

Study For The City of Cottonwood Heights To Make the City Hall Available for Rent or Free Use of the Facility

Issued October 24, 2016

Introduction: The city of Cottonwood Heights ("City") has constructed a new city hall and public safety building (the "*Building*") that is located at 2277 East Bengal Blvd. in City. During the design of the Building it was anticipated by City's city council ("*Council*") that in addition to providing daily government services, the Building would also be available for rent and use by City citizens ("*Citizens*") under certain circumstances. That goal is evidenced by a variety of architectural design elements in the Building, such as a "catering service kitchen," large common-space restrooms, hallways and conference rooms segregated from City office areas, etc. This study (this "*Study*") is intended to demonstrate the purpose of the facility use policy (see attached) and rate structure (the "*Facility Use Policy*") that enables the use of the Building for the benefit of the community that it serves.

Purpose: Utah Code Annotated ("*UCA*") Section 10-8-2 requires City to prepare this Study and hold a public hearing to determine that the revenue received for the use of the Building is of equal value; or if of lesser value, provides some intangible benefit to City. During July – September, 2016, the Council discussed in multiple Council meetings the purpose and intent of the Facility Use Policy and the benefits that non-City use of the Building will provide. A summary of those discussions are printed below.

The proposed fee schedule included in the Facility Use Policy is a result of those discussions and Council's desire to provide a space for community groups such as non-profit groups, scouting and other youth oriented service organizations, community partners such as Canyons School District, Cottonwood Heights Parks & Recreations Service Area, Salt Lake County, etc., as well as for City residents. It is also noted that businesses both inside and outside of City, as well as other groups, may be interested in using the facility; accordingly, a hierarchy of beneficiaries has been established in the fee schedule with Categories I-VI.

The Study: The Council has discussed the proposed Facility Use Policy and associated fee schedule, comparing the fee schedules of similar public facilities in the area and the unique benefits that the Building will provide in the community. While fees were considered to offset the full cost and fair market value associated with using public portions of the Building, the Council ultimately proposed that those rates be partially reduced in certain circumstances to assist with one or more of the following intangible benefits: "safety, health, prosperity, moral well-being, peace, order, comfort, or convenience," of the City's residents (UCA § 10-8-2(3)).

The Council has outlined through their discussions the logic in partially reducing the fees in order to benefit the Citizens, non-profits and community partners. For example, many youth and non-profit groups located in City make significant contributions to the quality of life in City. These groups often are comprised of Citizens who already pay taxes to support the operation of

the Building. Accordingly, it is in the best interest of City to promote the formation and activity of those groups, many of which may qualify for reduced fees for their use of the Building. It should be noted that the proposed fees are estimated to be 25%-35% less than similar public facilities in the general proximity of City. Where appropriate, the Facility Use Policy distinguishes between taxpaying Citizens who wish to use the Building and non-taxpayers.

In accordance with UCA § 10-8-2(3)(e), this Study further considers the following factors:

(a) **What identified benefit the municipality will receive in return for any money or resources appropriated:** The Council has determined that the proposed fees will allow the Citizens to enjoy the benefit of the Building without having to raise fees or inflict further financial burden on the Citizens who are already paying taxes for the Building (whether or not it is occupied).

(b) **The municipality's purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality:** The Council's discussion has focused on those Citizens and the benefit that they provide to the moral well being and order of City, i.e., school district and similar government agencies, non-profit children's sports groups, public service volunteer groups, etc. As identified earlier in this Study, the Building fees have only been partially reduced from those charged by public facilities in the general proximity of City. Because the hard costs (bond payments) of the Building are already borne by the taxpaying Citizens regardless of whether it is occupied or unoccupied, the Council feels that supporting the soft costs of the non-City use through the fee schedule is sufficient and will provide Citizens the ability to use the Building without undue strain on the organization's budget (which is likely made up of fees paid by those Citizens).

(c) **Whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the municipality in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and any other public purpose:** While City can't anticipate that every Citizen wishing to use the Building will be able to do so in view of the other uses of the Building by the City and other authorized users, it is anticipated that a partial subsidy of user fees to City's Business Alliance in support of its meetings and training sessions will assist in the accomplishment of goals related to economic development, job creation and job preservation. The focus on community enhancement efforts and improvements along Fort Union Blvd. further exemplify City's efforts to reduce blight and maintain affordable housing, and the use of the Building will further enhance these efforts.

Summary: The Council will hold a public hearing on Tuesday, November 8, 2016 at 7:00 p.m., or shortly thereafter to discuss the proposed Facility Use Policy and associated fee schedule that partially reduces the fair market value rates for rental and use of portions of the building. This Study outlines the rationale and reasoning for the partial rate reduction.

Questions or comments regarding this study may be directed to Assistant City Manager, Bryce Haderlie at bhaderlie@ch.utah.gov or 801-944-7020.

Proposed City of Cottonwood Heights Facility Use Policy

General Policy

It is the intent of the city of Cottonwood Heights ("*City*") to make its municipal center building (the "*Building*") available for the use of City residents ("*residents*"). Use by non-community groups and non-residents may be scheduled based upon secondary availability and City approval. City will not discriminate in the use of its facilities on the basis of race, creed, color, national origin, sex or disability.

Use of available portions of the Building will be assigned on a first requested - first assigned basis. Priority will be given to City meetings, training and events.

City's city council ("*Council*") may modify and/or terminate this use policy (this "*Policy*") at any time.

City's Manager or his/her designee (the "*Manager*") will be responsible to make the final determination on any question regarding this Policy. They will be expected to apply this Policy liberally for the beneficial use and enjoyment of the Building as long as it does not interfere with the primary use of the Building (government services), safety, general welfare of the public, and protection of the Building and its associated personal and real property.

Rental Space and Fees

A. Available Building Areas

The following areas of the Building may be available for use if approved in advance by City's Event Coordinator (the "*Coordinator*"):

Council Chambers	Max. Occupancy - 102
Community Room (w/catering kitchen)	Max. Occupancy - 156
Council Workroom	Approx. Occupancy - 50
Administration Conference Room	Approx. Occupancy - 12

B. Building Rental Hours

Rental will generally be available for public use during the following times (City meetings and uses take precedent over any other Building use):

Monday, Wednesday (other than first Wednesday of each month), Thursday 6 p.m. - 10 p.m.

Friday 5 p.m. - 11 p.m.

Saturday 9 a.m. - 11 p.m.

Sunday 9 a.m. - 8 p.m.

Holidays – By request and availability

Business Hours – By request and availability (rental can't interfere with City business)

C. Occupancy Limits

Meeting rooms and spaces will have maximum occupancy limits based on the type of use and furniture layout. The renter ("*Renter*") must provide information in the application to specify the number of people anticipated in the room and how they will be seated/located in the room. Fire and building codes determine these occupancies as well as the aisle widths to exits.

D. Rental Fees

Rental fees are necessary to cover the cost of City staff required to be present during the facility use, utilities, restroom paper goods and minor wear and tear. Renters will be charged a rental fee according to the fee schedule, which is subject to change by the Council at any time. All rental fees are required to be paid before the reservation will be confirmed. No rental fee will be charged for City's own activities or for use of the Building by City committees, City-sponsored groups, or other organizations as deemed appropriate by the Coordinator and/or the Manager. The Manager may discount or waive the rental fee in the certain cases where the user makes an in-kind contribution (donation of time or resources) to City that is equal to or greater than the rental fee.

Fee Schedule

Room	Category I	Category II	Category III	Category IV	Category V	Category VI
Small Rooms Council Workroom, Conference Rooms, etc. with capacity of < 50 occupants	No Charge	No Charge	\$10/hour after 5 p.m.	\$10/hour	\$20/hour	\$20/hour
Large Rooms Community Room, Council Chambers with capacity of > 50 occupants, with or without the exterior patios Minimum 2 hour rental	No Charge	No Charge	\$20/hour	\$20/hour	\$50/hour	\$100/hour

*Additional rooms will be ½ of the regular rate.

Category I: City Use (Includes organizations that City is a member of or has a member of the Council or staff sitting on the board or committee).This group has first priority use of the Building.

Category II: Short term and limited use of facilities by government agencies supported by City taxpayers, school clubs and athletic groups that may be sanctioned by a school even if it is not funded by tax dollars, for single-use period of two hours or less in a 60 calendar day period.

Category III: Extended use of facilities by government agencies supported by City taxpayers, schools within City boundaries, school clubs and athletic groups that may be sanctioned by the district even if it is not funded by tax dollars, if a meal is being served, and/or for periods longer than two hours, and/or a regular meeting held more frequently than noted above. (Note: Category II and III are the same groups, the difference is the length of the meeting, frequency of meetings, or if they are serving a meal that determines when a fee is required).

Category IV: Charitable, non-profit, or non-commercial organizations, residents located in or living within City boundaries or for personal use (i.e. family gathering, reception, birthday party, non-profit sport organizations, etc.), and City employees for uses identified in this category.

Category V: Charitable, non-profit, or non-commercial organizations and residents not located or living within City boundaries or for personal use (i.e. family gathering, reception, birthday party, non-profit sport organizations, etc.).

Category VI: Commercial organizations (not permitted to sell products at the event or charge admission).

E. Security Deposits

In addition to the hourly rental fee, any private party use where food will be served or longer than four hours will require a pre-paid security deposit or placing a valid credit card number on file according to the schedule below, which is subject to change by the Council at any time. The security deposit is refundable if City inspection verifies that no Building or property damage has occurred, that no City property is missing, that there has been no violation of the rental agreement, and that the Building and surrounding property is left in the same clean and orderly condition as it was delivered. If any damage or mistreatment has occurred, deductions will be made from the security deposit and, if insufficient, the balance will be assessed to the renter. All security deposits and refunds will be coordinated by the Coordinator, who will return any unused security deposit within two to three weeks after the renter's event has taken place.

Security Deposits may be paid by credit card or cash.

	Resident	Non-Resident
Less than 50 Occupant Use	\$50	\$100
More than 50 occupant Use	\$200	\$250

F. Cancellation Policy

A full refund of the rental fee and security deposit except for a \$15 administration fee will be made if the reservation is canceled at least two weeks prior to the scheduled event. A refund of 50% of the rental fee and 100% of the security deposit will be made if the reservation is canceled less than two weeks before the event. City shall not be liable for damages to any individual(s) or group(s) if the premises are not available for use for any reason, including as a result of mis-scheduling, emergency, force majeure, or any other reason, whether or not due to City's own actions or omissions. If City cancels a renter-scheduled event, City's liability shall be limited to a obligation to promptly refund any rental fee and security deposit previously paid.

G. Equipment

Rental fees include the use of a tables, chairs, microphone, A/V system and kitchen equipment (if the kitchen is rented). Upon request, easels may be reserved. Renter is responsible to determine if the quantity and quality of available City equipment is sufficient for Renter's event. Renter is responsible for the cost of renting additional equipment if City equipment is insufficient. Poster boards, markers and other expendable items will be provided by Renter.

H. Food & Beverages

Food and beverages may be served in the Building so long as the food is pre-prepared. City must be notified at the time of booking if the renter intends to serve food and/or beverages at its event. Renter may use the caterer of its choice. Caterers are responsible for cleaning any areas used prior to leaving and removing food and foodservice equipment or will be billed for cleaning services (unless other arrangements have been made with City staff).

I. Kitchen

The kitchen in the Building is designated only for prepping and warming food. On-site cooking is prohibited, other than use of crockpots. No electric fry pans are allowed. All City-owned

equipment used must be thoroughly cleaned and put away in original location. Propane barbeques must be 25 feet away from all structures. No charcoal cooking is allowed. "Sterno"-type pan warmers or similar warming devices may only be used by professional caterers.

J. Parking Lot, Patio and Landscape

The parking lot is intended for vehicle parking only and patio and landscape areas are intended for pedestrian use. Other uses must be clearly brought to the attention of the Coordinator in the application for consideration. City reserves the right to disallow any use that may inhibit the use of the Building, pose a threat or danger to property or people, or in otherwise be determined unfit for the facility.

Reservation Procedures

A. Application

Anyone wishing to rent an available area of the Building shall submit a completed reservation application form to the Coordinator in advance of the proposed reservation. The reservation application is available on City's website (www.ch.ut.gov) or at City's offices. Reservations may not be made more than 120 calendar days in advance. No use shall be granted in such a manner as to constitute a monopoly for the benefit of anyone, except for City meetings, training and sponsored events. Renters (including any member of the same entity, organization or group) are limited to one rental of the Building per 120 calendar day period. Exceptions may apply if a desired day remains open 21 calendar days or less before the additional desired rental date(s).

The following information shall be provided in the reservation application (an application is required for each event):

1. Name, address and contact information of the responsible party and contact person (the "*Applicant*") for the reservation, who must be an individual over 21 years of age. **The Applicant shall be personally liable for any violation of this Policy during the rental.**
2. Group represented, if applicable.
3. Area(s) of the Building to be reserved.
4. Requested rental date.
5. Total hours to be rented, including set-up and clean-up. All hours must run consecutively.
6. Specific times: to begin set-up, activity beginning time, activity ending time, clean-up complete.
7. Purpose of the meeting or activity.
8. Number of people expected to attend the event. Rentals that pose a risk (large groups, food service, physical activities or games) may be required to provide proof of additional insurance and/or security deposit to indemnify City. The Manager will make this determination during the application review process.
9. Refreshments to be served, including type of drinks. **Alcohol is not permitted in or about the Building.**
10. The Applicant's agreement to be personally liable for any violation of this Policy during use of the rental space (the "*Rental Space*").
11. The Applicant's signature.

B. Confirmation

The Coordinator will have at least seven business days to determine if the Building is available on the date and time requested and whether the proposed use otherwise is permissible. Thereafter, the Coordinator will notify the applicant whether or not the proposed rental has been approved, any special requirements, etc.

C. Payment of Fees and Deposit

Upon being notified that the rental reservation has been approved, the Applicant shall immediately remit the entire rental fee and security deposit to City's business office, coordinating such payment through the Coordinator. No reservation is confirmed until all fees and deposits are paid in full.

Permitted Uses

Rental Space is not a public forum, and City reserves the right to reasonably restrict a Renter's use of the Rental Space to prohibit anything that does not promote the health, safety, prosperity, security, and general welfare of City or its citizens. Rental Space may not be used to conduct meetings or events that are intended for commercial purposes to generate revenue or any type of compensation for the renter or any third party. Rental Space shall not be used for organized political party activities (e.g., political party caucuses), organized religious activities (i.e., church services) or any activity that may directly or indirectly injure or damage any individual or property.

Individuals or groups using the Building also shall comply with the following additional use regulations:

1. Participants and guests shall comply with all applicable laws.
2. No foul or abusive language shall be used at any time.
3. Shoes and shirts must be worn at all times.
4. No gambling, smoking, drugs, or drinking of alcoholic beverages or possession of the same will be permitted at any time.
5. Areas not specifically reserved shall be off limits.
6. No youth activities will be allowed, unless supervised by at least two people over the age of 21.
7. Open flames, sparklers, lighted candles, glitter, rice, confetti, graphite, paints, hay straw, corn stalks, grass, palm fronds and other similar materials are prohibited in the Building.
8. Heavy items must be carried when moved to avoid damage to the floor.
9. City's tables, chairs and other equipment are not to be taken from the Building for any reason.
10. Hallways, exits and other traffic areas are to remain free of tables, chairs, boxes and other items at all times.
11. No nails or tacks may be used in the walls. All decorations and the use of tape must be pre-approved.
12. Pictures, plaques, flags, blinds, light fixtures, furniture, etc., are not to be removed or rearranged unless pre-approved.

13. Participants and guests are to remain in the Rental Area. Children must be supervised at all times by a responsible adult. The Applicant is responsible for the conduct of all participants and guests.
14. Except for certified service animals, pets or animals are not allowed in the Building.
15. Nothing is to be sold in the Building unless it is part of a City sponsored event.
16. Outdoor structures need prior approval.
17. Colored drinks or beverages/liquids that can stain floor coverings are not allowed.
18. City is neither responsible nor liable for the theft, loss or damage to personal property during the rental.
19. Amplified sound must be maintained at a reasonable level which would not disturb neighbors or staff.

Care and Cleaning

Use of the Rental Space constitutes the Applicant's agreement that it was clean, in good working order, and in satisfactory condition at the commencement of the rental. Any City staff monitoring the rental are provided at City's cost for supervision only and do not provide janitorial services or cleanup for purposes of the rental. Instead, the Applicant is responsible for thoroughly cleaning the Rental Space and any other portions of the Building or grounds affected by the rental (e.g., the parking lot), including by removing all foreign matter, garbage and debris and depositing it in the appropriate outside receptacles. If the kitchen area is used, all appliances, counter tops, sinks and floors must be properly cleaned and put away. City staff will determine whether the cleaning, etc. has been properly performed.

Liability, Loss and Damage

The Applicant has liability for the use of the Building and shall indemnify and hold City harmless for acts conducted by or injuries, claims or damages incurred or asserted by the Renter or its attendees. Groups of 50 or more that are serving food, playing games or other activities that may increase risk may be required to provide a certificate of insurance to indemnify City against claim.

Any damage to the Building or any conduct which does not strictly adhere to this Policy shall constitute grounds to immediately terminate current and future use of the Building for that individual or group. The Applicant shall be personally liable for any damage or loss to the Building, grounds, furnishings and/or equipment beyond normal wear and tear, and immediately shall report such damage to City.

Access to Building

Access to the Building will be controlled by assigned City staff and a City staff member must be present in the Building throughout the time it is occupied by a Renter. Keys will not be provided to the Applicant. Blocking doors open or bypassing locks and security systems will result in the forfeiture of the security deposit and may incur additional liability and damages.

Minutes of the Cottonwood Heights City Council to discuss the Facility Use Policy and associated rate schedule:

July 19, 2016 City Council Work Session

b. Policy on Public Use of the New City Hall Facilities

Bryce Haderlie, Deputy City Manager, led a discussion about a proposed policy governing the public use of the new City Hall facility.

A copy of the DRAFT Facility Use Policy was passed around. Because it is still in draft form it is not yet being released to the public.

Council expressed interest in group rates for rooms.

Councilman Peterson asked about the parking policy for those renting space at new City Hall. Also, would like to see individuals having to sign a rental agreement.

Mayor Cullimore suggested fee waivers for non-profits, for example; or hardships, or even in-kind payment. Also, accept later rentals on the weekends, maybe until 11 pm. The Mayor suggested the use of Council Chambers for larger congregations. The lobby area would only be available if both rooms were rented in conjunction. A fee schedule for room rentals would be appropriate.

Mr. Park suggested that individuals also need to be advised that tables and chairs are limited.

Mr. Park explained that he wants City business to have priority; but individuals can reserve a room up to 120 days in advance.

Councilman Tyler asked about round tables. Mayor Cullimore suggested having an agreement with Diamond Rental, for example, to setup round tables, if needed.

There was some discussion on religious services and the definition of religious services, on sales and changing the name of the “multi-purpose room” to “community room”.

August 9, 2016 City Council Work Session

Deputy City Manager, Mr. Bryce Haderlie, was not prepared to discuss the policy as he intended to have a draft of the policy emailed to Council prior to this meeting. This topic was postponed.

August 16, 2016 City Council Work Session

Policy on Public Use of the New City Hall Facilities

Mr. Bryce Haderlie, Assistant City Manager, lead a discussion about a proposed policy governing the public use of the new city hall facility.

Council Members had some concerns about requiring insurance for events, rental rates and would like a better definition of what is an event and what is a meeting for additional insurance purposes.

The Facility Use Policy was also discussed at the following Council Work Sessions: August 23, 2016, Sept. 6, 2016, Sept 13, 2016, and Sept. 20, 2016.