PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
OCTOBER 13, 2011

Present: **Mayor Dana Williams; Council members Alex Butwinski; Joe Kernan; Cindy Matsumoto; Dick Peek; and Liza Simpson**

Tom Bakaly, City Manager; Mark Harington, City Attorney; Michael Kovacs, Assistant City Manager; Thomas Eddington, Planning Manager; Jonathan Weidenhamer, Economic Development Manager; Bret Howser, Finance Manager

Alison Butz, Historic Park City Alliance

1. Council questions/comments. Liza Simpson reported on a Mountainlands Community Housing Trust meeting and Dick Peek on a Historic Preservation Board meeting. Cindy Matsumoto reminded the public that October is Domestic Violence Awareness Month. She attended the Habitat for Humanity fund-raiser. The Mayor congratulated Heber City on its first natural gas pump station and commented on how well the Bonanza Drive project is coming along.

2. Debrief on field trip and discussion of potential sale of Park Avenue properties. Michael Kovacs noted that the Council has just visited the site and last week the HPB toured the property. Some immediate repairs may include the roof, doors, access, and possibly interior mold. The City will submit a HDDR application for planning staff review. A RFP draft will return to Council in a couple of weeks. He pointed out that the project poses three competing City goals. The RDA has a financial interest in the property totaling $800,000; and the City has attainable housing and historic preservation goals. He spoke about creating a RFP to try to balance these interests or a RFP focusing on the treatment of the historic homes.

Mayor Williams commented on the number of additions made to the homes over the years. Thomas Eddington advised that the residences are considered significant structures not landmark. Mr. Kovacs noted that a requirement for a preservation plan could be included in the RFP and Thomas Eddington advised that the structures cannot be moved according to the 2009 Historic Preservation Guidelines. Mayor Williams felt the City should abide by the same standards expected by the public and Cindy Matsumoto added that the outbuildings need to be addressed now. Thomas Eddington agreed and stated that additions are allowed to be removed. Dick Peek pointed out that the original siding can usually be found under the layers of additions. Ms. Matsumoto believed they look like typical Park City homes and prefers a more complicated RFP. Mr. Peek stated that he has renovated a number of houses in Old Town in far worse condition and one project became a landmark property; it is doable but challenging. Liza Simpson asked if there are soil issues and Mr. Eddington replied that the soil has not been tested.

She asked for clarity on the HPB's comments on TDRs and Mr. Eddington felt the HPB was referring to the TDR Ordinance implemented last March, allowing for the transfer of development rights from historic properties that don't maximum their footprints. Mr. Kovacs believed that if the Council wants the homes restored but leaves the remaining property as is, a transfer of the density on the back could be applied somewhere else in town. Liza Simpson referred to the analysis section of the staff report and a statement that says the City has a goal that involves areas outside Park City's jurisdiction . . .*in boosting the in-City population while discouraging development in currently undeveloped areas in Summit County such as along and behind US40.* She stated that she is unaware of this City goal. Michael Kovacs explained that Summit County has conducted a study on TDRs and a presentation will be given to the Planning Commission. If attainable housing is not built in the City it will be provided in the County.

Tom Bakaly asked if members are comfortable with disassembling the structures. Thomas Eddington explained that disassembly was previously known as panelization and he explained the goal of salvaging historic elements. Reconstructions involve demolition and reconstruction of the structure to the original design and a disassembly or reconstruction approach is determined during the HDDR. He encouraged proceeding with a RFP and judging the submitted preservation plans. The three criteria in the Code for reconstructions include the Chief Building Official deeming the structure dangerous and determining the building cannot be made safe or serviceable through repair, and rebuilding some of the form features as part of a newly reconstructed project.

Michael Kovacs interjected that what happens to the houses will be driven by use. Dick Peek stated that the walls are plumb and aren't racking and in his opinion, the houses can be rehabilitated. He reiterated that the walls are vertical and are not buckling under the windows; it is a simple but technical construction involving lifting the houses up, pouring the foundations, and restructuring and reusing the houses. He pointed out that the most extreme option is reconstruction, the second is disassembly, and the third is using the existing structure in its current configuration and restructuring it as needed based on a structural engineer's assessment. The latter is the condition he views the houses. Thomas Eddington explained that that would be straight rehabilitation of the existing structures which is the preference according to the Department of Interior, second is disassembly and third reconstructions. The decision is based on the HDDR, the submitted proposal and preservation plan. Mark Harrington stated that members can decide to require rehabilitation. Cindy Matsumoto agreed with Mr. Peek that rehabilitation is possible and a preference for this approach could be included in the RFP, but it is difficult to know what the challenges are until construction begins. Dick Peek stated that the result is based on the motivation of the owner.

Tom Bakaly emphasized that if there is a preference for rehabilitation which is the most expensive, the bid price will be lowered and the subsidy from the City will be higher. He noted that the recommendation could be reconstruction in compliance with the LMC but as owner, the Council can request a preference for rehabilitation which is a higher standard than what the Code provides. Cindy Matsumoto argued that the first choice is rehabilitation and the City asks homeowners to spend more. Mr. Bakaly explained that as an owner, the Council can request something more restrictive and there will be a cost implication. The Mayor invited public input.

Craig Elliott, architect, acknowledged the question to request additional restrictions over and above the requirements placed on individual property owners. There are different ways to address individual properties like rehabilitate, renovate, reconstruct, panelize and each property has its unique conditions. Park City is a leader in creating new product for historic properties and the reason options are in place is to allow identification of the issues. It is impossible to determine now the condition of the structure and whether it can be saved. If it cannot be saved but the Council requires rehabilitation, the expense becomes exorbitant. Mr. Elliott spoke about trying to save the old Park Avenue boarding house but because of the extent of rot, panelization was necessary. He felt that making a decision to add additional requirements over and above what the Code requires, would be a mistake because of the unknown and unforeseen conditions. The unknown will also affect how people respond to the RFP and the ability to meet Council's goals and criteria as far as affordable housing. Cindy Matsumoto again pointed out that rehabilitation is what the Code prefers. Mr. Elliott agreed and believed that staff does an excellent job in determining the approach.

Katherine Matsumoto-Gray, HPB, stated that she is happy to answer any questions regarding the HPB's position. The group's discussion centered on saving the structures and discouraging panelization or reconstruction. They are significant structures with the potential of becoming landmark status and eligible for the National Historic Registry. Once the panelization or reconstruction happens, that is not an option. The Mayor pointed out that High West Distillery was panelized and listed. Thomas Eddington pointed out that reconstructions are not typically considered as candidates for the National Register. Parts of the High West Distillery project were reconstructed but it was primarily a disassembly and the Department of Interior reviewed the application and agreed to keep it on the National Register of Historic Places. Dick Peek pointed out that the roof and front façade were removed as units, replaced and restructured. He was uncertain about the side walls and whether the siding was placed back on a restructured wall. Tom Bakaly emphasized that the designation was not easy to accomplish and Thomas Eddington explained that a reconstruction wouldn't become a landmark structure. Panelized buildings could be landmarked. Ms. Matsumoto-Gray continued that the character of the historic site includes the space, the land and the small size of the buildings. The size and scale should be compatible with the historic houses in the neighborhood and the HPB believes that any new construction should be the size and scale of the existing structures to compliment them. The ratio of built and unbuilt space on the land contributes to the character and should be preserved and the TDR recommendation emerged as an incentive to rehabilitate.

John Phillips, contractor, agreed with Mr. Elliott's comments. He feels confident that the buildings can be rehabilitated. It would be best for the City to do the project and set an example for the community. The property could be sold to someone with different motivations than what the Council expects. The property is on Park Avenue and very visible and a well done restoration would be ideal.

Judy McKie, HPB member, agreed with Mr. Phillips and stated that this would be a great community preservation project. The City has an opportunity to show Park City what preservation is and the land presents a great opportunity for a community garden.

Dick Peek suggested removing some uncertainty by remediating the asbestos siding and making any exterior repairs that need to occur to keep the structures weather-tight and dry. Michael Kovacs interjected that the co-housing group is waiting for the City to make a decision with a timeline this spring. Cindy Matsumoto understood that the asbestos siding is protecting the original siding. Mr. Peek discussed the properties of asbestos and felt that removing it will improve the investment value because it removes uncertainty for the owner and provides information for the HDDR whether the buildings should be rehabilitated or disassembled. He asked how soon a RFP could be released to remediate the asbestos. Tom Bakaly understood that the suggestion is spending some money to help preserve the structures with rehabilitation being the answer. Ms. Matsumoto stated that she is not as concerned about the asbestos as she is about the roof.

Liza Simpson stated that the City bought the two properties for $800,000 with the understanding at the time that because of the size of the lots and the lack of historic buildings in the neighborhood, that there would be no problem moving the historic houses. The idea was to move the houses forward but still have them fit in their historic context on the lot. She recalls a discussion where they could be picked up, turned around and oriented to Sullivan Road. The intention was to gain a large piece of land for uses by the community. There was discussion of a community garden and much more discussion about affordable or attainable housing of some sort. She added that since that time, it has been established that the houses cannot be moved and she asked if the back half of the lots can be subdivided into parcels, and separated from these historic buildings. As wonderful as it would be for the City to rehabilitate the homes, she pointed out that the City has already spent $800,000 for the two properties which is something everyone needs to keep in mind. The current Historic Design Guidelines and the HDDR process already prioritize rehabilitation. However the Council decides to move forward, she is comfortable with the City going through the same process that all others have to go through. If Council was making a decision on the RFP tonight, she would select the submittal balancing community goals.

Alex Butwinski agreed with Ms. Simpson’s comments and appreciated the background information on why the City bought the properties. He asked for confirmation that the houses cannot be moved. Thomas Eddington explained that the initial HDDR based on information submitted at that time did not recommend movement. Moving or reorienting the structures could be considered if it abates demolition or other unique conditions but he doesn’t have the notes from the meeting. Mr. Butwinski expressed that *it is easy to* *spend other people's money* and the City's number one goal should be recovering the money spent on the acquisition which sounds like the plan when the property was purchased. Money is important here and if the conditions on the RFP are too strict, the costs become astronomical for bidders and he can't support that. Mr. Butwinski expressed his frustration that the City let the properties go into further disrepair for two years and at this point, the City may need to shore up the buildings to dry them out. The goal should be recovering the investment

Thomas Eddington noted that the property can probably be subdivided into six lots with the historic homes on their own lots. If the houses cannot be moved, there would be four lots left. Cindy Matsumoto pointed out that the preference in the Guidelines is rehabilitation so she didn't feel the Council is asking a potential buyer to go above and beyond the standard. There was consensus to arrest the current deterioration and Mr. Bakaly explained that the plan was to shore up the buildings but it sounds like the Council wants more than that. Ms. Matsumoto didn't feel the asbestos siding needs to be removed.

Liza Simpson addressed the HPB's letter and to say that the City ignored the property for two years is not accurate. They do not look much different than they did when they were acquired. Tom Bakaly expressed that it seems that the majority of members want a balanced approach RFP. Joe Kernan noted that he doesn't have a problem with allowing people to propose what they want to do because it is additional information which can be helpful.

Mark Harrington cautioned that Council has its most control over the outcome now and he is hearing many assumptions on outcomes. If three members have a clear preferred outcome of rehabilitation, he advised specifying that in the RFP and not basing it on an assumption. If other priorities are in play and there is lack of information and members want to see all possibilities, then go with a modified first RFP or the second one which will clearly give the most flexibility. If the desired outcomes are known, specify them. If there is not enough information, then wait and get the information and then specify. If Council does not know and wants to consider everything, then do the second RFP. Moving the houses was again addressed and the Mayor stated that he is opposed to moving them because it conflicts with our Guidelines. Liza Simpson reiterated that she voted to purchase the property based on the fact that the houses could be moved. Tom Bakaly asked members if they would consider reconstruction. The Mayor, Cindy Matsumoto, and Dick Peek expressed they want to see rehabilitation.

Liza Simpson confirmed that the majority would not consider reconstruction or disassembly regardless of the recommendation, and prefers imposing the highest form of preservation whether it makes sense or fits the criteria. Dick Peek noted that he is not saying that blindly because he has walked the buildings three times and feels confident that rehabilitation is not an unreasonably high standard. He can support moving them slightly if needed, but orienting them toward Sullivan Road is not acceptable because they are the third and fourth historic homes coming into town. The

Mayor commented on losing historic buildings by allowing reconstructions and he felt the City should set an example and spoke about the renovation of the Marsac Building. Mr. Butwinski stated that he doesn't think the City can afford it. The Mayor felt that by working with the right partners the buildings can be restored and there will be preference to submittals that achieve that goal. He didn't feel the City has to do the restoration and agrees that the City should not do it. He would love to recover the investment. Alex Butwinski stated that it seems the Council is straying from the City Attorney's advice which is to prescriptively say in the RFP that the houses have to be rehabilitated and he is doesn't agree. There could be a preference for rehabilitation but the door should be left open for balancing all of the objectives so that the potential bidder has the opportunity to be creative with the goal of preserving the houses in some way. Joe Kernan felt that if three members want the houses rehabilitated the RFP should specify that. The City Manager stated that staff will return with language that reflects this.

The Mayor suggested that Council discuss whether the City wants to hold onto the property and doing the restoration project itself. Ms. Simpson stated that she has no desire to keep the property. Joe Kernan felt that the houses should be restored properly because of their visibility. Ms. Simpson commented that she would rather leave the determination to the HDDR and the City Manager pointed out that Council can accept or reject bids.

3. Main Street branding. Jon Weidenhamer spoke about the City's relationship with the HPCA who has forwarded a formal request to recognize the name change from the Main Street Historic Business Alliance to the Historic Park City Alliance, specifically referring to the business area as *Historic Park City.* The HPCA does not want to jeopardize the name of the Park City Main Street Historic District on the National Historic Register but are asking for a change in philosophy. He displayed current way-finding signs which are worded differently and the request is to change references to *Historic Main Street* to *Historic Park City*. Staff is recommending that from a professional planning standpoint that there be no change and the words *Main Street* remain. HPCA has done research which supports them in its desire to re-brand from other commercial areas.

Alex Butwinski recognized the pros in the name change and re-branding and felt that signs should be consistent. As a compromise, Jon Weidenhamer suggested a sign that says Historic Park City with bullets underneath that indicate Resorts and Main Street. Ms. Butz explained that the HPCA is not asking to take the signs off of Main Street but are looking to establish an umbrella name for the district because businesses are located on Heber Avenue, Swede Alley and Park Avenue. Liza Simpson stated that she is comfortable with staff's compromise suggestion but not removing Main Street from way-finding signs for visitors. Cindy Matsumoto emphasized that the HPCA is a business alliance and Main Street is an historic district. They are separate and different and she hates to get rid of the use of *Historic Main Street* . Dick Peek supported a cohesive marketing approach but questioned if Historic Park City is too vague because the core is Main Street and Swede Alley, Park Avenue and Heber Avenue feed off of Main Street. The Mayor expressed that the majority is comfortable with the compromise.

Sandra Morrison, Director of Park City Historical Society, stated that changing the wording on way-finding signs does not affect the National Register of Historic Places designation. She supported the HPCA in its branding efforts.

4. New budget proposal. Bret Howser referred to specific goals developed recently, including being more collaborative and taking the principles learned from budgeting for outcomes and applying those in an on-going manner. Priority based decision making is inherent to a sound budgeting process and it is recommended to better integrate performance measurements as well as building accountability and efficiencies. The process should address long-term issues and short-term priorities. He discussed meeting with staff at Fort Collins on its experience with budgeting for outcomes. Fort Collins produces a budget on a two year cycle to best accommodate the approach of budgeting for outcomes. He discussed the two year budget cycle and the timing of elections. The pay plan, service contracts and CIP processes will remain the same but the operating budget will be reviewed as early as November. The technical team will review the methodologies and refine projections before going to City Council. In late November, pre-visioning workshops are suggested where Council has a chance to review the strategic plans for change in direction. After these meetings, staff will start to develop bids for programs. He explained that the results team then has a couple of months to review, negotiate and prioritize the bids. The executive budget team reviews the recommendations of the results team to make sure they align with Council's goals. Mr. Howser stated that budget hearings are held in May and June. He compared accepting bids as operating on contracts the first year and modifying the scope with change orders the second year. He spoke about using these techniques for carbon reduction.

Alex Butwinski complimented the budget staff on its hard work and Joe Kernan liked the concept of the technical team. Dick Peek stated that he attended the Fort Collins meetings and Bret Howser has done a good job in applying this approach.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
OCTOBER 13, 2011

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, October 13, 2011. Members in attendance were Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Mat Evans, Planner; Thomas Eddington, Planning Manager; Max Paap, Special Events Manager; and Jon Weidenhamer, Economic Development Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Leadership Class Civility Awards – John Davis, Leadership Class XVII, described the purpose of the program and selecting civility as a project. The Everyday Hero Award went to Lee Whiting**,** the Teen Award to Jack Lambert, Alma Armendariz was presented with the Community Award, and former City Council Member Candy Erickson was posthumously awarded the Public Service Award.

III PUBLIC INPUT *(Any matter of City business not scheduled on agenda)*

For-hire Vehicle Regulations - Michael Horhi, Silver Mountain Transportation, stated that he has one eleven year old vehicle, not meeting Park City's ten year age limit and requested a one year waiver. Mark Harrington advised that the Ordinance had a six month effective date but does not include a grace period like Salt Lake has in place. The Mayor suggested that he work with staff and that Council be updated. Mr. Horhi also encouraged changing the wording to taxi rather than for-hire on the license because the designation of taxi is recognized by the Salt Lake Airport.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF SEPTEMBER 29, 2011

Alex Butwinski, "I move we approve the work session notes and minutes of the meeting of September 29, 2011". Liza Simpson seconded. Motion unanimously carried.

V CONSENT AGENDA *(Items that have previously been discussed or are perceived as routine and may be approved by one motion. Listed items do not imply a predisposition for approval and may be removed by motion and discussed and acted upon under "Additional Discussion – Agenda Items")*

Alex Butwinski stated that he has questions on Item 2. Joe Kernan, "I move to approve Consent Agenda Item 2". Liza Simpson seconded. Motion unanimously carried. In response to questions from Mr. Butwinski, Jon Weidenhamer explained that the scope has been expanded to facilitate additional joint work sessions with the Planning Commission. Mr. Butwinski emphasized that the original plan was three meetings not five and he encouraged that contract services not serve as a crutch for officials. Liza Simpson, "I move that we authorize the City Manager to execute an amended contract with czb LLC in the amount of $36,000 for a total amount of $74,683". Cindy Matsumoto seconded. Motion unanimously carried.

1. Consideration of authorizing the City Manager to execute an amended contract for the Balanced Growth Management Study with czb LLC in the amount of $36,000 for a total amount of $74,683 – See staff report and comments above.

2. Consideration of the appointment of Election Judges for the Municipal General Election to be held November 8, 2011 – Staff recommends approval.

VI NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of a Resolution proclaiming October 25, 26 and 27, 2011 as "*Cares Enough to Wear Pink Days"* in Park City, Utah – Heidi Hewitt spoke about the history of Pink Heals and starting a charter in the Park City area. The Mayor acknowledged that all funds raised by Pink Heals stays in the community and that the City will participate in the event. Liza Simpson, "I move we approve a Resolution proclaiming October 25, 26 and 27 as Cares Enough to Wear Pink Days". Cindy Matsumoto seconded. Motion unanimously carried.

2. Consideration of a Master Festival License for Schirf Brewing for amplified music and use of City Park on October 15, 2011 from 11 a.m. to 6 p.m. - Max Paap explained that the one day event programs the gazebo area and requires a MFL because of the requests for amplified music, large crowds, and use of City property. The Mayor opened the public hearing; there were no comments.

Liza Simpson, "I move we approve the Master Festival License for Schirf Brewing for amplified music and use of City Park on October 15th from 11 a.m. to 6 p.m.". Joe Kernan seconded. Motion unanimously carried. Greg Schirf expressed his appreciation of Council's support; it will be a fun event for everyone.

3. Consideration of a Resolution commemorating the Wasatch Brewery 25th Year Anniversary in Park City, Utah – The Mayor read the Resolution. Greg Schirf stated that the 25th Anniversary of the Brewery is possible because of the partnership formed with the City when the property was purchased from the RDA in 1987. He encouraged the Council to continue to look at other RDA opportunities. Cindy Matsumoto, "I move approval of a Resolution commemorating the Wasatch Brewery 25th Year Anniversary in Park City, Utah". Dick Peek seconded. Motion unanimously carried.

4. Consideration of an Ordinance approving the Second Amendment to the Shadow Ridge Condominiums Record of Survey Plat, located at 50 Shadow Ridge Drive, Park City, Utah – Mat Evans described the application involving five changes to the existing condominium plat. The first is to divide the existing Unit 4119 into four separate units. It is a 6,217.4 square foot non-residential condominium unit designated as private area. The second change is to combine the existing Unit 4119A with Unit 4119D. The third change is to convert the private area to common area into four smaller units. The fourth change is to convert the private area to common area in Units 4004 through 4006 and the fifth change is to show the location of the 90 existing parking spaces on site as limited common area on the two lower areas. Mr. Evans emphasized that the plat amendment does not change any allowed uses within the building. There are no exterior changes or additional square footage added. The Planning Commission recommended approval. Alex Butwinski disclosed that his nephew is a tenant of Shadow Ridge.

The Mayor opened the public hearing; there were no comments and the public hearing was closed. Liza Simpson, "I move we approve an Ordinance approving the Second Amendment to the Shadow Ridge Condominium Record of Survey Plat located at 50 Shadow Ridge Drive, Park City, Utah". Cindy Matsumoto seconded. Motion unanimously carried.

5. Consideration of an amendment to the Fee Resolution, Section 1, Construction and Development Related Fees, adding a planning service for determining non-conforming uses/non-complying structures and associated fees and repealing and replacing Resolution No. 15-11 in its entirety – Thomas Eddington explained that the amendment is needed to insert a fee for non-conforming uses and non-compliant structure review. The fee is $100 which is the minimum charged for a review. There is a separate $300 fee in the event and application goes on to a Board of Adjustment hearing. The Mayor opened the public hearing; there was no input and the public hearing was closed. Cindy Matsumoto, "I move to approve Agenda Item No. 5". Joe Kernan seconded. Motion unanimously carried.

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

With no further business, the regular meeting of the City Council was adjourned.

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 2 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Joe Kernan, Cindy Matsumoto, Dick Peek, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Jonathan Weidenhamer, Economic Development Manager; Tom Daley, Deputy City Attorney; Diane Foster, Sustainability Manager; Joan Card, Environment Regulation Manager; Jim Blankeneau, Environmental Regulation Analyst; Michael Kovacs, Assistant City Manager; Heinrich Deters, Trails Manager; Thomas Eddington, Planning Manager; and Mark Harrington, City Attorney. Cindy Matsumoto, "I move to close the meeting to discuss property and litigation". Dick Peek seconded. Motion carried unanimously. The meeting opened at approximately 3:30 p.m. Liza Simpson, "I move to open the meeting". Alex Butwinski seconded. Motion unanimously carried.

The meeting for which these minutes were prepared was noticed by posting at least 24 hours in advance and by delivery to the news media two days prior to the meeting.

Prepared by Janet M. Scott, City Recorder

PARK CITY SUMMIT COUNTY UTAH CORPORATE Seal MARCH 1, 1884

Janet M. Scott, City Recorder