



CITY OF OREM
CITY COUNCIL MEETING
56 North State Street, Orem, Utah
August 23, 2022

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

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

PRESENTATION - United Way Community Assessment (30 min)

Presentation

Presenter: Bill Hultstrom, President & CEO of United Way of Utah County

PRESENTATION - Alpine Aqueduct Project (30 min)

Presentation

Presenter: Sam Kelly, City Engineer and Sarah Sutherland, Central Utah Water Conservancy District

PRESENTATION - Pretreatment Ordinance and Local Limit Changes (20 min)

Presentation

Presenter: Reed Price, Assistant Public Works Director

PRESENTATION: Inter-local Agreement with Utah County for the construction of improvements at 1600 North 400 East (15 min)

Presentation

Presenter: Sam Kelly, City Engineer and Ryan Clark, Development Services Director

DISCUSSION - Proposed amendments to the Orem General Plan pertaining to complying with State Code requirements as outlined in HB 462 approved in the 2022 legislative session. (30 min)

Discussion

Presenter: Jason Bench, Planning Division Manager

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.

PRESENTER: David Spencer

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

3. **CALL TO ORDER**

4. **INVOCATION/INSPIRATIONAL THOUGHT: Don Wallace**

5. PLEDGE OF ALLEGIANCE: Joan Wallace

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 - Parking Permits for Springwater Neighborhood

8.2 RESOLUTION - Amending Late Fee Schedule for Violations of Civil Infractions.

8.3 RESOLUTION - Interlocal Agreement with Utah County for the construction of improvements at 1600 North and 400 East

9. SCHEDULED ITEMS

9.1 APPOINTMENTS TO BOARDS AND COMMISSIONS

- Transportation Advisory Commission

Marlan Coe; Appointment

Kathleen Turner; Appointment

Presenter: Mayor and City Council Members

9.2 PUBLIC HEARING / RESOLUTION- City to receive Public Comments on the Economic Development Strategic Plan (EDSP) and consider approval of Resolution to adopt the EDSP into the City of Orem General Plan

Presenter: Kathi Lewis, Economic Development Division Manager

9.3 PUBLIC HEARING / ORDINANCE - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.

Presenter: Jason Bench, Planning Division Manager

9.4 PUBLIC HEARING / ORDINANCE – Amending portions of Chapter 10 Flood Damage Prevention of the Orem City Code pertaining to base flood elevation requirements.

Presenter: Jason Bench, Planning Division Manager

10. COMMUNICATION ITEMS

**10.1 MONTHLY FINANCIAL SUMMARY - June & July 2022
For Review Only**

11. 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.

12. ADJOURN

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

City of Orem Resolution No. _____

**A RESOLUTION OF THE OREM CITY COUNCIL AUTHORIZING THE MAYOR TO
EXECUTE AN INTER-LOCAL AGREEMENT WITH UTAH COUNTY FOR THE
CONSTRUCTION OF IMPROVEMENTS AT 1600 NORTH 400 EAST**

WHEREAS, the Murdock Canal Trail crosses the intersection of 1600 North and 400 East in Orem; and

WHEREAS, the Murdock Canal Trail is heavily used by pedestrians and bicycle riders; and

WHEREAS, there is a need for safety improvements at the intersection of 1600 North and 400 East due to conflicts at that intersection with the Murdock Canal Trail; and

WHEREAS, the Murdock Canal Trail is under the jurisdiction of Utah County and the intersection of 1600 North 400 East is under the jurisdiction of the City of Orem; and

WHEREAS, the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated (1953), as amended, permits local governmental units including cities, counties, interlocal agencies and political subdivisions of the State of Utah to make the most efficient use of their powers by enabling them to cooperate with other public entities on the basis of mutual advantage and to exercise joint cooperative action for the benefit of their respective citizens; and

WHEREAS, pursuant to Utah Code Ann. § 59-12-1903 (2008) (now Utah Code Ann. § 59-12-2218), Utah County adopted Ordinance No. 2008-26 to enact a sales and use tax ("3rd Quarter Tax") of 0.25% upon certain transactions described therein; and

WHEREAS, Utah County and the City of Orem desire to facilitate the construction of a roadway project known as 1600 North 400 East Intersection Improvements which consists of intersection safety improvements; and

WHEREAS, the Mountainland Metropolitan Planning Organization ("MPO") Regional Planning Committee determined that the Approved Project should receive a portion of the revenues of the 3rd Quarter Tax not to exceed \$1,297,113 in 2022; and

WHEREAS, the City of Orem is required to pay a match or portion of the Total Project Cost which is 6.77% of the Total Project Cost; and

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

1. The City Council of the City of Orem, Utah hereby authorizes the Mayor to execute an Interlocal Cooperation Agreement with Utah County for the 1600 North 400 East Intersection Improvements project as shown in Exhibit "A" which is attached hereto and by reference is made a part hereof.
2. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this _____ day of August, 2022

David A. Young, Mayor

ATTEST:

JoD'Ann Bates, City Recorder

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

Exhibit A

Agreement No. 2022 - 286

INTER-LOCAL COOPERATION AGREEMENT

between

**UTAH COUNTY and
THE CITY OF OREM**

For A Project Known As

1600 North 400 East Intersection Improvements

THIS AGREEMENT, made and entered into this 13 day of April 2022, by and between **UTAH COUNTY (Program Manager)**, a political subdivision of the State of Utah, with principle offices located at 100 East Center ST, Suite 2300, Provo, Utah 84606 and **THE CITY OF OREM (Project Sponsor)**, a political subdivision of the State of Utah, with principle offices located at 56 North State Street, Orem, UT 84057.

RECITALS:

WHEREAS, the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated (1953), as amended, permits local governmental units including cities, counties, inter-local agencies and political subdivisions of the State of Utah to make the most efficient use of their powers by enabling them to cooperate with other public entities on the basis of mutual advantage and to exercise joint cooperative action for the benefit of their respective citizens; and

WHEREAS, pursuant to Utah Code Ann. § 59-12-1903 (2008) (now Utah Code Ann. § 59-12-2218), the County adopted Ordinance No. 2008-26 to enact a sales and use tax (“3rd Quarter Tax”) of 0.25% upon certain transactions described therein; and

WHEREAS, the Program Manager and the Project Sponsor desire to facilitate the construction of a roadway project known as **1600 North 400 East Intersection Improvements (Approved Project)** which consists of intersection safety improvements at 1600 North and 400 East in Orem; and

WHEREAS, the Mountainland Metropolitan Planning Organization (“MPO”) Regional Planning Committee determined that the Approved Project should receive a portion of the revenues of the 3rd Quarter Tax not to exceed \$1,297,113 in 2022; and

WHEREAS, the Program Manager and the Project Sponsor held duly noticed public meetings wherein this Agreement was considered and an Authorizing Resolution was presented for approval by the respective legislative bodies.

NOW THEREFORE, in consideration of the covenants and agreements contained herein and other valuable consideration, the sufficiency of which is hereby acknowledged, the Program Manager and the Project Sponsor hereby agree as follows:

Section 1. PURPOSES.

This Agreement has been established and entered into between the Program Manager and the Project Sponsor for the purpose of outlining the respective rights and responsibilities of the Program Manager and the Project Sponsor in the construction of the Approved Project.

Section 2. ADMINISTRATION OF AGREEMENT.

The parties hereto agree that, pursuant to Section 11-13-207, Utah Code Annotated, 1953 as amended, the Utah County Public Works Director shall act as the administrator responsible for the administration of this Agreement. The parties further agree that this Agreement does not anticipate nor provide for any organizational changes in the parties. The administrator agrees to keep all books and records in such form and manner as the Utah County Clerk/Auditor shall specify and further agrees that said books shall be open for examination by the parties hereto at all reasonable times.

Section 3. MULTIPLE JURISDICTIONS.

If a project is within multiple jurisdictions and/or agencies, one jurisdiction or agency will enter in to this interlocal agreement and interface with the Program Manager as the Project Sponsor. Multiple jurisdictions and/or agencies interactions will be outlined within a separate interlocal agreement between said jurisdictions and/or agencies. This Agreement shall be referenced in such an additional interlocal agreement as an Exhibit.

Section 4. EFFECTIVE DATE; DURATION.

This Agreement shall become effective and shall enter into force within the meaning of the Interlocal Cooperation Act, upon the submission of this Agreement to, and the approval and execution hereof by the governing bodies of the Program Manager and the Project Sponsor. The term of this Agreement shall be from the date of execution hereof until the terms and obligations identified herein are completed, but in no event, longer than 3 years from the execution date.

Section 5. NO SEPARATE LEGAL ENTITY.

The Program Manager and the Project Sponsor do not contemplate nor intend to establish a separate legal or administrative entity under the terms of this Agreement.

Section 6. TERMS.

- 1) **Project Scope** – Intersection improvements at 1600 North 400 East to increase safety for road and trail users at the intersection, including engineering and design concepts to determine the most effective solution.
- 2) **Project Initiation** - The Project Sponsor will designate a qualified project engineer from its staff or hire a project engineer from the Project Sponsors consultant pool or the prequalified UDOT pool, who will be responsible for project delivery. The designated project engineer will be responsible for the completion of the project.
- 3) **Project Development** - The Project Sponsor and the designated project engineer, will design the Approved Project, acquire the necessary Right of Way (“ROW”), bid out and manage the construction of the Approved Project.
 - a) **Design Standard** - The design and construction of the Approved Project will meet or exceed Orem City standards.
 - b) **Environmental Work** - The Project Sponsor will acquire the appropriate clearances and permits through the design process. The Project Sponsor can follow its own adopted environmental process or follow the Recommended Environmental Guidance / Mountainland & Utah County Programmed Projects document (including designating with the Program Manager the type of environmental work to be completed). The Project Sponser must also follow any National Environmental Policy Act (NEPA) requirements required (Endangered Species Act, Clean Water Act, etc.).
 - c) **Design Work** - The Project Sponsor will involve the Program Manager at the following design milestones:
 - (1) Kickoff Meeting,
 - (2) 30% Scope and Schedule Review,
 - (3) 60% On Site Plan Review, and

(4) 90% Plans, Specifications and Estimate.

- d) **Final Design Approval** - Once project design is complete the Project Sponsor will review the final design with the Program Manager. Both parties shall agree that the project is ready for the construction phase prior to beginning the construction phase.
 - e) **ROW Acquisition** - The Project Sponsor will be responsible to acquire all necessary ROW adhering to state and local laws. The Project Sponsor can follow their own adopted ROW acquisition process or follow the Recommended Right of Way Acquisition Guidance / Mountainland & Utah County Programmed Projects guidance document.
 - f) **Procurement** - Advertising of the Approved Project will follow the Project Sponsors established procurement policies. All construction bids will include a 10% construction contingency. The Project Sponsor will provide a copy of the notice of award to the Program Manager.
- 4) **Project Signage/Contact Info** - It is recommended that the Project Sponsor install signage informing the public of the following:
- a) Project name.
 - b) Project description.
 - c) Start and completion dates (general).
 - d) Contact name, phone number, website address, email.
 - e) Use the sentence “This project funded with Mountainland Transportation Funding”.
 - f) List project sponsors and their logos (Project Sponsor, Mountainland, Utah County).
 - g) Generally, one sign at each access point to the project shall be installed.
 - h) Signs should be at least 4’ x 6’, or large enough for passing motorists to read.
 - i) Signs should be installed prior to construction and stay in place through construction.
- 5) **Construction Process** - The Project Sponsor will manage the construction process.
- a) The Program Manager will be notified of any changes that affect the scope of the project or costs that exceed the construction contingency.
- 6) **Project Completion** - Program Manager staff will be notified and allowed to attend the final inspection of the completed project.
- 7) **Project Hold** - The Program Manager has the authority to place a project on hold during the Project Development process or withhold reimbursement of invoices during the Construction Process if the Program Manager deems that the project is not within the Approved Project scope or budget. The Program Manager shall notify the Project Sponsor of the hold in writing and will work with the Project Sponsor to rectify the issues promptly. If the Project Sponsor

and Program Manager cannot bring the Approved Project back into scope or if additional funding is needed above what the Program Manager or the Project Sponsor can provide, the issues will be brought to the Mountainland MPO committees for their review, recommendations, and approvals.

- 8) **Total Project Cost** - Both the Program Manager and Project Sponsor acknowledge that the Approved Project has been authorized by the Mountainland MPO Regional Planning Committee (Utah County Commission must also approve if county funds are used) to be funded at an amount not to exceed \$1,391,304 (Total Project Cost) for the direct costs of the Approved Project.
 - a) **Matching Funds** - The Project Sponsor is required to pay a match or portion of the Total Project Cost. This amount is 6.77% of the Total Project Cost. The use of Project Sponsor equipment and/or Project Sponsor employee time for the project shall not be reimbursable, but can be claimed by the Project Sponsor as a soft match toward the required 6.77% matching funds required from the Project Sponsor. The Project Sponsor is required to pay the difference between the required match and the value of the soft match, if any.
 - b) **Multi-Year Funding** - Some projects require funding across multiple fiscal years. Reimbursement for Approved Project activities can only be made up to the available amount identified in a single fiscal year. Any balance from a prior year where available funds have not been expended for the Approved Project are then advanced to the next fiscal year and are added to the funds available that fiscal year. Fiscal years for County Transportation Sales Tax Funds begin on January 1st. The Approved Project has been approved for \$1,297,113 in 2022.
 - c) **Reimbursement** - The Project Sponsor, if desiring reimbursement for the direct costs of the Approved Project, will provide the Program Manager with quarterly or bi-annual itemized invoices detailing actual costs for the ROW acquisition, design, utility relocation, construction, or other approved elements of the project. Appropriate backup materials shall also be supplied. The Program Manager agrees to reimburse the Project Sponsor within 30 days of receiving acceptable itemized invoices establishing the validity of the direct costs of the Approved Project. The maximum amount of reimbursement from the Program Manager to the Project Sponsor shall not exceed \$1,297,113 (Total Project Cost less Matching Funds). Any costs which exceed \$1,297,113 shall be the sole responsibility of the Project Sponsor. The Program Manager will review and approve monthly each itemized invoice and will reimburse the total invoice amount less the required matching funds.
 - d) **Cost Overruns** - The Program Manager maintains an account for cost overruns. The

Project Sponsor may request additional funds above the approved Total Project Cost with supporting documentation demonstrating the need for additional funds. The Program Manager may approve up to 10% of the Total Project Cost up to a maximum of \$500,000. The MPO Regional Planning Committee can approve higher amounts (Utah County Commission must also approve if county funds are used). The addition of these contingency funds would require a modification to this agreement. If no additional funds are awarded and the project still requires additional funds, the Project Sponsor will be responsible to fund the overrun.

- e) **Surplus Funds** - Any surplus funds remaining after the completion of the Approved Project will be returned to the Mountainland or Utah County fund balance to be reallocated to other projects selected through the MPO project selection process. Note that Mountainland and Utah County selects and funds projects, not sponsors. Surplus funds cannot be moved to a new project not already approved through the MPO project selection process. Any surplus funds paid by the Project Sponsor shall be returned to the Project Sponsor.
- 9) **Ownership and Maintenance of Approved Project** - The Project Sponsor shall own and be responsible for maintenance, repair and replacement of the completed project.
- 10) **Inspection of Approved Project** - The Program Manager and its designees, upon reasonable notice, reserve the right to enter upon the Approved Project to inspect the same to verify compliance with this Agreement.
- 11) **Other Expenses** - Except as otherwise expressly stated herein, all expenses not identified as a part of the Approved Project or executed prior to the Agreement shall be the sole responsibility of the Project Sponsor.
- 12) **No Third-Party Rights** - The obligations of the parties set forth in this Agreement shall not create any rights in or obligations to any persons or parties other than to the Project Sponsor and Program Manager. This Agreement is not intended to nor shall it be construed to benefit any third party.
- 13) **Recitals** - The Recitals portion of this Agreement constitutes a part of this Agreement.

Section 7. FILING OF INTERLOCAL COOPERATION AGREEMENT.

Executed copies of this Agreement shall be placed on file with the official keeper of records of the Program Manager and the Project Sponsor, and shall remain on file for public inspection during the term of this Agreement.

Section 8. AMENDMENTS.

- 1) **Amending this Agreement** - This Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be: (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, and (c) filed in the official records of each party.
- 2) **Change Orders** - Changes can occur throughout a project. Changes that are outside the scope outlined in this contract must be amended as stated above. Minor changes and adjustments that fall within the original project scope can be addressed with a change order. A change order does not require amending this agreement. A change order is defined as that additional effort necessary by reason of changed conditions which are radical, unforeseen, and completely beyond the control of the Project Sponsor. The Project Sponsor shall create the change order and keep records of them. Any additional costs incurred can be covered by the construction contingency or by added local funding and should be addressed in the change order. If additional costs are more than the construction contingency and available local funds, the Project Sponsor shall contact the Program Manager to review funding options.

Section 9. EXTRA WORK

Extra work shall be undertaken only when previously authorized in writing by the Program Manager, and is defined as additional work which is neither shown nor defined in this Agreement. Extra work includes additional improvements adjacent to the Approved Project or in other locations that the Project Sponsor desires to complete as a package of projects. Extra work can be for utility projects, facilities that tie into the Approved Project, project betterments, or other work desired by the Project Sponsor. No costs incurred by extra work can be billed to the Approved Project. Any invoices submitted by the Project Sponsor shall clearly detail costs incurred by the Approved Project and list separately costs incurred by the extra work. This Agreement shall be referenced in an extra-work agreement as an Exhibit.

Section 10. SEVERABILITY.

If any term or provision of this Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law, which would render any of the terms of this Agreement unenforceable.

Section 11. GOVERNING LAW.

All questions with respect to the construction of this Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 12. INDEMNIFICATION.

The Project Sponsor shall indemnify and hold the Program Manager harmless from any and all claims of liability for any injury or damage to any person or property whatsoever occurring in, on or about the Approved Project or any part thereof. The Project Sponsor shall further indemnify and hold the Program Manager harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the Project Sponsor's part to be performed under the terms of this Agreement, or arising from any act or negligence of the Project Sponsor, or any of the Project Sponsor's agents, employees, contractors, subcontractors, or invitees and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. However, the Project Sponsor shall not be required to indemnify the Program Manager for the Program Manager's own negligence or intentional misconduct. Both the Project Sponsor and Program Manager agree that the terms of this Agreement are subject to, and not a waiver of, the protections, immunities and liability limits of the Governmental Immunity Act, U.C.A. 63G-1-101, et. seq. The Project Sponsor's obligations under this provision shall survive the expiration or other termination of this Agreement.

Section 13. ENTIRE AGREEMENT

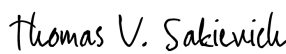
This Agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

IN WITNESS WHEREOF, the parties have signed and executed this Agreement, after resolutions duly and lawfully passed, on the dates listed below:

UTAH COUNTY

Authorized and passed on this 13 day of April 2022,

Board of Commissioners
UTAH COUNTY, UTAH

DocuSigned by:

4986D9FD4AD14E8...
Thomas V. Sakievich, Commission Chair

ATTEST:
Josh Daniels
Utah County Clerk/ Auditor

DocuSigned by:

2937075D91C74DB...
Deputy Clerk/ Auditor

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE LAW:
David O. Leavitt
Utah County Attorney

By: 
C70C251AD4284A9...
Deputy Utah County Attorney

OREM CITY

Authorized by Resolution No. _____ ,
this 12 day of April 2022,

OREM CITY
UTAH COUNTY, UTAH

Mayor

ATTEST:

City Recorder

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE
LAW:

By: _____
City Attorney

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING A RESIDENTIAL
PARKING PERMIT AREA ON SPECIFIC STREETS IN THE
SPRINGWATER NEIGHBORHOOD

WHEREAS the City Council is concerned for the health, safety and welfare of all neighborhoods within the City; and

WHEREAS the City Council has determined that the following streets in the Springwater neighborhood have had an influx of motor vehicles owned by nonresidents: 860 South, 900 South, 980 South, 1520 West, 1555 West, 1590 West, 1635 West, 1640 West, 1675 West, 1680 West, 1730 West, 1780 West, 1840 West (south of 850 S), Artesian Road, Springwater Drive, and 800 South (west of Geneva Road); and

WHEREAS the City of Orem Police Department has conducted a traffic study and concluded that nonresidents inundate the area during school hours, after 5:00 p.m., and on weekends; and

WHEREAS the City Council has determined that these nonresident vehicles compete for the limited number of on-street parking spaces of the neighborhood residents, congest City streets, detract from neighborhood housing values, and disrupt basic essential functions; and

WHEREAS a large number of the residents residing in this area are supportive of creating a residential parking permit area; and

WHEREAS the City Council finds that the designation of this area as a residential parking permit area will be a benefit to the health, safety, peace, morals, comfort, and general welfare of the neighborhood residents residing within this residential parking permit area and meets all other requirements set forth in Orem City Code Article 19-5; and

WHEREAS the City Council has determined that the yellow-marked streets of the attached City map, which map is incorporated herein and referred to as Exhibit "A", shall be a residential parking permit area; and

WHEREAS the City Council has determined that the hours of the parking regulations in this designated area will be in force every hour and every day during the calendar year.

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

1. The City Council hereby creates a residential parking permit area including the yellow-marked portions of Exhibit "A".
2. The City Council hereby directs the parking regulations shall be in force daily throughout the calendar year.

3. The City Council directs that each dwelling in the permit parking area receive two (2) visitor parking permits and a pass for each vehicle registered to a residence in the district.

PASSED AND APPROVED this ____ day of _____ 2022.

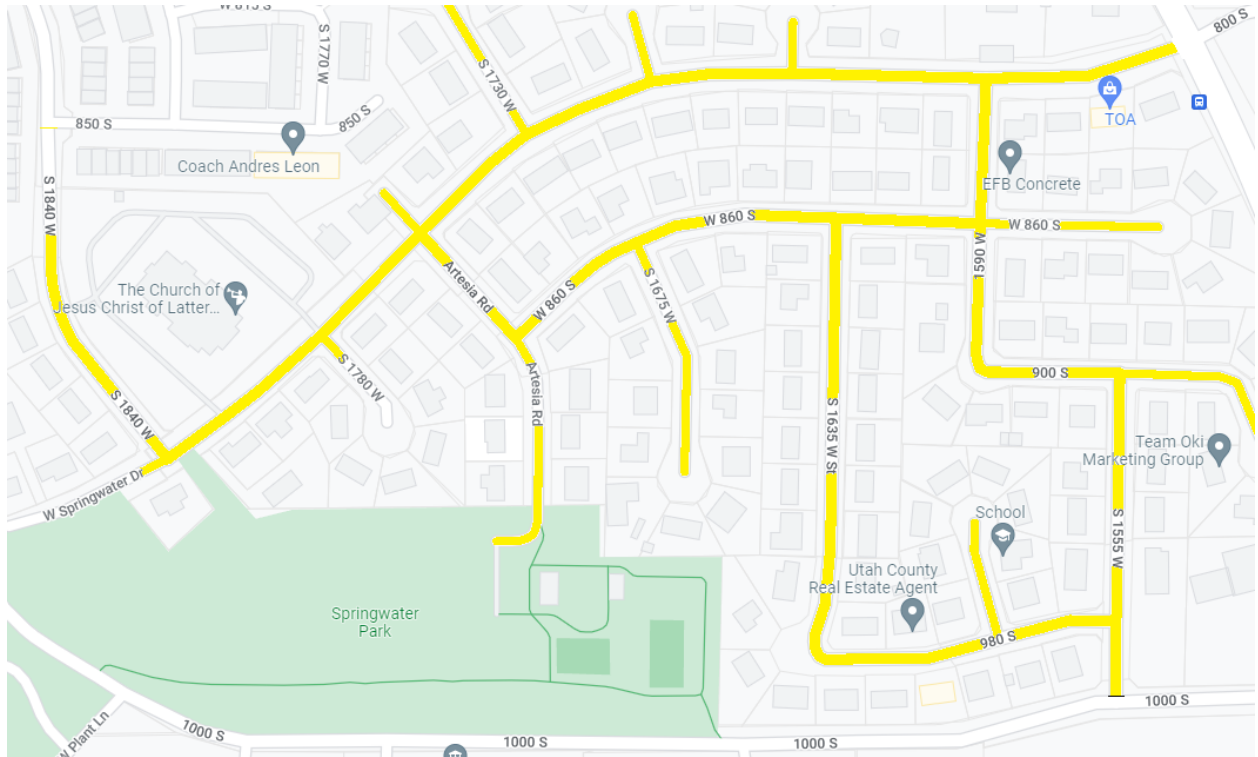
David A. Young, Mayor

ATTEST:

Jody Bates, City Recorder

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

EXHIBIT “A”





**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	RESOLUTION - Amending Late Fee Schedule for Violations of Civil Infractions.
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	

REQUEST:

BACKGROUND:

In 2002, the Orem City Council established fees for civil infractions (R-02-0008), which in practice mean parking tickets. At that time, the City Council also established late fees. The late fees established were that the fine would double if paid 14 days after the due date and would quadruple if paid 30 days after the due date. Recently, state law has been passed (Utah Code 11-62-201) that restricts what late fees municipalities may charge. Specifically, it restricts late fees to a maximum of 25% of the original fee/fine. Thus, this resolution amends the late fees established in 2002 and reduces them substantially to come into compliance with state law.

RECOMMENDATION:

RESOLUTION NO. _____

A RESOLUTION OF THE OREM CITY COUNCIL AMENDING LATE FEES FOR THE VIOLATION OF CIVIL INFRACTIONS ADOPTED IN CHAPTERS 19 AND 9 OF THE OREM CITY CODE

WHEREAS, the City has adopted provisions in Chapters 19 and 9 of the City Code making the violation of parking and other regulations civil infractions; and

WHEREAS the City Council has established the fees to be imposed for civil infractions under Chapters 19 and 9 by resolution pursuant to Orem City Code 19-6-6(B); and

WHEREAS, the City Council desires to establish late fees that comply with the requirements of state law, Utah Code § 11-62-201; and

WHEREAS the City Council has reviewed the proposed late fees and finds that their adoption is beneficial and necessary for the health, safety, and welfare of the citizens of Orem;

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

1. A late fee of 25% of the initial fee amount shall be imposed if the fee is not paid within 14 days.
2. This resolution shall take effect immediately.
3. All other resolutions and polices in conflict herewith in whole or in part are hereby repealed.

PASSED AND APPROVED this 28th day of August, 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	☐	☐	☐



**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	RESOLUTION - Interl-local Agreement with Utah County for the construction of improvements at 1600 North and 400 East
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	

REQUEST:

BACKGROUND:

RECOMMENDATION:

City of Orem Resolution No. _____

**A RESOLUTION OF THE OREM CITY COUNCIL AUTHORIZING THE MAYOR TO
EXECUTE AN INTER-LOCAL AGREEMENT WITH UTAH COUNTY FOR THE
CONSTRUCTION OF IMPROVEMENTS AT 1600 NORTH 400 EAST**

WHEREAS, the Murdock Canal Trail crosses the intersection of 1600 North and 400 East in Orem; and

WHEREAS, the Murdock Canal Trail is heavily used by pedestrians and bicycle riders; and

WHEREAS, the City would like to make improvements at the intersection of 1600 North and 400 East to improve use of the Murdock Canal Trail at that location; and

WHEREAS, the Murdock Canal Trail is under the jurisdiction of Utah County and the intersection of 1600 North 400 East is under the jurisdiction of the City of Orem; and

WHEREAS, the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated (1953), as amended, permits local governmental units including cities, counties, interlocal agencies and political subdivisions of the State of Utah to make the most efficient use of their powers by enabling them to cooperate with other public entities on the basis of mutual advantage and to exercise joint cooperative action for the benefit of their respective citizens; and

WHEREAS, pursuant to Utah Code Ann. § 59-12-1903 (2008) (now Utah Code Ann. § 59-12-2218), Utah County adopted Ordinance No. 2008-26 to enact a sales and use tax ("3rd Quarter Tax") of 0.25% upon certain transactions described therein; and

WHEREAS, the Mountainland Metropolitan Planning Organization ("MPO") Regional Planning Committee determined that the Approved Project should receive a portion of the revenues of the 3rd Quarter Tax not to exceed \$1,297,113 in 2022; and

WHEREAS, the City of Orem is required to pay a match or portion of the Total Project Cost which is 6.77% of the Total Project Cost; and

WHEREAS, Utah County and the City of Orem desire to facilitate the construction of a roadway project known as 1600 North 400 East Intersection Improvements.

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

1. The City Council of the City of Orem, Utah hereby authorizes the Mayor to execute an Interlocal Cooperation Agreement with Utah County for the 1600 North 400 East Intersection Improvements project as shown in Exhibit "A" which is attached hereto and by reference is made a part hereof.

2. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this _____ day of August, 2022

David A. Young, Mayor

ATTEST:

JoD'Ann Bates, City Recorder

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

Exhibit A

Agreement No. 2022 - 286

INTER-LOCAL COOPERATION AGREEMENT

between

**UTAH COUNTY and
THE CITY OF OREM**

For A Project Known As

1600 North 400 East Intersection Improvements

THIS AGREEMENT, made and entered into this 13 day of April 2022, by and between **UTAH COUNTY (Program Manager)**, a political subdivision of the State of Utah, with principle offices located at 100 East Center ST, Suite 2300, Provo, Utah 84606 and **THE CITY OF OREM (Project Sponsor)**, a political subdivision of the State of Utah, with principle offices located at 56 North State Street, Orem, UT 84057.

RECITALS:

WHEREAS, the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated (1953), as amended, permits local governmental units including cities, counties, inter-local agencies and political subdivisions of the State of Utah to make the most efficient use of their powers by enabling them to cooperate with other public entities on the basis of mutual advantage and to exercise joint cooperative action for the benefit of their respective citizens; and

WHEREAS, pursuant to Utah Code Ann. § 59-12-1903 (2008) (now Utah Code Ann. § 59-12-2218), the County adopted Ordinance No. 2008-26 to enact a sales and use tax (“3rd Quarter Tax”) of 0.25% upon certain transactions described therein; and

WHEREAS, the Program Manager and the Project Sponsor desire to facilitate the construction of a roadway project known as **1600 North 400 East Intersection Improvements (Approved Project)** which consists of intersection safety improvements at 1600 North and 400 East in Orem; and

WHEREAS, the Mountainland Metropolitan Planning Organization (“MPO”) Regional Planning Committee determined that the Approved Project should receive a portion of the revenues of the 3rd Quarter Tax not to exceed \$1,297,113 in 2022; and

WHEREAS, the Program Manager and the Project Sponsor held duly noticed public meetings wherein this Agreement was considered and an Authorizing Resolution was presented for approval by the respective legislative bodies.

NOW THEREFORE, in consideration of the covenants and agreements contained herein and other valuable consideration, the sufficiency of which is hereby acknowledged, the Program Manager and the Project Sponsor hereby agree as follows:

Section 1. PURPOSES.

This Agreement has been established and entered into between the Program Manager and the Project Sponsor for the purpose of outlining the respective rights and responsibilities of the Program Manager and the Project Sponsor in the construction of the Approved Project.

Section 2. ADMINISTRATION OF AGREEMENT.

The parties hereto agree that, pursuant to Section 11-13-207, Utah Code Annotated, 1953 as amended, the Utah County Public Works Director shall act as the administrator responsible for the administration of this Agreement. The parties further agree that this Agreement does not anticipate nor provide for any organizational changes in the parties. The administrator agrees to keep all books and records in such form and manner as the Utah County Clerk/Auditor shall specify and further agrees that said books shall be open for examination by the parties hereto at all reasonable times.

Section 3. MULTIPLE JURISDICTIONS.

If a project is within multiple jurisdictions and/or agencies, one jurisdiction or agency will enter in to this interlocal agreement and interface with the Program Manager as the Project Sponsor. Multiple jurisdictions and/or agencies interactions will be outlined within a separate interlocal agreement between said jurisdictions and/or agencies. This Agreement shall be referenced in such an additional interlocal agreement as an Exhibit.

Section 4. EFFECTIVE DATE; DURATION.

This Agreement shall become effective and shall enter into force within the meaning of the Interlocal Cooperation Act, upon the submission of this Agreement to, and the approval and execution hereof by the governing bodies of the Program Manager and the Project Sponsor. The term of this Agreement shall be from the date of execution hereof until the terms and obligations identified herein are completed, but in no event, longer than 3 years from the execution date.

Section 5. NO SEPARATE LEGAL ENTITY.

The Program Manager and the Project Sponsor do not contemplate nor intend to establish a separate legal or administrative entity under the terms of this Agreement.

Section 6. TERMS.

- 1) **Project Scope** – Intersection improvements at 1600 North 400 East to increase safety for road and trail users at the intersection, including engineering and design concepts to determine the most effective solution.
- 2) **Project Initiation** - The Project Sponsor will designate a qualified project engineer from its staff or hire a project engineer from the Project Sponsors consultant pool or the prequalified UDOT pool, who will be responsible for project delivery. The designated project engineer will be responsible for the completion of the project.
- 3) **Project Development** - The Project Sponsor and the designated project engineer, will design the Approved Project, acquire the necessary Right of Way (“ROW”), bid out and manage the construction of the Approved Project.
 - a) **Design Standard** - The design and construction of the Approved Project will meet or exceed Orem City standards.
 - b) **Environmental Work** - The Project Sponsor will acquire the appropriate clearances and permits through the design process. The Project Sponsor can follow its own adopted environmental process or follow the Recommended Environmental Guidance / Mountainland & Utah County Programmed Projects document (including designating with the Program Manager the type of environmental work to be completed). The Project Sponser must also follow any National Environmental Policy Act (NEPA) requirements required (Endangered Species Act, Clean Water Act, etc.).
 - c) **Design Work** - The Project Sponsor will involve the Program Manager at the following design milestones:
 - (1) Kickoff Meeting,
 - (2) 30% Scope and Schedule Review,
 - (3) 60% On Site Plan Review, and

(4) 90% Plans, Specifications and Estimate.

- d) **Final Design Approval** - Once project design is complete the Project Sponsor will review the final design with the Program Manager. Both parties shall agree that the project is ready for the construction phase prior to beginning the construction phase.
 - e) **ROW Acquisition** - The Project Sponsor will be responsible to acquire all necessary ROW adhering to state and local laws. The Project Sponsor can follow their own adopted ROW acquisition process or follow the Recommended Right of Way Acquisition Guidance / Mountainland & Utah County Programmed Projects guidance document.
 - f) **Procurement** - Advertising of the Approved Project will follow the Project Sponsors established procurement policies. All construction bids will include a 10% construction contingency. The Project Sponsor will provide a copy of the notice of award to the Program Manager.
- 4) **Project Signage/Contact Info** - It is recommended that the Project Sponsor install signage informing the public of the following:
- a) Project name.
 - b) Project description.
 - c) Start and completion dates (general).
 - d) Contact name, phone number, website address, email.
 - e) Use the sentence “This project funded with Mountainland Transportation Funding”.
 - f) List project sponsors and their logos (Project Sponsor, Mountainland, Utah County).
 - g) Generally, one sign at each access point to the project shall be installed.
 - h) Signs should be at least 4’ x 6’, or large enough for passing motorists to read.
 - i) Signs should be installed prior to construction and stay in place through construction.
- 5) **Construction Process** - The Project Sponsor will manage the construction process.
- a) The Program Manager will be notified of any changes that affect the scope of the project or costs that exceed the construction contingency.
- 6) **Project Completion** - Program Manager staff will be notified and allowed to attend the final inspection of the completed project.
- 7) **Project Hold** - The Program Manager has the authority to place a project on hold during the Project Development process or withhold reimbursement of invoices during the Construction Process if the Program Manager deems that the project is not within the Approved Project scope or budget. The Program Manager shall notify the Project Sponsor of the hold in writing and will work with the Project Sponsor to rectify the issues promptly. If the Project Sponsor

and Program Manager cannot bring the Approved Project back into scope or if additional funding is needed above what the Program Manager or the Project Sponsor can provide, the issues will be brought to the Mountainland MPO committees for their review, recommendations, and approvals.

- 8) **Total Project Cost** - Both the Program Manager and Project Sponsor acknowledge that the Approved Project has been authorized by the Mountainland MPO Regional Planning Committee (Utah County Commission must also approve if county funds are used) to be funded at an amount not to exceed \$1,391,304 (Total Project Cost) for the direct costs of the Approved Project.
 - a) **Matching Funds** - The Project Sponsor is required to pay a match or portion of the Total Project Cost. This amount is 6.77% of the Total Project Cost. The use of Project Sponsor equipment and/or Project Sponsor employee time for the project shall not be reimbursable, but can be claimed by the Project Sponsor as a soft match toward the required 6.77% matching funds required from the Project Sponsor. The Project Sponsor is required to pay the difference between the required match and the value of the soft match, if any.
 - b) **Multi-Year Funding** - Some projects require funding across multiple fiscal years. Reimbursement for Approved Project activities can only be made up to the available amount identified in a single fiscal year. Any balance from a prior year where available funds have not been expended for the Approved Project are then advanced to the next fiscal year and are added to the funds available that fiscal year. Fiscal years for County Transportation Sales Tax Funds begin on January 1st. The Approved Project has been approved for \$1,297,113 in 2022.
 - c) **Reimbursement** - The Project Sponsor, if desiring reimbursement for the direct costs of the Approved Project, will provide the Program Manager with quarterly or bi-annual itemized invoices detailing actual costs for the ROW acquisition, design, utility relocation, construction, or other approved elements of the project. Appropriate backup materials shall also be supplied. The Program Manager agrees to reimburse the Project Sponsor within 30 days of receiving acceptable itemized invoices establishing the validity of the direct costs of the Approved Project. The maximum amount of reimbursement from the Program Manager to the Project Sponsor shall not exceed \$1,297,113 (Total Project Cost less Matching Funds). Any costs which exceed \$1,297,113 shall be the sole responsibility of the Project Sponsor. The Program Manager will review and approve monthly each itemized invoice and will reimburse the total invoice amount less the required matching funds.
 - d) **Cost Overruns** - The Program Manager maintains an account for cost overruns. The

Project Sponsor may request additional funds above the approved Total Project Cost with supporting documentation demonstrating the need for additional funds. The Program Manager may approve up to 10% of the Total Project Cost up to a maximum of \$500,000. The MPO Regional Planning Committee can approve higher amounts (Utah County Commission must also approve if county funds are used). The addition of these contingency funds would require a modification to this agreement. If no additional funds are awarded and the project still requires additional funds, the Project Sponsor will be responsible to fund the overrun.

- e) **Surplus Funds** - Any surplus funds remaining after the completion of the Approved Project will be returned to the Mountainland or Utah County fund balance to be reallocated to other projects selected through the MPO project selection process. Note that Mountainland and Utah County selects and funds projects, not sponsors. Surplus funds cannot be moved to a new project not already approved through the MPO project selection process. Any surplus funds paid by the Project Sponsor shall be returned to the Project Sponsor.
- 9) **Ownership and Maintenance of Approved Project** - The Project Sponsor shall own and be responsible for maintenance, repair and replacement of the completed project.
- 10) **Inspection of Approved Project** - The Program Manager and its designees, upon reasonable notice, reserve the right to enter upon the Approved Project to inspect the same to verify compliance with this Agreement.
- 11) **Other Expenses** - Except as otherwise expressly stated herein, all expenses not identified as a part of the Approved Project or executed prior to the Agreement shall be the sole responsibility of the Project Sponsor.
- 12) **No Third-Party Rights** - The obligations of the parties set forth in this Agreement shall not create any rights in or obligations to any persons or parties other than to the Project Sponsor and Program Manager. This Agreement is not intended to nor shall it be construed to benefit any third party.
- 13) **Recitals** - The Recitals portion of this Agreement constitutes a part of this Agreement.

Section 7. FILING OF INTERLOCAL COOPERATION AGREEMENT.

Executed copies of this Agreement shall be placed on file with the official keeper of records of the Program Manager and the Project Sponsor, and shall remain on file for public inspection during the term of this Agreement.

Section 8. AMENDMENTS.

- 1) **Amending this Agreement** - This Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be: (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, and (c) filed in the official records of each party.
- 2) **Change Orders** - Changes can occur throughout a project. Changes that are outside the scope outlined in this contract must be amended as stated above. Minor changes and adjustments that fall within the original project scope can be addressed with a change order. A change order does not require amending this agreement. A change order is defined as that additional effort necessary by reason of changed conditions which are radical, unforeseen, and completely beyond the control of the Project Sponsor. The Project Sponsor shall create the change order and keep records of them. Any additional costs incurred can be covered by the construction contingency or by added local funding and should be addressed in the change order. If additional costs are more than the construction contingency and available local funds, the Project Sponsor shall contact the Program Manager to review funding options.

Section 9. EXTRA WORK

Extra work shall be undertaken only when previously authorized in writing by the Program Manager, and is defined as additional work which is neither shown nor defined in this Agreement. Extra work includes additional improvements adjacent to the Approved Project or in other locations that the Project Sponsor desires to complete as a package of projects. Extra work can be for utility projects, facilities that tie into the Approved Project, project betterments, or other work desired by the Project Sponsor. No costs incurred by extra work can be billed to the Approved Project. Any invoices submitted by the Project Sponsor shall clearly detail costs incurred by the Approved Project and list separately costs incurred by the extra work. This Agreement shall be referenced in an extra-work agreement as an Exhibit.

Section 10. SEVERABILITY.

If any term or provision of this Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law, which would render any of the terms of this Agreement unenforceable.

Section 11. GOVERNING LAW.

All questions with respect to the construction of this Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 12. INDEMNIFICATION.

The Project Sponsor shall indemnify and hold the Program Manager harmless from any and all claims of liability for any injury or damage to any person or property whatsoever occurring in, on or about the Approved Project or any part thereof. The Project Sponsor shall further indemnify and hold the Program Manager harmless from and against any and all claims arising from any breach or default in the performance of any obligation on the Project Sponsor's part to be performed under the terms of this Agreement, or arising from any act or negligence of the Project Sponsor, or any of the Project Sponsor's agents, employees, contractors, subcontractors, or invitees and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. However, the Project Sponsor shall not be required to indemnify the Program Manager for the Program Manager's own negligence or intentional misconduct. Both the Project Sponsor and Program Manager agree that the terms of this Agreement are subject to, and not a waiver of, the protections, immunities and liability limits of the Governmental Immunity Act, U.C.A. 63G-1-101, et. seq. The Project Sponsor's obligations under this provision shall survive the expiration or other termination of this Agreement.

Section 13. ENTIRE AGREEMENT

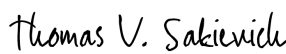
This Agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

IN WITNESS WHEREOF, the parties have signed and executed this Agreement, after resolutions duly and lawfully passed, on the dates listed below:

UTAH COUNTY

Authorized and passed on this 13 day of April 2022,

Board of Commissioners
UTAH COUNTY, UTAH

DocuSigned by:

4986D9FD4AD14E8...
Thomas V. Sakievich, Commission Chair

ATTEST:
Josh Daniels
Utah County Clerk/ Auditor

DocuSigned by:

2937075D91C74DB...
Deputy Clerk/ Auditor

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE LAW:
David O. Leavitt
Utah County Attorney

By: 
C70C251AD4284A9...
Deputy Utah County Attorney

OREM CITY

Authorized by Resolution No. _____ ,
this 12 day of April 2022,

OREM CITY
UTAH COUNTY, UTAH

Mayor

ATTEST:

City Recorder

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE
LAW:

By: _____
City Attorney



**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	APPOINTMENTS TO BOARDS AND COMMISSIONS - Transportation Advisory Commission Marlan Coe; Appointment Kathleen Turner; Appointment
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	

REQUEST:

BACKGROUND:

RECOMMENDATION:

Employment:

1993 – present Parsons, Arlington VA

2018 – present **Computer Integrated Engineering Manager.** Mr. Coe leads the Computer Integrated Engineering team that is responsible to develop SmartPlant design suite capabilities for Parsons. The team is currently focused on bridging the SmartPlant suite to DMCS in order to leverage our legacy tools within Parsons.

The team's recent project experience was focused on the Strategic Petroleum Reserve project which included rehabilitation plans for the US petroleum reserve infrastructure including storage and transportation facilities. He was responsible to support all engineering disciplines with engineering design modeling infrastructure within the SmartPlant design suite and ensure integrity of the design model. He was responsible for maintaining a relationship with his client liaison to ensure successful development of the SmartPlant system for eventual turn over to the client.

2015 – present – **Engineering Department Operations support.** Mr. is responsible for various ad hoc projects including documentation of and streamlining of on-boarding processes, revitalization of client requirements checklists, support for BIM manager in developing BIM implementation plan.

2015 – 2018 - **Director of Engineering Systems.** Mr. Coe led Global Engineering Systems for Parsons including systems that focus on deployment of engineering software applications. He maintained relationships with 100+ vendors who supply 450+ different pieces of software. He was responsible for budgeting and financial tracking as well as maintaining relationships with the various groups within Parsons.

2004 – 2015 - **Engineering Department Operations Manager.** Mr. Coe was responsible for maintaining all aspects of the Engineering department operations including software acquisition and deployment, budgeting, and reporting. He worked closely with finance, procurement, IT, facilities, and other Parsons' departments as required.

He participated in and led several ad hoc projects such as: Carbon Footprint calculations, Corporate BIM working group, teaching BIM seminar for major clients, various proposal efforts, and GIS team coordination, among others.

1993 – 2004 - **GIS Manager.** Mr. Coe built the largest GIS practice in Parsons based out of Salt Lake City. Major projects included the New Mexico Hydrographic Survey and the Southern Nevada Water Authority. He led a team of 17 who coordinated with and supported project teams in various offices, who worked with clients, and who showcased Parsons capabilities at several conferences.

Key Experience:

Mr. Coe has managed multi-million-dollar projects for external clients and for internal system development projects. In each case he has met the project objectives within budget.

CIE Team lead responsible for development of the SmartPlant design suite capabilities within Parsons.

Development of ParStream-Jukebox® - oversaw development of PSJB for the Federal BU. System was designed to deploy software automatically, configure workstations to ensure adherence to proper project standards, collect usage information for billing and budget justification.

Carbon Footprint Calculations – oversaw the team who calculated Parsons carbon footprint which included over 100 offices in 7 countries and accounted for travel by ~15,000 employees.

New Mexico Office of the State Engineer – led GIS activities for multi-million-dollar water rights mapping effort in southern New Mexico. Oversaw gathering and analysis of multi-spectral data and additional base mapping routines for the project.

Southern Nevada Water Authority - led development of GIS capabilities including base mapping, environmental impacts, right-of-way impact and land acquisition, water resources, and other project data.

Other Relevant Employment Experience:

1992 – 1993 – GeoSoft. **GIS Analyst.** Mr. Coe was responsible to collect and compile US Census data for Utah and publish it into a multi volume demographic atlas. Themes included race, age, gender, employment, earnings, and other demographic data. Atlas was published in volumes and focused on counties and urban areas.

1991 – 1992 - EG&G. **GIS Analyst.** Mr. Coe was responsible to assist mapping efforts for various nuclear related projects. He was responsible to obtain source material and create evacuation planning maps for nuclear facilities in case of emergency. He also developed several layers that were included in a GIS model of the Yucca Mountain area as part of the nuclear fuel repository study.

1989 – 1991 – Utah County Assessor. **GIS Intern / Intern Supervisor.** Mr. Coe was responsible for digitizing plat maps to create the county wide base map layer and reconcile discrepancies in the survey data to ensure integrity of the county base map. He also supervised and assisted other interns who worked on the same project.

1988 – 1991 - Brigham Young University Student Cartographic Lab. **Manager.** Mr. Coe was responsible to run the Cartographic lab for the Geography department and lead special projects as needed by the department staff.

1988 – 1989 – US Forest Service. **Cartographic Technician.** Mr. Coe was responsible for updates and production of Secondary Base Series maps for the Forest Service Ranger Districts, mostly focused on the Tongass and Chugach forests. Mr. Coe also assisted preparation of briefing maps used by the National Park Service and Forest Service during the Yellowstone National Park fire in 1988.

Community Affiliations:

2011 – 2013 Lone Peak High School Lacrosse Head Coach

2008 – 2012 Lone Peak High School Lacrosse Board President

2007 – 2011 Lone Peak High School Lacrosse Assistant Coach

2004 – 2006 Boy Scouts of America – San Gabriel Valley Council District Committee Merit Badge Counselor Chairman

2002 – 2006 Boy Scouts of America – San Gabriel Valley Council Scoutmaster

2002 – 2006 Odyssey of the Mind – Sierra Madre Elementary School Coach

1998 – 2000 Orem City Recreational Soccer Coach

1997 – 2000 Orem City Community Development Block Grant Commission

Certifications:

LEED AP. Green Business Certification Inc. 2001.

Awards:

National Map Design Honorable Mention, ACSM, January 1, 1990

Publications / Presentations:

Publications

Oscar Carranza-Casteneda, Morris Petersen, and Wade E. Miller, Geology of Northern San Allende area of Northeastern Guanajuato Mexico, BYU

Geology Studies, Brigham Young University, 40, 1994.

Hardy Cherry, Marlan Coe. Utah Demographics Atlas Vol. 1, GeoSoft, 1993.

Hardy Cherry, , Marlan Coe. Utah Demographics Atlas Vol. 2, GeoSoft, 1993.

Lloyd Hudman, Geography of Travel and Tourism, Delmar, 1990.

Richard Jackson and Lloyd Hudman, World Regional Geography; 3rd Edition, John Wiley and Sons, 1990.

Donna Packer, On Footings From the Past, Bookcraft, 1988.

Presentations

Erik Shaeffer, Marlan Coe. Hydrographic Survey of the Lower Rio Grande Water Basin, New Mexico Environmental Health Conference, Albuquerque, New Mexico, 1997.

Education:

Brigham Young University, Bachelor of Science, Major - Cartography, Minor – Spanish 1989

Additional Course Work:

Presenting Data and Information, Edward Tufte Institution. 2013

All courses towards Masters in Geography 1991

Special Skills

Speaks, reads, and writes Spanish fluently.

COMMISSION APPLICATION INFORMATION:

Last Name: Turner

First Name: Kathleen

City: Orem

State: Utah

Zip Code: 84057

Qualifications:

I have lived in Orem for 50 years, so I have seen many changes, both good and not so good. I am willing to serve as we face even more challenges. Thank-you.



**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	PUBLIC HEARING / RESOLUTION- Economic Development Strategic Plan
APPLICANT:	Kathi Lewis
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	Kathi Lewis, Economic Development Division Manager

REQUEST:

BACKGROUND:

The General Plan is a written guide for the future development of the City. Chapter 5 of the General Plan discusses economics. This chapter currently describes the City's intent to maintain a healthy working relationship with the Economic Development Division in order to achieve the most desirable results in economic development pursuits.

In 2015, the Economic Development Division (EDD) created a new Economic Development Strategic Plan (EDSP), which has served as a guide for the City of Orem's economic development for the past seven years. Over the past year, 2021 - 2022, a full comprehensive update of the EDSP was completed in conjunction with the consulting firm, Thomas P. Miller and Associates. The EDSP is a guide for economic development for the City of Orem for the next five to ten years.

The City of Orem Planning Commission considered the subject application at public meetings and recommended approval of the amendment of Chapter 5, Economics, of the Orem General Plan and approval of the EDSP with the following revisions:

The Planning Commission recommends that the City Council amend Chapter 5 (Economics) and Appendix E (Economic Development Strategic Plan) of the Orem General Plan with the following modifications:

The Planning Commission recommends that the City Council amend Chapter 5 (Economics) and Appendix E (Economic Development Strategic Plan) of the Orem General Plan with the following modifications:

1. Add the following language to the beginning of Appendix E: "Pursuant to Orem City Code Section 22-1-10, the Economic Development Strategic Plan, as part of the Orem General Plan shall serve as an advisory guide only and is not a binding document."
2. Delete the following bullet points under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*, Action Steps on page 29 of the EDSP:
 1. In targeted and strategic locations, consider revising and reducing restrictions on duplexes, fourplexes, and townhomes.
 2. In targeted and strategic locations, consider zoning changes that will better facilitate

medium-density development.

3. Delete the following sentences under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*, page 29, paragraph 3:

- 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.

4. Add “(non-residential)” between the words mixed-use and development in the first sentence under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*, page 29, paragraph 3:

Modified as described above, paragraph 3 on page 29 will read

In addition, city leadership should look for ways to facilitate more mixed-use (non-residential) 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.~~

Chapter 5, Economics, of the Orem General Plan, with the redline changes as recommended by the Orem Planning Commission, is shown in Exhibit ‘A’.

The original Economic Development Strategic Plan is shown in Exhibit 'B'. If the City Council approves the amendments recommended by the Planning Commission, those changes will be reflected in the final version of the EDSP.

RECOMMENDATION:

The Economic Development Division Manager recommends that the City of Orem, by resolution, amend Chapter 5, Economics, of the Orem General Plan and approve the Orem Economic Development Strategic Plan.

EXHIBIT A

Proposed Chapter 5 of the General Plan:

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.

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 ~~December 2014~~ July 2022, and more specifically, the Implementation and Action Plan Matrix located on pages ~~103-105~~ 34-38. The EDSP is to be consulted regularly ~~on 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.

5.1 Economic Opportunities and Goals

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 known for its entrepreneurship, especially in technology-oriented companies and as the regional retail hub of Utah County.

This economic vitality is exciting to businesses and 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.

5.1.1 Economic Challenges and Opportunities

Even with all these advantages, Orem, like all cities, has its challenges. 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.

Orem continues to hold its position as the fifth-largest municipality in Utah. However, cities to the north, such as American Fork, Pleasant Grove and Lehi are also rapidly growing, creating strong competition in Utah Valley to attract employers and new retail. Vineyard to the west may present significant commercial 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.

5.1.2 Orem's Economic Development Division

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. CEDO's original focus was on attraction and retention of businesses in areas not currently represented in the City.

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 2014, the Economic Development Division joined forces with Zions Bank Public Finance to develop a new Economic Development Strategic Plan (EDSP). 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.

5.2 Economic Development Strategic Plan

The purpose of the Economic Development Strategic Plan is to provide the City with a sustainable vision for economic growth and a plan to implement and encourage this 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.

5.2.1 Implementation and Action Plan

As the City moves forward, economic development is to follow the recommendations in the Economic Development Strategic Plan dated June 2022, and more specifically, the Implementation and Action Plan Matrix located on pages 34-38 (see [Figure 5.1](#)). The EDSP is to be consulted regularly to ensure that ongoing land development and business development in the City of Orem meets land-use and also meets economic development goals.



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



EXHIBIT B

June 2022

City of Orem Economic Development Division



Economic Development Strategic Plan



THOMAS P. MILLER & ASSOCIATES

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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.

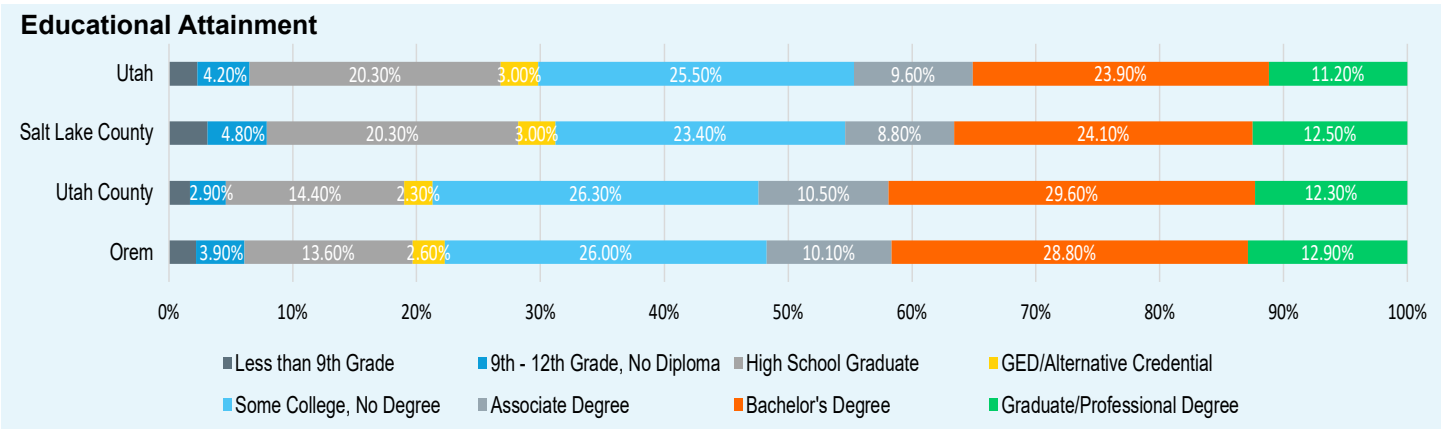


Figure 1: Educational Attainment. Source: Esri, 2021

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.

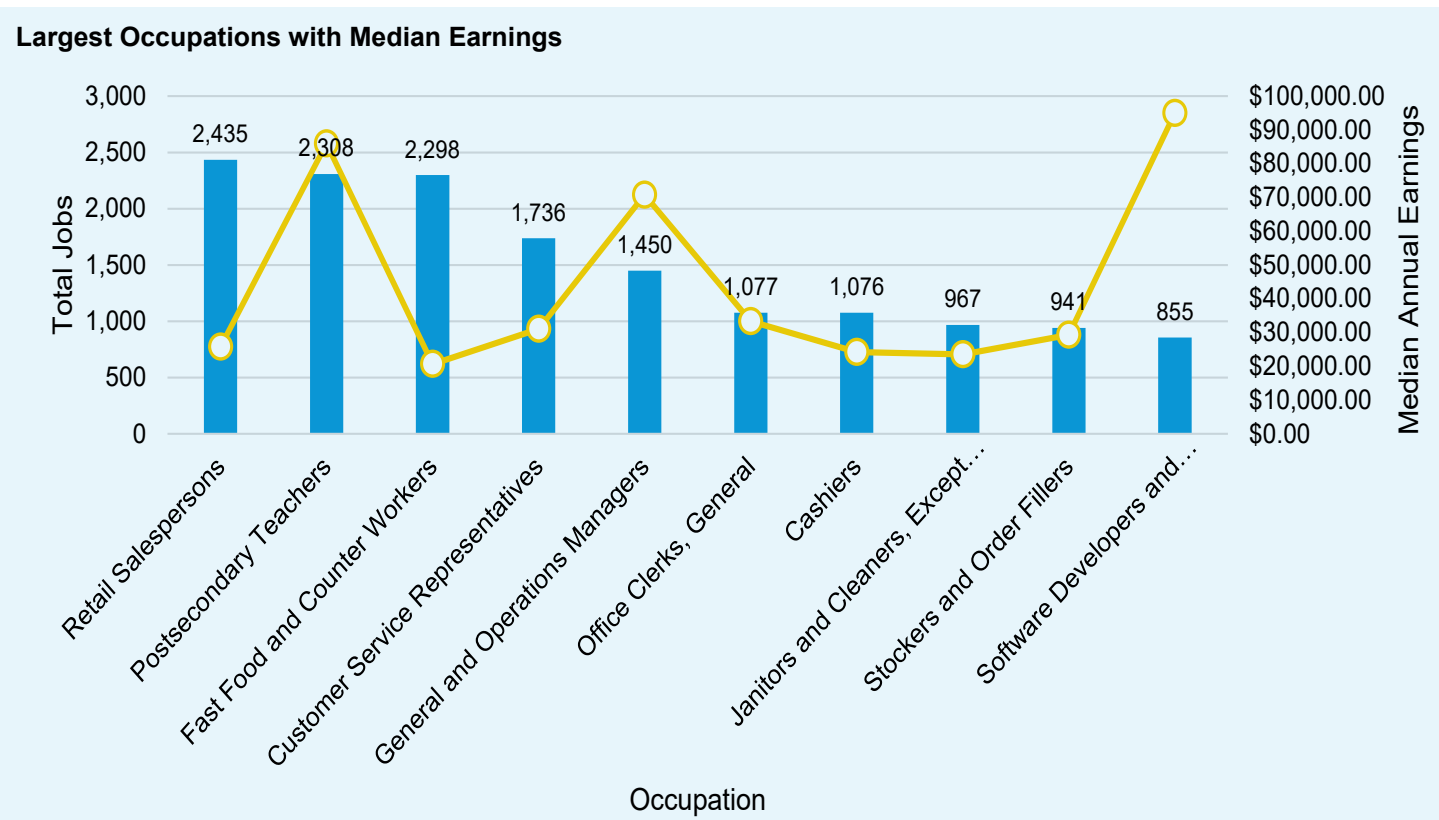


Figure 2: Top Occupations by Job Count with Median EarningsEducational Attainment. Source: EMSI, 2021.

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.

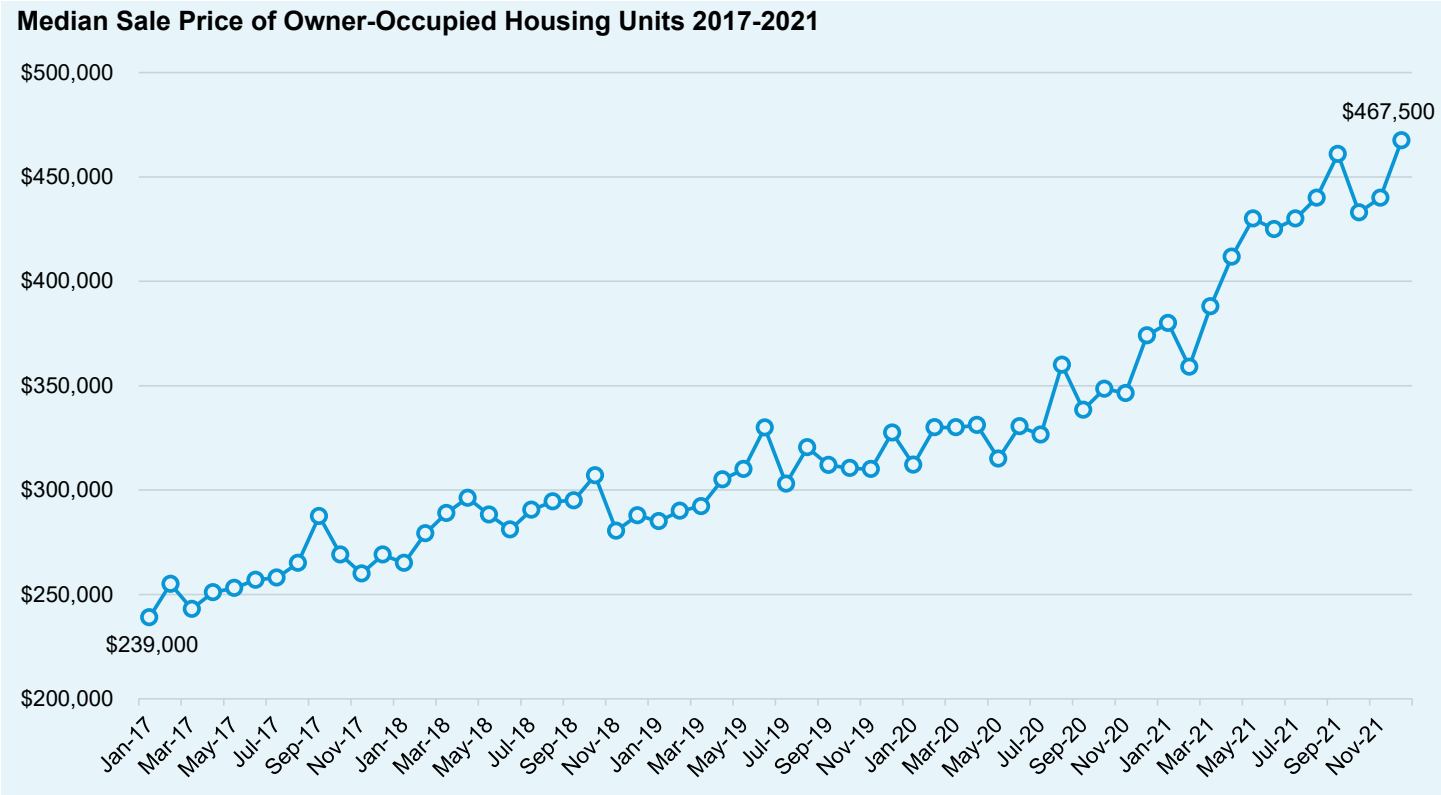


Figure 3: Median Sales Price of Owner-Occupied Units. Source: Redfin 2021

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.

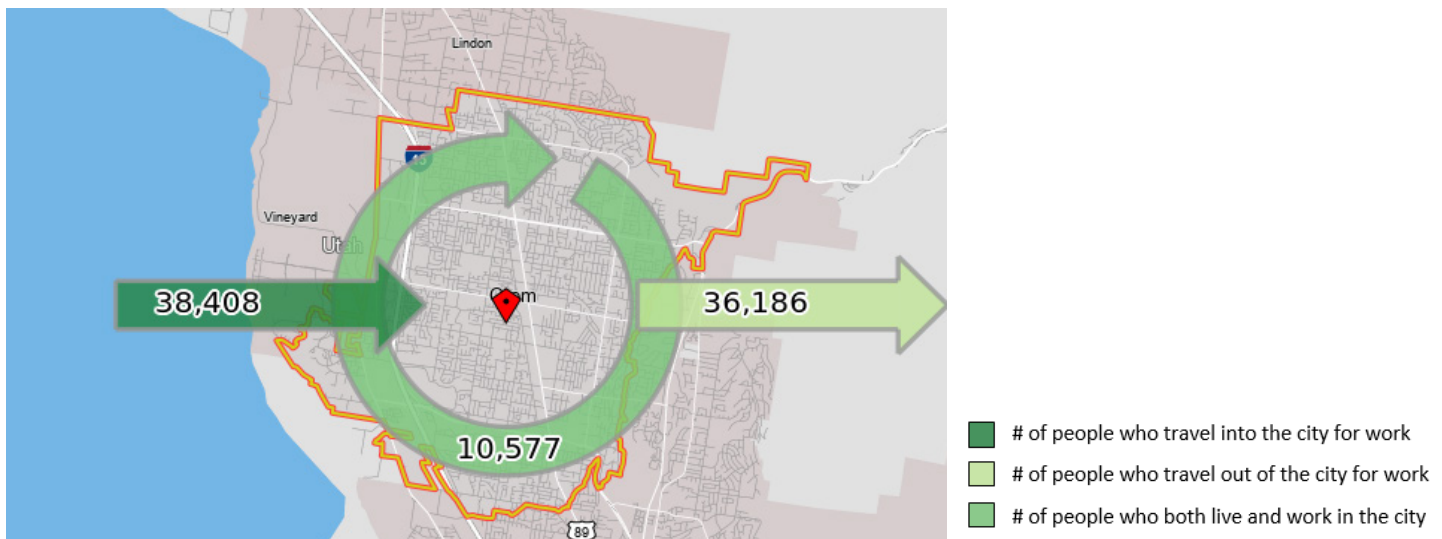


Figure 4: Orem Commuting Patterns. Source: OntheMap 2019

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>

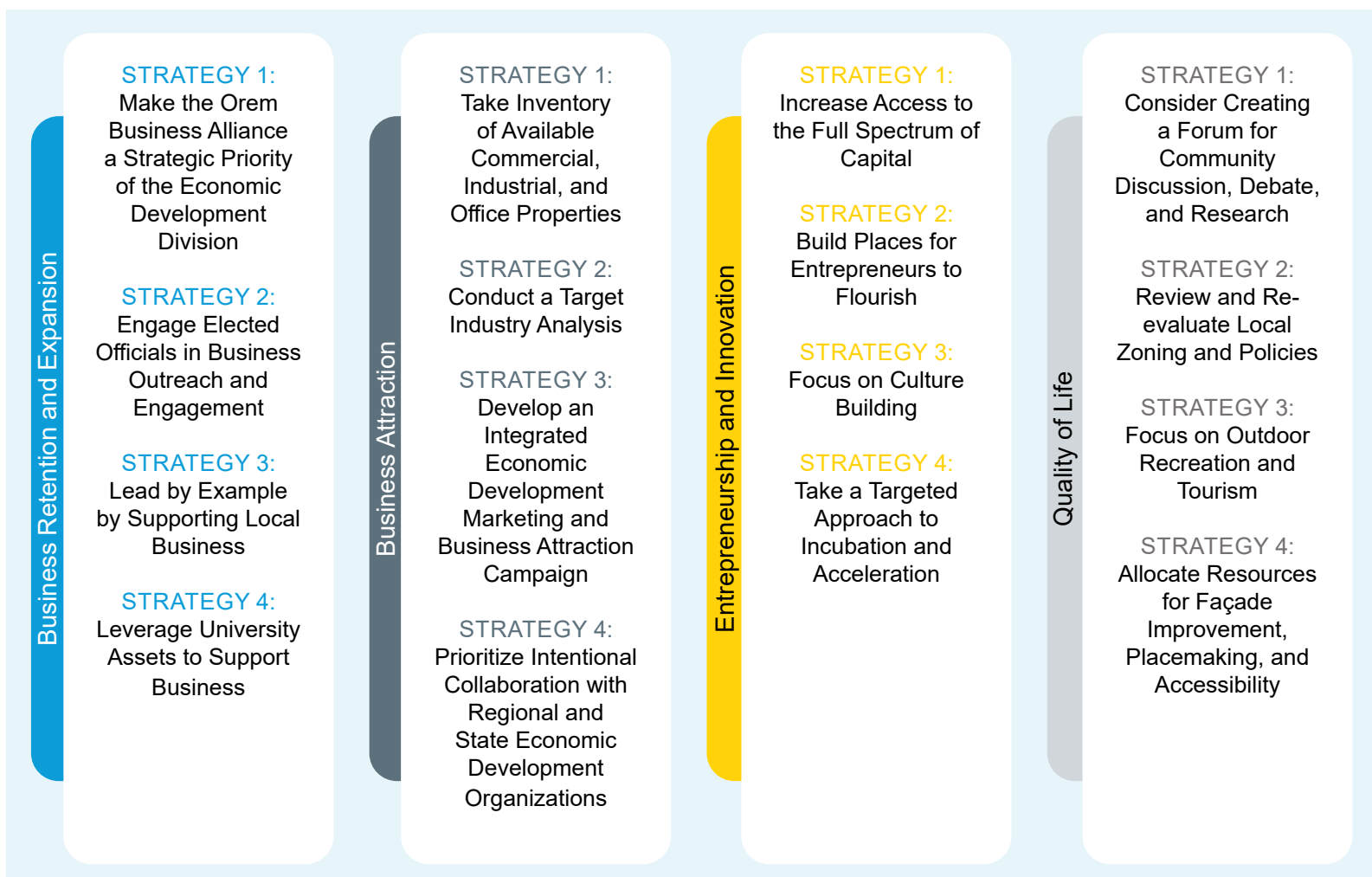


Strategic Framework

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

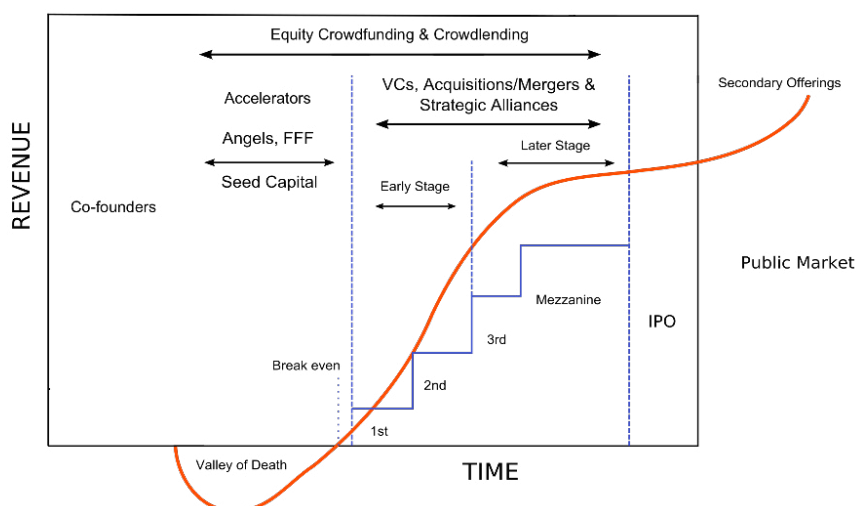


Figure 5: Startup Financing Cycle. Source: Kmuehmel

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

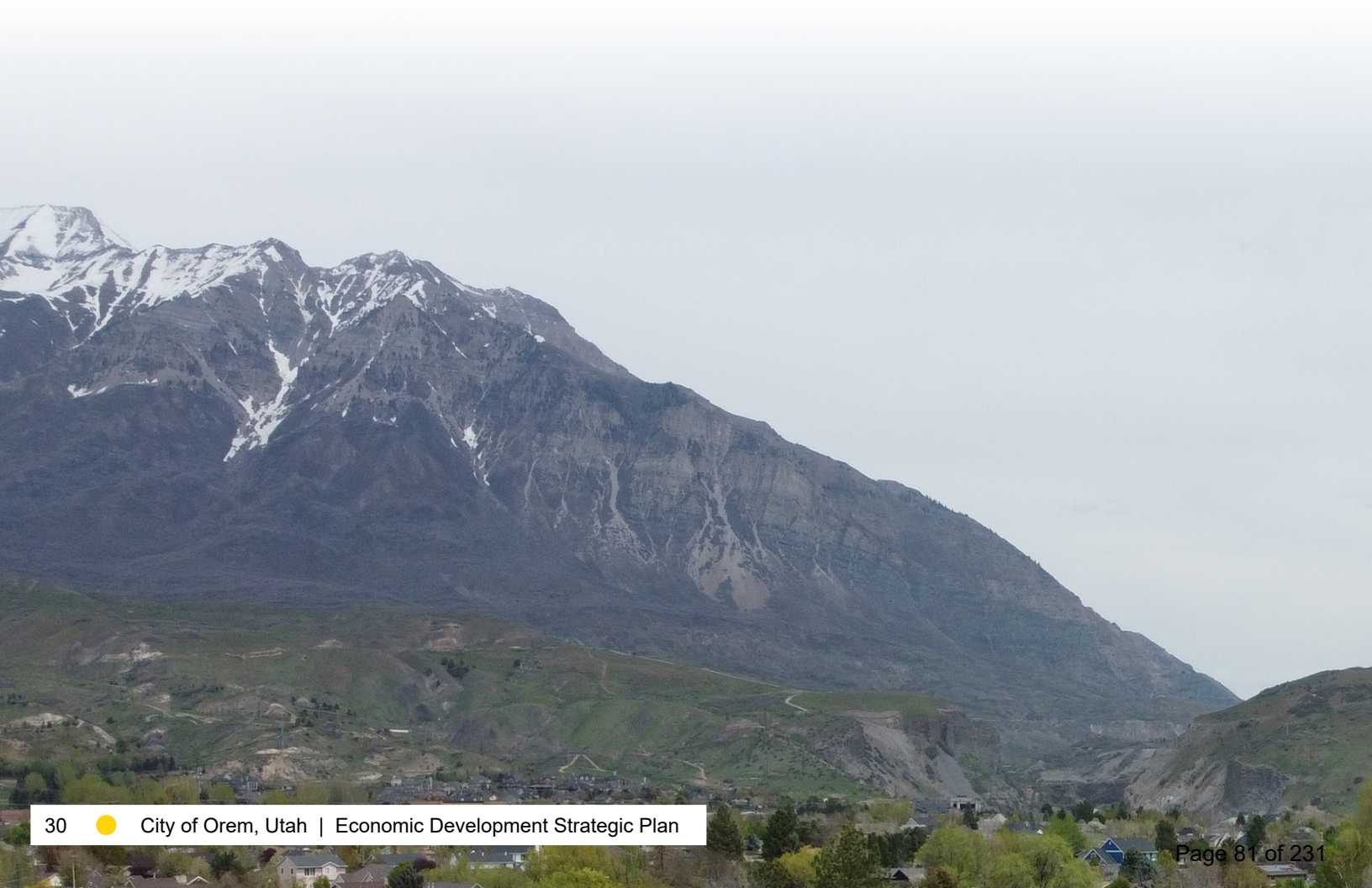
Orem is an outdoorsman's paradise; with easy access to mountains, trails, and other recreational sites, the city is an ideal location for its active, healthy population. Local parks are largely considered to be one of Orem's greatest strengths; green space, playgrounds, and sports complexes attract visitors 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			





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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.

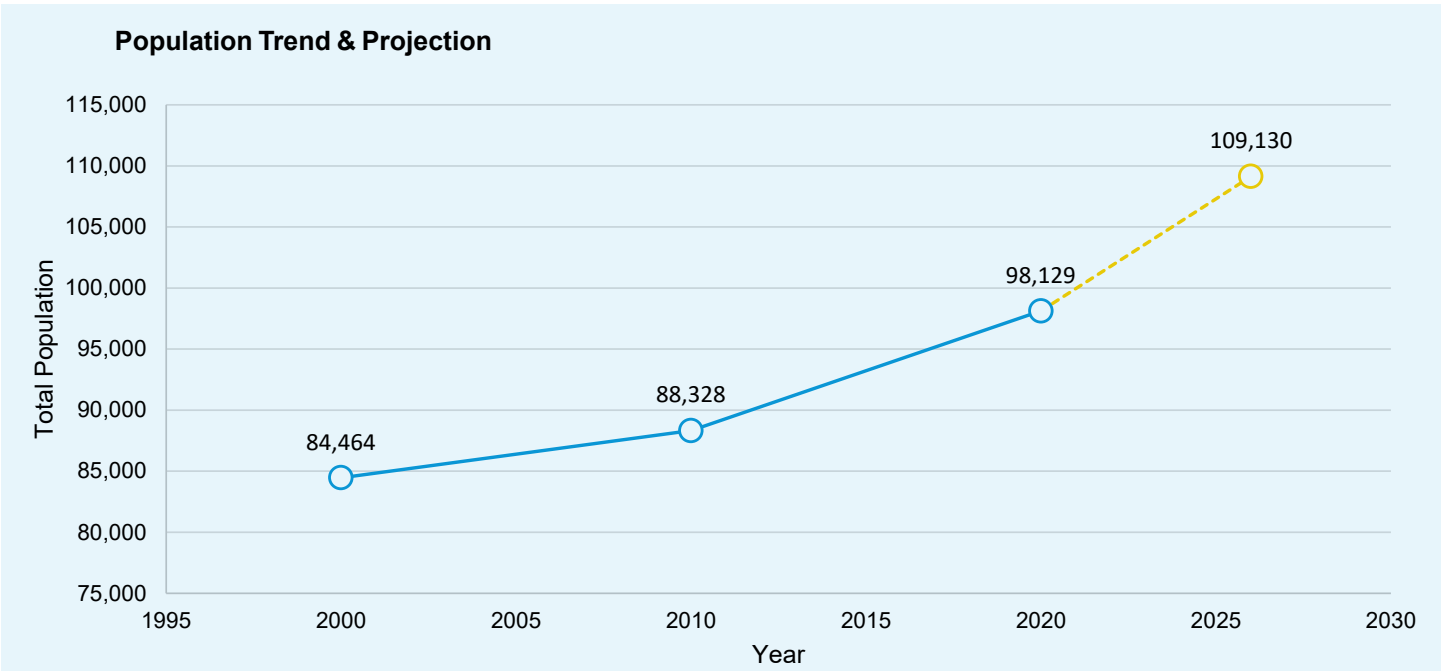


Figure 6: Population Trend & Projection. Source: 2020 U.S. Census and ESRI 2021

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.

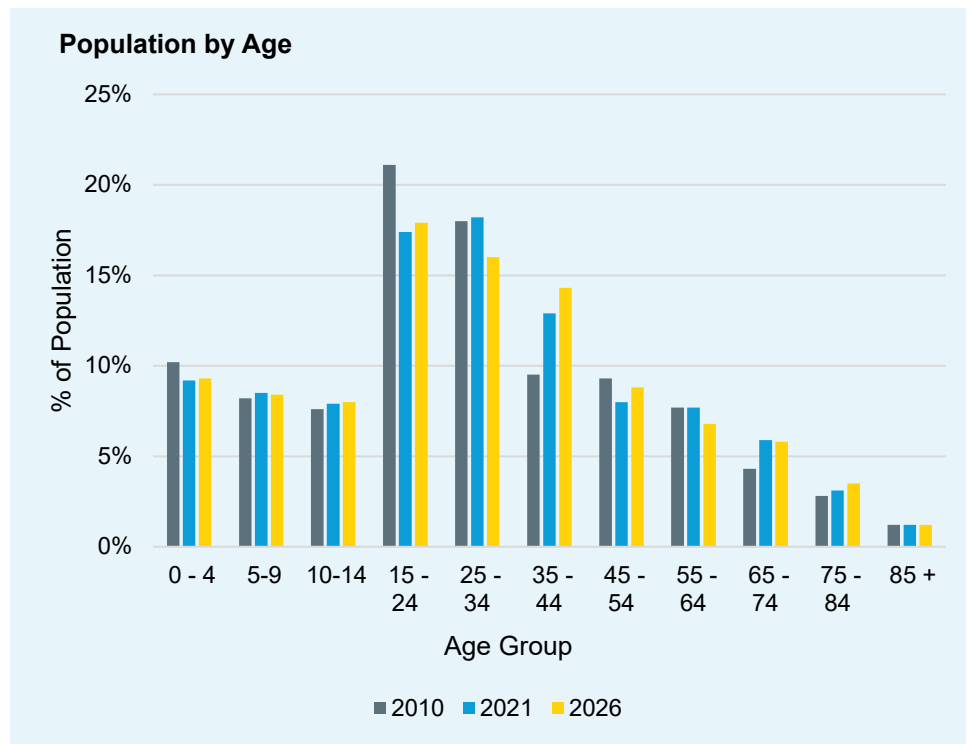


Figure 7: Population by Age. Source: ESRI 2021

Population by Race

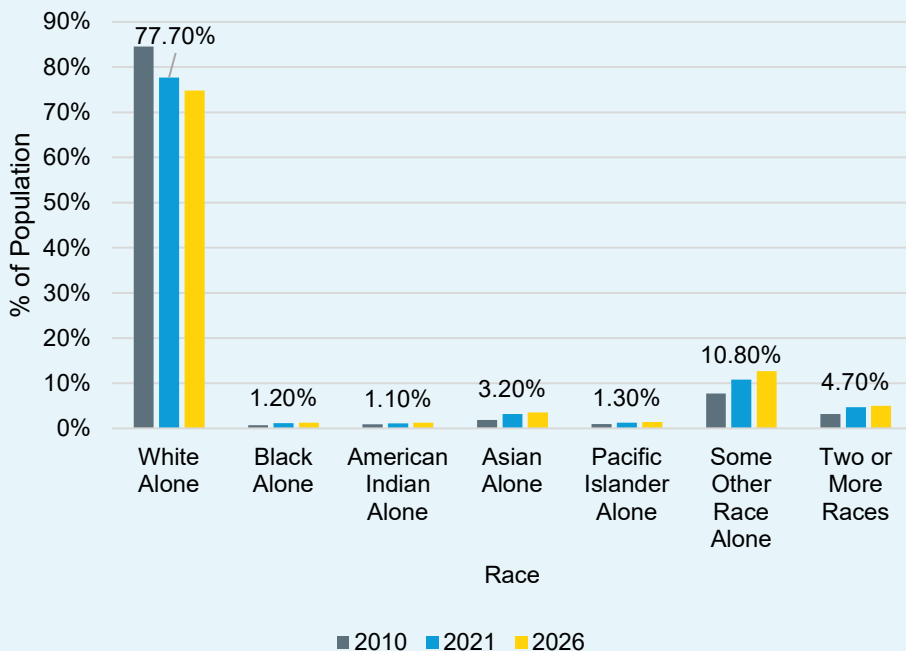


Figure 8: Population by Race. Source: ESRI 2021

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.

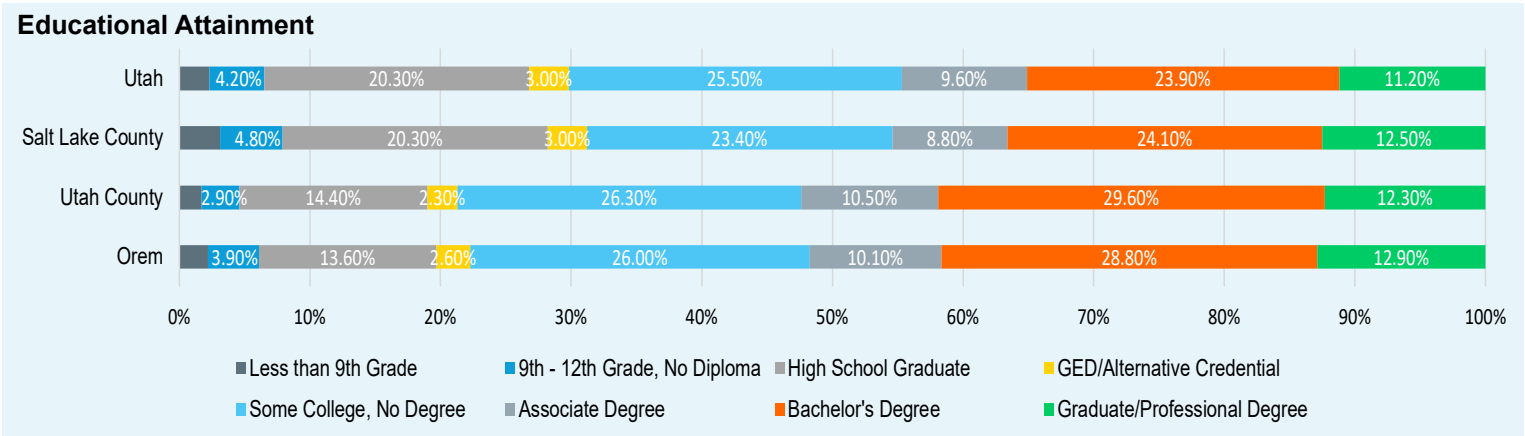


Figure 9: Educational Attainment. Source: Esri, 2021

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.

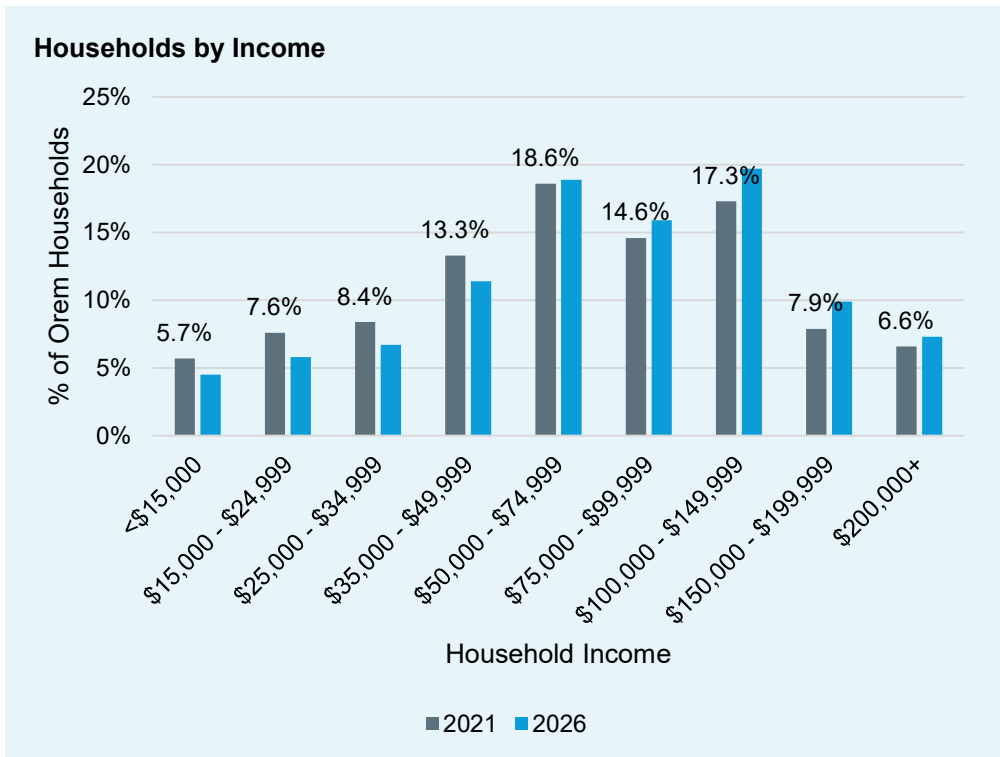


Figure 10: Household Income Estimates & Projections. Source: ESRI 2021

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.

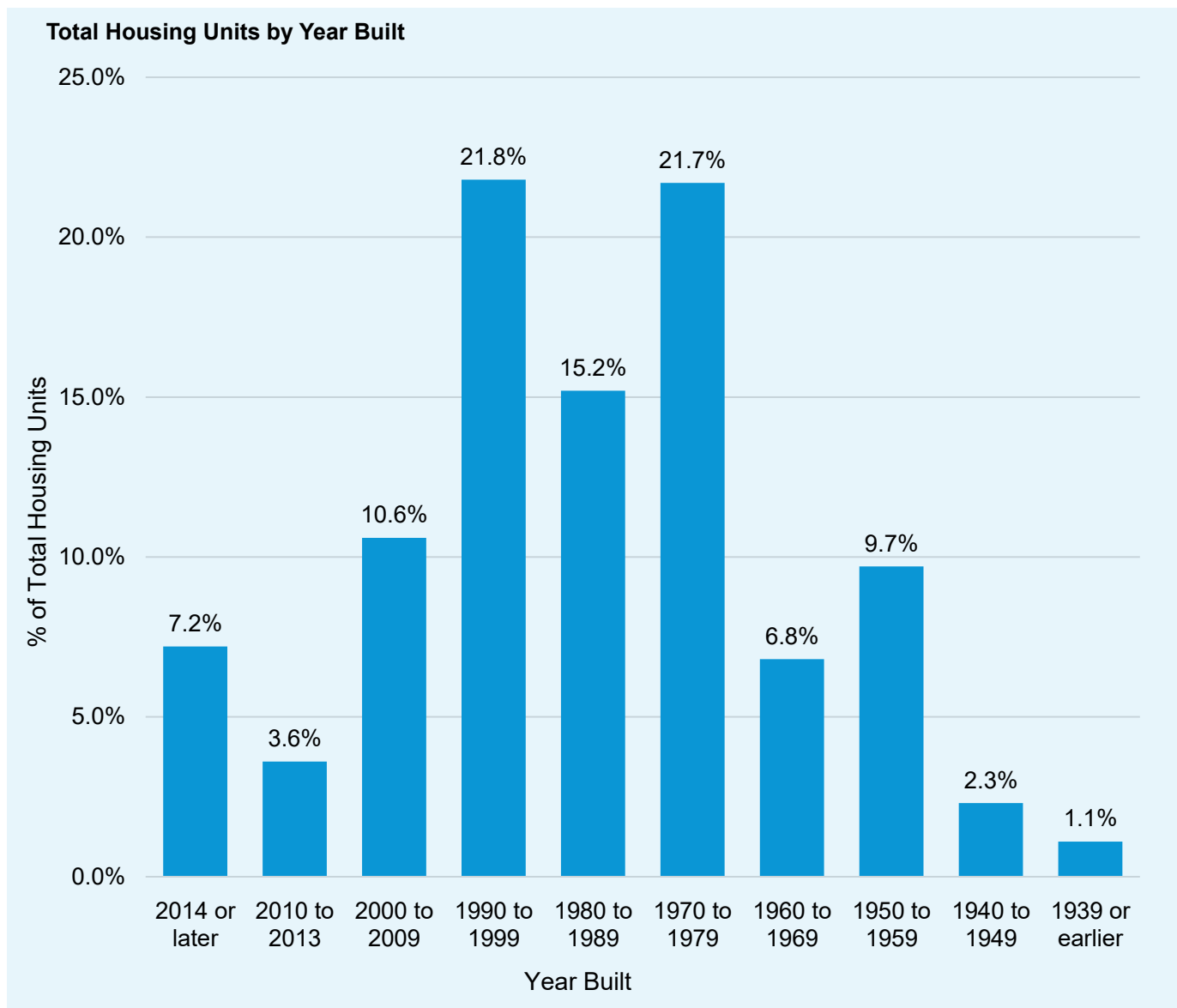


Figure 11: Housing by Year Built. Source: American Community Survey 2020 5-Year Estimates

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.

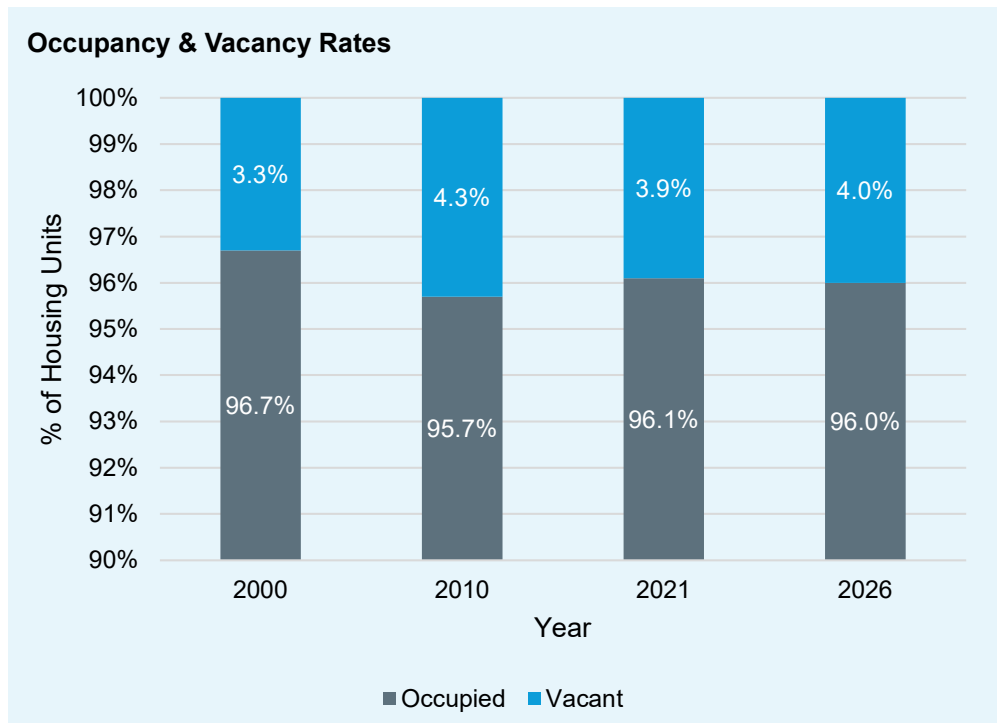


Figure 12: Occupancy & Vacancy Rates. Source: ESRI 2021

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.

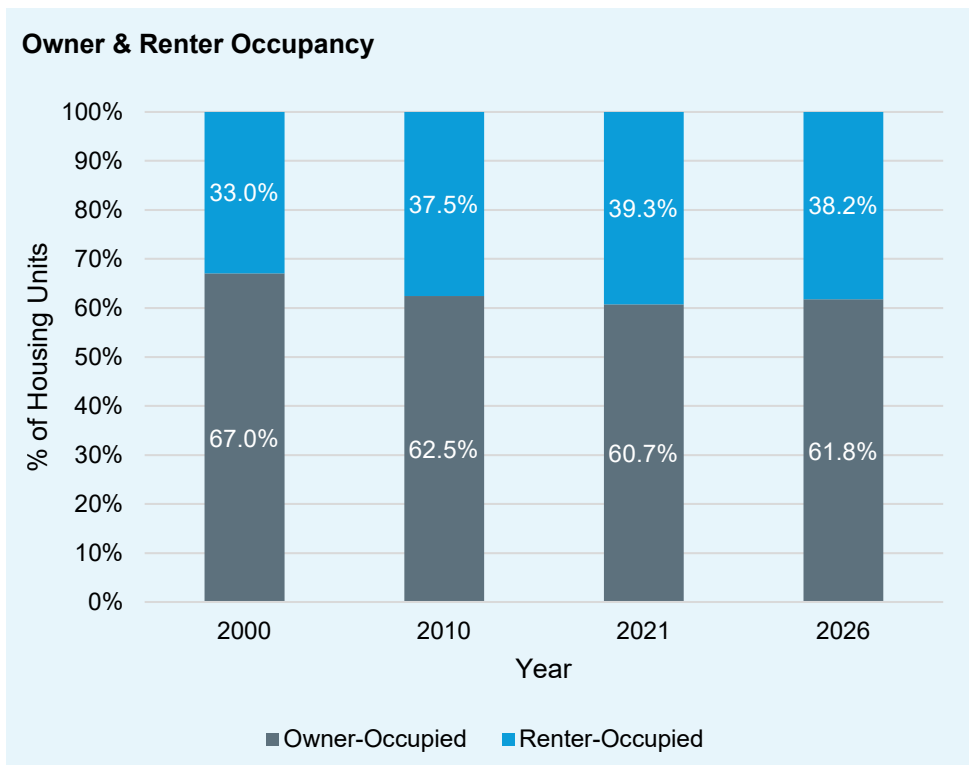


Figure 13: Housing Tenure. Source: ESRI 2021

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.

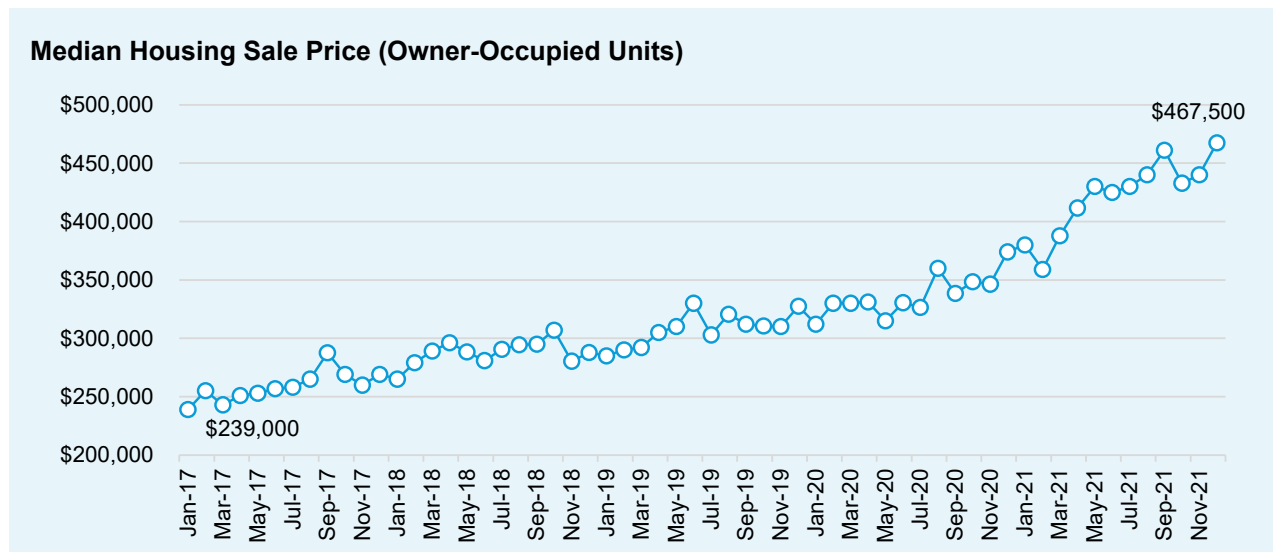


Figure 14: Owner-Occupied Home Values. Source: Redfin 2021

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.

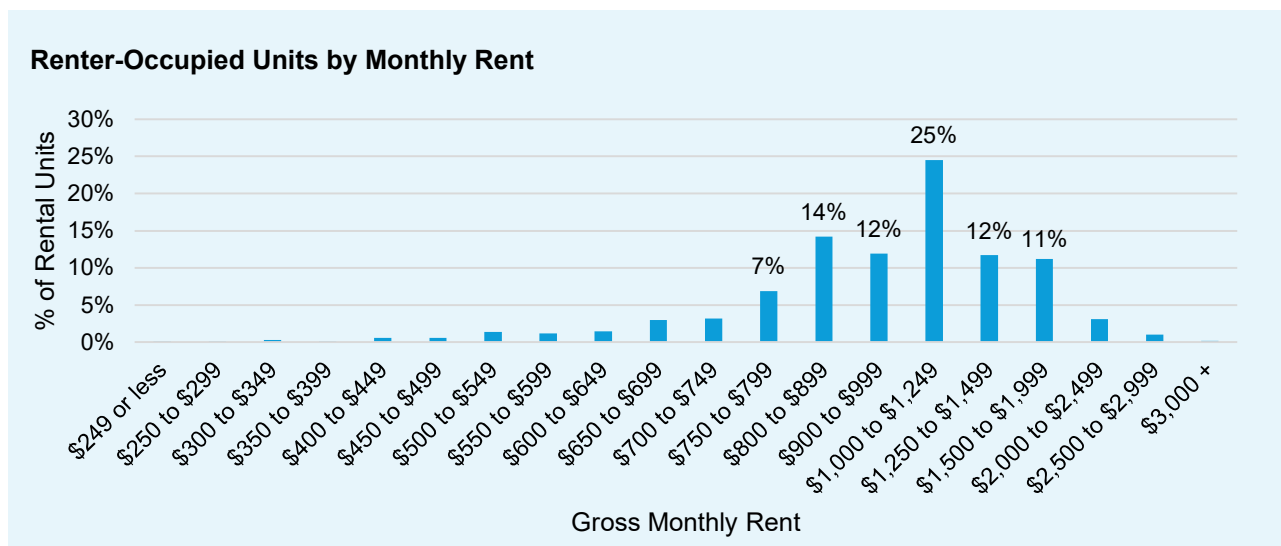


Figure 15: Renter-Occupied Units by Monthly Rent. Source: ESRI 2021

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.

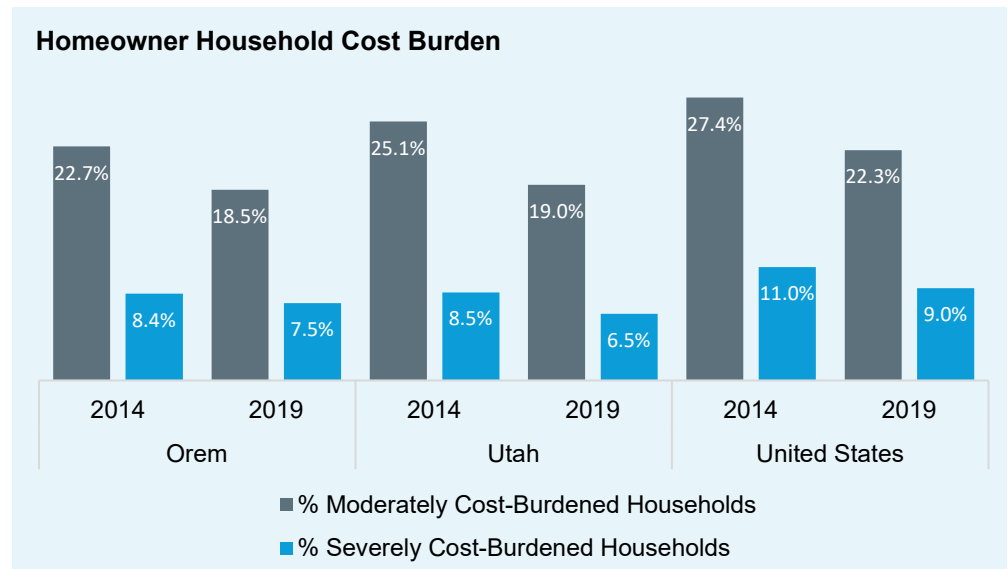


Figure 16: Homeowner Household Cost Burden. Source: American Community Survey

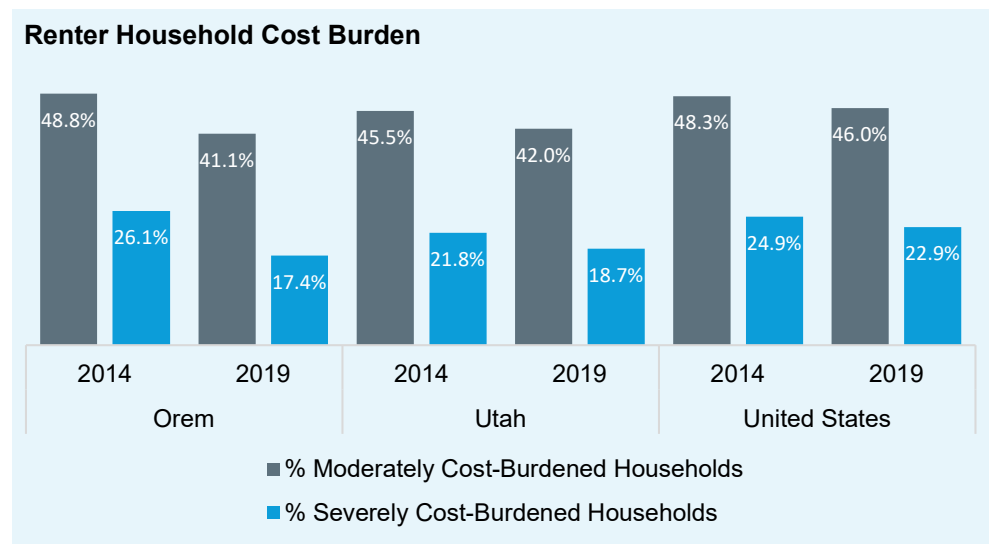


Figure 17: Renter Household Cost Burden. Source: American Community Survey

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

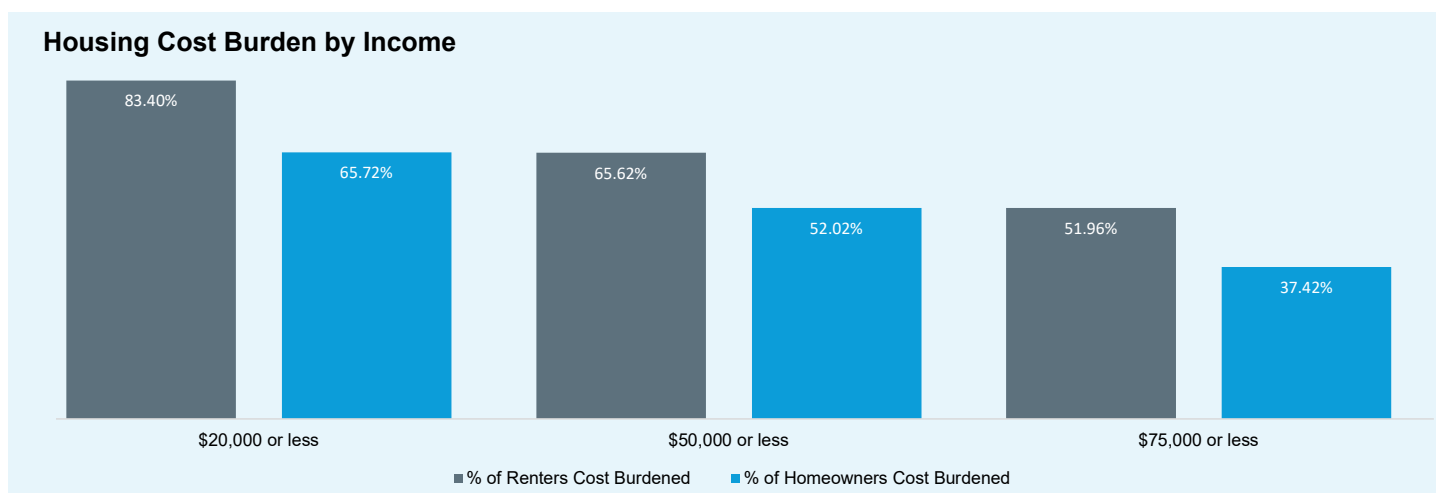


Figure 18: Cost Burden by Income. Source: American Community Survey

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.

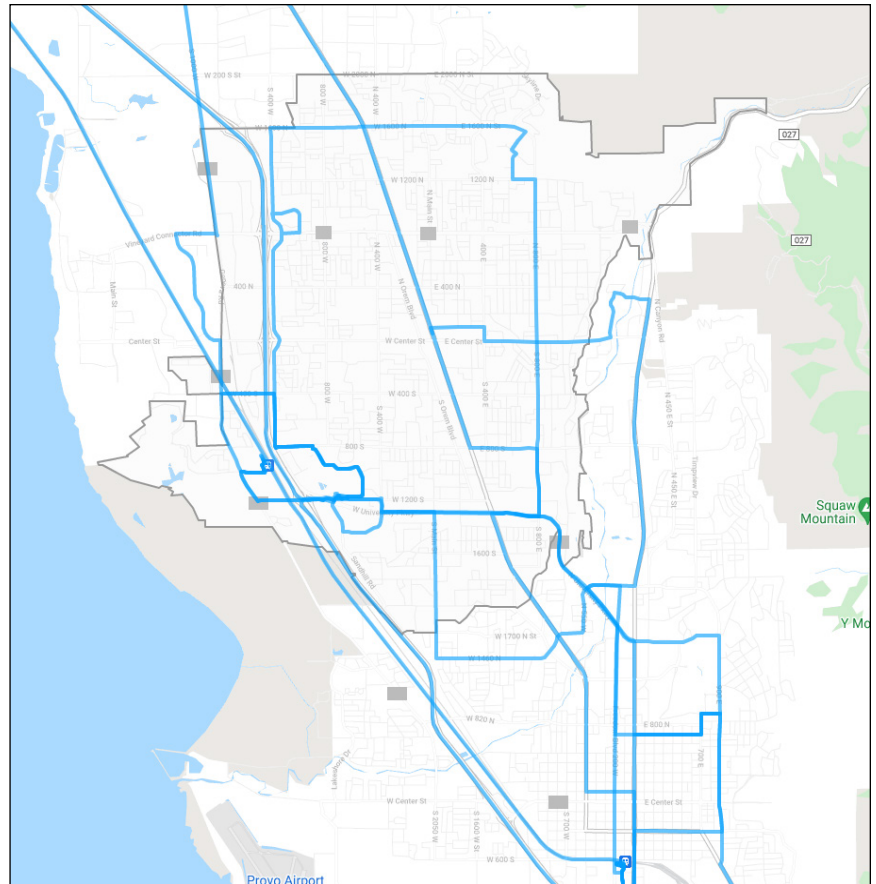


Figure 19: City of Orem Public Transit Routes. Source: Walkscore.com

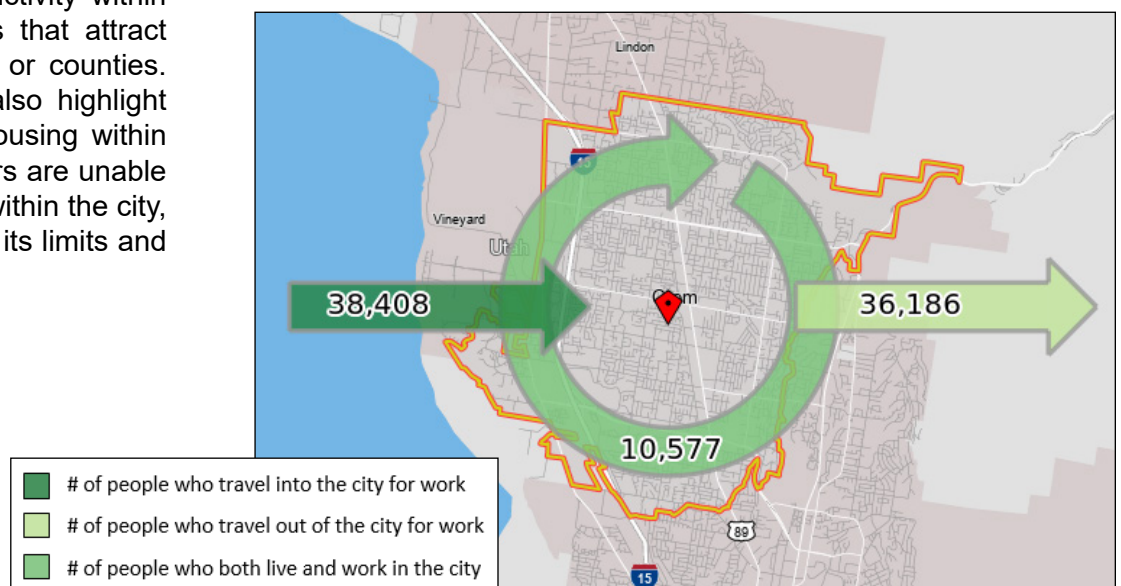


Figure 20: Commuting Patterns. Source: OntheMap, 2019

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.

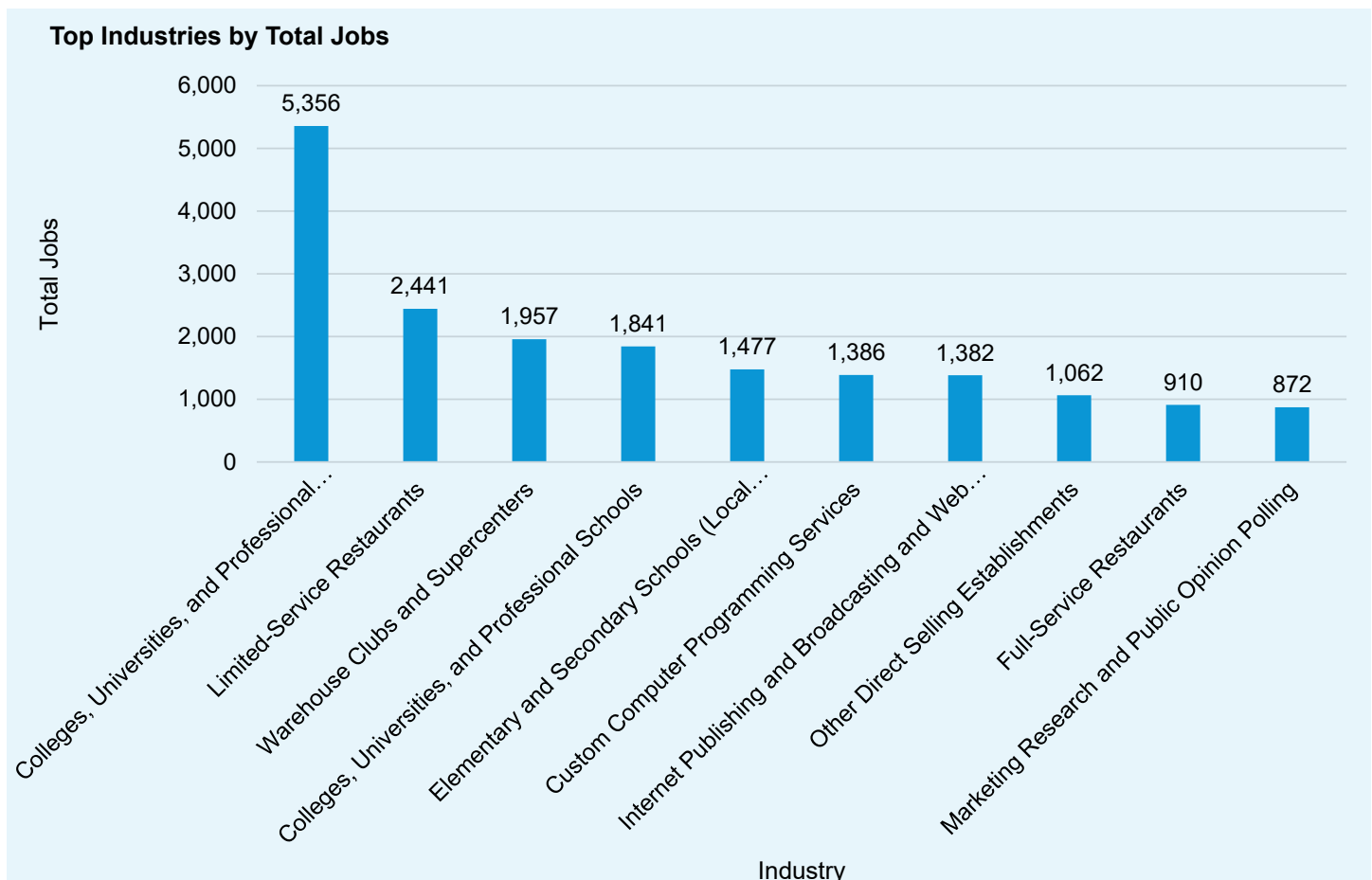


Figure 21: Top Industries. Source: EMSI 2021

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.

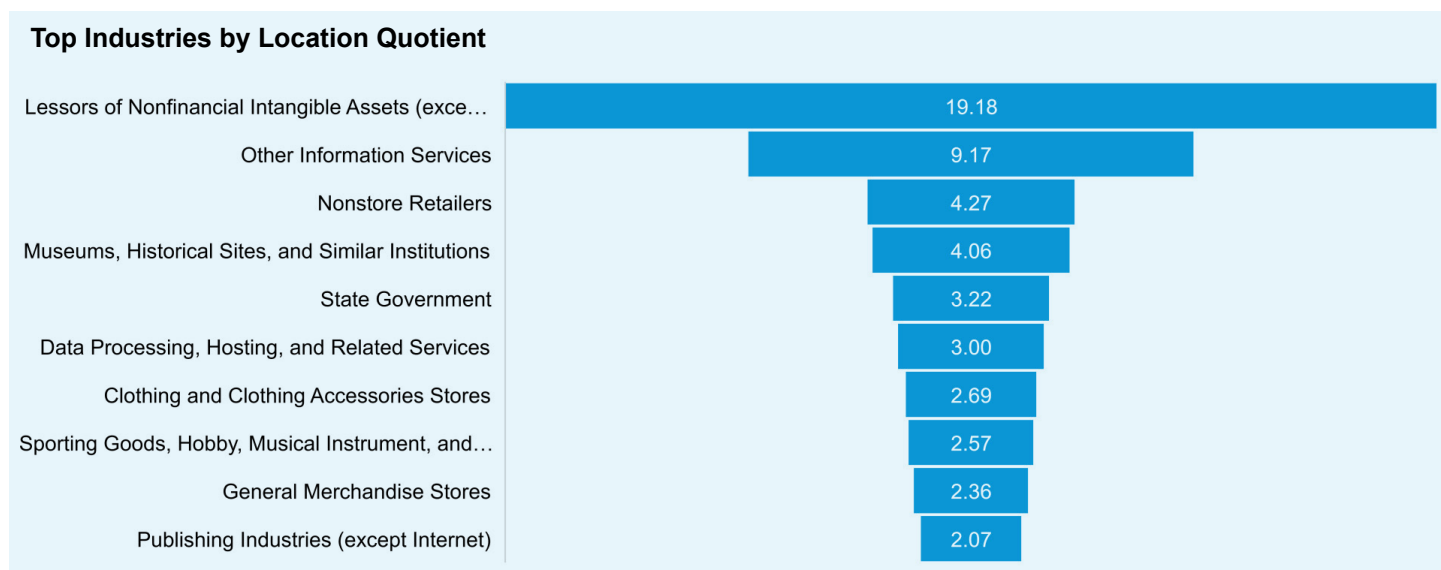


Figure 23: Industry Concentration. Source: EMSI 2021

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.

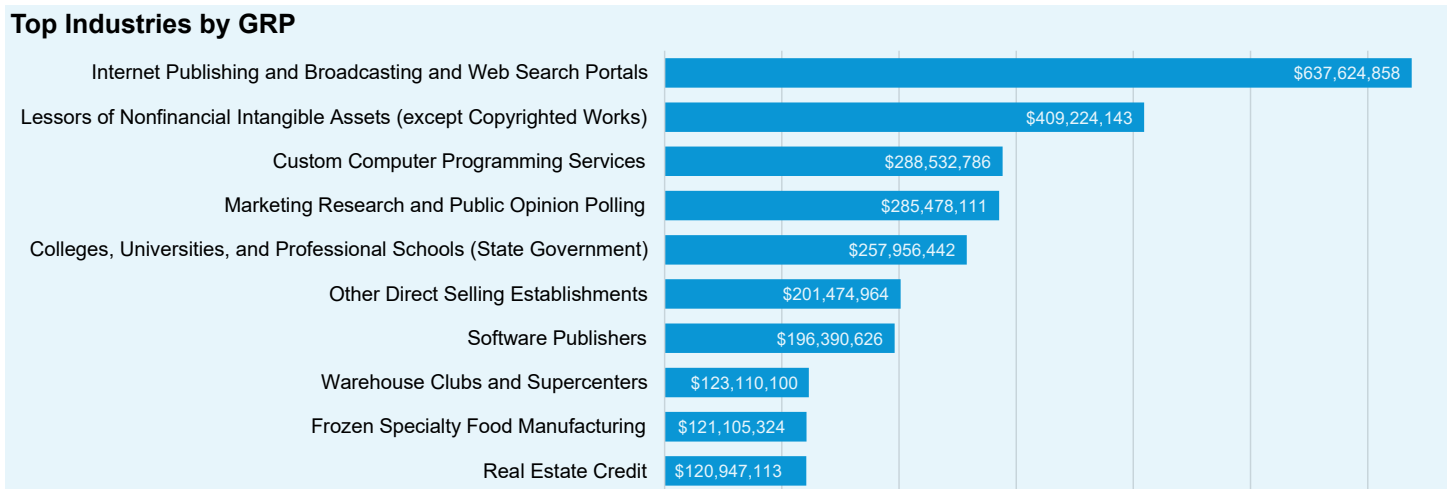


Figure 24: Top Industries by GRP. Source: EMSI 2021

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.

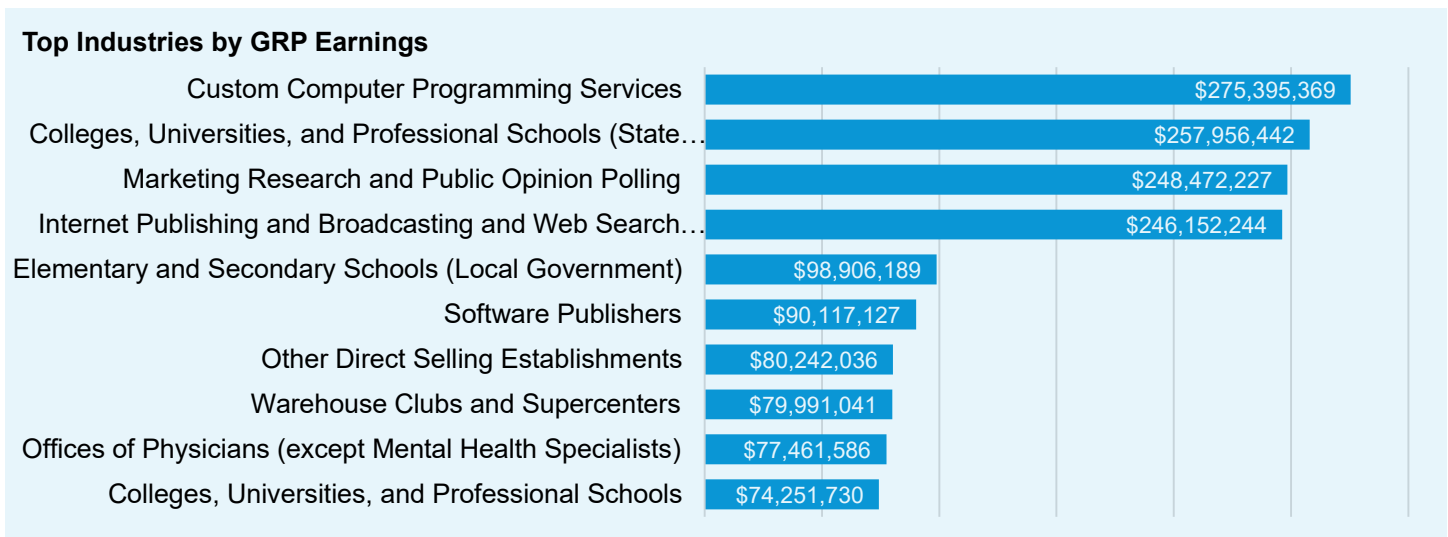


Figure 25: Top Industries by GRP Earnings. Source: EMSI 2021

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.

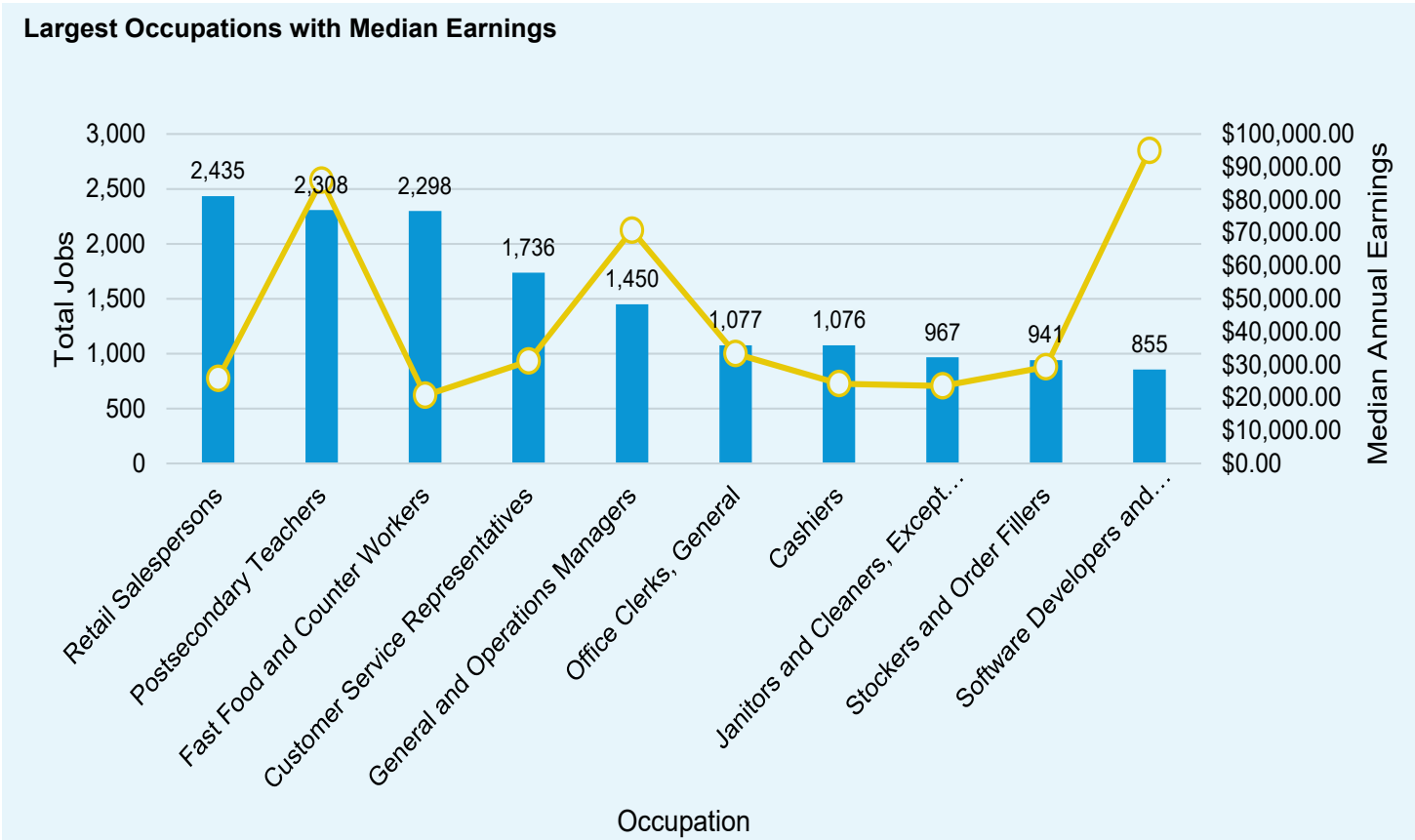


Figure 26: Top Occupations. Source: EMSI 2021



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.

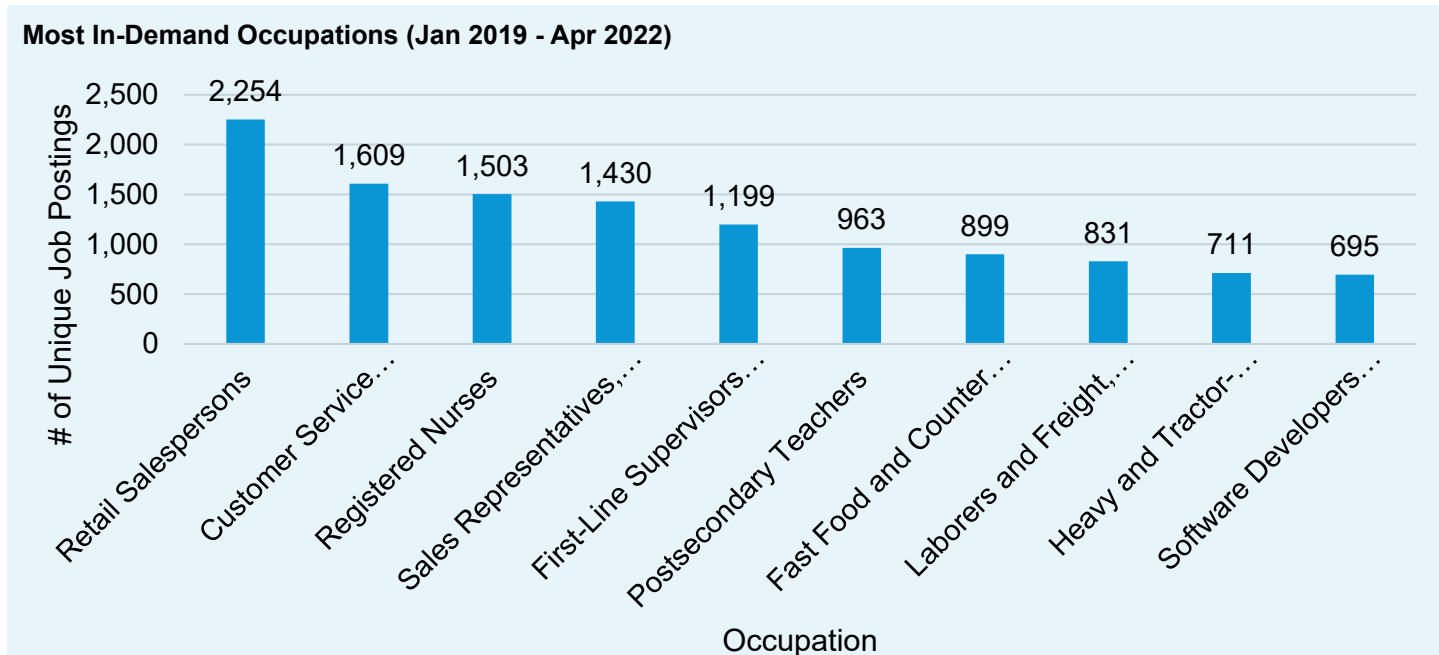


Figure 28: Most In-Demand Occupations. Source: EMSI 2021

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.

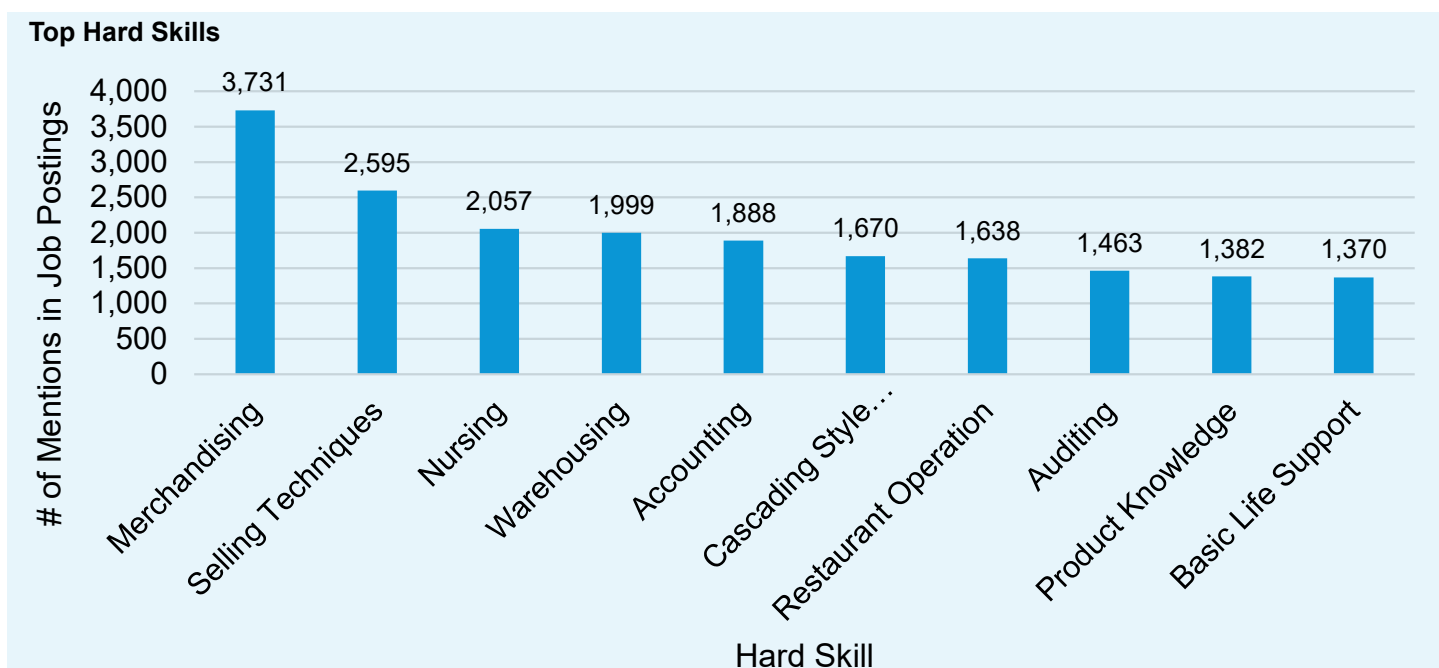


Figure 29: Top Hard Skills. Source: EMSI 2021

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

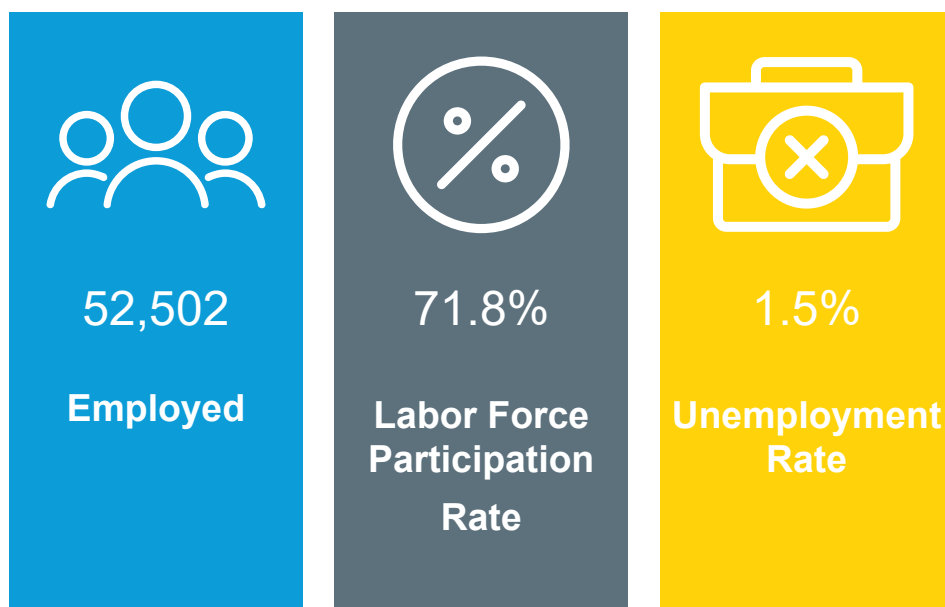


Figure 30: Labor Force Overview. Source: ACS 2015-19 Estimate; Utah Department of Workforce Services

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.

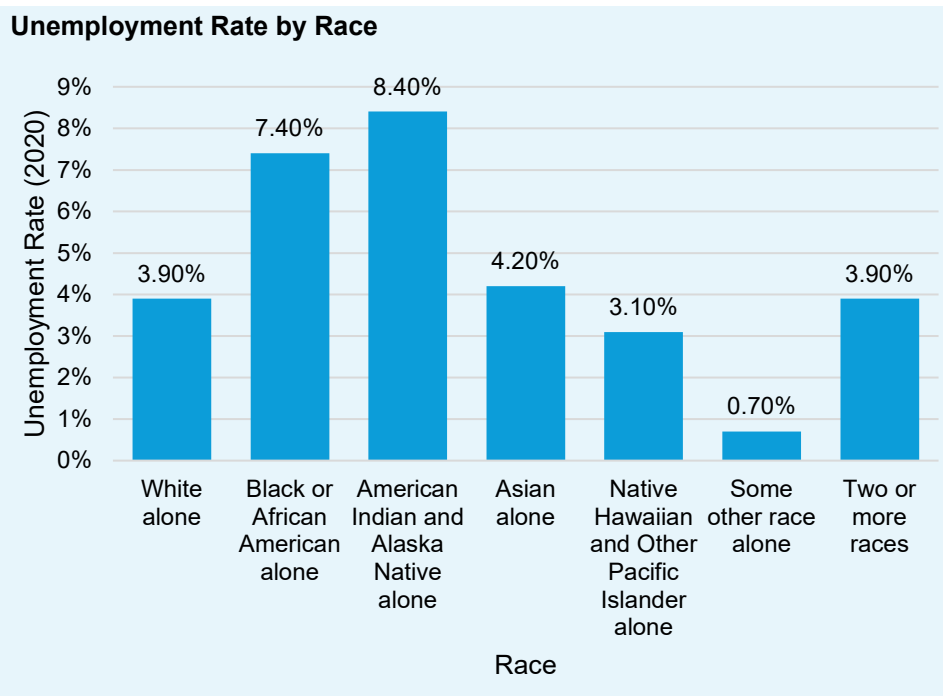


Figure 31: Unemployment by Race. Source: American Community Survey, 2020

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

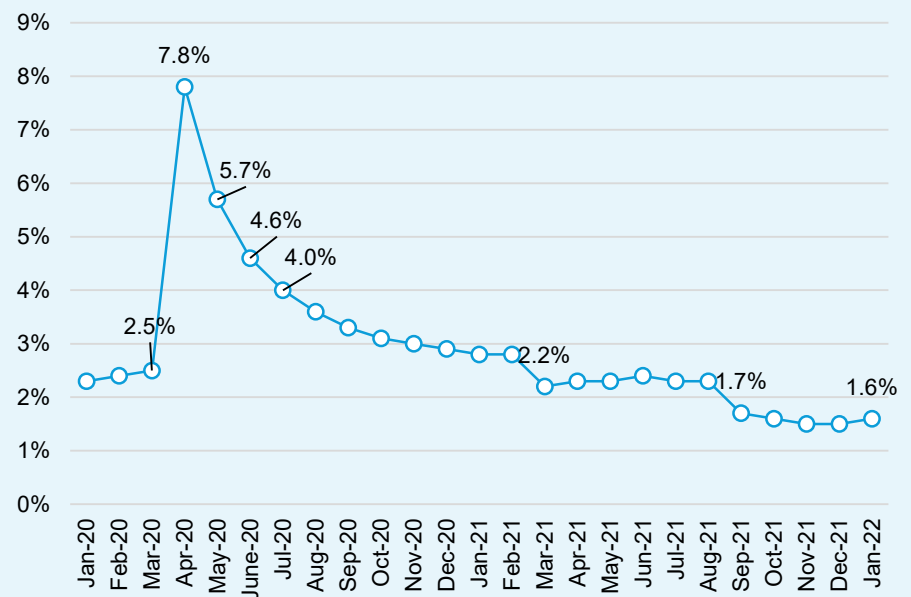


Figure 32: Provo-Orem UT MSA Unemployment Rate by Month. Source: Bureau of Labor Statistics, 2022



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

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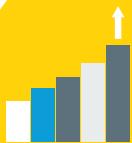
WEAKNESSES



- 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

RESOLUTION NO.

A RESOLUTION BY THE OREM CITY COUNCIL AMENDING
CHAPTER 5, *ECONOMICS*, OF THE OREM GENERAL PLAN AND
APPROVING THE OREM ECONOMIC DEVELOPMENT STRATEGIC
PLAN

WHEREAS on May 31, 2022, the Economic Development Division filed an application with the City of Orem requesting the City amend Chapter 5, *Economics*, of the Orem General Plan and approve the Orem Economic Development Strategic Plan; and

WHEREAS the intent of the revised Plan is to update Chapter 5 to specify that ongoing economic development efforts in the City of Orem should follow the recommendations in the Orem Economic Development Strategic Plan dated June 2022; and

WHEREAS the Orem City Planning Commission considered the subject application at public meetings and the Planning Commission recommended approval of the plan with certain revisions, and

WHEREAS the City posted the City Council agenda in the City Offices at 56 North State Street, at www.orem.org, and at www.utah.gov/pmn; and

WHEREAS a public meeting to consider the subject application was held before the City Council on August 23, 2022; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; and the special conditions applicable to the request.

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

1. The City Council finds that this request is in the City's best interest because it will guide

the City in making decisions that will promote economic development in the City.

2. The City Council hereby amends Chapter 5, *Economics*, of the Orem General Plan to read as shown in Exhibit ‘A’ which is attached hereto and incorporated herein by reference.
3. The City Council hereby adopts the Orem Economic Development Strategic Plan as Appendix E of the Orem General Plan as shown in Exhibit ‘B’, with the recommendations incorporated as shown in Exhibit ‘A’ which are attached hereto and incorporated herein by reference.
4. If any part of this resolution shall be declared invalid, such decision shall not affect the validity of the remainder of this resolution.
5. This resolution shall take effect immediately upon passage.

PASSED and APPROVED this 23rd day of August 2022.

CITY OF OREM, by
David Young, Mayor

ATTEST:

Jody Bates, City Recorder

COUNCIL MEMBERS VOTING “AYE”

COUNCIL MEMBERS VOTING “NAY”

CITY OF OREM
PLANNING COMMISSION MEETING MINUTES
June 15, 2022

The following items are discussed in these minutes:

- **PUBLIC HEARING** – Vacating Lot 1 of Tucker Subdivision, Plat B and approving the preliminary plat of Rolling Sand Subdivision, Plat A located generally at 1765 South Sandhill Road in the R8 zone. – Approved.
- **PUBLIC HEARING** - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 659 South 350 West from the R8 zone to the R6 zone. – Positive Recommendation.
- **PRELIMINARY PLAT** – Approving the preliminary plat of Bastian Residence Subdivision located generally at 172 West 1800 South in the R8 zone. – Approved.
- **PUBLIC HEARING** - The Economic Development Division requests the Planning Commission review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan. – Continued.

STUDY SESSION

Place: City Council Conference Room

At 3:30 p.m. Chair Sakar called the Study Session to order.

Those present: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low, Planning Commission members; Ryan L. Clark, Development Services Director; Jason W. Bench, Planning Division Manager; Cheryl Vargas and Rachel Stevens, Associate Planners; Matt Taylor, Senior Planners; Steve Earl and Aaron McKnight, Legal Counsel; Kathi Lewis and Nate Prescott, Economic Development; and Terry Peterson, City Council Liaison

Those excused: Grant Allen, Senior Planner; Sam Kelly, City Engineer; and Gerald Crismon, Planning Commission Member

The Commission and staff briefly reviewed agenda items and minutes from May 18, 2022 meeting and adjourned at 4:30 p.m. to the City Council Chambers for the regular meeting.

REGULAR MEETING

Place: Orem City Council Chambers

At 4:35 p.m. Chair Sakar called the Planning Commission meeting to order and asked Amber Pope, Planning Commission member, to offer the invocation.

Those present: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low, Planning Commission members; Ryan L. Clark, Development Services Director; Jason W. Bench, Planning Division Manager; Cheryl Vargas and Rachel Stevens, Associate Planners; Matt Taylor, Senior Planners; Steve Earl, Aaron McKnight, Legal Counsel; Kathi Lewis and Nate Prescott, Economic Development; and Terry Peterson, City Council Liaison

Those excused: Grant Allen, Senior Planner; Sam Kelly, City Engineer; and Gerald Crismon, Planning Commission Member

Chair Sakar asked Ms. Vargas to introduce **Agenda Item 3.1:**

A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for June 15, 2022

Agenda Item 3.1 is a request by Zion's Commercial Investments / Howie Nelson for the Planning Commission to vacate Lot 1 of Tucker Subdivision, Plat B and approve the preliminary plat of Rolling Sand Subdivision, Plat A located generally at 1765 South Sandhill Road in the R8 zone.



Staff Presentation: Rolling Sand Subdivision, Plat A is currently one lot of record and Lot 1 of Tucker Subdivision, Plat B which is part of an existing plat in the R8 zone. The applicant would like to divide the lot of record into two lots and clean up some property lines between Lots 1 and 3, which is why Lot 3 has been included in the proposed plat. Link to Preliminary Plat code [\(17-4\)](#):

All three lots meet the minimum lot size requirements from the R8 zone of 8,000 square feet and the deep lot meets the minimum lot size of 8,000 square feet plus 125%, which is 10,000 square feet. Lot 1 is 13,030 square feet, Lot 2 is 13,997 square feet and Lot 3 is 12,365 square feet. Lots 1 and 3 both have existing homes on them that will remain. Lot 2 is a vacant lot. Link to Deep Lot Development code [\(17-8-1\)](#):

Lot 1 meets the minimum lot frontage for the R8 zone of 80 feet with 96.99 feet of frontage. The Access & Public Utility Easement meets the required twenty feet in width requirement and will be concrete.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission vacate Lot 1 of Tucker Subdivision, Plat B and approve the preliminary plat of Rolling Sand Subdivision, Plat A located generally at 1765 South Sandhill Road in the R8 zone.

Chair Sakar asked if the Planning Commission had any questions for Ms. Vargas

Chair Sakar invited the applicant to come forward. Mr. Nelson introduced himself.

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: Jim Condie moved to vacate Lot 1 of Tucker Subdivision, Plat B and approve the preliminary plat of Rolling Sand Subdivision, Plat A located generally at 1765 South Sandhill Road in the R8 zone. Amber Pope seconded the motion. Those voting aye: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Chair Sakar asked Ms. Vargas to introduce **Agenda Item 3.2**:

Agenda Item 3.2 is a request by Michael and Lisa Kelley for the Planning Commission to review and make a recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 659 South 350 West from the R8 zone to the R6 zone.



Staff Presentation: The property owners own this parcel and the parcel to the south. They would like to subdivide this northern parcel into two (2) lots so two of their children with young families can build homes there. Link to Rezone code [\(22-1-5\)](#):

The current zoning for this lot is R8 but the lot is not quite large enough to be divided into two lots that meet the R8 zone lot size requirements. In the R6 zone, the lots have to be a minimum of 6,000 square feet and flag lots need to be one-hundred twenty-five percent (125%) of that

which is 7,500.00. In this case, Lot 1 is 7,464 square feet and Lot 2 is 7,555 square feet which more than meets the R6 zone requirements. The frontage of Lot 1 also meets the minimum lot width requirement of 60 feet and is 87.83 feet wide. The twenty (20) foot Public Utility and Access Easement is part of the 87.83 feet. Link to Deep Lot Development code [\(17-8-1\)](#):

By providing this help to their children, the Kelly's feel they can help provide their neighborhood with some young families and help Orem retain its image as a family-friendly community.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 659 South 350 West from the R8 zone to the R6 zone.

Chair Sakar asked if the Planning Commission had any questions for Ms. Vargas.

Chair Sakar invited the applicant to come forward. Michael Kelley introduced himself.

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: Amber Pope moved to forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 659 South 350 West from the R8 zone to the R6 zone. Madeline Komen seconded the motion. Those voting aye Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Chair Sakar asked Ms. Vargas to introduce **Agenda Item 3.3**:

Agenda Item 3.3 is a request by Davies Design Build / Jackson Follet for the Planning Commission to approve the preliminary plat of Bastian Residence Subdivision located generally at 172 West 1800 South in the R8 zone.

Staff Presentation: This property currently is a lot of record and shares an address with the property to the west which is in the PD14 zone. Approval of this preliminary plat and final plat will separate this property from the property to the west, divide it into two (2) lots and establish separate addresses for each lot. This property is also different from the property to the west as it is in the R8 zone. Link to Preliminary Plat code [\(17-4\)](#):



There are currently two (2) lots on the subject property. The applicant is requesting to move the smaller lot from the north east area of the property to the south east area of the property. This will give it its own address as well and provide access and frontage on 1800 South. Keeping this smaller lot on the north end of the property would make it land-locked with no direct access.

Both lots more than meet the lot size requirements for the R8 zone of 8,000 square feet. Lot 1 will be 63,351 square feet (1.454 acres) and Lot 2 will be

11,730 square feet. Both lots 1 and 2 are currently vacant with no existing structures.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission approve the preliminary plat of Bastian Residence Subdivision located generally at 172 West 1800 South in the R8 zone.

Chair Sakar asked if the Planning Commission had any questions for Ms. Vargas.

There was a discussion about the benefits to platting the lots. See video for details.

Chair Sakar invited the applicant to come forward. Mr. Follet introduced himself.

Planning Commission Action: Murray Low moved to approve the preliminary plat of Bastian Residence Subdivision located generally at 172 West 1800 South in the R8 zone. Haysam Saakar seconded the motion. Those voting aye: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Chair Sakar asked Kathi Lewis to introduce **Agenda Item 3.4:**

Agenda Item 3.4 is a request by City of Orem Economic Development for the Planning Commission to review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan.

Staff Presentation: The following presentation was giving in the pre-meeting. See video for details.

The General Plan is a written guide for the future development of the City. Chapter 5 of the General Plan discusses economics.

In 2012, the Commission for Economic Development in Orem (CEDO) was integrated into the City of Orem and the Economic Development Division (EDD) was created. In [2014](#), in conjunction with Zion's Bank Public Finance, a new Economic Development Strategic Plan (EDSP) was completed. 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 growth to implement and encourage said vision. Many goals associated with the EDSP require zoning and land use coordination. Therefore, in Chapter 5 of the General Plan, reference to the EDSP as a guiding document for economic development should be included to ensure coordination between land development goals and economic development goals.

It is proposed that Chapter 5, Economic, of the Orem General Plan, be modified and the comprehensive update of the Economic Development Strategic plan dated June 2022 be adopted as Appendix E of the General Plan. The proposed changes are included.

A complete video of the meeting can be found at www.orem.org/meetings

Advantages

- The EDSP identifies a sustainable vision for economic growth and encourages said vision
- Adoption of the EDSP provides structure and a common agenda as the city moves forward with economic development
- The EDSP identifies how the City can gain a competitive advantage

Disadvantages

- None identified

Recommendation: The Development Review Committee recommends Chapter 5 of the General Plan be amended and the Economic Development Strategic Plan be adopted as Appendix E of the General Plan. The Project Coordinator requests the Planning Commission make a positive recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan (EDSP) by amending Appendix E of the Orem General Plan.

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 in Exhibit A 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: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

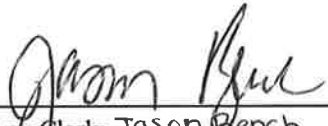
A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for June 15, 2022

Minutes: The Planning Commission reviewed the minutes from the previous meeting. Chair Sakar then called for a motion to approve the minutes of May 18, 2022. Murray Low moved to approve the meeting minutes for May 18, 2022. Amber Pope seconded the motion. Those voting aye: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Adjourn: Chair Sakar called for a motion to adjourn. Amber Pope moved to adjourn. Jim Condie seconded the motion. Those voting aye: Haysam Sakar, Jim Condie, Amber Pope, Madeline Komen, Tina Okolowitz, and Murray Low. The motion passed unanimously.

Adjourn: 5:31 p.m.



Ryan Clark Jason Bench
Acting as Planning Commission Secretary

Approved:

Exhibit A

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.

A complete video of the meeting can be found at www.orem.org/meetings

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 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.

CITY OF OREM
PLANNING COMMISSION MEETING MINUTES
July 6, 2022

The following items are discussed in these minutes:

- PUBLIC HEARING - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone – positive recommendation to the City Council
- PUBLIC HEARING - The Economic Development Division requests the Planning Commission review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan – continued to July 15, 2022
- PUBLIC HEARING – Amending portions of Chapter 10 *Flood Damage Prevention* of the Orem City Code pertaining to base flood elevation requirements - positive recommendation to the City Council

STUDY SESSION

Place: City Council Conference Room

At 3:30 p.m. Vice-Chair Komen called the Study Session to order.

Those present: Jim Condie, Madeline Komen, Murray Low, Tina Okolowitz, Amber Pope and Haysam Sakar, Planning Commission members; Jason W. Bench, Planning Division Manager; Cheryl Vargas and Rachel Stevens, Associate Planners; Matt Taylor, Senior Planner; Sam Kelly, City Engineer; Aaron McKnight, Legal Counsel and Kathi Lewis, Economic Development Division Manager

Those excused: Gerald Crismon, Planning Commission member; Ryan L. Clark, Development Services Director; Grant Allen, Senior Planner; Steve Earl, Legal Counsel and Terry Peterson, City Council Liaison

The Commission and staff briefly reviewed agenda items and minutes from June 15, 2022 meeting and adjourned at 4:25 p.m. to the City Council Chambers for the regular meeting.

REGULAR MEETING

Place: Orem City Council Chambers

At 4:30 p.m. Chair Sakar called the Planning Commission meeting to order and asked Ms. Okolowitz, Planning Commission member, to offer the invocation.

Those present: Jim Condie, Madeline Komen, Murray Low, Tina Okolowitz, Amber Pope and Haysam Sakar, Planning Commission members; Jason W. Bench, Planning Division Manager; Cheryl Vargas and Rachel Stevens, Associate Planners; Matt Taylor, Senior Planner; Sam Kelly, City Engineer; Aaron McKnight, Legal Counsel and Kathi Lewis, Economic Development Division Manager

Those excused: Gerald Crismon, Planning Commission member; Ryan L. Clark, Development Services Director; Grant Allen, Senior Planner; Steve Earl, Legal Counsel and Terry Peterson, City Council Liaison

Chair Sakar asked Ms. Stevens to introduce **Agenda Item 3.1**:

Agenda Item 3.1 is a request by Tres and Jennifer Miller for the City to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.

A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for July 6, 2022



Staff Presentation: The applicants own .99 acres of land at 507 North 400 West. They are wanting to rezone the property from the R7.5 zone to the R6.5 zone. They want to create four lots from this one parcel in the R6.5 zone, which they feel is the most reasonable and best use of the land. Link to Rezone code [\(22-1-5\)](#).

The current zoning for this lot is R7.5 but the lot is not quite large enough to be divided into four lots that meet the R7.5 zone lot frontage requirements (seventy-five feet). In the R6.5 zone, the frontage for each lot is sixty-five feet, a requirement which the four lots can meet. All four lots more than meet the minimum lot size requirement in the R6.5 zone of 6,500 square feet. Lot 1 is 10,524 square feet, Lot 2 is 9,717 square feet, Lot 3 is 10,625 square feet and Lot 4 is 10,625 square feet. There is an existing home on the current lot and this home with its driveway will be removed. Link to Zone Development Standards [\(22-6-8\)](#).

If this rezone is not approved, the owners could still subdivide and create four lots, two of which would be deep lots. They would prefer that all four lots are standard lots with street frontage. This would require the rezone with the smaller lot width. This width of lot is consistent with several other lots in the area.

The Millers' goal is to provide four lots of good size for homes with decent yards. They are interested in keeping Orem an awesome place to live and raise a family.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.

Chair Sakar asked if the Planning Commission had any questions for Ms. Stevens.

Chair Sakar invited the applicant to come forward. Tres and Jennifer Miller introduced themselves. Mr. Miller said this rezone feels like it would be a good fit for the neighborhood.

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: Mr. Condie moved to forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone. Ms. Pope seconded the motion. Those voting aye: Jim Condie, Madeline Komen, Murray Low, Tina Okolowitz, Amber Pope and Haysam Sakar. The motion passed unanimously.

Chair Sakar asked Ms. Lewis, Economic Development Division Manager, to introduce **Agenda Item 3.2:**

Agenda Item 3.2 is a request by City of Orem, Economic Development for the Planning Commission to review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan.

Staff Presentation: The presentation was presented in the pre-meeting and was not repeated here in the regular session.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission forward a positive recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan.

A complete video of the meeting can be found at www.orem.org/meetings

CITY OF OREM
PLANNING COMMISSION MEETING MINUTES
July 20, 2022

The following items are discussed in these minutes:

- **PUBLIC HEARING** - The Economic Development Division requests the Planning Commission review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan. – Positive recommendation with amendments.

STUDY SESSION

Place: City Council Conference Room

At 3:30 p.m. Chair Sakar called the Study Session to order.

Those present: Haysam Sakar, James Hawkes, Amber Pope, Madeline Komen, Tina Okolowitz, Gerald Crismon, and Murray Low, Planning Commission members; Ryan L. Clark, Development Services Director; Cheryl Vargas and Rachel Stevens, Associate Planners; Grant Allen and Matt Taylor, Senior Planners; Steve Earl and Aaron McKnight, Legal Counsel; Kathi Lewis and Nate Prescott, Economic Development; and Terry Peterson, City Council Liaison

Those excused: Sam Kelly, City Engineer, Jason Bench, Planning Division Manager.

The Commission and staff briefly reviewed agenda items and minutes from July 6, 2022 meeting and adjourned at 4:30 p.m. to the City Council Chambers for the regular meeting.

REGULAR MEETING

Place: Orem City Council Chambers

At 4:30 p.m. Chair Sakar called the Planning Commission meeting to order and asked James Hawkes, Planning Commission member, to offer the invocation.

Those present: Haysam Sakar, James Hawkes, Amber Pope, Madeline Komen, Tina Okolowitz, Gerald Crismon, and Murray Low, Planning Commission members; Ryan L. Clark, Development Services Director; Cheryl Vargas and Rachel Stevens, Associate Planners; Grant Allen and Matt Taylor, Senior Planners; Steve Earl and Aaron McKnight, Legal Counsel; Kathi Lewis and Nate Prescott, Economic Development; and Terry Peterson, City Council Liaison

Those excused: Sam Kelly, City Engineer, Jason Bench, Planning Division Manager.

Chair Sakar asked Ms. Vargas to introduce **Agenda Item 3.1**:

Agenda Item 3.1 is a request by City of Orem Economic Development for the Planning Commission to review and make a recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan by amending Appendix E of the Orem General Plan.

Staff Presentation: Public Hearings for the Economic Development Division were held and closed on June 15 and July 6, 2022. It was determined that more time was needed for the Planning Commission to discuss this item. The item was continued from June 15, 2022 to July 6, 2022, and again from July 6, 2022 to July 20, 2022.

A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for July 20, 2022

The General Plan is a written guide for the future development of the City. Chapter 5 of the General Plan discusses economics.

In 2012, the Commission for Economic Development in Orem (CEDO) was integrated into the City of Orem and the Economic Development Division (EDD) was created. In 2014, in conjunction with Zion's Bank Public Finance, a new Economic Development Strategic Plan (EDSP) was completed. 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 growth to implement and encourage said vision. Many goals associated with the EDSP require zoning and land use coordination. Therefore, in Chapter 5 of the General Plan, reference to the EDSP as a guiding document for economic development should be included to ensure coordination between land development goals and economic development goals.

It is proposed that Chapter 5, Economic, of the Orem General Plan, be modified and the comprehensive update of the Economic Development Strategic plan dated June 2022 be adopted as Appendix E of the General Plan. The proposed changes are included.

Advantages

- The EDSP identifies a sustainable vision for economic growth and encourages said vision
- Adoption of the EDSP provides structure and a common agenda as the city moves forward with economic development
- The EDSP identifies how the City can gain a competitive advantage

Disadvantages

- None identified

During the Planning Commission on July 6, 2022, Planning Commission Chair Haysam Sakar requested Aaron McKnight, Assistant City Attorney, advise the Commission on how move their recommendations forward to the City Council.

Assistant City Attorney Aaron McKnight advised the Commission to draft their recommended revisions outside the meeting and, discuss and adopted these revisions in the formal Planning Commission Regular Meeting. In addition, Aaron recommended that a Commissioner draft a document that lists the specific revisions the Commission is recommending to the City Council.

The following recommendations were emailed to Kathi Lewis, the Economic Development Division Manager by the Planning Commission members:

Commissioner Murray Low:

Below is the proposed wording for the second and third bullet points under goal 4, "Review and re-evaluate local zoning and policies." This is in lieu of deleting those points, which we also considered.

- In targeted and strategic locations; – **and in mutually agreeable consultation with Orem residents and property owners** – consider revising and reducing restrictions on duplexes, fourplexes, and townhomes.
- In targeted and strategic locations; – **and in mutually agreeable consultation with Orem residents and property owners** – consider zoning changes that will better facilitate medium density development.

Will you forward this to the Orem legal department for review and changes before this gets sent to the other Planning Commission members for consideration?

Thanks for your help.
Murray

A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for July 20, 2022

Chairman Haysam Sakar

Good evening,

In regards to the paragraph Kathy has agreed to include at the beginning of the EDSP and to show in the Exhibit, Here are my thoughts, and I hope the legal team can polish it up.

"This plan is a guideline and not a rule; none of the zoning and planning recommendations mentioned in the EDSP plan is an attempt to modify or change the current city codes or zoning requirement."

I do not see a reason for EDSP to intermingle with how the city density should look like.

Thank you.

Haysam

Vice Chairman Madeline Koman

Thank you Amber, Haysam, and Murry for getting those proposals and information to us so quickly.

Could I make a counter-proposal? What if instead of trying to amend or modify the wording of the EDSP, we propose to make a recommendation to the City Council to strike from the economic development plan any reference to high density housing, which would include everything that Amber highlighted and perhaps the first bullet point under "Metric for Success" in that section on p.38 that references the "number of meetings held with focus on the review of the zoning policies."

That would simplify the process and make clearer what the potential objection to that specific item in the plan is.

Madeline

Commissioner Amber Pope

Thank you for your suggestion, Madeline. I would prefer doing that as even with Murray's edits, I have concerns with the potential for heading back towards elements of the State Street Master Plan.

Thank you,
Amber Pope

Staff recommends the Planning Commission consider the comments made to Kathi Lewis via email and make a recommendation to forward to the City Council.

Recommendation: The Development Review Committee recommends Chapter 5 of the General Plan be amended and the Economic Development Strategic Plan be adopted as Appendix E of the General Plan. The Project Coordinator requests the Planning Commission make a positive recommendation to the City Council to amend Chapter 5, Economics, of the Orem General Plan and recommend the adoption of the Orem Economic Development Strategic Plan (EDSP) by amending Appendix E of the Orem General Plan.

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: Madeline Komen made a motion to forward a positive recommendation to the City Council to amend Chapter 5 of the General Plan, and the Economic Development Strategic Plan be adopted as Appendix E of the General Plan with the following modifications:

1. Add the following language to the beginning of Appendix E: "Pursuant to Orem City Code Section 22-1-10, the Economic Development Strategic Plan, as part of the Orem General Plan shall serve as an advisory guide only and is not a binding document."
2. Delete the following bullet points under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*,

A complete video of the meeting can be found at www.orem.org/meetings

Planning Commission minutes for July 20, 2022

Action Steps on page 29 of the EDSP;

1. In targeted and strategic locations, consider revising and reducing restrictions on duplexes, fourplexes and townhomes
2. In targeted and strategic locations, consider zoning changes that will better facilitate medium-density development.
3. Delete the following sentences under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*, page 29, paragraph 3:
 - 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.
4. Add “(non-residential)” between the words mixed-use and development in the first sentence under *Strategy 2: Review and Re-evaluate Local Zoning and Policies*, page 29, paragraph 3:

Modified as described above, paragraph 3 on page 29 will read:

In addition, city leadership should look for ways to facilitate more mixed-use (non-residential) 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.~~

Haysam Sakaar seconded the motion. Those voting aye: Haysam Sakar, James Hawkes, Amber Pope, Madeline Komen, Tina Okolowitz, Gerald Crismon, and Murray Low. The motion passed unanimously.

Minutes: The Planning Commission reviewed the minutes from the previous meeting. Chair Sakar then called for a motion to approve the minutes of July 6, 2022. Murray Low moved to approve the meeting minutes for July 6, 2022. Amber Pope seconded the motion. Those voting aye: Haysam Sakar, James Hawkes, Amber Pope, Madeline Komen, Tina Okolowitz, Gerald Crismon, and Murray Low. The motion passed unanimously.

Adjourn: Chair Sakar called for a motion to adjourn. Amber Pope moved to adjourn. James Hawkes seconded the motion. Those voting aye: Haysam Sakar, James Hawkes, Amber Pope, Madeline Komen, Tina Okolowitz, Gerald Crismon, and Murray Low. The motion passed unanimously.

Adjourn: 4:50 p.m.



Ryan Clark
Planning Commission Secretary

Approved: August 17, 2022



**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	PUBLIC HEARING / ORDINANCE - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.
APPLICANT:	
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	Cheryl Vargas, Associate Planner

REQUEST:

BACKGROUND:

RECOMMENDATION:

CITY OF OREM
CITY COUNCIL MEETING
AUGUST 23, 2022



REQUEST:	6:00 P.M. SCHEDULED ITEM PUBLIC HEARING - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.
APPLICANT:	Tres & Jennifer Miller
FISCAL IMPACT:	None

NOTICES:

- Posted in 2 public places
- Posted on City webpage
- Posted on the State noticing website
- Faxed to newspapers
- Mailed notices to 128 residents within 500 feet of the property

SITE INFORMATION:

General Plan Designation:

Medium Density

Residential

Current Zone: **R7.5**

Acreage: **.99**

Neighborhood: **Geneva Heights**

**PLANNING
COMMISSION
RECOMMENDATION**

6-0 for Approval

PREPARED BY:

Cheryl Vargas
Associate Planner

REQUEST: The applicant requests the City amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 507 North 400 West from the R7.5 zone to the R6.5 zone.

BACKGROUND:

The applicants own .99 acres of land at 507 North 400 West. They are requesting to rezone the property from the R7.5 zone to the R6.5 zone. The applicants propose to create four lots in the R6.5 zone, which they feel is the most reasonable and best use of the land. See Section [\(22-1-5\)](#) Orem City Code.

The current zoning is R7.5, however, the lot is not quite large enough to be divided into four lots that meet the R7.5 frontage requirement of seventy-five feet. The R6.5 zone has a lot frontage requirement of sixty-five feet, which the four lots can meet. The proposed lots meet the minimum lot size requirement in the R6.5 zone of 6,500 square feet. Lot 1 is 10,524 square feet, Lot 2 is 9,717 square feet, Lot 3 is 10,625 square feet and Lot 4 is 10,625 square feet. There is an existing home on the current lot and this home with its driveway will be removed. The residential development standards are outlined in Section [\(22-6-8\)](#) Orem City Code.

The owners could subdivide and create four lots, two of which would be deep lots, if the rezone is not approved. However, they prefer that all four lots are standard lots with street frontage. This would require the rezone with the smaller lot width. This width proposed is consistent with other lots in the general area.

The Millers' goal is to provide four lots of good size for homes with decent yards.

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 659 South 350 West from the R8 zone to the R6 zone.



DRC Application

Rezone

Applicant Information:

Name:	Tres & Jennifer Miller	Phone:	801-859-6516	
Address:	1380 North 90 East	City:	Orem	
Email:	Lizra40@Gmail.Com	State:	Utah	Zip: 84057

Project Information:

Project Name:	The Concord		
Project Address:	507 North 400 West, Orem Utah 84057		
Are you proposing to create a new PD zone?	☐ Yes	☒ No	
If so, are you proposing to create high density housing with this rezone?	☐ Yes	☒ No	

Fees:

All Rezone Proposals	☒ Planning Commission Public Notice Fee	\$100
	☒ City Council Public Notice Fee	\$100
	☐ Neighborhood Notice Fee	TBD
If proposing a Rezone	☒ Rezone Fee	\$1,295
	☒ Public Notice Sign Fee	\$732
If proposing a General Plan Map Change	☐ General Plan (Land Use Map) Amendment Fee	\$1,115
	☐ Public Notice Sign Fee	\$732
If creating new PD Zone:	☐ New PD Zone Fee	\$3,876
	☐ Public Notice Sign Fee	\$732
If Development Agreement is required	☐ Development Agreement Recording Fees	TBD
Total:		2227.00 \$2,137

Deadline:

Except in the case of a holiday, the deadline for DRC Applications is **Monday at 12pm**. Please call Development Services to determine the deadline in the event of a holiday.

Neighborhood Meeting:

A neighborhood meeting is typically required of all rezone applications. Please contact Development Services at 801-229-7058 to find out details regarding this requirement.

Application Information:

"The DRC application must be complete at the time of submittal or it may not be accepted. An application to amend Chapter 22 or the zoning map shall expire if the application has not been approved or scheduled for review and approval by the approving authority within twelve months after the date it was submitted. An application to amend Chapter 22 or the zoning map shall also expire immediately following the passage of six months of no activity with respect to the application. Upon expiration, an application for an amendment to Chapter 22 including a zone map shall be considered null and void and a new application must be submitted, and fees paid." - Orem City Code (22-1-5)

Signature:

Applicant Signature:

Contact Person:

Contact Person:	Phone:	Email:
Jennifer F. Miller	801-859-6516	Lizra40@Gmail.Com

Office Use Only:

Project ID Number:	Date Paid:	Received By:
13996	4/20/22	

2022.333074



DRC Questionnaire

Rezone

Please briefly describe your project. What are you proposing to do?

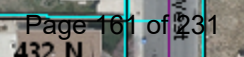
We have an acre parcel in N.W. Orem that was previously used as a "Hobby Farm." Since we are not very agrarian, combined with a housing shortage in Orem, we have decided to petition the city of Orem for permission to rezone and then subdivide the land into four even parcel that make up quarter acre lots and compliment the fabric of the neighborhood. We see this as reasonable use of the land. With multiple options to consider, we see this as reasonable and the highest uses of the land.

Our goal is to provide lots of good size, for homes with decent yards that have the ability to bless four families. We are interested in keeping Orem a awesome place to live and raise a family.

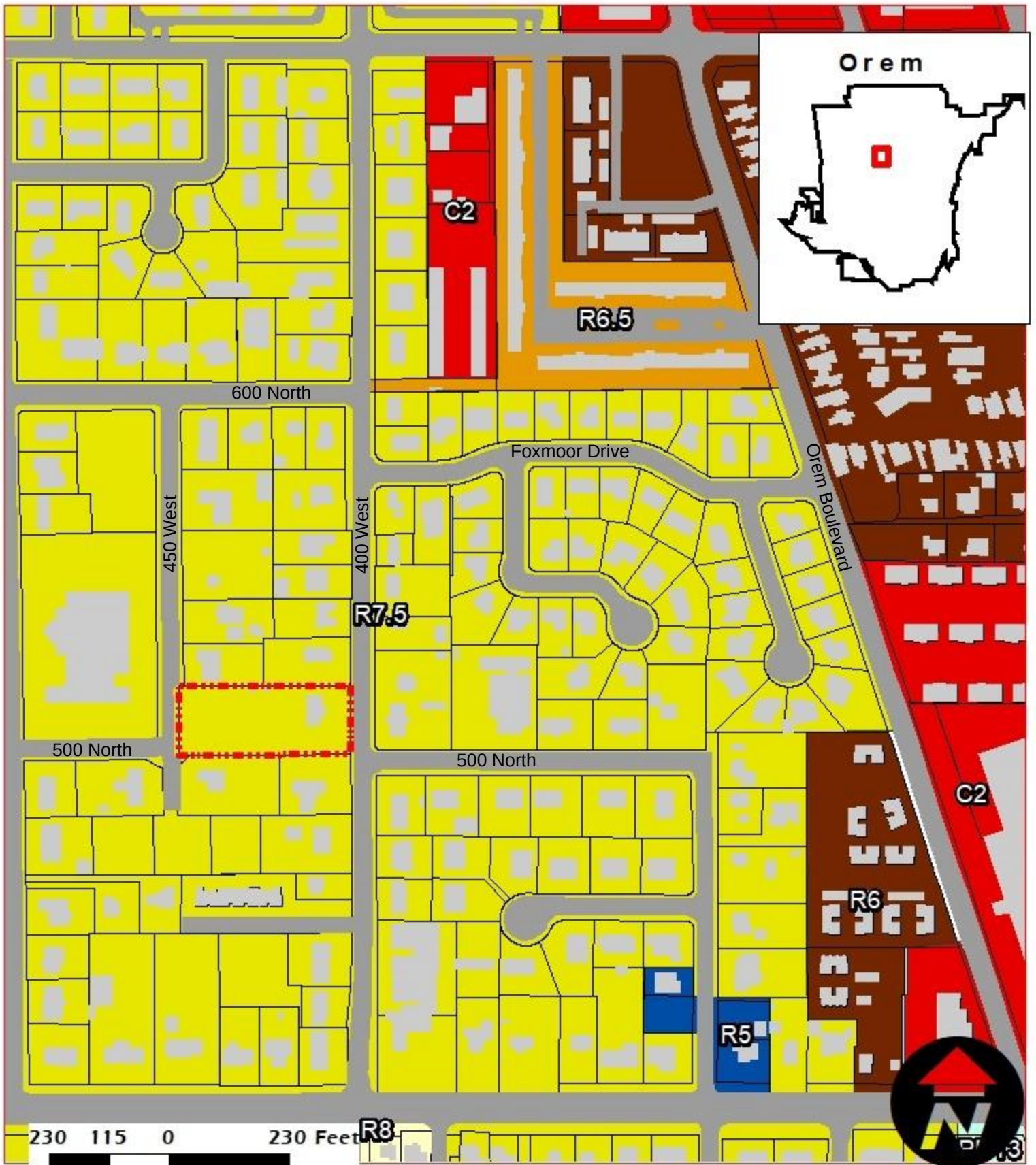
You are required by Orem City Code to specify in writing why you are proposing these changes. If you have not done so already, use the space below to provide this:

We have an acre parcel in N.W. Orem that was previously used as a "Hobby Farm." Since we are not very agrarian, combined with a housing shortage in Orem, we have decided to petition the city of Orem for permission to rezone and then subdivide the land into four even parcel that make up quarter acre lots and compliment the fabric of the neighborhood. We see this as reasonable use of the land. With multiple options to consider, we see this as reasonable and the highest uses of the land.

Our goal is to provide lots of good size, for homes with decent yards that have the ability to bless four families. We are interested in keeping Orem a awesome place to live and raise a family.



The Concord



◆ Rezone
R7.5 to R6.5
.99 Acres

NEIGHBORHOOD
Geneva Heights

507 N 400 West
Buildings
Parcels



R7.5

Legend

R6



Foxmoor Drive

450 West

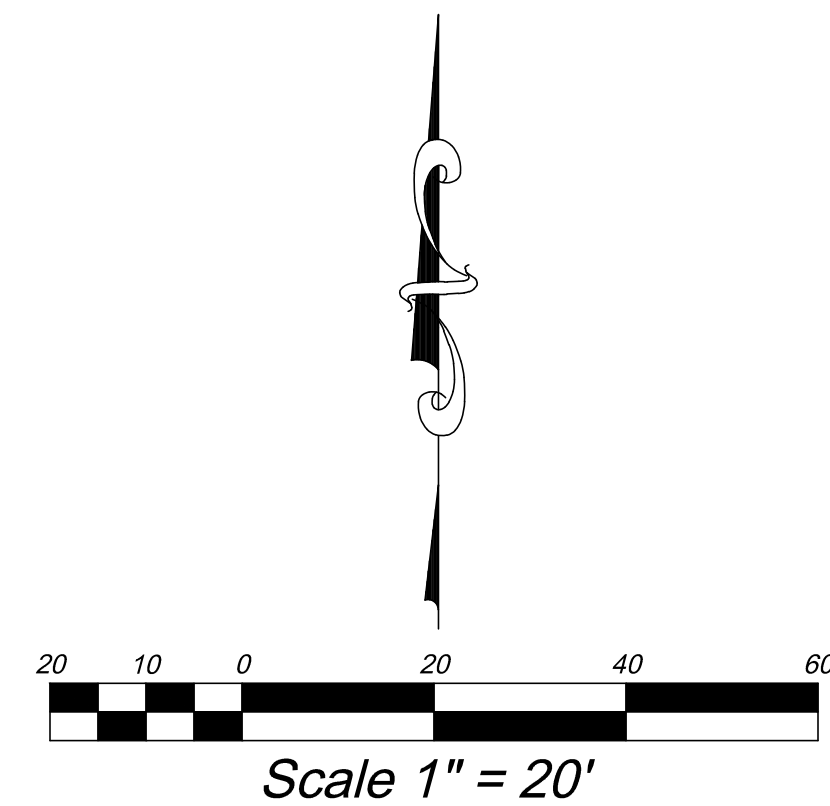
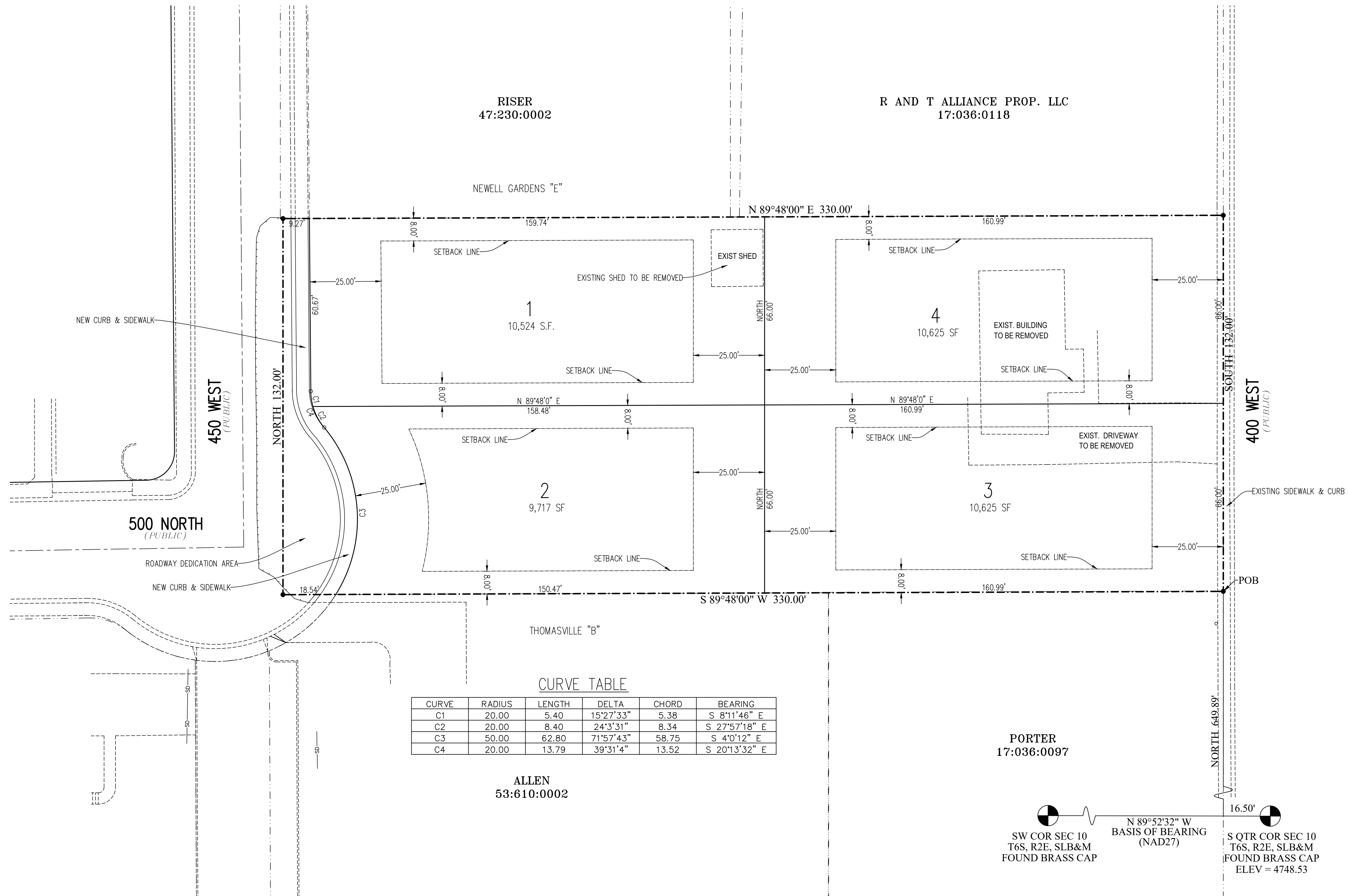
400 West

R7.5

R6.5

500 North

Orem Boulevard



REVISIONS			DEVELOPER: TRES MILLER		THE CONCORD	
Rev.	Date	Description	435-229-9797		OREM	UTAH
			EXCEL ENGINEERING David W. Peterson, P.E., License #270393 12 West 100 North, Suite 201C, American Fork, UT 84003 P: (801) 756-4504; david@excelcivil.com		Drawn by: D.W.P.	Scale: 1"=20'
					Designed by: D.W.P.	Date: 06/09/22
					Checked by: D.W.P.	C1
					REZONE CONCEPT PLAN	





Minutes for Neighborhood Meeting

Hosted by Tres & Jennifer Miller

April 14th, 2022 @ 7:30 pm

507 North 400 East on the West Side of the Property

Neighbors in attendance we eight. *(See the sign in sheet)*

Two City Council members attended *(LaNae Millett /Dave Spencer)*

Two neighbors showed up late *(Shippens)*

Tres & Jen Miller Presented their re-zone proposal, to make four SFR *(see hand out)* and asked if there were any objections? Dave Thomas objected to a zoning overlay for HUD Senior living four-plex's. When he found out that it was not part of the plan; he had no objections.

Suggestions for a variance to change the short side (of the four lots) from 75 feet to 65 feet, rather than rezone from 7.5 to 6.5.

Neighbors prefer PLAN A- Variance for 10-foot length reduction. If Denied, PLAN B-rezone from 7.5 to 6.5.

Meeting adjourned.

Minutes taken by Tres Miller

Minutes From Neighborhood Meeting
4/18 7:30 pm.

Neighbors in attendance. eight with
2 city council members (Lanae Millett / Dan Spencer)

Two neighbors came late (shippens)

Millers presented ~~our~~^{the} re-zone proposal. Asked
for any objections. Only concern was the
senior living 4 plex overlay. Dave Thomas was
not a fan of that option. for 4 SFR.

Suggestion for a variance to change the
short side of the lot from 75 feet to 65 feet,
rather than rezone from 7.5 to 6.5.

Neighbors rather than "Plan A" — variance if no
"Plan B" rezone from 7.5 zone to 6.5 zone.

Meeting adjourned.

Minutes by Tres Miller

Sign in Sheet

Name	Email	Phone	Notes
Joe NEWELL	JOSEPH VERN NEWELL @gmail.com	801-225-8497	
Marianne Yorgason	showerope@aol.com	801-636-3479	
Jeanine Thomas		801-372-9225	
DAVID THOMAS	dvt163947@gmail.com	801-372-9254	
Ben Wilcox	bwilcoxben91@gmail.com	206-512-7055	
Gryt Marilyn Snow		801-226-2991	
★ Lanae Millett	City Council	801-836-8733	
★ David Spencer	City Council	801-319-0217	
Nan Allen	nanallen@gmail.com	801.372.3514	
Robert and Beverly Shippen		801.602-1890	



City Council Chambers, 56 N State Street

***** IMPORTANT DEVELOPMENT NOTICE *****

City Council Tue, Aug 9, 2022 6:00 pm
Planning Commission Wed, Jul 6, 2022 4:30 pm

PUBLIC HEARING - Amending Article 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 507 North 400 West from the R7.5 zone to the R6.5 zone.

The applicants own a .99 acres of land at 507 North 400 West. They are wanting to rezone the property from the R7.5 medium density zone to the R6.5 medium density zone. They could create four lots from this one parcel in the R6.5 zone, which they feel is the most reasonable and best use of the land.

K & J DEARING PROPERTIES LLC
9808 N 6000 W
HIGHLAND, UT 84003



City Council Chambers, 56 N State Street

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CORNELIUS, RONALD D & DONALD G
425 S 400 W
LINDON, UT 84042

FAIRBANKS, SCOTT & JACQUELINE
43 LANTANA
LAKE FOREST, CA 92630

CORP OF PRES BISHOP CHURCH OF
JESUS CHRIST OF LDS
50 E NORTH TEMPLE FL 22
SALT LAKE CITY, UT 84150

FJELDSTED, BENJAMIN CLARK
54 S 2120 W
PROVO, UT 84601

KRISTIE SNYDER
56 N STATE STREET
OREM, UT 84057

LRH II ENTERPRISES LLC
64 W 530 S
OREM, UT 84058

HALL, ROBERT JEFFREY &
KATHERINE
85 N 1200 E
OREM, UT 84097

ALMA HANNEMAN TRUST 07-12-1982
AMD AND RESTATED 10-01-2013 (ET
AL)
115 E 1280 N
PLEASANT GROVE, UT 84062

JEFF LAMBSON
156 E 1060 N
OREM, UT 84057

DAVE YOUNG
173 S COUNTRYSIDE LANE
OREM, UT 84058

TRUE NORTH LLC
240 E CENTER ST
PROVO, UT 84606

DIAMAR PROPERTIES LLC
%MOON, LAMAR F
257 FAWN VALLEY CT
SIMI VALLEY, CA 93065

LANAE MILLETT
288 W 1500 N
OREM, UT 84057

SORENSEN, DIX & DEBORAH J
289 N 300 E
OREM, UT 84057

CHANTHAVONG, PHOUKHAO J &
MARYANN K
321 W 550 N
OREM, UT 84057

LRH II ENTERPRISES LLC
--OR CURRENT RESIDENT--
322 W 500 NORTH
OREM, UT 84057

POULSEN, TROY M & AUNALEE
--OR CURRENT RESIDENT--
324 W 450 NORTH
OREM, UT 84057

BRITOS, JUAN J (ET AL)
327 W 550 N
OREM, UT 84057

POULSEN, TROY & ANNALEE
--OR CURRENT RESIDENT--
333 W 500 NORTH
OREM, UT 84057

WOOLF, JOHN & JOHANNA M
333 W 550 N
OREM, UT 84057

MOORE, STERLING A & REBECCA A
336 W 550 N
OREM, UT 84057

POULSEN, TROY M & ANNALEE
--OR CURRENT RESIDENT--
338 W 450 NORTH
OREM, UT 84057

ORCHARD, TODD G & KIRSTI J
--OR CURRENT RESIDENT--
340 W 500 NORTH
OREM, UT 84057

GARRIDO, LUIS & LUISA
343 W 550 N
OREM, UT 84057

MARTINEZ, LILIA
346 W 550 N
OREM, UT 84057

FJELDSTED, BENJAMIN CLARK
--OR CURRENT RESIDENT--
348 W 450 NORTH
OREM, UT 84057

FAIRBANKS, SCOTT & JACQUELINE
--OR CURRENT RESIDENT--
349 W 450 NORTH
OREM, UT 84057

HARRISON, GEORGE W & PATRICIA S
(ET AL)
350 S 900 E
OREM, UT 84097

WHYTE, ROBERT
--OR CURRENT RESIDENT--
351 W 500 NORTH
OREM, UT 84057

BRANDES, MATT V
353 W 550 N
OREM, UT 84057

POULSEN, TROY & ANNALEE
--OR CURRENT RESIDENT--
358 W 450 NORTH
OREM, UT 84057

DIAMAR PROPERTIES LLC
--OR CURRENT RESIDENT--
361 W 500 NORTH
OREM, UT 84057

FJELDSTED, BENJAMIN CLARK
--OR CURRENT RESIDENT--
368 W 450 NORTH
OREM, UT 84057

MERIDIAN PEAK HOLDINGS LLC
370 W 500 N
OREM, UT 84057

TAOTUA, FUIFUI (ET AL)
--OR CURRENT RESIDENT--
371 W 580 NORTH
OREM, UT 84057

TAOTUA, FUIFUI (ET AL)
371 W FOXMOOR DR
OREM, UT 84057

WILLMORE, RONALD W &
KARMELLE C
372 FOXMOOR DR
OREM, UT 84057

WILLMORE, RONALD W &
KARMELLE C
--OR CURRENT RESIDENT--
372 W 580 NORTH
OREM, UT 84057

CORNELIUS, RONALD D & DONALD
G
--OR CURRENT RESIDENT--
373 W 500 NORTH
OREM, UT 84057

SNOW, GREGORY & MARILYN
381 FOXMOOR DR
OREM, UT 84057

DOTSON, PETER K JR & LAURA A
384 FOXMOOR DR
OREM, UT 84057

DOTSON, PETER K JR & LAURA A
--OR CURRENT RESIDENT--
384 W 580 NORTH
OREM, UT 84057

MESA VISTA INC
394 W 400 N
OREM, UT 84057

DRAUDT, GUENTHER FRIEDRICH &
KAREN I
396 FOXMOOR DR
OREM, UT 84057

DRAUDT, GUENTHER FRIEDRICH &
KAREN I
--OR CURRENT RESIDENT--
396 W 580 NORTH
OREM, UT 84057

HALL, ROBERT J & KATHERINE
--OR CURRENT RESIDENT--
424 W 400 NORTH
OREM, UT 84057

HARDY, BRIAN LE RAY & HIROKO N
425 N 400 W
OREM, UT 84057

CORNELIUS, RONALD D & DONALD
G
425 S 400 W
LINDON, UT 84042

GREGERSEN, SCOTT & STEPHANIE
427 W 600 N
OREM, UT 84057

HALL, ROBERT JEFFREY &
KATHERINE
--OR CURRENT RESIDENT--
431 N 400 WEST
OREM, UT 84057

BINGHAM, FORREST WILLIAM &
JADELYN ALIITASI
434 N 500 W
OREM, UT 84057

MESA VISTA INC
--OR CURRENT RESIDENT--
434 W 400 NORTH
OREM, UT 84057

LEAL, ALFREDO TORRES (ET AL)
440 W 400 N
OREM, UT 84057

SHORTER, S RICK & CHRISTY
446 N 500 W
OREM, UT 84057

K & J DEARING PROPERTIES LLC
--OR CURRENT RESIDENT--
450 W 400 NORTH
OREM, UT 84057

WESTON LC
--OR CURRENT RESIDENT--
450 W 450 NORTH
OREM, UT 84057

ROBERTS, THOMAS
--OR CURRENT RESIDENT--
452 W 450 NORTH
OREM, UT 84057

EICHLER, JACOB
--OR CURRENT RESIDENT--
456 N 500 WEST
OREM, UT 84057

HARDING, DOUGLAS CLARK &
LINDA GORDON (ET AL)
456 W 450 N
OREM, UT 84057

NEWELL, GARY H & NANCY P
457 N 500 W
OREM, UT 84057

TAYLOR, CINDY LYNNE & GREGORY
GORDON
458 W 450 N
OREM, UT 84057

RODRIGUEZ, ANTONIO & MARTINA
460 N 400 W
OREM, UT 84057

ALAS, ANA & MICHAEL ANTHONY
(ET AL)
460 N 500 W
OREM, UT 84057

LOPEZ, JAMIE PUANANI
--OR CURRENT RESIDENT--
462 W 450 NORTH
OREM, UT 84057

LOPEZ, JAMIE PUANANI
462 W 450 N # 5
OREM, UT 84057

FLORES, RICARDO VELASCO (ET AL)
--OR CURRENT RESIDENT--
464 N 500 WEST
OREM, UT 84057

KNAPP, CLARK A
--OR CURRENT RESIDENT--
464 W 450 NORTH
OREM, UT 84057

SORENSEN, DIX & DEBORAH J
--OR CURRENT RESIDENT--
465 N 400 WEST
OREM, UT 84057

SORENSEN, PAUL HARVEY
466 W 400 N
OREM, UT 84057

FJELDSTED, BENJAMIN CLARK
--OR CURRENT RESIDENT--
470 N 400 WEST
OREM, UT 84057

JENSEN, DONALD D
--OR CURRENT RESIDENT--
470 N 500 WEST
OREM, UT 84057

MABEY, ERIC M & LINDA L
471 N 500 W
OREM, UT 84057

JENSEN, DONALD D
472 N 500 W
OREM, UT 84057

LAWRENCE, MICHAEL J & TRACI L
475 N 400 W
OREM, UT 84057

WILCOX, BENJAMIN R & MEGAN T
--OR CURRENT RESIDENT--
478 N 450 WEST
OREM, UT 84057

YORGASON, MARIANNE & JORDAN
482 N 450 W
OREM, UT 84057

JENSEN, DONALD D
--OR CURRENT RESIDENT--
482 N 500 WEST
OREM, UT 84057

PEAD, DANIEL JOEL
485 N 500 W
OREM, UT 84057

TRUE NORTH LLC
--OR CURRENT RESIDENT--
486 N 400 WEST
OREM, UT 84057

ALLEN, NAN A
488 N 450 W
OREM, UT 84057

THOMAS MACDONALD
489 NORTH PALISADES DR
OREM, UT 84097

DA SILVA, EDNA
489 W 600 N
OREM, UT 84057

THOMAS, JEANNINE A (ET AL)
491 N 450 W
OREM, UT 84057

PORTER, MONTE W
493 N 400 W
OREM, UT 84057

MILLER, TRES A & JENNIFER F
507 N 400 W
OREM, UT 84057

OVERMAN RENTALS LLC
--OR CURRENT RESIDENT--
510 N 400 WEST
OREM, UT 84057

LONG, KAREN (ET AL)
512 W 440 N
OREM, UT 84057

OLSEN, JEFFERY LYNN & SHAUNA N
515 N 500 W
OREM, UT 84057

R & T ALLIANCE PROPERTIES LLC
--OR CURRENT RESIDENT--
525 N 400 WEST
OREM, UT 84057

OLSEN, DEAN LAMAR & RUTH C
525 N 500 W
OREM, UT 84057

RISER, TAI W
526 N 450 W
OREM, UT 84057

JONES, AARON W & CYNTHIA M 528 W 460 N OREM, UT 84057	BURGON, DANIEL & KATHERYN A 537 N 355 W OREM, UT 84057	ALMA HANNEMAN TRUST 07-12-1982 AMD AND RESTATED 10-01-2013 (ET AL) --OR CURRENT RESIDENT-- 537 N 400 WEST OREM, UT 84057
MAAG, JEFFREY C & TERRY DANECE (ET AL) 537 N 500 W OREM, UT 84057	HARRIS, JAMES ALLEN & JENNIFER LYNN 542 N 400 W OREM, UT 84057	DEARING, GEORGE WILLIAM & BERNICE N 545 N 400 W OREM, UT 84057
BLACK AND ENGLISH WALNUT LLC --OR CURRENT RESIDENT-- 546 N 450 WEST OREM, UT 84057	SMITH, DARIN D & PAMELA M 550 N 400 W OREM, UT 84057	BLACK, WHITNEY 550 N 500 W OREM, UT 84057
AHLSTROM, BRANDON T 551 N 355 W OREM, UT 84057	RAPOTEZ, ALYSSA I 560 N 400 W OREM, UT 84057	EATON, JOSEPH C & TAMMARA D 560 N 450 W OREM, UT 84057
SMITH, DALLIN L 561 N 400 W OREM, UT 84057	CHANNELL, LARIN V & SHERRIE L 563 N 355 W OREM, UT 84057	WILKINS, JASON L 570 N 400 W OREM, UT 84057
NEWELL, PAULA 570 N 450 W OREM, UT 84057	HOUSTON, GARY R & DY ANN P 570 N 500 W OREM, UT 84057	WILSON, EVAN 575 N 400 W OREM, UT 84057
VERNON, ROBERT L & LYNETTE (ET AL) 575 N 500 W OREM, UT 84057	JARDINE, ABIGAIL (ET AL) 576 N 355 W OREM, UT 84057	SHIPPEN, ROBERT PAUL & BEVERLY EILEEN 588 N 450 W OREM, UT 84057
HARRISON, GEORGE W & PATRICIA S 595 N 400 W OREM, UT 84057	POULSEN, TROY & ANNALEE 617 E 920 N OREM, UT 84097	WHYTE, ROBERT 627 S 630 W OREM, UT 84058
DEBBY LAURET 641 S 1920 W OREM, UT 84059	R & T ALLIANCE PROPERTIES LLC 645 W 1325 N OREM, UT 84057	DAVID SPENCER 899 NORTH 550 EAST OREM, UT 84097
FLORES, RICARDO VELASCO (ET AL) 1012 W 1560 N OREM, UT 84057	KNAPP, CLARK A 1078 W 800 N LEHI, UT 84043	TERRY PETERSON 1125 LYNNWOOD DRIVE OREM, UT 84097

RYAN CLARK
1405 N. 1430 WEST
PLEASANT GROVE, UT 84062

OVERMAN RENTALS LLC
1675 N 1820 W
PROVO, UT 84604

WESTON LC
1797 N 120 E
OREM, UT 84057

JASON BENCH
1911 N MAIN STREET
OREM, UT 84057-2101

ROBERTS, THOMAS
2010 CORONADO VW
ALPINE, CA 91901

ORCHARD, TODD G & KIRSTI J
4915 E 6TH ST
LONG BEACH, CA 90814

K & J DEARING PROPERTIES LLC
9808 N 6000 W
HIGHLAND, UT 84003

BLACK AND ENGLISH WALNUT LLC
11011 S 1055 W
SOUTH JORDAN, UT 84095

Agenda Item 3.1 is a request by Tres and Jennifer Miller for the City to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.



Staff Presentation: The applicants own .99 acres of land at 507 North 400 West. They are wanting to rezone the property from the R7.5 zone to the R6.5 zone. They want to create four lots from this one parcel in the R6.5 zone, which they feel is the most reasonable and best use of the land. Link to Rezone code ([22-1-5](#)).

The current zoning for this lot is R7.5 but the lot is not quite large enough to be divided into four lots that meet the R7.5 zone lot frontage requirements (seventy-five feet). In the R6.5 zone, the frontage for each lot is sixty-five feet, a requirement which the four lots can meet. All four lots more than meet the minimum lot size requirement in the R6.5 zone of 6,500 square feet. Lot 1 is 10,524 square feet, Lot 2 is 9,717 square feet, Lot 3 is 10,625 square feet and Lot 4 is 10,625 square feet. There is an existing home on the current lot and this home with its driveway will be removed. Link to Zone Development Standards ([22-6-8](#)).

If this rezone is not approved, the owners could still subdivide and create four lots, two of which would be deep lots. They would prefer that all four lots are standard lots with street frontage. This would require the rezone with the smaller lot width. This width of lot is consistent with several other lots in the area.

The Millers' goal is to provide four lots of good size for homes with decent yards. They are interested in keeping Orem an awesome place to live and raise a family.

Recommendation: The Development Review Committee determined this request complies with the Orem City Code. Staff recommends the Planning Commission forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone.

Chair Sakar asked if the Planning Commission had any questions for Ms. Stevens.

Chair Sakar invited the applicant to come forward. Tres and Jennifer Miller introduced themselves. Mr. Miller said this rezone feels like it would be a good fit for the neighborhood.

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: Mr. Condie moved to forward a positive recommendation to the City Council to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at 507 North 400 West from the R7.5 zone to the R6.5 zone. Ms. Pope seconded the motion. Those voting aye: Jim Condie, Madeline Komen, Murray Low, Tina Okolowitz, Amber Pope and Haysam Sakar. The motion passed unanimously.

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING
SECTION 22-5-3(A) AND THE ZONING MAP OF THE CITY OF
OREM BY REZONING THE PROPERTY LOCATED AT
APPROXIMATELY 507 NORTH 400 WEST FROM THE R7.5 ZONE
TO THE R6.5 ZONE

WHEREAS on April 28, 2022, Tres and Jennifer Miller filed an application with the City of Orem to amend Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 507 North 400 West from the R7.5 zone to the R6.5 zone; and

WHEREAS a public hearing considering the subject application was held by the Planning Commission on July 6, 2022; and

WHEREAS public hearing notices were mailed to one hundred twenty-eight (128) residents within five hundred (500) feet of the property; and

WHEREAS a public hearing considering the subject application was held by the City Council on August 23, 2022; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; the effect upon surrounding neighborhoods; and the special conditions applicable to the request.

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

1. The City Council finds this request is in the best interest of the City as it will allow the subdivision of the subject property into four single family residential lots.
2. The City Council hereby amends Section 22-5-3(A) and the zoning map of the City of Orem by rezoning the property located at approximately 507 North 400 West from the R7.5 zone to the R6.5 zone as shown in Exhibit “A” which is attached hereto and incorporated herein by reference.
3. If any part of this ordinance shall be declared invalid, such decision shall not affect the validity of the remainder of this ordinance.
4. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

DRAFT

PASSED, APPROVED and ORDERED PUBLISHED this **23rd** day of **August 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	☐	☐	☐

DRAFT

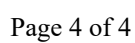
EXHIBIT A Existing Zoning



Proposed Zoning



Proposed Preliminary





**CITY OF OREM
CITY COUNCIL
MEETING
AUGUST 23, 2022**

REQUEST:	PUBLIC HEARING / ORDINANCE – Amending portions of Chapter 10 Flood Damage Prevention of the Orem City Code pertaining to base flood elevation requirements.
APPLICANT:	Development Services
NOTICES:	
SITE INFORMATION:	
PREPARED BY:	Jason Bench, Planning Division Manager

REQUEST:

BACKGROUND:

RECOMMENDATION:

CITY OF OREM
CITY COUNCIL MEETING
AUGUST 23, 2022



REQUEST:	6:00 P.M. SCHEDULED ITEM PUBLIC HEARING – Amending portions of Chapter 10 <i>Flood Damage Prevention</i> of the Orem City Code pertaining to base flood elevation requirements.
APPLICANT:	Development Services
FISCAL IMPACT:	None

NOTICES:

- Posted in 2 public places
- Posted on City webpage
- Posted on the State noticing website:
utah.gov/pmn
- Faxed to newspapers

SITE INFORMATION:

General Plan Designation:
N/A
Current Zone: **Citywide**

**PLANNING
COMMISSION
RECOMMENDATION**

6-0 for Approval

PREPARED BY:

Jason Bench,
Planning Division
Manager

REQUEST: Development Services requests the City amend a portion of Chapter 10 *Flood Damage Prevention*, of the Orem City Code pertaining to base flood elevation requirements to comply with the State of Utah and FEMA (Federal Emergency Management Agency) standards as it relates to base flood elevation requirements.

BACKGROUND: The proposed amendments include the requirement that any new construction and/or substantial improvements to any new residential structure within a special flood hazard area (flood plain) shall be constructed at least one foot above the base flood elevation. This requirement includes a basement, machinery and equipment.

The proposed amendments apply to a limited area within the City designated on the Flood Insurance Rate Map (FIRM). These provisions are required by FEMA in order to stay up to date for the National Flood Insurance Program (NFIP) for the City.

As part of the City's Community Rating System Cycle review, the City was asked to amend portions of Chapter 10 to specifically address the base flood elevation requirements.

RECOMMENDATION: The Planning Commission recommends the City Council, by ordinance, amend portions of Chapter 10 *Flood Damage Prevention* of the Orem City Code.



CODE OF ORDINANCES

CHAPTER 10. FLOOD DAMAGE PREVENTION

Contents:

Article 10-1. Purposes.

Article 10-2. Definitions

Article 10-3. General Provisions

Article 10-4. Administration

Article 10-5. Provisions for Flood Hazard Reduction

Article 10-1. Purposes.

Contents:

10-1-1. Statement of Purpose and Authorization

10-1-2. Methods of Reducing Flood Losses.

10-1-3. Statutory Authorization.

10-1-4. Findings of Fact.

10-1-1. Statement of Purpose and Authorization

- A. It is the purpose of this Chapter to promote the public health, safety, and general welfare, and to minimize public and private losses due to flood conditions to specific areas by provisions designed:
1. To protect human life and health;
 2. To minimize expenditure of public money for costly flood control projects;
 3. To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
 4. To minimize prolonged business interruptions;
 5. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in floodplains;
 6. To help maintain a stable tax base by providing for the sound use and development of areas of special flood hazard so as to minimize blight to future flood-prone areas;
 7. To ensure that potential buyers are notified that property is in an area of special flood hazard; and,
 8. To ensure that those who occupy the areas of special flood hazards assume responsibility for their actions.



- B. The City of Orem elects to comply with the requirements of the National Flood Insurance Act of 1968 (P.L. 90-488, as amended) which is a voluntary program administered by the Federal Emergency Management Agency (FEMA), a component of the U.S. Department of Homeland Security, and the City of Orem has elected to join the program, participate, and enforce this Flood Damage Prevention Ordinance and the requirements and regulations of the NFIP. The NFIP, established in the aforesaid act, provides that areas of the City of Orem have a special flood hazard identified by FEMA, and that floodplain management measures should be applied in such flood hazard areas. Furthermore, the City of Orem may elect to administer the Flood Damage Prevention Ordinance to areas not identified as Special Flood Hazard Areas (SFHAs) by FEMA on the City's effective Flood Insurance Rate Map (FIRM), if the City has documentation to support that there is an inherent risk of flooding in such areas.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-1-2. Methods of Reducing Flood Losses.

- A. In order to accomplish its purposes, this Chapter includes methods and provisions for:
1. Restricting or prohibiting uses which are dangerous to health, safety, and property due to water or erosion hazards, or which result in damaging increases in erosion or in flood heights or velocities;
 2. Requiring that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;
 3. Controlling the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel flood waters;
 4. Controlling filling, grading, dredging, and other development which may increase flood damage; and,
 5. Preventing or regulating the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards in other areas.

(Ord. No. 661, Revised, 04/10/90)

10-1-3. Statutory Authorization.

Utah Code - Section 10-9a-505 authorizes a municipality to enact an ordinance regulating land use and development in a floodplain to protect life and to prevent substantial damage or loss to real property.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-1-4. Findings of Fact.

- A. The flood hazard areas of the City of Orem are subject to periodic inundation which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, and extraordinary public expenditures for flood protection and relief, all of which adversely affect the public health, safety, and general welfare.
- B. These flood losses are created by the cumulative effect of obstructions in floodplains that cause an increase in flood heights and velocities, and by the occupancy of flood hazards areas by uses vulnerable to floods and hazardous to other lands because they are inadequately elevated, flood-proofed, or otherwise protected from flood damage.



(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-2. Definitions

Contents:

10-2-1. Definitions.

10-2-1. Definitions.

Unless specifically defined below, words or phrases used in this Chapter shall be interpreted so as to give them the meaning they have in common usage and to give this Chapter its most reasonable application. As used in this Chapter, the terms below shall have the following meanings:

Area of shallow flooding shall mean a designated AO, AH, AR/AO, AR/AH, or VO zone on the City's Flood Insurance Rate Map (FIRM) with a 1 percent or greater annual chance of flooding to an average depth of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable, and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

(Ord. No. 20-2020-0011, Enacted 5/16/2020)

Areas of special flood hazard is the land in the flood plain within the City subject to a 1 percent or greater chance of flooding in any given year. The area may be designated as Zone A on the Flood Hazard Boundary Map (FHBM). After detailed ratemaking has been completed in preparation for publication of the flood insurance rate map, Zone A usually is refined into Zones A, AO, AH, A1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, or V1-30, VE, or V. For purposes of these regulations, the term "special flood hazard area" is synonymous in meaning with the phrase "area of special flood hazard".

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Base flood shall mean the flood having a one percent chance of being equaled or exceeded in any given year.

Base Flood Elevation (BFE) is the water surface elevation of the one (1) percent annual chance flood. The height in relation to mean sea level expected to be reached by the waters of the base flood at pertinent points in the floodplains of coastal and riverine areas.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Development shall mean any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, demolition of buildings or structures, fences, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials located within the area of special flood hazard.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990



Existing construction means for the purposes of determining rates, structures for which the “start of construction” occurred before the effective date of the FIRM or before January 1, 1975, for FIRMs effective before that date. “Existing construction” may also be referred to as “existing structures.”

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Existing manufactured home park or subdivision means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before the effective date of the floodplain management regulations adopted by a community.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Expansion to an existing manufactured home park or subdivision means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufacturing homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Flood or flooding shall mean a general and temporary condition of partial or complete inundation of normally dry land areas from:

1. The overflow of inland or tidal waters and/or
2. The unusual and rapid accumulation or runoff of surface waters from any source.
3. Mudslides (i.e., mudflows) which are proximately caused by flooding as defined in paragraph (2) of this definition and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water and deposited along the path of the current.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Flood Insurance Rate Map (FIRM) shall mean an official map of a community on which the Flood Administrator has delineated both the special hazard areas and the risk premium zones applicable to the community.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Flood Insurance Study or Flood Elevation Study means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) and/or flood-related erosion hazards.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Flood proofing means any combination of structural and non-structural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures and their contents. Wet floodproofing includes permanent or contingent measures applied to a structure or its contents that prevent or provide resistance to damage from flooding while allowing floodwaters to enter the structure or area and may be applied to residential or non-residential structures. Dry floodproofing is making a structure watertight below the level that needs flood protection to prevent floodwaters from entering. Making the structure watertight requires sealing the walls with waterproof coatings, impermeable membranes, or a supplemental layer of masonry or concrete and can only be used for non-residential structures.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Floodway (Regulatory Floodway) means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Highest adjacent grade means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Historic Structure means any structure that is:

- A. Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;
- B. Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
- C. Individually listed on a state inventory of historic places in states with historic reservation programs which have been approved by the Secretary of the Interior; or
- D. Individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified either:
 - 1. By an approved state program as determined by the Secretary of the Interior or
 - 2. Directly by the Secretary of the Interior in states without approved programs.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Lowest Floor means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking of vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Manufactured home shall mean a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when connected to the required utilities. The term “manufactured home” does not include a “recreational vehicle”.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Manufactured home park or subdivision means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

New construction means, for the purposes of determining insurance rates, structures for which the “start of construction” commenced on or after the effective date of an initial FIRM or after December 31, 1974, whichever is later, and includes any subsequent improvements to such structures. For floodplain management purposes, new construction means structures for which the start of construction commenced on or after the effective date of a floodplain management regulation adopted by the City and includes any subsequent improvements to such structures.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Recreational vehicle means a vehicle which is:

- A. Built on a single chassis;
- B. 400 square feet or less when measured at the largest horizontal projection;
- C. Designed to be self-propelled or permanently towable by a light duty truck; and
- D. Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Regulatory floodway means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Special flood hazard area: see “area of special flood hazard”.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Special hazard area means an area having special flood, mudslide (i.e., mudflow), or flood-related erosion hazards, and shown on an FHBM or FIRM as Zone A, AO, A1-30, AE, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, A99, AH, VO, V1-30, VE, V, M, or E.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Start of Construction (for other than new construction or substantial improvements under the Coastal Barrier Resources Act (Pub. L. 97-348)), includes substantial improvement, and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Structure means, for floodplain management purposes, a walled and roofed building, including a gas or liquid storage tank, that is principally above ground, as well as a manufactured home.

(Ord. No. O-2022-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Structure for insurance purposes, means:

- A. A building with two or more outside rigid walls and a fully secured roof, that is affixed to a permanent site;
- B. A manufactured home ("a manufactured home," also known as a mobile home, is a structure - built on a permanent chassis, transported to its site in one or more sections, and affixed to a permanent foundation); or
- C. A travel trailer without wheels, built on a chassis and affixed to a permanent foundation, that is regulated under the community's floodplain management and building ordinances or laws.

For the latter purpose, "structure" does not mean a recreational vehicle or a park trailer or other similar vehicle, except as described in paragraph (3) of this definition, or a gas or liquid storage tank.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Substantial damage means damage of any origin sustained by a structure whereby the cost of restoring the structure to it's before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Substantial improvement means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the "start of construction" of the improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The term does not, however, include either:

- A. Any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or
- B. Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure."

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Violation means the failure of a structure or other development to be fully compliant with the provisions of this Chapter 10 and/or the failure to obtain and maintain the elevation certificate, other certifications, or other evidence of compliance for a structure or other development.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-3. General Provisions

Contents:

- 10-3-1. Application of this Chapter.**
- 10-3-2. Basis for establishing the areas of Special Flood Hazard.**
- 10-3-3. Compliance.**
- 10-3-4. Abrogation and Greater Restrictions.**
- 10-3-5. Interpretation.**
- 10-3-6. Warning and Disclaimer of Liability.**
- 10-3-7. Severability**

10-3-1. Application of this Chapter.

This Chapter shall apply to all areas of special flood hazards identified by FEMA within the City of Orem.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-3-2. Basis for establishing the areas of Special Flood Hazard.

The areas of special flood hazard identified by the Federal Emergency Management Agency in a scientific and engineering report entitled, "The Flood Insurance Study for Utah County and Incorporated Communities," dated June 19, 2020, with accompanying FIRMs, and any revisions thereto are hereby automatically adopted by reference and declared to be a part of this ordinance.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Annexation. This Chapter 10 shall be applicable to any land annexed into the City.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-3-3. Compliance.

No structure or land shall hereafter be constructed, located, extended, or altered or have its use changed without full compliance with the terms of this Chapter and other applicable regulations.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-3-4. Abrogation and Greater Restrictions.

This Chapter is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this Chapter and another ordinance, easement, covenant, or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

(Ord. No. 661, Revised, 04/10/90)

10-3-5. Interpretation.

In the interpretation of this Chapter, all provisions shall be:

- A. Considered as minimum requirements;
- B. Liberally construed in favor of the governing body; and
- C. Deemed neither to limit nor repeal any other powers granted under State statutes.

(Ord. No. 661, Revised, 04/10/90)

Effective on: 4/10/1990

10-3-6. Warning and Disclaimer of Liability.



This Chapter is not intended to and shall not create liability on the part of the City of Orem, any officer or employee thereof, or the Federal Emergency Management Agency for any flood damages that result from reliance on this Chapter or any administrative decision lawfully made thereunder including, but not limited to, a decision related to the enforcement or non-enforcement of the provisions of this Chapter. This Chapter shall not be construed to create any duties on the part of the City, FEMA or any of the employees and officers of either to any private person or entity. The degree of flood protection required by this Chapter is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This Chapter does not imply that land outside the areas of special flood hazards or uses permitted within such areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-3-7

If any section, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court, the remainder of the ordinance shall not be affected.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-4. Administration

Contents:

- 10-4-1. Designation of the Floodplain Administrator**
- 10-4-2. Duties & Responsibilities of the Floodplain Administrator**
- 10-4-3. Establishment of Development Permit.**
- 10-4-4. Permit Review Procedures.**
- 10-4-5. Variance Procedures**

10-4-1

The Development Services Director or his/her designee is hereby appointed the Floodplain Administrator to implement the provisions of this Chapter and other applicable sections of 44 CFR (National Flood Insurance Program Regulations) pertaining to floodplain management.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-4-2

Floodplain Administrator shall:

- A. Maintain and hold open for public inspection all records pertaining to the provisions of this Chapter.
- B. Review permit applications to determine whether proposed building sites, including the placement of manufactured homes, will be reasonably safe from flooding.



- C. Review, approve or deny all applications for development permits required by adoption of this ordinance.
- D. Review permits for proposed development to assure that all necessary permits have been obtained from those Federal, State or local governmental agencies (including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334) from which prior approval is required.
- E. Where interpretation is needed as to the exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions) the Floodplain Administrator shall make the necessary interpretation.
- F. Notify, in riverine situations, adjacent communities and the State Coordinating Agency, which is the Utah Division of Emergency Management, prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency.
- G. Assure that the flood carrying capacity within the altered or relocated portion of any watercourse is maintained.
- H. When base flood elevation data has not been provided, the Floodplain Administrator shall obtain, review and reasonably utilize any base flood elevation data and floodway data available from a Federal, State or other source, in order to administer the provisions of this ordinance.
- I. When a regulatory floodway has not been designated, the Floodplain Administrator must require that no new construction, substantial improvements, or other development (including fill) shall be permitted within Zones A1-30 and AE on the City's FIRM, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one foot at any point within the City.
- J. Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program regulations, a City may approve certain development in Zones A1-30, AE, AH, on the City's FIRM which increases the water surface elevation of the base flood by more than one foot, provided that the City first applies for a conditional FIRM revision through FEMA (Conditional Letter of Map Revision).

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-4-3. Establishment of Development Permit.

- A. A development permit (a preliminary plat, site plan and or building permit as applicable) shall be obtained before construction or development begins within any area of special flood hazard established in Section 10-3-2. Application for a development permit shall be made on forms furnished by the City of Orem and may include, but not be limited to:
 - 1. Plans in duplicate drawn to scale showing the location, dimensions, and elevation of proposed landscape alterations, existing and proposed structures, including the placement of manufactured homes, and the construction of fences, and the location of the foregoing in relation to areas of special flood hazard and areas of special erosion hazard;
 - 2. Elevation in relation to mean sea level of the lowest floor (including basement) of all structures;
 - 3. Elevation in relation to mean sea level to which any structure has been floodproofed;
 - 4.



Certification by a registered professional engineer or architect that the floodproofing methods for any non-residential structure meet the floodproofing criteria in Section 10-5-2(B); and

5.

Description of the extent to which any watercourse or natural drainage will be altered or relocated as a result of proposed development.

B.

A record of all of the above information shall be maintained by Floodplain Administrator.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-4-4. Permit Review Procedures.

A. The Development Review Committee shall review all development permits to determine:

1. That the permit requirements of this Chapter have been satisfied.
2. That all necessary permits have been obtained from those Federal, State or local governmental agencies from which prior approval is required.
3. If the proposed development adversely affects the flood carrying capacity of the area of special flood hazard. For the purposes of this Chapter, "adversely affects" means damage to adjacent properties because of rises in flood stages attributed to physical changes of the channel and the adjacent overbank areas.
 - a. If it is determined that there is no adverse effect and the development is not a building, then the permit shall be granted without further consideration.
 - b. If it is determined that there is an adverse effect, then technical justification, such as a registered professional engineer's certification, for the proposed development shall be required.
 - c. If the proposed development is a building, then the provisions of this Chapter shall apply.

(Ord. No. 661, Revised, 04/10/90)

B. When base flood elevation data has not been provided in accordance with Section 10-3-2, the Development Review Committee shall obtain, review, and reasonably utilize any base flood elevation and floodway data available from a Federal, State, or other source as criteria for requiring that new construction, substantial improvements, or other development in Zone A are administered in accordance with Section 10-5-2 of this Chapter.

(Ord. No. 661, Revised, 04/10/90)

C. The following information shall be furnished to the City and kept on file with each development permit:

1. The actual elevation in relation to mean sea level of the lowest floor (including basement) of all new or substantially improved structures, and whether or not the structure contains a basement.



2. For all new or substantially improved floodproofed structures verification of the actual elevation in relation to mean sea level to which the structure has been floodproofed.
3. Verification that adjacent communities and the Utah State Coordinator for Emergency Management have been notified prior to any alteration or relocation of a watercourse. Evidence of such notification shall be furnished to the Federal Emergency Management Agency.

(Ord. No. 661, Revised, 04/10/90)

- D. The developer shall provide maintenance within the altered or relocated portion of such watercourse, described in subparagraph (3) above, so that the flood carrying capacity is not diminished.

(Ord. No. 661, Revised, 04/10/90)

- E. The Development Review Committee shall make interpretations, where needed, as to the exact location of the boundaries of the areas of special flood hazards. For example: where there appears to be a conflict between a mapped boundary and actual field conditions.

(Ord. No. 661, Revised, 04/10/90)

Effective on: 4/10/1990

10-4-5

The Board of Adjustment shall hear and render judgment on requests for variances from the requirements of this Chapter.

- A. Any person or persons aggrieved by the decision of the Board of Adjustment may appeal such decision to courts of competent jurisdiction.
- B. The Floodplain Administrator shall maintain a record of all actions involving an appeal and shall report variances to the Federal Emergency Management Agency and the State Office of Emergency Management upon issuing a variance.
- C. Variances may be issued for new construction and substantial improvements to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing the relevant factors in section 10-4-3 of this Article have been fully considered. As the lot size increases beyond the one-half acre, the technical justification required for issuing the variance increases.
- D. Upon consideration of the factors noted above and the intent of this ordinance, the Board of Adjustment may attach such conditions to the granting of variances as it deems necessary to further the purpose and objectives of this ordinance.
- E. Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.
- F. Variances may be issued for the repair or rehabilitation of historic structures upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.
- G. Prerequisites for granting variances:
 1. Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.
 2. Variances shall only be issued upon:
 - a. showing a good and sufficient cause;



- b. a determination that failure to grant the variance would result in exceptional hardship to the applicant, and
 - c. a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, the creation of nuisances, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.
3. Any application to whom a variance is granted shall be given written notice that the structure will be permitted to be built with the lowest floor elevation below the base flood elevation, and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation.

Variances may be issued by the Board of Adjustment for new construction and substantial improvements and for other development necessary for the conduct of a functionally dependent use provided that:

- H. The structure or other development is protected by methods that minimize flood damages during the base flood and create no additional threats to public safety.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-5. Provisions for Flood Hazard Reduction

Contents:

- 10-5-1. General Standards.**
- 10-5-2. Specific Standards.**
- 10-5-3. Standards for Subdivision Proposal.**
- 10-5-4. Standard for Areas of Shallow Flooding (AO/AH Zones).**
- 10-5-5. Floodways.**
- 10-5-6. Penalties for Violation**

10-5-1. General Standards.

General Standards. The following are required for all new construction and substantial improvements in areas of special flood hazards.

- A. All new construction and substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse, or lateral movement of the structure and resulting from hydrostatic and hydrodynamic loads, including the effect of buoyancy.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

- B. All manufactured homes must be elevated and anchored to resist flotation, collapse or lateral movement and capable of resisting the hydrostatic and hydrodynamic loads. Methods of anchoring may include, but are not limited to use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting wind forces. Specific requirements may be:

- 1. Over-the-top ties be provided at each of the four corners of the manufactured home, with two additional ties per side at intermediate locations, with manufactured homes less than fifty feet (50') long requiring one additional tie per side.



2. Frame ties be provided at each corner of the home with five additional ties per side at intermediate points, with manufactured homes less than fifty feet (50') long requiring four additional ties per side.
3. All components of the anchoring system be capable of carrying a force of 4,800 pounds.
4. Any additions to the manufactured home be similarly anchored.

(Ord. No. 661, Revised, 04/10/90)

C. All new construction and substantial improvements shall be constructed:

1. With materials and utility equipment resistant to flood damage.
2. Using methods and practices that minimize flood damage.
3. With electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding and elevated to one (1) foot above base flood elevation.

(Ord. No. 661, Revised, 04/10/90)

D. All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system.

(Ord. No. 661, Revised, 04/10/90)

E. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the systems and discharge from the systems into flood waters. All new construction shall be required to connect to City's sanitary sewer system.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

F. On-site waste disposal systems shall be located to avoid impairment to them or contamination from them during flooding.

(Ord. No. 661, Revised, 04/10/90)

G. Base flood elevation data shall be provided for subdivision proposals and other proposed development which contain at least fifty (50) lots or five (5) acres, whichever is less. All subdivision proposals shall:

1. Be consistent with the need to minimize flood damage.
2. Have public utilities and facilities such as sewer, gas, electrical, and water systems located and constructed to minimize flood damage.
3. Have adequate drainage provided to reduce exposure to flood damage.

(Ord. No. 661, Revised, 04/10/90)

H. Encroachments, including fill, new construction, substantial improvements, and other development shall be prohibited in any floodway unless a technical evaluation demonstrates that the encroachments will not result in any increase in flood levels during the occurrence of the base flood discharge. No solid walls, solid fences, or other structures that could disrupt flowing water in an area of special flood hazard shall be constructed in a position or direction contrary to the direction of flowing water.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-5-2. Specific Standards.

In all areas of special flood hazards where base flood elevation data has been provided as required by this Chapter, the following standards are required:

- A. Residential Construction. New construction and substantial improvement of any residential structure shall have the lowest floor, including basement, machinery and equipment, elevated to one foot above the base flood elevation. A registered professional engineer, architect, or land surveyor shall submit a certification to the Floodplain Administrator that the standards of this ordinance are satisfied.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

- B. Nonresidential Construction. New construction and substantial improvement of any commercial, industrial or other nonresidential structure shall either have the lowest floor (including basement, machinery and equipment) elevated to the level of one foot above the base flood elevation; or, together with attendant utility and sanitary facilities, shall:

1. Be floodproofed so that one (1) foot above ~~below~~ the base flood elevation the structure is watertight with walls substantially impermeable to the passage of water.
2. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy.
3. Be certified by a registered professional engineer or architect that the design and methods of construction are in accordance with accepted standards of practice for meeting the provisions of this paragraph. Such certifications shall be provided to the official as set forth in Section 10-4-4(C). A record of such certification which includes the specific elevation (in relation to mean sea level) to which such structures are floodproofed shall be maintained by the Floodplain Administrator.

- C. Enclosed Areas – including enclosures, crawlspaces, subgrade crawlspaces, and attached garages - new construction and substantial improvements, with fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access or storage in an area other than a basement and which are subject to flooding shall be designed to:

1.

Automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters.

2.

Flood vents meeting ICC-ES standards may be used with the bottom of all openings no higher than one foot above grade and a minimum of two openings, or

3.

Vents certified by a registered professional engineer or architect must meet or exceed the following minimum criteria:

a.

A minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided.

b.



The bottom of all openings shall be no higher than one foot above grade.

- c. Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.

Enclosures are areas that have a height greater than five feet from the enclosure floor to the finish floor elevation above.

Crawlspaces have at least one side of the crawlspace floor at or above the exterior grade. The crawlspace floor must be less than 5 feet from the finish floor elevation above.

Subgrade crawlspaces have an exterior grade that cannot be more than 2' above crawlspace floor elevation and a finish floor elevation of floor immediately above cannot be more than 5' above the crawlspace floor.

D. Manufactured Homes -

1. All manufactured homes to be placed within Zone A in the City's FHBM or FIRM shall be installed using methods and practices which minimize flood damage. Manufactured homes in Zone A shall have a lowest floor including mechanicals elevated to one (1) foot above base flood elevation. For the purposes of this requirement, manufactured homes must be elevated and anchored to resist flotation, collapse, or lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting wind forces.
2. Manufactured homes that are placed or substantially improved within Zones A1-30, AH, and AE on the City's FIRM on sites (i) outside of a manufactured home park or subdivision, (ii) in a new manufactured home park or subdivision, (iii) in an expansion to an existing manufactured home park or subdivision, or (iv) in an existing manufactured home park or subdivision on which a manufactured home has incurred "substantial damage" as a result of a flood, shall be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated, including mechanicals, one (1) foot above base flood elevation to or above the base flood elevation and shall be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.
3. In the A-1-30, AH, and AE Zones, manufactured homes that are placed or substantially improved in an existing manufactured home park shall be elevated so that the lowest floor, including machinery and equipment, is elevated one (1) foot above base flood elevation at or above the Base Flood Elevation; OR the chassis is supported by reinforced piers no less than 36 inches in height above grade and securely anchored.

E. Recreational Vehicles - Recreational vehicles placed on sites within Zones A1-30, AH, and AE on the City's FIRM shall either:

1. be on the site for fewer than 180 consecutive days and be fully licensed and ready for highway use, or
2. meet the permit requirements of Section 10-4-2 and the elevation and anchoring requirements for "manufactured homes" of this section.

A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices and has no permanently attached additions.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-5-3. Standards for Subdivision Proposal.

- A. All subdivision proposals including the placement of manufactured home parks and subdivisions shall be consistent with the provisions of this Chapter 10.
- B. All proposals for the development of subdivisions including the placement of manufactured home parks and subdivisions shall meet the Development Permit requirements of this Chapter 10.
- C. Base flood elevation data shall be generated for subdivision proposals and other proposed development including the placement of manufactured home parks and subdivisions which are greater than 50 lots or 5 acres, whichever is less.
- D. All subdivision proposals including the placement of manufactured home parks and subdivisions shall have adequate drainage provided to reduce exposure to flood hazards.
- E. All subdivision proposals including the placement of manufactured home parks and subdivisions shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.

(Ord. No. O-2020-0011, Amended 5/16/2020)

10-5-4. Standard for Areas of Shallow Flooding (AO/AH Zones).

Located within the areas of special flood hazard established in section 10-3-2, are areas designated as shallow flooding. These areas have special flood hazards associated with base flood depths of 1 to 3 feet where a clearly defined channel does not exist and where the path of flooding is unpredictable and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow; therefore, the following provisions apply in areas designated as shallow flooding:

- A. All new construction and substantial improvements of residential structures shall have the lowest floor (including basement, machinery, and equipment) elevated one (1) foot above the base flood elevation the highest adjacent grade a height equal to or greater than the depth number specified in feet on the City's FIRM (at least two feet if no depth number is specified).
- B. All new construction and substantial improvements of non-residential structures;
 - 1. Shall have the lowest floor (including basement, machinery, and equipment) elevated one (1) foot above base flood elevation the highest adjacent grade a height equal to or greater than the depth number specified in feet on the City's FIRM (at least two feet if no depth number is specified), or;
 - 2. together with attendant utility and sanitary facilities be designed so that below one (1) foot above the base flood level the structure is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads of effects of buoyancy.
- C. A registered professional engineer shall submit a certification to the Floodplain Administrator that the standards of section 10-4-3 are satisfied.
- D. Require within Zones AH or AO adequate drainage paths around structures on slopes, to guide flood waters around and away from proposed structures.
 - 1. FIRMs may also identify areas of shallow flooding hazards with an average depth less than 1 foot deep (shaded Zone X). These areas may be between the flood hazard boundaries defined for the 1- and 0.2-percent chance-annual-flood or associated with base flood depths less than 1 foot where a clearly defined



channel does not exist and where the path of flooding is unpredictable and where velocity may be evident. Such flooding is generally characterized by sheet flow; therefore

- a. all new construction or substantial improvements of residential and nonresidential structures in such areas shall:
 - i. have the lowest floor (including basement, machinery, and equipment) elevated to one (1) foot above base flood elevation~~the estimated depth of the base flood and above the highest groundwater level that is anticipated to occur during periods of flooding.~~
 - ii. within shaded X zones, have positive ground slopes away from structures and adequate drainage paths around structures on sloping ground to guide flood water around and away from proposed structures.

A registered professional engineer shall submit certification to the Floodplain Administrator that the standards of this Section are satisfied.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-5-5. Floodways.

Floodways located within areas of special flood hazard established in Article 10-3 are extremely hazardous areas due to the velocity of flood waters which carry debris, potential projectiles and erosion potential.

- A. All new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of this Article 10-5. A designated regulatory floodway may not increase the Base Flood level more than 1 foot.
- B. Encroachments are prohibited in floodways, including fill, new construction, substantial improvements and other development within an adopted regulatory floodway unless it has been demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practice that the proposed encroachment would not result in any increase in flood levels within the City during the occurrence of the base flood discharge.
- C. The Floodplain Administrator may, pursuant to the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Regulations, permit encroachments within the adopted regulatory floodway that would result in an increase in base flood elevations, provided that the City first applies for a conditional FIRM and floodway revision through FEMA.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-5-6. Penalties for Violation.

No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this Chapter 10 and other applicable regulations. Violation of any provision of this Chapter 10 (including violations of conditions and safeguards established in connection with conditions) shall constitute a Class C misdemeanor. Nothing contained herein shall prevent the City from taking such other lawful action as is necessary to prevent, or remedy or abate any violation.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

DRAFT

ORDINANCE NO. _____

AN ORDINANCE BY THE OREM CITY COUNCIL AMENDING PORTIONS OF CHAPTER 10 *FLOOD DAMAGE PREVENTION* OF THE OREM CITY CODE PERTAINING TO BASE FLOOD ELEVATION REQUIREMENTS

WHEREAS on April 26, 2022, the Development Services Department filed an application with the City of Orem requesting the City amend portions of Chapter 10 *Flood Damage Prevention* of the Orem City Code pertaining to base flood elevation requirements; and

WHEREAS a public hearing considering the subject application was held by the Planning Commission on June 6, 2022; and

WHEREAS the City posted the agenda in the Orem Public Library, the Orem City Webpage, and the City Offices at 56 N State Street; and

WHEREAS a public hearing considering the subject application was held by the City Council on August 23, 2022; and

WHEREAS the matter having been submitted and the City Council having fully considered the request as it relates to the health, safety and general welfare of the City; the orderly development of land in the City; the effect upon surrounding neighborhoods; and the special conditions applicable to the request.

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

1. The City Council finds it is in the best interest of the City to amend portions of Chapter 10 of the Orem City Code to comply with standards of the State of Utah and FEMA pertaining to base flood elevation requirements.
2. The City Council hereby amends portions of Chapter 10 of the Orem City Code (*Flood Damage Prevention*) to read as shown in Exhibit “A” which is attached hereto and incorporated herein by reference.
3. If any part of this ordinance shall be declared invalid, such decision shall not affect the validity of the remainder of this ordinance.
4. This ordinance shall take effect immediately upon passage and publication in a newspaper of general circulation in the City of Orem.

DRAFT

PASSED, APPROVED and ORDERED PUBLISHED this **23rd** day of August 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	☐	☐	☐

DRAFT

EXHIBIT A



CODE OF ORDINANCES

CHAPTER 10. FLOOD DAMAGE PREVENTION

Contents:

- Article 10-1. Purposes.
- Article 10-2. Definitions
- Article 10-3. General Provisions
- Article 10-4. Administration
- Article 10-5. Provisions for Flood Hazard Reduction

Article 10-1. Purposes.

Contents:

- 10-1-1. Statement of Purpose and Authorization
- 10-1-2. Methods of Reducing Flood Losses.
- 10-1-3. Statutory Authorization.
- 10-1-4. Findings of Fact.

10-1-1. Statement of Purpose and Authorization

- A. It is the purpose of this Chapter to promote the public health, safety, and general welfare, and to minimize public and private losses due to flood conditions to specific areas by provisions designed:
1. To protect human life and health;
 2. To minimize expenditure of public money for costly flood control projects;
 3. To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
 4. To minimize prolonged business interruptions;
 5. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in floodplains;
 6. To help maintain a stable tax base by providing for the sound use and development of areas of special flood hazard so as to minimize blight to future flood-prone areas;
 7. To ensure that potential buyers are notified that property is in an area of special flood hazard; and,
 8. To ensure that those who occupy the areas of special flood hazards assume responsibility for their actions.



- B. The City of Orem elects to comply with the requirements of the National Flood Insurance Act of 1968 (P.L. 90-488, as amended) which is a voluntary program administered by the Federal Emergency Management Agency (FEMA), a component of the U.S. Department of Homeland Security, and the City of Orem has elected to join the program, participate, and enforce this Flood Damage Prevention Ordinance and the requirements and regulations of the NFIP. The NFIP, established in the aforesaid act, provides that areas of the City of Orem have a special flood hazard identified by FEMA, and that floodplain management measures should be applied in such flood hazard areas. Furthermore, the City of Orem may elect to administer the Flood Damage Prevention Ordinance to areas not identified as Special Flood Hazard Areas (SFHAs) by FEMA on the City's effective Flood Insurance Rate Map (FIRM), if the City has documentation to support that there is an inherent risk of flooding in such areas.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-1-2. Methods of Reducing Flood Losses.

- A. In order to accomplish its purposes, this Chapter includes methods and provisions for:
1. Restricting or prohibiting uses which are dangerous to health, safety, and property due to water or erosion hazards, or which result in damaging increases in erosion or in flood heights or velocities;
 2. Requiring that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;
 3. Controlling the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel flood waters;
 4. Controlling filling, grading, dredging, and other development which may increase flood damage; and,
 5. Preventing or regulating the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards in other areas.

(Ord. No. 661, Revised, 04/10/90)

10-1-3. Statutory Authorization.

Utah Code - Section 10-9a-505 authorizes a municipality to enact an ordinance regulating land use and development in a floodplain to protect life and to prevent substantial damage or loss to real property.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-1-4. Findings of Fact.

- A. The flood hazard areas of the City of Orem are subject to periodic inundation which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, and extraordinary public expenditures for flood protection and relief, all of which adversely affect the public health, safety, and general welfare.
- B. These flood losses are created by the cumulative effect of obstructions in floodplains that cause an increase in flood heights and velocities, and by the occupancy of flood hazards areas by uses vulnerable to floods and hazardous to other lands because they are inadequately elevated, flood-proofed, or otherwise protected from flood damage.



(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-2. Definitions

Contents:

10-2-1. Definitions.

10-2-1. Definitions.

Unless specifically defined below, words or phrases used in this Chapter shall be interpreted so as to give them the meaning they have in common usage and to give this Chapter its most reasonable application. As used in this Chapter, the terms below shall have the following meanings:

Area of shallow flooding shall mean a designated AO, AH, AR/AO, AR/AH, or VO zone on the City's Flood Insurance Rate Map (FIRM) with a 1 percent or greater annual chance of flooding to an average depth of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable, and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

(Ord. No. 20-2020-0011, Enacted 5/16/2020)

Areas of special flood hazard is the land in the flood plain within the City subject to a 1 percent or greater chance of flooding in any given year. The area may be designated as Zone A on the Flood Hazard Boundary Map (FHBM). After detailed ratemaking has been completed in preparation for publication of the flood insurance rate map, Zone A usually is refined into Zones A, AO, AH, A1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, or V1-30, VE, or V. For purposes of these regulations, the term "special flood hazard area" is synonymous in meaning with the phrase "area of special flood hazard".

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Base flood shall mean the flood having a one percent chance of being equaled or exceeded in any given year.

Base Flood Elevation (BFE) is the water surface elevation of the one (1) percent annual chance flood. The height in relation to mean sea level expected to be reached by the waters of the base flood at pertinent points in the floodplains of coastal and riverine areas.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Development shall mean any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, demolition of buildings or structures, fences, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials located within the area of special flood hazard.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

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Existing construction means for the purposes of determining rates, structures for which the “start of construction” occurred before the effective date of the FIRM or before January 1, 1975, for FIRMs effective before that date. “Existing construction” may also be referred to as “existing structures.”

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Existing manufactured home park or subdivision means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before the effective date of the floodplain management regulations adopted by a community.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Expansion to an existing manufactured home park or subdivision means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufacturing homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Flood or flooding shall mean a general and temporary condition of partial or complete inundation of normally dry land areas from:

1. The overflow of inland or tidal waters and/or
2. The unusual and rapid accumulation or runoff of surface waters from any source.
3. Mudslides (i.e., mudflows) which are proximately caused by flooding as defined in paragraph (2) of this definition and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water and deposited along the path of the current.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Flood Insurance Rate Map (FIRM) shall mean an official map of a community on which the Flood Administrator has delineated both the special hazard areas and the risk premium zones applicable to the community.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Flood Insurance Study or Flood Elevation Study means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) and/or flood-related erosion hazards.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Flood proofing means any combination of structural and non-structural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures and their contents. Wet floodproofing includes permanent or contingent measures applied to a structure or its contents that prevent or provide resistance to damage from flooding while allowing floodwaters to enter the structure or area and may be applied to residential or non-residential structures. Dry floodproofing is making a structure watertight below the level that needs flood protection to prevent floodwaters from entering. Making the structure watertight requires sealing the walls with waterproof coatings, impermeable membranes, or a supplemental layer of masonry or concrete and can only be used for non-residential structures.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Floodway (Regulatory Floodway) means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Highest adjacent grade means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Historic Structure means any structure that is:

- A. Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;
- B. Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
- C. Individually listed on a state inventory of historic places in states with historic reservation programs which have been approved by the Secretary of the Interior; or
- D. Individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified either:
 - 1. By an approved state program as determined by the Secretary of the Interior or
 - 2. Directly by the Secretary of the Interior in states without approved programs.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Lowest Floor means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking of vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

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Manufactured home shall mean a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when connected to the required utilities. The term “manufactured home” does not include a “recreational vehicle”.

(Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Manufactured home park or subdivision means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

New construction means, for the purposes of determining insurance rates, structures for which the “start of construction” commenced on or after the effective date of an initial FIRM or after December 31, 1974, whichever is later, and includes any subsequent improvements to such structures. For floodplain management purposes, new construction means structures for which the start of construction commenced on or after the effective date of a floodplain management regulation adopted by the City and includes any subsequent improvements to such structures.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Recreational vehicle means a vehicle which is:

- A. Built on a single chassis;
- B. 400 square feet or less when measured at the largest horizontal projection;
- C. Designed to be self-propelled or permanently towable by a light duty truck; and
- D. Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Regulatory floodway means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Special flood hazard area: see “area of special flood hazard”.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

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Special hazard area means an area having special flood, mudslide (i.e., mudflow), or flood-related erosion hazards, and shown on an FHBM or FIRM as Zone A, AO, A1-30, AE, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, A99, AH, VO, V1-30, VE, V, M, or E.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Start of Construction (for other than new construction or substantial improvements under the Coastal Barrier Resources Act (Pub. L. 97-348)), includes substantial improvement, and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Structure means, for floodplain management purposes, a walled and roofed building, including a gas or liquid storage tank, that is principally above ground, as well as a manufactured home.

(Ord. No. O-2022-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Structure for insurance purposes, means:

- A. A building with two or more outside rigid walls and a fully secured roof, that is affixed to a permanent site;
- B. A manufactured home ("a manufactured home," also known as a mobile home, is a structure - built on a permanent chassis, transported to its site in one or more sections, and affixed to a permanent foundation); or
- C. A travel trailer without wheels, built on a chassis and affixed to a permanent foundation, that is regulated under the community's floodplain management and building ordinances or laws.

For the latter purpose, "structure" does not mean a recreational vehicle or a park trailer or other similar vehicle, except as described in paragraph (3) of this definition, or a gas or liquid storage tank.

(Ord. No. O-2020-0011, Enacted 5/16/2020)



Substantial damage means damage of any origin sustained by a structure whereby the cost of restoring the structure to it's before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Substantial improvement means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the "start of construction" of the improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The term does not, however, include either:

- A. Any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or
- B. Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure."

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

Violation means the failure of a structure or other development to be fully compliant with the provisions of this Chapter 10 and/or the failure to obtain and maintain the elevation certificate, other certifications, or other evidence of compliance for a structure or other development.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-3. General Provisions

Contents:

- 10-3-1. Application of this Chapter.
- 10-3-2. Basis for establishing the areas of Special Flood Hazard.
- 10-3-3. Compliance.
- 10-3-4. Abrogation and Greater Restrictions.
- 10-3-5. Interpretation.
- 10-3-6. Warning and Disclaimer of Liability.
- 10-3-7. Severability

10-3-1. Application of this Chapter.

This Chapter shall apply to all areas of special flood hazards identified by FEMA within the City of Orem.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-3-2. Basis for establishing the areas of Special Flood Hazard.

The areas of special flood hazard identified by the Federal Emergency Management Agency in a scientific and engineering report entitled, "The Flood Insurance Study for Utah County and Incorporated Communities," dated June 19, 2020, with accompanying FIRMs, and any revisions thereto are hereby automatically adopted by reference and declared to be a part of this ordinance.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Annexation. This Chapter 10 shall be applicable to any land annexed into the City.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-3-3. Compliance.

No structure or land shall hereafter be constructed, located, extended, or altered or have its use changed without full compliance with the terms of this Chapter and other applicable regulations.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-3-4. Abrogation and Greater Restrictions.

This Chapter is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this Chapter and another ordinance, easement, covenant, or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

(Ord. No. 661, Revised, 04/10/90)

10-3-5. Interpretation.

In the interpretation of this Chapter, all provisions shall be:

- A. Considered as minimum requirements;
- B. Liberally construed in favor of the governing body; and
- C. Deemed neither to limit nor repeal any other powers granted under State statutes.

(Ord. No. 661, Revised, 04/10/90)

Effective on: 4/10/1990

10-3-6. Warning and Disclaimer of Liability.



This Chapter is not intended to and shall not create liability on the part of the City of Orem, any officer or employee thereof, or the Federal Emergency Management Agency for any flood damages that result from reliance on this Chapter or any administrative decision lawfully made thereunder including, but not limited to, a decision related to the enforcement or non-enforcement of the provisions of this Chapter. This Chapter shall not be construed to create any duties on the part of the City, FEMA or any of the employees and officers of either to any private person or entity. The degree of flood protection required by this Chapter is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This Chapter does not imply that land outside the areas of special flood hazards or uses permitted within such areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-3-7

If any section, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court, the remainder of the ordinance shall not be affected.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-4. Administration

Contents:

- 10-4-1. Designation of the Floodplain Administrator
- 10-4-2. Duties & Responsibilities of the Floodplain Administrator
- 10-4-3. Establishment of Development Permit.
- 10-4-4. Permit Review Procedures.
- 10-4-5. Variance Procedures

10-4-1

The Development Services Director or his/her designee is hereby appointed the Floodplain Administrator to implement the provisions of this Chapter and other applicable sections of 44 CFR (National Flood Insurance Program Regulations) pertaining to floodplain management.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-4-2

Floodplain Administrator shall:

- A. Maintain and hold open for public inspection all records pertaining to the provisions of this Chapter.
- B. Review permit applications to determine whether proposed building sites, including the placement of manufactured homes, will be reasonably safe from flooding.



- C. Review, approve or deny all applications for development permits required by adoption of this ordinance.
- D. Review permits for proposed development to assure that all necessary permits have been obtained from those Federal, State or local governmental agencies (including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334) from which prior approval is required.
- E. Where interpretation is needed as to the exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions) the Floodplain Administrator shall make the necessary interpretation.
- F. Notify, in riverine situations, adjacent communities and the State Coordinating Agency, which is the Utah Division of Emergency Management, prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency.
- G. Assure that the flood carrying capacity within the altered or relocated portion of any watercourse is maintained.
- H. When base flood elevation data has not been provided, the Floodplain Administrator shall obtain, review and reasonably utilize any base flood elevation data and floodway data available from a Federal, State or other source, in order to administer the provisions of this ordinance.
- I. When a regulatory floodway has not been designated, the Floodplain Administrator must require that no new construction, substantial improvements, or other development (including fill) shall be permitted within Zones A1-30 and AE on the City's FIRM, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one foot at any point within the City.
- J. Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program regulations, a City may approve certain development in Zones A1-30, AE, AH, on the City's FIRM which increases the water surface elevation of the base flood by more than one foot, provided that the City first applies for a conditional FIRM revision through FEMA (Conditional Letter of Map Revision).

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-4-3. Establishment of Development Permit.

- A. A development permit (a preliminary plat, site plan and or building permit as applicable) shall be obtained before construction or development begins within any area of special flood hazard established in Section 10-3-2. Application for a development permit shall be made on forms furnished by the City of Orem and may include, but not be limited to:
 - 1. Plans in duplicate drawn to scale showing the location, dimensions, and elevation of proposed landscape alterations, existing and proposed structures, including the placement of manufactured homes, and the construction of fences, and the location of the foregoing in relation to areas of special flood hazard and areas of special erosion hazard;
 - 2. Elevation in relation to mean sea level of the lowest floor (including basement) of all structures;
 - 3. Elevation in relation to mean sea level to which any structure has been floodproofed;
 - 4.



Certification by a registered professional engineer or architect that the floodproofing methods for any non-residential structure meet the floodproofing criteria in Section 10-5-2(B); and

5.

Description of the extent to which any watercourse or natural drainage will be altered or relocated as a result of proposed development.

B.

A record of all of the above information shall be maintained by Floodplain Administrator.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

Effective on: 4/10/1990

10-4-4. Permit Review Procedures.

A. The Development Review Committee shall review all development permits to determine:

1. That the permit requirements of this Chapter have been satisfied.
2. That all necessary permits have been obtained from those Federal, State or local governmental agencies from which prior approval is required.
3. If the proposed development adversely affects the flood carrying capacity of the area of special flood hazard. For the purposes of this Chapter, "adversely affects" means damage to adjacent properties because of rises in flood stages attributed to physical changes of the channel and the adjacent overbank areas.
 - a. If it is determined that there is no adverse effect and the development is not a building, then the permit shall be granted without further consideration.
 - b. If it is determined that there is an adverse effect, then technical justification, such as a registered professional engineer's certification, for the proposed development shall be required.
 - c. If the proposed development is a building, then the provisions of this Chapter shall apply.

(Ord. No. 661, Revised, 04/10/90)

B. When base flood elevation data has not been provided in accordance with Section 10-3-2, the Development Review Committee shall obtain, review, and reasonably utilize any base flood elevation and floodway data available from a Federal, State, or other source as criteria for requiring that new construction, substantial improvements, or other development in Zone A are administered in accordance with Section 10-5-2 of this Chapter.

(Ord. No. 661, Revised, 04/10/90)

C. The following information shall be furnished to the City and kept on file with each development permit:

1. The actual elevation in relation to mean sea level of the lowest floor (including basement) of all new or substantially improved structures, and whether or not the structure contains a basement.

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2. For all new or substantially improved floodproofed structures verification of the actual elevation in relation to mean sea level to which the structure has been floodproofed.
3. Verification that adjacent communities and the Utah State Coordinator for Emergency Management have been notified prior to any alteration or relocation of a watercourse. Evidence of such notification shall be furnished to the Federal Emergency Management Agency.

(Ord. No. 661, Revised, 04/10/90)

- D. The developer shall provide maintenance within the altered or relocated portion of such watercourse, described in subparagraph (3) above, so that the flood carrying capacity is not diminished.

(Ord. No. 661, Revised, 04/10/90)

- E. The Development Review Committee shall make interpretations, where needed, as to the exact location of the boundaries of the areas of special flood hazards. For example: where there appears to be a conflict between a mapped boundary and actual field conditions.

(Ord. No. 661, Revised, 04/10/90)

Effective on: 4/10/1990

10-4-5

The Board of Adjustment shall hear and render judgment on requests for variances from the requirements of this Chapter.

- A. Any person or persons aggrieved by the decision of the Board of Adjustment may appeal such decision to courts of competent jurisdiction.
- B. The Floodplain Administrator shall maintain a record of all actions involving an appeal and shall report variances to the Federal Emergency Management Agency and the State Office of Emergency Management upon issuing a variance.
- C. Variances may be issued for new construction and substantial improvements to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing the relevant factors in section 10-4-3 of this Article have been fully considered. As the lot size increases beyond the one-half acre, the technical justification required for issuing the variance increases.
- D. Upon consideration of the factors noted above and the intent of this ordinance, the Board of Adjustment may attach such conditions to the granting of variances as it deems necessary to further the purpose and objectives of this ordinance.
- E. Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.
- F. Variances may be issued for the repair or rehabilitation of historic structures upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.
- G. Prerequisites for granting variances:
 1. Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.
 2. Variances shall only be issued upon:
 - a. showing a good and sufficient cause;



- b. a determination that failure to grant the variance would result in exceptional hardship to the applicant, and
 - c. a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, the creation of nuisances, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.
3. Any application to whom a variance is granted shall be given written notice that the structure will be permitted to be built with the lowest floor elevation below the base flood elevation, and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation.

Variances may be issued by the Board of Adjustment for new construction and substantial improvements and for other development necessary for the conduct of a functionally dependent use provided that:

- H. The structure or other development is protected by methods that minimize flood damages during the base flood and create no additional threats to public safety.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Article 10-5. Provisions for Flood Hazard Reduction

Contents:

- 10-5-1. General Standards.
- 10-5-2. Specific Standards.
- 10-5-3. Standards for Subdivision Proposal.
- 10-5-4. Standard for Areas of Shallow Flooding (AO/AH Zones).
- 10-5-5. Floodways.
- 10-5-6. Penalties for Violation

10-5-1. General Standards.

General Standards. The following are required for all new construction and substantial improvements in areas of special flood hazards.

- A. All new construction and substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse, or lateral movement of the structure and resulting from hydrostatic and hydrodynamic loads, including the effect of buoyancy.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

- B. All manufactured homes must be elevated and anchored to resist flotation, collapse or lateral movement and capable of resisting the hydrostatic and hydrodynamic loads. Methods of anchoring may include, but are not limited to use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting wind forces. Specific requirements may be:

1. Over-the-top ties be provided at each of the four corners of the manufactured home, with two additional ties per side at intermediate locations, with manufactured homes less than fifty feet (50') long requiring one additional tie per side.



2. Frame ties be provided at each corner of the home with five additional ties per side at intermediate points, with manufactured homes less than fifty feet (50') long requiring four additional ties perside.
3. All components of the anchoring system be capable of carrying a force of 4,800 pounds.
4. Any additions to the manufactured home be similarly anchored.

(Ord. No. 661, Revised, 04/10/90)

C. All new construction and substantial improvements shall be constructed:

1. With materials and utility equipment resistant to flood damage.
2. Using methods and practices that minimize flood damage.
3. With electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding and elevated to one (1) foot above base flood elevation.

(Ord. No. 661, Revised, 04/10/90)

D. All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system.

(Ord. No. 661, Revised, 04/10/90)

E. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the systems and discharge from the systems into flood waters. All new construction shall be required to connect to City's sanitary sewer system.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

F. On-site waste disposal systems shall be located to avoid impairment to them or contamination from them during flooding.

(Ord. No. 661, Revised, 04/10/90)

G. Base flood elevation data shall be provided for subdivision proposals and other proposed development which contain at least fifty (50) lots or five (5) acres, whichever is less. All subdivision proposals shall:

1. Be consistent with the need to minimize flood damage.
2. Have public utilities and facilities such as sewer, gas, electrical, and water systems located and constructed to minimize flood damage.
3. Have adequate drainage provided to reduce exposure to flood damage.

(Ord. No. 661, Revised, 04/10/90)

H. Encroachments, including fill, new construction, substantial improvements, and other development shall be prohibited in any floodway unless a technical evaluation demonstrates that the encroachments will not result in any increase in flood levels during the occurrence of the base flood discharge. No solid walls, solid fences, or other structures that could disrupt flowing water in an area of special flood hazard shall be constructed in a position or direction contrary to the direction of flowing water.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-5-2. Specific Standards.

In all areas of special flood hazards where base flood elevation data has been provided as required by this Chapter, the following standards are required:

- A. Residential Construction. New construction and substantial improvement of any residential structure shall have the lowest floor, including basement, machinery and equipment, elevated to one foot above the base flood elevation. A registered professional engineer, architect, or land surveyor shall submit a certification to the Floodplain Administrator that the standards of this ordinance are satisfied.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)

- B. Nonresidential Construction. New construction and substantial improvement of any commercial, industrial or other nonresidential structure shall either have the lowest floor (including basement, machinery and equipment) elevated to the level of one foot above the base flood elevation; or, together with attendant utility and sanitary facilities, shall:

1. Be floodproofed so that one (1) foot above ~~below~~ the base flood elevation the structure is watertight with walls substantially impermeable to the passage of water.
2. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy.
3. Be certified by a registered professional engineer or architect that the design and methods of construction are in accordance with accepted standards of practice for meeting the provisions of this paragraph. Such certifications shall be provided to the official as set forth in Section 10-4-4(C). A record of such certification which includes the specific elevation (in relation to mean sea level) to which such structures are floodproofed shall be maintained by the Floodplain Administrator.

- C. Enclosed Areas – including enclosures, crawlspaces, subgrade crawlspaces, and attached garages - new construction and substantial improvements, with fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access or storage in an area other than a basement and which are subject to flooding shall be designed to:

1.
Automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters.
2.
Flood vents meeting ICC-ES standards may be used with the bottom of all openings no higher than one foot above grade and a minimum of two openings, or
3.
Vents certified by a registered professional engineer or architect must meet or exceed the following minimum criteria:
 - a.
A minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided.
 - b.



The bottom of all openings shall be no higher than one foot above grade.

- c. Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.

Enclosures are areas that have a height greater than five feet from the enclosure floor to the finish floor elevation above.

Crawlspaces have at least one side of the crawlspace floor at or above the exterior grade. The crawlspace floor must be less than 5 feet from the finish floor elevation above.

Subgrade crawlspaces have an exterior grade that cannot be more than 2' above crawlspace floor elevation and a finish floor elevation of floor immediately above cannot be more than 5' above the crawlspace floor.

D. Manufactured Homes -

1. All manufactured homes to be placed within Zone A in the City's FHBH or FIRM shall be installed using methods and practices which minimize flood damage. Manufactured homes in Zone A shall have a lowest floor including mechanicals elevated to one (1) foot above base flood elevation. For the purposes of this requirement, manufactured homes must be elevated and anchored to resist flotation, collapse, or lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting windforces.
2. Manufactured homes that are placed or substantially improved within Zones A1-30, AH, and AE on the City's FIRM on sites (i) outside of a manufactured home park or subdivision, (ii) in a new manufactured home park or subdivision, (iii) in an expansion to an existing manufactured home park or subdivision, or (iv) in an existing manufactured home park or subdivision on which a manufactured home has incurred "substantial damage" as a result of a flood, shall be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated, including mechanicals, one (1) foot above base flood elevation to or above the base flood elevation and shall be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.
3. In the A-1-30, AH, and AE Zones, manufactured homes that are placed or substantially improved in an existing manufactured home park shall be elevated so that the lowest floor, including machinery and equipment, is elevated one (1) foot above base flood elevation at or above the Base Flood Elevation; OR the chassis is supported by reinforced piers no less than 36 inches in height above grade and securely anchored.

E. Recreational Vehicles - Recreational vehicles placed on sites within Zones A1-30, AH, and AE on the City's FIRM shall either:

1. be on the site for fewer than 180 consecutive days and be fully licensed and ready for highway use, or
2. meet the permit requirements of Section 10-4-2 and the elevation and anchoring requirements for "manufactured homes" of this section.

A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices and has no permanently attached additions.

(Ord. No. 661, Revised, 04/10/90; Ord. No. O-2020-0011, Amended 5/16/2020)



Effective on: 4/10/1990

10-5-3. Standards for Subdivision Proposal.

- A. All subdivision proposals including the placement of manufactured home parks and subdivisions shall be consistent with the provisions of this Chapter 10.
- B. All proposals for the development of subdivisions including the placement of manufactured home parks and subdivisions shall meet the Development Permit requirements of this Chapter 10.
- C. Base flood elevation data shall be generated for subdivision proposals and other proposed development including the placement of manufactured home parks and subdivisions which are greater than 50 lots or 5 acres, whichever is less.
- D. All subdivision proposals including the placement of manufactured home parks and subdivisions shall have adequate drainage provided to reduce exposure to flood hazards.
- E. All subdivision proposals including the placement of manufactured home parks and subdivisions shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.

(Ord. No. O-2020-0011, Amended 5/16/2020)

10-5-4. Standard for Areas of Shallow Flooding (AO/AH Zones).

Located within the areas of special flood hazard established in section 10-3-2, are areas designated as shallow flooding. These areas have special flood hazards associated with base flood depths of 1 to 3 feet where a clearly defined channel does not exist and where the path of flooding is unpredictable and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow; therefore, the following provisions apply in areas designated as shallow flooding:

- A. All new construction and substantial improvements of residential structures shall have the lowest floor (including basement, machinery, and equipment) elevated one (1) foot above ~~the base flood elevation the highest adjacent grade a height equal to or greater than the depth number specified in feet on the City's FIRM (at least two feet if no depth number is specified).~~
- B. All new construction and substantial improvements of non-residential structures;
 1. Shall have the lowest floor (including basement, machinery, and equipment) elevated one (1) foot above ~~base flood elevation the highest adjacent grade a height equal to or greater than the depth number specified in feet on the City's FIRM (at least two feet if no depth number is specified),~~ or;
 2. together with attendant utility and sanitary facilities be designed so that ~~below one (1) foot above~~ the base flood level the structure is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads of effects of buoyancy.
- C. A registered professional engineer shall submit a certification to the Floodplain Administrator that the standards of section 10-4-3 are satisfied.
- D. Require within Zones AH or AO adequate drainage paths around structures on slopes, to guide flood waters around and away from proposed structures.
 1. FIRMs may also identify areas of shallow flooding hazards with an average depth less than 1 foot deep (shaded Zone X). These areas may be between the flood hazard boundaries defined for the 1- and 0.2-percent chance-annual-flood or associated with base flood depths less than 1 foot where a clearly defined



channel does not exist and where the path of flooding is unpredictable and where velocity may be evident. Such flooding is generally characterized by sheet flow; therefore

- a. all new construction or substantial improvements of residential and nonresidential structures in such areas shall:
 - i. have the lowest floor (including basement, machinery, and equipment) elevated to one (1) foot above base flood elevation~~the estimated depth of the base flood and above the highest groundwater level that is anticipated to occur during periods of flooding.~~
 - ii. within shaded X zones, have positive ground slopes away from structures and adequate drainage paths around structures on sloping ground to guide flood water around and away from proposed structures.

A registered professional engineer shall submit certification to the Floodplain Administrator that the standards of this Section are satisfied.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-5-5. Floodways.

Floodways located within areas of special flood hazard established in Article 10-3 are extremely hazardous areas due to the velocity of flood waters which carry debris, potential projectiles and erosion potential.

- A. All new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of this Article 10-5. A designated regulatory floodway may not increase the Base Flood level more than 1 foot.
- B. Encroachments are prohibited in floodways, including fill, new construction, substantial improvements and other development within an adopted regulatory floodway unless it has been demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practice that the proposed encroachment would not result in any increase in flood levels within the City during the occurrence of the base flood discharge.
- C. The Floodplain Administrator may, pursuant to the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Regulations, permit encroachments within the adopted regulatory floodway that would result in an increase in base flood elevations, provided that the City first applies for a conditional FIRM and floodway revision through FEMA.

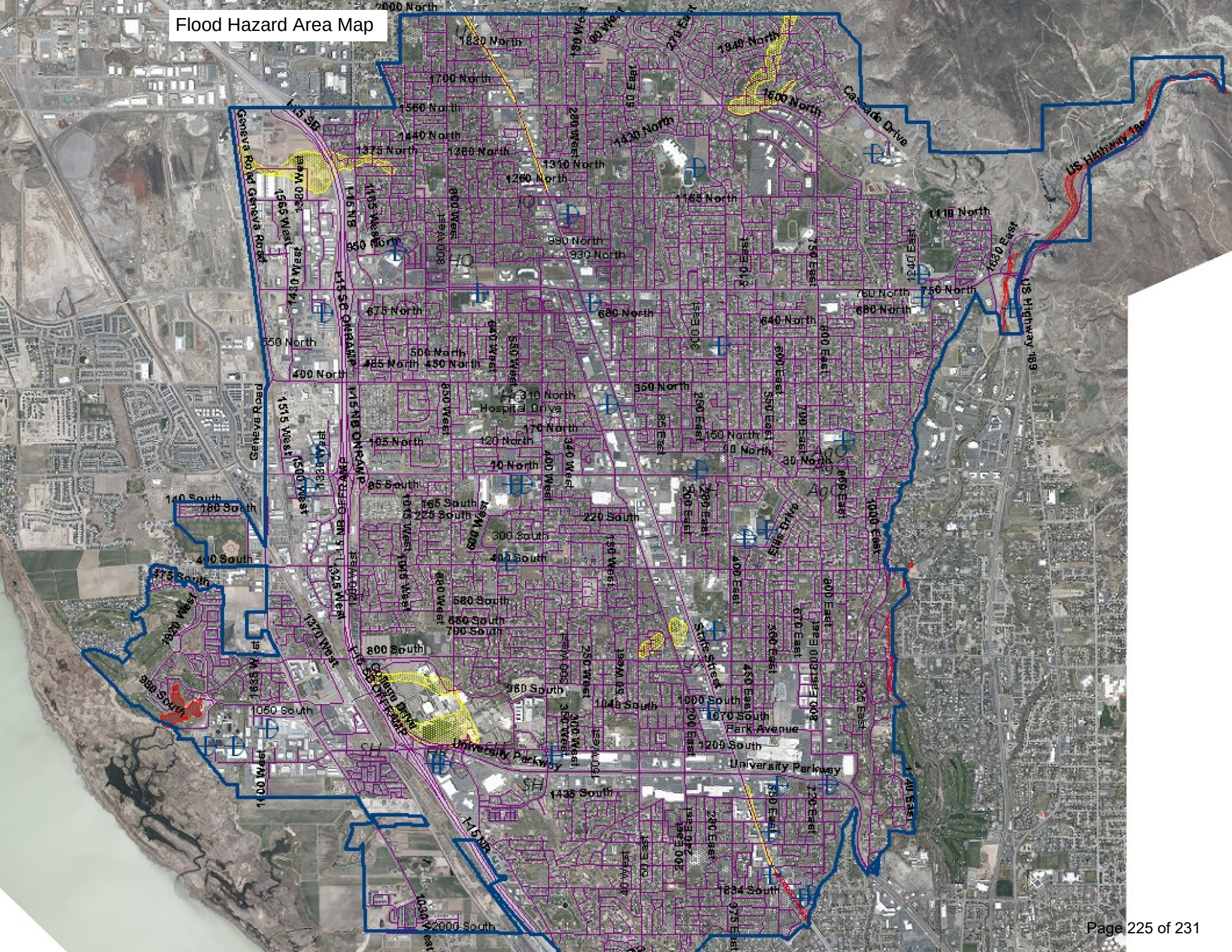
(Ord. No. O-2020-0011, Enacted 5/16/2020)

10-5-6. Penalties for Violation.

No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this Chapter 10 and other applicable regulations. Violation of any provision of this Chapter 10 (including violations of conditions and safeguards established in connection with conditions) shall constitute a Class C misdemeanor. Nothing contained herein shall prevent the City from taking such other lawful action as is necessary to prevent, or remedy or abate any violation.

(Ord. No. O-2020-0011, Enacted 5/16/2020)

Flood Hazard Area Map



CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JUNE 2022

(Excludes Post-Closing Entries)

Percent of Year Expired: 100%

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	4,949,212	59,947,850			92%	84%	
Appr. Surplus - Current	6,503,225	5,000,000	6,503,225			100%		
Appr. Surplus - Prior Year	18,337,649		18,337,649			100%		
Std. Interfund Transactions	5,669,461		5,669,461			100%		
Total Resources	95,442,302	9,949,212	90,458,185		4,984,117	95%	88%	
Expenditures	95,442,302	5,042,614	66,890,531	1,514,795	27,036,976	72%	77%	
20 ROAD FUND								
Revenues	3,332,500	4,126	2,882,573			86%	93%	
Appr. Surplus - Prior Year	2,141,745		2,141,745			100%		
Total Resources	5,474,245	4,126	5,024,318		449,927	92%	96%	
Expenditures	5,474,245	194,165	2,555,533	722,734	2,195,978	60%	57%	
21 CARE TAX FUND								
Revenues	2,420,000	271,108	2,610,083			108%	109%	
Appr. Surplus - Current	200,000		200,000			100%		
Appr. Surplus - Prior Year	1,196,780		1,196,780			100%		
Total Resources	3,816,780	271,108	4,006,863		-190,083	105%	103%	
Expenditures	3,816,780	-451,550	1,576,826	496,332	1,743,622	54%	98%	1
24 TRANSPORTATION SALES TAX FUND								
Revenues	2,307,000	252,702	2,370,009			103%	106%	
Appr. Surplus - Prior Year	2,252,922		2,252,922			100%		
Total Resources	4,559,922	252,702	4,622,931		-63,009	101%	103%	
Expenditures	4,559,922	46,476	2,221,163	113,639	2,225,120	51%	62%	
30 DEBT SERVICE FUND								
Revenues	5,644,225	838,845	5,678,905			101%	100%	
Appr. Surplus - Current	807,917		807,917			100%		
Total Resources	6,452,142	838,845	6,486,822		-34,680	101%	100%	
Expenditures	6,452,142	3,401,232	6,452,040		102	100%	100%	
45 CIP FUND								
Revenues	6,583,566	5,781,624	6,544,412			99%	110%	
Appr. Surplus - Prior Year	19,397,312		19,397,312			100%		
Total Resources	25,980,878	5,781,624	25,941,724		39,154	100%	103%	
Expenditures	25,980,878	107,365	1,320,487	1,399,789	23,260,602	10%	33%	2
51 WATER FUND								
Revenues	17,961,733	2,203,011	18,592,446			104%	103%	
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	2,203,011	67,691,027		-630,713	101%	101%	
Expenditures	67,060,314	1,651,087	17,124,072	3,037,915	46,898,327	30%	41%	
52 WATER RECLAMATION FUND								
Revenues	13,443,194	1,082,803	13,591,750			101%	109%	
Appr. Surplus - Prior Year	22,479,169		22,479,169			100%		
Total Resources	35,922,363	1,082,803	36,070,919		-148,556	100%	105%	
Expenditures	35,922,363	1,044,358	11,250,843	2,628,807	22,042,713	39%	35%	
55 STORM WATER FUND								
Revenues	5,402,195	411,157	5,655,002			105%	107%	
Appr. Surplus - Prior Year	8,230,808		8,230,808			100%		
Total Resources	13,633,003	411,157	13,885,810		-252,807	102%	103%	
Expenditures	13,633,003	391,799	4,382,716	386,795	8,863,492	35%	42%	
56 RECREATION FUND								
Revenues	2,732,340	326,333	3,219,511			118%	81%	
Appr. Surplus - Prior Year	7,474		7,474			100%		
Total Resources	2,739,814	326,333	3,226,985		-487,171	118%	82%	
Expenditures	2,739,814	266,279	2,739,876	13,657	-13,719	101%	111%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JUNE 2022

(Excludes Post-Closing Entries)

Percent of Year Expired: **100%**

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	399,385	4,620,378			103%	103%	
Appr. Surplus - Prior Year	232		232			100%		
Total Resources	4,478,232	399,385	4,620,610		-142,378	103%	103%	
Expenditures	4,478,232	344,400	4,001,989		476,243	89%	93%	
58 STREET LIGHTING FUND								
Revenues	965,000	76,945	947,975			98%	96%	
Appr. Surplus - Prior Year	1,619,639		1,619,639			100%		
Total Resources	2,584,639	76,945	2,567,614		17,025	99%	98%	
Expenditures	2,584,639	7,420	1,631,286	526,051	427,302	83%	59%	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	37,226	848,984		51,873	94%	93%	
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	17,496	344,554	30,000	45,623	89%	98%	
63 SELF INSURANCE FUND								
Revenues	765,000	87,003	757,719			99%	89%	
Std. Interfund Transactions	1,390,000		1,390,000			100%		
Total Resources	2,155,000	87,003	2,147,719		7,281	100%	96%	
Expenditures	2,155,000	190,981	2,129,245		25,755	99%	96%	
64 INFORMATION TECH FUND								
Revenues	8,136	678	8,430			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	2,835,850		-294	100%	100%	
Expenditures	2,835,556	170,542	2,358,737	42,569	434,250	85%	85%	
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	178,957	1,981,935	30,399	25,279	99%	92%	
74 CDBG FUND								
Revenues	1,194,711	15,861	735,840			62%	61%	
Appr. Surplus - Prior Year	454,813		454,813			100%		
Total Resources	1,649,524	15,861	1,190,653			72%	67%	
Expenditures	1,649,524	38,022	794,271	10,087	845,166	49%	57%	
CITY TOTAL RESOURCES	278,143,361	21,700,793	274,136,677		3,547,813	99%	97%	
CITY TOTAL EXPENDITURES	278,143,361	12,678,869	130,605,088	10,953,569	136,584,704	51%	60%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JUNE 2022

(Excludes Post-Closing Entries)

Percent of Year Expired: 100%

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 JUNE 2022:

- 1) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances (\$496,332) being significantly lower than in the prior fiscal year (\$1,454,400) 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).

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JULY 2022

Percent of Year Expired: 8%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2023	% To Date FY 2022	Notes
10 GENERAL FUND								
Revenues	62,710,389	2,978,789	2,978,789			5%	5%	
Appr. Surplus - Current	25,175	25,175	25,175			100%		
Appr. Surplus - Prior Year	26,333,208	26,333,208	26,333,208			100%		
Std. Interfund Transactions	5,897,521	5,897,521	5,897,521			100%		
Total Resources	94,966,293	35,234,693	35,234,693		59,731,600	37%	33%	
Expenditures	94,966,293	10,731,790	10,731,790	2,788,192	81,446,311	14%	16%	
20 ROAD FUND								
Revenues	3,415,000							
Appr. Surplus - Current	525,000	525,000	525,000			100%		
Appr. Surplus - Prior Year	2,621,616	2,621,616	2,621,616			100%		
Total Resources	6,561,616	3,146,616	3,146,616		3,415,000	48%	39%	
Expenditures	6,561,616	199,703	199,703	2,596,969	3,764,944	43%	36%	
21 CARE TAX FUND								
Revenues	2,910,000	4,950	4,950			0%		
Appr. Surplus - Prior Year	1,944,483	1,944,483	1,944,483			100%		
Total Resources	4,854,483	1,949,433	1,949,433		2,905,050	40%	37%	
Expenditures	4,854,483	793,436	793,436	550,180	3,510,867	28%	69%	1
24 TRANSPORTATION SALES TAX FUND								
Revenues	2,767,000							
Appr. Surplus - Prior Year	2,262,049	2,262,049	2,262,049			100%		
Total Resources	5,029,049	2,262,049	2,262,049		2,767,000	45%	49%	
Expenditures	5,029,049	181,496	181,496	1,488,901	3,358,652	33%	24%	
30 DEBT SERVICE FUND								
Revenues	6,522,419	554,624	554,624			9%	10%	
Total Resources	6,522,419	554,624	554,624		5,967,795	9%	21%	2
Expenditures	6,522,419	45,830	45,830		6,476,589	1%	1%	
45 CIP FUND								
Revenues	475,000	65,378	65,378			14%		
Appr. Surplus - Prior Year	24,615,584	24,615,584	24,615,584			100%		
Total Resources	25,090,584	24,680,962	24,680,962		409,622	98%	98%	
Expenditures	25,090,584	254,260	254,260	1,808,857	23,027,467	8%	4%	
51 WATER FUND								
Revenues	17,642,711	2,985,555	2,985,555			17%	17%	
Appr. Surplus - Current Year	500,000	500,000	500,000			100%		
Appr. Surplus - Prior Year	45,133,201	45,133,201	45,133,201			100%		
Total Resources	63,275,912	48,618,756	48,618,756		14,657,156	77%	78%	
Expenditures	63,275,912	5,098,728	5,098,728	6,297,676	51,879,508	18%	11%	
52 WATER RECLAMATION FUND								
Revenues	13,463,094	1,001,740	1,001,740			7%	8%	
Appr. Surplus - Current Year	520,000	520,000	520,000			100%		
Appr. Surplus - Prior Year	22,450,391	22,450,391	22,450,391			100%		
Total Resources	36,433,485	23,972,131	23,972,131		12,461,354	66%	65%	
Expenditures	36,433,485	2,711,237	2,711,237	3,397,885	30,324,363	17%	26%	
55 STORM WATER FUND								
Revenues	5,459,695	593,067	593,067			11%	11%	
Appr. Surplus - Prior Year	8,657,647	8,657,647	8,657,647			100%		
Total Resources	14,117,342	9,250,714	9,250,714		4,866,628	66%	65%	
Expenditures	14,117,342	1,417,592	1,417,592	539,094	12,160,656	14%	13%	
56 RECREATION FUND								
Revenues	3,361,167	319,655	319,655			10%	10%	
Appr. Surplus - Prior Year	50,000	50,000	50,000			100%		
Total Resources	3,411,167	369,655	369,655		3,041,512	11%	10%	
Expenditures	3,411,167	852,458	852,458	435,418	2,123,291	38%	36%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JULY 2022

Percent of Year Expired: 8%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2023	% To Date FY 2022	Notes
57 SOLID WASTE FUND								
Revenues	4,672,500	409,575	409,575			9%	9%	
Appr. Surplus - Prior Year	119,151	119,151	119,151			100%		
Total Resources	4,791,651	528,726	528,726		4,262,925	11%	9%	
Expenditures	4,791,651	750,345	750,345	715	4,040,591	16%	16%	
58 STREET LIGHTING FUND								
Revenues	1,026,000	90,451	90,451			9%	9%	
Appr. Surplus - Current	115,000	115,000	115,000			100%		
Appr. Surplus - Prior Year	858,175	858,175	858,175			100%		
Total Resources	1,999,175	1,063,626	1,063,626		935,549	53%	66%	3
Expenditures	1,999,175	483,254	483,254	579,340	936,581	53%	53%	
61 FLEET MAINTENANCE FUND								
Appr. Surplus - Current	122,000	122,000	122,000			100%		
Appr. Surplus - Prior Year	35,120	35,120	35,120			100%		
Std. Interfund Transactions	880,000	880,000	880,000			100%		
Total Resources	1,037,120	1,037,120	1,037,120			100%	100%	
Expenditures	1,037,120	254,337	254,337	21,798	760,985	27%	31%	
62 PURCHASING/WAREHOUSING FUND								
Appr. Surplus - Prior Year	45,150	45,150	45,150			100%		
Std. Interfund Transactions	440,000	440,000	440,000			100%		
Total Resources	485,150	485,150	485,150			100%	100%	
Expenditures	485,150	123,740	123,740	31,328	330,082	32%	28%	
63 SELF INSURANCE FUND								
Revenues	695,000	59,953	59,953			9%	14%	
Appr. Surplus - Current Year	80,000	80,000	80,000			100%		
Std. Interfund Transactions	1,580,000	1,580,000	1,580,000			100%		
Total Resources	2,355,000	1,719,953	1,719,953		635,047	73%	70%	
Expenditures	2,355,000	811,839	811,839	749,321	793,840	66%	33%	4
64 INFORMATION TECH FUND								
Revenues	9,336	678	678			100%		
Appr. Surplus - Prior Year	388,183	388,183	388,183			100%		
Std. Interfund Transactions	2,810,000	2,810,000	2,810,000			100%		
Total Resources	3,207,519	3,198,861	3,198,861		8,658	100%	100%	
Expenditures	3,207,519	373,100	373,100	254,232	2,580,187	20%	18%	
65 FACILITIES MAINTENANCE FUND								
Appr. Surplus - Prior Year	18,333	18,333	18,333			100%		
Std. Interfund Transactions	1,880,000	1,880,000	1,880,000			100%		
Total Resources	1,898,333	1,898,333	1,898,333			100%	100%	
Expenditures	1,898,333	193,779	193,779	504,763	1,199,791	37%	31%	
74 CDBG FUND								
Revenues	817,568	1,700	1,700			0%		
Appr. Surplus - Prior Year	541,921	541,921	541,921			100%		
Total Resources	1,359,489	543,621	543,621			40%	28%	
Expenditures	1,359,489	89,478	89,478	10,603	1,259,408	7%	7%	
CITY TOTAL RESOURCES	277,395,787	160,515,023	160,515,023		116,064,896	58%	58%	
CITY TOTAL EXPENDITURES	277,395,787	25,366,402	25,366,402	22,055,272	229,974,113	17%	17%	

CITY OF OREM
BUDGET REPORT FOR THE MONTH ENDED JULY 2022

Percent of Year Expired: 8%

Fund	Current Appropriation	Monthly Total	Year-To-Date Total	Encumbrances	Balance	% To Date FY 2023	% To Date FY 2022	Notes

NOTES TO THE BUDGET REPORT FOR THE MONTH ENDED JULY 2022:

- 1) The current year expenditures are lower in comparison to the prior year due to the current year encumbrances (\$550,180) being significantly lower than in the prior fiscal year (\$1,687,993) at this date in time. Due to the Fitness Center construction project and associated payments nearing completion in the prior fiscal year.
- 2) The current year revenues are lower in comparison to the prior year due to the prior year budgeting use of the 2019 G.O. Bond capitalized interest funds of \$807,917. These funds are not available for FY 2023 and thus, not budgeted.
- 3) Current year revenues are lower than the prior year at this time due to the appropriations of surplus related to carryovers for capital projects. The prior year amount was \$1,619,639 while the current year is only \$858,175.
- 4) The current year expenditures are higher in comparison to the prior year due to the current year encumbrances (\$749,321) being significantly higher than in the prior fiscal year (\$658) at this date in time. This is due to the Northgate litigation settlement.

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).