

PARK CITY MUNICIPAL CORPORATION  
PLANNING COMMISSION MEETING MINUTES  
COUNCIL CHAMBERS  
MARSAC MUNICIPAL BUILDING  
OCTOBER 16, 2019

COMMISSIONERS IN ATTENDANCE:

Chair John Phillips, Sarah Hall, John Kenworthy, Mark Sletten, Doug Thimm, Christin Van Dine

EX OFFICIO: Planning Director Bruce Erickson; Hannah Tyler, Planner; Laura Kuhrmeyer, Planner; Mark Harrington, City Attorney

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**ROLL CALL**

Chair Phillips called the meeting to order at 5:35 p.m. and noted that all Commissioners were present except Commissioner Suesser, who was excused.

**PUBLIC COMMUNICATIONS**

There were no comments

**STAFF/COMMISSIONER COMMUNICATIONS AND DISCLOSURES**

Director Erickson appreciated the Planning Commission taking the time to attend this special meeting. This meeting addresses the State regulation changes in the Affordable Housing Plan. Director Erickson requested that the Planning Commission move on this quickly because any delays would affect the ability to bring forward the analysis on Affordable Housing and Accessory Units before the end of the year; as well as the report to the City Council on the GAP Analysis and the economics of developing additional housing, which is due in the first quarter. Director Erickson stated that the consultancy is coming back to meet with the Planning Commission on the analysis.

Director Erickson recommended that the Planning Commission hear the presentation this evening so the Staff could take it to the City Council. They could have a longer conversation about how they are supposed to be delivering housing. Director Erickson recognized that this was an irregular process, but the State Legislature made changes and the City was doing its best to respond.

Director Erickson would make sure the Planning Commission has a quorum for the October 23<sup>rd</sup> meeting. Due to the holiday, there would only be one meeting in November and one meeting in December.

Commissioner Hall stated that two weeks ago she attended Mountain Towns 2030 with Staff in the Sustainability Department and community members from Park City. There

was a lot of talk about cities and municipalities updating their codes to have more sustainable practices. Commissioner Hall requested a Work Session with Luke or someone else to talk about implementing better sustainable practices within Park City. Director Erickson stated that the Planning Department was in the process of doing that now, especially with the Historic District Design Review. He would schedule a work session on a future agenda. Commissioner Hall had spoken with Luke and he was willing to attend a Planning Commission meeting to discuss some of his thoughts.

Commissioner Kenworthy asked for the status for the historic preservation report. Director Erickson stated that Planner Tyler had met with the consultant earlier that day and he expected to have a draft report in a week or two. It would be provided to the Planning Commission after Planner Tyler reviews it.

Planner Tyler reported that she met with Anne Oliver, who was doing the report. Ms. Oliver hoped to have the report completed by the end of this week, which would give the Staff ample time to review it for the November 7<sup>th</sup> City Council meeting.

Commissioner Kenworthy asked if Twisted Branch site visit was scheduled for the Planning Commission. Chair Phillips clarified that at the last meeting the Commissioners heard public input that made them think a site visit would be worthwhile. He noted that City Attorney Harrington had advised the Planning Commission to visit the site as a group and not as individuals.

City Attorney Harrington stated that he and Director Erickson would discuss the public input regarding a site visit and get back with the Planning Commission.

Commissioner Hall stated that he had emailed with City Attorney Harrington about rights-of-way. She noted that the application for 901 Woodside was continued at a previous meeting. After she left the meeting, she wanted to make sure the Commissioners had given the Staff and the applicant proper direction so it would not be continued again. City Attorney Harrington stated that the Staff would cover everything in the Staff report when the application comes back at another meeting.

## **WORK SESSION**

- 5.A 2017 Housing Assessment and Plan Update – the Commission will Conduct a Work Session on Proposed Updates to the 2017 Housing Assessment and Plan, the Moderate Income Housing Element of the General Plan.

Jason Glidden, Housing Development Manager, echoed Director Erickson regarding the quick deadline to submit this Plan to the State. Mr. Glidden recognized Rebecca Ward and Rhoda Stauffer for the time they spent helping to get this completed.

Mr. Glidden stated that during the last Legislative session, the Legislature enacted Senate Bill 34, the Affordable Housing modifications bill, which requires cities to enhance their affordable housing plans. He noted that Municipalities were previously required to have housing plans, but there was very little compliance. The purpose of SB34 is to add more clarity on what the Legislature wanted to see in the plan; and to add more teeth to the Plan. Therefore, State Transit and Transportation Funding was tied to SB34 so those who are not in compliance and do not submit to the deadline are at risk of having the funds reduced or withheld.

Commissioner Thimm asked if it monetarily affects Park City. Mr. Glidden replied that he was asked that same question on the radio, but he had not had the opportunity to ask the Transportation Department whether it has an effect. Mr. Glidden assumed there would be some affect since Park City is funded both federally and by the State.

Mr. Glidden stated that due to the previous requirements, Park City has had a plan for many years. They only needed to modify a few things and to make sure that the Plan was incorporated as part of the General Plan.

Mr. Glidden requested that the Planning Commission review the modified Affordable Housing Plan, provide feedback, and make a recommendation to the City Council to approve the Plan and have it incorporated as part of the General Plan.

Mr. Glidden stated that in 2006 the City Council created a goal of 800 units by 2026. He noted that the Affordable Housing Plan was last updated in 2017. These are five-year plans. Previously, municipalities were required to report back every other year; however, that has been changed to an annual report on the Plan itself and on the progress of the Plan. Mr. Glidden presented a slide showing the goals that were stated in the 2017. He believed the City had done a good job accomplishing many of the goals and making substantial headway on others.

Mr. Glidden clarified the modifications that were made to the Plan to satisfy the requirements in SB34. He stated that the State created a menu of 23 strategies for municipalities to choose from. The municipalities that are required to submit the Moderate Income Housing Plan are required to incorporate 3 of the 23 strategies into the Plan. However, if a municipality has a fixed transit system, the Plan needs to include a fourth strategy. Mr. Glidden remarked that the additional strategy focuses more on developing housing options around transit, which Park City was already doing.

Mr. Glidden noted that housing was included in the 2014 General Plan. Goals 7 and 8 in the General Plan address housing. In addition, there is a strategy that outlines a housing tool kit that they should be using. He pointed out that this was not the first time Park City has tried to incorporate housing and housing strategies and goals into the General Plan; but they need to include the Moderate Income Plan as an appendix into the General Plan.

Mr. Glidden reviewed the Plan and outlined the ongoing strategies. The first is Stewardship of Existing Affordable Housing Inventory. It is important to make sure that the current affordable housing remains affordable and in good condition. The City will continue to review the most recent Housing Resolution, which is the 03-2017, to see where changes possibly need to be made to help incentivize more affordable housing. Another strategy is to update housing deed restrictions, which they already do on a fairly regular basis as new loopholes and provisions present themselves.

Mr. Glidden reviewed the 2020 Goals and Strategies. The first is to build affordable and attainable units on City property through public/private partnerships. They will look into using financial strategies to use Housing Authority bonds to build Housing Authority owned low and moderate income rentals. They were looking to implement zoning incentives for affordable units and new developments. This could include reduced parking for certain affordable housing and amendments to the LMC to incentivize affordable housing developments. The last is to encourage affordable housing near transit. Mr. Glidden remarked that Park City was already doing that by trying to locate all affordable housing within a quarter mile of any fixed transit stop.

Chair Phillips asked if Strategy Three was across all zones. Mr. Glidden stated that they would be working on that strategy with the consultant. He assumed the consultant would have a recommendation on what zones they should be looking at for the most opportunity. However, all zones were up for discussion if needed. He would be better able to address the question when they come back with the report from the consultant.

Mr. Glidden reviewed the implementation timelines. He stated that the goal is to develop another 58 ownership units and 70 rental units by 2022. The development of the financial strategy is the purview of the Housing Authority and their ability to bond. It was targeted to be completed by the end of 2020 and it would be overseen by the Nate Rockwood, Director of Redevelopment and Capital Management. Mr. Glidden commented on zone incentives. He expected the final report from the consultant in the next few weeks and he will come back to the Planning Commission and the City Council to report their findings. At that point they can start the process of changing the LMC. The Staff will make recommendations for the Planning Commission for discussion. The goal is to have the LMC amended by the end of 2020. The LMC

would be overseen by Planner Hannah Tyler. Mr. Glidden stated that the last one, which is to encourage the affordable housing near transit, will be ongoing. It plays well into other critical priorities and goals of the City in terms of transportation and energy.

Mr. Glidden commented on the procedures. He was looking for feedback this evening from the Planning Commission. The Commissioners should conduct a public hearing, make any modifications they deem appropriate, and forward a recommendation to the City Council. It would then go to the City Council on November 7<sup>th</sup> for input and further modifications. The City Council would then adopt the Plan as part of a resolution.

Mr. Glidden summarized that the Plan must be adopted by the City Council and reviewed on an annual basis. He noted that the Planning Commission could expect to see the Plan every year and provide feedback on an annual basis. The Plan then needs to be filed with the State. Mr. Glidden remarked that the Cascadia Report will be another opportunity for the Planning Commission to address possible changes to the LMC.

Commissioner Thimm asked if there was a difference between Moderate Income Housing and Affordable Housing. Mr. Glidden replied that the only difference is how the State defines the two. The State defines Moderate Income Housing as 80% AMI and below; which is how Park City defines Affordable Housing.

Commissioner Thimm referred to the 80% AMI and asked if there was anything in the Plan to look at more deeply targeted affordable housing in Park City below 80% AMI. Mr. Glidden stated that part of the reporting is that the State has a spreadsheet that helps calculate the housing need. It breaks it down from 80%, 50%, and 30% and provides a better idea of the need at different levels. It will help the City target those levels in future developments.

Commissioner Thimm asked if Park City's Plan would ultimately start to look at the different levels. Mr. Glidden answered yes. Director Erickson stated that they would start to see the Housing Team drive additional rental housing forward as opposed to trying to for-sale housing at the 80% and 90% AMI. Director Erickson anticipated seeing the lower ends of the AMI with rental units. He noted that the Finance Department of the City was trying to decide where the funding will come from, and how the Housing Teams will move that money through the system. The question is whether or not the City wants to be the owner or manager of rental housing for the lower AMIs. Director Erickson stated that Mr. Glidden would be coming forward with a different type of housing to support a slightly higher AMI in an effort to consider the mid-level professional that cannot meet the normal rental costs. He anticipated that this time next year they could be talking about 110% AMI.

Commissioner Hall referred to the older deed restricted units from the 1997 era, and asked if they were able to rectify some of those deed restrictions that have issues. Mr. Glidden replied that one goal addressed was the buyback program. The program was successful but it took a lot of resources of both the Housing and Legal Staff. Mr. Glidden stated that they were able to find a better way through a straw sale. He explained that as it passes through the City they can update the deed restrictions before it goes to the next buyer. Mr. Glidden remarked that any time someone notifies the City that they are selling an affordable unit, they look at the deed restrictions to see which version they have. He remarked that the majority coming through currently are the older ones that will be updated as they come through.

Commissioner Hall wanted to know how the goal for 15% of the City's workforce is defined. Mr. Glidden replied that it is the workforce of Park City that works within the City limits. Commissioner Hall asked if there were goals for the City Staff to live within the City limits. Mr. Glidden stated that there were no specific goals internally for strictly City government employees. They were more focused on the 15% general Park City population.

Director Erickson stated that it was an ongoing conversation between the Planning Department, Housing, and the Legal Department in trying to comply with the Fair Housing Regulations in holding back units for a particular class or workforce. Director Erickson emphasized that he, Planner Tyler and Mr. Glidden are having the conversations to make sure they are meeting the Fair Housing goals.

Mr. Glidden remarked that the City wants to be a leader in this as well. If they want other employers in the area to provide workforce housing the City should be doing it too. He noted that in looking at the calculations, the City was currently above 15% of employees that have housing.

Commissioner Sletten noted that the Blue Ribbon Housing Committee tried to look at those areas. However, the legal aspects of creating separate class precluded going in that direction.

Commissioner Hall wanted to know how it works with the Superintendent, and whether it is part of an employment package. City Attorney Harrington stated that Fair Housing is just a part of the analysis but not necessarily a barrier. It is a combination of things. The City operates both as an employer with its own internal policy, that is separate from the regulatory. There are several programs available and all have different tax consequences. Mr. Harrington stated that the City Council continues to look at bringing a more specific goal in line. The program has been expansive and there is a balance.

There is a perception that if the City over-allocates public money for solving its own problem, it creates a different inequity. The City Council is sensitive to that perception.

Chair Phillips understood that Cascadia had already given one report to the City Council. Mr. Glidden stated that Cascadia reported back to the City Council last month. He remarked that the City Council was most interested in the financial side and whether this will work. Cascadia looked at the GAP analysis financially and created a financial tool for the City. It provides insight on how the Planning Commission will want to make recommendations moving forward on possible changes and whether they will be effective. Director Erickson commented on the time Cascadia spent meeting with local developers, local builders, and construction and finance people; and understanding and managing the capital costs inside of that model to make sure it was appropriate for Park City.

Planner Tyler noted that the Cascadia reported to the City Council on September 12<sup>th</sup>. It was the first work session item if any of the Commissioners wanted to listen to the recording of the meeting.

Chair Phillips clarified that the City Council would lead the policy direction and the Planning Commission would assist with the LMC changes and provide input.

Commissioner Kenworthy looked forward to the report and doing all they can to help make public/private work. The burden on City Hall is overwhelming and they need a balance that makes it financially feasible for developers to help with the situation.

Chair Phillips stated that he has seen recent information about other cities that have the same issues of gentrification, affordability, and shortage of housing. Those cities are getting aggressive in certain ways and looking at things differently. Mr. Glidden stated that Cascadia will come with a toolbox with a variety of tools; and look at what tools are appropriate and where they are appropriate. They may be appropriate in certain zones and in appropriate in other zones. They can have that conversation when they get the report.

The Planning Commission adjourned that work session and moved into the Regular Agenda.

## **REGULAR AGENDA - DISCUSSION/PUBLIC HEARINGS/ POSSIBLE ACTION**

**6.A. 1201-1299 Lowell Avenue – Master Planned Development Modification – Ratification of Modified Development Agreement for King’s Crown Master Development Plan. (Application PL-19-04213)**

Planner Laura Kuhrmeyer reported that the Planning Commission reviewed and approved this item on May 22, 2019. The purpose this evening was to ratify the Development Agreement.

The Staff recommended that the Planning Commission ratify the Modified Development Agreement for King’s Crown Master Development Plan as written in the Staff report.

Chair Phillips opened the public hearing.

There were no comments.

Chair Phillips closed the public hearing.

MOTION: Commissioner Thimm moved to RATIFY the First Amended Development Agreement for Kings Crown Master Development Plan to memorialize the MPD Approval granted by the Planning Commission on May 22, 2019; consisting of 27 market rate single-family lots; 33 market rate condominium units; 8 deed restricted affordable housing condominium units; and 8 additional non-required deed restricted affordable housing condominium units. Commissioner Kenworthy seconded the motion.

VOTE: The motion passed unanimously.

**6.3 2017 Housing Assessment and Plan Update – The Commission will Conduct a Work Session and Public Hearing on Proposed Updates to the 2017 Housing Assessment and Plan, the Moderate Income Housing Element of the General Plan**

The Planning Commission discussed this item during the Work Session.

Chair Phillips opened the public hearing.

There were no comments.

Chair Phillips closed the public hearing.

MOTION: Commissioner Thimm moved to forward a POSITIVE recommendation to the for the City Council's consideration to adopt the 2020 Housing Assessment Plan as an addendum to the 2014 Park City General Plan at the City Council meeting on November 7, 2019. Commissioner Kenworthy seconded the motion.

City Attorney Harrington noted that the motion should also include approval of the 2017 Assessment Report since both reports were attached as exhibits.

Commissioner Thimm amended his motion to include the 2017 Housing Assessment Report. Commissioner Kenworthy accepted the amendment to the motion.

VOTE: The motion passed unanimously.

The Planning Commission Meeting adjourned at 6:15 p.m.

Approved by Planning Commission: \_\_\_\_\_