

MINUTES OF THE CITY COUNCIL MEETING HELD DECEMBER 5, 2006, AT 7:00 P.M., IN THE COTTONWOOD HEIGHTS CITY COUNCIL CHAMBER

MEMBERS PRESENT: Mayor Kelvyn Cullimore, Councilman Don Antczak, Councilman Scott Bracken, Councilman Bruce Jones, Councilman Gordon Thomas

STAFF PRESENT: City Manager Liane Stillman, City Attorney Shane Topham, Deputy City Manager Kevin Smith, City Treasurer Gary Harmer, Finance Director David Muir, Business License Administrator Kory Solorio, Public Relations Specialist Robert Warnick, Planning Director Michael Black

OTHERS PRESENT: Mike Watson, Robby Russo, Larry & Bev Jensen, Ron Fullmer, Don Machin, Tom Haroldson, Scout Master Ron Osborn, Assistant Scout Master Matt Daniels, Nick Anderson, Andrew Sheffield, Andrew Beynon, Montana Smith and Nate Gygi

1.0 WELCOME/PLEDGE/ACKNOWLEDGEMENTS

1.1 Mayor Cullimore opened the meeting at 7:05 p.m. and welcomed those in attendance.

1.2 The Pledge of Allegiance was led by Scout Troop 1004 Senior Patrol Leader, Nick Anderson.

2.0 CITIZEN COMMENTS

2.1 Ron Fullmer said that last week a discussion was held regarding check cashing businesses. He found that West Jordan and South Salt Lake have caps, as well as other regulations. He said that West Valley City is looking at the possibility of prohibiting how close this type of business can be in relation to a high school.

3.0 ACTION ITEMS

3.1 Consideration of Ordinance No. 67 Adopting a Business License Fee Schedule

3.1.1 Mayor Cullimore gave a brief background on the business license fee schedule. He explained that the study the City did indicated that certain businesses in the community required services above and beyond what is normal and it was recommended that those businesses pay a disproportionate fee, an amount of money in addition to the standard required fees. Based on the study, the Council is tasked with setting the business license fees for different kinds of businesses in the City. The City has established a formula to try and recapture 25% of the study's identified disproportionate fees based on a business grouping. The Council recognizes that in so doing it could cause some business license fees to go up exponentially, so a limit was put in place to insure that the average business license fee paid last year, per category, would not increase more than 125%.

3.1.2 Councilman Bracken stated that the solution as proposed makes the fees more equitable among the categories than it currently is. There will be some that see their fees go up more than 25% and some less, but businesses will be paying like fees in the same category.

- 3.1.3 Councilman Antczak said that he believes the data the City has is not sufficient at this time and would like to see more data prior to making this decision.
- 3.1.4 Councilman Jones explained that he believes 125% is too small of a step and would prefer to see a 150% increase. He stated that there is a subsidy by the homeowners, which may be justified, but which has not been discussed. However, the differences are not so significant as to oppose the 125% increase.
- 3.1.5 Councilman Thomas said the Council has spent many weeks on this issue. He pointed out that the 125% will not recouping enough, but it will even out what is paid so that one business in a certain category is not paying significantly more than another business in the same category.
- 3.1.6 Councilman Bracken said that license fee revenue is increased by approximately 15%, the bulk of which is directly attributable to administrative and inspection type fees.
- 3.1.7 Mayor Cullimore noted that the new fees are scheduled to go into effect January 1, 2007. He said that there are differing philosophies and the proposed compromise arrived at a business license fee that is fair and still pro business.
- 3.1.8 **MOTION:** Councilman Bracken moved to approve Ordinance No. 67 subject to deleting the disproportionate fee for pawnbrokers and having a formula approach which would put their fees in line with neighboring cities. The motion was seconded by Councilman Jones.

DISCUSSION: Mayor Cullimore said that there is no prior information on pawnbrokers and the pawnbrokers were not included in the study. He said that the City reviewed the costs of surrounding cities and the fee for pawnbrokers varies. If those fees are averaged, it is almost the same as what is being proposed.

Councilman Bracken said that the number included was a plug number for the lack of data from last year. He said that if the disproportionate fee is eliminated it would reduce the fee to \$430 which is close to what is charged by Sandy City.

VOTE: The motion failed on a vote of 2-3 with Councilmen Thomas, Antczak, and Mayor Cullimore voting no.

- 3.1.12 **SUBSTITUTE MOTION:** Councilman Thomas moved to approve Ordinance No. 67. The motion was seconded by Councilman Bracken. The motion passed on a vote of 4-1 with Councilman Antczak voting no.

4.0 **ADJOURN**

- 4.1 Councilman Bracken moved to adjourn. The motion was seconded by Councilman Antczak and passed unanimously on a voice vote. The business meeting adjourned at 7:31 p.m.

Approved:

Kelvyn Cullimore, Jr., Mayor

Don Antczak, Councilman

Scott Bracken, Councilman

Bruce Jones, Councilman

Gordon Thomas, Councilman