition, as the fastest growing community in Utah, Vineyard to the west is beginning to show signs of growth and may present significant competition in the future. These areas have a substantial advantage for development that Orem lacks – abundant vacant land. However, while vacant land allows easy, straightforward development, Orem has the opportunity to take economic growth and development to the next level by creating a more sophisticated urban environment that establishes Orem as not only the retail hub of the County, but the employment and entertainment hub as well.

In 1983, the Commission for Economic Development in Orem (CEDO) was founded as a non-profit organization with a primary function to help build Orem's economy. At the time, steel was Orem's main industry and the City's economy was greatly affected by the ups and downs of the steel market. In addition to an unstable economy, jobs were scarce and Orem was losing its large base of local college graduates to other areas. In order to meet today's economic challenges, capitalize on the economic strengths of the City, grow the City's economic base, and increase coordination and collaboration between economic development staff and City staff, CEDO was integrated into the City of Orem in 2012 as the Economic Development Division. ~~in 2012.~~

In 2014, the Economic Development Division joined forces with Zions Bank Public Finance to develop a new Economic Development Strategic Plan (EDSP) ~~to guide the City's economic development and growth over the five to ten years.~~ In 2021, the consulting firm Thomas P. Miller and Associates was hired to create a full and comprehensive updated EDSP to serve as a guide for the City's economic development and growth for the next five to ten years.

The purpose of the EDSP is to provide the City with a sustainable vision for economic growth and ~~to provide~~ a plan to implement and encourage said vision. Sustainable growth is a means of providing a balanced, vibrant economy in Orem. Additionally, it is a means of expanding the tax base and increasing assessed values. Public services and schools will benefit, enhanced employment opportunities will develop, and citizens will benefit from a higher quality of life.

As the City moves forward, economic development is to follow the recommendations in the Economic Development Strategic Plan dated July 2022 ~~December 2014~~, and more specifically, the Implementation and Action Plan Matrix located on pages 34-38 ~~103-105~~. The EDSP is to be

consulted ~~regularly on a regular basis~~ to ensure that ongoing land development and business development in the City of Orem meets ~~not only~~ land-use ~~and goals but~~ also ~~meets~~ economic development goals.

- (1.) Due to current regulations on sales tax revenue, we are not able to access data to determine if retail sales in Orem still account for one-third of retail sales countywide.

June 2022

City of Orem Economic Development Division



Economic Development Strategic Plan



THOMAS P. MILLER & ASSOCIATES

Page 6 of 177



INTRODUCTION	4
SUMMARY OF FINDINGS	5
STRATEGIC FRAMEWORK	11
FOCUS AREA 1: BUSINESS RETENTION AND EXPANSION	12
Strategy 1: Make the Orem Business Alliance a Strategic Priority of the Economic Development Division	13
Strategy 2: Engage Elected Officials in Business Outreach and Engagement	14
Strategy 3: Lead by Example by Supporting Local Business	15
Strategy 4: Leverage University Assets to Support Business	16
FOCUS AREA 2: BUSINESS ATTRACTION	17
Strategy 1: Take Inventory of Available Commercial, Industrial, and Office Properties	18
Strategy 2: Conduct a Target Industry Analysis	19
Strategy 3: Utilize the Target Industry Analysis to Develop an Integrated Economic Development Marketing and Business Attraction Campaign	20
Strategy 4: Prioritize Intentional Collaboration with Regional and State Economic Development Organizations	21
FOCUS AREA 3: ENTREPRENEURSHIP AND INNOVATION	22
Strategy 1: Increase Access to the Full Spectrum of Capital	23
Strategy 2: Build Places for Entrepreneurs to Flourish	24
Strategy 3: Focus on Culture Building	25
Strategy 4: Take a Targeted Approach to Incubation and Acceleration	26
FOCUS AREA 4: QUALITY OF LIFE	27
Strategy 1: Consider Creating a Forum for Community Discussion, Debate, and Research	28
Strategy 2: Review and Re-evaluate Local Zoning and Policies	29
Strategy 3: Focus on Outdoor Recreation and Tourism	30
Strategy 4: Allocate Resources for Façade Improvement, Placemaking, and Accessibility	32
IMPLEMENTATION MATRIX	34
APPENDIX	40
APPENDIX I: QUALITATIVE FINDINGS & STAKEHOLDER ENGAGEMENT	41
APPENDIX II: QUANTITATIVE DATA ANALYSIS	45
APPENDIX III: SWOT ANALYSIS	65
APPENDIX IV: REVIEW OF THE RETAIL GAP ANALYSIS	74



Introduction

Orem, Utah

Nestled in the heart of Utah County, the City of Orem, Utah is a charming and proud community with a rich history and bright future. The fifth-largest municipality in Utah with 98,129 residents in 2020, Orem is known as a great place to live, raise a family, or start and grow a business. Often called the ‘retail hub of Utah County,’ Orem’s economy has been known for its concentration of high-end retail establishments, a multitude of dining options, and its history of launching technology-enabled startups. To flourish in the mid-21st century, the city is poised to capitalize on existing assets and prepared to outline a vision for the future with intentionality and purposeful planning. With an evolving retail landscape in a post-COVID world, a growing population, and an emerging anchor in Utah Valley University increasing in regional prominence, the city is in position to take the appropriate steps to flourish in the next decade and beyond.

Project Scope

In May 2021, the City of Orem released a Request for Proposal (RFP) soliciting the services of a professional consulting firm to conduct a comprehensive update to build upon the 2014 Economic Development Strategic Plan (EDSP). According to the RFP, the purpose of the project was to explore existing economic conditions and create an updated EDSP with economic development goals, strategies, implementation steps, and indicators of success that reflect the vast differences in the economic environment as well as the city itself. Thomas P. Miller and Associates was selected to conduct the EDSP in July 2021.

Process and Methodology

Thomas P. Miller and Associates (TPMA or the Project Team) utilized an integrative methodology to develop the Economic Development Strategic Plan for Orem. The project consisted of three interconnected activities including analysis, alignment, and action.

The analysis phase of the project involved an extensive and comprehensive review of historical planning documents, a quantitative data scan and analysis, a retail gap analysis, best practice research, and numerous stakeholder engagement sessions to garner feedback and input from a wide cross-section of community leaders. To generate alignment, the project team considered existing physical and resource infrastructure that could facilitate a prosperous local community characterized by innovation, entrepreneurship, wealth generation, and resiliency. Lastly, the project team, informed by the results of the analysis and alignment phases, developed strategies and action steps for the city to consider in the short, medium, and long term to achieve a shared vision of Orem’s economic future.

Defining an ‘Economic Development Strategic Plan’

Economic Development Strategic Plans provide a community with an opportunity to envision their future and formulate the appropriate steps to achieve that desired future. A solid plan is critical for a prosperous future, long-term economic viability, and a high-quality of life for residents. When done correctly, the economic development strategic planning process facilitates conversations between public and private leaders, residents, students, faith leaders, optimists, skeptics, and other key community stakeholders.

Following a structure outlined by the International Economic Development Council, the project team has developed an economic development strategic plan that provides:

- A realistic appraisal of available resources, constraints, and opportunities;
- A formulation of a clear mission and shared vision;
- The development of achievable and measurable goals;
- The formulation and implementation of project action plans to reach these goals and identify who will champion them;
- The design of clear metrics of success.¹

¹ Girdwood, C. (2015). Introduction to economic development (Vol. 1). International Economic Development Council.

Summary of Findings

The key findings summarized below are informed by the project’s discovery phase, the components of which are detailed in the appendices of this report. Document review, data analysis, focus groups, and interviews collectively provide insight into the current condition of Orem’s economy. These findings are ultimately the basis for the recommendations provided at the conclusion of the report.

Highly Capable Population

A city’s residents are its most important assets, and Orem is fortunate to attract residential and working populations that are well-prepared to contribute to the local economy in productive ways. Across a variety of metrics, Orem is young, healthy, educated, and growing rapidly.

When compared to the rest of the state and the country, educational attainment rates in Orem are exceptionally high; Utah Valley University and Brigham Young University are largely responsible for producing well-trained workers who are familiar with Orem’s business environment and can positively contribute to its growing economy. An educated workforce is attractive to businesses which require highly skilled and well-educated workers, and the residents of Orem have much to offer.

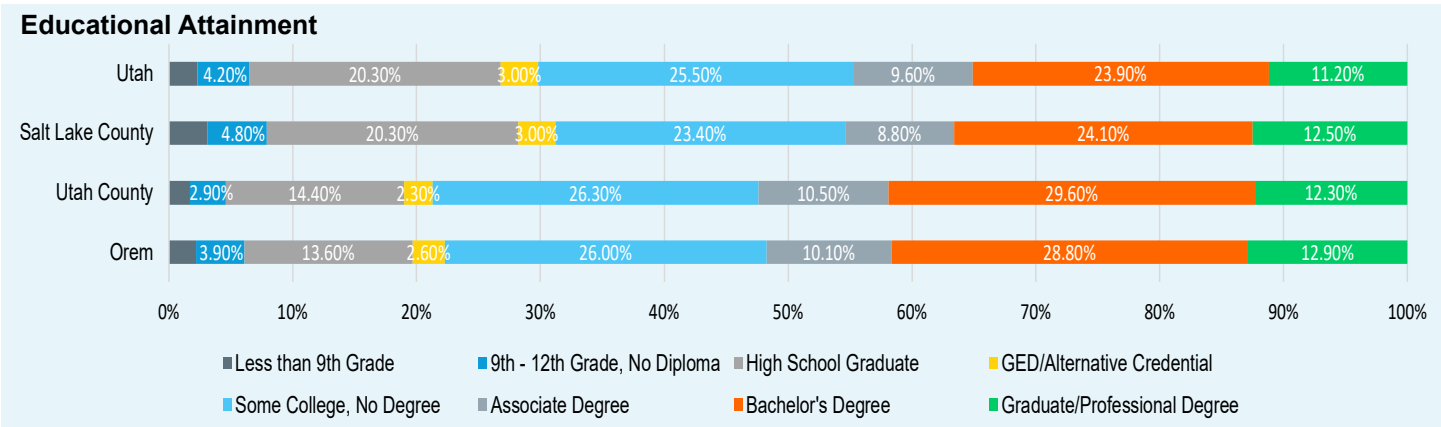


Figure 1: Educational Attainment. Source: Esri, 2021

Furthermore, the residents of Orem are young, active, and healthy. The median age of residents is just under 29 years, which is about 10 years younger than the national median. The population’s health metrics compare favorably to both state and national averages. A prevalent recreational culture within the city is further reflected in the natural assets of the region – Mt. Timpanogos, for example, is a symbol of the energetic, adventurous culture which is demonstrated in the community’s health and lifestyle habits. A healthy community improves all parts of the economy, and Orem is a very healthy city.

Health Metric	Utah County	Utah	U.S.
Average Male Life Expectancy (2019)	79.42	78.28	76.3
Average Female Life Expectancy (2019)	82.04	82.1	81.3
Obesity Population Percentage (2019)	31.40%	27.20%	42.40%
Smoking Population Percentage (2018)	7.00%	7.90%	14%
Diabetic Population Percentage (2019)	4.90%	8.50%	10.50%
Heart Disease Death Rate per 100,000 (2017-19)	300	286.4	317.4
Stroke Death Rate per 100,000 (2017-19)	71.4	69.5	72.3

Table 1: Orem Health Metrics. Sources: CDC; Utah’s Public Health Indicator Based Information System

Many Marketable Assets for Business Attraction

In addition to a healthy, well-educated population, there are many characteristics of Orem's business environment that further benefit business development efforts. The City of Orem has a strong and well-established business startup culture; the resources available to emerging businesses support innovation and entrepreneurship. There's a history of high-performing technology companies starting in Orem, and the presence of entrepreneurs within the city contributes to its supportive business environment, which is attractive for up-and-coming companies.

Moreover, the city's strategic, central location affords businesses many geographic advantages. Only 45 minutes from Salt Lake City, Orem residents and businesses have easy access to a booming urban hub. As remote work becomes increasingly common, Orem's advantageous location could make it a prime location for businesses that prefer access to an urban center without the high rents and added hassle of metropolitan office space. Access to high-quality, reliable broadband services and high-speed UTOPIA Fiber increases the city's appeal to tech-focused or remote businesses.

Lastly, much of the built and natural environment is appealing to growing businesses. There exist some marketable, underutilized office spaces in the city that could be attractive to the right businesses. Canyon Park Tech Center, for example, has recently undergone a nearly \$12 million renovation and is prepared to support businesses in a variety of industries. In addition, there are many quality-of-place amenities that are accessible for workers and residents within the city, like fitness centers, a library, trails, and more. Orem's active recreational culture can provide workers with a variety of leisure options to enjoy in their free time. Together, all these assets support a lively business environment in Orem, which can be marketed to target industries or businesses of interest.

Industry Mix and the Business Environment

Orem is anecdotally known as the "Retail Hub of Utah County," a distinction that is supported by many quantitative industry and occupation metrics. Service-related occupations are prevalent in the city, with a large share of Orem's working population finding employment in retail, restaurant, or other service industries.

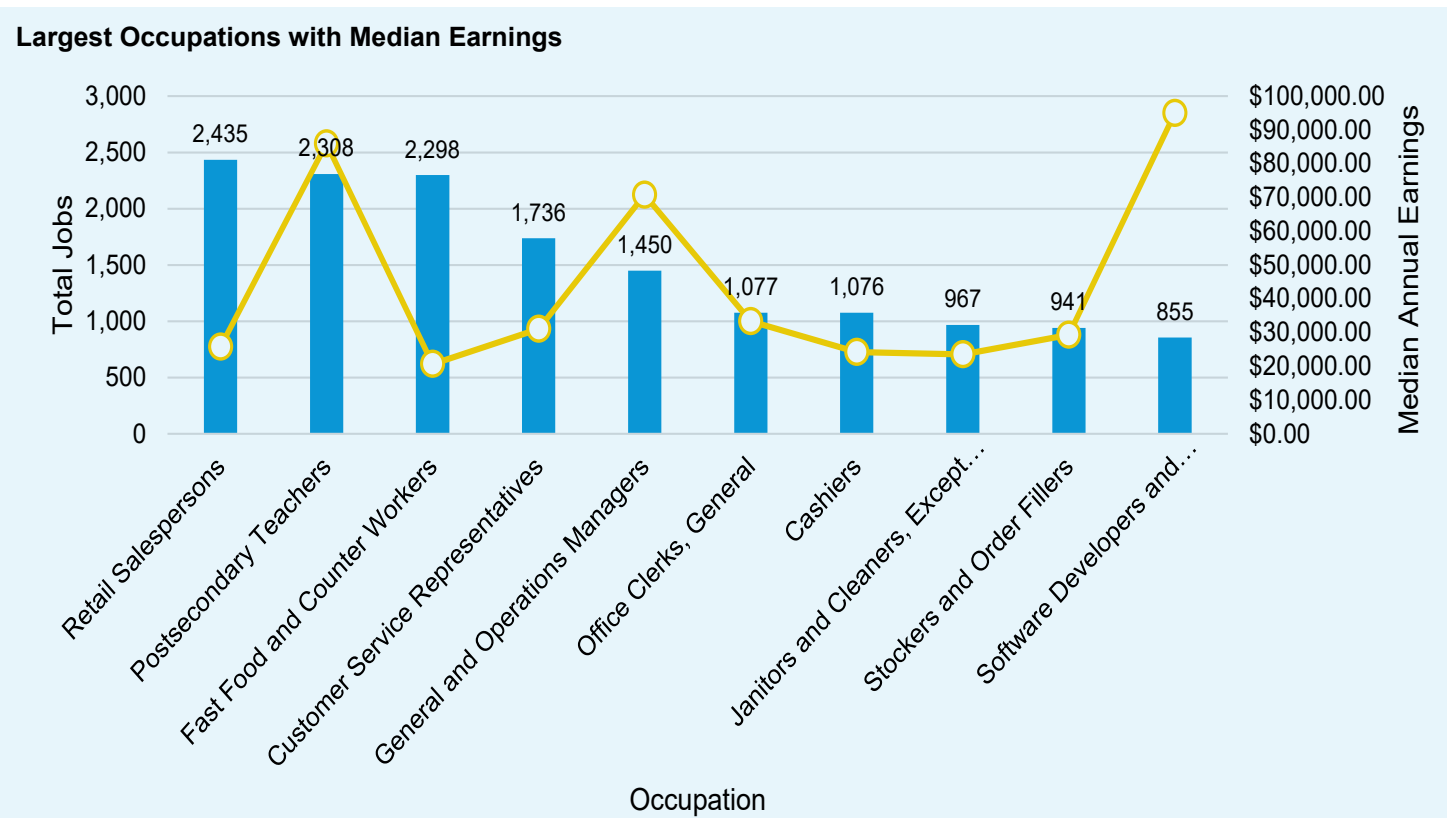


Figure 2: Top Occupations by Job Count with Median EarningsEducational Attainment. Source: EMSI, 2021.

A strong retail industry provides many benefits to the city; namely, retail businesses and restaurants improve the quality of life for residents and increase tax revenue collected by the city. It is important for communities to leverage their strengths in an economic development plan, and the retail industry is presently the cornerstone of Orem's economy. However, there are certainly dangers of overreliance on the retail industry. As housing costs rise and lodging becomes inaccessible for the working population, service industries might face staffing-related challenges. To keep the city from becoming overly dependent on retail or other service industries, the city's industry mix could be diversified through an intentional business retention, expansion, and attraction plan.

Some other developmental issues that are unrelated to housing are perceived to be hindering business growth as well, like the lack of a clear city center. A high-traffic, multi-lane highway intersects the city, and it's difficult for pedestrians to walk from business to business. University Place is home to a variety of retail vendors, but the mall is self-contained and is not well-connected to other parts of the town. Improvements to the built business environment could support the local business community while simultaneously creating a more enjoyable downtown area for residents to enjoy.

Reliance on Sales Tax Revenue

The primary goal listed in the 2014 EDSP was to "increase the sustainability of the City's tax base through increased property values." In part, this top-priority goal was put in place to help stabilize the city's tax base, leaving the city's budget and revenues less susceptible to economic downturns such as the one experienced in the years following the 2008 recession.

At the time of that plan's adoption, Orem had the highest percentage of its General Fund Revenues coming from sales taxes (34%) and the second-lowest percentage coming from property taxes (11%) when compared to the other cities in Utah County. The plan noted that most of these neighboring cities reported property taxes at around 20% of their General Fund Revenue, laying the groundwork for the top economic development goal of bolstering the property tax base.

The percentage of the city's revenues generated by property taxes has remained relatively constant since 2014. The reliance

on sales tax, however, has steadily increased. Since Fiscal Year 2015, the percentage of the General Fund Revenue coming from sales taxes has increased dramatically, eclipsing the 45% mark in the estimates for Fiscal Year 2022 – an increase of over 13 percentage points since the last EDSP.

During the pandemic, sales tax revenues increased dramatically across most of the country. In fact, a report by the National Association of State Budget Officers shows that sales tax revenues grew by nine percent in FY21.² Utah was one of 42 states that reported year-over-year growth in sales taxes collected from summer of 2020 to summer of 2021.³ There are a number of reasons for these increases (e.g., government stimulus checks and a shift in purchases from non-taxed service to taxable goods) including the move to begin collecting sales tax on out-of-state sales in the years leading up the pandemic. A ruling by the State Supreme Court 2019 helped bring this change about in Utah.

Fiscal Year	Sales Taxes	% of Total Revenues	Property Taxes	% of Total Revenues
FY15	\$18,839,327	32.78%	\$7,305,594	12.71%
FY16	\$19,471,579	36.17%	\$6,424,109	11.93%
FY17	\$20,722,179	36.79%	\$6,416,808	11.39%
FY18	\$22,198,446	37.34%	\$6,597,887	11.10%
FY19	\$22,736,417	37.16%	\$6,657,969	10.88%
FY20	\$23,737,723	38.77%	\$6,895,505	11.26%
FY21	\$28,004,565	39.90%	\$7,060,159	10.00%
FY22 (Estimate)	\$30,805,022	45.53%	\$7,278,289	10.76%

Table 2: City of Orem Taxes and Revenues

² <https://www.nasbo.org/reports-data/state-expenditure-report>

³ <https://www.forbes.com/sites/lizfarmer/2021/11/30/sales-taxes-in-2022---issues-to-watch-for-online-retailers/?sh=49a7c24d4b5a>

While this increase in sales tax revenue is certainly a positive in the short term, the recent surge in the amount of sales taxes collected is itself a representation of the volatility of this form of revenue. Sales tax is deeply connected to consumer spending habits and therefore the overall conditions of the economy. An over-reliance on sales tax revenues can make the city susceptible to economic shocks or trends that do not always favor the local economy.

Growth Constraints

Orem's population has grown rapidly in the last twenty years, and the effects of such growth can be seen in many areas of the economy. Efforts to increase residential development to accommodate the growing population are unable to keep up. There's very little developable land remaining within city limits; only 8% of the total land within the city is developable, with only 3% zoned for residential development.

The combination of a growing population and limited developable land makes for a tight housing market. Compared to state and national levels, the vacancy rate in Orem is exceptionally low. Due to high demand and limited supply, housing prices are very high – the median sale price of a home in Orem is nearly \$200,000 greater than the average home value for the rest of the United States. Despite elevated housing prices, though, the data indicate that Orem residents are not any more burdened by housing costs than the average American. While the housing market is suitable for high-earning households, it is more inaccessible for much of the working population in Orem, which earns relatively low wages.

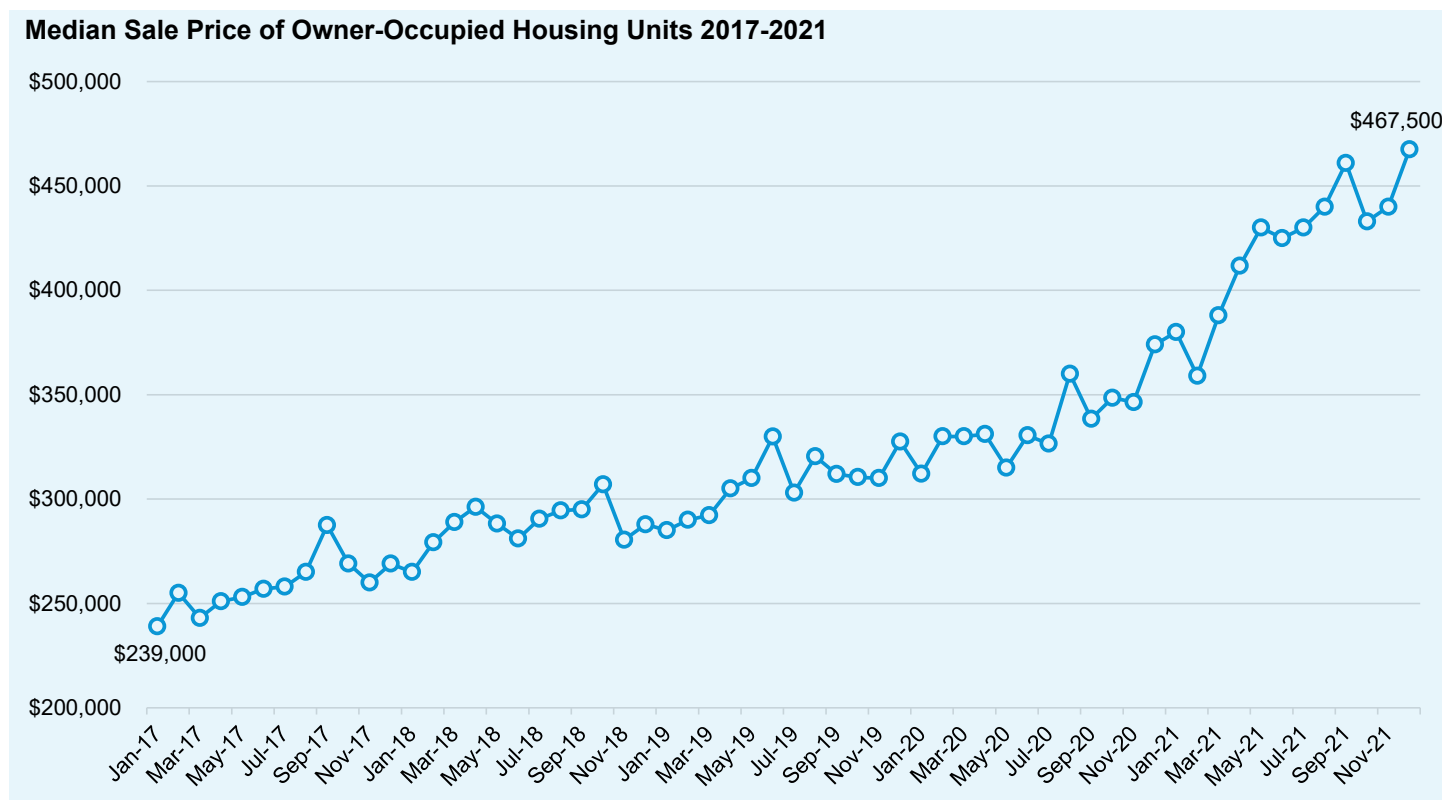


Figure 3: Median Sales Price of Owner-Occupied Units. Source: Redfin 2021

As a result of the types of available jobs in the city, the typical wages for those jobs, and the high housing costs, the residential and working populations in Orem are largely two different populations; approximately 78% of Orem's workers live outside of city limits, and about 77% of Orem residents work outside of city limits. Figure 4 shows the inflow of the working population and the outflow of the resident population for work. As of 2019, an estimated 46,763 workers lived in Orem, Utah. Of those, just over 10,500 individuals worked in the city and over 36,000 commuted elsewhere for work. According to these estimates from the U.S. Census Bureau, more Orem residents work jobs in Provo and Lehi (25.7% combined) than in their home city (22.6%). Conversely, many of the workers in Orem do not live within the city. There are about 49,000 workers employed in Orem, only about 10,500 of which live in the city.

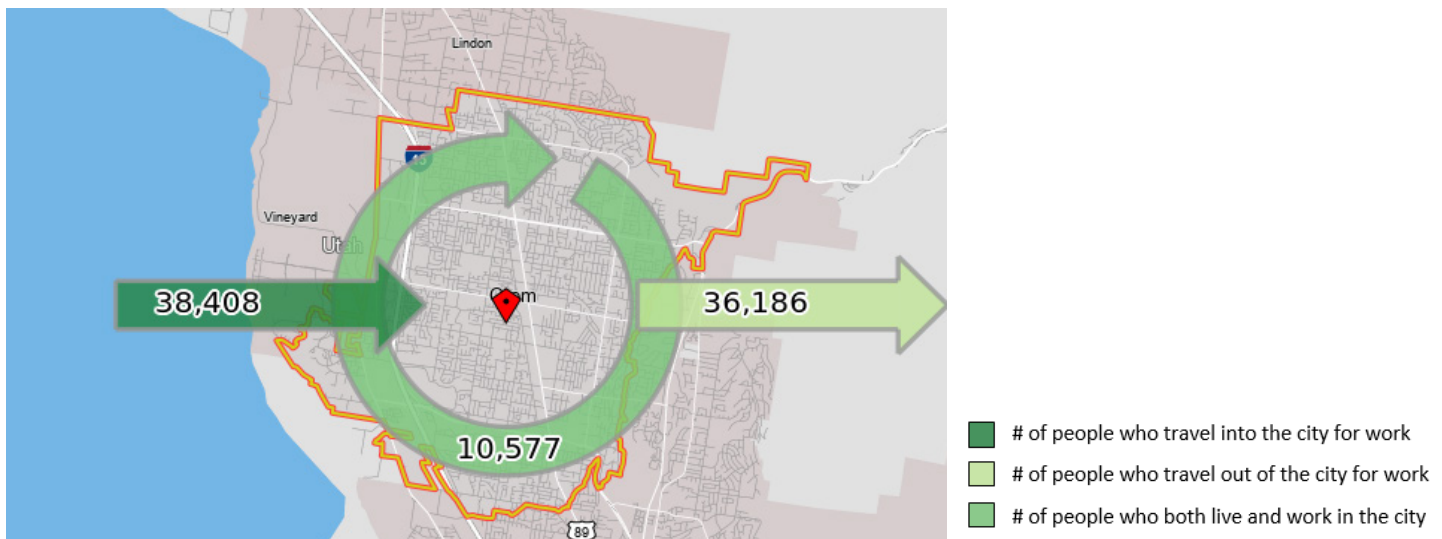


Figure 4: Orem Commuting Patterns. Source: OntheMap 2019

While these commuting data alone do not provide a full explanation for the significant differences between the working and residential populations of the city, the tension between high housing costs and the prevalence of low-wage jobs is likely a major cause. Ultimately, many of Orem’s workers must choose between paying high housing costs to live close to work or living affordably elsewhere and commuting.

Because Orem is unaffordable for many workers, it can be difficult to attract or retain the talent required by up-and-coming businesses in any industry. Utah Valley University, for example, graduates many talented students every year, many of whom are unable to stay in the city following graduation due to high costs of living. Ideally, an economic strategy would outline a plan for retaining this talent, which could help support some of the growing industries described throughout the report, like software developers, market research analysts, or project management specialists. This talent cannot be expected to stay in Orem without adequate support from the city, and an intentional effort to retain talent should be made.

Limited availability of developable land makes further growth difficult due to an inability to create new housing and office space. The combination of a growing population and this lack of undeveloped space creates a growing imbalance between supply and demand in the housing market. The result is the rapid increase in housing costs as shown in Figure 3. This furthermore creates opportunities for neighboring cities, like Lehi and Vineyard in recent years, to become more economically competitive due to their ability to develop housing for a working population.

Population growth, housing costs, and land availability are all important issues to consider in the development of an economic plan, as each impacts the opportunities that are available for economic growth. A lack of developable land limits the city’s ability to accommodate residential growth, but also hinders their ability to develop Class A office space for businesses in target industries, like growing and emerging tech companies. Both are important to consider as Orem plans for its economic future.

Strong Economic Development Leadership

Orem is fortunate to be under the leadership of a well-trained and thoughtful economic development team. According to the 2022 Milken Institute Best-Performing Cities Index, the Orem-Provo MSA demonstrated the best economic performance among large cities for the second year in a row.⁴ The city has a track record of successfully implementing strategic plans, and it can be expected that the individuals responsible for managing future development efforts can reliably achieve ambitious goals.

The city's fiscal strength is a testament to the high-quality work of its Economic Development Division. A variety of economic development tools are utilized by the economic development team, and many have been very successful in stimulating growth in the past. Tax increment financing programs, often referred to as RDAs in Orem, have been implemented and are helpful for supporting development within the city. Similar methods could be used in a future plan.

Ultimately, the economic development leadership can be expected to engage the community, explore suitable development options, and make measurable progress in realizing Orem's economic potential.

⁴ <https://milkeninstitute.org/report/best-performing-cities-2022>

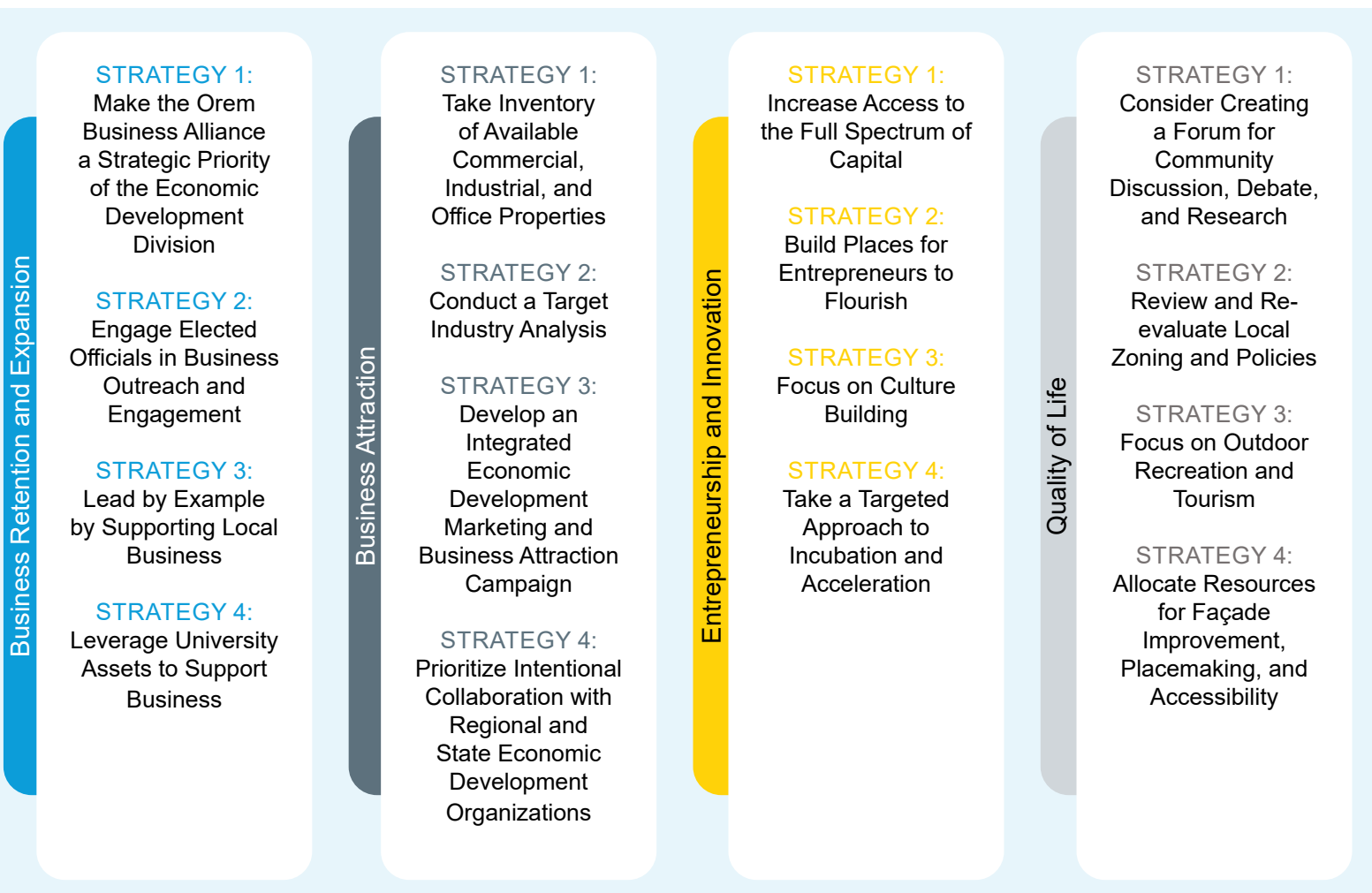


Strategic Framework

The International Economic Development Council defines economic development as a “program, group of policies, or set of activities that seeks to improve the economic well-being and quality of life for a community by creating and retaining jobs that facilitate growth and provide a stable tax base.” For economic development organizations to be successful, best practices suggest they must focus on four key strategic areas: business retention and expansion, business attraction, entrepreneurship and innovation, and quality of life. As such, the project team has structured the strategic framework for this Economic Development Strategic Plan around those four foundations of classic economic development practice.

The following strategic framework was informed by a process and methodology presented earlier in this document. The project team relied on a discovery phase which included historical document review, a quantitative data scan and analysis, a retail demand analysis, interviews with City of Orem staff members, and numerous on-site visits. In addition, the strategic framework was developed after a multitude of stakeholder engagement sessions, conducted both online and in-person, which included the following: city leaders; elected officials; local, regional, and state economic development organizations; local business owners; students; and residents of Orem. The stakeholder sessions, which are summarized in Appendix I, were designed to both inform the strategic recommendations early in the process and affirm the recommendations at the conclusion of the planning process. A final session was held in May of 2022 to collect a final round of feedback and review the recommendations presented below.

The Strategic Framework | Four Focus Areas



FOCUS AREA 1:

Business Retention and Expansion

Efforts and action steps designed to facilitate local business retention and expansion opportunities should be at the core of any economic development strategy. From a cost-benefit standpoint, dedicating and deploying resources to existing businesses in a community makes good financial sense. A comprehensive and sophisticated approach to business retention and expansion allows a community to support business owners that have already made an investment in the community. Supporting your existing business base is the most economical way to facilitate both job retention and job creation.

Supporting the existing business base in Orem should be the primary mission of the Orem Economic Development Division. While the project team is encouraged by current efforts, this strategic plan outlines ways that the city can elevate and enhance activities that will support that existing business base and open doors for potential future expansions and job creation.



Strategy 1: Make the Orem Business Alliance a Strategic Priority of the Economic Development Division

The Orem Business Alliance, embedded in the Economic Development Division, is a collaborative group of organizations across Orem “focused on building the local business community and supporting and uplifting Orem businesses by providing opportunity for business networking, advocating for small businesses, and connecting Orem businesses to valuable resources.” In addition, the Orem Business Alliance regularly meets with business owners, hosts monthly Lunch & Learn and new business Meet and Greet events, offers informational webinars, facilitates ribbon cuttings for new businesses, and highlights member businesses through their annual Stand-Out Orem Business Awards.



Action Steps:

- Review and reevaluate business outreach goals
- Create an asset map of economic development service providers, programs, and resources
- Review, reevaluate, and update the business outreach retention and expansion strategy
- Purchase and utilize a CRM system to collect and analyze primary information; capture trends; track business visits, and economic development strategy and goals

Throughout the process, the project team repeatedly heard concerns about businesses leaving or startups ‘outgrowing Orem.’ Orem should take every step possible to continue to build strong relationships with local businesses to alleviate these losses, including Implementing more ambitious and intentional business outreach goals through the Orem Business Alliance. In addition, city leadership should investigate and adopt Business Retention and Expansion best practices from across the country, including the two cited below. Best practices suggest that each community should have a ‘gateway organization’ that businesses turn to when looking to overcome a challenge or take advantage of an opportunity. The Orem Economic Development Division should strive to be that trusted partner and facilitate meaningful connections to both public and private sector service providers. In addition, the Division should consider adopting a Customer Relations Management (CRM) system to track visits, inventory key businesses and contacts, and capture primary data on the local businesses. More importantly, this intelligence gathered through business outreach should remain confidential, but aggregate information should be used to identify trends and ultimately inform strategy, policy, and programming to best support the business community.



Best Practices:

[Grenada Mississippi Economic Development District](#)

The Grenada County Economic Development District (GCEDD) has made business retention and expansion a priority for the last eight years; as a result, they’ve helped local businesses create more than 2,000 new jobs. To support local businesses, the GCEDD offers training, leadership and mentorship programs, incentive programs, and research focused on improving the local business environment. Roundtable events, surveys, and targeted incentive programs are important components of their well-rounded business retention and expansion strategy.

[Virginia Beach Department of Economic Development](#)

As is evidenced by their website’s homepage, the Virginia Beach Department of Economic Development is focused on attracting new businesses, growing existing businesses, and supporting entrepreneurs in their efforts to start businesses. Some of their attractive workforce characteristics are highlighted, their top industries are showcased, and their strategic location is emphasized – all on the website’s homepage. The Department provides other resources throughout the site that provide information on the business environment, key industries, business districts, and quality-of-life information, all of which are helpful resources to showcase in a business attraction effort.

Strategy 2: Engage Elected Officials in Business Outreach and Engagement

Throughout stakeholder engagement sessions, the project team heard about a disconnect between the business community and elected officials in Orem. While we believe Orem's elected officials are committed to supporting the business community, we believe city staff can help create more intentional interactions between elected officials and business owners in the city. More intentional interactions enhance the likelihood that elected officials can make policy and budget related decisions that will support business and enhance their ability to reinvest in their companies and in their workforce.

City leadership can take two complimentary approaches to facilitate better engagement between business owners and elected officials. First, the Economic Development Division should facilitate

more opportunities for the mayor and city council members to join them on business outreach visits. This should not be used as a political tool, but rather an opportunity for council members to gain a firsthand perspective on the opportunities and challenges facing business owners in Orem. In addition, visits by elected officials should be used to promote and support businesses – the economic development team can promote and share information on the visits through social media and the city website to increase visibility for businesses.

Second, city leadership and the Economic Development Division should commit to creating a bi-annual report to inform city staff, elected officials, and residents of the Division's activities and outcomes. This report should be both informative and serve to inform future budget and policy-related decisions. Information for consideration can include the number of business visits, the types of businesses visited, common trends, common challenges, and actions taken to support businesses. In addition, the project team encourages business outreach practitioners to consider how they can calculate and track the impact of the business visit. Metrics could include referrals made, programs and events offered, financing secured, and jobs indirectly created.



Action Steps:

- Include city council members in business ribbon cuttings and outreach visits; promote these on social media and through other marketing channels
- Create an economic development bi-annual report for city staff, elected officials, and residents of Orem
- Present the economic development bi-annual report to elected officials in a City Council Work Session every six months



Best Practice:

[City of Birmingham Small Business Council](#)

The City of Birmingham's Department of Innovation and Economic Opportunity has created a system for involving the city mayor and his administration in local business support efforts. Launched in 2019, the Small Business Council (SBC) assists and advises the mayor on small-business strategies and practical matters. The SBC comprises 22 small business owners, startup founders, and other ecosystem builders, all of whom provide unique insights into the city's business environment.

Strategy 3: Lead by Example by Supporting Local Business

For years, study after study has demonstrated how supporting local businesses ultimately enhances local and regional economies. According to the Small Business Administration (SBA), approximately 68% of money spent locally stays local. That percentage goes toward the following: local taxes, which support local school districts, fire, police, and critical public services; compensation for employees; and local support services like accounting, legal, marketing, etc.

The City of Orem's Economic Development Division is in prime position to not only actively promote a 'buy local' campaign and culture, but the city is also in position to lead by example. City leadership can take several steps to actively support local small business. First, city leadership, in partnership with the city procurement manager and budget manager, should review current city procurement policies and procedures to ensure more city supplies and services

are purchased through local vendors. City government is an anchor employer and should take steps to buy local when it's both economically and practically appropriate. Additionally, city procurement managers should look for opportunities to purchase from business owners from historically underrepresented communities. Further, city leadership should work with other local businesses to develop local procurement policies of their own.

Finally, city staff should work with economic development partners and local business owners to create, and support buy local campaigns, events, and initiatives. The project team understands that buy local campaigns have existed in the past in Orem; the team suggests that buy local campaigns be reinstated. More importantly, our experience suggests that buy local campaigns are most effective when developed and supported at the local level. The Orem Business Alliance is in prime position to lead the charge to implement, and support buy local campaigns, events, and celebrations.



Action Steps:

- Review city procurement policy with the city's procurement and budget manager; encourage the city to purchase from local vendors where appropriate
- Work with the regional Procurement Technical Assistance Center (PTAC) office to assist local businesses become approved government vendors
- Help major employers in Orem review and implement buy local procurement initiatives
- Continue supporting buy local campaigns, initiatives, and events through the Orem Business Alliance



Best Practice:

[Buy Newark](#)

Newark's 'buy local' campaign is focused on increasing the number of purchases made by Newark residents within their own community. Their campaign employs three strategies: institute formal local preferences, build the capacity of local businesses; and cultivate relationships with the local business community. Collectively, these strategies attempt to retain local resources, improving the local economy as a result.

Strategy 4: Leverage University Assets to Support Business

Established as a vocational school in 1941, Utah Valley University has grown into the largest university in the state of Utah. Featuring accolades such as the number one school in Utah for alumni earnings, number 2 in the state of Utah for 'best bang for your buck,' and the number 3 ranking for best return on investment in the nation⁵. Utah Valley University is an anchor institution that most communities can only dream of. The City of Orem should continue to take steps to build synergy with the university by recognizing and leveraging the human and intellectual capital residing in the community every day.

In addition to Utah Valley University, Brigham Young University (BYU) sits just outside city limits. Founded in 1875 by religious leader Brigham Young, this private research university offers over 180 undergraduate majors and 64 master's programs to over 30,000 students⁶. The city should continue to foster strong partnerships with BYU, tapping into its research capability and capacity to support local Orem technology and manufacturing companies.



Action Steps:

- Continue to build strong partnerships with university leadership
- Work with university leaders and faculty at Utah Valley University and BYU to facilitate practical education opportunities with local businesses
- Connect educational organizations such as the UVU Entrepreneurship Institute, Mountainland Technical College, and the BYU Rollins Center for Entrepreneurship and Technology to support Orem businesses for capstone projects and internship opportunities
- Consistently engage with student population through networking events, pitch competitions, lunch and learns, and mentorship meet and greets.

To strengthen these university relationships Orem can consider creating and hosting annual Orem Business Alliance Lunch and Learns to connect Orem businesses to students and faculty. Orem leadership should work with organizations like the UVU Entrepreneurship Institute, Mountainland Technical College, and the BYU Rollins Center for Entrepreneurship and Technology. Students and faculty should have clear pathways to support businesses on capstone projects, obtain internships, and connect with potential professional mentors. The overarching goal should be to enable students and faculty to support Orem businesses but to also foster an environment that allows students and faculty to innovate, create, and take risks to create the next generation of great Orem businesses.

FOCUS AREA 2:

Business Attraction

While business retention and expansion efforts are crucial to the mission of the Orem Economic Development Division, an intentional business attraction campaign should also be designed to attract businesses that can capitalize on local assets and complement the existing business environment. The attraction of new businesses to the city will diversify the industry mix, add new jobs, and stimulate novel economic growth. An overreliance on any single industry places the community in a precarious situation; an economic shock –like a pandemic—could cause conditions to change and the local economy could become destabilized. A business attraction campaign would provide the city with the opportunity to explore the potential for new, growing industries to add value to the community.

Orem’s business environment is home to many valuable assets; an abundance of human capital, available Class A office space, and a strategic location all give Orem a competitive advantage in business attraction efforts. The city should aim to understand which businesses would best complement the city’s economy, and then should leverage its assets to attract targeted businesses to the area.



Strategy 1: Take Inventory of Available Commercial, Industrial, and Office Properties

Repeatedly throughout the planning process, business and community leaders expressed concern about the growing inventory of vacant and underutilized commercial and retail space. In addition, the project team was informed of several parcels of land that were prime for development, but to date, no action has been taken. A common expression in economic development states that ‘no product, no project.’ In other words, if Orem does not have shovel-ready marketable land, or move-in ready quality commercial space, business attraction efforts will yield negligible results.

The project team suggests that city leadership develop a formal process to inventory and catalog available land, and commercial and industrial space. This should be an ongoing exercise; it’s paramount that economic development leaders have accurate and up-to-date insight on available land and buildings. This ongoing inventory should help inform development priorities in conjunction with both public and private sectors partners.

Further, city leadership should work with a third-party real estate advisory firm to conduct a market and cost analysis on available properties. This analysis should inform city leaders on the current market value of available land and space and help public partners and private developers and businesses ascertain development or redevelopment costs. In addition, the analysis should assess the status of infrastructure, to ensure that properties are marketable to potential tenants. Further, the analysis should provide a comparative analysis with similar cities to Orem competing in the business attraction game. Finally, city leadership should forge strong and sustainable relationships with the regional commercial real estate broker community, to ensure that both parties can successfully collaborate to market available properties.



Action Steps:

- Prioritize ongoing land and building inventory and availability
- Conduct a market and cost analysis with a third-party service provider
- Showcase and list available land and space to a targeted audience via City Economic Development website
- Share monthly article postings on property in local newspapers, media, and showcase articles on the Economic Development website



Strategy 2: Conduct a Target Industry Analysis

No community can compete successfully for every business or industry. Before Orem can launch an extensive business attraction initiative, the project team strongly encourages city leadership to conduct a Target Industry Analysis. A Target Industry Analysis will enable Orem to better understand which industries best fit the economic assets and competitive advantages of the community, and which business types will contribute to achieving the community's vision for the future.

To conduct a Target Industry Analysis city leadership can utilize some of the datasets presented in this plan, including the retail gap analysis, location quotient analysis, and industry and occupation

trends. Further, by conducting more intentional and thorough business outreach visits to the existing business base, city leaders can supplement the quantitative analysis with a better understanding of the needs of the current businesses, including understanding potential suppliers, buyers, service providers, and strategic partners. Both tactics can be used to form the basis of a target industry strategy; however, the project team recommends that the city allocate resources in the future for a professional firm to conduct a more extensive and comprehensive report to increase clarity and to outline clear industry targets. More specifically, the project team recommends the city partner with a professional service firm with direct experience analyzing local market conditions and developing a target industry analysis for the purposes of business attraction.



Action Steps:

- Review the quantitative data, qualitative data, and retail gap analysis in this report to inform the basis of a target industry analysis
- Develop an RFP soliciting professional firms to conduct a target industry analysis
- Hire a professional firm with experience conducting a Target Industry Analysis for the purpose of business attraction



Best Practice:

[Economic Development Authority of Western Nevada](#)

The Greater Reno-Sparks-Tahoe area is a fast-growing region in the United States, and its economic development authority is focused on attracting the right industries to the region. To ensure its industry attraction efforts were appropriately targeted, they conducted a targeted industry analysis which resulted in the identification of eight target industries. These industries include renewable energy, technology, advanced manufacturing, and others with potential for benefitting the regional economy.

Strategy 3: Utilize the Target Industry Analysis to Develop an Integrated Economic Development Marketing and Business Attraction Campaign

To successfully attract new business to the community, city leadership needs to dedicate resources to develop a comprehensive and integrated economic development marketing and business attraction campaign. Adequate resources are required to deploy the multitude of marketing tools required to connect with and influence both site selection firms and key business decision makers. An integrated approach should successfully position Orem as a competitive market for investment – this is achieved by product differentiation, price competitiveness, and market focus.⁸

The qualitative and quantitative analysis in this plan can serve as the foundation for an integrated marketing campaign designed to position Orem as a competitive market. In particular, the SWOT analysis, Retail Gap Analysis, and the Industry and Occupation Analysis can inform the team how to position Orem appropriately. In addition, by completing Strategy 1 and Strategy 2 listed above, city leadership will be well-suited to begin developing a value proposition for site selectors and businesses to consider. While we believe this plan can inform early action and assist city staff in the development of a marketing campaign, the project team suggests that Orem hire a professional marketing firm to develop and execute the campaign – specifically a marketing firm with experience in economic development business attraction.

Action Steps:

- Consider allocating appropriate resources to develop and execute a marketing and business attraction campaign
- Consider developing an RFP soliciting professional firms to develop and manage an integrated marketing campaign
- Focus marketing campaign on industries identified in the target industry analysis to assist in filling office space at University Place and Canyon Park Technology Center
- Consider identifying and purchasing lead generation software
- Identify and attend trade shows and conferences in identified target industries
- Plan and host annual or bi-annual familiarization and/or site selector tours



Best Practice:

[Watertown Development Company](#)

Watertown, South Dakota's Watertown Development Company (WDC) was created in 1947 to establish, fund, and direct programs designed to promote and increase the commercial, financial, and economic vitality of the city. Their website markets many of the community's assets, like affordable housing, quality education systems, and a variety of recreational activities. In addition, it spotlights its top industries, as well as those it is most motivated to attract to the region.

Strategy 4: Prioritize Intentional Collaboration with Regional and State Economic Development Organizations

Best practices suggest that when localities win in the business attraction game, it is in part because they have formed strong partnership with statewide and regional economic development partners. As mentioned earlier in this plan, Utah is widely regarded as a very competitive state for economic development. Traditionally, business attraction projects are managed at the state level, and because of this, the project team suggests that city leadership focuses on building a stronger and more intentional relationship with the Governor's Office of Economic Opportunity. City staff should ensure they have full knowledge of the suite of financial tools and incentives offered through the state. In addition, city leadership should understand and activate the tools and resources offered by the Office of Outdoor Recreation and the Office of Tourism. Further, the project team encourages city leadership to explore the utility of the Utah Main Street program, which will be discussed later in this plan.



Action Steps:

- Connect with state leadership on a regular basis
- Convene regular meetings with state delegation to inform them of economic development goals and strategies
- Research, identify, understand, and be prepared to utilize state capital tools and financial incentives (Resources include Go Utah, Mountainland Association of Governments (MAG), Utah Redevelopment Agency (URA), Utah Alliance for Econ Dev, Utah South Economic Partnership (USEP), World Trade Center of Utah, etc.)

The project team encourages city leadership to create forums for city staff to meet with state leadership on a more consistent basis, take full advantage of the resources and technical assistance provided by the Office of Economic Development, and ensure that Orem's business attraction strategy is well-aligned with the office's statewide focus. Further, regular meetings and communication with the local delegation will ensure that elected representatives are aware, can communicate the community's priorities, and make policy, legislative, and budget related decisions that support Orem's economic development agenda.

Photo courtesy of The Muller Company



Focus Area 3:

Entrepreneurship and Innovation

One of Orem's greatest strengths is its highly capable population. Local colleges and universities graduate thousands of young, ambitious professionals every year, many of whom are eager to contribute to the economy in an innovative way. Entrepreneurial ventures greatly benefit the city, and the Orem Economic Development Division should actively support individuals or groups who are interested in hatching a new business within city limits.

There exist many resources available to prospective entrepreneurs in Orem, but the systems for connecting individuals to those resources could be improved. The local government, educational institutions, existing businesses, and other community actors share responsibility for creating a supportive environment for entrepreneurs. In this section, the project team has outlined several strategies for doing so. Orem has a history of incubating many highly successful startups, including LiveView Technologies, Blendtec, Pura, WordPerfect, Omniture, and it is in the city's best interests to ensure up-and-coming innovators feel supported in their efforts to build out the local economy in forward-thinking ways.



Strategy 1: Increase Access to the Full Spectrum of Capital

During various interviews and focus groups, stakeholders expressed concerns about the lack of adequate resources for small businesses. Most notably, numerous participants cited a lack of capital products and financial incentives for small businesses. While the project team believes there are several appropriate capital products in place in Orem, there is room for improvement in several areas. City leadership should conduct a citywide analysis to evaluate current capital offerings and work with appropriate partners to fill any noticeable gaps. City leadership should work with external partners to ensure that capital is available for businesses at all stages of the business lifecycle – through business ideation to succession, and every step in between.

Several steps will help this process. First, the project team suggests that city leadership survey businesses during business outreach visits on their access and awareness of capital products. Informal surveying during business outreach visits can inform strategic implementation and support decisions to create new funding sources or recapitalize and amend current funding sources. Second, city leadership should consider redeploying interest earned on the city revolving loan funds to create and capitalize small business grant funds. These small grant funds can help small businesses access professional services or make physical improvements to their business exterior and façade. Third, the city should take inventory of available capital products for small businesses at the local and state level and take a more intentional approach to ensuring small businesses are aware of the variety of products available to them. This can be accomplished with a more intentional outreach and marketing approach from the city Economic Development Division. Lastly, the city should consider the continued use of Community Reinvestment Areas (CRAs) along State Street and other strategic corridors to help fund development, infrastructure, and exterior improvements to existing properties.



Action Steps:

- Survey businesses during business outreach visits and at Orem Business Alliance meetings to assess their need for capital
- Use survey results to inform strategic next steps
- Work with private lenders and economic development partners to list, outline, and ensure available and accessible capital across the full business lifecycle – from ideation to succession.
- Consider funding sources and financial incentives for property owners to make exterior improvements
- Think creatively how to utilize the Utah Microloan Fund, Utah Microenterprise Loan Fund, Mountainland Association of Governments Small Business Loan Fund, and possibly Orem CDBG funding
- Consider creating Community Reinvestment Areas (CRAs) along State Street to fund exterior improvements of businesses

Startup Financing Cycle

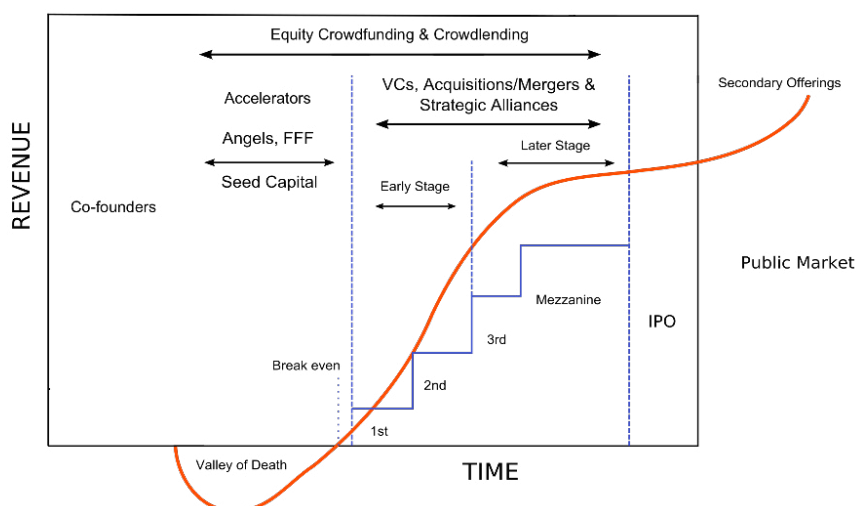


Figure 5: Startup Financing Cycle. Source: Kmuehmel

Strategy 2: Build Places for Entrepreneurs to Flourish

One potential solution to address some of the vacant or underutilized space in Orem is to think differently about how that space can be activated. The project team believes that city leadership can continue to support startup businesses and entrepreneurs by focusing on building out a physical ecosystem that allows them to startup, thrive, and grow. City leadership should work with the private sector, strategic economic development partners, and university leadership to build out coworking spaces, flexible space, and mixed-use space that appropriately accommodates the types of businesses already thriving in Orem, and those they are trying to attract through a business attraction campaign.

The project team believes the highest priority should be working with The Muller Company to fully activate and fill Canyon Park Technology Center. City

leadership should continue to find ways to activate the space through events, programming, and host potential businesses for site tours. In addition, the city should consider helping the Utah Valley Business Resource Center (BRC) build a stronger partnership with The Muller Company. Companies participating in and leasing space at the BRC are in a natural pipeline to fill space at Canyon Park Technology Center. The goal of the incubation and acceleration program at the BRC should be to hatch those companies into long-term space – Canyon Park Technology Center is the perfect fit.

In addition, city leadership should consider reviewing current zoning policy and make the appropriate changes to allow commercial and industrial property owners to subdivide units to accommodate both light manufacturing, retail, warehousing, and shipping in the same location. Commonly referred to as ‘flex space,’ a change in zoning policy could facilitate better utilization of properties and the industry segments that can use this space are well-positioned to complement the current industry mix in Orem.



Action Steps:

- Double down on efforts to activate, market, and fill Canyon Park Technology Center
- Create a pipeline for incubator and accelerator companies to fill vacant space
- Consider reevaluating zoning policy; enable creative mixed-use for vacant and underutilized properties
- Look for and research opportunities to develop modern coworking space(s) at Canyon Park Technology Center and/or University Place



Best Practice:

Scottsdale Fashion Square

In 2019, the former Barneys New York at Scottsdale Fashion Square in Scottsdale, Arizona was repurposed as a coworking space. Partnering with national real estate company Industrious, the mall now features over 33,000 square feet of coworking space for entrepreneurs, small businesses, remote workers, and freelancers. The space embraces the ‘live, work, play’ ethos common across the country, and offers shared office space, coffee lounges, private offices, and access to a number of amenities.

Strategy 3: Focus on Culture Building

Building an entrepreneurial ecosystem is more than offering capital and physical spaces for business startups to flourish. The city must take intentional steps to build a culture that facilitates, supports, and nourishes risk-takers, innovators, and the next generation of great Orem business owners. City leadership can take several steps to harness the talent in the community and facilitate an ecosystem that produces and sustains high-potential 21st century businesses.

First, city leadership should continue its partnership with the Utah Valley Business Resource Center (BRC). More specifically, city leaders should support the BRC in creating innovative and exciting business plan and pitch competitions. Additionally, city leaders should integrate the Orem Business Alliance into efforts to support startups and entrepreneurs – offering support, sponsorship, and evaluators in business pitch competitions. Further, partnerships should be expanded to include local multi-cultural chambers to help facilitate specific opportunities and support services for aspiring and current entrepreneurs from historically underrepresented segments of the population.

Second, city leadership should work with regional partners to launch and support peer-to-peer networking groups and opportunities. Creating an ecosystem of people who can share ideas and experiences is the cornerstone of any great entrepreneurial ecosystem. Intentionally facilitating these opportunities is paramount to launching more organic opportunities for entrepreneurs to connect. In addition to peer-to-peer networks, city leadership should work through the Orem Business Alliance to create a network of mentors who are willing and able to support the next generation of business owners. Lastly, technical support should be offered through existing organizations like the Utah Manufacturing Extension Partnership, Utah Valley University, BYU, and private sector service providers.



Action Steps:

- Offer programming geared towards innovative and technology enabled companies and startups through the Orem Business Alliance
- Support the BRC in creating pitch competitions and business plan competitions
- Facilitate the creation of peer-to-peer and mentorship networks
- Connect with Utah Manufacturing Extension Partnerships (Utah MEP)
- Network with local multi-cultural chambers to help facilitate specific programming and support services for aspiring and current entrepreneurs from historically underrepresented segments of the population



Best Practice:

[Fairfield Iowa Entrepreneurs Association](#)

The Fairfield Entrepreneurs Association is committed to creating a culture of entrepreneurship in Fairfield, Iowa. The website boasts the creation of 5,000 new jobs, \$300 million in investment and \$2 billion in new equity through the association. A variety of programs are offered, including entrepreneurial coaching, financing programs, and relocation programs. Collectively, all the startup resources create a culture which encourages entrepreneurship.

Strategy 4: Take a Targeted Approach to Incubation and Acceleration

One of the most important economic development assets in Orem is the Utah Valley Business Resource Center. As an original funding partner, the City of Orem has both a financial and strategic incentive to fully support the efforts of the BRC. With that in mind, the project team encourages city leadership and the Economic Development Division to support the BRC through enhanced collaboration, business client referrals, events, programming, and shared resources. Further, it is imperative that the BRC has a key seat at the table should the city decide to move forward with a target industry analysis.

While the project team is encouraged by the efforts of the BRC, and more specifically its efforts to incubate and hatch businesses, there appears to be an opportunity to take a more targeted approach. Like in business attraction, incubator programs cannot support all businesses and industries. Because of this, city leadership, along with university and BRC leadership, should become more involved in the pipeline of incubator businesses the BRC supports. This can be accomplished by ensuring BRC leadership is heavily involved in the target industry analysis. The BRC incubator program

should focus on technology-enabled, scalable businesses that support and complement the existing industry base in Orem. Further, the BRC should look to recruit businesses that have the appropriate talent pool to draw from. Building more intentional partnerships with Utah Valley University and BYU is a strategic step to ensure incubator businesses have access to talent as they grow and scale. Lastly, city leadership should be prepared to promote ongoing efforts to build out a citywide fiber network system. The potential Utah Telecommunications Open Infrastructure Agency (UTOPIA) network of fiber optic internet access is an asset that will be attractive to technology-enabled 21st century startups.



Action Steps:

- Continue to support the Utah Valley Business Resource Center through collaboration, business client referrals, events, serving on the BRC Executive Board, advertising BRC programming, etc.
- Ensure leadership at Utah Valley University, BYU, and the Utah Valley Business Resource Center are integral partners in the Target Industry Analysis
- Ensure that business development efforts at the BRC Incubation program are well-aligned with a target industry analysis
- Consider partnering with Canyon Park Technology Center to create an additional business incubator
- Provide information about UTOPIA fiber to high-tech enabled companies



Best Practices:

[Des Moines Iowa Global Insurance Accelerator](#)

Des Moines' Global Insurance Accelerator is a business accelerator designed specifically to support entrepreneurship and innovation in the insurance industry. The accelerator's investors and mentors are comprised mostly of insurance professionals, and the services provided are designed to bolster the growth of the industry in the city. Des Moines has identified the insurance industry as an appropriate business expansion target and provides resources for firms or individuals interested in contributing to the effort.

[Cape Girardeau Codefi Co-Working Space](#)

Codefi is an entrepreneurial system which partners with private and public groups to train workers and innovators in digital professions. Codefi builds and attracts software-focused companies and creates community spaces which can support the expansion of the digital economy in Missouri. In their coworking space they offer large office space, small working stations, and simple desk space to accommodate workers with a variety of needs.

Focus Area 4: Quality of Life

Ultimately, the local economy can flourish only as much as is allowed by its environment. Improvements to the quality-of-life assets in Orem are crucial for ensuring the economy continues to grow. Many challenges face the city in this regard; limited developable land, high housing costs, and poor pedestrian and transit infrastructure will begin to impact the economy more severely if unaddressed.

The Orem Economic Development Division, in partnership with other local government agencies and community actors, should prioritize the exploration of solutions which address these problems; other economic development strategies might be futile without improvements to the infrastructure, regulatory, and political environment within the city. In this section, strategies are provided for increasing public engagement, stimulating new economic growth, and improving the general quality of life afforded to Orem residents.



Strategy 1: Consider Creating a Forum for Community Discussion, Debate, and Research

Consistently through this process, the project team encountered fragmented and conflicting views on the direction and economic future for Orem. During onsite stakeholder sessions, participants ranked an inability to unify around a singular vision for the future as the number one challenge facing the community. The fact that the city's most recent EDSP was adopted over seven years prior and has not been fully revisited in the time since could be a contributing factor to this lack of a unified approach. Further discussion on the matter with community stakeholders yielded constructive and hopeful insights, but participants were unable to arrive at a consensus on a shared vision.

Based on these factors, the project team encourages city leadership to work with local and regional partners to explore the creation of a non-partisan forum for community discussion, debate, and research. The Utah Valley Chamber of Commerce, the Orem Business Alliance, and the Business Resource Center are all potential partners that can help establish forums for healthy community debate and discussion around Orem's future and can help identify and address any issues that may appear.

The project team recognizes that local universities each have some iteration of this concept and working with established groups would be deemed as an acceptable path forward. Whether creating a new organization or building a stronger partnership with existing organizations and initiatives, city leadership should ensure there is a place where healthy conversations can occur, and ideas can take action. This initiative should be anchored on a foundation of academic study and research, as well as constructive discussion that can crystallize a shared vision for the future of Orem.



Action Steps:

- Research and identify ways to engage local and regional Universities, including Utah Valley University, Mountainland Technical College, Weber State University, Southern Utah University, Utah State University, BYU, and University of Utah (Kem C. Gardner Policy Institute) to take the lead in organizing local community forums
- Engage local philanthropic organizations to assess funding
- Research best practice community ambassador and fellowship programs



Best Practice:

[Jefferson Educational Society](#)

The Jefferson Educational Society in Erie, Pennsylvania is a nonprofit organization that promotes civic engagement for societal progress. Through research and discussion about emerging ideas and events, the Jefferson Educational Society aims to facilitate collaboration in a more united community improvement effort. The Society offers courses, seminars, and lectures that can help members understand Erie's past, present, and future opportunities, and provides a platform for members to engage through.

Strategy 2: Review and Re-evaluate Local Zoning and Policies

Many of the concerns and frustrations voiced in the stakeholder engagement sessions revolved around zoning and the regulatory environment in Orem. While it's not uncommon, the project team believes these concerns can be addressed with a balanced approach to reviewing and revising certain policies to facilitate the right kind of growth in Orem. The project team encourages city leadership to allocate resources so that neighborhood plans across Orem can continue to be reviewed and updated. The neighborhood plans that were reviewed by the project team were useful and informative; however, these plans were developed between 2015 and 2020 and some have become quickly outdated due to recent, significant changes in the community and in the country. The COVID-19 pandemic and accelerated growth in the community will continue to shape future change. Continually updating plans may facilitate more substantive feedback from the residents and allow both the Economic Development Division and the Development Services Department to align policies and strategies to meet the needs of residents.



Action Steps:

- Commit to intentional and consistent dialogue with property owners and residents – ensure key city departments are collaborating to address concerns in an appropriate manner
- In targeted and strategic locations, consider revising and reducing restrictions on duplexes, fourplexes, and townhomes
- In targeted and strategic locations, consider zoning changes that will better facilitate medium-density development
- Continue to support and consider allocating resources to the Neighborhood Improvement Team
- Update neighborhood plans

The project team further encourages city leadership to consider reviewing and reevaluating zoning policies in Orem. While the project team doesn't suggest making drastic changes to zoning policy overnight, the team suggests that city leadership commit to consistent and constructive discussions with residents and property owners. The project team also encourages the Development Services Department, the Economic Development Division, and the Community Services Division to look for ways to enhance collaboration so the city is well-positioned to make strategic changes to zoning and policy when appropriate.

In addition, city leadership should look for ways to facilitate more mixed-use development in targeted and strategic locations. The project team often heard about the desire for more 'flex space'. Flex space, in this instance, refers to the ability to subdivide a unit with retail in the front of the building, and shipping, distribution, or logistics operations in the back half of the building. Lastly, the zoning office should look for ways to facilitate more medium-density residential accommodations in targeted and strategic locations. This includes duplex, four-plex, and townhouse style developments.

Lastly, the city of Orem should continue to refine the culture and approach to code enforcement. The project team heard many concerns about absentee landlords. In the project team's experience, overly combative code enforcement is rarely the answer. Instead, the city should continue to allocate resources to the Neighborhood Improvement Team and ensure that collaboration is occurring across key departments in the city hall.

Strategy 3: Focus on Outdoor Recreation and Tourism

Orem is an outdoorsman's paradise; with easy access to mountains, trails, and other recreational sites, the city is an ideal location for its active, healthy population. Local parks are largely considered to be one of Orem's greatest strengths; green space, playgrounds, and sports complexes attract visitors from beyond city limits. City Center Park hosts a weekly farmers market, and the city owns a 55-acre sports park on the southwest side of town. In addition, Sundance is only 15 minutes from Orem and is an excellent location for hiking, snowboarding, and skiing. Mount Timpanogos can be seen from anywhere in the city and is a beacon to adventurous hikers and mountain bikers.

All these features are marketable to residents and tourists alike. The natural environment is attractive to travelers, and the prevalence of the retail and restaurant industries only adds to its appeal for tourists. An expanded marketing strategy which promotes Orem as a destination could help generate local business and increase tax revenue. The effectiveness of this strategy is contingent upon the successful execution of the first strategy outlined in this section; a unified vision for the city is a requirement for its marketing under a single brand.



Action Steps:

- Consider creating a City of Orem Tourism Commission or Advisory Council
- Work with the Utah Valley Visitor's Center, Utah Office of Tourism, and Explore Utah Valley to include and promote Orem as destination
- Research the option of creating a "Recreation District" in the remaining areas available for development from the mouth of Provo Canyon up 800 N all the way to State Street to encourage and facilitate recreation-based development

Orem should not simply be a suburb of Salt Lake City, or as a commuting track between rural towns and urban hubs; the accessibility of the city should be increased. At present, there is no clearly defined city center. University Place is home to a variety of retail vendors and restaurants, but the mall is relatively self-contained and does not connect well to other parts of the city. The city center is not walkable, and it is difficult for residents to travel around Orem without a vehicle.

To attract tourists more effectively to the area, the city must be developed to accommodate travelers. Many tourists will not have easy access to personal transportation, which could justify further consideration to expand the city's public transit options. Additionally, visitors will likely be unfamiliar with many of the experiences Orem has to offer. An intentional effort should be made to provide visitors with resources that enhance their experience within the city.

Ultimately, the expansion of the tourism industry within the city will benefit all aspects of the economy. With increased revenues, the city can make improvements to infrastructure and quality-of-place amenities in the area, which will only attract more tourists and improve the lifestyles of current residents.



Best Practice:

[Visit Richmond, Virginia](#)

Richmond, Virginia's natural environment is one of the city's most valuable assets, and the city has successfully created a unified, marketable identity centered around outdoor recreation. The city hosts the country's largest music and sports festival, maintains more than 70 miles of mountain bike trails, and has been voted Outdoor Magazine's best river town. The recreation page on the city's website, titled "Outdoor RVA," spotlights some of its most popular recreational facilities and invites residents and tourists alike to get outside and enjoy the natural environment.



Strategy 4: Allocate Resources for Façade Improvement, Placemaking, and Accessibility

During stakeholder engagement sessions, and throughout the project team's preliminary discovery, the appearance of State Street was a topic of conversation. A major corridor for residents across the region traveling east and west, State Street has historically been the epicenter of the 'Retail Hub of Utah County'. However, years of neglect and lack of focus have resulted in a corridor that looks dated and need of reimagination and reinvestment. The project team encourages city leadership to explore ways to revitalize the corridor with a focus on façade improvement, placemaking, and accessibility.

First, the project team highly encourages city leadership to explore a Main Street designation through the Governor's Office of Economic

Opportunity. According to the website, "The Utah Main Street Program helps communities revitalize their economy, appearance, and image of downtown commercial districts. They do this by building a strategy centered around a community's unique heritage and attributes that make it a great place to live and visit. The program provides a framework and resources to support a community's downtown revitalization efforts." With a Main Street designation, city leadership, in partnership with business and residents, can tap into resources to revitalize the corridor, preserve the history and culture of the community, and enhance business facades, placemaking, sense-of-place, and accessibility.

Relatively speaking, the project team does not consider Orem to be a walkable city. However, the community has several assets in place that can improve that perception quickly and dramatically. City leaders should consider forging stronger relationships with the Utah Transit Authority, Utah Department of Transportation, Utah Valley University, and other strategic stakeholders to enhance multi-modal transportation options. Drastic measures are not required, instead, city leaders should focus on greater promotion of public transit options, implement more visible way-finding measures, consider community gateways at strategic locations, and promote walkability, bikeshare programs, and suburban trails throughout the community. Additionally, city leadership should coordinate with the Orem Arts Council to develop and implement public art installations to improve the aesthetic and appeal to strategic nodes across the city.



Action Steps:

- Explore Utah Main Street Designation for State Street
- Work with UTA and UDOT to enhance multimodal transportation options
- Enhance community gateways
- Work with other departments within the city to develop a plan to invest in public, interactive art exhibits



Best Practice:

[Frederick Maryland Downtown Partnership](#)

The Downtown Frederick Partnership is a nonprofit organization that is dedicated to improving the quality of life of Frederick, Maryland residents. Some of their objectives include increasing diversity, redeveloping old storefronts, opening restaurants and shops, and expanding access to public transportation. This program also manages the city's Main Street program, which is a program that has been active since 2001. The partnership's revitalization efforts have spurred innovation within the city and helped grow the local economy.



Implementation Matrix

Business Retention and Expansion

Strategies	Action Items	Timeline	Metrics for Success
Goal 1: Improve the Small Business Culture in Orem			
Make the Orem Business Alliance a Strategic Priority of the Economic Development Division	- Review and reevaluate business outreach goals - Create an asset map of economic development service providers - Review and reevaluate business outreach marketing strategy - Purchase and utilize a CRM system to collect and analyze primary information; capture trends; track business visits, and economic development strategy and goals	Short (1-2 years)	- Clear list of business outreach goals # of economic development service providers identified - Adoption of CRM system
Engage Elected Officials in Business Outreach and Engagement	- Include city council members in business ribbon cuttings and outreach visits; promote these on social media and through other marketing channels. - Create an economic development bi-annual report for city staff, elected officials, and residents of Orem - Present the economic development bi-annual report to elected officials in a City Council Work Session every six months	Ongoing	# of business outreach meetings with city council # of businesses added to business outreach list # of visits made with city council members or mayor
Lead by Example by Supporting Local Business	- Review city procurement policy with the city's procurement and budget manager; encourage the city to purchase from local vendors where appropriate - Work with the regional PTAC office to assist local businesses become approved Utah government vendors - Help major employers in Orem review and implement buy local procurement initiatives - Reinstate buy local campaigns, initiatives, and events through the Orem Business Alliance	Medium (2-3 years)	# of local businesses approved as government vendors # of buy local events or campaigns # of collaborative initiatives started with local employers
Leverage University Assets to Support Business	- Continue to build strong partnerships with university leadership - Work with university leaders and faculty at Utah Valley University and BYU to facilitate practical education opportunities with local businesses - Connect educational organizations such as the UVU Entrepreneurship Institute, Mountainland Technical College, and the BYU Rollins Center for Entrepreneurship and Technology to support Orem businesses for capstone projects and internship opportunities - Consistently engage with student population through networking events, pitch competitions, lunch and learns, and mentorship meet and greets.	Medium (2-3 years)	# of collaborative events led by universities and the city, jointly # of internship opportunities offered # of interns hired for full-time positions after completion of internship % of graduate retention rate in Orem \$ committed to collaborative initiatives

Champions & Partners: Orem Economic Development Division, City Council, Local Colleges and Universities, Regional PTAC Office

Business Attraction

Strategies	Action Items	Timeline	Metrics for Success
Goal 2: Launch a Business Attraction Campaign			
Prioritize Intentional Collaboration with Regional and State Economic Development Organizations	• Connect with state leadership on a regular basis • Convene regular meetings with state delegation to inform them of economic development goals and strategies • Research, identify, understand, and be prepared to utilize state capital tools and financial incentives (Resources include Go Utah, MAG, URA, Utah Alliance for Econ Dev, USEP, World Trade Center of Utah etc.)	Ongoing	• # of annual meetings with state leadership • Creation of a catalog of state capital tools and financial incentives
Take Inventory of Available Commercial, Industrial, and Office Properties	• Prioritize ongoing land and building inventory and availability • Conduct a market and cost analysis with a third-party service provider • Showcase and list available land and space to a targeted audience via City Economic Development website • Share monthly article postings on property in local newspapers, media, and showcase articles on the Economic Development website	Short (1-2 years), then ongoing	• # of properties identified for commercial or industrial development • Creation of structure to market available land • # of participants in real estate forums • # of article postings made in local media
Conduct a Target Industry Analysis	• Review the quantitative data, qualitative data, and retail gap analysis in this report to inform the basis of a target industry analysis • Develop an RFP soliciting professional firms to conduct a target industry analysis • Hire a professional firm with experience conducting a Target Industry Analysis for the purposes of business attraction	Medium (2-3 years)	• Publish of RFP • Identification of clear target industries
Utilize the Target Industry Analysis to Develop an Integrated Economic Development Marketing and Business Attraction Campaign	• Consider allocating appropriate resources to develop and execute a marketing and business attraction campaign • Consider developing an RFP soliciting professional firms to develop and manage an integrated marketing campaign • Focus marketing campaign on industries identified in the target industry analysis to assist in filling office space at University Place and Canyon Park Technology Center • Consider identifying and purchasing lead generation software • Identify and attend trade shows and conferences in identified target industries • Plan and host annual or bi-annual familiarization and/or site selector tours	Long (3-5 years)	• # of resources committed to marketing and business attraction campaign • Publish of integrated marketing campaign RFP • Purchase of lead generation software • # of trade shows and conferences attended by staff • # of site selection tours hosted

Champions & Partners: Orem Economic Development Division, Utah Governor's Office of Economic Opportunity, Mountainland Association of Governments, Utah Redevelopment Agency, Utah Alliance for Economic Development, Utah South Economic Partnership, World Trade Center of Utah

Entrepreneurship and Innovation

Strategies	Action Items	Timeline	Metrics for Success
Goal 3: Foster an Environment That Allows Risk Takers and Innovators to Start and Grow New Businesses and Industries			
Take a Targeted Approach to Incubation and Acceleration	- Continue to support the Utah Valley Business Resource Center through collaboration, business client referrals, events, advertising BRC programming, etc. - Ensure leadership at Utah Valley University, BYU, and the Utah Valley Business Resource Center are integral partners in the Target Industry Analysis - Ensure that business development efforts at the BRC Incubation program are well-aligned with a target industry analysis - Consider partnering with Canyon Park Technology Center to create an additional business incubator - Advertise UTOPIA fiber to high-tech enabled companies	Ongoing	# of referrals made to BRC # of advertising and marketing events held by BRC # of new businesses incubated # of businesses graduated from incubation space into long-term space # of businesses within BRC that fall under targeted industries
Focus on Culture Building	- Use the Orem Business Alliance to offer programming geared towards innovative and technology enabled companies and startups - Support the BRC in creating pitch competitions and business plan competitions - Facilitate the creation of peer-to-peer and mentorship networks - Connect with Utah Manufacturing Extension Partnerships (Utah MEP) - Network with local multi-cultural chambers to help facilitate specific programming and support services for aspiring and current entrepreneurs from historically underrepresented segments of the population	Short (1-2 years)	# of programs presented to and/or created for startups # of pitch competitions and business plan competitions hosted by BRC # of peer-to-peer mentorship networks created # of partnerships created with MEP and multi-cultural chambers # of chamber programs facilitated

Entrepreneurship and Innovation

Strategies	Action Items	Timeline	Metrics for Success
Goal 3: Foster an Environment That Allows Risk Takers and Innovators to Start and Grow New Businesses and Industries			
Increase Access to the Full Spectrum of Capital	- Survey businesses during business outreach visits and at Orem Business Alliance meetings to assess their need for capital - Use survey results to inform strategic next steps - Work with private lenders and economic development partners to ensure available and accessible capital across the full business lifecycle – from ideation to succession. - Consider funding sources and financial incentives for property owners to make exterior improvements - Think creatively how to utilize the Utah Microloan Fund, Utah Microenterprise Loan Fund, Mountainland Association of Governments Small Business Loan Fund, and possibly Orem CDBG funding. - Consider creating Community Reinvestment Areas (CRDAs) along State Street to fund exterior improvements of businesses	Medium (3-5 years)	# of businesses surveyed # of CDAs created - Catalog of capital products for small businesses
Build Places for Entrepreneurs to Flourish	- Double down on efforts to activate, market, and fill Canyon Park Technology Center - Create a pipeline for incubator and accelerator companies to fill vacant space - Consider reevaluating zoning policy; enable creative mixed-use for vacant and underutilized properties - Look for opportunities to develop modern coworking space(s) at Canyon Park Technology Center and/or University Place	Medium (2-3 years)	- Catalog of available commercial and industrial properties # of advertisements made for Canyon Park Tech Center # of meetings with BRC and the Muller Group # of new tenants in Canyon Park Tech Center # of new coworking spaces created
Champions & Partners: Orem Economic Development Division, Utah Valley Business Resource Center, Utah Redevelopment Agency, Orem Business Alliance, Local Colleges and Universities, Multi-cultural Chambers, private lenders, RLF loan programs			

Quality of Life

Strategies	Action Items	Timeline	Metrics for Success
Goal 4: Enhance the Quality of Life for Orem Residents			
Focus on Outdoor Recreation and Tourism	- Consider creating a City of Orem Tourism Commission or Advisory Council - Work with the Utah Office of Tourism to promote Orem as destination - Research the option of creating a "Recreation District" in the remaining areas available for development from the mouth of Provo Canyon up 800 N all the way to State Street to encourage and facilitate recreation-based development	Short (1-2 years)	\$ increases in revenues from tourism-related industries - Improved health metrics # of marketing campaigns planned which incorporate Orem's brand
Consider Creating a Forum for Community Discussion, Debate, and Research	- Research and identify ways to engage local and regional Universities, including Utah Valley University, Mountainland Technical College, Weber State University, Southern Utah University, Utah State University, BYU, and University of Utah (Kem C. Gardner Policy Institute) to participate and organize local community forums - Engage local philanthropic organizations to assess funding - Research best practice community ambassador and fellowship programs	Medium (2-3 years)	- Detailed research of forum # of members or participants of forum # of universities or other institutions participating \$ raised to support the forum
Allocate Resources for Façade Improvement, Placemaking, and Accessibility	- Explore Utah Main Street Designation for State Street - Work with UTA and UDOT to enhance multimodal transportation options - Enhance community gateways - Work with other departments within the city to develop a plan to invest in public, interactive art exhibits	Medium (2-3 years)	- State Street's designation of Utah Main Street # of public transportation options added/expansion of routes # of public arts exhibits created # of storefronts redeveloped
Review and Re-evaluate Local Zoning and Policies	- Commit to intentional and consistent dialogue with property owners and residents – ensure key city departments are collaborating to address concerns in an appropriate manner. - In targeted and strategic locations, consider revising and reducing restrictions on duplexes, fourplexes, and townhomes. - In targeted and strategic locations, consider zoning changes that will better facilitate medium-density development - Look for ways to support and consider allocating resources to the Neighborhood Improvement Team - Update neighborhood plans	Long (3-5 years)	# of meetings held with a focus on the review of zoning policies - Updated neighborhood plans - Consideration of resources allocated to Neighborhood Improvement Team
Champions & Partners: Orem Economic Development Division, Development Services Department, Community Services Division, Local Colleges & Universities, Utah Office of Tourism, Orem Arts Council, Utah Transit Authority			





APPENDIX

APPENDIX I: QUALITATIVE FINDINGS & STAKEHOLDER ENGAGEMENT	41
Historical Context Review	41
Steering Committee Interviews	42
Interactive SWOT Engagement Sessions	43
On-Site Focus Groups	44
APPENDIX II: QUANTITATIVE DATA ANALYSIS	45
Introduction	45
Population & Socioeconomic Analysis	45
Housing Market Analysis	49
Business & Industry Analysis	55
Workforce Characteristics	59
Labor Force & Employment Analysis	62
Tapestry Segmentation	64
APPENDIX III: SWOT ANALYSIS	65
Strengths	66
Weaknesses	68
Opportunities	70
Threats	72
APPENDIX IV: REVIEW OF THE RETAIL GAP ANALYSIS	74
Introduction	74
Sales Leakage and Capture Rates	75
Previous Retail Gap Analyses	75
Updating the Retail Gap Analysis with 2020 Data	76
Examining the Retail Gap Analysis in 2022	79
Supplement A: Full Zion Public Finance, Inc. Reports (2013 & 2018)	81
Supplement B: Third-Party Leakage/Capture Reports	83
Supplement C: City of Orem Taxable Sales Data	85

Appendix I: Qualitative Findings & Stakeholder Engagement

Historical Context Review

Introduction

A key component of the project methodology for the Economic Development Strategic Plan, the project team conducted a document review by examining various historical planning documents and studies. The analysis provided the project team with insights into the demographic, social, and economic conditions of the region. In addition, the review and analysis of various plans helped inform the project team of previous and existing economic development related goals, strategies, and action steps. Further, the analysis was conducted to ensure the project team did not replicate or duplicate existing efforts. Thus, this analysis will position the project team to build upon existing efforts and earlier analysis to develop a contemporary study with appropriate goals, strategies, and action steps. The following plans were reviewed:

- Transportation Master Plan
- State Street Master Plan
- Geneva Road Area Plan
- Central Corridor Transit Study
- City Center Market Analysis
- University Place Final Project Plan
- University Place CDA Agreement
- University Place CDA Budget Document
- Orem Annual Report 2020
- Orem EDSP 2019 Update
- Orem EDSP 2014
- Aspen Timpview Neighborhood Plan
- Canyon View, Orchard, and Cascade Neighborhood Plan
- Geneva Heights, Orem Park, and Suncrest Neighborhood Plan
- Northridge, Heatheridge, and Windsor Neighborhood Plan
- Orem North and Sharon Park Neighborhood Plan
- Orem, Sharon, and Hilcrest Neighborhood Plan
- Stonewood-Lakeridge Neighborhood Plan
- Orem General Plan 2018
- MEDD Covid-19 Recovery Plan
- MEDD Covid-19 Appendix

Document Review Findings and Key Themes

Key findings and themes from the document review include:

- A lack of developable land puts Orem at a competitive disadvantage. There are little to no greenfield development opportunities to increase the inventory of in-demand commercial, industrial, and residential development.
- Cities to the north, such as Lehi, and cities to the west like Vineyard are rapidly growing, creating strong regional competition.
- As far back as 2010, Orem has aspired to be one of the most bicycle and pedestrian friendly cities in Utah. However, very little demonstrable progress has been made. In addition, previous transportation plans called for improved multi-modal transportation options.
- Previous economic development brand attributes include a prime location, young and skilled workforce, successful start-up culture, and a low cost of doing business.
- The Geneva Road area is a valued industrial asset with strong transportation infrastructure, a highly skilled workforce, and three residential neighborhoods in proximity. However, there remains some potential contamination concerns, limiting its use for potential residential development.
- The Central Corridor Transit study pointed out the need for more efficient transit serving north to south, and that transit improvement could catalyze economic and redevelopment opportunities.
- Previous plans called for strong urban design objectives on State Street, increased pedestrian access, and traffic-calming measures.
- It was recognized that Orem was able to accomplish many of the goals outlined in the 2014 Economic Development Strategic Plan, and the subsequent plan update in 2019.

Steering Committee Interviews

Introduction

Another component of the qualitative analysis, the project team conducted individual interviews with key city staff members. These interviews allowed the project team to garner contextual insights into previous economic development strategies, the progress of those initiatives, and the success of previous planning efforts. In addition, questions were posed to better understand the aspirations of city leadership, specifically the Economic Development Division. The project team recorded the interviews and took verbatim notes to eliminate the possibility of bias when reviewing, synthesizing, and using the feedback to inform strategy.

Key Findings

Key findings and themes from the individual interviews include:

- Goals, strategies, and action steps from the 2014 Economic Development Strategic plan were informed by strong data. The plan provided a clear blueprint with realistic and obtainable goals.
- City staff members want the new Economic Development Strategic Plan to focus on the four key pillars of traditional economic development: business retention and expansion, business attraction, entrepreneurship and innovation, and quality of life.
- There is a strong desire to learn how stronger and more intentional relationships can be forged with Utah Valley University and Brigham Young University. Interactive SWOT Engagement Sessions

Interactive SWOT Engagement Sessions

Process

On January 27th, 2022, the project team, in partnership with city staff members, hosted a preliminary stakeholder engagement session to solicit feedback on the vision for Orem's future, and community strengths, weaknesses, opportunities and threats. 12 individuals representing the regional economic development, education, healthcare, and business community participated in the session. Participants were polled at the conclusion of the session and responded as follows:

- 95% of participants were encouraged by the direction of the Economic Development Strategic Plan
- 100% volunteered to participate in future stakeholder engagement sessions

Key Findings

Key findings and themes from the SWOT sessions include:

- When asked about the vision for Orem's future, an overwhelming majority of participants cited the need for 'managed growth.' Further, participants recognized the need to respect the history of Orem, but to also embrace future possibilities.
- When asked about the most prominent challenges facing Orem, participants cited the housing challenges facing the city, which are exasperated by the lack of development ready land. Further, some participants suggested that economic development leadership at the city does not clearly communicate the services it can offer to the business community.
- When asked about economic development priorities participants suggested that communication and education about managed growth and smart development was paramount to success. Participants suggested that benchmarking similar cities and researching best practices was a first step to achieving this goal.
- When asked about potential solutions to the challenges facing Orem, participants focused on improved communication from city hall and offering forums for community discussion, debate, and research.
- When asked about barriers to success, participants cited a lack of financial incentives to facilitate redevelopment and renovation, and uncertainty about how to manage population growth and increasing housing costs.

On-Site Focus Groups

Process

The project team visited Orem in February 2022 to conduct four two-hour in-person workshops. The workshops were designed to further identify economic development priorities and solicit suggestions and recommendations to address those priorities. In these highly interactive sessions, participants were asked to rank ten issues facing Orem using a 1 to 10 scale (1 being top priority, 10 being lowest priority). Forty-five community stakeholders participated in the exercise. The results of this prioritization process are presented in Table 3 below:

Challenges	Votes
Housing challenges (quality, availability, and affordability)	29
Difficulty achieving consensus on Orem's vision for the future	20
Startup companies are outgrowing Orem	16
Lack of clearly defined target industry strategy	12
Lack of resources to conduct a business campaign strategy	9
Businesses do not have the resources they need to expand and grow	9
Lack of coordination between the public and private sectors	9
There is no clearly defined city center or sense of place	6
Orem resists being a university town	4
Lack of communication, education, accountability, and transparency about development	3
Widely held perception that there is a lack of locally owned businesses	3
Lack of plan for 1600 N	1
Traffic, parking, crime, and water	1
Lack of follow-through on State Street plan	1

Table 3: Prioritization of Challenges by Stakeholders

Key Findings

Key findings and themes from the focus groups include:

- Participants were focused on the need for more attainable housing options
- Participants believed there were opportunities to strengthen the relationship between the business community and the local universities and education providers
- Participants agreed there was a need for a forum to facilitate public discussion, debate, and research
- Participants agreed that the city Economic Development Division could better promote the resources available to the business community
- Participants were overwhelmingly optimistic about Orem's future, however, they recognized there was a need for more clearly articulate vision

Appendix II: Quantitative Data Analysis

Introduction

The plan’s quantitative data analysis has been broken into three sections: population and socioeconomic analysis, housing market analysis, and business and workforce analysis. The data below have been used to guide the stakeholder engagement sessions and are ultimately the foundation of many of the recommendations provided at the beginning of the report.

Population & Socioeconomic Analysis

To understand the City of Orem’s economy, it is important first to understand the broader context. Below, data has been provided to offer insight into the City’s racial, educational, and financial makeup. In addition, health and age statistics are analyzed. An actionable strategic plan must be tailored to meet the specific needs of the community; the purpose of this overview is to highlight some of the community’s defining characteristics.

Population Historical Trends & Projections

The City of Orem has seen substantial population growth in the last two decades. In 2000, the City’s population was 84,464; by 2021, the population had increased by nearly 25%, or 20,000 residents. This growth is expected to continue for years to come, and the City’s population is projected to surpass 109,000 by 2026. Population growth at the rate observed in Orem has implications for various aspects of the economy; these implications will be discussed and addressed in subsequent sections of the strategy.

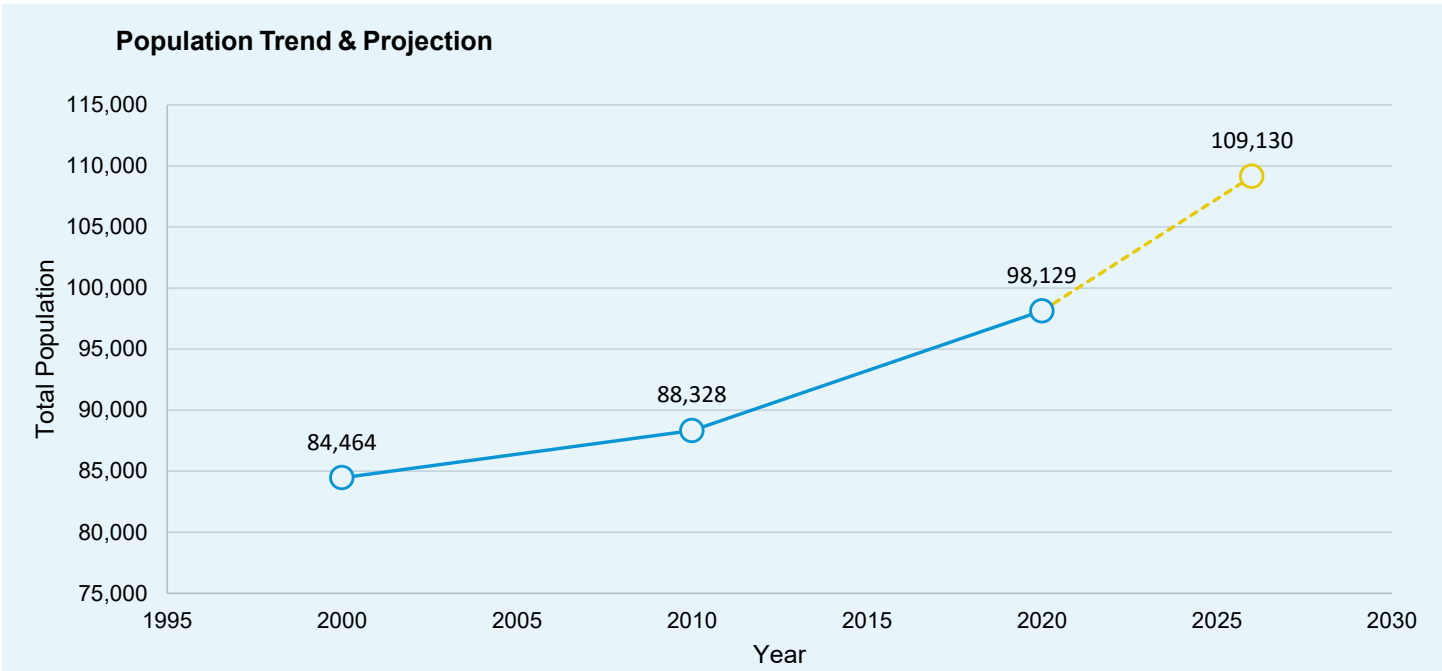


Figure 6: Population Trend & Projection. Source: 2020 U.S. Census and ESRI 2021

Population by Age

As the graph below indicates, Orem's population is young; in 2021, approximately 61% of the population was younger than 35 years. The City's median age in the same year was 28.8, which was exactly 10 years younger than the median for the rest of the United States. The City's unique population characteristics, specifically those which relate to age, will require an economic development strategy that considers the younger population's needs while continuing to provide for residents of all ages. The City's age distribution is predicted to remain relatively constant through 2026.

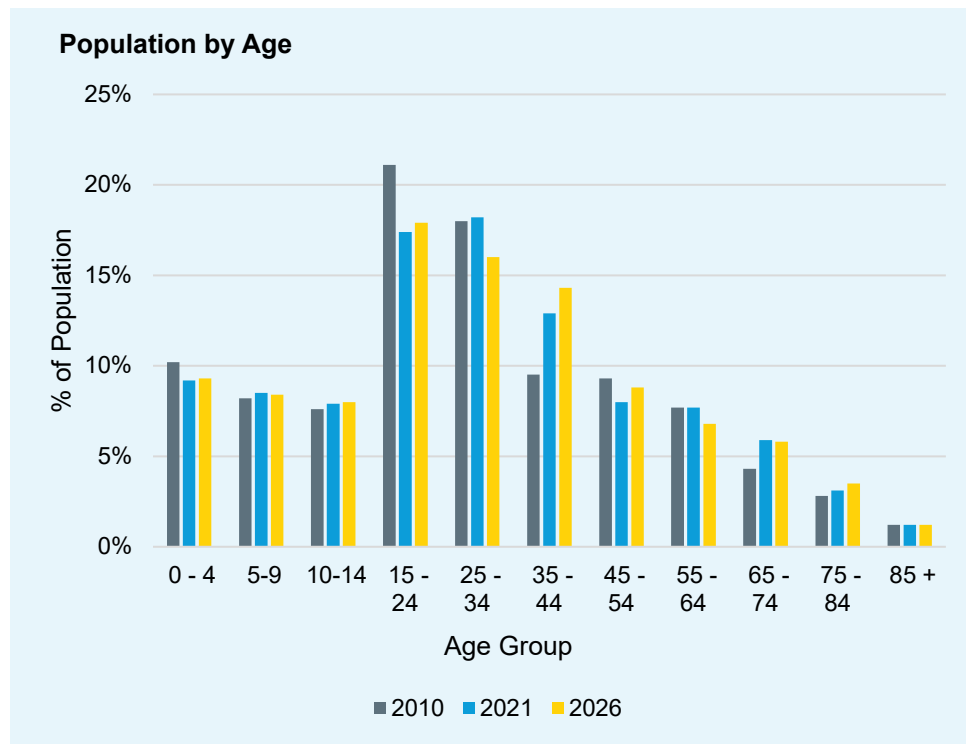


Figure 7: Population by Age. Source: ESRI 2021

Population by Race

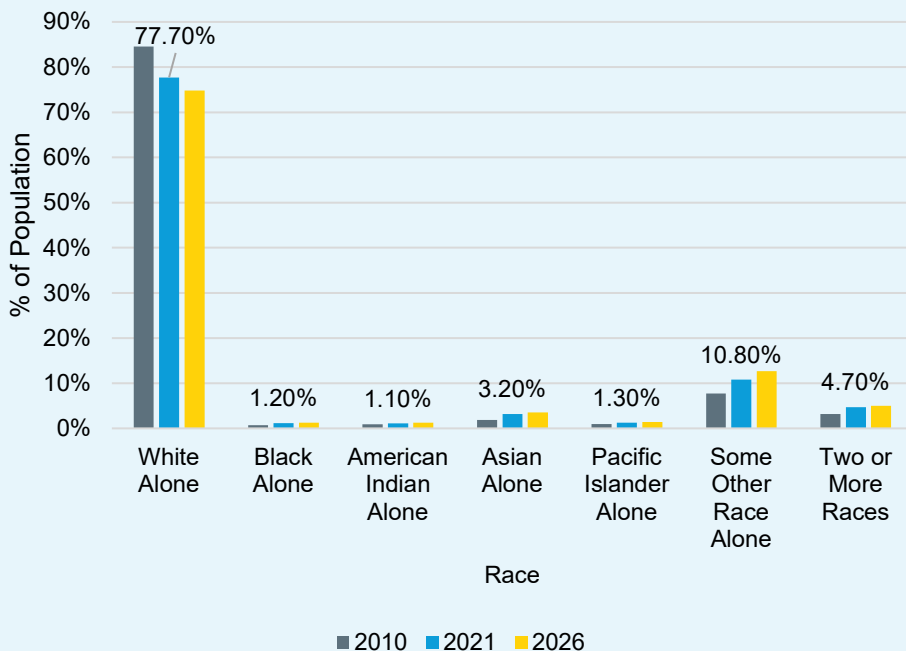


Figure 8: Population by Race. Source: ESRI 2021

Population by Race

The City of Orem's population is predominantly white. However, the City's diversity has increased since 2010, and is expected to continue its increase through 2026, albeit by relatively small margins. By 2026, slightly more than 25% of the population is projected to be comprised of non-white individuals.

Educational Attainment

As is evidenced in the graph below, Orem benefits from a very highly educated population. Approximately 41.7% of the population holds a bachelor’s degree or higher, with only about 6% without any high school diploma or equivalent. A population with high educational attainment is well-positioned to attract investment from a variety of industries and can leverage its human capital in building its economy. Moreover, the rest of Utah County and neighboring Salt Lake County also have high educational attainment rates, which make the region more marketable.

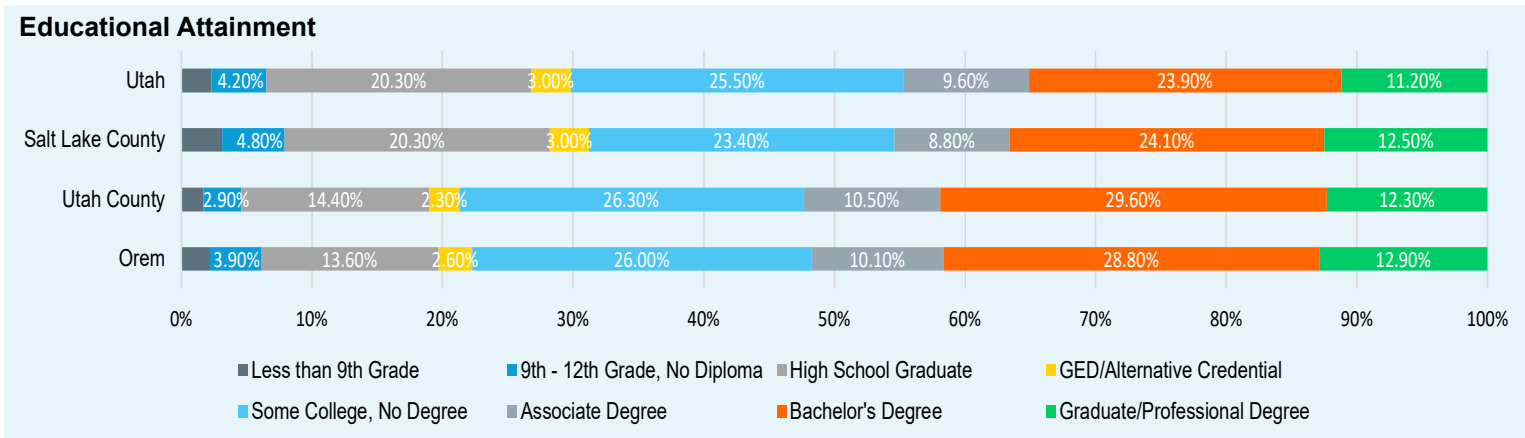


Figure 9: Educational Attainment. Source: Esri, 2021

Income and Earnings

Below, household incomes and earnings in Orem are provided for 2021 and projected to 2026. The median household income in Orem was \$68,435 in 2021 and is expected to climb to \$78,239 by 2026. The median is slightly greater in Orem than in the rest of the United States. Every income group above \$50,000/year is expected to grow in the next five years. Despite an overall upward trend in income and earnings, an economic development strategy can address the needs of residents that fall at both ends of the spectrum.

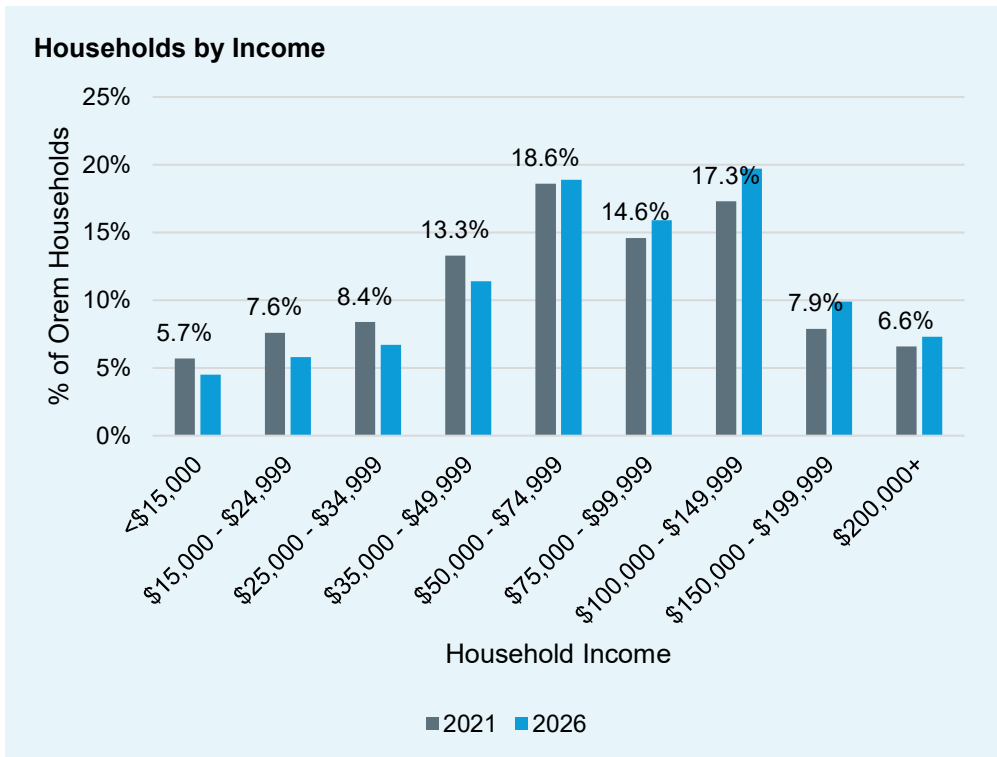


Figure 10: Household Income Estimates & Projections. Source: ESRI 2021

Health and Well-Being

The physical health and general well-being of the population can provide valuable information for an economic development strategy. A community with poor health metrics might require greater access to health services and facilities or could indicate a greater demand for specialized housing. Conversely, a healthy population suggests a strong health infrastructure, as well as the potential for development that tailors to an active community's recreational demand.

Utah County residents have life expectancies that are greater than or equal to the rest of Utah and the United States; the percentage of the population that smokes is 7 percentage points lower than that for the rest of the country. The obesity, heart disease, and stroke rates in Utah County are comparable to the rest of the state, but considerably lower than U.S. rates. The diabetic population is substantially smaller in Utah County than in Utah and the United States. These metrics indicate a healthy, active population, which invites unique opportunities for economic development.

Health Metric	Utah County	Utah	U.S.
Average Male Life Expectancy (2019)	79.42	78.28	76.3
Average Female Life Expectancy (2019)	82.04	82.1	81.3
Obesity Population Percentage (2019)	31.40%	27.20%	42.40%
Smoking Population Percentage (2018)	7.00%	7.90%	14%
Diabetic Population Percentage (2019)	4.90%	8.50%	10.50%
Heart Disease Death Rate per 100,000 (2017-19)	300	286.4	317.4
Stroke Death Rate per 100,000 (2017-19)	71.4	69.5	72.3

Table 4: Orem Health Metrics. Sources: CDC; Utah's Public Health Indicator Based Information System



Housing Market Analysis

Introduction

In this section, an overview of Orem's housing market is provided. Included is an analysis of the age of the existing housing stock, housing tenure, home and rent values, and vacancy rates. In addition, a cost burden analysis has been conducted in order to measure the financial burden of housing on Orem homeowners and renters. Finally, commuting patterns are analyzed, as is the City's pedestrian transportation infrastructure.

Housing by Year Built

Understanding the age of Orem's housing stock can be helpful for estimating the quality of housing available, as well as the rate at which the state of housing can be expected to decline in years to come. For example, an aging housing stock might require of greater investment from homeowners, as maintenance and upkeep costs are likely to be greater. Just under 60 percent of Orem's total housing units were built between 1970 and 2000; less than 11 percent were built after 2010. While most of the City's housing is not seriously outdated, there could be the potential to renovate or redevelop existing homes or properties to more effectively meet the community's needs.

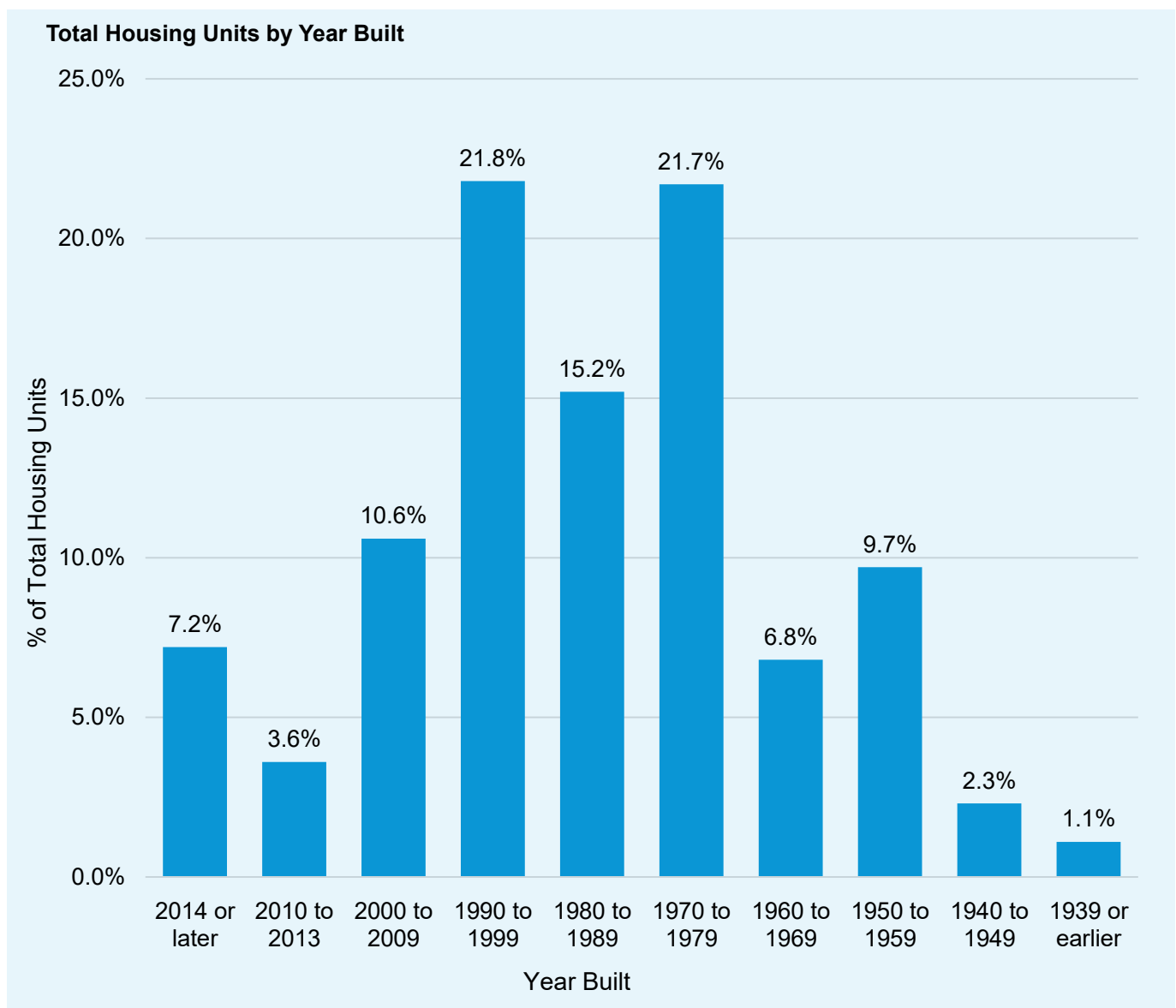


Figure 11: Housing by Year Built. Source: American Community Survey 2020 5-Year Estimates

Occupancy and Vacancy Rates

Vacancy rates in Orem are exceptionally low and have hovered between 3% and 4.5% for the past 20 years. They are expected to remain low through 2026. Low vacancy rates indicate high demand for housing; this high demand is apparent in much of the data and will be addressed in some of the recommendations provided in the report.

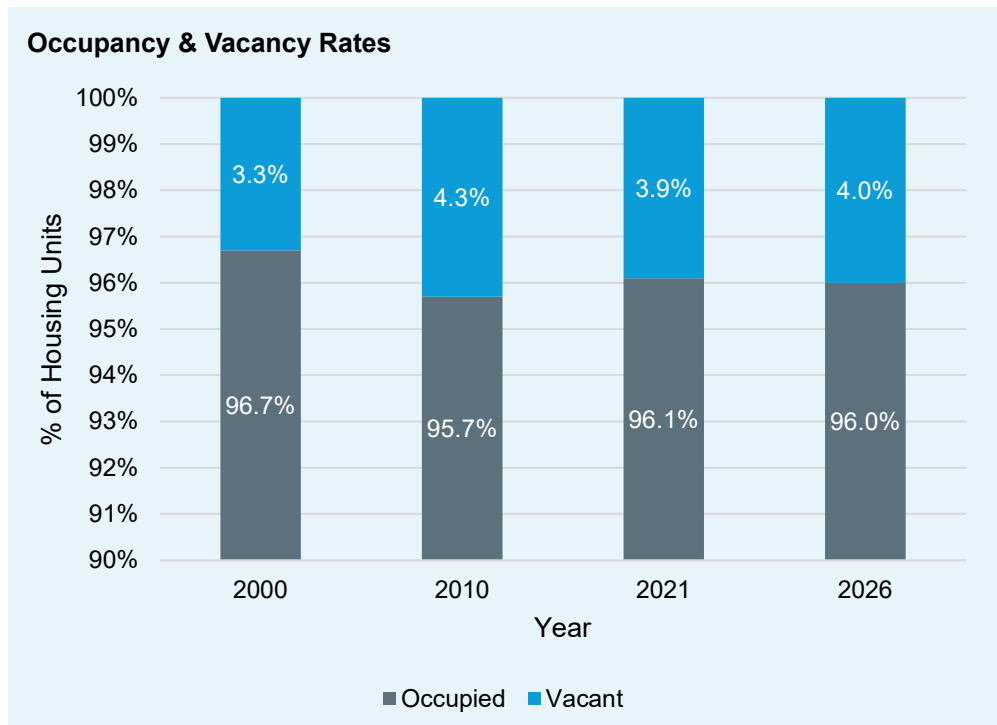


Figure 12: Occupancy & Vacancy Rates. Source: ESRI 2021

Owner vs. Renter Occupancy

The percentage of renter-occupied units in Orem has increased steadily since 2000; renter-occupied units in 2021 comprised a greater percentage of the total housing units by approximately 6.5 percentage points, compared to 2000. The ratio of owner-occupied and renter-occupied housing is expected to remain relatively constant in the next 5 years.

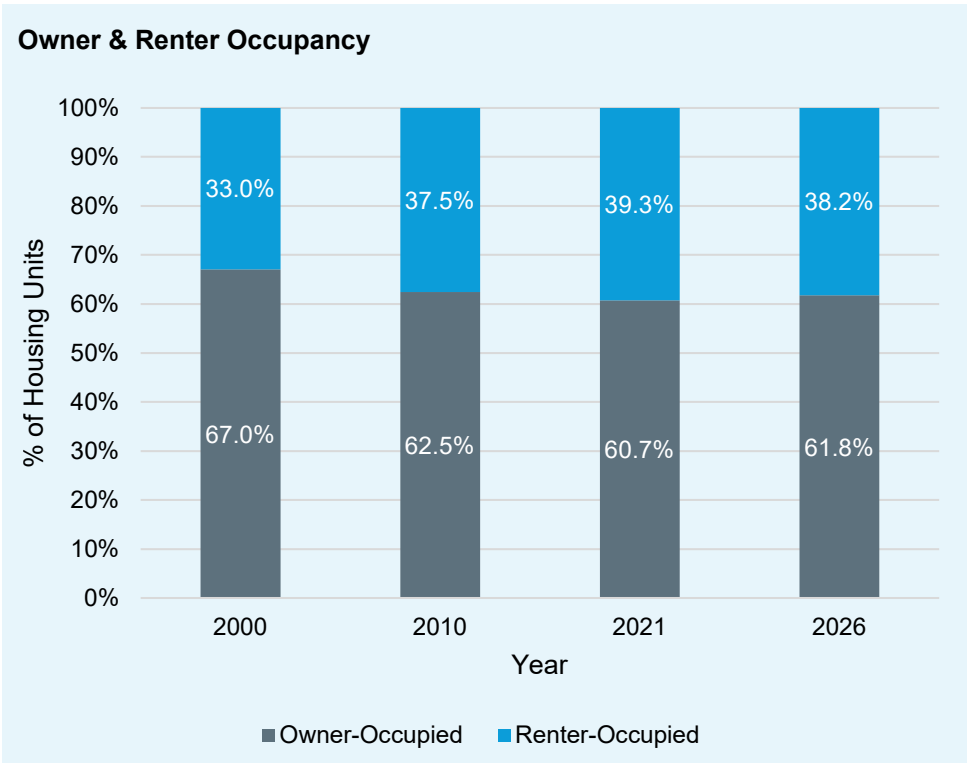


Figure 13: Housing Tenure. Source: ESRI 2021

Owner-Occupied Home Values

The owner-occupied home values are high in Orem. In December 2021, the median housing value as measured by sale price was \$467,500. That was more than \$200,000 greater than the United States' median home value of \$264,021. Between January 2017 and December 2021, the median sale price of a home in Orem increased by \$228,500, from \$239,000 to \$467,500; the median sale price increased by about 25% in 2021 alone. According to a third-party modeling company, the median home value in Orem is supposed to reach \$468,000 by 2026; the fact that the city has nearly reached this price in 2021 means that housing costs in the city are far outpacing model projections. Elevated home values are a further indication of high demand for housing, which will be addressed in this report's recommendations.

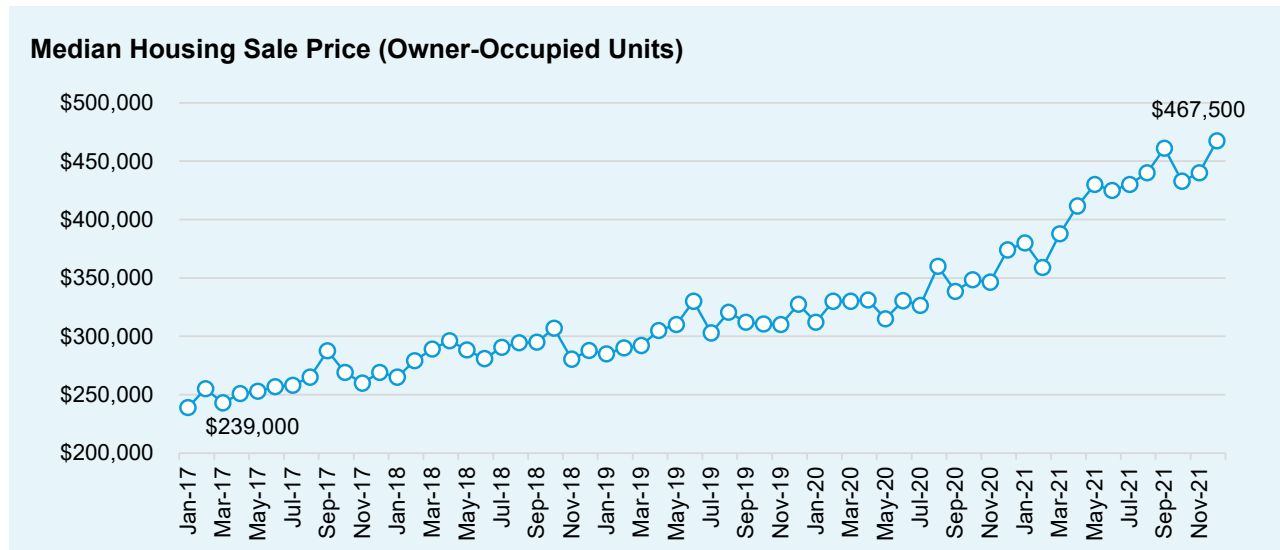


Figure 14: Owner-Occupied Home Values. Source: Redfin 2021

Renter-Occupied Unit Monthly Rents

Monthly rents, too, are high within the city. Approximately 52% of rental units are priced at more than \$1,000 per month, and the average monthly rent falls between \$1,000 and \$1,250. Less than 8% of rental units cost less than \$600 per month. A limited supply of for-rent units likely increases the prices of existing units.

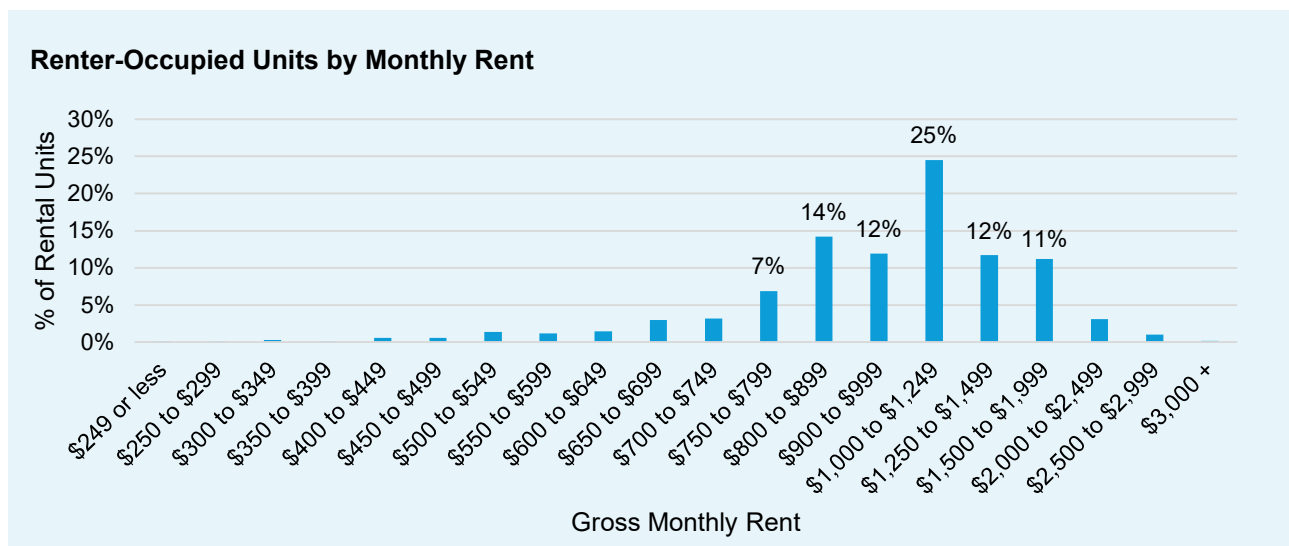


Figure 15: Renter-Occupied Units by Monthly Rent. Source: ESRI 2021

Housing Cost Burden Analysis

HUD defines a household as being moderately cost burdened if between 30% and 50% of their household income is spent on housing. If more than 50% of the household's income is spent on housing, it is considered to be severely cost burdened. Between 2014 and 2019, Orem saw a decrease in the share of owner-occupied households that were moderately or severely cost burdened from 22.68% to 18.47%. This share is lower than the United States' share of cost-burdened households, which was equal to 22.3% in 2019. In 2019, about 7.5% of homeowner households were severely cost burdened.

Renter households are considerably more cost burdened than homeowner households. In 2020, 41.42% of Orem's renter households were cost burdened, which is more than 7 percentage points lower than in 2014. The number of cost-burdened renter households is lower than the United States' percentage, though. In 2019, 17.38% renter households were severely cost burdened.

There are a couple of limitations with this data that are worth noting. First, the cost-burdened percentage of U.S. households is not necessarily a suitable comparison group for Orem; the national housing market behaves much differently than the local housing market, and the demographics of each region are much different. Thus, the overall health of one housing market cannot necessarily be gleaned from a comparison to another dissimilar region. Second, the most recent data available are from 2019; in 2020, the COVID-19 pandemic had a significant impact on the housing market. It is likely that the cost-burdened share of households in Orem will be much greater in 2022 than in 2019, but there are no data yet to show it.

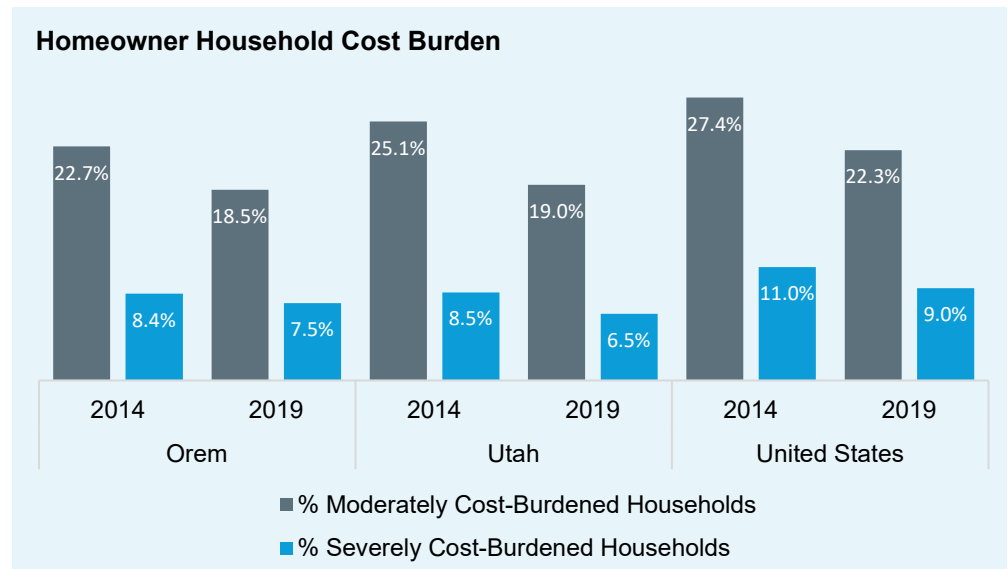


Figure 16: Homeowner Household Cost Burden. Source: American Community Survey

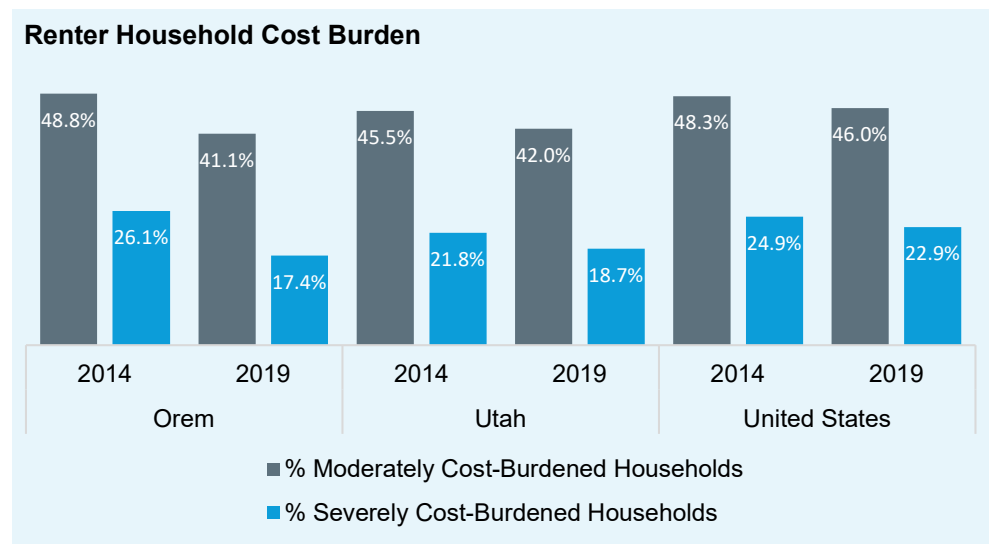


Figure 17: Renter Household Cost Burden. Source: American Community Survey

Housing Cost Burden by Income

Below, the distribution of cost-burdened renter and homeowner households at various income levels is provided for 2019. As one might expect, the most cost-burdened households are those who earn less than \$20,000 per year; it is difficult to find housing which requires less than 30% of an occupant's income if that income is less than \$20,000. Approximately 83.4% of individuals who fall below that income threshold was cost burdened in 2019. The share of cost-burdened households decreases as the income levels of each category increase. 51.96% of renters and 37.42% of homeowners who earn \$75,000 or less are cost burdened. The table below indicates the percentage of Orem households that fall below each income threshold.

Occupant Percentages by Household Income

Household Income	% of Renter Households	% of Homeowner Households
\$20,000 or less	10.4%	4.8%
\$50,000 or less	51.7%	18.9%
\$75,000 or less	74.6%	35.3%

Table 5: Units by HHI Bracket and Occupation Type. Source: ESRI 2021

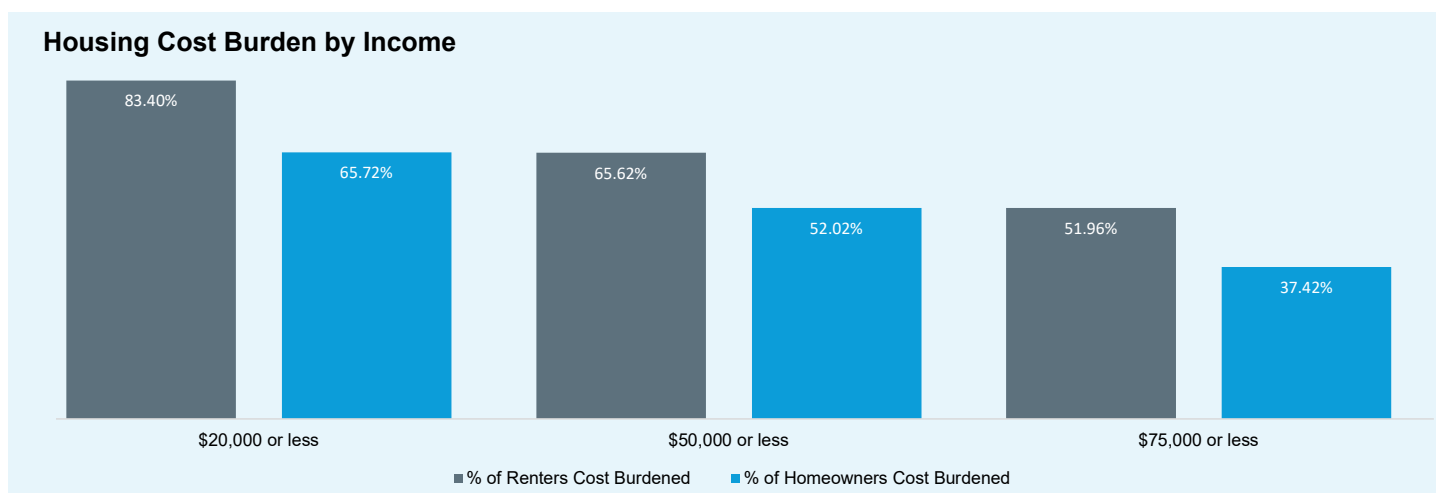


Figure 18: Cost Burden by Income. Source: American Community Survey

Neighborhood Walkability Analysis

A neighborhood walkability analysis can be helpful for gauging the transportation infrastructure within the city. According to WalkScore.com, Orem is a car-dependent city; by its metric of measuring walkability, Orem scores a 43 on a scale of 100. This means that most errands require a car. The transit score for Orem is slightly lower, at 33. There are some transit options available; there are about 10 bus lines and 1 rail line that run through the city. Figure 19 shows the public transit routes within the city.

While Orem's transportation score is lower as it relates to walkability and public transit options, the City scores highly on the biking scale. With a bike score of 58, Orem is considered bike-able and has some biking infrastructure to support cyclists.

Commuting and Traffic Patterns

As the following graph illustrates, slightly more than 36,000 resident workers are employed outside of Orem and must commute beyond its limits for work. Conversely, 38,400 workers live outside of the city and travel into it for work. Approximately 10,500 people both live and work within the city. The net number of commuters who travel into the region for work is 2,222. In other words, after accounting for the number of workers who travel out of the city for work, 2,222 workers travel into the city for work daily. This could indicate positive economic productivity within Orem, or plenty of jobs that attract residents of other cities or counties. Conversely, this could also highlight the lack of affordable housing within the city. If Orem's workers are unable to find suitable housing within the city, they must live outside of its limits and commute in for work.

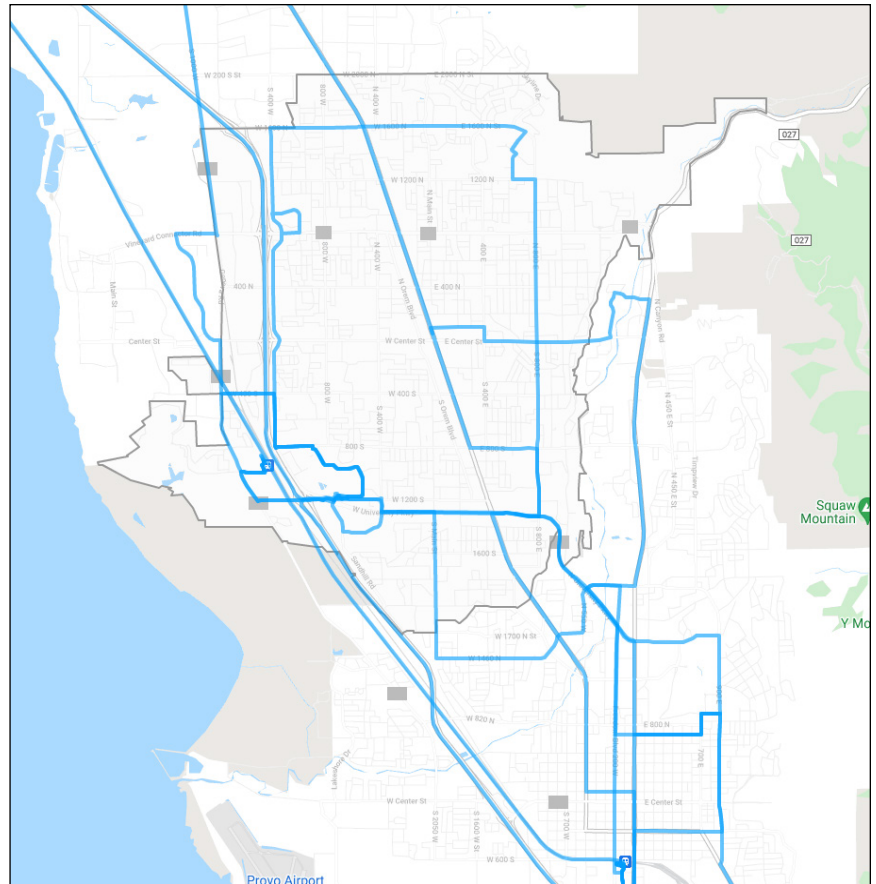


Figure 19: City of Orem Public Transit Routes. Source: Walkscore.com

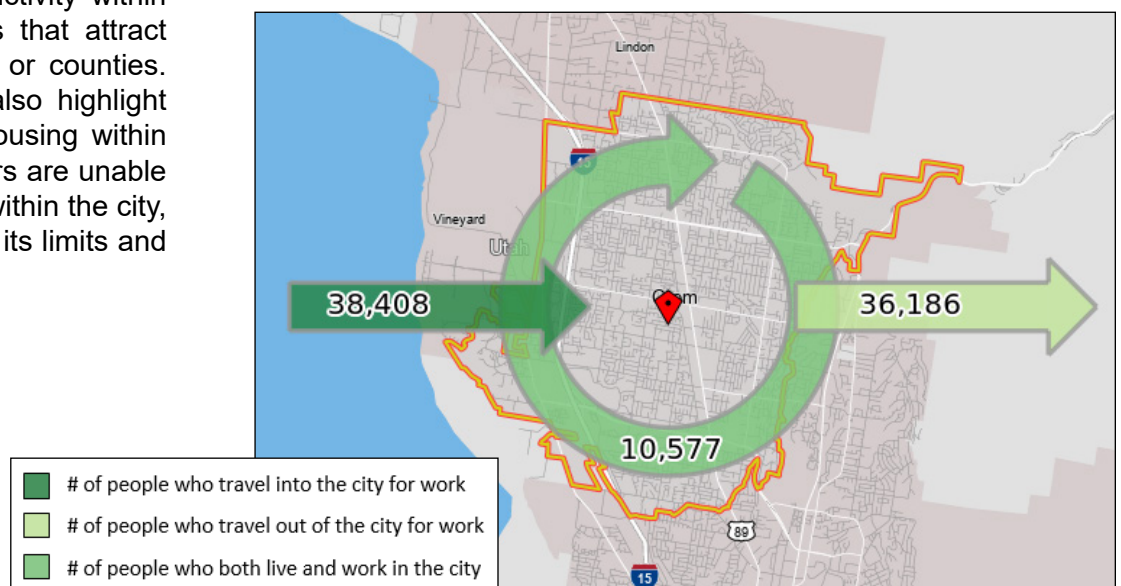


Figure 20: Commuting Patterns. Source: OntheMap, 2019

Business & Industry Analysis

Introduction

In this section, an analysis of Orem’s major industries and occupations is provided, as well as an analysis of the City’s workforce. In the first section, the highest-employing, fastest-growing, and most highly concentrated industries are highlighted. In the next, the area’s top occupations are presented, along with a list of the hard skills most highly demanded by employers. Finally, the most up-to-date labor market information is provided, including unemployment and labor market participation rates.

Largest Industries

Within Orem, the public “Colleges, Universities, and Professional Schools” industry is, by far, the largest. More than 5,300 employees work in this industry, with the overwhelming majority likely finding employment in Utah Valley University (UVU). Quality-of-place industries, like those which include restaurants and shopping centers, also top the chart; collectively, the “Limited-Service Restaurant” and “Warehouse Clubs and Supercenters” industries employ more than 4,600 in Orem.

In the past, retail gap analyses have been used to measure the potential for capturing sales from surrounding areas, as well as reducing sales leakage to those areas. Due to data limitations and the influence of e-commerce on the retail industry, these analyses are less informative as an economic development tool now than they might have been in the past. For a full discussion of the utility of retail gap analyses in 2022, as well as an analysis of the available data, please refer to Appendix IV.

Some technology or web-related industries can also be seen in the Table 6, such as “Custom Computer Programming Services” and “Internet Publishing, Broadcasting, and Web Search Portals” industries, each employing just shy of 1,400 workers. All the top industries in Orem have seen growth in the past 10 years.

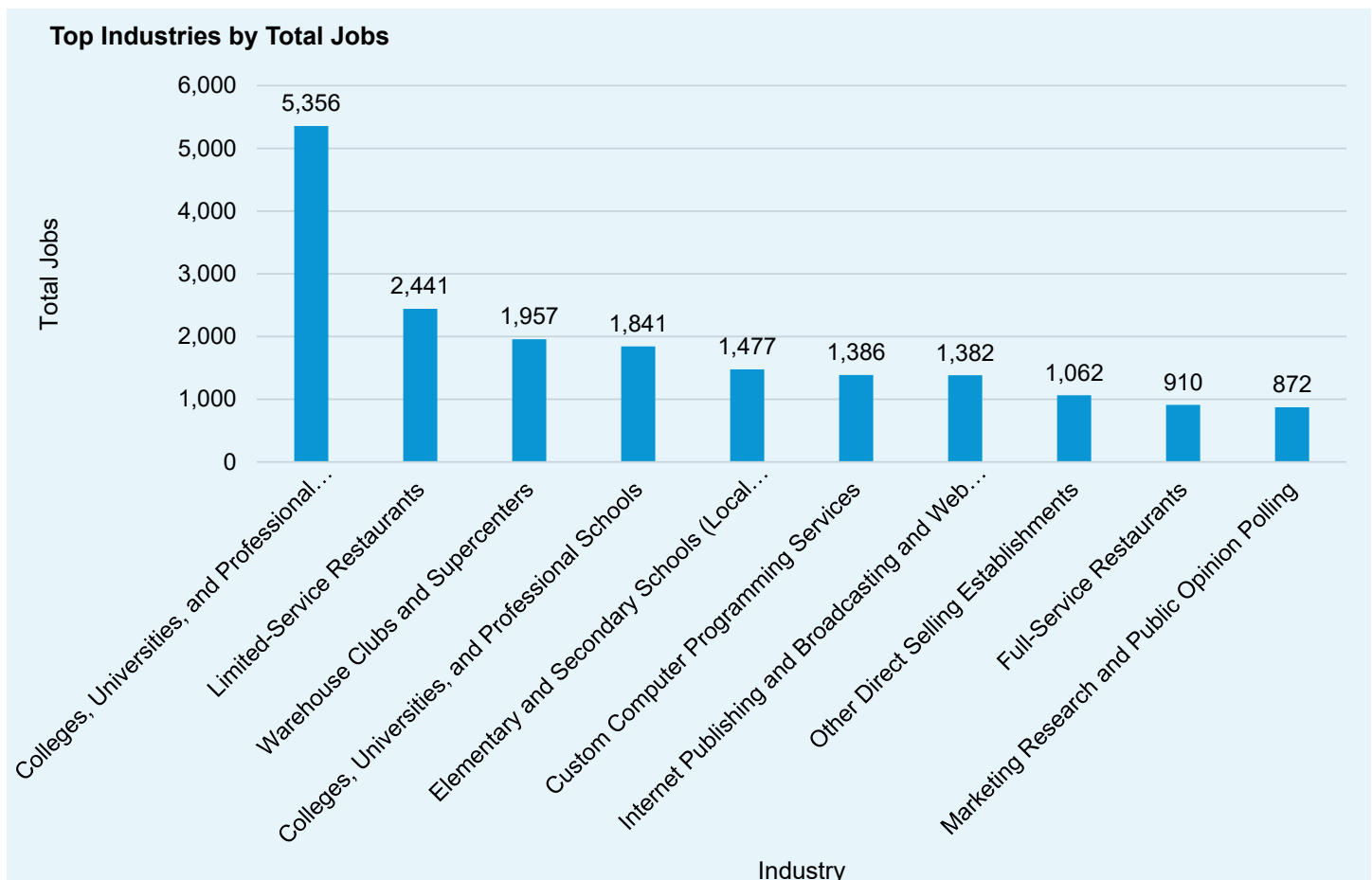


Figure 21: Top Industries. Source: EMSI 2021

Top Growing Industries

The “Colleges, Universities, and Professional Schools” industry saw limited growth since 2016, adding only 63 jobs. As Figure 21 demonstrates, this industry still employs more than any other industry in Orem, indicating its role as an anchor industry within the city. “Warehouse Clubs and Supercenters” saw the largest percent increase adding 526 jobs over the five-year span. With 270 new jobs, Direct Selling continues to be a large and growing industry in the area, following the national growth trends.

Custom Computer Programming Services also saw substantial growth since 2016, adding 320 jobs. This is also a top employer, and its growth implies potential for additional investment. Restaurants, shopping centers, and other direct selling establishments have seen considerable growth, as have some building contractors. Additionally, the “Marketing Research and Public Polling Opinion” industry also added nearly 600 jobs in the last 10 years.

NAICS	Industry	2021 Jobs	2016-2021 Change
902612	Colleges, Universities, and Professional Schools (State Government)	5,356	1.18%
722513	Limited-Service Restaurants	2,441	16.64%
452311	Warehouse Clubs and Supercenters	1,957	26.88%
611310	Colleges, Universities, and Professional Schools	1,841	13.43%
903611	Elementary and Secondary Schools (Local Government)	1,477	4.90%
541511	Custom Computer Programming Services	1,386	23.07%
519130	Internet Publishing and Broadcasting and Web Search Portals	1,382	-1.17%
454390	Other Direct Selling Establishments	1,062	25.44%
722511	Full-Service Restaurants	910	1.46%
541910	Marketing Research and Public Opinion Polling	872	17.48%

Table 6: Top NAICS Industry by 2021 Job Count. Source: EMSI 2021



Figure 22: Top Growing Industries. Source: EMSI 2021

Most Highly Concentrated Industries

Location quotient (LQ) is a metric used to compare the concentration of industries within the region to the national average. Any LQ greater than 1 indicates that the industry is more highly concentrated in Orem than in similar regions. For the purposes of this metric, the following industry information was collected using a broader definition of industry groups (3-digit vs. 6-digit) than the tables relating to job count and growth in the previous sections. LQ scores are more easily skewed by the more detailed industry data.

Industries with high location quotients are often, but not always, significant exporting industries. Their retention and growth within the city are important because they're useful for attracting money into the city from buyers outside of its borders.

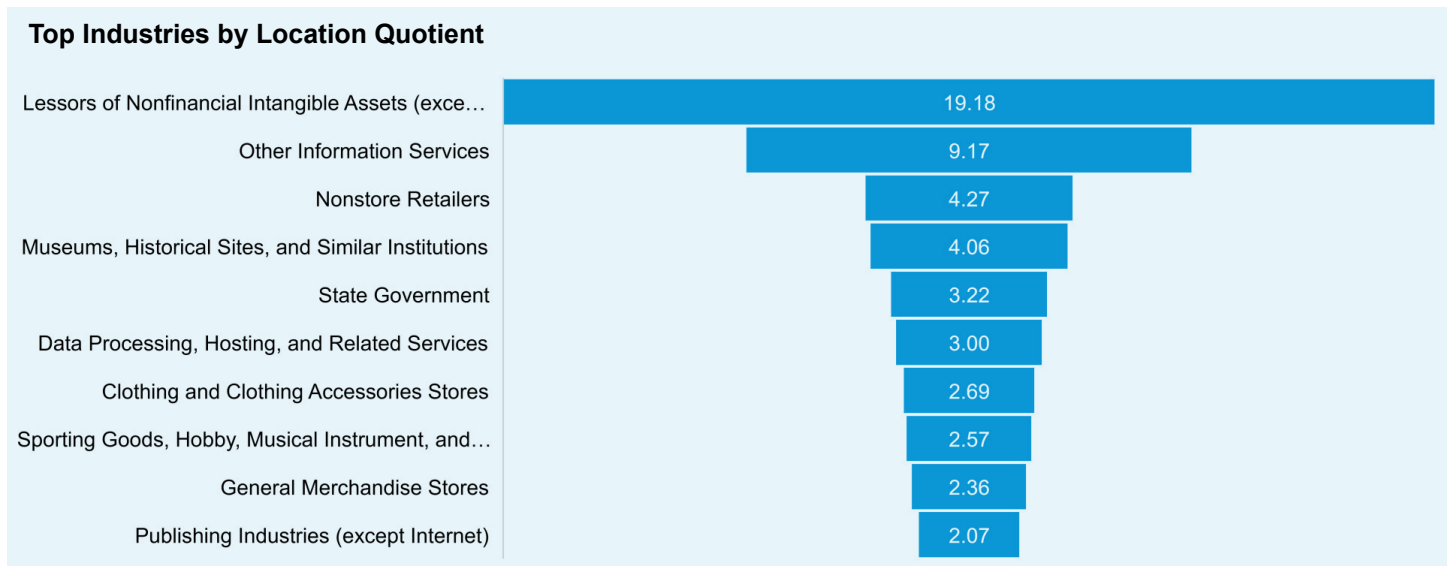


Figure 23: Industry Concentration. Source: EMSI 2021

For Orem, the “Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)” industry is the most highly concentrated industry in the city. This industry has an LQ of 19.18, which means that this industry is over 19 times more concentrated in Orem than the national average, adjusted to scale. However, this industry is also quite small, employing only 97 workers in 2021. “Other Information Services” (9.17) and “Nonstore Retailers” (4.27), including the Direct Sellers mentioned in the previous section, round out the top three 3-digit industry codes as most highly concentrated industries within Orem.

NAICS	Industry	Location Quotient	2021 Total Jobs
533	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	19.18	97
519	Other Information Services	9.17	1,563
454	Nonstore Retailers	4.27	1,177
712	Museums, Historical Sites, and Similar Institutions	4.06	184
902	State Government	3.22	5,694
518	Data Processing, Hosting, and Related Services	3.00	408
448	Clothing and Clothing Accessories Stores	2.69	864
451	Sporting Goods, Hobby, Musical Instrument, and Book Stores	2.57	496
452	General Merchandise Stores	2.36	2,203
511	Publishing Industries (except Internet)	2.07	558

Table 7: Top NAICS Industry by Location Quotient. Source: EMSI 2021

Top Industry GRP

Gross Regional Product, or GRP, measures the final market value of all goods and services produced in the region of study. GRP is the sum of total industry earnings, taxes on production & imports, and profits, minus subsidies. The industries presented in Figure 24 have the highest GRPs in the the three Orem ZIP codes of 84057, 84058, 84097. This geographical selection was made based on the most applicable available data for the City of Orem and should represent a more accurate picture of the city than would data relating to the Provo-Orem Metropolitan Statistical Area (MSA).

In 2021, the “Internet Publishing and Broadcasting and Web Search Portal” industry produced approximately \$637 million in value. The “Lessors of Nonfinancial Intangible Assets” and “Custom Computer Programming Services” industries produced \$409 million and \$288 million, respectively.

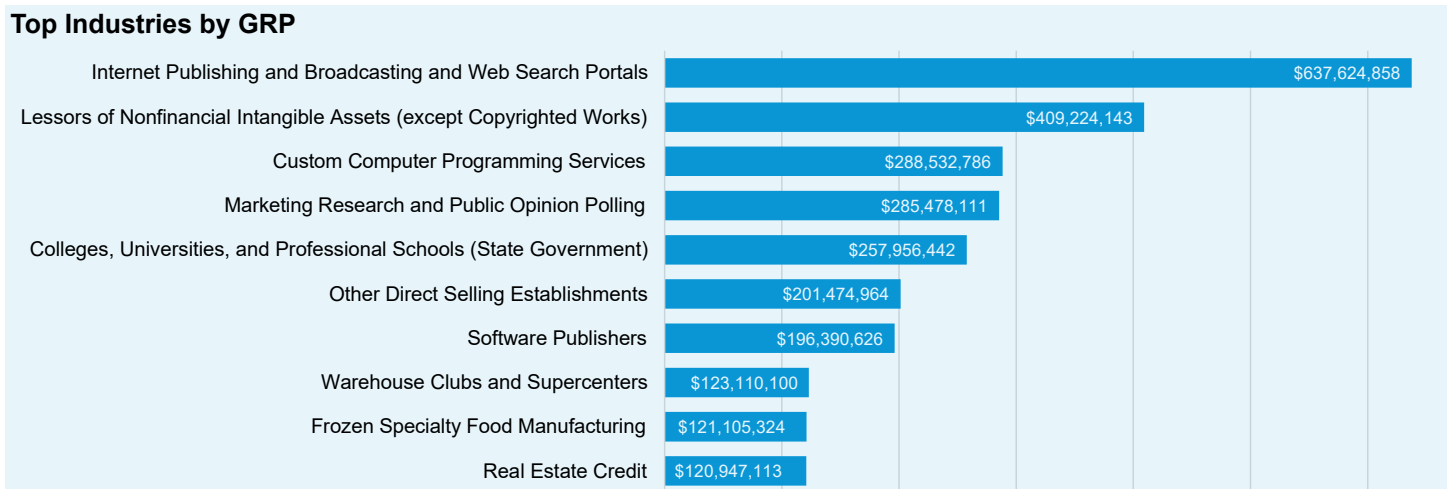


Figure 24: Top Industries by GRP. Source: EMSI 2021

Top Industry Earnings

The total industry earnings for a region include wages, salaries, supplements, and proprietor income. The “Customer Computer Programming Services” industry earned the most in 2021, approximately \$275 million. The “Colleges, Universities, and Professional Schools (State Government)” and “Marketing Research and Public Opinion Polling” industries earned \$258 million and \$248 million, respectively. Many of the top earning industries are also top employers within the city.

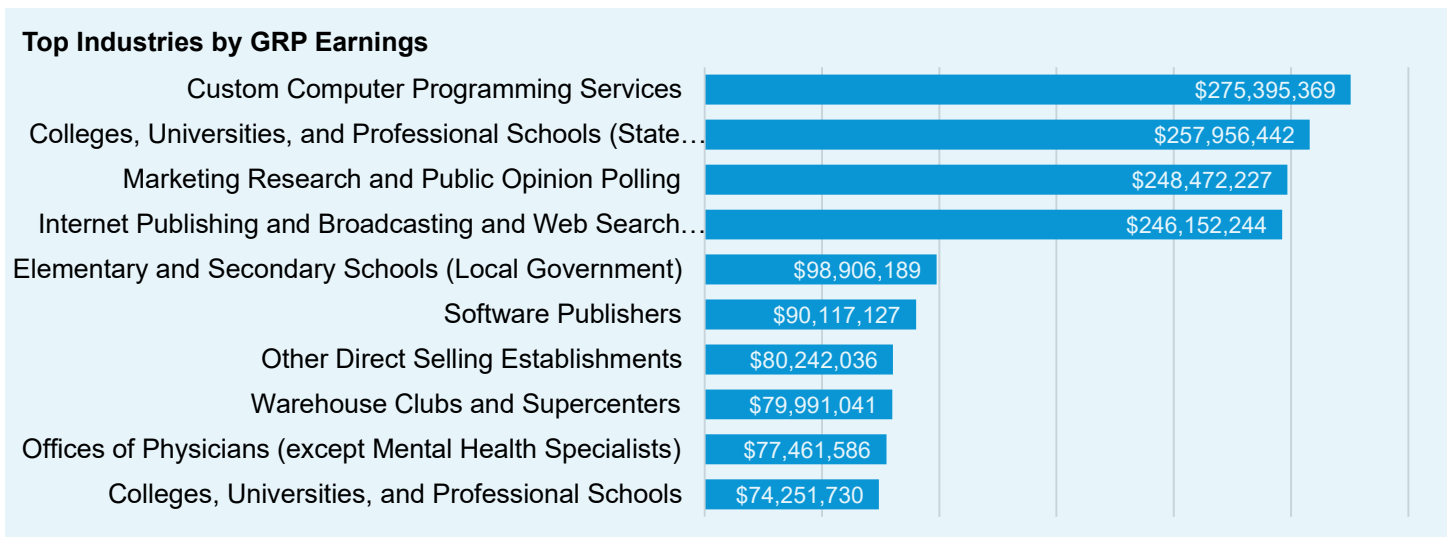


Figure 25: Top Industries by GRP Earnings. Source: EMSI 2021

Workforce Characteristics

Largest Occupations

The top occupation in Orem by total jobs is “Retail Salesperson” followed by “Postsecondary Teachers.” The next several occupations listed in Figure 26 connect to the retail or restaurant industries; “Software Developers and Software Quality Assurance Analysts and Testers” is the only other highly skilled occupation in the top ten. Because most of the top occupations in Orem are relatively low skill, their earnings are low; 7 of the top 10 occupations in the chart below earn less than \$35,000 per year. The yellow line graph provides the median annual earnings of each of the top ten occupations. The fact that much of Orem’s working population is employed in low-paying occupations can be seen to affect other aspects of the economy.

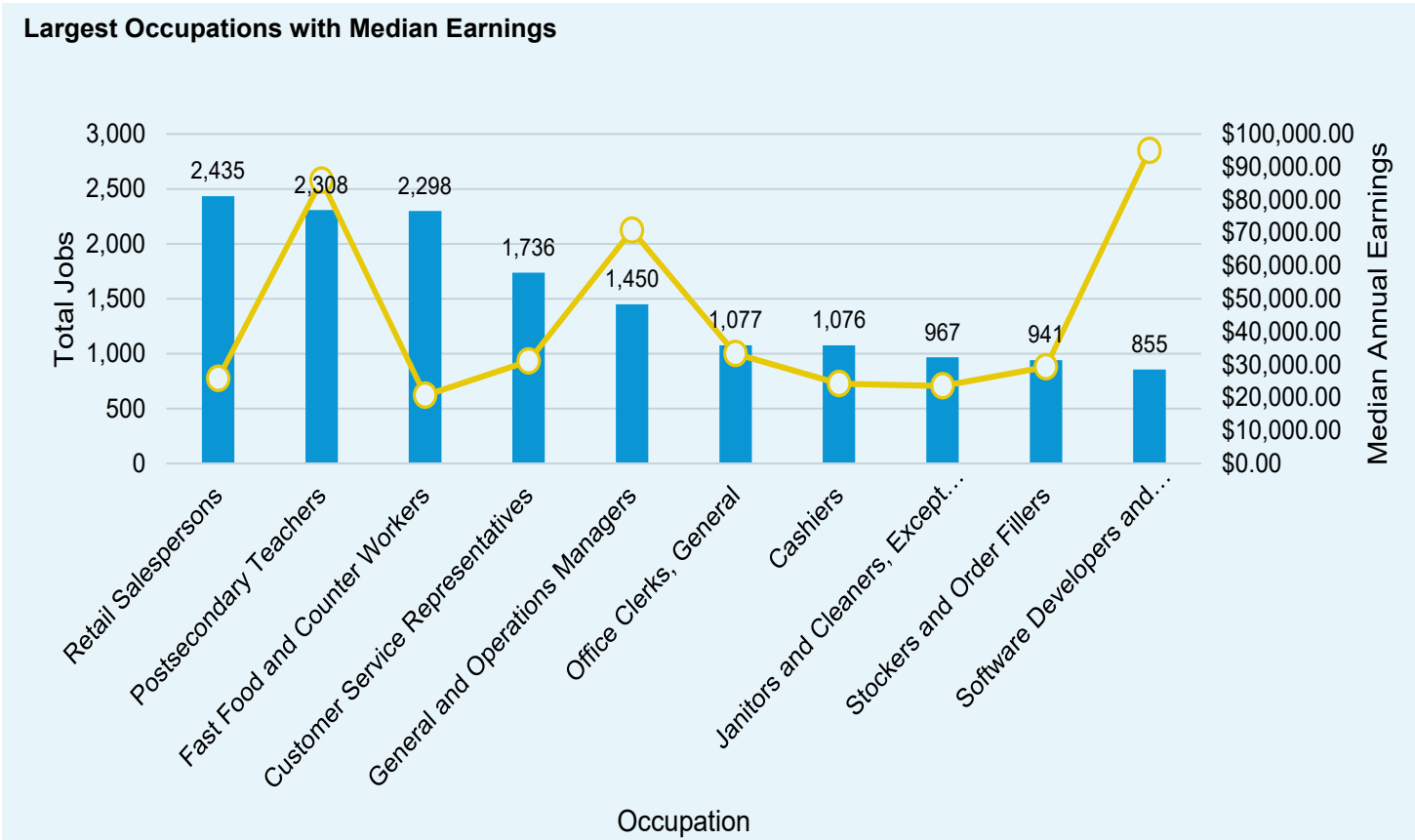


Figure 26: Top Occupations. Source: EMSI 2021



Top Growing Occupations

As with industry trends, occupation growth trends can be helpful in identifying opportunities for economic development. The occupations presented in the Figure 27 are those which saw the most growth between 2016 and 2021. Many of the fastest growing occupations connect to the retail industry. The occupations with the most jobs added during the five-year span were managers and project managers. Some other high-skilled occupations top the charts, as well, including software developers, and market research analysts. Overall, the growth represented in Figure 27 is a relatively healthy mix of low and middle-skill and low- and middle-wage occupations. However, as has been noted in other parts of this report, these are not typically the kinds of jobs and earnings that would allow a person to comfortably live within the City of Orem itself.

SOC	Occupation	2021 Jobs	2016 - 2021 % Change	Median Annual Earnings
41-2031	Retail Salespersons	2,435	9%	\$25,777.94
25-1099	Postsecondary Teachers	2,308	-1%	\$85,921.32
35-3023	Fast Food and Counter Workers	2,298	9%	\$20,625.70
43-4051	Customer Service Representatives	1,736	22%	\$31,088.57
11-1021	General and Operations Managers	1,450	46%	\$70,760.54
43-9061	Office Clerks, General	1,077	12%	\$33,303.80
41-2011	Cashiers	1,076	15%	\$24,199.28
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	967	13%	\$23,512.92
53-7065	Stockers and Order Fillers	941	49%	\$29,289.79
15-1256	Software Developers and Software Quality Assurance Analysts and Testers	855	23%	\$94,988.43

Table 8: Top Occupations in 2021. Source: EMSI 2021



Figure 27: Top Growing Occupations. Source: EMSI 2021

Most In-Demand Occupations

To track the most recent occupational trends, the number of unique job postings for each occupation are counted. The most in-demand occupations are those for which the most jobs were posted between January 2019 and April 2022. The “Retail Salespersons” was the most in demand, with just over 2,250 unique postings. Retail occupations comprised three of the top five most in-demand jobs, which is a testament to the prowess of retail in the area, but also represents national trends through the pandemic-influenced years of 2021 and 2022. Similarly, “Registered Nurses” being among the most in-demand positions tracks with national trends over these years.

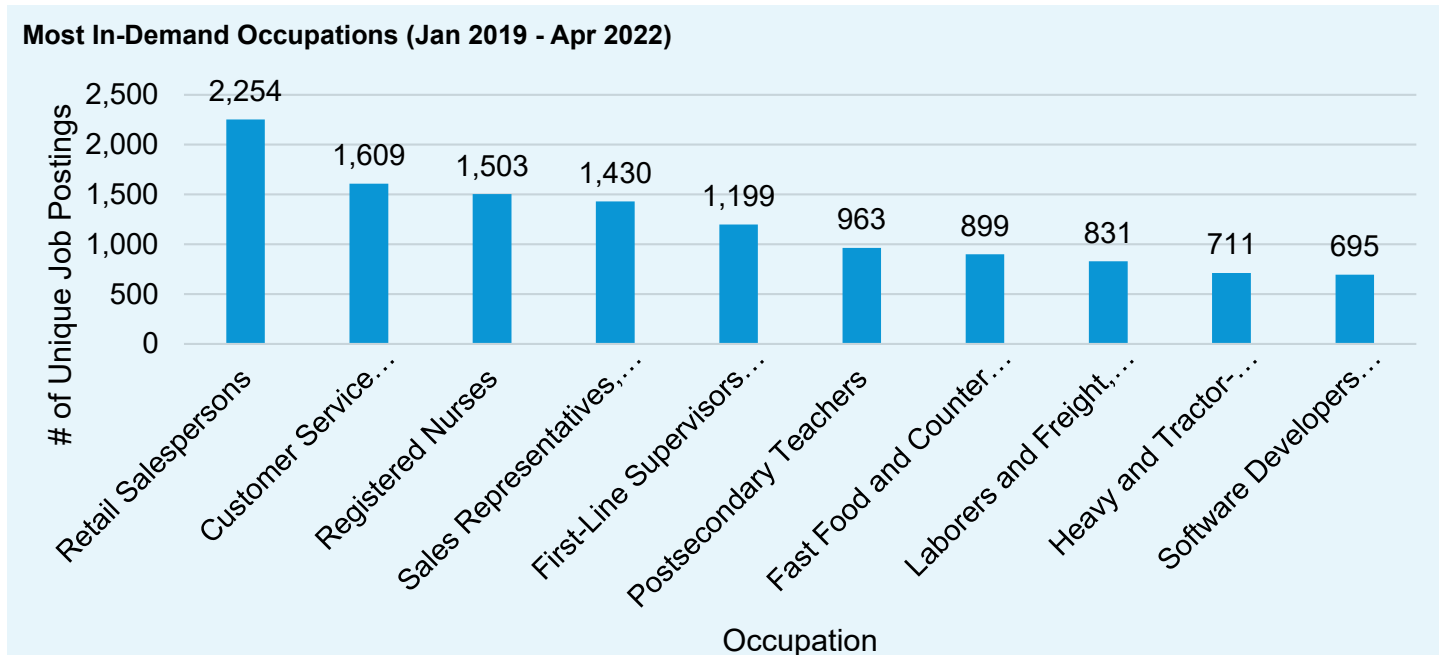


Figure 28: Most In-Demand Occupations. Source: EMSI 2021

In-Demand Skills

The top hard skills in Figure 29 are those which are most frequently mentioned in job postings in Orem. In understanding the demand for hard skills, strategies can be implemented to prepare the workforce to meet employers' needs. Merchandising, selling techniques, and nursing skills are all popular skills, which align with the top industries and occupations presented in previous charts.

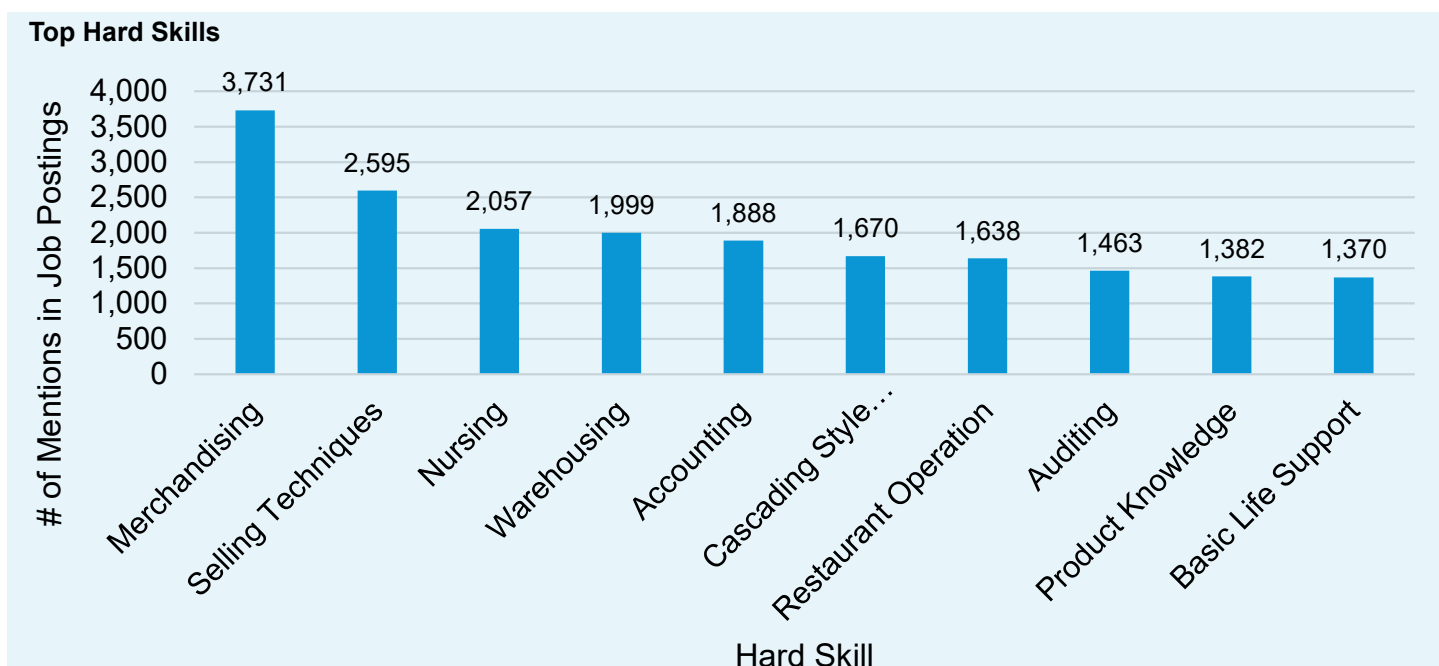


Figure 29: Top Hard Skills. Source: EMSI 2021

Labor Force & Employment Analysis

Labor Force Participation

In 2019, 52,502 of Orem’s population above the age of 16 was employed; that equates to about 71.8% of the 16+ population. The unemployment rate averaged in Utah County was 1.5%, lower than the national average for 2021 (5.4%) by 3.9 percentage points. The unemployment rate in the Provo-Orem MSA was the same, at 1.5%.

Labor Force

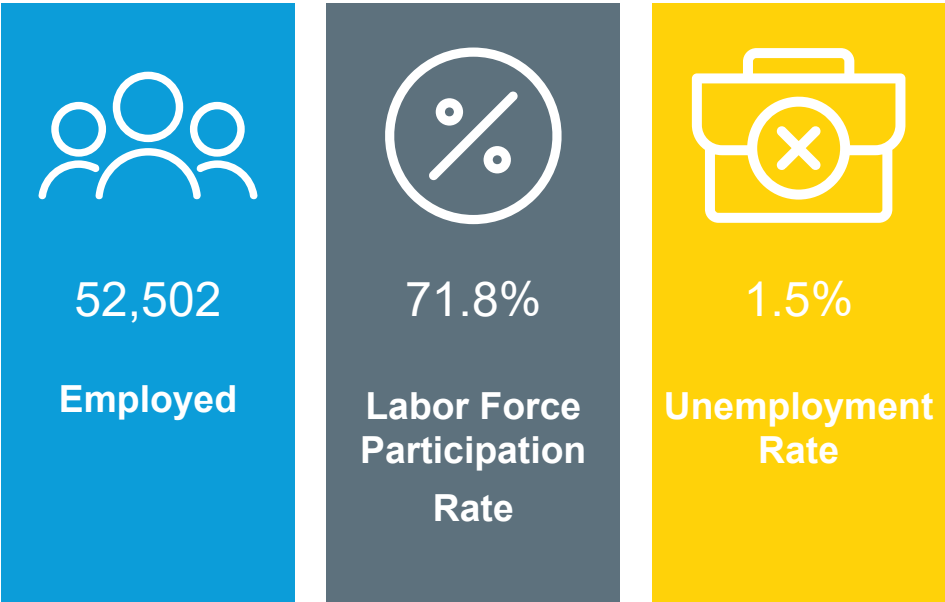


Figure 30: Labor Force Overview. Source: ACS 2015-19 Estimate; Utah Department of Workforce Services

Unemployment by Race

In the graph below, 2020 unemployment rates are given for each racial group in Orem. 3.9% of the White population in the labor force was unemployed in 2020. The “Black or African American” and “American Indian and Alaska Native” groups saw the highest unemployment rates, reaching 7.4% and 8.4%, respectively. The data below indicate employment inequities; the fact that the unemployment rates of some racial groups are 3-4 percentage points higher than others implies that employment opportunities are not equally accessible.

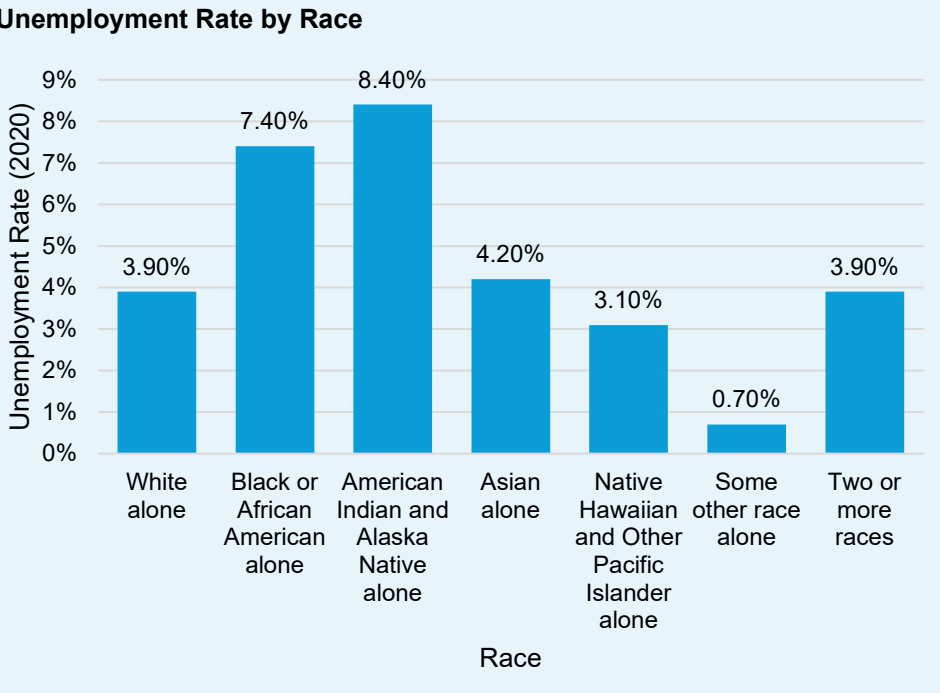


Figure 31: Unemployment by Race. Source: American Community Survey, 2020

Unemployment Rate Trends

The unemployment rate in the Provo-Orem UT metropolitan statistical area (MSA) spiked between March and April of 2020, increasing from 2.5% to 7.8% in one month. Unemployment gradually fell throughout 2020 and 2021, and finally reached pre-pandemic levels at 2.2% in March of 2021. By January 2022, the unemployment rate had dropped to 1.6%, which is nearly 1 percentage point lower than it was at the start of the pandemic in March of 2020.

Remote Worker Trends

One impact of the COVID-19 pandemic was the transition of many occupations to a work-from-home model. While some workers have returned to the office, many businesses have made the decision to allow their employees to work permanently from a remote location. In the graph below, the total number of job postings for all occupations has been provided for 2019 and 2021. In 2019, there were 859 job postings for remote positions in the Provo-Orem MSA; in 2021, that number had increased to 5,384. This increase of more than 600% in remote worker job postings demonstrates one of the tremendous impacts of the COVID-19 pandemic on the workplace.

Unemployment Rate

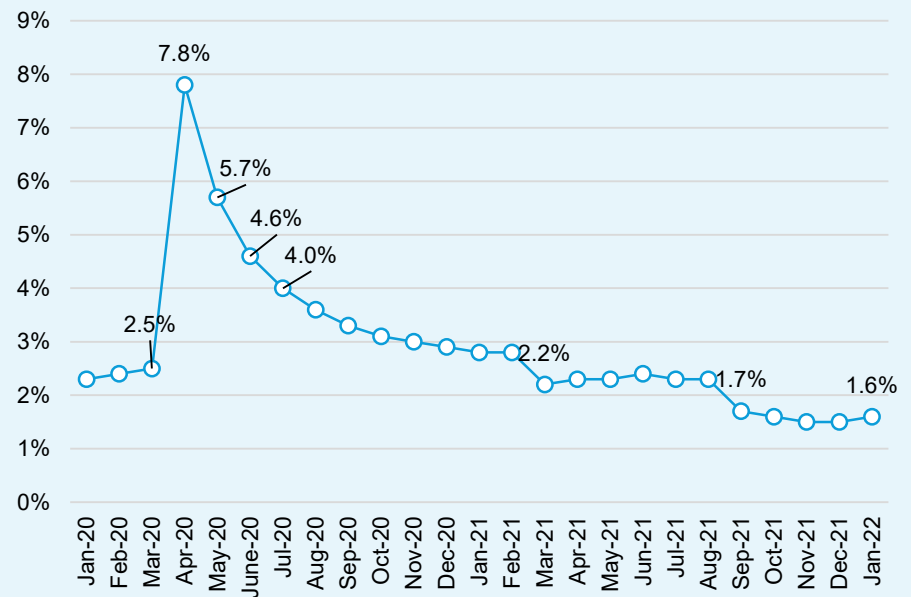


Figure 32: Provo-Orem UT MSA Unemployment Rate by Month. Source: Bureau of Labor Statistics, 2022



Tapestry Segmentation

Esri's Tapestry Market Segmentation characterizes and measures an area's population based on income, age, and general lifestyles. The tapestry segmentation for Orem can be helpful for understanding the population's demand, financial ability, and housing preferences, all of which inform an economic development strategy.

In Table 9, the top ten tapestries in Orem are ranked by the percent of households comprised by each tapestry. Annual growth, owner and renter preferences, household size and income, and financial ability are estimated, as well. Full tapestry profiles and descriptions can be found for all the tapestries below at [this website](#).⁹

Tapestries	Percentage of Households	Annual Population Growth	% Home-owner	% Renter	Median Age	Average Household Size	Median Household Income	Maximum Affordable House Price	Maximum Monthly Affordable Rent
Bright Young Professionals (8C)	25.9%	1.20%	57.20%	42.80%	33	2.41	\$54,000.00	\$162,000	\$1,125.00
Young and Restless (11B)	10.6%	1.30%	86.90%	13.10%	29.8	2.04	\$40,500.00	\$121,500	\$843.75
In Style (5B)	7.0%	0.80%	68%	32%	42	2.35	\$73,000.00	\$219,000	\$1,520.83
Savvy Suburbanites (1D)	6.7%	0.80%	90.60%	9.40%	45.1	2.85	\$108,700.00	\$326,100	\$2,264.58
Comfortable Empty Nesters (5A)	6.2%	0.50%	86.90%	13.10%	48	2.52	\$75,000.00	\$225,000	\$1,562.50
Up and Coming Families (7A)	6.1%	2.80%	73.90%	26.10%	31.4	3.12	\$72,000.00	\$216,000	\$1,500.00
Workday Drive (4A)	5.5%	1.40%	84.90%	15.10%	37	2.97	\$90,500.00	\$271,500	\$1,885.42
College Towns (14B)	5.1%	1.10%	24.60%	75.40%	24.5	2.14	\$32,200.00	\$96,600	\$670.83
Parks and Rec (5C)	4.7%	0.40%	69.70%	30.30%	40.9	2.51	\$60,000.00	\$180,000	\$1,250.00
Urban Edge Families (7C)	4.7%	1%	63.70%	36.30%	32.5	32.5	\$50,900.00	\$152,700	\$1,060.42

Table 9: Tapestry Segmentation for the City of Orem. Source: ESRI 2021.

⁹ <https://doc.arcgis.com/en/esri-demographics/data/tapestry-segmentation.htm>

Appendix III: SWOT Analysis

STRENGTHS



- Highly educated population
- Quality of life
- Strategic location and infrastructure assets
- Retail assets
- Strong and experienced economic development leadership

S

WEAKNESSES



- Housing costs
- Housing supply
- Lack of clearly defined downtown
- Disunity around long-term vision

W

OPPORTUNITIES



- Enhanced business support
- Quality of place improvements
- Embracing a mid-21st century economy

O

THREATS



- Defaulting to the status-quo
- Housing cost's effect on workers and businesses
- Heavy reliance on sales tax revenue

T

Strengths

Highly Educated Population

One of the City of Orem's strengths lies in its highly educated residents. With 41.7% of the resident adult population having obtained a bachelor's degree or higher, Orem residents make up a highly educated workforce that can serve as industry leaders and innovators. This compares positively to Utah's statewide average of 35.1%.

The high educational attainment of Orem is in part due to the strong presence of nearby institutions of higher education. Utah Valley University (UVU) has a student body population of over 40,000 students, and it offers 208 degree options, 91 of which are bachelor's degrees and 11 of which are master's degrees. With tuition that is 42% lower than the nation's average and 15% lower than the state of Utah's average, UVU provides an affordable higher education option for Utah residents.¹⁰ Located just south of Orem, the proximity of Brigham Young University offers residents another high-quality education option. BYU has a student population of over 30,000 students and it offers 185 undergraduate majors, 64 master's programs, and 26 doctoral programs.¹¹

Members of Orem's highly educated population have contributed to the city's strong startup culture. Business incubators, such as the Utah Valley Business Resource Center, provide support and resources for entrepreneurs to plan, strategize, and launch innovative ideas that contribute to the business and economic sectors both locally and nationally. Examples of successful startups that have either originated or grown in Orem include Word Perfect, BlendTec, Clear Task Solutions, Ready2Teach, and Warren.¹²

Quality of Life

There are many quality-of-life advantages that make Orem an attractive location for those seeking a healthy and active lifestyle. The health of residents is high with the local population outperforming the state and country by many health metrics. With several key medical facilities, such as Wasatch Medical Center, Orem Community Hospital, and Timpanogos Regional Hospital, and family practices throughout the city, there are a variety of providers to meet the medical and health needs of residents.

People travel and move to Utah because of its natural beauty and outdoor assets, and one of Orem's key defining features is its outdoor recreation opportunities. Utah Lake, Cascade Mountain, Mt. Timpanogos, and state parks surround the Orem metropolitan area and offer easy access to hiking, fishing, and other outdoor activities. Within the city, an extensive public park system provides families with space to recreate, children with areas to compete in sports, and community members with areas to gather.

In addition to natural assets, indoor assets contribute to the city's quality of life. The Orem Family Fitness Center has workout equipment, lap and leisure pools, a multi-purpose gym, group fitness classes, and sport offerings.¹³ Private gyms also give residents indoor space for fitness and activity. For those who enjoy education activities, Orem Public Library contains hardcopy and digital books; online resources for student academic enrichment; and community events geared toward specific age groups, such as adults, teens, tweens, young children, and toddlers.

Finally, residents overall feel safe within Orem. The city is in the 52nd percentile for safety, which means its crime rate is on par with the national average.¹⁴

¹⁰ <https://www.uvu.edu/whyuvu/>

¹¹ <https://www.byu.edu/facts-figures>

¹² https://www.uvu.edu/uvbrc/incubator_companies/index.html

¹³ <https://www.orem.us/orem-rec-center---orem-utah.html>

¹⁴ <https://crimegrade.org/safest-places-in-orem->

Strategic Location and Infrastructure Assets

Orem's geographic location makes it the epicenter of Utah Valley. With close access to outdoor recreation, surrounding cities in the Valley, and Salt Lake City, residents can easily access different opportunities the area offers. Orem residents also have access to I-15, which connects them to the surrounding areas.

In addition to I-15, Orem contains other important infrastructure assets. Two rail freight lines that run through the city transport goods throughout the state. Orem Central Station is an intermodal center that is a hub for train and bus travel, which residents can use to travel throughout Orem and the parts of Utah. Utah Valley Express is a bus line that makes 15 stops and runs from Orem Central Station to University Place to BYU's campus to Provo Central Station.¹⁵ FrontRunner is a commuter train that makes 15 stops and runs from Provo Central Station to Orem Central Station to Salt Lake and ends at Ogden Station.¹⁶ Finally, Orem is known as a high-speed fiber UTOPIA with high quality broadband.

Orem Tech Center is 788,562 square-foot facility offering retail and warehouse space to businesses.¹⁷ With easy access to I-15 via Geneva Road and up to 30-foot ceilings, it is a prime space to meet business and distributors' needs.¹⁸ Located near this facility is the 368-acre Geneva Road Industrial Corridor. This area currently houses a variety of manufacturers and companies, and it offers space for future expansion including the addition of low-rise industrial facilities, mid-rise manufacturers, and mid-rise residential buildings.¹⁹

Retail Assets

Retail in Orem is an asset and comprises a significant market share of retail sales within Utah Valley. One key driver of retail sales is University Place, which offers retail shopping, dining, recreation, office space, and housing. Within University Place and throughout the city are nationally recognized brands, including Costco, Macy's, Lululemon, and Trader Joe's.

Strong and Experienced Economic Development Leadership

Utah is a competitive state for business, as companies across industries have chosen to start, relocate, or expand their business in the state. This is the case for Orem and the surrounding areas, as many businesses and companies are headquartered in these areas. The Utah Valley area has strong regional leadership through the Mountainland Economic Development District and advances senior services, transportation, and economic development.

Orem has successfully implemented previous economic development strategic plans. Many of the goals from past strategic plans have been successfully implemented, and the city is poised to accomplish additional goals to enhance its business sector, housing offerings, and other amenities.

The Orem Business Alliance has been instrumental in helping expand and enhance the business sector. Through its work, the Alliance advocates for small business, provides networking opportunities, and connects businesses to resources.²⁰

¹⁵ <https://www.rideuta.com/Rider-Tools/Schedules-and-Maps/830X-Utah-Valley-Express>

¹⁶ <https://www.rideuta.com/Rider-Tools/Schedules-and-Maps/750-FrontRunner>

¹⁷ <https://listingsprod.blob.core.windows.net/ourlistings-usa/fb66b6e5-2518-413d-b584-5be33d57d3ec/32a07a3a-4fc7-44be-9454-984e1b2f217a>

¹⁸ <https://listingsprod.blob.core.windows.net/ourlistings-usa/fb66b6e5-2518-413d-b584-5be33d57d3ec/32a07a3a-4fc7-44be-9454-984e1b2f217a>

¹⁹ https://orem.org/wp-content/uploads/2018/08/072018_Draft_GRAP_Alternatives.pdf

²⁰ <https://econ.orem.org/oba/>

Weaknesses

Housing Costs

While the strengths of Orem outlined above attract individuals to the area, the rising cost of housing has become a challenge for many, particularly for young professionals and families hoping to purchase a home. According to the real estate website Redfin's market analytics, the median sale price of a home in Orem in February of 2022 was approximately \$494,500, representing an increase of 39.6% since February of 2021.²¹ While the upward trend in sale price is not unique to Orem, the year-over-year (YoY) increase is substantially larger than the 28.8% growth throughout the state as a whole and the 15.9% increase nationally over the same period.

These high prices make it challenging for both young professionals and families to commit to moving to the city, and those that do are likely to face financial strain. But it is not just people moving to Orem who are likely to feel the impact of rapidly rising housing costs. Currently, 41.42% of renter-occupied households in the city are housing cost burdened, meaning they are spending more than 30% of their household income on housing costs. This number has been steadily increasing over recent years. The impact is increasingly also felt by owner-occupied households, as well.

Compounding the problem of Orem's rising housing costs are below-state-average household incomes (HHI). As of 2020, the median HHI in the city was an estimated \$65,622 (mean of \$87,734), which was considerably lower than the statewide median of \$74,197 and only slightly above the national median of \$64,994. An estimated 36% of Orem households earn an annual income of less than \$50,000, including 55% of renter-occupied households.

Housing Supply

Orem's rising housing costs are heavily influenced by a growing demand for housing without a significant change in supply. Orem has a lack of developable land to build more attainable single-family homes. Only 8% of Orem's land is undeveloped, and of that, only 3% of that is zoned for residential properties. With Orem surrounded by mountains, Utah Lake, and neighboring cities, expansion of homes is extremely limited. Many have proposed high and medium density housing as a potential solution that allows for upward expansion of more attainable housing. However, others are opposed to this concept if proposed over large swaths of land area without a targeted strategic approach. High-density housing projects are frequently met with resistance by the overall community, and because Orem does not have many vacant or available high-density housing options, this exacerbates the affordability of housing challenges in the city.

²¹ <https://www.redfin.com/city/14855/UT/Orem/housing-market>



Lack of Clearly Defined Downtown

Unlike other cities throughout the state and nation that have a distinct downtown, given the layout of Orem, the lack of a clearly defined downtown is an obstacle. State Street, which most closely resembles downtown road, has a rundown appearance compared to the quaintness and attractiveness of downtowns in other Utah cities and towns. State Street also serves as a main transportation channel for commuters and residents. As a seven-lane highway, there is a lack of walkability along State Street, and as a result, instead of walking to and from restaurants and retail establishments, residents and commuters spend their time driving past the city's assets at high speeds.

The high concentration of traffic on State Street also creates another issue: traffic congestion. During peak travel times, State Street easily becomes congested with residents and commuters travelling in and out of the city. Because of the lack of walkability of the area, the high volume of traffic, and the vehicle congestion, individuals spend little of their time accessing Orem's retail and restaurant assets. Moreover, perhaps because of the highly trafficked State Street, among many there is the perception that there is a lack of locally owned small businesses throughout the city.

Disunity Around Long-Term Vision

Due to the expiration of the previous EDSP, Orem has not recently achieved consensus around a long-term vision as it relates to economic development. The number one challenge identified by stakeholders during on-site visits was the disunity around a long-term vision for Orem's economic future. For instance, there is no clearly defined business attraction strategy. It is not clear what businesses Orem desires to attract and what approach or methods the city plans to use to attract those businesses. While Utah Valley University is a key asset to the city, its role in the local and regional economic development ecosystem is not clearly defined. Moreover, although the Utah Valley Business Resource Center is indeed an asset to local businesses and startups, it lacks a detailed and defined strategy to attract, retain, and sustain businesses. A clearly defined, unified vision in these areas would focus Orem's efforts and outreach, which will lead to greater success with business retention and attraction.

The underutilization of commercial and retail space may in part be due to the lack of a clear business strategy. From Canyon Park Technology Center to storefronts along State Street, there are a multitude of vacant office and retail spaces. Additionally, there is a lack of class-A office space for companies to use and expand their business. As a result, many startup companies that initially took root in Orem have moved out of the city to adjacent areas that better meet their office space needs. Some developers have looked to brownfield and contaminated industrial sites as areas to expand office and business space. However, there has been a reluctance to use EPA funds for proper clean-up of these areas. There is also stigma associated with brownfield sites, and many residents are reluctant to live or work in these areas.

Opportunities

Enhanced Business Support

An opportunity exists for Orem to enhance the support it provides to businesses. With a clearly defined focus and plan, Orem has the potential to attract and retain businesses. Additionally, it can help existing businesses expand within the area. There is also opportunity to have stronger alignment with Utah Valley University regarding business support. While still in the development phases, the Orem Business Alliance is a key collaborator for fostering business partnerships and networking.

While the Utah Valley Business Resource Center is an asset to the community, there are additional ways to leverage those assets and create new opportunities. By enhancing the resources within the center, the BRC can provide support to business, particularly startups. What will be paramount is a clear strategy to attract and retain businesses and identified target industries in which the BRC would like to invest. There is also opportunity for the BRC to expand its impact by building a strategic partnership with Canyon Park Technology Center. Additionally, there is an opportunity to make better use of the Smart Cities and Fabrication Lab. New technology could be tested and/or utilized in connection with City Hall.

There are many capital assets and supportive services that Orem can leverage to bring more resources to the city. The Revolving Loan Fund Program through the Economic Development Administration supports small business growth and new employment opportunities.²² Strategically investing in business incubation and acceleration would create and retain businesses within the area. Many grant opportunities exist for minority-owned businesses that local Orem business owners could take advantage of to sustain and grow their business.²³ There are several funds allocated for capital improvements that the city could use to improve buildings and aesthetics. Finally, succession planning is necessary to sustain businesses over an extended period.

Quality of Place Improvements

There are many quality of place improvements that, if implemented effectively, could drastically enhance the attractiveness of Orem. Given the rundown appearance of State Street, the traffic congestion, and other weaknesses outlined above, there are many approaches Orem could take to improve these aspects. Streetscaping efforts, such as landscaping and sidewalk improvements, could make the area more desirable for foot traffic and recreation and encourage residents and visitors to patronize the local retail and restaurants. Traffic calming measures, such as the addition of a median down the middle of State Street, could reduce the fast-paced, vehicular activity. Gateways would improve the overall aesthetic of the area and be a marker of Orem as a distinct community. Establishing design standards will also create the feel of Orem as a distinct, unique community with its own amenities and attractions. Finally, façade improvement to store fronts would make the area more visually appealing and would highlight the uniqueness of the locally owned businesses.

Transit-oriented development and specifically multi-modal strategies are an opportunity for Orem to leverage the healthy and active lifestyle of its residents. Bike share programs are one example. Since 2010, nationally Americans have taken over 343 million trips using bike shares.²⁴ This increasingly popular transportation option provides residents and commuters with an affordable and easy-to-use mode of transportation at any time of day. To make bicycling a safe and viable option, bike lanes would need to be added to State Street and other roads. Properly implemented, a bike share program would encourage less automobile traffic throughout the city. Enhancement of and additions of paths for both biking and walking would complement the outdoor assets of the community and provide additional recreation options. Finally, public transportation campaigns are an opportunity to inform the public of available public transit options and encourage its use.

With the Infrastructure Investment and Jobs Act that was recently passed and that addresses certain aspects of transportation, funding may be for the traffic and multi-modal ideas outlined above.²⁵ Finally, with the construction of the Orem Utah Temple of the Church of Jesus Christ of Latter-day Saints that is likely to draw many, there is an opportunity to expand housing near this area.

²² <https://www.eda.gov/rif/>

²³ <https://www.governmentgrants.us/minority-grants/>

²⁴ <https://nacto.org/program/bike-share-initiative/>

²⁵ <https://www.congress.gov/bills/117th-congress/house-bill/3684>

Embracing a Mid-21st Century Economy

Orem is well-positioned to take advantage of opportunities of a mid-21st century economy. University Place is a prime location to expand mixed-use development, specifically at the intersection of University and State streets. To attract a younger population to the area that will contribute to the local economy and workforce, many of these individuals are likely to be drawn to mixed-use development that meets their various living, shopping, and recreation needs.

These individuals are also likely to be attracted to experiential retail, recreation, and tourism. There are many approaches Orem can take to offer its residents and visitors unique experiences that set the city apart from others. With a clearly identified business attraction plan, Orem can determine the target attraction industry it would like to market. To increase the aesthetics of the area, public art, such as murals and sculptures, is an attraction for residents and visitors. As mentioned above, gateways can identify the entrance to the City of Orem and indicate to travelers that they are entering a unique, distinct community.

Given that Orem must be thoughtful about how it uses its existing spaces, flex spaces are an opportunity for the city to use limited space to serve multiple purposes. Flex spaces would consist of retail in the front of a building and wholesale and warehouses in the back of the space. By structuring the space in this way, the more visually appealing retail assets would be prominently displayed to the highly trafficked areas while the less visually appealing assets would be more discreet on less-travelled roads.

Although many of the technology companies that took root in Orem now reside in neighboring cities, with close proximity and relationships to technology corporations and start-ups another opportunity arises: offering retail-related technology. To provide key technology to both residents and local and surrounding employers, Orem could become a hub for retail technology. Types of retail to offer include software applications, logistics technology, and inventory management technology.



Threats

Defaulting to the Status-Quo

Demographic and economic trends in Orem appear to be heading in the direction of significant issues in both the short- and long-term. Rising housing costs are likely to put increasing pressure on Orem's workers to relocate or seek better-paying alternatives. Reliance on a robust retail sector is threatened by the rapid growth of e-commerce. Attempts to attract tech companies to diversify the city's industry mix is running up against nearby competitor regions that offer affordable rent, appealing and walkable "15-minute cities," defined senses of place, and developed transportation and accessibility options.

While it is difficult to draw sharp distinctions between each of these inter-related factors and trends, the largest direct threat to the City of Orem comes from potential inaction if these trends are not addressed. Prior to the development of this plan, there was no clearly defined or official short- or long-term vision for the future. Many stakeholders seem willing and able to point out potential problems or shortcomings of the city, but a collaborative approach to meeting these challenges directly is necessary to allow Orem to maximize its many strengths and build a positive future that the community can be proud of and meets the needs of its citizens.

With each month and year that measures are not taken to address the threats detailed below, these trends will become more solidified and the ramifications increasingly serious. Whether desired or not, the population in the City of Orem seems destined to show continued growth. Without action, the cost of housing will continue to rise. Without diversification and innovation, the retail sector will continue to be threatened by advancing technologies and shopping trends, which will, in turn threaten the city's sales tax-dependent budget. Local businesses and the local economy rely on leadership to address these issues head on. Otherwise, Orem is likely to go the way of many other cities that failed to rise to their challenges and meet them with a unified vision and set of goals.

Housing Cost's Effect on Workers and Businesses

Orem is a commuter city. In fact, around 80% of Orem residents commute outside of the city for their jobs. Conversely, around 80% of Orem's workers live outside of the city and commute in. Conversation with local workers suggest that many travel up to and beyond an hour in each direction. In the short-term this may be sustainable, with Vineyard and other surrounding cities building high-density housing mixed-use development, there may be more affordable housing close enough to Orem to maintain its lower-wage retail workforce. However, the trend of rising housing costs presents a significant threat to businesses looking to keep their employees.

In other areas around the country, trends like those seen in Orem have led to a range of negative results. High housing costs can often lead to the departure of young families or a barrier to those looking to move to the area. The families that can locate to the area are taking on excessive or burdensome debt. Either situation may not bode well for the retail sector, whether through the loss of Orem's current businesses or the inability to attract new ones.

Orem's robust retail sector is dependent on the availability of workers willing to work for low-to-moderate wage jobs. Without available housing, it is not a certainty that these companies can keep enough employees to sustain themselves. Small businesses, which often operate with much smaller operating margins, are likely to struggle to find workers or be forced into paying higher wages. In many cases, this pressure causes small businesses to close their doors. The current low unemployment rates in the region add further pressure on local businesses to pay higher wages or risk losing key staff.

Tech companies looking to relocate from more expensive areas are attracted to locations with affordable housing for their employees, too. Orem has a lot to offer tech companies that are looking to relocate from more expensive regions of the country. Access to both outdoor recreation and high-speed internet are among a number of appealing factors in making those decisions. However, these companies are often looking to relocate specifically because of high housing costs for their workers. If Orem cannot offer affordable housing, it is likely to become difficult to attract a diverse mix of businesses and industries to the city.

Heavy Reliance on Sales Tax Revenue

Known as the “Retail Hub of Utah County,” the City of Orem is heavily invested in maintaining its position as the retail center of a prosperous county. As important as it is to keep the retail sector as strong as possible, attempts to diversify the industry mix in the city will help protect the local economy from the threats and fluctuations currently facing the retail industry.

Despite a policy change in 2019 that allows the City to collect taxes on out-of-state sales (including online sales), there is reason to believe that many brick-and-mortar retail stores face a difficult future. Recent trends in retail are moving quickly toward warehousing and distribution and away from in-person shopping. Evidence of this change is already quite visible throughout Orem. There are currently vacant storefronts up and down the State Street corridor. Small businesses in the retail space are likely to continue to face a difficult road ahead with the continued growth of e-commerce platforms.

Instances of new brick-and-mortar retail investment around the county are centered around walkable spaces, cafes, and restaurants. These “15-minute cities” are being constructed around access and the creation of a defined “sense of place.” Although Orem is somewhat land-locked with little-to-no developable land, innovative thinking and planning is likely required to grow or even save the retail that has defined Orem for years. This means that significant investment and a singular vision would be needed to create a more modern retail and living environment that would help attract a broader and more diverse industry mix.

Sales tax revenue is considerably more volatile than property tax revenue and has proven to be increasingly volatile in recent years due to the trends and consolidation of e-commerce. Orem’s 2014 EDSP noted the effect this volatility had on the city’s budget during the 2008 recession. In 2007, 39 percent of the city’s general fund revenues came from sales taxes. By 2010, that number had decreased to 29 percent despite the property tax revenues remaining consistent throughout the recession. Orem’s 2022 budget will mark the first time since 2007 that Orem’s sales tax will comprise more than 40 percent of the general fund revenues.

Fiscal Year	Sales Taxes	% of Total Revenues	Property Taxes	% of Total Revenues
FY15	\$18,839,327	32.78%	\$7,305,594	12.71%
FY16	\$19,471,579	36.17%	\$6,424,109	11.93%
FY17	\$20,722,179	36.79%	\$6,416,808	11.39%
FY18	\$22,198,446	37.34%	\$6,597,887	11.10%
FY19	\$22,736,417	37.16%	\$6,657,969	10.88%
FY20	\$23,737,723	38.77%	\$6,895,505	11.26%
FY21	\$28,004,565	39.90%	\$7,060,159	10.00%
FY22 (Estimate)	\$30,805,022	45.53%	\$7,278,289	10.76%

Table 10: Sales and Property Taxes as Percent of General Fund Revenues. Source: City of Orem Budget

Appendix IV: Review of the Retail Gap Analysis

Introduction

In 2021, the City of Orem contracted with Thomas P. Miller & Associates, an Indianapolis-based economic and workforce development consulting firm to assist in the production of their Economic Development Strategic Plan (EDSP). One component of the agreed upon scope was to provide the City of Orem a retail gap analysis, an update to a major section of the city's 2014 EDSP. As TPMA consultants and data analysts sought to collect and compile the appropriate data to provide this analysis, however, they encountered two significant barriers in their ability to provide such an update.

First, due to changes in Utah state policy in the years between the most recent version of the retail gap analysis and the current effort, TPMA's consultants were not able to retrieve the relevant sales data from the Utah State Tax Commission. Second, multiple attempts to calculate or retrieve a consumer demand estimate resulted in wildly conflicting data sets.

A retail gap analysis, which is explained in greater detail in the report below, uses these two figures to compare the relative supply and demand in each retail sector. The inability of TPMA consultants to collect or calculate reliable numbers for either side of this equation ultimately led to the realization that the retail gap analysis that appeared in the 2014 EDSP, and which was updated again with 2018 numbers, could not be updated, or replicated in any meaningful way.

This report then serves as a detailed account of the inability to provide this update. It includes:

- an explanation of the typical uses of a retail gap analysis;
- how these analyses are commonly calculated, including samples of data from 2014, 2018, and 2020;
- why those calculations could not be made in this case; and
- an investigation of the uses and limitations of retail leakage and capture analyses for the purposes of strategic planning at the local government level in the current retail climate.

At the conclusion of this report, the data provided by Zion Public Finance Bank in the 2014 EDSP, the 2018 data update are provided in their entirety. Additionally, the 2020 estimates provided by a third-party data analysis company are provided. The consultants at TPMA feel it is important to include these analyses to the reader of this report. However, they do not endorse the data, or the calculations used in them.

Sales Leakage and Capture Rates

The City of Orem, Utah has long been recognized as the “retail hub” of Utah County, drawing shoppers who reside throughout the county into Orem to shop at the city’s variety of retail establishments. Beyond the anecdotal, this distinction has been further evidenced by retail sales leakage and capture rate data that demonstrate that Orem retailers are serving a customer base that stretches beyond the city limits and into the surrounding communities. The city’s 2014 Economic Development Strategic Plan and 2019 update, both prepared by Zion Public Finance, Inc., include these retail leakage and capture rates analyses, providing insight into which industries are “capturing” the most sales from surrounding communities and which are “leaking” sales and customers to competitors in other parts of the county.

Sales leakage and capture rates are calculated by comparing the dollar amount of recorded sales over a set period (e.g., one year) at a set location (e.g., within a city’s boundaries) to an estimate of the dollar amount of purchases expected from consumers who reside in that location over the same length of time. For the purposes of these calculations, the recorded number of sales are often referred to as the “supply” and the expected number of purchases are referred to as “demand.”

For example, if local furniture stores combine to have higher sales numbers than their local consumer base is expected to have spent at furniture stores, that industry has “captured” sales from the furniture stores in neighboring communities. As a result, the furniture stores in those surrounding communities are likely to show lower sales than expected and might be said to have “leaked” sales to competitors in a neighboring location.

These calculations are often used to evaluate opportunities for investment. If, for example, the grocery store industry in City A is shown to be “leaking” sales to City B, this analysis might indicate that building a new grocery store in City A is a worthwhile investment – that the current demand in City A is not being met. They have also occasionally been used to inform strategic planning at the local government level, especially in places heavily dependent on the tax revenue generated from retail sales. Such is the case with the City of Orem, for which sales and leakage data comprise a major component of past iterations of the Economic Development Strategic Plan (EDSP).

Previous Retail Gap Analyses

The 2014 EDSP and 2019 Update

In preparing the City of Orem’s 2014 EDSP, Zion Public Finance Bank prepared sales leakage and capture data from taxable sales information provided by the Utah State Tax Commission. Zion also provided a 2019 update to these figures. A sample of these numbers are presented in Table 11.²⁶

	2009 Leakage	2009 Capture Rate	2013 Leakage	2013 Capture Rate	2018 Leakage ²⁷	2018 Capture Rate ²⁷
Motor Vehicle and Parts Dealers (NAICS code 441)	\$26,421,297	162.44%	\$105,724,362	165.24%	\$115,351,879	152.92%
Furniture and Home Furnishing Stores (NAICS code 442)	\$44,780,511	295.60%	\$46,365,720	289.01%	\$68,392,227	299.88%

Table 11: Zion Public Finance, Inc. Leakage & Capture Rates

²⁶ The full reports are provided in Supplement A at the end of this report.

²⁷ May contain data from out-of-state online sales.

To begin to understand the data provided in Table 11, it is important to understand how these figures are presented, as this presentation is somewhat atypical. The dollar amounts in the leakage columns represent the difference between the supply (sales) and the demand (estimated purchases from Orem residents). In Table 11, this amount of leakage is presented as a positive number. However, the corresponding capture rate are greater than 100%, demonstrating that the supply is larger than the demand. Typically, the resulting leakage amount would be presented as a negative number, showing that Orem retailers were not leaking sales to surrounding areas but were instead “capturing” them from the surrounding areas. It is not entirely clear why the writers of this report chose to present the numbers in this way, but in Table 11 and in the full tables presented in Supplement A, a positive number in the leakage column actually represents “negative leakage” and demonstrates that Orem retailers are generating (“capturing”) sales from non-Orem consumers.

As Table 11 demonstrates, 2013 and 2018 calculations show two retail sectors with very high capture rates for the City of Orem, suggesting that many shoppers travelled into Orem for their vehicle and furniture purchases. In total, these reports show the City of Orem with positive capture rates (over 100%) in 13 out of 19 retail sectors measured, demonstrating that Orem was, in fact, the retail hub of Utah County.

However, while the leakage and capture rates provided seem to show evidence of Orem’s retail prowess in these sectors, the raw data used to calculate these figures are not provided in the reports nor was the methodology used to determine demand given in detail. Zion Public Finance was provided taxable sales numbers from the Utah State Tax Commission, broken down by geographic location and retail sector. These numbers effectively provide the supply component in calculating leakage, but they do not account for the demand component. To determine the demand component, some estimate must be used as no actual sales figures can measure demand.

This demand figure is not an easy estimate to determine. Models for determining the demand estimate vary widely in their complexity, and a flawed methodology can have a significant impact on the resulting leakage and capture calculations. This is especially the case when calculating these figures for a large area such as a city, as opposed to a smaller area such as a ZIP code or city block.²⁸

The 2014 and 2019 reports give very little indication as to how this demand estimate was calculated, although there is some reason to believe that the method used was on the simpler end of the spectrum.²⁹ As this report will demonstrate in a later section, different attempts to calculate the same demand can produce wildly different results. Whether the methods used by Zion Public Finance produced an accurate measurement of retail demand or not, it is important to note that there is no standard approach to determining this number.

Updating the Retail Gap Analysis with 2020 Data

Utah State Tax Commission Data

In August 2021, the City of Orem and TPMA requested 2020 sales data from the Utah State Tax Commission with the purpose of performing a retail gap analysis to update the 2018 leakage and capture rates. However, two significant changes in the intervening years impacted the TPMA’s ability to provide this update.

The first change was to the Utah State Tax Commission policy, which restricted the type of sales data that could be made publicly available. As a result, TPMA was unable to obtain the same level of detail as the sales data that were made available for Zion Public Finance in 2014 and 2019. TPMA could only access sales data that had not been disaggregated by zip code as previous years’ data had been. Rather, TPMA was only able to obtain aggregate gross taxable sales and purchase data for the city of Orem as a whole, separated only by retail sector.

28 Retail gap/sales leakage analyses are more commonly used in site selection decisions about whether and where to open a new retail establishment. They are less commonly used in the development of economic development strategy.

29 A footnote in the 2019 Update asserts, “Estimated consumer purchases are based on average annual consumer purchases in the State of Utah.”

Table 12 contains the Utah State Tax Commission's 2020 Gross Aggregate Taxable Sales and Purchases figures for the same two industries represented in Table 11. The number in the second column represents the total dollar amount of sales and purchases made by Orem companies within each industry that was subject to sales or use taxes. TPMA was unable to obtain data relating only to taxable sales, which would ideally be the information used to calculate leakage and capture rates. Although it is assumed to be a small percentage, the portion of the provided dollar amount that comprises taxable purchases is unknown.

Retail Sector	2020 Gross Aggregate Taxable Sales and Purchases
Motor Vehicle and Parts Dealers (NAICS code 441)	\$354,416,317
Furniture and Home Furnishing Stores (NAICS code 442)	\$94,801,699

Table 12: Utah Tax Commission 2020 Gross Aggregate Sales & Purchase Figures

Beyond the aforementioned policy updates regarding publicly available data, another important change took place between the time when Zion Public Finance obtained the 2018 sales numbers and when TPMA made their data request. Beginning in 2019, Utahns who made purchases from out-of-state retailers were required to pay sales tax on these purchases.³⁰ Prior to this, online sales were listed separately by the Utah State Tax Commission and were not included in their aggregate taxable sales data. However, after the 2019 rule change, these data were collected and presented together. This requirement not only had a large impact on the taxes collected by the state, but presumably affected the “aggregated gross taxable sales and purchases” data that were made available, making a comparison between the 2020 and 2018 figures effectively meaningless. This shift points to a larger issue involving out-of-state sales: the increasing effect of e-commerce on the retail market, and the calculation of leakage and capture rates, to which this report will return in the concluding section.

In summary, the data provided to TPMA differed from the data made available to Zion Public Finance in two important ways: in geographic specificity and in the inclusion of out-of-state/online purchases.

Supplementing the Missing 2020 Sales Data with Other Reports and Proprietary Models

Despite these changes, the taxable sales and purchases data provided to TPMA by the Utah State Tax Commission are sufficient to serve as the “supply” component in a standard retail gap analysis, albeit a less informative one than was prepared for the 2014 and 2018 reports. To complete the sales leakage calculations, an estimated “demand” component is needed.

As was mentioned above, there are a number of ways to calculate this demand estimate that range from the simple to the complex. For a simple metric, one might take the average annual consumer purchases for the entire state and scale them down for the population count of the City of Orem. This seems to be the method chosen by Zion Public Finance. This method will produce a demand estimate, but one that problematically assumes a homogeneous population across the State of Utah, treating all consumers the same regardless of age, location, income, etc.

Another option would be to look at more complex calculations such as those performed by third-party data analytics companies. These third-party consumer demand estimates are developed using proprietary algorithms and modeling. For example, the input-output model used by Economic Modeling Specialists International (EMSI) provides sales and demand estimates for a variety of geographic regions. This model utilizes information from a wide variety of sources including data sets from the Bureau of Economic Analysis (BEA), Census LODES data, and the American Community Survey, among others.³¹ Table 13 represents a sample of EMSI’s estimates for retail sales and demand for the City of Orem in 2020.

30 <https://www.ksl.com/article/46459266/new-laws-in-2019-include-online-sales-tax-for-out-of-state-purchases>
31 For more information on the data sources used in EMSI’s Input Output Model, see their glossary entries and articles on the topic here: <https://kb.emsidata.com/faq/what-is-input-output-modeling/>

3-Digit NAICS Code	Industry	2020 Total Demand	2020 Total Sales	Capture/(Leakage)	2020 Aggregate Sales and Demand
441	Motor Vehicle and Parts Dealers	\$94,518,297	\$141,025,205	\$46,506,908	\$235,543,502
442	Furniture and Home Furnishings Stores	\$15,055,563	\$30,382,161	\$15,326,598	\$45,437,724

Table 13: EMSI Leakage/Capture Input-Output Model

EMSI's model produces a leakage dollar amount that can be used to calculate a capture rate. Together, these numbers would amount to a 2020 update to the previous retail gap analyses.³² However, comparing the output of EMSI's models to the "actual" data provided by the Utah State Tax Commission uncovers a potential issue with relying solely on this third-party model.

EMSI's estimated sales for Orem retailers do not come close to matching the 2020 data provided by the state. To highlight the differences between EMSI's sales estimates and those provided by the state, Table 4 compares the two for the Motor Vehicle and Parts Dealers (NAICS 441) and Furniture and Home Furnishing Stores (NAICS 442) industries.

3-Digit NAICS Code	Industry	EMSI 2020 Sales Estimate	Utah State Tax Commission 2020 Aggregate Sales & Purchases
441	Motor Vehicle and Parts Dealers	\$141,025,205	\$354,416,317
442	Furniture and Home Furnishings Stores	\$30,382,161	\$94,801,699

Table 14: Comparison of EMSI estimates and Utah State Tax Commission data

The difference between the "actual" sales numbers and the third-party estimate raises concern about the usefulness of the EMSI model. The model is attempting to estimate the dollar amount of sales in these retail sectors, but the estimate produced is roughly 2.5 to 3 times lower than actual sales figures. This, of course, calls into question the accuracy of both the EMSI sales estimates and the demand estimates. In a situation where the sales figures differ so greatly from the raw data provided by the state, comparing the demand estimates to the actual taxable sales numbers would not produce a useful or accurate set of leakage data.

For further comparison and analysis, TPMA also pulled a sale leakage report from Environmental Systems Research Institute (ESRI), another third-party data analytics company.³³ ESRI uses similar data sources to EMSI but creates their own proprietary models. In 2017, though, the data analytics team at ESRI moved to discontinue their production of the retail gap analysis reports. Explaining this decision, ESRI analysts point to "the changing face of retail." In a 2018 release, they elaborate:

When the Retail MarketPlace database was first developed in 2003, the methodology supported a retail industry that was dominated by a brick-and-mortar business model. Within recent years, and specifically in today's marketplace, larger chunks of retail activity have swung to e-commerce activity. As a result, the larger portion of sales activity taking place online has impacted the traditional models to estimate supply and demand.³⁴

The decision to discontinue a popular report is further evidence of the complicated nature of a modern-day retail gap analysis: the necessary data are hard to acquire and when limited data are available, accurate models are nearly impossible to create. For reference, ESRI's final retail gap analysis for the City of Orem, produced in 2017, is provided in Supplement B at the conclusion of this report.

³² The full report from EMSI can be found in Appendix B at the conclusion of this report.

³³ <https://www.esri.com/en-us/home>

³⁴ Retirement of Esri Retail MarketPlace Data, Report, & Maps. ESRI, 2018

After considering the limitations of available data, as well as the ever-changing retail environment from which the data are derived, there is good reason to evaluate the overall utility of retail gap analyses as tools for economic development in 2022.

Examining the Retail Gap Analysis in 2022

Given the information presented above, it is clear why the comparison of third-party demand models to the Utah State Tax Commission taxable sales data would likely result in an inaccurate, and thus misleading, city-wide retail gap analysis. For this issue, there are two possible solutions: 1) only use EMSI models to determine leakage and capture, or 2) create a new model to compare to the raw taxable sales data. The model referenced in the first solution is provided, along with several other data reports, in Supplement B at the conclusion of this report. However, given the discrepancy between the raw sales data and the third-party estimates, there is good reason to doubt the accuracy or usefulness of the analysis.

The second solution, to create a new model to arrive at a more accurate demand estimate, presents a new set of problems. Chief among them is the difficulty in producing an accurate, useful estimation model (the issues with the methodology adopted by Zion Public Finance in determining this figure are mentioned above). Given the data- and model-related obstacles enumerated to this point, it is worth pausing here to briefly investigate the most common uses of retail gap analyses and retail leakage and capture data in general.

Historically, the most common use for a retail gap analysis is to help inform investment decisions and evaluate potential geographical areas for growth or expansion. For example, if a retail business is deciding whether to open a new store in a new area, a leakage and capture analysis of their retail sector might be a useful tool. If an area appears to have a higher demand in a certain sector than the local stores can meet, the retailer might feel more secure in opening a new store there. These reports are often conducted to assist both the retailer and the lending financial institution in determining whether a positive return on investment is likely. Retail gap analyses, then, are often considered in tandem with a variety of other metrics, to help make these investment decisions on a “micro” level.

Although less common, retail gap analyses can also have uses for more “macro” strategic planning. If, for example, a leakage and capture analysis show a higher demand for clothing stores than is being met by current sales, a city might seek to attract an additional retailer or two in this sector. For example, the 2018 update prepared by Zion Public Finance states that:

There are areas of leakage in the Accommodation and Gasoline Station sales which indicate that the City has an opportunity to expand its ability to capture more of these sales. Increased capture rates in these areas have the potential to benefit the city through complementing large employers currently in the city and by potentially attracting new employers.

As Orem has historically placed significant emphasis on its retail sector, this kind of analysis and interpretation of the data may give crucial insight as to which sectors are currently “capturing” sales (meaning there may not be much room for additional growth) and which sectors are “leaking” sales (meaning there may be potential to grow this industry).

In general, though, retail gap analyses and leakage and capture data are less informative on a “macro” strategic planning process than they are on a “micro” investment decision-making level. One reason for this is that they typically provide information about a single point in time – one that is heavily influenced by a variety of factors.³⁵ For example, the years of 2020 and 2021 have been significantly impacted by the COVID-19 pandemic. While many industries and sectors have been dramatically affected by this once-in-a-century event, the retail sector appears likely to have reshaped entirely. Following trends that have long been noted, the move away from brick-and-mortar stores to e-commerce has been accelerated in the past few years. Moreover, disruption and

35 While it is true that regular updates to these figures can point to trends and give a deeper understanding than a single year's report could offer, this data point is only one in a large number of factors. It is not advised that large-scale decisions are influenced by this analysis alone. One potential result could be an overreliance on tax revenue from brick-and-mortar retail, which can put cities in a precarious position given the rapidly evolving and tumultuous retail market.

innovation driven by Amazon and other online retailers has shifted the retail landscape in ways that will never be fully undone, regardless of how long COVID-19 pandemic lasts.

The consultants at Zion Public Finance note this shift in their 2018 update, asserting that “The City is strong in almost every retail category which indicates that there may be few opportunities for retail growth, especially given trends in the retail industry for less brick-and-mortar development.” The 2014 EDSP, by contrast, only mentions online sales once, clarifying that online sales are not a part of their analysis as they were listed separately by the Utah State Tax Commission.

Although online sales are no longer separated from traditional retail sales, their growing share of sales in the retail sector creates further issues for the evaluating of leakage and capture rates. A vast majority of online sales are out-of-state sales; this is especially the case with national retail giants like Walmart or Amazon. If, for example, all sales on a platform like Amazon appeared in leakage calculations for the appropriate sector, one might interpret that leakage as an opportunity for more brick-and-mortar retail in the online purchaser’s community. This analysis, however, is likely to lead to poor decision-making, considering the recent increase in online sales. Even retail sectors once thought to be safe from the encroachment of online retailers are increasingly feeling the squeeze. Car dealerships, for example, operate in an industry that has seen significant growth in the space of e-commerce. The fact that consumers are purchasing cars online does not necessarily mean that Orem needs more car dealerships – it might actually mean the opposite. These market shifts must be evaluated in conducting and using a traditional retail gap analysis.

To summarize, the state of Orem’s retail environment as presented by a retail gap analysis must be considered within its broader context; an understanding of available data, national economic trends (like those toward e-commerce), and the limitations of models and estimates is required for the retail gap analysis’ use as an economic development tool. The figures and models provided in this report, as well as those provided in the supplements included below and referenced throughout, might be helpful for broadly informing an understanding of retail trends. Their limitations, however, are perhaps more informative and illuminate the need for other economic development tools that use available data more appropriately to inform decisions.

Supplement A: Full Zion Public Finance, Inc. Reports (2013 & 2018)

Zion Public Finance, Inc 2013 Leakage & Capture Rate Report

Category	2013 Leakage	2013 Capture Rate
General Merchandise Stores	\$123,428,141	165.16%
Motor Vehicle and Parts Dealers	\$105,724,362	165.24%
Clothing and Clothing Accessories Stores	\$69,146,835	234.44%
Furniture and Home Furnishings Stores	\$46,365,720	289.01%
Miscellaneous Store Retailers	\$34,632,928	170.15%
Sporting Goods, Hobby, Book, and Music Stores	\$34,487,643	210.33%
Electronics and Appliance Stores	\$29,058,628	211.20%
Food and Beverage Stores	\$23,709,935	119.55%
Food Services and Drinking Places	\$22,618,204	119.27%
Building Material and Garden Equipment and Supplies Dealers	\$12,573,804	117.66%
Repair and Maintenance	\$9,204,849	128.39%
Health and Personal Care Stores	\$1,982,276	114.01%
Nonstore Retailers	\$477,230	102.87%
Museums, Historical Sites, and Similar Institutions	(\$821,440)	6.34%
Amusement, Gambling, and Recreation Industries	(\$2,734,797)	77.98%
Performing Arts, Spectator Sports, and Related Industries	(\$3,522,080)	2.03%
Personal and Laundry Services	(\$4,171,128)	58.20%
Gasoline Stations	(\$6,706,634)	77.77%
Accommodation	(\$29,813,411)	28.62%
Total	\$465,641,067	146.28%

Zion Public Finance, Inc 2018 Leakage & Capture Rate Report

Category	2018 Leakage	2018 Capture Rate
General Merchandise Stores	\$157,102,778	173.32%
Motor Vehicle and Parts Dealers	\$115,351,879	152.92%
Clothing and Clothing Accessories Stores	\$68,392,227	299.88%
Furniture and Home Furnishings Stores	\$65,205,939	210.47%
Miscellaneous Store Retailers	\$39,169,049	124.61%
Sporting Goods, Hobby, Book, and Music Stores	\$37,728,479	214.81%
Electronics and Appliance Stores	\$36,557,967	124.44%
Food and Beverage Stores	\$36,307,822	131.08%
Food Services and Drinking Places	\$31,815,993	191.95%
Building Material and Garden Equipment and Supplies Dealers	\$29,399,552	156.31%
Repair and Maintenance	\$8,701,912	121.42%
Health and Personal Care Stores	\$6,283,323	138.00%
Nonstore Retailers	\$2,144,208	104.26%
Museums, Historical Sites, and Similar Institutions	(\$1,798,873)	4.61%
Amusement, Gambling, and Recreation Industries	(\$3,419,212)	67.24%
Performing Arts, Spectator Sports, and Related Industries	(\$4,708,159)	1.24%
Personal and Laundry Services	(\$8,503,162)	60.81%
Gasoline Stations	(\$13,548,791)	65.79%
Accommodation	(\$44,129,766)	28.97%
Total	\$558,053,167	142.32%

Supplement B: Third-Party Leakage/Capture Reports

EMSI 2021 Total Sales, Total Demand, and Leakage/Capture Analysis

NAICS	Description	2021 Total Sales	2021 Total Demand	2021 Capture/(Leakage)	2021 Capture Rate
441	Motor Vehicle and Parts Dealers	\$154,359,906	\$107,786,949	\$46,572,957	143.21%
4411	Automobile Dealers	\$104,869,195	\$80,673,942	\$24,195,253	129.99%
4412	Other Motor Vehicle Dealers	\$22,977,220	\$8,158,258	\$14,818,962	281.64%
4413	Automotive Parts, Accessories, and Tire Stores	\$26,513,490	\$18,954,749	\$7,558,741	139.88%
442	Furniture and Home Furnishings Stores	\$34,600,848	\$17,571,378	\$17,029,471	196.92%
4421	Furniture Stores	\$16,376,472	\$9,680,205	\$6,696,267	169.17%
4422	Home Furnishings Stores	\$18,224,376	\$7,891,173	\$10,333,204	230.95%
443	Electronics and Appliance Stores	\$21,265,034	\$20,179,930	\$1,085,104	105.38%
444	Building Material and Garden Equipment and Supplies Dealers	\$97,107,822	\$78,952,273	\$18,155,549	123.00%
4441	Building Material and Supplies Dealers	\$81,504,497	\$69,754,166	\$11,750,331	116.85%
4442	Lawn and Garden Equipment and Supplies Stores	\$15,603,325	\$9,198,107	\$6,405,218	169.64%
445	Food and Beverage Stores	\$56,435,947	\$75,069,708	(\$18,633,761)	75.18%
4451	Grocery Stores	\$48,002,559	\$65,235,198	(\$17,232,639)	73.58%
4452	Specialty Food Stores	\$7,671,305	\$5,745,071	\$1,926,233	133.53%
4453	Beer, Wine, and Liquor Stores	\$762,082	\$4,089,438	(\$3,327,356)	18.64%
446	Health and Personal Care Stores	\$50,419,157	\$31,877,070	\$18,542,086	158.17%
447	Gasoline Stations	\$29,239,626	\$35,835,161	(\$6,595,536)	81.59%
448	Clothing and Clothing Accessories Stores	\$94,510,948	\$39,321,564	\$55,189,384	240.35%
4481	Clothing Stores	\$69,173,793	\$26,390,875	\$42,782,918	262.11%
4482	Shoe Stores	\$10,782,317	\$5,600,299	\$5,182,018	192.53%
4483	Jewelry, Luggage, and Leather Goods Stores	\$14,554,837	\$7,330,389	\$7,224,448	198.55%
451	Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$38,929,075	\$12,570,034	\$26,359,041	309.70%
4511	Sporting Goods, Hobby, and Musical Instrument Stores	\$34,906,959	\$11,326,287	\$23,580,672	308.19%
4512	Book Stores and News Dealers	\$4,022,117	\$1,243,747	\$2,778,369	323.39%
452	General Merchandise Stores	\$221,212,617	\$76,885,193	\$144,327,424	287.72%
4522	Department Stores	\$8,528,935	\$21,134,091	(\$12,605,156)	40.36%
4523	General Merchandise Stores, including Warehouse Clubs and Supercenters	\$212,683,682	\$55,751,102	\$156,932,580	381.49%
453	Miscellaneous Store Retailers	\$97,789,003	\$31,063,548	\$66,725,454	314.80%
4531	Florists	\$706,521	\$1,821,314	(\$1,114,793)	38.79%
4532	Office Supplies, Stationery, and Gift Stores	\$16,421,156	\$6,052,997	\$10,368,159	271.29%
4533	Used Merchandise Stores	\$43,913,389	\$5,237,748	\$38,675,640	838.40%
4539	Other Miscellaneous Store Retailers	\$36,747,937	\$17,951,489	\$18,796,448	204.71%
454	Nonstore Retailers	\$371,962,378	\$95,353,335	\$276,609,043	390.09%
4541	Electronic Shopping and Mail-Order Houses	\$31,603,425	\$67,814,363	(\$36,210,939)	46.60%
4542	Vending Machine Operators	\$0	\$2,117,665	(\$2,117,665)	0.00%
4543	Direct Selling Establishments	\$340,358,953	\$25,421,307	\$314,937,646	1338.87%

ESRI 2017 Retail Gap Analysis

NAICS	2017 Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
441	Motor Vehicle & Parts Dealers	\$194,627,189	\$495,727,494	\$(301,100,305.00)
4411	Automobile Dealers	\$160,986,503	\$387,625,167	\$(226,638,664.00)
4412	Other Motor Vehicle Dealers	\$17,514,509	\$39,526,463	\$(22,011,954.00)
4413	Auto Parts, Accessories & Tire Stores	\$16,126,177	\$68,575,864	\$(52,449,687.00)
442	Furniture & Home Furnishings Stores	\$28,581,484	\$92,560,436	\$(63,978,952.00)
4421	Furniture Stores	\$18,675,957	\$67,036,234	\$(48,360,277.00)
4422	Home Furnishings Stores	\$9,905,527	\$25,524,202	\$(15,618,675.00)
443	Electronics & Appliance Stores	\$32,486,257	\$140,058,322	\$(107,572,065.00)
444	Bldg Materials, Garden Equip. & Supply Stores	\$57,507,755	\$119,547,458	\$(62,039,703.00)
4441	Bldg Material & Supplies Dealers	\$53,509,117	\$114,557,822	\$(61,048,705.00)
4442	Lawn & Garden Equip & Supply Stores	\$3,998,638	\$4,989,636	\$(990,998.00)
445	Food & Beverage Stores	\$153,452,383	\$125,420,936	\$28,031,447.00
4451	Grocery Stores	\$137,284,429	\$114,023,018	\$23,261,411.00
4452	Specialty Food Stores	\$10,221,169	\$10,779,612	\$(558,443.00)
4453	Beer, Wine & Liquor Stores	\$5,946,785	\$618,306	\$5,328,479.00
446,4461	Health & Personal Care Stores	\$41,624,400	\$99,188,956	\$(57,564,556.00)
447,4471	Gasoline Stations	\$101,309,300	\$106,254,057	\$(4,944,757.00)
448	Clothing & Clothing Accessories Stores	\$45,585,044	\$155,131,107	\$(109,546,063.00)
4481	Clothing Stores	\$31,777,560	\$124,951,485	\$(93,173,925.00)
4482	Shoe Stores	\$5,129,958	\$19,442,046	\$(14,312,088.00)
4483	Jewelry, Luggage & Leather Goods Stores	\$8,677,526	\$10,737,576	\$(2,060,050.00)
451	Sporting Goods, Hobby, Book & Music Stores	\$38,609,952	\$93,140,565	\$(54,530,613.00)
4511	Sporting Goods/Hobby/Musical Instr Stores	\$34,183,911	\$81,002,219	\$(46,818,308.00)
4512	Book, Periodical & Music Stores	\$4,426,041	\$12,138,346	\$(7,712,305.00)
452	General Merchandise Stores	\$171,763,491	\$401,988,158	\$(230,224,667.00)
4521	Department Stores Excluding Leased Depts.	\$101,404,516	\$240,734,331	\$(139,329,815.00)
4529	Other General Merchandise Stores	\$70,358,975	\$161,253,827	\$(90,894,852.00)
453	Miscellaneous Store Retailers	\$37,864,965	\$52,437,601	\$(14,572,636.00)
4531	Florists	\$1,389,554	\$1,050,247	\$339,307.00
4532	Office Supplies, Stationery & Gift Stores	\$8,059,475	\$16,479,116	\$(8,419,641.00)
4533	Used Merchandise Stores	\$4,717,004	\$6,527,507	\$(1,810,503.00)
4539	Other Miscellaneous Store Retailers	\$23,698,932	\$28,380,731	\$(4,681,799.00)
454	Nonstore Retailers	\$16,200,440	\$24,303,387	\$(8,102,947.00)
4541	Electronic Shopping & Mail-Order Houses	\$14,476,451	\$21,433,451	\$(6,957,000.00)
4542	Vending Machine Operators	\$387,525	\$0	\$387,525.00
4543	Direct Selling Establishments	\$1,336,464	\$2,869,936	\$(1,533,472.00)
722	Food Services & Drinking Places	\$101,148,080	\$126,001,563	\$(24,853,483.00)
7223	Special Food Services	\$1,866,567	\$1,575,987	\$290,580.00
7224	Drinking Places - Alcoholic Beverages	\$3,099,948	\$275,353	\$2,824,595.00
7225	Restaurants/Other Eating Places	\$96,181,565	\$124,150,223	\$(27,968,658.00)
Total		\$1,866,101,523	\$3,718,018,745	\$(1,851,917,222.00)

Supplement C: City of Orem Taxable Sales Data

2020 Gross Aggregate Taxable Sales and Purchases Data Provided by the Utah State Tax Commission

Industry Description	2020 Gross Aggregate Taxable Sales and Purchases
MOTOR VEHICLE AND PARTS DEALERS	
New Car Dealers	\$201,824,190.00
Used Car Dealers	\$107,658,744.00
Other Motor Vehicle Dealers	\$12,523,023.00
Automotive Parts, Accessories, and Tire Stores	\$32,410,360.00
Total	\$354,416,317.00
FURNITURE AND HOME FURNISHINGS STORES	
Furniture Stores	\$78,219,954.00
Home Furnishing Stores	\$16,581,745.00
Total	\$94,801,699.00
ELECTRONICS AND APPLIANCE STORES	
Electronics and Appliance Stores	\$50,905,997.00
Total	\$50,905,997.00
BUILDING MATERIAL AND GARDEN EQUIPMENT AND SUPPLIES DEALERS	
Building Material and Supplies Dealers	\$172,809,939.00
Lawn and Garden Equipment and Supplies Stores	\$18,873,870.00
Total	\$191,683,809.00
FOOD AND BEVERAGE STORES	
Grocery Stores	\$205,483,565.00
Specialty Food Stores	\$11,870,054.00
Beer, Wine, and Liquor Stores (Fewer than 10)	\$6,500,000.00
Total	\$223,853,619.00
HEALTH AND PERSONAL CARE STORES	
Cosmetics, Beauty Supplies, and Perfume Stores	\$14,278,010.00
Optical Goods Stores	\$5,023,979.00
Other Health and Personal Care Stores	\$6,243,002.00
Pharmacies & Drug Stores	\$240,787.00
Total	\$25,785,778.00

Industry Description

2020 Gross Aggregate Taxable Sales and Purchases

GASOLINE STATIONS

Gasoline Stations	\$28,359,562.00
Other Gasoline Stations (Fewer than 10)	\$500,000.00
Total	\$28,859,562.00

CLOTHING AND CLOTHING ACCESSORIES STORES

Clothing Stores	\$89,257,934.00
Shoe Stores	\$7,962,841.00
Jewelry, Luggage, and Leather Goods Stores	\$8,119,567.00
Total	\$105,340,342.00

SPORTING GOODS, HOBBY, BOOK, AND MUSIC STORES

Book Stores and New Dealers	\$9,335,855.00
Hobby, Toy, and Game Stores	\$5,405,639.00
Musical Instruments and Supplies Stores	\$11,656,605.00
Sewing, Needlework, and Piece Goods Stores	\$4,680,116.00
Sporting Goods Stores	\$61,041,310.00
Total	\$92,119,525.00

GENERAL MERCHANDISE STORES

Department Stores (Fewer than 10)	\$150,000.00
General Merchandise Stores, Including Warehouse Clubs and Supercenters	\$474,537.00
Total	\$624,537.00

MISC. STORE RETAILERS

Florists	\$473,506.00
Office Supplies, Stationery, and Gift Stores	\$11,236,644.00
Other Miscellaneous Store Retailers	\$60,635,701.00
Used Merchandise Stores	\$3,416,026.00
Total	\$75,761,877.00

NONSTORE RETAILERS

Electronic Shopping and Mail-Order Houses	\$157,663,019.00
Vending Machine Operators	\$303,059.00
Direct Selling Establishments	\$7,801,449.00
Total	\$165,767,527.00

Industry Description

2020 Gross Aggregate Taxable Sales and Purchases

PERFORMING ARTS, SPECTATOR SPORTS, AND RELATED INDUSTRIES

Performing Arts Companies (Fewer than 10)	\$1,000.00
Spectator Sports (Fewer than 10)	\$20,000.00
Promoters of Performing Arts, Sports, and Similar Events (Fewer than 10)	\$3,000.00
Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures (Fewer than 10)	\$1,000.00
Independent Artists, Writers, and Performers	\$84,509.00
Total	\$109,509.00

MUSEUMS, HISTORICAL SITES, AND SIMILAR INSTITUTIONS

Museums, Historical Sites, and Similar Institutions (Fewer than 10)	\$45,000.00
Total	\$45,000.00

AMUSEMENT, GAMBLING, AND RECREATION INDUSTRIES

Amusement, Gambling, and Recreation Industries	\$15,039,695.00
Total	\$15,039,695.00

ACCOMMODATION

Bed-and-Breakfast Inns and All Other Traveler Accommodation	\$4,018,364.00
Hotels and Motels	\$7,632,540.00
Total	\$11,650,904.00

FOOD SERVICES AND DRINKING PLACES

Full-Service Restaurants	\$11,549,649.00
Limited-Service Restaurants	\$7,808,904.00
Special Food Services	\$21,150,232.00
Cafeterias, Grill Buffets, Buffets, Snack and Nonalcoholic Beverage Bars	\$2,755,855.00
Drinking Places (Alcoholic Beverages) (Fewer than 10)	\$350,000.00
Total	\$43,614,640.00

REPAIR AND MAINTENANCE

Automotive Repair and Maintenance	\$45,605,599.00
Electronic and Precision Equipment Repair and Maintenance	\$1,376,492.00
Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	\$163,233.00
Personal and Household Goods Repair and Maintenance	\$2,183,746.00
Total	\$49,329,070.00

PERSONAL AND LAUNDRY SERVICES

Personal and Laundry Services	\$7,676,869.00
Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$371,027.00
Total	\$8,047,896.00
GRAND TOTAL	\$1,537,757,303.00



FAMILY CITY USA

Summary of City of Orem Planning Commission Discussion on the Economic Development Strategic Plan

June 15, 2022

STUDY SESSION

The Planning Commission was presented a summary of the Economic Development Strategic Plan by Kathi Lewis, Economic Development Division Manager, Nate Prescott, Economic Development Analyst, and the project consultants, Brett Wiler and Aaron Finley, from Thomas P. Miller and Associates. At the end of this document are the answers to questions the Planning Commission submitted via email prior to the meeting. These answers were presented to the PC in written form during the meeting and via email after the meeting.

REGULAR MEETING

During the regular Planning Meeting questions were continued from the Pre-Meeting. Ms. Lewis invited the Planning Commission to ask questions about the Economic Development Strategic Plan to the consultant.

There was a discussion concerning the ratio of commuters in and out of Orem versus the ratio of people who live and work in Orem. See video for details.

There was a discussion concerning local involvement in economic development. See video for details.

There was a discussion concerning the inflated housing prices in Orem. See video for details.

There was a discussion concerning the margin of error and method for obtaining the occupation data in the EDSP. See video for details.

There was a discussion concerning sales tax revenue. See video for details.

There was a discussion concerning the housing cost and how it can be controlled. See video for details.

There was a discussion concerning redevelopment in Orem. See video for details.

There was a discussion concerning the importance of a downtown in Orem. See video for details.

There was a discussion concerning strategies on how to shape the vision of Orem. See video for details.

There was a discussion concerning truism and recreations opportunities. See video for details.

There was a discussion concerning the progress and missing links between the previous Economic Development Plan. See video for details.

Additional questions and answers are attached at the end of the meeting minutes.

Chair Sakar opened the public hearing and invited those from the audience who had come to speak to this item to come forward to the microphone.

When no one came forward, Chair Sakar closed the public hearing and asked if the Planning Commission had any more questions for the applicant or staff. When none did, he called for a motion on this item.

Planning Commission Action: Haysam Sakar made a motion to continue agenda item 3.4 to July 6, 2022. Jim Condie seconded the motion. Those voting aye: Barry Roberts, Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Preliminary Questions from Planning Commission - 6.15.22

Focus Area 1: Business Retention and Expansion, Strategy 4, Leverage University Assets to Support Business –

What has been the history of UVU and Orem working together on this objective and initiative?

UVU and the City of Orem have a history of positive and mutually supportive interactions

Business Resource Center Background:

In March of 2008, the Commission for Economic Development in Orem (CEDO) sponsored an application with the assistance of the Mountainland Association of Governments (MAG) to the Economic Development Administration (EDA) for a public works grant to fund a small regional business resource center (BRC) and incubator in the City of Orem.

In 2010, the EDA awarded CEDO a grant award of \$1,500,000 for the acquisition and renovation of the 14,922 sq ft building, located at 815 W 1250 S in Orem, for the BRC. The award is in effect through early January 2026. In June of 2012, the City of Orem, the Redevelopment Agency (RDA) of the City of Orem, and Utah Valley University (UVU) entered into an Agreement to foster business development in Orem through the BRC. In 2012, the City made a capital contribution of \$500,000 for the BRC through CEDO utilizing RDA funding. In late 2013, the renovations were completed on the BRC and it was opened to regional businesses. The City of Orem and the Economic Development Division (created in 2013 as CEDO was dissolved) hold a total of four positions on the BRC Executive Board.

Town & Gown Committee

In 2017, the Town & Gown Committee was formed between UVU and the City of Orem to further develop positive coordination and collaboration between the two entities.

Entrepreneurship Institute Collaboration

In 2021, the UVU Entrepreneurship Institute and the Economic Development Division at the City of Orem began talks to collaborate further in support of entrepreneurship efforts.

What has been done and how has it worked? What results have been achieved?

BRC:

The City of Orem has been actively working with UVU since this time to provide support to entrepreneurs and businesses in the high-tech industry through the partners housed in the BRC which include:

- Small Business Development Center (SBDC)
- Utah Governor's Office of Economic Development (GOED) now known as the Governor's Office of Economic Opportunity (Go Utah)
- Utah Procurement Technical Assistance Center (PTAC)
- World Trade Center Utah (WTC)

These partners offer workshops, classes, in-person business advising, and more, helping businesses of all types in the area. In addition, quarterly meetings are held with the BRC Executive Board to direct and guide the use of the building and framework of the programs.

Town & Gown Committee

Regular meetings are held to collaborate and communicate on resolving issues related to both entities, including student parking and other important concerns.

Entrepreneurship Institute Collaboration

In November 2021 the City of Orem OBA co-sponsored an event at UVU with speaker Breanna Hale, the UVU Entrepreneurship Institute Director.

The EDSP Implementation Matrix includes specific goals to further collaboration with the Entrepreneurship Institute students and local area businesses.

And what is UVU's current thinking and approach to working with the city today and into the future on this initiative?

UVU is a positive partner in working with the City Economic Development Division to support the needs of local area businesses.

How aligned are UVU's goals/actions and the City of Orem's goals/actions?

UVU is closely aligned to support and strengthen the businesses in Orem and in the Utah Valley Region.

Is joint work currently being undertaken and how could more of that happen in the future?

Current joint work includes monthly business Meet and Greet events at the BRC for newly licensed businesses, referrals, and many new goals in the new EDSP Implementation Matrix.

In Focus Area 4: Quality of Life, could strategy 1

Have the word consider taken away? And/or could there be an Action Step that introduces legislation to require developers to get neighborhood consent before bringing any proposed development to the Planning Commission and City Council. The current process creates winners and losers – it could work better if all were required to be on the same page from the initiation of the development process.

The EDSP is a guiding document to create a greater supportive and collaborative environment to support business development, it does not address legislation.

Fraud Risk Assessment

Continued

*Total Points Earned: 335 /395 *Risk Level: Very Low Low Moderate High Very High
> 355 316-355 276-315 200-275 < 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	☒	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	☒	5
b. Procurement?	☒	5
c. Ethical behavior?	☒	5
d. Reporting fraud and abuse?	☒	5
e. Travel?	☒	5
f. Credit/Purchasing cards (where applicable)?	☒	5
g. Personal use of entity assets?	☒	5
h. IT and computer security?	☒	5
i. Cash receipting and deposits?	☒	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?	☒	20
a. Do any members of the management team have at least a bachelor's degree in accounting?	☒	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?		20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?		20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	☒	20
7. Does the entity have or promote a fraud hotline?	☒	20
8. Does the entity have a formal internal audit function?		20
9. Does the entity have a formal audit committee?	☒	20

*Entity Name: City of Orem

*Completed for Fiscal Year Ending: 6/30/2022 *Completion Date: _____

*CAO Name: _____ *CFO Name: _____

*CAO Signature: _____ *CFO Signature: _____

*Required

Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	✓			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?	✓			
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".	✓			
4. Are all the people who have access to blank checks different from those who are authorized signers?	✓			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?	✓			
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	✓			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	✓			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	✓			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	✓			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	✓			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			

* MC = Mitigating Control



Utah Retirement Systems Tier 2 Public Safety & Firefighter “Pick-up” Rate Increase

Background information:

Effective July 1, 2020 enhancements to Tier 2 Public Safety & Firefighter retirement benefits took effect. The enhancements apply to new and current employees in the Tier 2 Public Safety & Firefighter Retirement system for benefits earned after July 1, 2020.

Due to the cost of the plan enhancements, contributions to the Tier 2 Public Safety & Firefighter Hybrid plan will be made by the employer (14%) and the employee (2.27%).

However, an employer may “pick-up” the employee’s portion of the retirement contribution and treat it as an employer contribution under IRS code.

In order to “pick-up” the employee contributions, an employer must take formal action to provide that the contributions on behalf of all Tier 2 Public Safety & Firefighter members, although designated as employee contributions, will be paid by the agency in lieu of employee contributions.

If an employer “picks-up” the contributions for its employees, they must also pay an equal non-elective contribution to Tier 2 Public Safety & Firefighter members in the Defined Contribution Plan.

FY 22/23 Updates:

Effective July 1, 2022 the rate of the “pick-up” cost is increasing from 2.27% to 2.59%. The .32% increase was budgeted for in the FY 22/23 budget.

URS requires that the increase be approved by resolution.

With nearly every city in the state paying the pick-up costs for their Tier 2 Public Safety and Fire employees it is important that the City of Orem remain competitive and also continue to pay the pick-up cost.



**CITY OF OREM
CITY COUNCIL
MEETING
JUNE 28, 2022**

REQUEST:	RESOLUTION - Authorize the City of Orem's Participation in the Utah Valley HOME Consortium
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	Kena Mathews, Community Services Manager

REQUEST:

BACKGROUND:

The HOME Program was created under Title II of the National Affordable Housing Act of 1990. The general purposes of HOME are to: expand the supply of decent and affordable housing for low-income Americans, strengthen the ability of state and local governments to design and implement strategies to achieve an adequate supply of decent, affordable housing, provide financial and technical assistance to participating jurisdictions, and fortify the partnerships among all levels of government and private sector in production and operation of affordable housing. In the early 1990's, the Utah Valley community faced a severe housing shortage. The Council of Governments developed a task force to examine ways to mitigate this pressing issue. Concurrently, a study assessing the current and future housing needs of Utah Valley was completed by a University of Utah economist. This led to the creation of the Utah Valley Consortium of Cities and County. The City of Orem has participated in the Consortium since its inception in 1991. Every three years, the City of Orem is required to sign an interlocal cooperation agreement to authorize the City's continued participation in the Utah Valley HOME Consortium.

RECOMMENDATION:

The Community Services Manager recommends that the City Council approve a resolution authorizing the execution of an interlocal cooperation agreement to authorize the City of Orem's Participation in the Utah Valley HOME Consortium in the U.S. Department of Housing and Urban Development's HOME Investment Partnerships Program for Federal Fiscal Years 2022, 2023, and 2024.

HOME INVESTMENT PARTNERSHIPS PROGRAM

INTERLOCAL COOPERATION AGREEMENT

Relating to the establishment and conduct of the Utah Valley HOME Consortium

UNITED STATES HOUSING AND URBAN DEVELOPMENT HOME PROGRAM

for **FEDERAL FISCAL YEARS 2023, 2024, AND 2025**

THE AGREEMENT is entered into and shall be effective as of July 1, 2023, by and between Provo City (hereinafter “Provo”), a municipal corporation of the State of Utah, City of Orem (hereinafter “Orem”), City of Lehi (hereinafter “Lehi”); and Utah County, an Urban County as defined by Section 102(a)(6) of the Housing and Community Development Act of 1974 as amended.

RECITALS:

- A. On November 28, 1990, the United States Congress enacted the Cranston-Gonzalez National Affordable Housing Act (Pub. L. 101-625, title II, Sec. 211, Nov. 28, 1990, 104 Stat. 4096.) Title II of the legislation entitled the HOME Investment Partnerships Act (hereinafter the “Act” or “HOME Program”), which authorizes the Secretary of the Department of Housing and Urban Development (hereinafter “HUD”) to make funds available to participating jurisdictions for investment to increase the number of families served with decent, safe, sanitary, and affordable housing and to expand the long-term supply of affordable housing in accordance with the Act.
- B. The primary objective of the HOME Program include: (1) Expanding the supply of decent, affordable housing for low and very-low income families; (2) Building state and

local capacity to carry out affordable housing programs; (3) Providing for coordinated assistance to participants in the development of affordable low-income housing; and (4) Affirmatively further fair housing by promoting non-discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability); and ensure fair and equal housing opportunities for all.

- C. Under the Act, a consortium of geographically contiguous Units of General Local Government (hereinafter “UGLG”), which separately may not qualify to receive HOME funding, may, by entering into a cooperation agreement in accordance with the requirements as set forth in the regulations, join for the purpose of receiving a HOME allocation and administering the HOME Program as a single Participating Jurisdiction (hereinafter “PJ”).
- D. A Metropolitan City is defined by the Community Development Block Grant Program funding (hereinafter “CDBG”) statute as a city that is receiving a CDBG entitlement grant. Provo, Orem, and Lehi, being designated as such, are eligible to join a HOME consortium to receive HOME funding.
- E. An Urban County is defined by Section 102(a)(6) of the Housing and Community Development Act of 1974 as amended. An Urban County is a county receiving a CDBG Entitlement Grant and includes UGLGs that sign an Interlocal Cooperation Agreement with the Urban County. Utah County, being designated as such, is eligible to join a HOME consortium to receive HOME funding.

1. When a UGLG agrees to be part of an Urban County for the CDBG program, it also agrees to participate in the HOME program if the Urban County joins a consortium. Accordingly, when an Urban County joins a HOME consortium, a UGLG that is a member of the Urban County is included in the consortium through its participation in the Urban County. All UGLGs within Utah County that sign an Interlocal Cooperation Agreement to be included as a part of the Urban County for the CDBG program qualification and grant calculation purposes shall be included in the HOME Consortium, participating through Utah County.
 2. An UGLG that has chosen to not join the Urban County to participate in the CDBG program may choose to join the HOME Consortium by signing the HOME Consortium Agreement. By signing the Consortium Agreement, the UGLG within the Urban County, not participating in the CDBG Urban County, becomes a member of the HOME consortium.
- F. Pursuant to the Act and HOME regulations, Provo, Orem, Lehi, and Utah County intend to form a consortium that is eligible to receive entitlement grants as a PJ under the Act and shall direct its activities to the alleviation of housing problems within the State.
- G. The Act requires UGLGs acting as a consortium to submit a Consolidated Plan (CP) that covers the entire geographic area encompassed by the consortium.
- H. In accordance with section 91.402 of the Consolidated Plan Final Rule, all UGLGs that are Consortium Members are on the same program year that starts on July 1st and ends on June 30th for CDBG, and HOME Programs.

- I. Pursuant to 24 CFR 92.101(a)(2)(ii), the consortium must have one member UGLG authorized to act in a representative capacity for all members for the purposes of administering the HOME Program, and the representative member assumes overall responsibility for ensuring that the consortium's HOME program is carried out in compliance with the requirements of the HOME Program, including requirements concerning the Consolidated Plan; such member UGLG shall hereinafter be referred to as "Lead Entity".
- J. Under general provisions of Utah law governing contracting between governmental entities and by virtue of specific authority granted in the Interlocal Cooperation Act, Utah Code Annotated, §11-13-101, *et. seq.*, 1953, as amended, any two or more agencies of the State may enter into agreements with one another for joint or cooperative action and any one or more agencies may contract with one another or with a legal or administrative entity created pursuant to that act to perform any governmental service, activity, or undertaking which each agency entering into the contract is authorized by law to perform.
- K. The parties hereto have determined that it will be mutually beneficial and in the public interest to enter into this Interlocal Cooperation Agreement regarding the formation and administration of a consortium under the HOME Act.

NOW THEREFORE, in consideration of the premises and the cooperative actions contemplated hereunder, the parties agree as follows:

1. CONSORTIUM

- a. Provo, Orem, Lehi, and Utah County agree to act jointly as a consortium to become a Participating Jurisdiction to be known as the **Utah Valley HOME**

Consortium (hereinafter collectively “UVHC” or “Consortium”; and individually “Consortium Members” or “Members”). Provo, Orem, Lehi, and Utah County shall act jointly as the Consortium for the purposes of applying jointly for federal funding under the HOME Investment Partnerships Program and administering affordable housing programs, including undertaking or assisting in undertaking HOME eligible housing assistance activities described in Title II of the Act, the latter to include, but not be limited to, acquiring, rehabilitating, constructing affordable housing, providing down-payment assistance and tenant-based rental assistance to serve eligible, qualified beneficiaries.

- b. As provided in Section 92.101, subpart C, of the HOME Final Rule, the Consortium’s status shall continue until HUD is notified that the Consortium is dissolved, or HUD revokes its designation as a PJ. A fully executed copy of this Interlocal Cooperation Agreement, together with the resolutions of all parties, shall be submitted to HUD as part of the Consortium’s qualification documentation.
- c. The Consortium shall be governed by a Board of Directors (hereinafter “Board”) comprised of representatives from each Consortium Member, one representative per 100,000 residents within each Consortium Member’s respective jurisdiction.
- d. The Board shall provide leadership and have overall management responsibility to direct the Consortium activities. Further, the Board shall make appropriate policy assessments and decisions concerning issues including, but not limited

to, those relating to existing and potential HOME projects, programs, activities, and its policies and procedures.

- i. Each party to this Agreement shall, within thirty (30) days from the date of execution thereof, appoint its Board of Directors representative(s) as follows:
 - I. The Board representative(s) shall be a resident of the jurisdiction he or she represents, and
 - II. The Board representative(s) shall be knowledgeable in housing issues, and
 - III. The Board representative(s) shall be appointed as otherwise required by local law, and
 - IV. Written notice of appointment, together with a written acceptance of appointee, shall be provided by the Clerk or Recorder of each appointing party to the Provo City Recorder.
- ii. Each of the parties agrees that each member of the Board may cast one vote; and that the passage of any proposal by the Board shall require the affirmative vote of a simple majority.

2. DESIGNATION OF A CONSORTIUM MEMBER REPRESENTATIVE TO HUD

- a. Provo, Orem, Lehi, and Utah County agree that Provo City shall serve as the Lead Entity and administer the Consortium through the staff of the Development Services Department, CDBG/HOME Division, of Provo City Corporation. Division staff shall provide effective leadership, support, and management of the Consortium's required functions.

- b. Provo's HOME Program Administrator, as the Executive Director of the Consortium, shall function as a consultant to Board members, providing direction and guidance on HOME regulations and policies, and assisting the Board in the determination of eligible projects and activities. The Executive Director is not a voting member of the Board.
- c. Provo may provide a recording secretary for each meeting who shall be responsible for a record of the meeting and for maintaining pertinent written and audio minutes. The secretary does not serve as an officer of the Board nor is he/she a voting member.

3. LEAD ENTITY RESPONSIBILITIES

- a. The parties hereto recognize and understand that the Lead Entity shall be the governmental entity required to execute all grant agreements received from HUD pursuant to Lead Entity's request for HOME funds. The Lead Entity shall thereby become and shall be held by HUD to be legally liable and have full responsibility for the execution of the HOME Program. The Lead Entity shall be responsible for the Consortium's Five-Year Consolidated Plan with an annual Action Plan component and annual Action Plans for the remaining four years, as required.
- b. All projects and project applicants shall be reviewed and pre-screened for threshold criteria, compliance, and conformance with the relevant HOME rules, regulations, and guidelines by the Lead Entity, and only those which meet the requirements shall be eligible to be reviewed for funding recommendations by the Board.

- c. The Lead Entity shall utilize a pre-application process providing project assessment, technical assistance, and resource coordination to lesser experienced applicants.
- d. Threshold criteria developed for each funding round shall be developed by the Lead Entity. Such criteria shall be consistent with related plans from individual CDBG entitlement jurisdictions pursuant to §91.220 (hereinafter “Action Plans”) and individual housing elements in each jurisdiction’s master plans.
- e. The Lead Entity, in collaboration with Board members may develop a fair and appropriate system to assist in the selection of projects; such system to reflect existing policy, priorities and criteria established by the jurisdictions’ comprehensive housing plans, Consolidated Plan and Action Plans. The Lead Entity, in collaboration with Board members may develop appeals process by which proponents of a proposed project either not recommended for funding by the Board or recommended for funding at a lesser amount than requested may appeal to the Board for reconsideration.
- f. The Board shall review eligible projects for conformity to the priorities and policies included in the Consolidated Plan, Action Plans, relevant jurisdictions’ comprehensive housing plans and/or specific self-directed priority project(s), and criteria established by the Board, including threshold criteria concerning periods of affordability, which may be stricter than those required by HOME regulations, as defined in §92(252) (e). The Board shall prioritize projects based on the evaluation described in this paragraph and make funding recommendations as constrained by the availability of funds.

- g. Consortium Members agree that the recommendations made by the Board shall be reviewed for final approval by each Member's legislative body subject to Paragraph 8 of this Agreement and other terms contained in this paragraph. All projects selected by the Board must conform to the jurisdictions' comprehensive housing plan, Consolidated Plan, related Action Plans, minimum criteria established and self-directed priority projects.
- h. The Lead Entity's program, supervisory and administrative obligations to Consortium Members shall be limited to the performance of the administrative and program tasks necessary to make HOME funds available to them and to provide at least annual monitoring for the performance of their various projects funded with HOME funds throughout the corresponding period of affordability to ensure compliance with applicable Federal laws and regulations. The Lead Entity shall be responsible for determining eligibility and confirming the compliance of the HOME projects with applicable Federal laws and regulations.
- i. The Lead Entity shall make all its financial records related to the administration of the HOME funds available for inspection to all persons, including representatives from corporations and governments, in accordance with its own policies and regulations and with State law.
- j. The Lead Entity will act to protect the Consortium's interest in enforcing and reviewing contracts, agreements, memorandums, and or any other legal instruments entered into in the process of administering the HOME Program and utilizing legal counsel to represent the Consortium while protecting these

interests. Orem, Lehi, and Utah County agree to have Provo City Legal Department staff act as head counsel in these matters.

4. GENERAL ADMINISTRATION

- a. Provo, as the designated Lead Entity of the Consortium, has the ultimate and overall responsibility under the Act for ensuring that the HOME Program is carried out as required in 24 CFR, Part 92, including the submission and approval of a Comprehensive Housing Affordability Strategy for the use of HOME funds as set forth in Paragraph 5 below, which has been mutually agreed upon by all Consortium Members, and for providing all assurances or certifications as required under 24 CFR, Part 92. Therefore, Provo requires Orem, Lehi, and Utah County, and Orem, Lehi, and Utah County require Provo, to agree to strict adherence to the Program description as approved and to all assurances and certifications provided, including agreeing to take all actions necessary to assure compliance with Provo's certification under the Fair Housing Act; Executive Order 11063 (Equal Opportunity in Housing) and Title VI of the Civil Rights Act of 1964, the Uniform Relocation Assistance, Real Property Acquisition Policy Act of 1970, and the Davis Bacon Act at 40 USC 276a, *et seq.* Provo shall not provide HOME funds for activities or support any Member that does not affirmatively further fair housing within its own jurisdiction or activities that impede Provo's action to comply with Fair Housing certification. In addition, the Lead Entity is responsible for taking all required actions to comply with provisions of the National Environmental

Policy Act of 1969. Orem, Lehi, and Utah County shall readily support the Lead Entity as requested to meet these requirements.

- b. Annual allocation of HOME funds to Consortium Members for self-directed projects shall be based upon information listed by HUD's "HOME Consortia Participating Members Percentage Report" posted annually in HUD's HOME Consortia website for the corresponding Fiscal Year. Alternatively, shall HUD delay a timely posting of such Report, the allocation may be based upon an approximation estimated from the previous Fiscal Year allocation. The funds so dedicated to the PJ may be from any HOME funds, including program income, available to the Consortium. Consortium Members can self-direct funds by notifying the Board of their jurisdictional funding self-direction recommendations **thirty (30) business days** prior to the Board's final meeting to develop recommendations for funding. Any of the available self-directed funds not allocated by individual Consortium Members will no longer be dedicated to self-direction and will be made available for allocation by the Board. If funds are allocated to a jurisdiction, but not used timely by that jurisdiction, the Board shall have the right to re-allocate those funds to other member jurisdictions in whole or in part.
- c. Disputes arising between Consortium Members regarding direction, policy, or procedure shall be resolved by the Board. Should the Board be unable to agree upon the resolution, it should be referred to the Legislative bodies of the Consortium Members for resolution. If no resolution is forthcoming, the parties may terminate this Agreement in accordance with Paragraph 6 below.

- d. Each Consortium Member shall be responsible for providing its own pro rata share of matching non-federal funds required by the Act for any HOME funds allocated and accepted for use by that Member.
- e. When conducting their own self-directed projects, Consortium Members shall use their own jurisdictions' general funding for expenditures of HOME projects, and subsequently request reimbursement of HOME funds from the Lead Entity. The Lead Entity shall review expenditure documentation prior to drawing down HOME funds from the U.S. Treasury and releasing those funds to the Consortium Member.
- f. Program Income, as defined at 24 CFR 92.2, generated by any HOME project will be held by the Lead Entity. Program Income shall be used first before any HOME funds are drawn or requested from HUD by the Lead Entity.
- g. Recaptured Funds. Recaptured funds received from any of the Consortium's homebuyer programs during the period of affordability shall be held by the Lead Entity and shall be used for eligible activities and in accordance with HOME requirements.
- h. Monitoring. The Lead Entity shall be responsible for reviewing the performance of each Subrecipient and Developer at least annually and shall continue to monitor projects and activities assisted with HOME funds during the corresponding period of affordability.
- i. When conducting their own self-directed projects, Consortium Members shall provide the Lead Entity with a semi-annual HOME Program activity report of all HOME funded projects. Consortium Members shall provide the Lead Entity

with semi-annual reports that capture and identify Program Income derived from the funded activities.

- j. Consortium Members shall cooperate with the Lead Entity for consolidation into one report the following reports, if applicable, for submission to HUD according to applicable deadlines: Impediments to Fair Housing, Citizen Participation Plan, Minority Business Enterprise/Women's Business Enterprise reports, Federal Cash Transaction reports, and annual HOME Consolidated Action Plan Evaluation Report(s) (CAPER) as well as preparing and submitting any other reports that are required by HUD.
- k. Repayments. Any HOME funds invested in housing that does not meet the affordability requirements, is terminated before completion, or is determined to be ineligible must be repaid to HUD by the Consortium. When conducting their own self-directed projects, each Consortium Member assumes full responsibility for repayment of HOME expenditures made within its jurisdiction that are disallowed by HUD.

5. AFFIRMATIVELY FURTHERING FAIR HOUSING

Each Consortium Member agrees to affirmatively further fair housing. The City of Provo, as Lead Entity for the Consortium, will conduct an assessment of fair housing within the jurisdiction corresponding with the PJs submittal of its Five-Year Consolidated Plan. Each Consortium Member will consider appropriate actions to overcome the effects of any impediments identified through that assessment and maintain records reflecting that assessment and actions in this regard.

6. EFFECTIVE DATE, DURATION AND TERMINATION

- a. This Agreement shall go into effect July 1, 2023, and shall continue in full force and effect for the consecutive three Federal Fiscal Years 2023, 2024 and 2025 (hereinafter, “Qualification Period”) during which the Consortium qualifies to receive HOME funds and which will end on June 30, 2026, unless HUD revokes the Consortium’s designation as a PJ, or Utah County fails to re-qualify as an Urban County for a Fiscal Year included in the Consortium’s Qualification Period, or the Consortium fails to receive a HOME allocation for the first Federal Fiscal year of the Consortium’s Qualification Period and does not request to be considered to receive a HOME allocation in each of the subsequent two years. The terms of this Agreement cover the period necessary to carry out all activities that will be funded from funds awarded during the indicated qualification period. This Agreement remains in effect until the HOME funds from each of the Federal Fiscal Years of the Qualification Period are closed pursuant to 24 CFR 92.507
- b. Pursuant to 24 CFR 92.101(e), during the Qualification Period additional UGLGs may join the Consortium, but no Consortium Members may withdraw from the Consortium or terminate this Agreement during the Qualification Period.
- i. New members may be added to the Consortium upon consent of a simple majority of the Consortium Board of Directors. When a new member is added, the Agreement will be amended accordingly, and the parties agree to execute such further instruments as may be reasonably required to effect such

amendment. The Agreement will be amended in the Federal Fiscal Year before the year in which the new member is to be added.

7. AUTOMATIC RENEWAL PROVISION.

- a. This Agreement shall automatically be renewed for the Consortium's participation in successive qualification periods of three federal fiscal years each. No later than the date specified by HUD's consortia designation notice or HOME Consortia web page, the Lead Entity shall notify each Consortium Member in writing of its right to decide not to participate in the Consortium for the next qualification period and the Lead Entity shall send a copy of each notification to the HUD field office.
- b. If a Consortium Member decides not to participate in the Consortium for the next qualification period, the Consortium Member shall notify the Lead Entity, and the Lead Entity shall notify the HUD Field Office, before the beginning of the new qualification period.
- c. Before the beginning of each new qualification period, the Lead Entity shall submit to the HUD Field Office a statement of whether any amendments have been made to this Agreement, a copy of each amendment to this Agreement, and, if the Consortium's membership has changed, and the State certification required under 24 C.F.R. 92.101(a)(2)(i). The Consortium shall adopt any amendments to this Agreement that are necessary to meet HUD requirements for consortium agreements in successive qualification periods.
- d. The automatic renewal of the Agreement will be void if:

- i. The Lead Entity fails to notify a Consortium Member, or the HUD Field Office as required under this automatic renewal provision; or
- ii. The Lead Entity fails to submit a copy of each amendment to this Agreement as required under this automatic renewal provision.

8. INTERLOCAL COOPERATION ACT.

The following provisions are included in this Agreement to comply with the requirements of the Interlocal Cooperation Act:

- a. Financing and Budget. The Provision for the financing of the cooperative actions contemplated by this Interlocal Cooperation Agreement and the budget thereof are found in Paragraph 4(b) hereof.
- b. Filing. The Parties shall each file a copy of this Agreement with the keeper of records of each of the parties hereto.
- c. Authorizing Resolutions. The respective Legislative bodies of the parties shall adopt resolutions authorizing this Agreement, which resolutions must include the authorization of the automatic renewal provision.
- d. Legal Opinion. Each of the parties has submitted this Agreement to its legal counsel for review as to proper form and compliance with applicable law.

9. INDEMNIFICATION.

All parties to this Agreement are governmental entities under the Utah Government Immunity Act as set forth in Title 63G, Chapter 7, Utah Code Ann., 1953 as amended. Consistent with the terms of that Act, it is mutually agreed that each party hereto shall be responsible and liable for its own wrongful or negligent acts which it commits, or which are committed by its agents, officials, or employees.

None of the parties hereto waive any defenses otherwise available under the Utah Governmental Immunity Act.

10. LAWFUL AGREEMENT.

The parties represent each of them have lawfully entered into this Agreement, having complied with all relevant statutes, ordinances, resolutions, by-laws, and other legal requirements applicable to their operation.

11. UTAH LAW.

This Agreement shall be interpreted pursuant to the laws of the State of Utah.

12. INTERPRETATION OF AGREEMENT.

The invalidity of any portion of this Agreement shall not prevent the remainder from being carried into effect. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number and vice versa, and the use of any gender shall include any other and all genders. The paragraph and section headings in the Agreement are for convenience only and do not constitute a part of the provisions hereof.

13. AMENDMENTS.

No oral modifications or amendments to this Agreement shall be effective, but this Agreement may be modified or amended by written Agreement signed by all Consortium Members. The Agreement may be amended to add provisions or for other reasons upon written approval from the Denver HUD Field Office.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly authorized and executed by each jurisdiction on the date specified on the respective signature pages.

SIGNATURE PAGE FOR **PROVO CITY**
HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT
for FEDERAL FISCAL YEARS 2023, 2024, AND 2025

Approved this _____ day of _____, 2022

By: _____

Michelle G. Kaufusi, Mayor

ATTEST: _____

Heidi Pepinos, City Recorder

ATTORNEY REVIEW

The undersigned, as the authorized attorney of Provo City, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with Utah Code 11-13-202. The terms and provisions of the Agreement are fully authorized under state and local law and the Agreement provides full legal authority for the Consortium to undertake or assist in undertaking housing assistance activities for the HOME Investment Partnerships Program.

Dated this _____ day of _____, 2022

By: _____

Legal Counsel for Provo City

SIGNATURE PAGE FOR **CITY of OREM**
HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT
for FEDERAL FISCAL YEARS 2023, 2024, AND 2025

Approved this _____ day of _____, 2022

By: _____

David Young, Mayor

ATTEST: _____

Orem City Recorder

ATTORNEY REVIEW

The undersigned, as the authorized attorney of City of Orem, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with applicable Utah State law.

Dated this _____ day of _____, 2022

By: _____

Legal Counsel for Orem City

SIGNATURE PAGE FOR **CITY of LEHI**
HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT
for FEDERAL FISCAL YEARS 2023, 2024, AND 2025

Approved this _____ day of _____, 2022

By: _____

Mark Johnson, Mayor

ATTEST: _____

Lehi City Recorder

ATTORNEY REVIEW

The undersigned, as the authorized attorney of City of Lehi, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with applicable Utah State law.

Dated this _____ day of _____, 2022

By: _____

Legal Counsel for Lehi City

SIGNATURE PAGE FOR **UTAH COUNTY**
HOME INVESTMENT PARTNERSHIPS PROGRAM
INTERLOCAL COOPERATION AGREEMENT
for FEDERAL FISCAL YEARS 2023, 2024, AND 2025

Approved this _____ day of _____, 2022

BOARD OF COUNTY COMMISSIONERS
UTAH COUNTY, UTAH

By: _____

Thomas Sakievich, Chair

ATTEST: _____

Utah County Clerk/Auditor

ATTORNEY REVIEW

The undersigned, as the authorized attorney of Utah County, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with applicable Utah State law.

Dated this _____ day of _____, 2022

By: _____

Utah County Attorney

RESOLUTION 2022-XX.

A RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT TO AUTHORIZE THE CITY OF OREM'S PARTICIPATION IN THE UTAH VALLEY HOME CONSORTIUM IN THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S HOME INVESTMENT PARTNERSHIPS PROGRAM FOR FEDERAL FISCAL YEARS 2023, 2024, AND 2025.

WHEREAS, The City of Orem ("City") recognizes the need to provide decent, safe, sanitary, and affordable housing for low income families within Utah County; and

WHEREAS the Utah Interlocal Cooperation Act, authorizes any two or more public agencies, as defined in the Act, to enter into agreements with one another for joint or cooperative action and to perform any governmental service, activity, or undertaking which each public agency entering into the agreement is authorized by law to perform; and

WHEREAS, it is in the public interest and welfare of the residents of the City to engage in a cooperative effort with Provo City, Lehi City, and Utah County by entering into an Interlocal Cooperation Agreement to continue the Utah Valley HOME Consortium ("Consortium") for the purpose of qualifying for and administering a United States Housing and Urban Development HOME Investment Partnerships Program (hereinafter referred to as the "HOME Program"), and other associated activities and projects in the County; and

WHEREAS, it is proposed that Provo City should act as Lead Entity for the Consortium to administer the HOME Program under and pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act; and

WHEREAS, after considering the facts presented to the Orem City Council, the Council finds (i) the Interlocal Cooperation Agreement ("Agreement") covering federal fiscal years 2023, 2024, 2025, including a provision to automatically renew the agreement, between the participating parties including the City should be executed, (ii) such Agreement forms a Consortium, states the purposes thereof, the extent of the required participation of the parties, and the rights, duties, and responsibilities and obligations of the parties in the conduct and administration of the HOME Program as specified therein; and (iii) execution of the Agreement reasonably furthers the health, safety and general welfare of the citizens of City of Orem.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The Agreement, as attached hereto, entitled the HOME Investment Partnerships Program Interlocal Cooperation Agreement relating to the establishment and conduct of the Utah Valley HOME Consortium United States Housing and Urban Development HOME Program for Federal Fiscal Years 2023, 2024, and 2025 is hereby approved and the Mayor is authorized and directed to execute the Agreement.
2. This Resolution shall take effect immediately upon passage.
3. All other resolutions and policies in conflict herewith, either in whole or in part, are hereby repealed.

PASSED AND APPROVED this **28th** day of **June** 2022.

David A. Young, Mayor

ATTEST:

JoD'Ann Bates, City Recorder

COUNCILMEMBER	AYE	NAY	ABSTAIN
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Mayor David A. Young	☐	☐	☐
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Jeff Lambson	☐	☐	☐
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Debby Lauret	☐	☐	☐
Tom Macdonald	☐	☐	☐
LaNae Millett	☐	☐	☐
Terry Peterson	☐	☐	☐
David Spencer	☐	☐	☐

MAYOR PRO TEM

<i>Year</i>	<i>January-June</i>	<i>July-December</i>
2010	Margaret Black	Karen McCandless
2011	Brent Sumner	Carl Hernandez
2012	Mary Street	Mark Seastrand
2013	Karen McCandless	Margaret Black
2014	Brent Sumner	Hans Andersen
2015	Tom Macdonald	David Spencer
2016	Mark Seastrand	Brent Sumner
2017	Debby Lauret	Sam Lentz
2018	Tom Macdonald	Mark Seastrand
2019	David Spencer	Brent Sumner
2020	Debby Lauret	Terry Peterson
2021	Jeff Lambson	David Spencer
2022	Terry Peterson	LaNae Millett
2023	Jeff Lambson	Dave Spencer
2024	Tom Macdonald	Debby Lauret



**CITY OF OREM
CITY COUNCIL
MEETING
JUNE 28, 2022**

REQUEST:	RESOLUTION - Utah State Retirement Contribution Amendment
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	

REQUEST:

BACKGROUND:

RECOMMENDATION:

RESOLUTION NO. _____

A RESOLUTION OF THE OREM CITY COUNCIL AUTHORIZING THE PICK-UP OF SPECIFIED EMPLOYEE CONTRIBUTIONS TO THE NEW PUBLIC SAFETY AND FIREFIGHTER TIER II CONTRIBUTORY RETIREMENT SYSTEM

WHEREAS, the City employs employees who are eligible for and participate as members in the New Public Safety and Firefighter Tier II Contributory Retirement System administered by the Utah Retirement Systems (the "Plan"); and

WHEREAS due to the cost of enhancements to the Plan, beginning on July 1, 2022 employees in the Plan will be required to contribute 2.59% of their salary or wages to the Plan; and

WHEREAS, in accordance with federal and state law, including Section 414(h)(2) of the Internal Revenue Code, employers may take formal action to pick up required employee contributions, which will be paid by the employer in lieu of employee contributions; and

WHEREAS, the City desires to formally pick up the FY 2022/2023 employee contributions required to be paid under Subsection 49-23-301(2)(c), as enacted in S.B. 56, Public Safety and Firefighter Tier II Retirement Enhancements (2020 General Session), for all City employees participating in the New Public Safety and Firefighter Tier II Contributory Retirement System.

NOW, THEREFORE, BE IT RESOLVED THE CITY OF OREM, UTAH AS FOLLOWS:

1. The City of Orem shall prospectively pick up and pay required employee contributions for all City employees who are members of the New Public Safety and Firefighter Tier II Contributory Retirement System, subject to a maximum of 2.59% of compensation for each eligible employee (the full amount of the employee contribution for FY 2022/2023).
2. The City Council authorizes the City Manager to sign and submit the Employer Election to Pick-Up Member Contributions form attached hereto as **Exhibit "A"** and incorporated herein by reference, in which the City of Orem agrees to pick up eligible employee contributions to the Plan of up to 2.59% of salary or wages.
3. The picked-up contributions paid by the City, even though designated as employee contributions for state law purposes, are being paid by the City on behalf of its eligible employees in lieu of the required employee contributions.
4. The picked-up contributions will not be included in the gross income of the employees for tax reporting purposes, that is, for federal or state income tax withholding taxes, until distributed from the Utah Retirements Systems, so that the contributions are treated as employer contributions pursuant to Section 414(h)(2) of the Internal Revenue Code.
5. The picked-up contributions are a supplement and not a salary reduction to the City employees who are eligible for and participating members in the New Public Safety and Firefighter Tier II Contributory Retirement System.

6. From and after the date of this pick-up, a City employee may not have a cash or deferred election right with respect to the designated employee contributions, including that the employees may not be permitted to opt out of the pick-up and may not be entitled to any option of choosing to receive the contributed amounts directly instead of having them paid by the City on behalf of its employees to the Utah Retirement Systems.
7. If any part of this resolution shall be declared invalid, such decision shall not affect the validity of the remainder of this resolution.
8. All ordinances, resolutions and policies in conflict herewith are hereby repealed.
9. This resolution shall take effect immediately upon passage, with an implementation date of July 1, 2022.

PASSED AND APPROVED this 28th day of June, 2022.

David A. Young, Mayor

ATTEST:

JoD’Ann Bates, City Recorder

COUNCILMEMBER	AYE	NAY	ABSTAIN
Mayor David A. Young	☐	☐	☐
Jeff Lambson	☐	☐	☐
Debby Lauret	☐	☐	☐
Tom Macdonald	☐	☐	☐
LaNae Millett	☐	☐	☐
Terry Peterson	☐	☐	☐
David Spencer	☐	☐	☐



Utah Retirement Systems Tier 2 Public Safety & Firefighter “Pick-up” Rate Increase

Background information:

Effective July 1, 2020 enhancements to Tier 2 Public Safety & Firefighter retirement benefits took effect. The enhancements apply to new and current employees in the Tier 2 Public Safety & Firefighter Retirement system for benefits earned after July 1, 2020.

Due to the cost of the plan enhancements, contributions to the Tier 2 Public Safety & Firefighter Hybrid plan will be made by the employer (14%) and the employee (2.27%).

However, an employer may “pick-up” the employee’s portion of the retirement contribution and treat it as an employer contribution under IRS code.

In order to “pick-up” the employee contributions, an employer must take formal action to provide that the contributions on behalf of all Tier 2 Public Safety & Firefighter members, although designated as employee contributions, will be paid by the agency in lieu of employee contributions.

If an employer “picks-up” the contributions for its employees, they must also pay an equal non-elective contribution to Tier 2 Public Safety & Firefighter members in the Defined Contribution Plan.

FY 22/23 Updates:

Effective July 1, 2022 the rate of the “pick-up” cost is increasing from 2.27% to 2.59%. The .32% increase was budgeted for in the FY 22/23 budget.

URS requires that the increase be approved by resolution.

With nearly every city in the state paying the pick-up costs for their Tier 2 Public Safety and Fire employees it is important that the City of Orem remain competitive and also continue to pay the pick-up cost.



**CITY OF OREM
CITY COUNCIL
MEETING
JUNE 28, 2022**

REQUEST:	ORDINANCE - Amending Chapter 23 of the Orem City Code for Storm Water Utility
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	

REQUEST:

BACKGROUND:

Chapter 23 of the Code of Ordinances, which addresses the Storm Water Utility has been updated to clarify language, address deficiencies and to come into compliance with new regulations. Basic changes include clarification of some definitions, fixing basic grammatical errors, adding and updating hyperlinks, removing references to gender as it applies to titles, changing employee titles, reformatting some areas to consolidate space, and delete some sections that were unnecessarily repetitive. More extensive changes include adding a new \$1,000 bond to ensure property owners continue to comply with storm water regulations after construction is completed and before landscaping is installed. Requirements were also added to the Long Term Storm Water Management Plan section to require the developer to complete a questionnaire during the planning process to assist in the review of plans, and to provide a map as part of final approval showing locations of site improvements designed to control and treat storm water. Finally, a retrofitting plan will require redeveloped properties larger than one acre as well as established properties that adversely impact storm water quality, to come into compliance with measures to manage and protect storm water.

RECOMMENDATION:

ORDINANCE NO. _____

AN ORDINANCE OF THE OREM CITY COUNCIL
AMENDING CHAPTER 23 OF THE OREM CITY CODE
STORM WATER ORDINANCE

WHEREAS the City of Orem owns and operates a storm water utility and storm water system pursuant to Chapter 23 of the Orem City Code; and

WHEREAS Chapter 23 of the Orem City Code must be amended to reflect changes made to and requirements contained in the United States Environmental Protection Agency's Storm Water Phase II Rule, which requires storm water system operators such as the City to develop and maintain storm water management programs meeting specific criteria, and to reflect changes to the City's Utah Pollutant Discharge Elimination System Permit; and

WHEREAS the Orem City Council finds it necessary to amend Chapter 23 of the Orem City Code to: bring it into compliance with all federal and state rules and regulations applicable to local storm water management; make other amendments necessary for the continued operation of the storm water system; and update and clarify provisions within the ordinance. The amendments are set forth in Exhibit A attached hereto; and

WHEREAS this matter having been submitted to the Orem City Council on June 24, 2022, and the Orem City Council finding that the proposed amendments are in the best interest of the City and necessary to protect and preserve the health, safety and general welfare of the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, AS FOLLOWS:

1. Chapter 23 of the Orem City Code is hereby amended and enacted to read and be numbered as set forth in Exhibit A which is attached hereto and incorporated herein by reference.
2. If any part of this ordinance shall be declared invalid, such decision shall not affect the validity of the remainder of this ordinance.
3. All other ordinances, policies, and resolutions in conflict herewith are hereby repealed.
4. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

PASSED, APPROVED, AND ORDERED PUBLISHED this 24th day of June 2022.

David A. Young, Mayor

ATTEST:

JoD'Ann Bates, City Recorder

COUNCILMEMBER

AYE

NAY

ABSTAIN

Mayor David A. Young
Jeff Lambson
LaNae Millett
Tom Macdonald
Terry Peterson
David Spencer

☐	☐	☐
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☐	☐	☐
☐	☐	☐
☐	☐	☐
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Exhibit A

DRAFT

CHAPTER 23. STORM WATER ~~UTILITY~~

Contents:

Article 23-1. Storm Water Utility.

Article 23-2. Definitions.

Article 23-3. Storm Water System.

Article 23-4. Best Management Practices.

Article 23-5. Violations, Enforcement, and Penalties.

Article 23-1. Storm Water Utility

Contents:

23-1-1. Findings.

23-1-2. Purpose.

~~23-1-3. Storm Water Utility~~ Definitions.

23-1-4. Storm Water Utility.

23-1-5. Storm Water Utility Fee.

23-1-6. Billing.

23-1-1. Findings.

The City Council makes the following findings regarding storm water runoff and the City's storm water system:

A. The City's existing storm water system consists of a network of man-made and natural facilities, structures, and conduits, including groundwater and aquifers, that collect and ~~onvey route~~ storm water runoff.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

B. The City's existing storm water system does not adequately handle the storm water runoff generated in the City.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027; Amended 08/25/2015)

C. The City's anticipated growth will place increased demands on the already inadequate storm water system.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027; Amended 08/25/2015)

D. Uncontrolled or inadequately controlled storm water runoff endangers ~~he City's~~ groundwater ~~supply~~.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

E. Uncontrolled or inadequately controlled storm water runoff causes erosion and property damage.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

F. Uncontrolled or inadequately controlled storm water runoff hinders the City's ability to provide emergency services to its residents.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

G. Uncontrolled or inadequately controlled storm water runoff impedes the regular flow of traffic in the City.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

H. Uncontrolled or inadequately controlled storm water runoff poses health hazards to the citizens of the community.

I. (Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002) Storm water runoff carries concentrations of oil, grease, nutrients, chemicals, heavy metals, toxic materials, and other ~~undesirable~~ materials that may jeopardize the integrity of roundwater ground waters and receiving waters, potentially impacting including the City's culinary water supply.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

- J. All developed properties in the City contribute to the need for the storm water system by converting natural ground cover into impervious surfaces.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027; Amended 08/25/2015)
- K. All developed properties in the City make use of or benefit from the City's operation and maintenance of the storm water system.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)
- L. The State Department of Environmental Quality (DEQ) has determined that some of the City's storm water sumps must be included on the prioritized contamination sources for culinary wells.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)
- M. The Environmental Protection Agency (EPA) EPA and the DEQ require compliance to the NPDES and UPDES in order to discharge storm water runoff into waters of the State, including i-ncluding groundwater are developing additional storm-water-permitti-ng requirements that will apply to cities of Orem's size.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)
- N. Absent effective maintenance, operation, regulation, and control, existing storm water drainage conditions in the City constitute a potential hazard to the health, safety, and general welfare of the City, its residents, and its businesses.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)
- O. A Storm Water Utility is the most equitable and efficient method of managing storm water in the City and ensuring that each property in the City pays its fair share of the amount that the property contributes to, benefits from, and otherwise uses the storm water system.
(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027; Amended 08/25/2015)

23-1-2. Purpose.

The purpose of this ordinance is to protect the health, safety and welfare of the City and its inhabitants by improving the City's -orm water system, managing and controlling storm water runoff, protecting property, preventing polluted waters from entering the City's water supply and other receiving waters, and establishing a viable and fair method of financing the construction, operation and maintenance of the storm water system.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

23-1-3. Storm Water Utility Definitions.

The following bolded words and phrases shall be defined as follows:

Developed parcel. Any parcel that has been altered from its natural condition by grading, filling, or the construction of improvements or other impervious surfaces.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

Equivalent Service Unit ("ESU"). The average amount of impervious surface, expressed in square feet, on developed single family residential parcels in Orem. One ESU equals 2,700 square feet of impervious surface area.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

Impervious surface. Any hard surface, other than the natural surface, that prevents or retards the absorption of water into the soil, or that causes water to run off the surface in greater quantities or at a greater rates of flow than the natural surface.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-02-0033, Amended, 09/24/2002)

23-1-4. Storm Water Utility.

- A. **Creation.** The City Council hereby creates and establishes a storm water utility as part of the City's overall sewer system. The storm water utility shall plan, design, construct, maintain, administer, and operate the City's storm water system.

B. **Enterprise Fund.** The City Council hereby establishes a storm water utility enterprise fund to handle all income, expenses, and other financial transactions related to the storm water utility. All storm water utility service charges shall be deposited in the enterprise fund. Money in the storm water utility enterprise fund shall not be commingled with or transferred to other City funds. However, the storm water utility may pay other City funds for services and expenses directly attributable to the storm water utility. The enterprise fund shall be operated according to State law and City policy.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

C. **Facilities and Assets.** The storm water utility shall operate independently of City operations funded by the general fund. The storm water utility shall have the same relationship to the City as other City utilities, such as the water utility and the sanitary sewer (waste water) utility. Upon creation of the utility, all of the City's storm water facilities and assets (other than streets and other facilities and assets designated by the City Manager) shall be transferred to the storm water utility in consideration for the storm water utility's agreement to take primary responsibility for planning, designing, constructing, maintaining, administering and operating the City's storm water system.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

D. **Administration.** The storm water utility shall be administered by the City's Public Works Director.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

23-1-5. Storm Water Utility Fee.

A. **Imposed.** Each developed parcel of real property in the City shall be charged a storm water utility fee.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

B. **ESU.** The fee shall be based on the number of equivalent service units (ESUs) contained in the parcel. The City Council finds that the ESU is the most accurate measurement for determining the amount that each parcel contributes to, benefits from, and otherwise uses the storm water utility. Based on a study completed by an independent engineer, the City Council finds and establishes that one ESU equals 2,700 square feet of impervious surface area.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

C. **Calculation.** The City Council finds that each single family residential parcel contributes approximately the same amount of storm water runoff; therefore, each developed single family residential parcel shall pay a base rate of one (1) ESU. All non-single family residential parcels shall pay a multiple of this base rate, expressed in ESUs, according to the measured impervious area on the parcel. The City Council may adopt separate rates for PRDs, condominiums and other uses that are not easily handled under the standard rate schedule.

(Ord. No. O-96-0006, Enacted, 03/26/96)

D. **Charge per ESU.** The amount charged for each ESU shall be established by resolution of the City Council.

(Ord. No. O-96-0006, Enacted, 03/26/96)

E. **Exemptions and Credits.** The City Council may establish exemptions and credits to the storm water utility fee by resolution.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

F. **Policies.** The Public Works Director may adopt policies, consistent with this ordinance and any resolutions passed by the City Council, to assist in the application, administration, and interpretation of this ordinance and any resolutions related to the storm water utility.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

G. **Appeals.** Any person or entity that believes that this ordinance, or any storm water utility rate resolution, was interpreted or applied erroneously may appeal to the Public Works Director ("Director"). The appeal shall be in writing, shall state any facts supporting the appeal, and shall be made within ten (10) days of the decision, action, or bill being appealed. The Director may elect to hold a hearing on the appeal. The Director shall decide the appeal within ten (10) days of when the appeal is filed. If the person or entity is not satisfied with the Director's decision, a further appeal may be made to

the City Manager (or ~~his or her~~ designee). The appeal to the City Manager shall follow the same procedure as the appeal to the Director. The City Manager's decision shall be final and binding on all parties.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

23-1-6. Billing.

The City Council finds that the City's storm water system, sanitary sewer system, culinary water system, and solid waste collection system are interrelated services that are part of a unified City plan to provide for the health, safety, and welfare of the City and its residents in an environmentally responsible manner. Therefore, the storm water utility fee shall be included on the City's regular monthly utility bill for any given property. If there is no regular utility bill for the property, the storm water utility fee shall be charged to the owner of the property. The fee shall be deemed a civil debt owed to the City by the person or entity paying for the City utility services provided to the property. All properties shall be charged the fee, regardless of whether or not the owner or occupant of the property requests the storm water utility service. Failure to pay any portion of the utility bill may result in termination of water service.

(Ord. No. O-96-0006, Enacted, 03/26/96; Ord. No. O-2015-0027; Amended 08/25/2015)

Article 23-2. Definitions

Contents:

23-2-1. Definitions.

23-2-1. Definitions.

The following bolded words and phrases shall be defined as follows for the purpose of Articles [23-3](#), [23-4](#), and [23-5](#):

Applicant. A property owner or agent of a property owner who has filed an application for any storm water management permit or plan required by this Chapter.

Ord. No. O-2015-0027; Enacted 08/25/2015

Administrative Fine. A fine assessed by the Director against a property owner or [developer](#) for violating one or more of the provisions of this Chapter.

Ord. No. O-2015-0027; Enacted 08/25/2015

Best Management Practices (BMPs). A wide range of management procedures, schedules of activities, prohibitions of practices, maintenance procedures, and other management practices which have been demonstrated to effectively control the quality and/or quantity of storm water runoff and which are compatible with the planned land use. BMPs also include specific treatment requirements, operating procedures, and practices to control site runoff, spillage or leaks, sludge or water disposal, or drainage from raw material storage. A list of sample BMPs and their effectiveness ratings can be found in the current *City of Orem Storm Water Quality Credit Package* (available at the City of Orem Public Works Department, www.orem.org, or as found in this Chapter). Other acceptable BMPs can be found in A Guide to Low Impact Development within the State of Utah.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-2015-0027; Amended 08/25/2015)

Building. Any structure, either temporary or permanent, having ~~walls and~~ a roof, designed for the shelter of any person, animal, or property.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Catch Basin. A drain inlet designed to capture storm water runoff and direct it into an underground pipe. A catch basin is designed to keep out large or obstructive matter.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [6-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002)

Channel. A natural or artificial typically above ground watercourse with a definite bed and banks that conducts continuously or periodically flowing water. Can also be referred to as a swale.

City Manager. The City of Orem City Manager or ~~his or her~~ designee.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [6-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002)

City Public Works Officer. A city employee(s) designated by the City to enforce this ordinance.

(Ord. No. O-08-0036, Enacted 12/09/2008)

Common Plan of Development or Sale. One plan for development or sale, separate parts of which are related by any announcement, piece of documentation (including a sign, public notice or hearing, sales pitch, advertisement, drawing, plat, blueprint, contract, Permit application, zoning request, computer design, etc.), physical demarcation (including contracts) that identify the scope of the project. A plan may still be a common plan of development or sale even if it is taking place in separate stages or phases, is planned in combination with other construction activities, or is implemented by different owners or operators.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Debris. Any dirt, rock, sand, vegetation, rubbish, or litter.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Dechlorinated Water. Water with all traces of chlorine removed.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Dedication. The deliberate appropriation of property by its owner for a specified~~general public~~ use.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Detention. The temporary storage of storm water runoff in a storm water management practice with the goals of controlling peak discharge rates and providing gravity settling of pollutants.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Detention Basin. A stabilized or landscaped depression designed to detain storm water runoff until downstream storm water resources are less heavily taxed. A detention basin contains an inlet and an outlet, allows [debris](#) to settle out, and regulates water flow.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Developer. A person(s) who undertakes land disturbance activities.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Development. Any ~~man-made~~~~manmade~~ change to improved or unimproved real estate, including but not limited to site preparation, filling, grading, paving, excavation, and construction of buildings or other structures.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Director. The Public Works Director of the City of Orem or designee ~~his duly appointed deputy, agent, or representative~~.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Disturb. To alter the physical condition, natural terrain, or vegetation of land by clearing, grubbing, grading, excavating, filling, building or other construction activity.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Drain Inlet. A point of entry into a sump, detention basin, or storm water system.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Drainage facility. A natural or constructed or engineered feature that collects, conveys, stores or treats surface and storm water runoff. Drainage facilities shall include but not be limited to all constructed or engineered streams, ~~pipes-pipelines~~, channels, ditches, gutters, lakes, wetlands, closed depressions, flow control or water quality treatment facilities, erosion and sedimentation control facilities, and other drainage structures and appurtenances that provide for drainage.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Erosion and Sediment Control Plan. A plan that is designed to minimize the accelerated erosion and sediment runoff at a site during construction activities.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Groundwater. Water in a saturated zone or stratum beneath the surface of the land or below a surface water body.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Hazardous Material. Any material, including ~~any substance~~, waste from, or combination thereof, which, because of its quantity, concentration, or physical, chemical, or infectious characteristics, may cause, or significantly contribute to, a substantial presence or potential hazard to human health, safety, property, or the environment when improperly treated, stored, transported, disposed of, or otherwise managed. Hazardous material includes, but is not limited to, any hazardous substance designated under 40 CFR part 116 pursuant to section 311 of the Clean Water Act.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Hearing Officer. The person(s) designated to hear appeals pursuant to Article 23-5. The Hearing Officer shall be the Orem City Manager or ~~his or her~~ designee. The designee need not be a City employee. The City Manager may also appoint a committee to function as the Hearing Officer.

(Ord. No. O-08-0036, Enacted 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Illicit Connection. Illicit connection means either of the following:

1. Any drain or conveyance, whether on the surface or subsurface, which allows an illicit discharge to enter the storm water system. Examples include, but are not limited to, any conveyances which allow non storm water discharge such as sewage, process wastewater, or wash water to enter the storm water system, and any connections to the storm water system from indoor drains or sinks, regardless of whether said drain or connection had been previously allowed, permitted, or approved by a government agency; or
2. Any drain or conveyance connected to or discharging to the storm water system, which has not been (1) documented in plans, maps, or equivalent records submitted to the City, and (2) approved in writing by the City.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Illicit Discharge. Any non-storm water discharge to the storm water system or waters of the State. Illicit discharges include both direct connections (e.g. wastewater piping either mistakenly or deliberately connected to the storm water system or waters of the State) and indirect connections (e.g. infiltration into or directly collected by the storm water system or waters of the States~~ills collected by drain inlets~~).

Any intentional or accidental discharge directly into the storm drain inlet by any person or equipment that introduces a Non-storm water discharge (e.g. chemical disposal, used oil or any other contaminated water or liquid that is not strictly rain water).

O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Impaired Waters. Those waters (rivers, lakes, streams) that currently do not meet their designated use classification and associated water quality standards under the Clean Water Act.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Industrial Storm Water Permit. A Utah Pollutant Discharge Elimination System permit issued to a commercial industry or group of industries which regulates the pollutant levels associated with industrial storm water discharges or specifies on-site pollution control strategies.

Infiltration. The process of percolating storm water into the subsoil

(Ord. No. O-2015-0027; Enacted 08/25/2015) (Ord. No. O-2015-0027; Enacted 08/25/2015)

Infiltration Facility. Any structure ~~or~~ device or property improvement designed to infiltrate retained water to the subsurface. These facilities may be above grade or below grade.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Inspection and Maintenance Agreement. A legally recorded document that acts as a property deed restriction, and which provides for long-term maintenance of storm water best management practices.

~~Inspection and Maintenance Agreement was moved to be in alphabetical order.~~ (Ord. No. O-2015-0027; Enacted 08/25/2015)

Land Development. Any development of a parcel, lot, subdivision plat or site plan. If there is more than one lot in the subdivision plat or site plan, all lots in the subdivision plat or site plan shall jointly be considered to be part of the land development.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Land Disturbance Activity. Any activity on property that results in a change in the existing soil cover (both vegetative and nonvegetative) and/or the existing soil topography. Land disturbing activities include, but are not limited to, development, redevelopment, demolition, construction, reconstruction, clearing, grading, filling, and excavation.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Land Disturbance Permit means City land disturbance permit issued pursuant to Article 23-4-7 of this ordinance.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Landowner. The legal or beneficial owner of land, including those holding the right to purchase or lease the land, or any other person holding proprietary rights in the land.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Long-term Storm Water Management Plan (LTSWMP). The concept and final plan that must be approved for post construction storm water best management practices and maintenance pursuant to Section 23-4-8.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Low Impact Development (LID). Is an approach to development (or redevelopment) that works with nature to more closely mimic predevelopment hydrologic functions. LID employs principles such as preserving and recreating natural landscape features, minimizing effective imperviousness to create functional and appealing site drainage that treats storm water as a resource rather than a waste product.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

~~**Inspection and Maintenance Agreement.** A legally recorded document that acts as a property deed restriction, and which provides for long-term maintenance of storm water best management practices.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

~~**Nonstorm Water Runoff.** Any runoff other than storm water.~~

MS4. Small Municipal Separate Storm Sewer System.

Nonpoint Source Pollution. Pollution from any source other than from any discernible, confined, and discrete conveyances, and shall include, but not be limited to, pollutants from agricultural, silvicultural, mining, construction, subsurface disposal and urban runoff sources.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

~~**Nonstorm Water Runoff.** Any runoff other than storm water.~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

Notice of Intent (NOI). An application to notify the permitting authority of a facility's intention to be covered by a general permit.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

~~**Notice of Termination (NOT).** An application to notify the permitting authority of a facility's intention to terminate general permit coverage.~~

NPDES. National Pollutant Discharge Elimination System.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Person. Any individual, corporation, partnership, association, company, or body politic, including any agency of the State of Utah and the United States government.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Point Source. Is any discernible, confined, and discrete conveyance from which pollutants are or may be discharged.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Pollutant. A substance or energy introduced into the environment that has undesired effects, or adversely affects the usefulness of a resource. ~~Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, industrial, municipal and agricultural waste, paints, varnishes, and solvents; oil and other automotive fluids; nonhazardous liquid and solid wastes and yard wastes; refuse, rubbish, garbage, litter. Also includes, but is not limited to: other discarded or abandoned objects, articles, and accumulations, that may cause or contribute to pollution; floatables; pesticides, herbicides, and fertilizers; hazardous substances and wastes; sewage, fecal coliform and pathogens; dissolved and particulate metals; animal wastes; wastes and residues that result from constructing a building or structure (including but not limited to sediments, slurries, and concrete resins); and noxious or offensive matter of any kind.~~

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Pollution. Alteration of the physical, chemical or biological properties of any waters of the State ~~tate waters~~ that ~~s~~ will or is likely to create a nuisance or render such waters ~~harmful or detrimental or injurious to the~~ public health, safety, or welfare; ~~or to the health of animals, fish or aquatic life; and/or is unsuitable with reasonable treatment for use as present or possible future sources of public water supply; and/or is unsuitable for its designated use.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Pretreatment. A structure or process that removes sediment, oils, and floatables from storm water.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-1](#); Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Redevelopment. The replacement or improvement of impervious surfaces on a developed site.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Responsible Person. The person(s) responsible for correcting or abating a violation pursuant to this ordinance. The responsible person includes the landowner and any person, who causes or permits a violation to occur or remain upon property in the City, and includes but is not limited to the landowner(s), lessor(s), lessee(s), or other person(s) entitled to control, use, and/or occupy property where a violation occurs. In cases where there is more than one responsible ~~person~~persons the City may proceed against one, some, or all of them.

(Ord. No. O-08-0036, Enacted 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Storm Drain. A closed conduit for conducting collected storm water.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Storm Water System. The system of conveyances (including ~~sidewalks~~, roads with drainage systems, municipal streets, catch basins, detention basins, curbs, gutters, ditches, man-made channels, sumps, storm drains, and ground water)-owned and operated by the City, which is designed and used for collecting or conveying storm water. The storm water system is also referred to as an "MS4".

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Storm Water Connection Permit. The permit that must be obtained pursuant to Section 23-3-4.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Storm Water. Any flow that occurs during or following any form of natural precipitation. Storm water includes only the portion of such flow that is composed of precipitation.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008)

Storm Water Management Facility. Any drainage structures, conduits, ditches, combined sewers, sewers, and all device appurtenances by means of which storm water is collected, transported, pumped, treated or disposed of.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Storm Water Management Plan. Any plan or permit required by this ordinance that has been approved by the City and requires any storm water management practices which includes but is not limited to a Storm Water Connection Permit, Land Disturbance Permit, or a Final Long-term Storm Water Management Plan.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Storm Water Management Permit. Any and all permits issued pursuant to this ordinance.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Storm Water Pollution Prevention Plan (SWPPP). A document that is prepared in accordance with good engineering practices and that identifies potential sources of pollution that may reasonably ~~be~~be-expected to affect the quality of storm water discharges. In addition, the document shall describe and ensure the implementation of best management practices and other practices that will be used to minimize or prevent ~~educe~~ pollutants in storm water discharges.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Storm Water Runoff. Storm water that ~~Water that is generated by storm water~~ flows over land, including snowmelt runoff, surface runoff, and drainage.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-1; Ord. No. O-02-0033, Amended, 09/24/2002; Ord. No. O-08-0036, Renumbered 12/09/2008; Ord. No. O-2015-0027, Amended 08/25/2015)

Sump. A formalized underground structure, surrounded by drain rock that acts as a detention basin to allow the slow release of water into the surrounding sub-soil. Sumps usually receive storm water runoff from paved areas such as streets, parking lots, etc. Sumps are also known as Class V injection wells.

Total Maximum Daily Load (TMDL). Refers to a study that 1) quantifies the amount of a pollutant in a ~~stream, lake or other~~ water body; 2) identifies the source(s) of the pollutant; and 3) recommends regulatory or other actions that may need to be taken in order for the ater body stream to meet water quality standards.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Watercourse. A permanent or intermittent stream or other body of water, either natural or man-made, which gathers or carries surface water.

UPDES refers to the Utah Pollutant Discharge Elimination System.

(Ord. No. O-2015-0027; Enacted 08/25/2015) (Ord. No. O-2015-0027; Enacted 08/25/2015)

80th Percentile Rainfall Event. This is a rainfall event occurring in a defined geographic area where the daily rainfall total is less than or equal to 80 percent of all daily rainfall events over an extended period of record. The City's 80th percentile retention requirement is 0.5". This amount was determined by analyzing local weather station data recorded in the City of Orem.

(Ord. No. O-2020-0014, Enacted 6/30/2020)

Article 23-3. Storm Water System.

Contents:

23-3-1. Purpose.

23-3-2. Prohibited Obstructions.

23-3-3. Requirements for Sumps.

23-3-4. Storm Water Connection Permit.

23-3-5. Easements.

23-3-6. Authority to Inspect.

23-3-7. Requirements to Monitor and Analyze.

23-3-8. Damage to Storm Water System or Irrigation Lines.

23-3-9. Manhole Covers.

23-3-1. Purpose.

The purposes of this Article are as follows:

A. To minimize the introduction of ollutants into the storm water system.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-2](#); Ord. No. O-02-0033, Rep&ReEn, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

B. To comply with State and Federal laws and regulations.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [6-4-2](#); Ord. No. O-02-0033, Rep&ReEn, 09/24/2002)

C. To provide a means to monitor and control discharges to the Storm Water System.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, [16-4-2](#); Ord. No. O-02-0033, Rep&ReEn, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-2. Prohibited Obstructions.

A **Unlawful Obstructions.** It is unlawful for any person to:

- 1 Obstruct the flow of water in the storm water system.
- 2 Contribute to the obstruction of the flow of water in the storm water system.
- 3 Cover or obstruct any rain inlet.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-3; Ord. No. O-02-0033, Rep&ReEn, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

B **Exceptions.** The following obstructions are exempt from the prohibitions of this section:

- 1 Street and/or storm water improvement projects authorized by the City.
- 2 Flood control and prevention activities performed by the City.
- 3 Obstructions approved by the City as part of a site's storm water management plan.
- 4 Obstructions occurring during clean-up periods established by the City, provided that the materials are placed according to City directions ~~and do not obstruct drain inlets~~.

(Ord. No. O-93-0003, Enacted, 02/02/93; Ord. No. O-96-0006, Rep&ReEn, 03/26/96, 16-4-3; Ord. No. O-02-0033, Rep&ReEn, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-3. Requirements for Sumps.

It is unlawful for any person to construct a sump in the City unless (1) the sump has been approved by the City, (2) the sump is designed to separate sediments, oil and grease, and floatables from the storm water, (3) the sump complies with applicable City Construction Standards and Specifications, and (4) the new sump installation has been reported to the Utah Department of Water Quality (DEQ).. -

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-4. Storm Water Connection Permit.

A. **Permit Required.** ~~Except as provided for in Section 23-4-7, no~~ person shall connect to the City's storm water system without first obtaining a ~~Storm Water Connection Permit~~ (Permit) from the City. The requirement to obtain a Storm Water Connection Permit applies to direct connections to the storm water system (e.g. a piped connection to a piped portion of the storm water system) and indirect connections to the storm water system (e.g. discharges to sumps that are located on private property, or overland discharges to sumps that are part of the storm water system). The Storm Water Connection Permit described in this Section is a long-term permit designed to protect the storm water system, and is separate and distinct from the shorter term Land Disturbance Permit described in Section 23-4-7, which is designed to protect the storm water system during specified construction activities.

(Ord. No. O-02-0033, Enacted, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

B. **Construction and development.** Without affecting the generality of subsection A above, any person beginning any type of construction requiring a building permit that is not governed by Section 23-4-7 shall obtain a Storm Water Connection Permit before commencing construction.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

C. **Exempt Connections.** The following connections to the storm water system are exempt from the requirement to obtain a Storm Water Connection Permit:

1. Connections from a detached single family residence, provided that the runoff from the residence is handled according to a plat or site plan approved by the City. However, any person desiring to use a basement pump, foundation drain, or other related fixture directly or indirectly connecting to the storm water system ~~not on the site~~ plan, must obtain a Storm Water Connection Permit.
2. Connections made by the City.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

D. **Application.** The applicant for a Storm Water Connection Permit shall submit the following to the City's Development

Services Department:

1. **Application Form.** A completed application form. If the applicant proposes to obtain the Storm Water Connection Permit in conjunction with another development activity requiring City approval (e.g. building permit, subdivision plat, site plan, or conditional use permit), the application for the ~~Storm Water Connection~~ Permit will be included as part of ~~the application form for the~~ entire site proposal/other development activity. If the applicant proposes to obtain the Permit independent of any other City approval, the applicant shall apply for the Permit on a separate form prepared by the City. Application forms will be available at the City's Public Works and Development Services Departments.
2. **BMP Plan.** A Best Management Practices (BMP) plan.
 - a. **Requirements.** The BMP plan shall designate specific MPs that the applicant will use to regulate, control, and facilitate storm water discharges from the site. All BMP plans shall provide for retreatment of storm water unless the applicant demonstrates to the satisfaction of the Development Review Committee (DRC) that pretreatment is not necessary because of (1) lack of pollutants in the storm water from the site, or (2) insufficient quantity of storm water from the site.
 - b. **Purpose of BMPs.** The BMPs shall be designed to ensure that the quality and quantity of storm water discharged to the City's storm water system or waters of the State meet the requirements of federal, state, and local laws and regulations and the City's UPDES permit, and will not exceed the designed capacity of the storm water system or jeopardize the integrity of the storm water system.
 - c. **Acceptable BMPs.** BMPs may be structural and/or nonstructural, depending on the needs of the site. The applicant may propose BMPs designed specifically for a given site, or may propose BMPs that have been preapproved by the City. n approved list of BMPs can be found in Appendix C of A Guide to Low Impact Development Within Utah publication that can be found on the Utah DEQ website. The City shall establish a menu of pre-approved BMPs by administrative policy. The policy may designate specified areas of the City where certain types of BMPs may or may not be used.
 - d. **City Approval of BMP Plan.** The applicant's BMP ~~P~~plan must be approved by the City. The BMP ~~P~~plan will be reviewed as part of the Storm Water Connection Permit review process described below.
3. **Maintenance Plan.** A plan outlining how the applicant will maintain the proposed storm water improvements. ~~listed in the application.~~
4. **Plans with Engineer's Stamp.** Plans showing permanent storm water improvements to be made on the site. These plans shall be submitted with an engineer's stamp.
5. **Fee.** A fee in an amount set by resolution of the City Council.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

E. **Review of Application.** The Storm Water Connection Permit application shall be reviewed by the DRC and will either be approved, approved with conditions, or denied. The decision will be made based on compliance with all the storm water connection requirements listed in this chapter.

1. **Factors.** ~~When deciding whether to approve, conditionally approve, or deny a Storm Water Connection Permit application, the DRC shall consider the following factors:~~
 - a. ~~Whether the application complies with applicable City ordinances and policies.~~
 - b. ~~Whether the application complies with the City of Orem Storm Drainage Master Plan.~~
 - c. ~~Whether the application includes an effective BMP plan. The BMP plan shall be considered effective if (1) it complies with the City's menu of preapproved BMPs, or (2) it ensures that the quality and quantity of storm water discharged to the City's storm water system meets the requirements of federal, state and local laws and regulations and the City's UPDES permit, and will not exceed the designed capacity of the storm water system or jeopardize the integrity of the storm water system.~~
 - d. ~~Whether the proposed connection introduces pollutants into the storm water system.~~
 - e. ~~Whether the proposed connection creates a safety hazard.~~
 - f. ~~Whether the proposed connection affects the integrity of the storm water system infrastructure.~~
 - g. ~~Whether the proposed connection endangers the City's drinking water.~~
2. ~~Whether the applicant has submitted a maintenance plan ensuring the proper maintenance and upkeep of the applicant's connection and on-site storm water improvements.~~

1. **Appeals.** Either the permit applicant or the City may appeal the DRC's decision to the City Manager. The appeal shall be made according to procedures established by the City Manager.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

2. **As-Builts.** Any person connecting to the storm water system shall provide the City's Storm Water Utility with "as-built" plans showing the details and the location of the connection. The plans shall be in a format that is acceptable to the City.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

3. **Failure to Comply with Permit.** Failure to construct or maintain storm water improvements in accordance with an approved Storm Water Connection Permit (including the BMP plan and/or the inspection and maintenance plan agreement) shall be a violation of this ordinance and enforcement shall be in accordance with Article 23-5.

(Ord. No. O-02-0033, Enacted, 09/24/2002; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-5. Easements.

The Director may enter all private properties through which the City holds an easement for the purposes of inspecting, observing, measuring, sampling, repairing or maintaining any portion of the storm water facilities lying within the easement, or the performance of any other duties pertinent to the operation of the storm water system. All entry and subsequent work, if any, on an easement, shall be completed according to any special terms of the easement.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-6. Authority to Inspect.

Whenever necessary to make an inspection to enforce any provision of this Chapter, or whenever the City has cause to believe that there exists, or potentially exists, a condition which constitutes a violation of this Chapter, the City may enter the premises at all reasonable times to inspect the same and to inspect and copy records related to storm water compliance. In the event the landowner or occupant refuses entry after a request to enter and inspect has been made, the City is hereby empowered to seek assistance from any court of competent jurisdiction in obtaining such entry.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-7. Requirements to Monitor and Analyze.

If City tests or inspections indicate that a site is causing or contributing to storm water pollution, illegal discharges, and/or non-storm water discharges to the storm water system or waters of the United States and if the violations continue after notice from the City, the City may require any person engaged in the illicit activity ~~and/or the owner or operator of the site~~ to provide, at their own expense, monitoring and analyses required by the City to determine compliance with this Chapter.

(Ord. No. O-02-0033, Enacted, 09/24/2002 ; Ord. No. O-2015-0027, Amended 08/25/2015)

23-3-8. Damage to Storm Water System or Irrigation Lines.

Any person who damages any portion of the storm water system, a City-owned irrigation line, or a City-maintained irrigation line shall be responsible for repairing the damages. The damages shall be repaired by a licensed contractor bonded to do work in the City and shall be repaired in accordance with the City's Construction Standards and Specifications. It is unlawful to remove or alter any portion of the storm water system without written permission from the Director.

(Ord. No. O-02-0033, Enacted, 09/24/2002; Ord. No. O-2015-0027, Amended and Ren 08/25/2015)

23-3-9. Manhole Covers.

It shall be unlawful for any unauthorized person to open any storm water manhole or other storm water fixture (such as grates, lids or inlets) without written permission from the Director.

(Ord. No. O-02-0033, Enacted, 09/24/2002; Ord. No. O-2015-0027, Amended and Ren 08/25/2015)

Article 23-4. Best Management Practices

Contents:

- 23-4-1. Purpose.
- 23-4-2. Prohibition of Illegal Discharges.
- 23-4-3. Prohibition of Illicit Connections.
- 23-4-4. Watercourse Protection.
- 23-4-5. Prohibited Storage and Littering.
- 23-4-6. Drinking Water Protection.
- 23-4-7. Land Disturbance Permit.
- 23-4-8. Long-term Storm Water Runoff Control.

23-4-1. Purpose.

The purpose of this Article is to provide guidance, options and tools that can be used to: protect water quality, protect the health and safety of the public, enhance water availability, reduce flooding potential through effective storm water management, provide for monitoring and enforcement of the requirements of the Article, and comply with all federal and state storm water program requirements.

A. ~~Protect water quality;~~

~~Ord. No. O-2015-0027; Enacted 08/25/2015)~~

B. ~~Protect the health and safety of the public;~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

C. ~~Enhance water availability;~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

D. ~~Reduce flooding potential through effective storm water management;~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

E. ~~Provide for monitoring and enforcement of the requirements of this Article; and~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

F. ~~Comply with all federal and state storm water program requirements.~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

23-4-2. Prohibition of Illegal Discharges.

A. ~~No person shall throw, drain, or otherwise discharge, cause, or allow others under its control to throw, drain, or otherwise discharge~~ into the MS4 any pollutants or waters containing any pollutants, other than storm water. The commencement, conduct, or continuance of any illegal discharge to the storm water system or a storm water management facility is prohibited except ~~as described~~ as follows:

1. The following discharges are exempt from discharge prohibitions established by this Section:

- a. Uncontaminated: water line flushing, landscape irrigation, diverted stream flows, rising groundwaters, ~~uncontaminated~~ ground water infiltration, ~~noncontaminated pumped ground water~~, discharges from potable water sources, foundation drains, air conditioning condensation, irrigation water, springs, water from crawl space pumps, footing drains, lawn watering, ~~individual residential car washing~~, flows from riparian habitats and wetlands, dechlorinated water from swimming pool discharges, and also individual residential car washing ~~dechlorinated water from swimming pool discharges~~.
- b. Discharges or flow from emergency firefighting, and other discharges specified in writing by the Director as being necessary to protect public health and safety.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. The prohibition referred to in Section 23-4-2(A). shall not apply to any non-storm water discharge permitted under a ~~Utah Pollutant Discharge Elimination System (PDES)~~ permit, waiver, or waste discharge order issued to the discharger.

and administered under the authority of the United States Environmental Protection Agency (EPA), provided that the discharger is in full compliance with all requirements of the permit, waiver, or order and other applicable laws and regulations, and provided that written approval has been granted for any discharge to the storm water system.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-3. Prohibition of Illicit Connections.

A. The construction, use, maintenance or continued existence of illicit connections to the storm water system is prohibited.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. This prohibition expressly includes, without limitation, illicit connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of connection.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. A person is considered to be in violation of this Section if the person connects a line conveying pollutants, water, or any other substance to the MS4, or allows such a connection to continue.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. Improper connections in violation of this Section must be disconnected and redirected, if necessary, to an approved onsite wastewater management system or the sanitary sewer system upon approval of the Director.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

E. The landowner or occupant of the property, where any drain or conveyance that has not been documented in plans, maps or equivalent, and which may be connected to the storm water system, shall be required to obtain a Storm Water Connection Permit and/or the approval of a LTSWMP Long-term Storm Water Management Plan (if applicable), and shall be responsible for relocating the drain or conveyance upon receipt of written notice of violation from the Director. Such notice will specify a reasonable time period within which the relocation of the drain or conveyance is to be determined and shall require that the drain or conveyance be identified as storm water, sanitary sewer or other system, and that the outfall location or point of connection to the storm water system, sanitary sewer system or other discharge point be identified. Results of these investigations are to be documented and provided to the Director.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-4. Watercourse Protection.

Every person owning property through which a watercourse passes, or such person's grantee, or lessee, shall keep and maintain that part of the watercourse within the property free of trash, debris, excessive vegetation, and other obstacles that would pollute, contaminate, or significantly retard the flow of water through the watercourse. In addition, the landowner, grantee, or lessee shall maintain existing privately owned structures within or adjacent to a watercourse, so that such structures will not become a hazard to the use, function, or physical integrity of the watercourse.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-5. Prohibited Storage and Littering.

It is unlawful for any person to maintain, store, keep, deposit, or leave any pollutant or hazardous material, or any item containing a pollutant or hazardous material, in a manner that is likely to result in the discharge of the pollutant or hazardous material to the storm water system.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-6. Drinking Water Source Protection.

All storm water and non-storm water discharges shall comply with the City's drinking water source protection ordinance.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7. Land Disturbance Permit.

Contents:

23-4-7(1). Purpose and Intent~~Intent~~.

23-4-7(2). Land Disturbance Permit – When Required.

23-4-7(3). Land Disturbance Permit – Application.

23-4-7(4). Land Disturbance Permit – Proper Operation and Maintenance.

23-4-7(5). Land Disturbance Permit – Inspection and Entry.

23-4-7(6). Land Disturbance Permit – Revocation, Suspension, and Reinstatement.

23-4-7(7). Land Disturbance Permit – Appeals.

23-4-7(8). Prohibited Activities.

23-4-7(9). Mud, Dirt and Debris on City Streets.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(1). Purpose and Intent~~Intent~~.

The purpose of Section 23-4-7 is to prevent the discharge of sediment and other construction-related pollutants from construction sites. Sediment and debris from construction sites are a major source of ollution to waterways and water systems located within the City and surrounding areas. Each year storm water runoff carries tons of sediment from construction sites into local drainage systems, irrigation systems, canals, rivers, and lakes. Sediment and debris from storm water runoff also clogs and obstructs ~~storm-drains, culverts,~~ and canals, and causes damage to ~~ivate~~ property, wildlife habitat and water quality.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(2). Land Disturbance Permit – When Required.

A. **Permit Required.** A Land Disturbance Permit (or “Permit”) is required before any person ~~r-entity~~ may ~~landscape, excavate, grub and clear, grade, or~~ perform any type of and disturbance activity that will disrupt or cause a change in the natural landscape upon any parcel of property located in the City.

B. **Exemptions.** The following activities are exempt from the permit requirements of this Section:

1. Actions by a public utility, the City, or any other governmental entity to remove or alleviate an emergency condition, including the restoration of utility service or the reopening of a public thoroughfare to traffic;
2. Actions by any other person when the City determines, and documents in writing, that the actions are necessary to remove or alleviate an emergency condition;
3. Land disturbance activities disturbing less than 500 square feet of land surface area;
4. Residential gardening;
5. Bona fide agricultural and farming operations, provided that the agricultural and farming operations constitute the principal use of the parcel and provided that such use of the parcel does not conflict with the City’s zoning ordinance.;
6. ~~A construction~~ Notice of Intent (NOI) ~~from the State has been obtained for the land disturbance activity.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(3). Land Disturbance Permit – Application.

Any erson ~~or-entity~~ desiring a Land Disturbance Permit must first file an application with the Development Services Department.

A. **Application Form.** The application shall be submitted on a form ~~provided- pproved-~~ by the City. If the applicant proposes to obtain the Permit in conjunction with another development activity requiring City approval (e.g. building permit, subdivision plat, site plan, or conditional use permit), the application for the Land Disturbance Permit will be included as part of the application form for the entire site ~~other development activity.~~ If the applicant proposes to obtain the Permit independent of any other City approval, the applicant shall apply for the Permit on a separate form prepared by the City. Application forms will be available at the City’s Public Works and Development Services Departments.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. **Storm Water Pollution Prevention Plan (SWPPP).** The applicant shall submit a SWPPP ~~Storm Water Pollution Prevention Plan~~ with the application. ~~The SWPPP-Storm Water Pollution Prevention Plan (the Plan)~~ shall contain the following information:

1. Site Description. A site description (including a map with spot elevations and contour lines) which includes a description of the nature and location of the land disturbance activity, a description of the intended sequence of major activities which will disturb soils for major portions of the site (e.g. grubbing, excavation, grading, utilities, and infrastructure installation, etc.), and estimates of the total area of the site and the total area of xpected land disturbance.the site that is expected to be disturbed by excavation, grading, or other activities;
2. Control Description. A description of the proposed control measures that will be implemented during the land disturbance activity and/or while the site is not stable. The SWPPP-Plan must clearly describe the times during the construction process that the measures will be implemented for each major activity identified pursuant to subsection (1). The SWPPP-Plan shall also state the name, address, and phone number of the person or entity responsible for implementation of each control measure.
3. Control Measures. Control measures meeting the following goals and criteria:
 - a. Prevent or Minimize rosion and Sediment Discharge. The proposed control measures shall be designed to prevent or minimize, to the maximum extent practicable, the discharge of sediment, debris and other construction related pollutants from the construction site by s-torm water runoff into the storm water system.
 - b. Prevent or Minimize Construction Debris. The proposed control measures shall be designed to prevent or minimize, to the maximum extent practicable, the deposit, discharge, tracking by construction vehicles, or dropping of mud, sediment, debris or other potential pollutants onto public streets and rights-of-way.
 - c. Use of BMPs. The proposed control measures shall include BMPs available at the time that the SWPPP Plan is submitted. BMPs may include, but shall not be limited to, temporary silt or sediment fences, sediment traps, concrete washout, washing of applicators and containers used for paint, concrete, stucco or other materials, and detention ponds, gravel construction entrances and wash down pads to reduce or eliminate off-site tracking, straw bale sediment barriers, establishment of temporary grasses and permanent vegetative cover, use of straw mulch as a temporary ground cover, erosion control blankets, temporary interceptor dikes and swales, storm drain inlet protection, check dams, subsurface drains, pipe slope drains, level spreaders, rock outlet protection, reinforced soil retaining systems, and gabions. BMPs shall also include opportunities for use of ow impact design-low impact development (LID) and green infrastructure to be incorporated into the site design.
 - d. Stabilize Site. The proposed control measures shall be designed to preserve existing vegetation, where possible. Disturbed portions of the site shall be stabilized. Stabilization practices may include temporary seeding, permanent seeding, mulching, geo-textiles, sod stabilization, vegetative buffer strips, protection of trees, preservation of mature vegetation, and other appropriate measures. Use of impervious surfaces for stabilization should be avoided. Stabilization measures shall be initiated as soon as practicable in disturbed portions of the site where land disturbance activities have temporarily or permanently ceased, but in no case more than 14 days after the land disturbance activity in that portion of the site has temporarily or permanently ceased, except under the following circumstances:
 - i. If the initiation of stabilization measures by the 14th day after land disturbance activity temporarily or permanently ceases is precluded by snow cover or frozen ground conditions, stabilization measures shall be initiated as soon as practicable; or
 - ii. If land disturbance activity on a portion of the site is temporarily ceased, and earth disturbing will resume within 21 days, temporary stabilization measures need not be initiated on that portion of the site.
 - e. Minimize Risk of Discharge of Other Materials. The proposed control measures shall be employed to minimize the risk of discharge of construction-related pollutants (such as paint, thinners, solvents and other chemicals) from the land disturbance site. Such measures may include implementation of storage practices thatto minimize exposure of the material to storm water as well as spill prevention and response.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Timing for Filing Application. The applicant shall file the application on or before the following dates:

1. Subdivision. The date that the applicant submits the preliminary subdivision plat application if the applicant proposes to develop a subdivision.
2. Site Plan. The date that the applicant submits a site plan application if the applicant proposes to develop a site plan or amended site plan.
3. Conditional Use Permit. The date that the applicant submits a conditional use permit application if the applicant proposes to develop a conditional use.

4. Building Permit. The date that the applicant submits a building permit application if the applicant proposes to construct a [building](#) on an existing lot or parcel.
5. ~~Other.~~ At least two (2) weeks before the developer intends to perform any type of work not listed above that would require a Land Disturbance Permit pursuant to this Section.

If an applicant's [development](#) comes under more than one of the categories listed above, then the applicant shall submit the Land Disturbance Permit application on the earliest of the listed dates. Failure to comply with the application dates set forth above is not a criminal offense, but may delay the applicant's project. Failure to acquire a required Land Disturbance Permit is grounds for denying a related subdivision application, site plan application, conditional use permit application, or building permit application. It is unlawful to commence work (move dirt) on a development site before obtaining a required Land Disturbance Permit.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- D. **Fee.** The applicant for a Land Disturbance Permit shall pay a fee in an amount set by resolution of the City Council.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- E. **Land Disturbance Permit/SWPPP Bond.** ~~The Storm Water Utility Manager may require a~~ A person engaging in a land disturbance activity ~~shall to~~ post a Land Disturbance/SWPPP bond as follows:

1. Common Plan of Development or site plans requiring an NOI with the State. The minimum amount of the bond shall be based on the street frontage of the property with the building permit calculated as follows:
 - a. ≤ 100 ft. of street frontage \$4,000.00
 - b. ≤ 200 ft., but more than 100 ft. of street frontage \$6,000.00
 - c. ≤ 300 ft., but more than 200 ft. of street frontage \$8,000.00
 - d. > 300 ft. of street frontage \$10,000.00
2. Developments and redevelopments requiring a Land Disturbance Permit or single lots that are part of a Common Plan of Development or Sale shall require a bond of \$1,000.00. Which will be released upon final site stabilization.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- F. **Application Approval.** The Storm Water ~~Section Utility~~ Manager or designee shall approve the application and grant the Permit if the application is complete and the Plan meets the requirements of this Section. The Storm Water ~~Section Utility~~ Manager or designee shall deny the application or approve the application with conditions if he or she determines that the measures proposed in the Plan fail to meet the criteria set forth in this section. Section 3-4-7(3). ~~Conditions the Storm Water Utility Manager may impose in connection with the approval of a Permit include, but are not limited to, the establishment of specific measures and controls to prevent erosion and the discharge of sediment, debris and other construction-related pollutants from the site by storm water.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- G. **Appeals.** A Permit applicant whose application has been denied may appeal the decision to the City Manager. The appeal shall be made according to procedures established by the City Manager.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- H. **Term.** Unless otherwise revoked or suspended, a Land Disturbance Permit shall be in effect for the full period of the land disturbance activity. The land disturbance activity will not be considered to be completed until the developer has ~~met complied with~~ the applicable requirements of this ordinance, the City has conducted a final inspection, and the following events occur:

1. Subdivisions. For Permits associated with a subdivision plat approval:
 - a. The developer must complete all required subdivision improvements; and
 - b. One of the following three events must occur:
 - i. The City issues a final certificate of occupancy for each lot in the subdivision, or
 - ii. Individual Land Disturbance Permits and Utah DEQ NOIs have been issued for each lot in the subdivision not having a final occupancy permit, or
 - iii. The property has been revegetated or landscaped in a manner that eliminates erosion and sediment discharge or that brings the property back to its natural state.

2. Site Plans. For Land Disturbance Permits associated with a site plan approval, the date that the developer has completed all required landscaping, completed and all outside construction work associated with the site plan, and the proper Notice of Termination (NOT) has been filed and finalized.
3. Building Permits. For Land Disturbance Permits associated with a building permit application, the date that the City issues a final occupancy permit for the structure covered by the building permit, and the proper NOT has been filed and finalized if applicable.
4. Other. For Land Disturbance Permits issued that are not tied to other approvals from the City, the date that the developer has completed all work associated with the Land Disturbance Permit and takes steps required by the permit to prevent further erosion and runoff from the site. No Land Disturbance Permit shall be considered terminated until the developer submits a Notice O- f Termination of Land Disturbance Activity (Notice) to the City and the Notice is accepted by the City. The City shall accept the Notice if the developer has met the requirements of the Land Disturbance Permit and this ordinance. The developer shall keep and maintain all Land Disturbance Permit- required improvements on the site until the City accepts the Notice.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- I. ~~Amendments. In the event that the proposed~~ land disturbance activity for a site to which a Permit pertains is materially altered from that described in the City approved plans for constructionan original Plan in a way that may have a significant impact upon the effectiveness of the measures and controls described in the approved plans original Plan, the developer shall ~~le an amend~~ d the SWPPPStorm Water Pollution Prevention Plan owhich meets the criteria set forth in section 23-4-7(3).B.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(4). Land Disturbance Permit – Proper Operation and Maintenance.

The recipient of a Land Disturbance Permit shall install the erosion and sediment control measures required by the approved pPlan before commencing any land disturbance activity on the site to which the pPlan applies or at such times indicated in the pPlan. The erosion and sediment control measures shall be properly installed and maintained in accordance with the Land Disturbance Permit, the BMP manufacturers' specifications, and good engineering practices. The developer shall maintain such measures on the site until the City pproves ~~eecepts~~ the termination of the Permit pursuant to Section 23-4-7(3).H.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(5). Land Disturbance Permit – Inspection and Entry.

The developer shall allow any authorized employees and representatives of the City, representatives of the State of Utah Division of Water Quality, and representatives of the EPA, to enter the site to which a Permit applies at any time ~~and to~~ inspect the erosion and sediment control measures maintained by the developer. The developer shall also allow inspection of any records pertaining to the conditions of the Permit.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(6). Land Disturbance Permit – Revocation, Suspension, and Reinstatement.

- A and Disturbance Permit may be revoked, suspended, and reinstated pursuant to Section 23-5-2.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(7). Land Disturbance Permit – Appeals.

An applicant for a Land Disturbance Permit may appeal any decision or directive made by the City following the procedures set forth in Section 23-5-2(C).

Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(8) Prohibited Activities.

The following activities are prohibited and unlawful, and shall be considered a nuisance under Article 11-1 of the City Code and a violation under rticle 23-5, regardless of whether or not the violator has a Land Disturbance Permit:

- A. **Covering Sidewalk.** Covering any portion of a curb, gutter or sidewalk with mud, dirt or debris and failing to remove the

mud, dirt or debris before leaving the site. In no case shall the mud, dirt or debris be left overnight.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Washing Vehicles and Equipment. Washing any vehicle or equipment in a manner that (1) leaves concrete, mud, dirt, or debris on a public or private street or on any portion of the public right-of-way, or (2) allows concrete, mud, dirt, or debris to enter the storm water system.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-7(9). Mud, Dirt and Debris on City Streets.

A. Clean-up Required. Any person or entity that tracks, spills, deposits, discharges or drops any mud, dirt or other debris on a public or private street or a public right-of-way within the City must remove the mud, dirt or other debris within twenty-four (24) hours of when it is left on the street or right-of-way. Failure to do so shall be a violation of this ordinance and shall also be considered a nuisance that may be enforced and/or abated pursuant to Article 11-1 and Article 23-5 of the City Code. The requirement to clean mud, dirt and other debris from streets and rights-of-way applies regardless of whether or not the responsible parties are acting pursuant to a Land Disturbance Permit.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Responsible Parties. The following people and entities shall be considered to be responsible parties for the purpose of enforcing this section:

1. Driver. The driver of the vehicle leaving the mud, dirt or debris; and
2. General Contractor. The general contractor or owner in charge of the job site from which the mud, dirt, or debris came.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Possible Remedies. The City may avail itself of any of the following nonexclusive remedies to enforce this section if the mud, dirt, or debris is not removed as required herein:

Public Improvement and Repair Bond. The City may clean (or may hire an independent contractor to clean) the mud, dirt or debris, and may deduct the cost of the clean-up, plus an administrative charge in an amount set by resolution of the City Council, from the Public Improvement and Repair Bond posted by the contractor on the job site from which the mud, dirt or debris came. The City may make draws against the public improvement and repair bond as specified in Section 7-3-2 of the City Code.

1. Nuisance Abatement. The violation may be treated as a nuisance under Article 11-1 of the City Code and enforced by one of the City's neighborhood ~~improvement team members~~preservation officers.
2. Notice of Violation, Administrative Citation, or Criminal Prosecution. The City may fine, penalize, or prosecute the violation pursuant to Article 23-5-5.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8. Long-term Storm Water ~~Management~~Runoff Control.

Contents:

23-4-8(1). Purpose.

23-4-8(2). Applicability.

23-4-8(3). Exemptions.

23-4-8(4). Compatibility with Other Permit and Ordinance Requirements.

23-4-8(5). Storm Water Design Manual.

23-4-8(6). Powers and Duties.

23-4-8(7). General Performance and Site Design Criteria for Long-term Storm Water Management.

23-4-8(8). Long-term Storm Water Management Plan (LTSWMP) – Procedures and Requirements.

23-4-8(9). Inspection and Monitoring.

23-4-8(10) Maintenance and Repair of Storm Water Facilities.

23-4-8(11). Appeals.

23-4-8(12). Liability.

23-4-8(1). Purpose.

The purpose of this Section is to establish minimum storm water management requirements and controls to protect and safeguard the long-term general health, safety, and welfare of the public residing within the City and surrounding watersheds, and to control the long term adverse effects of post construction storm water runoff, and nonpoint and point source pollution associated with development and redevelopment projects. This ordinance seeks to meet that purpose through the following objectives:

A. Minimize the impact of storm water runoff from any completed development or redevelopment activities in order to reduce flooding, siltation, and pollution of waters of the State of Utah.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Minimize ~~increases in~~ onpoint source pollution caused by storm water runoff from completed development and redevelopment projects which could otherwise degrade local water quality.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Minimize the total annual volume of surface water runoff which flows from any specific site, ~~during and~~ following development or redevelopment, so as to not exceed the predevelopment hydrologic regime to the maximum extent practicable.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

~~Reduce storm water runoff rates and volumes, soil erosion and nonpoint source pollution, wherever possible, through storm water management controls and to ensure that these management controls are properly maintained and pose no threat to public safety.~~

~~(Ord. No. O-2015-0027; Enacted 08/25/2015)~~

D. ~~Establish~~ Provide long-term responsibility for and maintenance of storm water management facilities.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

E. Establish legal authority to carry out all the inspection and monitoring procedures necessary to ensure compliance with this Section.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

F. Regulate the contribution of ollutants to the City's MS4 by storm water discharges from completed development and redevelopment activities.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

G. Enable the City to comply with the ~~Utah Pollution Discharge Elimination System Permit (UPDES)~~ and applicable federal regulations.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

H. Facilitate compliance with state and federal standards and permits by ~~landowners~~, owners ~~of completed-of~~ ~~construction sites~~, developments, and permanent storm water management facilities within the City.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(2). Applicability

This Section shall be applicable to:

A. All subdivision or site plan applications greater than 1 acre in size;

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Any new ~~development~~ or ~~redevelopment~~ that changes ten percent (10%) or more of either the ~~any building footprint~~ ~~impervious surface footprint or building footprint. located on the property;~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Any new development or redevelopment regardless of size that is identified by the City to be in an area where the land use has the potential to generate highly contaminated runoff; or

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. Any ~~land~~ development ~~r redevelopment~~ activities that are smaller than the minimum applicability criteria if such activities are part of a larger ~~common plan of development or sale.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(3). Exemptions

The following activities are exempt from this Section:

A. Individual single-family or duplex residential lots that are not part of a larger sub-division or phased ~~development~~ project that is otherwise subject to this Section.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Additions or modifications to existing single-family or duplex residential structures.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Projects that are exclusively for agricultural uses. Agricultural roads that are used to access other land uses subject to this Section are not exempt.

D. Maintenance and repair to any ~~storm water~~ BMP deemed necessary by the City.

(Ord. No. O-2015-0027; Enacted 08/25/2015) (Ord. No. O-2015-0027; Enacted 08/25/2015)

E. Any emergency project that is immediately necessary for the protection of life, property, or natural resources.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

F. Linear construction projects, such as pipeline or utility line installation, that do not result in the installation of any new ~~impervious surface~~, as determined by the City.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(4). Compatibility with Other Permit and Ordinance Requirements.

This Section is not intended to interfere with, abrogate, or annul any other ordinance, rule or regulation, statute, or other provision of law. The requirements of this Section should be considered minimum requirements, and where any provision of this Section imposes restrictions different from those imposed by any other ordinance, rule or regulation, or other

provision of law, whichever provision ~~is s~~are-more restrictive or imposes higher protective standards for human health or the environment shall be considered to take precedence.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(5). Storm Water System Design Manual

~~The City uses the following documents to provide policy, criteria and information. Currently, the City of Orem does not have a Storm Water Design Manual. It reserves the right that in the future additional policy, criteria and information including specifications and standards, for the proper implementation of the requirements of this Section. These are provided for reference, City standards supersede other standards and specifications. and may provide such information in the form of a Storm Water Design Manual.~~

~~A. APWA Construction Specifications, Standards, and Drawings~~

~~B. Supplemental Document to the APWA Construction Specifications, Standards, and Drawings~~

~~C. City Construction Standards and Specifications~~

~~D. Storm Water System Design Manual~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(6). Powers and Duties.

The City, Department of Public Works- Storm Water Utility, shall administer and enforce this Section, and may furnish additional policy, criteria and information including specifications and standards, for the proper implementation of the requirements of this Section.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(7). General Performance and Site Design Criteria for Long-term Storm Water Management.

A. **Performance Criteria.** The following performance criteria shall be addressed for storm water management at all sites governed by this Section:

1. All site designs shall establish storm water management practices to mirror ~~pre~~-development hydrology of the previously undeveloped site or to improve the hydrology of a redeveloped site to the maximum extent practicable. The best available technology and information shall be used for analysis and design of a storm water management system to meet the requirements of this Section.
2. These practices should seek to utilize low impact development (LID) for storm water treatment and to reduce infiltrate storm water runoff from driveways, sidewalks, parking lots, and landscaped areas to the maximum extent practicable to provide treatment for both water quality and quantity. The process shall include evaluations of BMPs considered and rationale as to why or why not they have been selected. ~~All rooftop drainage is required to drain to landscaped areas unless otherwise approved by the City Engineer.~~
3. All drainage from rooftop and dumpster areas are required to drain to vegetated landscape areas unless otherwise approved by the City Engineer.
4. All storm water runoff generated from new development or ~~edevelopment r~~edevelopment sites shall not discharge untreated storm water directly into ~~a wetland or waters of the State of Utah including the storm water system~~ the storm water system, a wetland, or waters of the State, ~~of Utah~~ without treatment to the maximum extent ~~practicable~~ practical. In no case shall the impact on wetlands be any more less than allowed by the Army Corps of Engineers (USACE).
5. Each plan shall include an assessment of post construction storm water impacts upon downstream and upstream properties. The assessment of storm water quality and quantity impacts shall be based on the standards contained within this Section, at a minimum. The assessment of upstream impacts must be provided, at a minimum, for property or properties located immediately upstream and/or adjacent to the proposed development or redevelopment. The assessment of downstream impacts shall be made by evaluating a site's contribution to storm water runoff to a suitable downstream point.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Minimum Control Requirements.

1. New Development. For a new development site, all storm water management practices will manage rainfall on-site and be designed to prevent the off-site discharge of the precipitation from all rainfall events less than or equal to the 80th percentile rainfall event.
2. Redevelopment. For a redevelopment site, all storm water management practices must include site-specific ~~and project-specific~~ measures aimed at net gain to onsite retention to impervious surfaces. If a redevelopment site increases the impervious surface or building footprint by greater than 10%, the site shall manage rainfall on-site and prevent the off-site discharge of the net increase in the volume associated with the precipitation from all rainfall events less than or equal to the 80th percentile rainfall event.
3. Implementation.
 - a. The requirements outlined in subsections 1 and 2 above, must be accomplished by the use of a site design that contains a combination of practices including structural and non-structural controls that are designed, constructed, and maintained to infiltrate, evapotranspire, and/or harvest and reuse rainwater.
 - b. A developer is required to evaluate ~~ow Impact Design (LID)~~ approaches and may employ any ~~BMP-LID approach~~ found in *A Guide to Low Impact Development Within Utah* found on the Division of Water Quality website.
 - c. After retention of the 80th percentile amount, discharge will be allowed at sixty (60) gallons per minute per acre.
 - d. The City shall reduce any requirement for a new development or redevelopment site to manage or control stormwater runoff rates or stormwater runoff volumes for flood control purposes to account for the reduction in stormwater associated with approved LIDs.
 - e. All other retention, pre-treatment, and maximum release rates are otherwise applicable to new developments and redevelopments located in Drinking Water Source Protection Zones as defined in Chapter 21 of the Orem City Code.
4. Feasibility and Dispute Resolution.
 - a. Feasibility. If a developer believes it is infeasible to meet the requirements outlined in subsections 1 through 3, the developer must propose alternative design criteria and that criteria must be approved by the City as part of the LTSWMP-Long Term Storm Water Management Plan approval process as outlined in Orem City Code § 23-4- 8(8).
 - i. In demonstrating infeasibility, the developer must document and quantify that infiltration, evapotranspiration, and rainwater harvesting have been used to the maximum extent feasible and that full employment of these controls is infeasible due to constraints. LID infeasibility may be due to one or more of the following conditions: high groundwater table, drinking water source protection zones, adverse soil conditions, grades, accessibility, excessive costs, or others.
 - ii. New developments or redevelopments that impact City of Orem Drinking Water Source Protection Zones may request a waiver of infiltration LIDs and/or sumps if it is infeasible to infiltrate or there is an increased risk of pollution but are still required to select and install other structural and non-structural LIDs that evapotranspire, filter, or harvest and reuse rainwater and to otherwise comply with Chapter 21 and Chapter 23 of the Orem City Code.
 - b. If the City and developer are unable to resolve conflicts related to these retention requirements, the dispute will be resolved pursuant to Utah Code § 19-5-108.5 (effective July 1, 2020).

(Ord. No. O-2015-0027; Enacted 08/25/2015, Ord. No. O-2020-0014; Amended 06/30/2020)

C. Site Design Feasibility. Storm water management practices for a site shall be chosen based on the physical conditions of the site. Among the factors that should be considered:

1. Topography
2. Drainage Area(s)
3. Soils
4. Slopes
5. Terrain

6. Location in relation to environmentally sensitive features

7. Receiving waters

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. **Conveyance Issues.** All storm water ~~BMPs management practices~~ shall be designed to convey storm water to allow for the maximum removal of pollutants and reduction in flow velocities.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

E. **Pretreatment Requirements.** Every storm water treatment practice shall have an acceptable form of water quality pretreatment. The proposed pretreatment shall address the anticipated pollutants that would normally be expected from the proposed development. Approval ~~by the City by City of~~ pretreatment devices is required before work can begin. The use of LIDs is encouraged and evaluation documentation is required.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

F. **Landscaping Requirements.** All storm water management practices must have a landscaping plan detailing both the vegetation to be in practice and how and who will manage and maintain this vegetation. Any area of land from which the natural vegetative cover has been either partially or wholly cleared or removed by development or redevelopment activities and is not part of an actual ~~uilding~~ construction or a future parking area shall be revegetated within fourteen (14) days from the substantial completion of such clearing and construction. The following criteria shall apply to revegetation efforts:

1. Reseeding must be done with an annual or perennial cover crop accompanied by placement of straw mulch or its equivalent of sufficient coverage to control erosion until such time as the ~~egeative~~ cover ~~rep~~ is established over ninety percent (90%) of the seeded area.
2. Replanting with native woody and herbaceous vegetation must be accompanied by placement of straw mulch or its equivalent of sufficient coverage to control erosion until the plantings are established and are capable of controlling erosion.
3. Any area of revegetation must exhibit survival of a minimum of seventy percent (70%) of the cover crop throughout the year immediately following revegetation. Revegetation must be repeated in successive years until the minimum seventy percent (70%) survival for one (1) year is achieved.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

G. **Maintenance Agreements.** All storm water practices shall be maintained in accordance with the approved and deeded storm water ~~inspection and~~ maintenance agreement and ~~LTSWMP Long-term Storm Water Management Plan~~. All storm water treatment practices shall have an enforceable operation and maintenance activities to ensure the system functions as designed. This agreement will include any and all maintenance easements required to access and inspect the storm water treatment practices, and to perform routine maintenance as necessary to ensure proper functioning of the storm water treatment practice. In addition, the agreement needs to specify the parties responsible for the proper maintenance of all storm water treatment practices prior to issuance of any permits for development or redevelopment ~~activities~~.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

H. **Nonstructural Storm Water Practices.** The evaluation and use of at least one nonstructural storm water treatment ~~practice-practices~~ is required on all new and redeveloped sites. The use of additional nonstructural storm water treatment practices is encouraged in order to minimize the reliance on structural practices. These nonstructural practices include practices found in the ~~Storm Water~~ uality Credit Package Program, as well as in manuals, pamphlets, booklets, etc. that discusses LIDs for construction sites.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

I. **Protection of Point of Discharge.** Discharge from any on-site storm water management system into any natural or surface drainage ~~channel~~ or feature, shall be designed and constructed so that the discharge does not cause damage to the receiving system.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

J. **Protection of Receiving Channels and Waters.** Receiving channels and water bodies (on-site and/or off-site) shall be evaluated to ensure that downstream conveyances are not eroded and/or degraded by altered storm water flows from

development or redevelopment. Acceptable mitigation alternatives include on-site detention to reduce post construction runoff rates and volumes and channel stabilization measures to control channel degradation.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

K. **Design of Water Impounding Structures (Dams).** Any proposed water impounding structure (dam) shall be designed in accordance with Utah Dam Safety standards, and if required, shall be reviewed and approved by the Utah Dam Safety Engineer. Proof of compliance with this requirement shall be provided by the applicant.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

Effective on: 4/10/1990

23-4-8(8). Long-term Storm Water Management Plan – Procedures and Requirements.

A. LTSWMP Long-term Storm Water Management Plan Required for Applicable All Developments.

No development or ~~ed~~development activity will commence on a site subject to this Section until a ~~a Long-term Storm Water Management Plan (~~ LTSWMP detailing in concept how storm water runoff and associated water quality impacts resulting from the development or redevelopment will be controlled or managed. The plan ~~his plan must be prepared by an individual approved by the City and~~ must indicate whether storm water will be managed on-site or off-site and, if on-site, the general location and type of practices that will be employed. No building, grading, or other storm water management permit shall be issued until a satisfactory concept LTSWMP has undergone a review and been approved by the City unless a waiver is consistent with the requirements of this Section.

The final LTSWMP, associated maintenance agreement, and as built long term BMP site map shall be submitted to City staff who verify that the design of all storm water management practices meet the submittal requirements.

~~he fFinal (LTSWMP) Long-term Storm Water Management Plan and associated maintenance agreement must be signed by its storm water staff a Utah licensed professional engineer, or CPESC who will verify that the design of all storm water management practices meet the submittal requirements. In addition, the Plan must be signed by a licensed city engineer who can verify the correct property description used in the Plan. NIf applicable, no building, grading, or other storm water anagement permit shall be issued until a satisfactory fFinal Plan (LTSWMP) Long-term Construction Storm Water anagement Plan has undergone a review and been approved by the City after determining that the plan or any unless a aiver is consistent with the requirements of this Section:~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Long-term Storm Water Management Concept Plan Requirements.

A storm water management ~~C~~concept ~~P~~plan shall be required with all pplicable development and redevelopment permit- and/or plan applications and will include sufficient information ~~(e.g., maps, hydrologic calculations, soil types, etc.)~~ to evaluate: the environmental characteristics of the project site; the potential impacts of all proposed development of the site, both present and future, on the water resources; and the effectiveness ~~nd acceptability~~ of the roposed measures ~~proposed~~ for managing storm water ~~generated~~ at the project site. The intent of this conceptual planning process is to determine the type of storm water management measures necessary for the proposed project, and o ensure adequate planning for management of storm water runoff from future development or redevelopment. To accomplish this goal the following information shall be included in the ~~c~~Concept ~~p~~Plan:

1. Map(s). A map (or maps) indicating the location of existing and proposed buildings, roads, parking areas, utilities, structural storm water management and sediment control facilities. The map(s) will also clearly show proposed land use with tabulation of the percentage of surface area to be adapted to various uses; drainage patterns; slopes; locations of utilities; roads and easements; nd the limits of clearing and grading. A written description of the site plan and justification of proposed changes in natural conditions may also be required.

~~Sufficient engineering analysis to show that the proposed storm water management measures are capable of controlling runoff from the site in compliance with this Section:~~

2. Existing Natural Resources Description. A written or graphic inventory of the natural resources at the site and surrounding area as it exists prior to the commencement of the project and a description of the watershed and its relation to the project site. This description should include a discussion of soil conditions, forest cover, topography, wetlands, and other native vegetative areas on the site. Particular attention should be paid to environmentally

sensitive features that provide particular opportunities or constraints for development or redevelopment.

3. **Maintenance Plan.** A written description of the required maintenance burden for any proposed storm water management facility. For development or redevelopment occurring on a previously developed site, the ~~person party submitting~~ the concept plan shall be required to include within the concept plan, measures for controlling existing storm water runoff discharges from the site ~~in accordance with the standards of this Section~~ to the maximum extent practicable. With redevelopment, any existing storm water facility shall be looked at as a new structure and shall fall under the provisions of this Section unless otherwise exempt.
4. **Calculations.** ~~Hydrologic and hydraulic design calculations for the predevelopment and post-development conditions for the design storms specified in this Section. Such calculations shall include (i) description of the design storm frequency, intensity and duration, (ii) time of concentration, (iii) Soil Curve Numbers or runoff coefficients, (iv) peak runoff rates and total runoff volumes for each watershed area, (v) infiltration rates, where applicable, (vi) culvert capacities, (vii) flow velocities, (viii) data on the increase in rate and volume of runoff for the design storms required by the City, and (ix) documentation of sources for all computation methods and field test results.~~
5. **Soils Information.** ~~If a storm water management control measure depends on the hydrologic properties of soils (e.g., infiltration basins, injection wells, etc.), then a soils report shall be submitted unless it is determined that the City Engineer has sufficient knowledge of pit soils to waive this requirement. The soils report shall be based on on-site boring logs or soil pit profiles. The number and location of required soil borings or soil pits shall be determined based on what is needed to determine the suitability and distribution of soil types present at the location of the control measure.~~

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. **Final Long-term Storm Water Management Plan Requirements.** After review of the ~~storm water management concept plan~~ and modifications to that plan as deemed necessary by the City, a final ~~L TSWMP storm water management plan~~ must be submitted to the Department for approval. The ~~TSWMP nal storm water management plan LTSWMP and associated maintenance agreement (Long-term Storm Water Management Plan)~~, in addition to the ~~information from the Concept Plan~~, shall include:

1. **Contact Information.** The name, address, and telephone number of all persons having a legal interest in the property and the tax reference number and parcel number of the property or properties affected. This data is collected in the storm water questionnaire and inspection and maintenance agreement.
2. **Topographic Base Map.** A 1" = 200' topographic base map of the site which extends a minimum of 200 feet beyond the limits of the proposed development and indicates existing surface water drainage including streams, ponds, culverts, ditches, and wetlands; current land use including all existing structures; locations of utilities, roads, and easements; and significant natural and ~~man-made~~ features not otherwise shown.
3. **Long Term Storm Water Best Management Practicing (BMP) Site Map.** This map is required to show all of the proposed permanent stormwater BMPs with each BMP feature labeled clearly. If abbreviations are used in naming the BMPs, a key will need to be provided on the map.
4. **Storm Water Questionnaire.** As part of the Concept Plan review process, a storm water questionnaire is given by the City Development Services Department to each developer. This is a required document to be included in the LTSWMP as the answers to the prompts within the questionnaire are used to create the LTSWMP and are implemented throughout the site project.

~~Calculations. Hydrologic and hydraulic design calculations for the predevelopment and post-development conditions for the design storms specified in this Section. Such calculations shall include (i) description of the design storm frequency, intensity and duration, (ii) time of concentration, (iii) Soil Curve Numbers or runoff coefficients, (iv) peak runoff rates and total runoff volumes for each watershed area, (v) infiltration rates, where applicable, (vi) culvert capacities, (vii) flow velocities, (viii) data on the increase in rate and volume of runoff for the design storms required by the City, and (ix) documentation of sources for all computation methods and field test results.~~

~~Soils Information. If a storm water management control measure depends on the hydrologic properties of soils (e.g., infiltration basins, injection wells, etc.), then a soils report shall be submitted unless it is determined that the City Engineer has sufficient knowledge of pit soils to waive this requirement. The soils report shall be based on on-site boring logs or soil pit profiles. The number and location of required soil borings or soil pits shall be determined based on what is needed to determine the suitability and distribution of soil types present at the location of the control measure.~~

~~Maintenance and Repair Plan. The design and planning of all storm water management facilities shall include detailed maintenance and repair procedures to ensure their continued function. These plans will identify the parts or components of a storm water management facility that need to be maintained and the equipment and skills or training necessary. Provisions for the periodic review and evaluation of the effectiveness of the maintenance program and the need for revisions or additional maintenance procedures shall be included in the plan.~~

5. **Landscaping Plan.** The applicant must present a detailed plan for management of vegetation at the site after construction is finished, including who will be responsible for the maintenance of vegetation at the site and what practices will be employed to ensure that adequate vegetative cover is preserved.

~~Maintenance Easements. The applicant must ensure access to all storm water treatment facilities and practices at the site for the purpose of inspection and repair by securing all the maintenance easements needed on a permanent basis. These easements will be recorded with the plan and will remain in effect even with transfer of title to the property.~~

6. **Inspection and Maintenance Agreement.** The applicant must execute an easement and an inspection and maintenance agreement binding on all subsequent owners of land served by an on-site storm water management measure in accordance with the specifications of this Section. This agreement must be recorded with the Utah County Recorder.

7. **ity Approval.** The Final LTSWMP and associated maintenance agreement must be signed by City storm water staff who verify that the design of all storm water management practices meet submittal requirements. In addition, the Plan must be signed by a designated City employed engineer who can verify the correct property description used in the maintenance agreement. No building, grading, or other storm water management permit shall be issued until a satisfactory final Plan has undergone a review and been approved by the City unless a waiver is consistent with the requirements of this Section.

~~Erosion and Sediment Control Plans for Construction of Storm Water Management Measures. The applicant must prepare an erosion and sediment control plan for all construction activities related to implementing any on-site storm water management practices.~~

8. **Other Environmental Permits.** The applicant shall assure that all other applicable environmental permits have been acquired for the site prior to approval of the final storm water design plan.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. Performance Bond/Security.

1. The City may, at its discretion, require the submissionsubmittal of a performance security or bond prior to approval of a Final TSWMPLong-term Storm Water Management Plan in order to ensure that the storm water management practices are installed as required by the approved Final LTSWMPLong-term Storm Water Management Plan. The amount of the installation performance security shall be the total estimated construction cost of the storm water management practices approved under the permit, plus 25%. The performance security shall contain forfeiture provisions for failure to complete work specified in the Final LTSWMPLong-term Storm Water Management Plan.
2. The security or bond required by this section shall be released in full only upon submission of the As-Built Plans and written certification by a registered professional engineer that the storm water practices have been installed in accordance with the approved final plan and other applicable provisions of this Chapter. The City will make a final inspection of the storm water management practices to ensure that they are in compliance with the approved final plan and the provisions of this Chapter.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(9). Inspection and Monitoring.

- A. **Inspections:** Whenever necessary to make an inspection to enforce any provision of this Section, or whenever the City has cause to believe that there exists, or potentially exists, a condition which constitutes a violation of this Section, the City may enter the premises at all reasonable times to inspect the same and to inspect and copy records related to storm water compliance. In the event the landowner or occupant refuses entry after a request to enter and inspect has been made, the City is hereby empowered to seek assistance from any court of competent jurisdiction in obtaining such entry.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. **Monitoring.** In addition to any requirements associated with any other permit or plan required by this Chapter, a developer must comply with the following for any ~~project or development~~ or redevelopment that requires the submission and approval of a Final ~~LTSWMP~~ Storm Water Management Plan:

1. Notice of Construction Commencement. The applicant must notify the City in advance before the commencement of construction for which a Final ~~LTSWMP~~ Plan for Long-term Storm Water Management is required. Regular inspections of the site will be conducted by the City to ensure compliance with this Section. All inspections shall be documented and written reports prepared that contain the following information:
 - a. The date and location of the inspection;
 - b. Whether construction is in compliance with the approved Final ~~LTSWMP~~ Storm Water Management Plan;
 - c. Variations from the approved Final ~~LTSWMP~~ Long-term Storm Water Management Plan;
 - d. Any violations that exist.
2. **Violations.** If violations are found, the City shall issue a Notice of Violation pursuant to Article 23-5 and no added work shall proceed until the violation is corrected.
3. As Built Plans. Upon completion of a project, all applicants are required to submit actual as built plans for any storm water management practices located on-site. The owner and/or designer of the development or redevelopment shall certify that the completed project is in accordance with the approved ~~LTSWMP~~ Long-term Storm Water Management Plan. The as-built plans shall show the final design specifications for the entire storm water management system and must be certified by a Utah licensed professional engineer. As-built plans shall include field location, size, depth, and planted vegetation of all structural BMP's and other measures, controls, conveyances and devices as installed. The designer of the storm water management system shall certify that the as-built storm water management system is in compliance with the approved ~~LTSWMP~~ storm water management system and with the requirements of this ordinance. A final inspection and approval by the City shall occur before the release of any bond or performance securities. Electronic as-built plans are required, georeferenced CAD drawings and GIS files are encouraged.
4. Permanent Structural Storm Water Management Facilities. These facilities must be inspected by the City at least once during installation.
5. Notice of Termination (NOT). Subsequent to final installation and stabilization of all storm water BMP's shown in the Final ~~LTSWMP~~ Long-term Storm Water Management Plan, submission of all necessary as-built plans, and final inspection and approval by the City, the ~~project developer, contractor, landowner, or other~~ representative must notify the City of the project's completion. If all work has been satisfactorily completed in conformance with this Section, and a certificate of completion or notice of termination shall be issued by the City signifying that all work has been satisfactorily completed in conformance with this Section.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(10) Maintenance and Repair of Storm Water Facilities.

A. **Maintenance Easement.** Prior to commencing development or redevelopment activities on a site, the applicant or owner of the site must execute a maintenance easement agreement that shall be binding on all subsequent owners of land served by a storm water management facility. The agreement shall provide for access to the facility at reasonable times for periodic inspection by the City, or their contractor or agent, and for regular or special assessments of landowners to ensure that the facility is maintained in proper working condition to meet design, water quality standards and any other provisions established by this Section. The City shall record the easement agreement with Utah County Recorder.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. **Maintenance Agreements.** Maintenance of all storm water management facilities shall be ensured through the creation of a formal maintenance agreement that must be approved by the City and recorded into the land record prior to final inspection or the ~~issuance~~ issuance of any occupancy permit. As part of the agreement, a schedule shall be developed for when and how often maintenance will occur to ensure proper function of the storm water management facilities. The agreement shall also include plans for periodic inspections to ensure proper performance of the facility between scheduled cleanouts.

C. **Inspections.** All storm water management facilities must undergo, at the minimum, a biennial ~~annual~~ inspection to document maintenance and repair needs and ensure compliance with the requirements of this Section and

accomplishment of its purposes. These needs may include; removal of silt, litter and other debris from all catch basins, inlets and drainage pipes, grass ~~cutting-cutting~~ and vegetation removal, and necessary replacement of landscape vegetation. Any maintenance needs found must be addressed in a timely manner and the inspection and maintenance requirement may be increased as deemed necessary to ensure proper functioning of the storm water management facility. At its discretion and as reflected in the maintenance agreement, the City may authorize the use of private inspectors to conduct and document post construction maintenance inspections.

(Ord. No. O-2015-0027; Enacted 08/25/2015; Ord. No. O-2017-0005, Amended 02/28/2017)

D. ~~Record~~ ~~Keepings of Installation and Maintenance Activities~~. Parties responsible for the operation and maintenance of a long-term storm water management facility shall make records of the installation, of inspections, and of all maintenance and repairs. ~~he party responsible shall and shall~~ retain the records for at least five (5) years. These records shall be made available to the City during inspection of the facility and at other reasonable times upon request. These records shall contain all of the following:

1. The name and address of the landowner;
2. A description of the condition of the storm water control measure(s). ~~A statement that an inspection was made of all structural BMP's.~~
3. The date of the inspection and location of the inspection ~~was made.~~
4. The name and signature of the inspector. ~~A statement that all inspected structural BMP's are performing properly and are in compliance with the terms and conditions of the approved maintenance agreement required by this ordinance.~~
5. Specific issues or violations found that need to be corrected by the property owner along with deadlines and re-inspection dates.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

E. **Failure to Maintain Practices.** If a responsible party fails or refuses to meet the requirements of the maintenance agreement, the City, after reasonable notice, may correct a violation of the design standards or maintenance needs by performing all necessary work to place the facility in proper working condition. In the event that the storm water management facility becomes a danger to public safety or public health, the City shall notify the party responsible for maintenance of the storm water management facility in writing. Upon receipt of that notice, the person responsible shall have five (5) calendar days to effect maintenance and repair of the facility in an approved manner. After proper notice, the City may assess the owner(s) of the facility for the cost of repair work and any penalties; and the cost of the work shall be a lien on the property.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(11). Appeals

Any applicant whose Final TSWMP ~~Post Construction Storm Water Management Plan~~ has been rejected by the City may appeal the decision to the City Manager. The appeal shall be made according to procedures established by the City Manager.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(12). Liability

Any person who undertakes or causes to be undertaken any land development or redevelopment shall ensure that soil erosion, sedimentation, increased pollutant loads and changed water flow characteristics resulting from their development or redevelopment activity are controlled so as to minimize pollution of receiving waters. The requirements of this Section are minimum standards and a person's compliance with the same shall not relieve such person from the duty of enacting all measures necessary to minimize pollution of receiving waters.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-4-8(13). Retrofitting Plan

The City has a plan to retrofit existing developed sites that fall within the applicability criteria described in Section 23-4-8(2). that are adversely impacting water quality. The plan emphasizes controls that infiltrate, have evapotranspiration, or harvest and use storm water discharges. The City recommends control measures that are best suited for the existing site and identifies controls that may be considered for future retrofitting.

The retrofitting plan will include the following criteria:

1. Proximity to waterbody;
2. Current assessment of waterbody with the goal to improve impaired waterbodies and protect unimpaired waterbodies;
3. Hydrologic condition of the receiving waterbody;
4. Proximity to sensitive ecosystem or protected area; and
5. Any existing site included in Section 23-4-8-(2). that could be further enhanced by retrofitting storm water controls.

Article 23-5. Violations, Enforcement, and Penalties

Contents:

23-5-1. Enforcement Authority.

23-5-2. Notice of Violation.

23-5-3. Administrative Citation.

23-5-4. Criminal Prosecution.

23-5-5. Nonexclusive Remedies.

23-5-6. Severability.

23-5-1. Enforcement Authority.

A. The Storm Water Utility may adopt procedures and rules for the implementation and administration of this Chapter and to provide for the enforcement of the provisions contained herein.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Authorized code enforcement personnel working under the direction of the ity Manager are hereby declared to be public officials within the meaning of Section 77-7-18 Utah Code as amended, and these public officials are hereby authorized to issue misdemeanor and/or administrative citations and/or notices of violations, and/or stop work orders for violations of this Chapter or City Construction Standards and Specifications.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. Whenever the City finds that a person has violated a prohibition or failed to comply with any requirement(s) of this Chapter, the City will order compliance through a written notice of violation, administrative citation to the responsible person(s), or criminal prosecution. Administrative citation or notices of violation may require without limitation:

1. The performance of monitoring, analyses, and reporting;
2. The elimination of ~~Illicit~~ Illicit connections or discharges;
3. That violating discharges, practices, or operations shall cease and desist;
4. The abatement or remediation of storm water pollution or contamination hazards and the restoration of any affected property;
5. Payment to cover administrative, remediation, monitoring, analyses, and reporting costs; or
6. The implementation of source control or treatment BMPs.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-5-2. Notice of Violation.

A. A **Notice of Violation** (NOV) may be issued when the City finds that a erson has violated or failed to comply with any requirements of this Chapter including those requirements found in any permit or plan authorized by this Chapter.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. Issuance and Enforcement of NOV:

1. Contents. The NOV shall state the location and nature of the noncompliance and shall also specify what action is required for the person to avoid revocation or suspension of any permit or plan issued pursuant to this Chapter. The NOV shall be mailed to the address listed for the r-esponsible person in any permit, plan, or application or to the landowner.
2. Corrective Action. The NOV shall allow the person a reasonable time to take the necessary corrective action to avoid revocation or suspension of any permit or plan which time, in the absence of exceptional circumstances, shall not be less than ten (10) nor more than thirty (30) days.
 - a. Exceptional Circumstances. For purposes of this Section, exceptional circumstances include, but are not limited to, situations which involve a risk of injury to persons, damage to storm water facilities, or damage to other property or the environment. The City may take any steps the City deems necessary to alleviate any such exceptional circumstances as defined above, and may bill the landowner, developer, or contractor responsible for creating the exceptional circumstances for the cost of alleviating said circumstances.
3. Suspension or Revocation. If the person fails to correct the problems identified in the notice during the time specified in the notice, the Director or his designee may suspend or revoke any permit or plan by mailing or delivering written notice of the suspension or revocation to the person.
4. Stop Work Order. A stop work order may be issued upon the revocation or suspension of a permit or plan, upon discovery of work in violation of or not in accordance with a permit or plan, or upon the discovery of work being conducted without a required permit or plan. The stop work order may be issued by inspectors in the Development Services Department or a City Public Works Official. No land disturbance or other construction activity may be commenced or continued on any site for which a permit or plan has been revoked or suspended until the permit or plan has been reinstated or reissued.
5. Reinstatement. The NOV may provide for reinstatement of any permit or plan upon correction of the violation and compliance with any plan or permit issued or approved under this Chapter.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. **NOV Appeals.** The person receiving the NOV may appeal any decision or directive made by the City. The party desiring to appeal shall file a notice of appeal at the City Manager's Office within 10 days of the decision or directive being appealed. The notice of appeal shall contain the following information:

1. The appellant's name, address and daytime telephone number;
2. A short statement describing the basis for the appeal; and
3. The relief sought by the appellant.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. **Hearing.** Upon receipt of the notice of appeal, the ity- ty Manager shall set a date for an informal hearing to consider the appeal. The informal hearing shall be conducted in accordance with policies established by the City Manager. The City Manager shall uphold the decision or directive being appealed unless the City Manager finds that there has been an error in the interpretation or implementation of this ordinance. The City Manager shall render a decision on the appeal within 10 days of the informal hearing with the appellant. The City Manager shall have authority to affirm, reverse, or modify any decision or directive appealed pursuant to this section.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-5-3. Administrative Citation.

A. **Administrative Citation.** When a City Public Works Officer determines that a violation of this Chapter exists, the City Public Works Officer may issue an administrative citation to the responsible person.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

B. **Content of Administrative Citation.** The administrative citation shall include the following:

1. The name and address of the responsible person;
2. The street address of the violation or a description sufficient for identifying the building, structure, premises, or land upon or within which the violation is occurring;
3. A description of the violation and the City Code section violated;
4. An order prohibiting the continuation or repeated occurrence of the code violation described on the Administrative Citation;
5. An order to the responsible person to correct the violation(s) within the time specified, and an explanation of the consequences of failure to correct the violation(s), including the fine for the violation;
6. The amount of the fine and/or penalty and interest for the violation(s);
7. An explanation of how the fine shall be paid and the time period by which it shall be paid;
8. The time for appealing the administrative citation to the Hearing Officer and the procedure for filing an appeal; and
9. A statement that the City may abate the violation and assess costs and expenses of abatement and a monetary fine against the responsible person if the correction is not completed by the responsible Person and approved by the City Public Works Director before the Completion Date.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

C. **Service of Administrative Citation.** The City Public Works Officer shall serve the administrative citation upon the responsible person, either personally or by mailing, certified, return receipt requested, a copy of the administrative citation to the Responsible Person at his/her last known address. If the responsible person cannot after due diligence be personally served within Utah County and if an address for mailed service cannot after due diligence be ascertained, notice shall be served by posting a copy of the administrative citation conspicuously on the affected property or structure. Proof of service shall be made by a written declaration under penalty of perjury executed by the person effecting the service, declaring the time and date of service, the manner by which the service was made, and if by posting, the facts showing that due diligence was used in attempting to serve the person personally or by mail.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

D. **Fine Amounts.**

1. The amounts of the fines imposed for violations of this Chapter shall be set forth in the regular schedule of fines established by a Resolution of the City Council.
2. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person within any twelve (12) month period from the date of the preceding administrative citation.
3. Each and every day a violation of the provisions of the code exists constitutes a separate and distinct offense and shall be subject to a citation.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

E. **Failure to Pay Fines.** The failure of any person to pay the civil fines assessed by an ~~Administrative Citation~~ within the time specified on the citation or after an administrative hearing, will result in the collection of the fine by the City. The City may pursue any available legal remedy to collect civil fines, including but not limited to judgments, liens, small claims actions, and collections. The City may also recover its collections costs according to proof.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

F. **Stop Work Order.** Upon the occurrence of a third violation the City may issue a Stop Work Order in ~~conjunction~~ with the Administrative Citation.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

G. **No Extension.** No extension of the time specified in the administrative citation for correction of the violation may be granted, except by order of the Hearing Officer.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

H. **Appeals.**

1. Grounds. Any person receiving an administrative citation may appeal the administrative citation to the Hearing Officer. Only the following issues may be appealed to the Hearing Officer:

- a. The person charged in the administrative citation as the responsible person, is not the responsible person as defined by this ordinance.
 - b. The condition described as a violation in the administrative citation is not a violation as defined by this ordinance.
 - c. The responsible person claims that the requirement(s) of the administrative citation violates his/her constitutional rights.
2. Filing.
- a. A person desiring to appeal an administrative citation must file a notice of appeal at the City's Public Works Office within ten (10) days of being served with the administrative citation or within fifteen (15) days of the mailing date if the administrative citation is mailed.
 - b. The notice of appeal shall clearly and concisely set forth all the reasons for the appeal. The Hearing Officer shall examine the notice of appeal to determine whether a valid appeal has been stated. If the appellant has not stated a valid cause for appeal, as set forth in Section 23-5-3.H., or if the appellant has failed to show by a preponderance of the evidence, that he/she has an appealable issue, the appeal shall be denied and no hearing shall be held.
 - c. If the appellant has not shown due diligence and/or substantial progress in correcting the violation or has made no attempt to correct the violation, the filing of an appeal will not stop the accrual of the fines.
 - d. If the appellant has filed an appeal, the filing of such appeal will not prevent law enforcement officers from responding to the property on reports of new violations.
3. Hearing. The hearing before the Hearing Officer shall be informal according to rules and procedures established by the Hearing Officer. The appellant may, but is not required to, bring an attorney or other representative to assist him or her. The appellant and the City Public Works Officer may each call witnesses at the hearing. The Hearing Officer may, with or without the parties present, visit the site of the alleged violation. If the Hearing Officer allows the parties at the site visit, both parties must be given the opportunity to be present. The Hearing Officer shall endeavor to schedule the hearing within thirty (30) days of when the notice of appeal is filed with the City. The City Attorney, or ~~his~~ designee, shall be present for the hearing and act as legal adviser for the Hearing Officer.
4. Burden of Proof.
- a. In appellant's notice of appeal, the appellant shall have the initial burden of proof to demonstrate by a preponderance of the evidence that he/she has stated a legitimate grounds for an appeal based upon reasons as set forth in Section 23-5-3.H.
 - b. If the appellant has timely filed his/her appeal and a hearing has been scheduled, the burden then shifts to the City to show by a preponderance of the evidence that a violation does exist.
 - c. The determination of the City Public Works Officer as to the need for the required corrective action shall be accorded substantial weight by the Hearing Officer in determining the reasonableness of the corrective action.
5. Authority of Hearing Officer. The Hearing Officer shall have authority to affirm or vacate the administrative citation, or to modify or waive specific provisions of the administrative citation. If the appellant fails to attend the hearing, the Hearing Officer shall affirm the administrative citation. The Hearing Officer shall not vacate the administrative citation unless he/she finds that no violation exists. The Hearing Officer shall modify the administrative citation if he/she finds that a violation exists, but that one or more of the requirements of the administrative citation is improper or inappropriate. A requirement is improper if it is contrary to this ordinance. A requirement is inappropriate if the Hearing Officer finds that there is a better means of resolving the problem or that the proposed solution is inappropriate given the nature or severity of the problem. When determining whether to waive or modify a requirement of the administrative citation, the Hearing Officer may also consider:
- a. Whether the appellant responded to the City Public Works Officer's attempts to contact the appellant and cooperated with efforts to correct the violation;
 - b. Whether the appellant has shown due diligence and/or substantial progress in correcting the violation;
 - c. The financial ability of the appellant and the amount, if any, that the appellant has benefited financially by maintaining the violation; and
 - d. Any other relevant factors.
6. Order. The Hearing Officer shall issue a written Order to the appellant and the City notifying them of his/her decision. The Order shall include the Hearing Officer's findings of fact and ultimate decision. If the Hearing Officer modifies or waives provisions of the administrative citation, the Order shall specify which portions are modified and how they are

modified. The Hearing Officer shall mail a copy of the Order to the appellant and the City within five (5) working days of the close of the hearing.

7. Appeal to District Court. Either the City or the appellant may appeal the Hearing Officer's Order by filing a petition for review of the Order. The petition must be filed in the Fourth District Court within thirty (30) calendar days from the date the Hearing Officer's Order was mailed to the appellant. In the petition, the plaintiff may only allege that the Hearing Officer's order was arbitrary, capricious, or illegal. The Hearing Officer shall transmit to the reviewing court the record of its proceedings, including any minutes, findings, orders and, if available, a true and correct transcript of its proceedings. If, in the opinion of the District Court, there is a sufficient record to review the Hearing Officer's Order, the Court's review is limited to the record provided by the Hearing Officer. The District Court may not accept or consider any evidence outside of the Hearing Officer's record unless the evidence was offered to the Hearing Officer and the Court determines that it was improperly excluded by the Hearing Officer. If, in the opinion of the District Court, there is not a sufficient record to review the Hearing Officer's Order, the Court may call witnesses and take evidence. No petition or appeal may be filed in District Court unless the responsible person first appeals to the Hearing Officer pursuant to the terms set forth in this ordinance.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-5-4. Criminal Prosecution

- A. Violations of this Chapter are class C misdemeanors.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

- B. The City may immediately proceed with criminal action against the violator if (1) the violator has committed the same violation in the past, or (2) the violation, in the opinion of the City, creates a serious risk and/or hazard to persons, the environment or property, or (3) the City deems the violation to constitute an emergency.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-5-5. Nonexclusive Remedies.

The City may take any or all of the abovementioned remedies (administrative, civil, or criminal) to abate a violation and/or to punish any person or entity that creates, causes, or allows a violation to exist. The abatement of a violation does not prejudice the right of the City or any person to recover damages or penalties for its past existence.

(Ord. No. O-2015-0027; Enacted 08/25/2015)

23-5-6. Severability

If the provisions of any article, section, subsection, paragraph, subdivision or clause of this ordinance shall be judged invalid by a court of competent jurisdiction, such order of judgment shall not affect or invalidate the remainder of any article, section, subsection, paragraph, subdivision or clause of this ordinance.

(Ord. No. O-2015-0027; Enacted 08/25/2015)



**CITY OF OREM
CITY COUNCIL
MEETING
JUNE 28, 2022**

REQUEST:	ORDINANCE - Amending Fiscal Year 2021-2022 Budget
APPLICANT:	Brandon Nelson
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	Brandon Nelson, Finance Director

REQUEST:

BACKGROUND:

The Fiscal Year 2021-2022 City of Orem budget has many adjustments that occur throughout the fiscal year. These adjustments include grants received from federal, state, and other governmental or private entities or organizations; appropriating reserves in the General Fund and transferring them to the Capital Projects Fund in order to meet state legal compliance requirements regarding maximum General Fund fund balance as well as providing various project funding; and Senior Citizen Fund partially funding a new bus due to price increases.

RECOMMENDATION:

The City Manager recommends the City Council hold a public hearing to discuss amending the current Fiscal Year 2021-2022 Budget and, by ordinance, amend the Fiscal Year 2021-2022 Budget.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY
OF OREM, UTAH, AMENDING THE FISCAL YEAR 2021-
2022 BUDGET.

WHEREAS On June 15, 2021, the City Council adopted a final budget following State law; and

WHEREAS the City Council held a public hearing on June 28, 2022, to receive input from the public regarding proposed amendments to the Fiscal Year 2021-2022 budget; and

WHEREAS the budget has been revised as deemed appropriate to accommodate unexpected revenues and expenses.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OREM, UTAH, as follows:

1. The Council hereby amends the Fiscal Year 2021-2022 Budget as shown in Exhibit "A" which is attached hereto and incorporated herein by reference.

2. The City Manager is directed to implement these budget amendments in accordance with State laws and appropriate City procedures.

3. This ordinance shall take effect immediately upon publication.

PASSED AND APPROVED this 28th day of June 2022.

CITY OF OREM, by
David A. Young, Mayor

ATTEST:

JoD'Ann Bates, City Recorder

COUNCIL MEMBERS	AYE	NAY	ABSTAIN
Mayor David A. Young	☐	☐	☐
Jeff Lambson	☐	☐	☐
Debby Lauret	☐	☐	☐
Tom W. Macdonald	☐	☐	☐
LaNae Millett	☐	☐	☐
Terry D. Peterson	☐	☐	☐
David M. Spencer	☐	☐	☐

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2021-2022

REVENUES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
10-3314	1	Grant - ARPA - U.S. Treasury - Tranche #2	\$ -	\$ 8,043,675.00
10-3316-002	1	Library - Westaf - TourWest Grant	1,800.00	4,300.00
10-3316-013	1	Grant - State Library - Pandemic Supplies	-	1,987.72
10-3316-026	1	Grant - State Library - Spanish - ARPA	-	1,500.00
10-3318-004	1	EMS Dispatch Grant	-	2,876.00
10-3690-003	1	Misc. Revenues - Police Department Donations	-	1,000.00
10-3690-020	1	Misc. Revenues - Police Evidence Forfeitures	-	20,234.00
10-3698	1	Donations - Library	-	4,342.48
10-3995-013	1	Cont. From - Fund 73 - Orem Foundation	4,930.00	10,122.00
10-3997-004	2	App. Surp - CIP Projects	-	5,725,000.00
Total			<u>\$ 6,730.00</u>	<u>\$ 13,815,037.20</u>
Net Fund Increase				<u>\$ 13,808,307.20</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-3321-001	1	Grant - NPS/DNR - LWCF	\$ -	\$ 283,566.00
45-3995-001	2	Cont. From - Fund 10 - CIP	-	5,725,000.00
Total			<u>\$ -</u>	<u>\$ 6,008,566.00</u>
Net Fund Increase				<u>\$ 6,008,566.00</u>
OREM FOUNDATION TRUST FUND				
73-3910-004	1	Donations - Orem City	\$ 3,750.00	\$ 8,942.00
Total			<u>\$ 3,750.00</u>	<u>\$ 8,942.00</u>
Net Fund Increase				<u>\$ 5,192.00</u>
SENIOR CITIZENS FUND				
76-3997-004	3	App. Surp - Operations	\$ -	\$ 22,500.00
Total			<u>\$ -</u>	<u>\$ 22,500.00</u>
Net Fund Increase				<u>\$ 22,500.00</u>
Total City Funds			<u>\$ 10,480.00</u>	<u>\$ 19,855,045.20</u>
Net City Funds Increase				<u>\$ 19,844,565.20</u>

EXHIBIT "A"
BUDGET AMENDMENTS
FISCAL YEAR 2021-2022

EXPENDITURES

Account Number	Note	Description	Previous Budget	Current Budget
GENERAL FUND				
Police Administration				
10-6510-150-001	1	Employee Recognition - Baker Award - PS Endowment	\$ -	\$ 1,000.00
10-6510-743-099	1	Equipment - Police	-	20,234.00
Communications				
10-6551-450-001	1	Public Safety Supplies - EMS Dispatch Grant	-	2,876.00
Fire & Medical Services				
10-7040-210-051	1	Certifications - EMS	-	5,000.00
Parks				
10-7547-600-010	1	Miscellaneous Expenses - Donations	-	192.00
Library Administration				
10-8510-310-002	1	Prof. & Technical Services - Westaf - TourWest Grant	1,800.00	4,300.00
10-8510-600-013	1	Misc Expenses - State Library Grant - Pandemic Supplies	-	1,987.72
Technical Services				
10-8520-240	1	Supplies	2,500.00	2,842.48
10-8520-462-012	1	Adult Collection - State Lib Spanish Grant (ARPA)	-	1,500.00
Patron Services				
10-8530-310	1	Professional & Technical Services	320.00	4,320.00
Non-Departmental Expenditures				
10-9910-920-001	2	Cont. To - Fund 45 - CIP	-	5,725,000.00
10-9912-999	1	ARPA Funds Tranche #2	-	8,043,675.00
Total			<u>\$ 4,620.00</u>	<u>\$ 13,812,927.20</u>
Net Fund Increase				<u>\$ 13,808,307.20</u>
CAPITAL IMPROVEMENT PROJECT FUND				
45-6034-720-570	1	Geneva Park - Restroom & Maintenance Shed	\$ -	\$ 141,783.00
45-6034-720-571	1	Sharon Park - Restroom & Maintenance Shed	-	141,783.00
45-6034-731-230	2	Future Projects	-	5,725,000.00
Total			<u>\$ -</u>	<u>\$ 6,008,566.00</u>
Net Fund Increase				<u>\$ 6,008,566.00</u>
OREM FOUNDATION TRUST FUND				
73-8591-920-004	1	Cont. To - Fund 10 - Orem City	\$ 3,750.00	\$ 8,942.00
Total			<u>\$ 3,750.00</u>	<u>\$ 8,942.00</u>
Net Fund Increase				<u>\$ 5,192.00</u>
SENIOR CITIZENS FUND				
76-8097-920-001	3	Cont To - Fund 10 - Senior Ctr Bus	\$ -	\$ 22,500.00
Total			<u>\$ -</u>	<u>\$ 22,500.00</u>
Net Fund Increase				<u>\$ 22,500.00</u>
Total City Funds			<u>\$ 8,370.00</u>	<u>\$ 19,852,935.20</u>
Net City Funds Increase				<u>\$ 19,844,565.20</u>

**BUDGET AMENDMENTS
FISCAL YEAR 2021-2022**

NOTES

These notes are attached to the budget amendments summary to describe the more unusual or extraordinary amendments to the Fiscal Year 2021-2022 City of Orem Budget that have been necessitated to this point in the fiscal year. Many of the amendments listed in the summary are immaterial and/or are technical corrections that any organization of this size would expect to encounter during an operating year and therefore, no specific note has been given for these items. Please contact Brandon C. Nelson, CPA, Finance Director, at 801-229-7010, if you have any questions or concerns.

- 1) The City receives grant or donation funds during the year to aid many different operations such as federal funding for the COVID pandemic (ARPA), Police Department (Major Crimes Task Force Grants), Library (Westaf, CARES, & ARPA Grants), Fire Department (EMS Dispatch Grant), and Public Works (Land & Water Conservation Fund Grant). The funds are received from Federal, State, and other governmental (or private) entities. These entries represent the adjustments necessary to adjust the appropriate budgets.
- 2) After completing the Fiscal Year 2020-2021 Annual Comprehensive Financial Report (ACFR) and calculating the State of Utah's maximum allowable General Fund fund balance, the City exceeded the maximum allowable amount of 35%. Therefore, the City is required to either spend or transfer \$5,725,000 by the end of the current fiscal year. City staff has identified a number of projects that could be funded by these excess funds. However, these projects would not be able to be completed by fiscal year end and thus, the funds need to be transferred to the Capital Projects Fund so that the funds will be available when the specific projects are identified and receive approval to proceed. By making this transfer, the General Fund's fund balance would fall below the State of Utah's fund balance maximum and the City would then be in compliance.
- 3) The City has been attempting to purchase a new bus for the Senior Friendship Center using funds awarded by the State of Utah from the Volkswagen litigation settlement. Unfortunately, due to the pandemic, the company with whom we intended to purchase this new bus with went out of business. We were able to identify a bus that would still qualify under the award terms and worked with the State of Utah to document the change. Unfortunately, the cost of the new bus was higher than the award amount and thus, additional funding needed to be identified. The additional amount needed was split between the General Fund and the Senior Citizens Fund. The Senior Citizens Fund portion will be coming from surplus funds (i.e. fund balance) and this amendment entry represents the adjustment amount and accounts needed to provide the necessary funding for this new bus.

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED MAY 2022

Percent of Year Expired: 92%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2022	% To Date FY 2021	Notes
10 GENERAL FUND								
Revenues	64,931,967	6,004,812	54,998,638			85%	76%	
Appr. Surplus - Current	778,225		778,225			100%		
Appr. Surplus - Prior Year	18,337,649		18,337,649			100%		
Std. Interfund Transactions	5,669,461		5,669,461			100%		
Total Resources	89,717,302	6,004,812	79,783,973		9,933,329	89%	82%	
Expenditures	89,717,302	10,601,768	61,847,916	1,636,705	26,232,681	71%	74%	
20 ROAD FUND								
Revenues	3,332,500	592,775	2,878,447			86%	93%	
Appr. Surplus - Prior Year	2,141,745		2,141,745			100%		
Total Resources	5,474,245	592,775	5,020,192		454,053	92%	96%	
Expenditures	5,474,245	159,013	2,361,368	917,325	2,195,552	60%	54%	
21 CARE TAX FUND								
Revenues	2,420,000	317,826	2,338,975			97%	97%	
Appr. Surplus - Current	200,000		200,000			100%		
Appr. Surplus - Prior Year	1,196,780		1,196,780			100%		
Total Resources	3,816,780	317,826	3,735,755		81,025	98%	99%	
Expenditures	3,816,780	9,000	2,028,376	273,167	1,515,237	60%	92%	1
24 TRANSPORTATION SALES TAX FUND								
Revenues	2,307,000	282,184	2,117,307			92%	94%	
Appr. Surplus - Prior Year	2,252,922		2,252,922			100%		
Total Resources	4,559,922	282,184	4,370,229		189,693	96%	97%	
Expenditures	4,559,922	121,846	2,174,687	214,323	2,170,912	52%	40%	
30 DEBT SERVICE FUND								
Revenues	5,644,225	700,253	4,840,060			86%	86%	
Appr. Surplus - Current	807,917		807,917			100%		
Total Resources	6,452,142	700,253	5,647,977		804,165	88%	87%	
Expenditures	6,452,142	682,079	3,050,808		3,401,334	47%	49%	
45 CIP FUND								
Revenues	858,566	88,050	762,788			89%	107%	
Appr. Surplus - Prior Year	19,397,312		19,397,312			100%		
Total Resources	20,255,878	88,050	20,160,100		95,778	100%	102%	
Expenditures	20,255,878	61,514	1,213,123	1,679,135	17,363,620	14%	32%	2
51 WATER FUND								
Revenues	17,961,733	1,180,724	16,389,436			91%	93%	
Appr. Surplus - Current Year	150,000		150,000			100%		
Appr. Surplus - Prior Year	48,948,581		48,948,581			100%		
Total Resources	67,060,314	1,180,724	65,488,017		1,572,297	98%	96%	
Expenditures	67,060,314	381,867	15,472,985	3,544,476	48,042,853	28%	35%	
52 WATER RECLAMATION FUND								
Revenues	13,443,194	1,263,730	12,508,947			93%	100%	
Appr. Surplus - Prior Year	22,479,169		22,479,169			100%		
Total Resources	35,922,363	1,263,730	34,988,116		934,247	97%	100%	
Expenditures	35,922,363	501,721	10,206,485	4,417,017	21,298,861	41%	32%	
55 STORM WATER FUND								
Revenues	5,402,195	466,829	5,243,845			97%	99%	
Appr. Surplus - Prior Year	8,230,808		8,230,808			100%		
Total Resources	13,633,003	466,829	13,474,653		158,350	99%	100%	
Expenditures	13,633,003	392,382	3,990,917	485,479	9,156,607	33%	42%	
56 RECREATION FUND								
Revenues	2,732,340	387,412	2,893,177			106%	69%	
Appr. Surplus - Prior Year	7,474		7,474			100%		
Total Resources	2,739,814	387,412	2,900,651		-160,837	106%	70%	
Expenditures	2,739,814	175,373	2,473,596	57,084	209,134	92%	96%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED MAY 2022

Percent of Year Expired: 92%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2022	% To Date FY 2021	Notes
57 SOLID WASTE FUND								
Revenues	4,478,000	394,721	4,220,993			94%	94%	
Appr. Surplus - Prior Year	232		232			100%		
Total Resources	4,478,232	394,721	4,221,225		257,007	94%	94%	
Expenditures	4,478,232	345,687	3,657,589		820,643	82%	85%	
58 STREET LIGHTING FUND								
Revenues	965,000	74,959	871,030			90%	89%	
Appr. Surplus - Prior Year	1,619,639		1,619,639			100%		
Total Resources	2,584,639	74,959	2,490,669		93,970	96%	95%	
Expenditures	2,584,639	26,853	1,638,706	535,846	410,087	84%	61%	3
61 FLEET MAINTENANCE FUND								
Appr. Surplus - Current	50,000		50,000			100%		
Appr. Surplus - Prior Year	857		857			100%		
Std. Interfund Transactions	850,000		850,000			100%		
Total Resources	900,857		900,857			100%	100%	
Expenditures	900,857	47,073	811,758	719	88,380	90%	87%	
62 PURCHASING/WAREHOUSING FUND								
Appr. Surplus - Current	40,000		40,000			100%		
Appr. Surplus - Prior Year	177		177			100%		
Std. Interfund Transactions	380,000		380,000			100%		
Total Resources	420,177		420,177			100%	100%	
Expenditures	420,177	21,855	327,058	19,592	73,527	83%	86%	
63 SELF INSURANCE FUND								
Revenues	765,000	56,319	670,716			88%	82%	
Std. Interfund Transactions	1,390,000		1,390,000			100%		
Total Resources	2,155,000	56,319	2,060,716		94,284	96%	94%	
Expenditures	2,155,000	56,044	1,938,264	6,449	210,287	90%	97%	
64 INFORMATION TECH FUND								
Revenues	8,136	678	7,752			100%		
Appr. Surplus - Prior Year	385,420		385,420			100%		
Std. Interfund Transactions	2,442,000		2,442,000			100%		
Total Resources	2,835,556	678	2,835,172		384	100%	100%	
Expenditures	2,835,556	190,287	2,188,195	107,119	540,242	81%	77%	
65 FACILITIES MAINTENANCE FUND								
Appr. Surplus - Prior Year	337,613		337,613			100%		
Std. Interfund Transactions	1,700,000		1,700,000			100%		
Total Resources	2,037,613		2,037,613			100%	100%	
Expenditures	2,037,613	152,628	1,802,978	90,571	144,064	93%	89%	
74 CDBG FUND								
Revenues	1,194,711	5,082	719,979			60%	58%	
Appr. Surplus - Prior Year	454,813		454,813			100%		
Total Resources	1,649,524	5,082	1,174,792			71%	64%	
Expenditures	1,649,524	73,094	756,249	10,034	883,241	46%	53%	
CITY TOTAL RESOURCES	266,693,361	11,816,354	251,710,884		14,507,745	94%	92%	
CITY TOTAL EXPENDITURES	266,693,361	14,000,084	117,941,058	13,995,041	134,757,262	49%	55%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED MAY 2022

Percent of Year Expired: 92%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2022	% To Date FY 2021	Notes

NOTES TO THE BUDGET REPORT FOR THE MONTH ENDED MAY 2022:

- 1) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances (\$273,167) being significantly lower than in the prior fiscal year (\$1,689,930) at this date in time. Due to the Fitness Center construction project.
- 2) The current year expenditures are lower in comparison to the prior year due to the prior year costs related to the Hillcrest Elementary property purchase, Library Hall project, and Fitness Center project which we do not have in the current fiscal year.
- 3) The current year expenditures are higher in comparison to the prior year due to the current year street lighting Phase II construction project of \$564,444. No such project occurred in the prior fiscal year.

Note: In earlier parts of a fiscal year, expenditures may be greater than the collected revenues in a fund. The City has accumulated sufficient reserves to service all obligations during such periods and does not need to issue tax anticipation notes or obtain funds in any similar manner. If you have questions about this report, please contact Brandon Nelson (229-7010).