PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
SEPTEMBER 30, 2010

Present: **Mayor Dana Williams; Council members, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson**

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Matt Cassel, City Engineer; Shelly Hatch, Finance Analyst; and Kent Cashel, Transportation Manager

Matt Ripken, InterPlan

1. Council questions/comments. Several members commented on the Summit Land Conservancy breakfast. Candace Erickson invited the public to the Scarecrow Festival now on display at the Farm. The Friends of the Farm will hold its annual retreat on Saturday morning. She discussed being liaison to Mountainlands Community Housing Trust and becoming familiar with related financing and tax credit methods which can be quite complicated. Alex Butwinski reported on attending the SLC breakfast and KAIST meetings. The Art Advisory Board met on the selection process for artwork for the Marsac Building entrance; the number of submittals was unprecedented. Cindy Matsumoto pointed out the quality of the SLC fund-raiser which gave her more confidence in the organization. Liza Simpson stated she attended the affordable housing committee meeting at the Park City Board of Realtors. She understood that a draft of the housing needs report will be distributed to Council in the next few weeks. Ms. Simpson encouraged staff to get the home owner meetings on the City's website.

Mayor Williams explained that KAIST stands for the Korean Institute of Technology who is a partner in the electric trolley demonstration project. He suggested exploring ways to offset the impacts of coal to generate electricity. There was a suggestion that Park City establish a sister-city relationship with our Korean counterpart, but the Mayor felt that a technological relationship would be more appropriate. Alex Butwinski felt this is a great opportunity for the community.

2. Traffic and Transportation Master Plan. Matt Cassel explained that the master plan project has been in the works for five months and staff wants to ensure it reflects Council's direction with regard to goals and objectives. He pointed that some numbers in the draft document have not been finalized. Consultant Matt Ripkin interjected the importance that goals are able to be measured. A public open house will be held Tuesday night at Eccles at 4:30 p.m. to 6:30 p.m. where staff is hoping to receive feed-back on the goals, cross-sections, and alternatives. Liza Simpson referred to the street cross-section standards and asked that there be some detail on Old Town streets as built regardless of the right-of-way. Matt Cassel discussed creating a prioritization list and a list of improvements relating to the space available on the street.

Matt Ripken displayed a video and explained the zones in the model. The animation showed a bird's eye view of moving vehicles traveling to and from different zones in the City and Basin under existing conditions on a peak day. The model allows the viewer to sense what would happen if capacity, an HOV lane or more transit were added. Mr. Ripken acknowledged that more work can be done on the model so it is better calibrated but the prototype is close. Matt Cassel pointed out that the model does not show the impact of pedestrians which will be added. The model is based on the number of people, jobs, houses, and parking spaces at the ski resorts and identifying flows to destinations. Mr. Cassel pointed out that rather than interpreting a sheet of numbers, the model mimics the experience on the road without building improvements that may or may not work. Mr. Ripken referred to objectives, targeting levels of activities. Mayor Williams discussed the potential impact of the KAIST project and Mr. Ripken commented on recalibrating the model if there are more hybrid vehicles on the road or if other technology is in place. Mr. Cassel emphasized that this is a good starting point.

Joe Kernan requested information on the success of transit and a comparison of the time it takes to use a car or take the bus, be it in town or Salt Lake, and the percentage of trips using transit and how that changes over time. This would reveal if the use of transit is growing. Mr. Ripken noted that they have some measures and Matt Cassel relayed that people start using transit when it is more convenient than driving a car but this will be difficult to evaluate. Mat Ripken pointed out that this is the first time this has been presented to Council and these comments will be incorporated in the objectives to ensure that the information is meaningful.

In response to a comment from Alex Butwinski about adjusting the model, Mr. Ripken explained that a proposed development could be added to the model to decipher car trips, transit trips, walk trips and the flow of traffic. Mr. Butwinski asked how sophisticated the model is in terms of anticipating time of flows. Mat Ripken relayed that it is their hope that the model will be helpful in the planning process but over time, it may be good to update it every five years to refine and recalibrate. Mr. Kernan felt that this will be an exceptional tool for the Planning Commission in reviewing projects and their impacts on traffic. Matt Cassel addressed Mr. Butwinski's comment. The model reflects life style and spreads the trip patterns over the day with six different trip purposes which may change over time. Nightly rentals and second homes are considered and occupancies are estimated. The Mayor suggested modeling Treasure.

Matt Ripken pointed out that Salt Lake City spent $1 million in 1993 on a model and invests $200,000 annually to update it. Currently, SLC is looking at a $2 million statewide survey to track travel patterns. Park City's project was built under $100,000 and he cautioned that more funding is needed to collect additional data and to build the scripts but this is a great tool and Treasure can be modeled. In response to a question from Joe Kernan, Mr. Ripken explained that the model is driven by dynamic assignment or the fastest path, but there is a way to disable that function and replace it with traffic counts and InterPlan is working on this.

3. Direction on for-hire vehicle licensing. Shelley Hatch stated that Council reviewed modifications to the Code on for-hire vehicles on October 1, 2009. A task force was formed and a meeting was held with operators about separating black car shuttles and conducting a study to determine if there should be a limit of taxis in the City. She listed actions which are not recommended by staff including: payment of referral fees for hotel concierges, require stickers for drop-offs, require for-hire vehicles to have an office in Park City, create a central referral phone system, set-up staging areas, increase enforcement, and franchise the industry (unless studied). Recommendations include prohibiting idling and completing a study.

She explained that Council directed staff last year to form a task force to recommend options for requests for proposals for a study. The composition of the task force was explained. Three companies provided bids ranging from $8,000 to $32,000 and this has not been budgeted, although the Transportation Fund may be a possible source. The task force also looked at how other resort towns license taxis including Aspen, Jackson, Ketchum, Vail and Lake Tahoe. Ms. Hatch discussed her interest in Lake Tahoe's owner's permit. The task force examined Salt Lake City who conducted a study in July 2005 to provide analyses to support revisions in its licensing of the taxi industry. SLC is still experiencing significant problems after the changes have been made and feels its present system is broken. There is still in-fighting between the metered and the non-metered sedans and shuttles operating as taxis. She referred to an article in the Salt Lake Tribune made a part of her staff report. As demonstrated, conducting a study does not guarantee that problems will be solved. Ms. Hatch stated that Public Works studied the taxi zone, Main Street and other locations on several occasions and Building Enforcement and Police conducted a taxi enforcement shift. It was found that taxis double-parked and blocked traffic while waiting for fares.

Ms. Hatch relayed that the task force also reviewed a driver's photo badge but felt it would just be an added expense since driver's licenses are already examined when operators check in for taxi stickers. The committee looked at age limits for vehicles but it was feared that it would place a financial hardship on businesses. Criminal background checks also added to the cost of processing licenses. She recommended holding yearly meetings with the for-hire businesses to educate operators about the City's rules and regulations, including no idling. Educating special event visitors about taxis and what to be aware of is another suggestion. She expressed her interest in exploring Lake Tahoe's owner's permit which requires five years of experience and operators must agree to a background check and drug test. The task force suggests monitoring for-hire impacts on Main Street over the winter and conducting the study.

In response to a question from Liza Simpson, Kent Cashel indicated that he wasn't sure if courtesy vans were observed with regard to traffic circulation. The HPCA has been involved in discussions but he pointed out that staff needs to take a closer look because private vehicles also double-park and contribute to circulation problems on Main Street.

Candace Erickson believed the main objective is to preserve the passengers for the long-term taxi companies in town who are over-run by temporary operations during peak times. She does not support a study because she doesn't feel it has the answers. Shelley Hatch relayed that it appears that each company has its own needs and ideas and she understands their problems but on the other hand, the City must operate legally. Ms. Erickson questioned whether a study would provide anything more than additional restrictions. Ms. Hatch referred to SLC's experience but noted that the study may reveal a concept that hasn't been looked at. The owner's permit is a process originating in California monitored by the state and not cities. She felt it may solve some of Park City's issues, if the City has a problem.

Alex Butwinski expressed he is not convinced that a study is needed because the ordinance can be amended to address some issues. He is more interested in the Ketchum ordinance because of its simplicity. Kent Cashel stated that traffic circulation will be studied in-house since it is really a separate issue. Ensuring quality service and a local healthy industry seems to be the goal and a study would provide information about the level of efficiency of our current process, regulatory options, and the impacts of implementation. If members feel that the City is there, Mr. Cashel agreed that it does not make sense to conduct a study.

Mark Harington interjected that regulations must have a reasonable basis as it relates to health, safety or welfare. Some of the answers may be increased regulation and/or limitations on licenses and having additional facts in the record may justify a business license amendment. The same is true with fees where studies are needed. Principle areas for taxi regulation include public necessity, passenger protection, fares, safety of vehicles, and the economic element of the General Plan which factors in the fairness and equity of providing a level playing field for local businesses. In weighing cost benefits, many small cities choose a free market system. In summation, the City Attorney advised that if it is desired that the ordinance be more aggressive from a regulatory aspect, a study is required. Discussion ensued among members about preferring a free market. Joe Kernan didn't feel that a study will provide an answer about a franchise or free market system. He felt a background check or drug test could be added requirements without spending money on a study. Mark Harrington explained that if Council is not interested in limiting licenses or fares, there isn't a reason to do a study.

Liza Simpson felt it important to separate the problem operators from the regulatory process because they will always be around. She referred to the education option for businesses and suggested that meetings be held quarterly. Education may result in better drivers and service and distributing special events information to visitors is a good idea. Being aggressive in these two areas may make a difference. Cindy Matsumoto brought up the fare issue and Ms. Hatch personally felt that an ordinance would not deter some people from abusing the system. Passengers should take personal responsibility and ask what the fare is if not posted. The information sheet proposed for special event visitors does not require a study to implement. The Mayor commented on complaints he has received about inflated fares and felt that fares should be posted in the taxi. He invited public input.

Donnie Novelle, Park City Transportation, supported placing age limitations on vehicles which would reduce Park City's carbon footprint and keep the Yellow Cabs and City Cabs out of Park City. She referred to a related drug fatality last year and strongly suggested a drug free policy because it is a public safety issue. A drug free policy was the only thing everyone could agree on. She felt that the industry could help pay for a study.

Rob O'Brien, 649-TAXI, stated that he has been in business in Park City for 18 years. Every taxi should have fares posted in the cab to discourage gouging which he hears about a lot. Prices should be consistent throughout the year regardless of Sundance. He has attended almost all of the meetings and agrees with members that $30,000 is too much for a study which is probably not needed. He understood that Park City is a free market but hoped that a number could be capped as a matter of safety. Last year 90 companies were licensed. A franchise may include three or four companies and understandably he doesn't want to support anything that may put him out of business. Do not mirror SLC's ordinance. He's not worried about the busy season but the other 265 days a year. The number of taxis continues to grow every year. The Mayor asked if age limitation on vehicles, drug testing, and posting fares would deter outside operators. Mr. O'Brien responded that prices should be posted which is required by the ordinance. He is not supportive of age limitations on vehicles because it would place a significant financial burden on his business. Ten years would be okay but five years would be a problem. His vehicles must also pass inspection by the Salt Lake Airport where requirements are strict with regard to condition of the vehicle.

Ms. Simpson asked if a study is needed to support conducting background checks as a fatality has already occurred. Mark Harington did not believe a study was necessary. Cindy Matsumoto felt that informational hand-outs for visitors on using local taxi services would be very helpful. She pointed out how well Sundance gets information out and a list of phone numbers for taxi cabs and approximate prices may make a difference.

Donnie Novelle stated that Park City Transportation thoroughly educates its drivers and a mandatory education session would create double duty for drivers and payroll for the company.

Kinsey Colson, Patron Transportation for Sundance Festival, stated that she works with Ampco in monitoring parking lots and has personally had many interactions with belligerent taxi drivers blocking people from leaving the lot. Sundance has an interest in seeing repercussions for bad behavior. It publishes the names and numbers of local taxi companies on its transit maps and provides volunteers on the street with that information.

The Mayor pointed out that if there are complaints made about a particular taxi company, the City can do something about the situation. There should be fines associated with not posting prices. Ms. Colson clarified that issues may relate to bad behavior, prices or safety issues and the problems lie on the street.

Tom Bakaly stated that a study may answer many questions. During the fifteen years he has been here, the taxi issue has been raised about every two years. In his mind, the problem is the free market system about 25 days out of the year which adversely impacts local businesses. A definitive statement of the City's position regarding the free market system in the preamble might be appropriate. The study was intended to answer questions and alleviate staff time. Alex Butwinski felt that background checks should be added to the ordinance. Joe Kernan recommended that the Council hold another work session on finalizing elements of the ordinance before it goes to public hearing.

Liza Simpson referred to the October 1, 2009 work session notes where a 90 day waiting period for a license was suggested by Candace Erickson. She asked the status of that suggestion. Mark Harrington explained that the Legal Department explored this and that information will be shared with members for the next meeting.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
SEPTEMBER 30, 2010

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, September 30, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Diane Foster, Environmental Manager; Jon Weidenhamer, Economic Development Manager; and Mark Harrington, City Attorney.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

Recycle Utah Fund-Raiser - Insa Riepen, Recycle Utah, invited the public to the fund-raiser at the High Star Ranch in Kamas on Saturday, October 9 at 2 p.m.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF SEPTEMBER 16, 2010

Liza Simpson corrected attendance indicated in the work session notes. Joe Kernan, "I move approval of the work session notes and minutes of the meeting of September 16, 2010, as corrected". Cindy Matsumoto seconded. Motion unanimously carried.

V RESIGNATIONS AND APPOINTMENTS

Consideration of two appointments to the Planning Commission for terms expiring July 2014 – Liza Simpson, "I move that we reappoint Julia Petit and Mick Savage to the Planning Commission". Joe Kernan seconded. Motion unanimously carried.

VI 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")*

Joe Kernan, "I move we approve Consent Agenda Items 1 through 3". Alex Butwinski seconded. Motion unanimously carried.

1. Consideration of change order #4 with Cody Ekker Construction for the Sandridge Avenue Reconstruction Project in the amount of $13,545, in a form approved by the City Attorney – See staff report

2. Consideration of a Resolution amending the Police Complaint Review Committee Terms of Office and repealing and replacing Resolution No. 35-03 in its entirety – See staff report.

3. Consideration of an amendment to the Professional Services Agreement with Brown and Caldwell for environmental analysis services related to the Spiro and Judge Tunnels and the Prospector Drain, in an amount not to exceed $35,500 and in a form approved by the City Attorney – See staff report.

VII OLD BUSINESS (Continued Items)

Consideration of approval of a Letter of Credit with Zions Bank for the benefit of Summit Land Conservancy in an amount of $40,000, in a form approved by the City Attorney, and authorization to the City Manager to execute related agreements and application documents in a form approved by the City Attorney – Diane Foster explained that Council continued this item last week. The letter of credit in the amount of $40,000 is requested to assist Summit Land Conservancy in receiving accreditation from Land Trust Alliance. While the LTA prefers a cash contribution, members decided to proceed with a letter of credit conditioned on receiving accreditation. Executive Director Cheryl Fox stated that she sent a packet earlier this week with details on the letter of intent to LTA but will not hear back until February.

The Mayor invited public input; there was none. Alex Butwinski, "I move we approve a letter of credit with Zions Bank for the benefit of Summit Land Conservancy in an amount of $40,000, in a form approved by the City Attorney, and authorize the City Manager to execute the necessary agreements and application documents". Liza Simpson seconded. Motion unanimously carried.

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

Consideration of Letter of Intent with the Sweeney Family (MPE) to pursue two alternatives to reduce density from Treasure Hill – Jon Weidenhamer explained that the Sweeney Family has a pending conditional uses permit application before the Planning Commission which is on hold until the end of April. The City Council, through its authority to appoint an independent hearing officer, allows the Council to take on a different type of role as an owner with the ability to negotiate and Mayor Williams and Council member Liza Simpson serve on the negotiation team. The Sweeneys' role is a lasting legacy of vibrancy and a four season destination resort adjacent to Old Town and the Park City Mountain Resort and a hotel with residential is desired. In consideration of the goals of the negotiating parties, two options are outlined in the letter of intent including a complete buy-out or zero density option or a 50% reduction in density which would require a project redesign. The goals of the redesign are articulated in the LOI and he acknowledged that the details need to be worked out, i.e., transfer of density, potential zone change, etc.

Mr. Weidenhamer indicated that a purchase price has not been discussed with the Sweeneys. The $50 million figure in the staff report was used as a guide to estimate the financial impact to home owners in the event of the success of an open space bond which would require voter approval. An average home, valued at $800,000, would result in additional taxes of $250 per year. He emphasized that the LOI doesn't supersede, limit or preclude the Planning Commission's authority to review the pending and/or amended CUP.

Mike Sweeney expressed his appreciation of the negotiation process which has been very cordial. The discussions have been productive and he felt that the resulting project will be better than the current design. PCMC and the Sweeney Family have had a special relationship over many years beginning with the Town Lift Project and there are many private agreements. The Sweeneys are obligated to provide a certain amount of density because PCMC has made a significant investment in the Town Lift. Also, the owners of the buildings and businesses on lower Main Street contributed to the effort, specifically toward the construction of the bridge. It is important for all of us to realize that the Sweeneys have partners and legal obligations to different entities incurred over the years in making lower Main Street, north of Heber Avenue, into the second phase for PCMR.

Mayor Williams felt that the $50 million amount in the staff report was somewhat misleading to the public. Even if a no-build option is decided, it doesn't necessarily mean that the open space will be acquired solely with bond proceeds. There may be transfers of density, utilization of the RDA or other tools. The overwhelming majority of feedback from the open houses dealt with the size, scale and scope of the project as proposed. Most often in the planning process, the City is reacting to submitted applications and in this case for Treasure, since 1986. The Council decided to be a partner and not a victim. He relayed that the project has 197 UEs (2,000 square feet per UE) and 19 commercial UEs (19,000 square feet per UE). The Council decided that it wanted a seat at the table along with the Economic Development Manager and Planning Director regarding a redesign of the project and the City is willing to contribute to the effort. It is imperative that people understand that Council members are part of the community and very concerned about Treasure and the Sweeneys, the potential hotelier, Ritz Carlton, PCMR and Elliott Work Group will work together on the redesign. He emphasized that the new design must be reviewed as a CUP by the Planning Commission as part of a Master Plan Development. The role of the Planning Commission has not changed at all. If the project is denied, the Sweeneys and others with standing will have the ability to appeal the decision which will be heard by an independent hearing officer. He invited the public to speak.

Bob Garda, 923 Lowell Avenue, expressed his support of the LOI which is a good step forward. Since he lives next to the project he favors zero development and is willing to pay higher taxes to maintain the character of town like many other residents. He acknowledged that he doesn't know how much Treasure is worth but felt $50 million is too high. In the early 1990s, the property was offered at $5 million and in the late 1990s at $15 million.

Scott Peddler, 1024 Empire Avenue, stated that he was surprised by the $50 million number. He supports the zero build option and that large of a number might compromise the success of a bond issuance on the ballot. He stated that he was asked by Mr. VanHecke to read his letter into the record. The Mayor disclosed that he had a lengthy phone conversation last night with Mr. VanHecke.

Mr. Peddler read the letter in which Mr. VanHecke relayed that because of short notice he and others could not attend the meeting which is unfortunate given the magnitude of the Treasure project. He is concerned with the LOI and the $50 million number considered without an appraisal and he asked why an appraisal has not been made public. How can any negotiations take place without it? Why has the City not received it or shared it with the public? Mr. VanHecke stated in his letter that the town does not need another hotel demonstrated by the occupancy rates. Regardless of the appraisal, the value of Treasure is debatable; resort properties are struggling. No one would build anything up there now. Obviously there is value but one must consider real market values and conditions. The current safety and traffic issues remain and will not be solved by simply reducing the size of the project; the streets are already dangerous and can not handle more traffic. The letter stated that all of the other CUP issues remain and even with a 50% reduction in size, these problems can not be mitigated. Potential contamination relating to mine tailings and the water table has not been addressed by the Planning Commission. A convention meeting space is not compatible and was never an appropriate use. The LOI is setting the stage for an ultimate compromise but a 50% reduction in density is not a win-win for everyone. There is far more value to the City and the vast majority of residents to preserve the landmark Treasure Hill as 100% open space. The cost of allowing this development will destroy an historic neighborhood, the years of construction, no guarantee it will ever get built or finished, the immense excavation and damage to the land, increased pollution, clear-cutting of an entire hillside, and numerous other environmental issues; and all of this for the benefit of a few. The public value that this land will have if preserved far outweighs any short-sided tax benefits that the City might receive. Mr. VanHecke's letter continued to urge consideration of the families living in Old Town and he asked how they are going to survive if this project in any size or shape is built. Another hotel is not going to solve the City's tax or revenue issues; it is only going to exacerbate the difficult situation for all of the resort and hotel operators in the City and it and may hurt Main Street businesses because of the loss of local business. If another hotel is warranted, it belongs at the base of PCMR and he asked how the LOI protects the rights of residents. He doesn't know why it is necessary and it seems it will only further diminish the City's obligation to protect the rights of all citizens.

The Mayor stated that the agreements between the Sweeneys and PCMR are between two private parties. Making the appraisal public at this time would compromise negotiations.

Amy Louise Garda, Lowell Avenue, expressed her support for the removal of all of the density but if something is built there, she strongly urged requiring another access to the project.

John Stafsholt, 633 Woodside Avenue, asked if the Council received an appraisal and whether Summit Land Conservancy has been contacted about a 100% buy-out. The Mayor indicated that the City has received an appraisal. The first phase of the process addresses the LOI and the next phase deals with the value of a unit equivalent and where density can be transferred, etc. Mr. Stafsholt referred to amending the LMC by adding the hearing officer option and he didn't think the intent of the legislation is to have staff take lead roles in the negotiations. One of the Council's strengths is listening to citizens and encouraging dialog. He asked that Council provide regular negotiation updates on the agenda. People didn't have enough time to react to the agenda and come to the meeting. He referred to No. 4, Design Costs and Participation, of the ongoing discussion points section and suggested that residents be included on the team. No. 7 under General Terms, *Should the Planning Commission not approve the CUP by April 30, 2011, the LOI shall be null and void unless amended and or extended in writing by both parties. MPE reserves the right to pursue its currently pending CUP application in accordance to the terms of the approved MPD.* He felt this needs to be removed or adjusted because the Planning Commission has to review and approve a revised plan.

Mark Harrington explained that this section is consistent with the current termination of the stay. It assumes that if both parties are moving forward that the date would be extended. Mr. Stafsholt suggested language *If the CUP application is not in front of Planning Commission by April 30*. Mr. Harrington stated that staff can refine the language. Mr. Stafsholt stated that he doesn't understand the meaning of No. 9 under General Terms and requested that the section be rewritten. The Mayor explained that it means that the parties will negotiate reduced density which is resort residential in nature. Mr. Stafsholt questioned why it is in the LOI. Mark Harrington explained that the team felt it important to frame general goals. The Mayor felt it clarifies that the team is not looking at a separate residential development.

Mr. Stafsholt again referred to No. 4 and asked if the City will pay up to $50,000 for a redesign contingent on choosing the zero option. The City Attorney stated that the final $30,000 would be reimbursed if there is a zero option while the first two payments of $10,000 are upfront. He criticized the matrix in the LOI. With regard to No. 5 under Ongoing Discussion Points, regarding redesign goals, he felt there should be public input and a public vote on this. Mr. Bakaly stated that redesign goals are a part of the approval of the LOI. Mr. Stafsholt again complained about the report coming out only three days ago. The LOI should be continued to look at his issues.

As part of the negotiation team, Liza Simpson stated that this is a huge step in the right direction and will lead to discussions on valuations, financing and resolution for the project. Alex Butwinski believes that a LOI is not binding and sets forth the framework for further discussions. In response to his question about noticing, Mark Harrington assured members that noticing requirements for this meeting have been met and processes will be public; the LOI sets forth the initial framework.

Candace Erickson agreed with Mr. Stafsholt about the wording of No. 7. Mark Harrington stated that staff can wordsmith this section so it is clearer. It's not a big deal because there will be consensus to move forward or not. The LOI is written for consistency with the pending extension deadline. The Mayor explained that it doesn't have to be approved by the Planning Commission by April 30, but has to be in front of them for review. Mike Sweeney interjected that they do not believe it will be there by April 30 but will make a good faith effort. At that point in time, it puts pressure on both parties to continue to work together and the Planning Commission has to be informed about the status of the project. Mr. Sweeney emphasized that if the redesign is rejected, the current plan becomes active.

Mr. Harrington suggested revised language for No. 7, *Should the Sweeney Land Company not reinitiate the CUP by April 30*. Mr. Sweeney stated that they need some mechanism to continue to be able to ask for extensions. Alex Butwinski pointed out that if an extension is needed both parties can agree to enter into a revised LOI before April 30. Ms. Erickson suggested striking the wording, *Should the Planning Commission not approve the CUP* and begin the sentence, *By April 30, the LOI. . .*Council concurred with the amendment as well as Mike Sweeney.

Cindy Matsumoto stated that she appreciated the citizens' comments about a complete buy-out but is hopeful that a redesign will provide acceptable options. Alex Butwinski, "<u>I move we authorize the City Manager to enter into a Letter of Intent with the Sweeney Family to pursue two alternatives for reduced density from Treasure Hill with the corrections made tonight</u>". Cindy Matsumoto seconded. <u>Motion unanimously carried</u>.

IX ADDITIONAL DISCUSSION – AGENDA ITEMS

None.

X 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, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Joan Card, Environmental Regulatory Affairs Manager; Jason Christensen, Legal Intern; Jon Weidenhamer, Economic Development Manager; Thomas Eddington, Planning Manager; Rhoda Stauffer, Housing Specialist; Brett Howser, Budget Manager; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property and litigation". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 3:50 p.m. Liza Simpson, "I move to open the meeting". Cindy Matsumoto 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

Janet M. Scott, City Recorder