PARK CITY COUNCIL MEETING MINUTES
445 MARSAC AVENUE
PARK CITY, SUMMIT COUNTY, UTAH 84060

August 19, 2021

The Council of Park City, Summit County, Utah, met virtually in open meeting on August 19, 2021, at 3:30 p.m. in the City Council Chambers.

Council Member Gerber moved to close the meeting to discuss personnel at 3:30 p.m. Council Member Henney seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

CLOSED SESSION

Council Member Henney moved to adjourn from Closed Meeting at 4:00 p.m. Council Member Gerber seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

WORK SESSION

Assessment of Development Bonds and Xeriscaping:
Michelle Downard, Resident Advocate, John Robertson, City Engineer, and Dave Thacker, Building Official, presented this item. Downard stated at Council's request, staff was looking at xeriscaping options due to the ongoing drought. Thacker explained the purpose of current excavation bonds and indicated the bond was set at 125% of the total value of the project. It was not used on a regular basis, but could be used for new construction. The City also utilized a landscaping bond when an owner needed a certificate of occupancy, but couldn't finish the landscaping due to weather. Staff waited for customers to request the bonds. He stated in the last year, staff looked at the outstanding bonds twice a year to ensure projects were moving forward and a refund would be issued if the project was completed.

Robertson stated the street-cut bond was required when there was work in the right-of-way to ensure the work was done correctly. Staff collected $2,000 and held it against the work for a year's time. If someone had a landscape project, the $2,000 was not collected by the City, but any landscaping in the right-of-way required an encroachment permit. Thacker commented that landscape permit fees were eliminated because of complaints, but excavation permits were required if the grade was changed dramatically. Water impact fees were also assessed based on the total area of disturbance. One relief in the City code was a 50% rebate of the outdoor water impact fee if drought tolerant vegetation was planted. David Everitt, Deputy City Manager, stated staff had evaluated requiring new construction to incorporate drought tolerant landscaping. There were also programs in some areas that incentivized people to change their current landscaping to drought tolerant landscaping, and Everitt thought Park City could do something similar.

Council Member Doilney asked for clarification that the City did not require a permit for landscaping. Thacker stated regulations were in place and staff reached out to residents who were not following regulations, but landscapers stated their biggest challenge with applying for a permit was the delay in getting the permit.

Council Member Worel stated some contractors felt fees were random and they were difficult to estimate. She asked if the impact fee based on limits of disturbance was a more predictable fee. Thacker stated staff tried to make the fee information available upfront. Recently, an impact fee study was performed and staff adjusted the fees to make them common sense. Council Member Worel asked about gravel limits in yards. Thacker indicated it was less on how much was on a lot and more about how much went onto parking strips and rights-of-way since there were impacts on storm drains. Council Member Joyce stated there were some code changes with respect to how close gravel could be to the right-of-way. Thacker stated a four-inch stone was required next to rights-of-way because smaller stones got stuck in the storm drain.

Council Member Worel thought a Cash for Grass incentive program would really help seniors. Council Member Gerber agreed residents and HOAs felt overwhelmed with the prospect of changing their landscaping, and she was in favor of this program. Council Member Henney asked if landscape bonds were common among cities, and who paid the bond. Robertson stated the bond was paid by owners in some cases and contractors in other cases, but he noted most contractors wanted to do a good job. If there were problems, $2,000 wasn't a lot of money and staff probably couldn't fix the problems for such a little amount.

Council Member Joyce referred to a program that would help fund xeriscaping, but indicated there were requirements involved such as changing an entity's landscaping code. He requested dramatically amending the code to promote water conservation. Mayor Beerman stated he was happy with the process for refunding bonds in a timely manner. He thought removing barriers would help residents as they changed their landscaping. He agreed with Council Member Joyce that the Landscape Code should be amended and favored pilot programs for water conservation incentives as it related to landscaping.

Discuss the Creation of a Public Improvement District (PID):
Jed Briggs and Erik Daenitz, Budget Department, Randy Larsen, Zions Bank, and Aaron Wade, Gilmore and Bell Attorneys, presented this item. Briggs stated financing tools helped incentivize commercial development, facilitate master planned communities, incentivize affordable housing, and enhance infrastructure. The City had a Main Street Redevelopment Agency (RDA) and Lower Park RDA, which were geographical areas set up to incentivize certain projects. The difference between an RDA or a Community Reinvestment Area (CRA) and a PID was who was initiating it. In a PID, the developer would set up the district and work with the city to get it created. With an RDA, tax was generated through new growth. With a PID, the property tax rate would increase in that area to generate more tax revenue.

Wade stated PIDs could issue debt that was repayable from property taxes within the boundaries of the district. The PID would be governed by its own board. The debt of the PID would not be a city debt. He indicated this was a good option when there were limited property owners within the boundary. He noted if a developer requested a PID, the city could request the developer pay all associated costs with setting up the PID. Developing criteria for PID creation would be beneficial so the city could approve or deny PID requests on a consistent basis.

Larsen indicated it was wise to have a separate governing board, and noted the board was for financing only, and they would not be able to control zoning or other items under City control. The PID allowed the developer to increase revenue. Wade gave some examples of PIDs in Utah. He stated PIDs could generate limited tax bonds.

Daenitz displayed a chart showing what a new tax in a PID could mean to the taxpayer. Briggs stated if Council considered a PID, they should consider the community pillars and the value the PID would bring to the City. He noted Deer Valley submitted a PID proposal which spurred this discussion.

Council Member Worel asked if a PID could be created within an RDA to which Wade affirmed. Council Member Worel asked if affordable housing in a PID could be exempt, to which Wade stated it could. Council Member Worel indicated she favored PIDs, but she wanted a generic policy.

Council Member Gerber asked if all bond money had to be used onsite. Wade stated some money could be for improvements off site, but they had to be publicly owned improvements. Council Member Gerber thought a PID policy was needed at this time, but if a policy was created, it needed to be for a substantial community need, such as transportation, housing, daycare, or another equity project. Larsen stated a PID was to benefit the city.

Council Member Henney indicated a PID policy might not be needed and stated there was a potential for only two PIDs from the resorts. He wanted to know why the City would need a policy. But if a policy was needed, it would be wise to have community input. Larsen stated a policy was not a legal requirement. He noted community benefit was essential and gave examples of underground parking, sidewalks, etc. Council Member Joyce agreed with Council Member Henney and stated this was a financial discussion. He wanted to be careful with regard to community benefits and stated transportation, trails, and other benefits were part of the City master plan.

Council Member Doilney indicated the City didn't have a capital financing problem. He could only see two entities wanting a PID and thought if a PID was created some voters would be maxed out on being taxed when other entities asked for a bond.

Mayor Beerman stated PIDs were designed as economic development tools and the community didn't want more growth and development. He preferred to see a CRA where the community had more control. If PIDs were explored further, there would need to be a compelling community benefit. He stated there was a City obligation to protect current and future residents. He was leery of PID as a tool and he would rather explore other options first.

Matt Dias asked Council to clarify direction for staff. Council Member Joyce stated they were open to hearing PID proposals, but the expectation was very high.

Park City Soils Management Facility – Follow Up Discussion:
Mayor Beerman reviewed this was a follow-up from the last meeting and Council would discuss options for the soil repository site. Council Member Gerber thought the community gave great input at the last meeting. Council asked staff to look at other locations for hauling the soils. She stated there was still soil at the Gordo site that needed to be dealt with as well as soil at Park City Heights and other areas of town, and she didn't know how to move forward at this point.

Council Member Joyce stated there was so much misinformation spread around and people were worried about things that weren't true. As a result, the community didn't want the project. This was a $20 million problem and he proposed looking at some alternatives to save on that cost.

Weidenhamer displayed four options: One was not to proceed with the facility at the Gordo site. Scope changes would be explored for the Arts and Culture District project and/or other sources of funds for increased soils mitigation expenses; Two was to move forward with the soils repository as proposed; Three was to move forward with the soils repository on a scaled down operation; and Four was to continue to have community outreach, conduct a soil hauling study, collect additional soil samples and reengage with the Environmental Protection Agency (EPA) as well as continue with the UDEQ permit application, and explore transportation cost assertions to compare with current cost estimates.

Council Member Worel stated Council had previously wished the community would speak with one voice and she had never heard a clearer mandate than the residents' assertion that they didn't want a soils repository. She favored One. Council Member Gerber asserted the activists came out to oppose the repository, but many residents didn't speak because they felt intimidated, much like when Council discussed social equity issues. Council Member Doilney stated it was a messaging problem. It was difficult to get the message out when there were people getting their one message out. He thought it was a shame that money would be spent on moving soils instead of on housing or transportation projects.

Mayor Beerman commented the community had spoken and Council needed to honor that fact. He favored One, but also wanted to look at Four so Council could address how to manage soils. Council Member Gerber asked that whatever was done with soils, it needed to be environmentally conscious. Council Member Gerber favored One and Four. Council Member Henney favored Four and stated this decision was a shame. He wondered, since the battle was lost, what could be learned from it and stated if Council didn't talk about City staff reports, it was like they didn't happen. Even though staff submitted communication reports, the public often overlooked them because they weren't discussed.

Council Member Joyce favored One and Four and requested the City get a bid to haul off the 35,000-cubit feet of exposed soil. He always questioned the cost of the Arts and Culture District and now he estimated the project would cost $10 million more. He thought there needed to be another Arts and Culture District discussion. Council Member Henney indicated the public stated they were willing to pay more for a project to remove the soil, so he would take that into consideration for the Arts and Culture District. Council Member Joyce stated there were two separate issues: was it worth it to avoid health risks, to which the public said yes, and also at what point would the Arts and Culture District become too expensive compared to affordable housing, fire mitigation and all the other City projects. Council Member Henney hoped there would be numbers for onsite remediation and other creative proposals that would prevent the derailment of the project.

Mayor Beerman summarized Council agreed to not proceed with the soils repository, but they were also in favor of Option Four. David Everitt affirmed the City would not pursue the UDEQ permit application that was part of Four.

REGULAR MEETING

I) ROLL CALL

Attendee Name	Status
Mayor Andy Beerman Council Member Max Doilney Council Member Becca Gerber Council Member Tim Henney Council Member Steve Joyce Council Member Nann Worel Matt Dias, City Manager Margaret Plane, City Attorney Michelle Kellogg, City Recorder	Present
None	Excused

II) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communications Reports:

1. Sales Tax Update - May 2021:

Council Member Doilney was amazed at the revenue increase this year over last year.

2. Trails and Open Space Update:

Mayor Beerman requested a conservation easement for Treasure Hill and thought it could come to Council in the fall. He wanted to know about rangers on the trail and what they were working on. Heinrich Deters, Trails and Open Space Manager, stated there was one ranger in place and he was hiring one more. They had some statistics on the work being done and he would put it in a quarterly report. Deters stated a date had not been set for the conservation easement to come to Council, but he would give an update in September and there would be an approval by the end of the year. Council Member Doilney indicated the Central Wasatch Commission (CWC) liked to hear about Park City's successes, such as the ranger program, trail signs, and more, and oftentimes they implemented the same programs.

Council Member Joyce asked about parking in the Thaynes Canyon area. Deters stated staff monitored the situation, collected data, and continued the discussion with the neighbors. He would share that information in a report as well.

3. Miners Day and Treasure Hill Dedication Update:

4. Downtown Trash and Business Improvement District Update:

5. SR-224 Roadway Mitigation:

Council Member Joyce was frustrated that enforcement activity increased after an accident, but then subsided. He didn't think things had gotten any better. He asked to see a report in four to six weeks on what changes had taken place. Council Members Henney, Doilney, and Worel also asked for the report. Chief Carpenter stated the Police were checking brakes and having compliance inspections. There was an engineering piece and signage piece. John Robertson met with UDOT, the Commissioner of Public Safety, and the Captain of the Highway Patrol. They were taking the model used in other cities and applying it to this area. Flashing lights were installed today along that road. Police were short three officers, but this was a priority. If Council wanted staff up there daily, Police needed help from Highway Patrol, but he noted they were short-staffed as well. It would take 2.5 officers to completely cover that area. The Police Department was in the process of getting coverage up there. He knew this was a big issue. He knew this was a State issue, but it was our community.

Council Member Joyce understood the staffing problems. His frustration was that he saw warnings issued instead of tickets and fines. He thought an economic consequence would change behavior. Chief Carpenter stated legislation had changed, which made some inspections more difficult. Another issue was a towing service would not impound a dump truck. Police were contacting the companies, but they were so busy they hired small companies that used their own trucks. Thacker stated this issue could be worked on through construction mitigation plans. He thought it would be beneficial to have a document that verified drivers were stopping at the brake check area. It wouldn't solve the entire problem, but it would make a big impact. He noted he had the authority to issue stop work orders if the contractor signed the construction mitigation plan.

Council Member Worel asked if trucks would be stopped on SR224 and SR248 before they went up the hill. Chief Carpenter stated there needed to be probable cause to stop the vehicle. He also noted there needed to be education for drivers that weren't used to driving on hills. Council Member Joyce appreciated the effort and wanted to hear what more was being done in six weeks. He also requested some community outreach about the efforts being made to mitigate the risks.

<u>Council Questions and Comments:</u>
Council Member Worel related a few months ago a Spanish speaking librarian was hired and he reported the Spanish language services were being well used; from books being checked out, to Spanish story time and classes in Spanish, and a Spanish version of the Fall Library pamphlet. She was proud of that progress. She noted PC Tots had a new executive director and capacity was limited because it was hard to recruit new teachers. She asked Dias about a mask mandate for the City. Dias stated it was being discussed and staff was working with the Summit County Health Department. To date, the Health Department hadn't enacted a mask mandate, but when that time came, the City was ready to implement it. Council Member Worel asked if the school district was involved in the planning group to which Dias affirmed. Council Member Henney asked if the health board had a role in that. Council Member Worel stated the board was part of it, but they looked to the Health Director and the Summit County Council for guidance.

Council Member Doilney understood the staffing issues in the area and across the State. He hoped the service employees in town felt appreciated. He expressed appreciation for the firefighters and their efforts this past week, the rain, the community and more. He appreciated friends and related he lost a friend, Cody Stevens, in July.

Council Member Joyce attended the Snyderville Basin Water Reclamation District meeting and indicated they did a great job estimating population growth and the future water needs in this region.

Council Member Henney stated Fire Chief Paul Hewitt passed away and he attended the ceremony for him at the Eccles Center. Deputy Chief Bob Zumetti was promoted to Fire Chief and the new deputy chief was now Pete Emery. He noted Summit Land Conservancy had a fundraiser and doubled their fundraising goal. He was grateful to see the fire mitigation contract on the Consent Agenda and asked for a deep dive on where focus could be directed for additional mitigation efforts. He noted residents complained the farm was being watered day and night and he stated it was not City land. Council Member Joyce noted Bill White was leasing the farmland and worked with a fourth of what he normally worked with due to the water conservation efforts.

Council Member Gerber noted people were concerned with the lack of a mask mandate and she hoped the City could help advocate for a mask mandate in the schools. Mayor Beerman heard the same concerns from those in the community regarding masks and he stated the entities were working together on this issue. He was confident the health officials would make the best decisions for everyone's health. He asked if all of Council could attend the mid-year strategic planning retreat scheduled for September 21st at 10:30 a.m. Council affirmed they could all attend.

Mayor Beerman stated the Colorado Commission just implemented Tier One water restrictions for a multi-year water reduction effort. He knew there were different levels of water restrictions in Park City, and he asked that the City consider every summer to automatically go to Stage One and Two to combat the long-term drought. Council asked to bring that back for a future discussion. Council Member Joyce asked if the restrictions would be for the City government or for the community. Mayor Beerman stated that would be part of the discussion. Mayor Beerman also indicated the interlocal cooperation and resources in fighting the fire this past week were amazing. He called the late Chief Hewitt a couple months ago to discuss fire preparedness and Chief Hewitt responded that they were so prepared.

III) PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

Mayor Beerman opened the meeting for anyone who wished to comment or submit comments to the Council on items not included on the agenda.

Mary Christa Smith via Zoom expressed her gratitude for staff implementing the Park Avenue walkability project. She thought the paint and planters made her feel safer. She also liked the landscaping along Prospector Avenue and she thanked Heinrich Deters and Logan Jones for the Rail Trail improvements.

John Stafsholt via Zoom thought the Planning Commissioners' pay needed to be reviewed. They had a tough job and they needed a raise. Mayor Beerman asked Matt Dias for a future Council discussion on that subject.

Kristin C. via Zoom asked what the City's plan was with regard to masks, given the level of infection in the community and being a tourist town. Dias stated the City worked with Summit County Health Department, Summit County government and the school district. The City was waiting for the recommendation of the Health Department.

Mayor Beerman closed the public input portion of the meeting.

IV) CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from June 24, 2021 and July 15, 2021:

Council Member Gerber referred to the July 15th minutes on Page 11, Line 14, and stated she had noted there was new City staff who the community didn't know.

Council Member Gerber moved to approve the City Council meeting minutes from June 24, 2021, and July 15, 2021, as amended. Council Member Doilney seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

V) CONSENT AGENDA

1. Request to Authorize the City Manager to Execute a Contract Amendment to the Design Professional Services Agreement with AECOM, in a Form Approved by the City Attorney, Not to Exceed $28,400.00, for a New Contract Total of $462,845:

2. Request to Authorize the City Manager to Execute a Contract Amendment to the Design Professional Services Agreement with AECOM, in a Form Approved by the City Attorney, Not to Exceed $68,502.00 for Review of Transportation and Traffic Related Documents to the PCMR Base Development:

3. Request to Authorize the City Manager to Execute Professional Service Agreements in a Form Approved by the City Attorney's Office with Alpine Forestry LLC for Wildfire Mitigation Services, in an Amount Not to Exceed $300,000.00:
Council Member Worel received questions from a member of the public on the staff report which said the start date would be September 15th, and asked if that date was accurate. Deters stated the contractor was scheduled to begin in October. Council Member Worel asked if the money allocated was approved and ready to go, to which Deters stated it would be approved tonight and funds were ready from the Treasure Hill bond. He indicated there would be a wildfire mitigation efforts update at the mid-year retreat. A community wide overview from the committee would be discussed, including the entire cost and how to move forward. Mayor Beerman stated federal funding could be pursued for fire mitigation. Deters stated he would talk about federal funding as well at the retreat.

John Robertson responded to a question regarding the AECOM contract, and stated the majority of the funding came from the Transportation Sales Tax (TST) fund, and $44,000 would be funded by the City.

Council Member Joyce moved to approve the Consent Agenda. Council Member Henney seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

VI) NEW BUSINESS

1. Consideration to Approve Two Additional Deer Valley Concert Series (DVCS) Event Dates Over a Peak Time Period - Labor Day/Miners Day:
Jenny Diersen, Special Events Manager, and Carrie Westberg, Deer Valley Events, presented this item. Diersen stated this was not a new event, but two new dates were requested during peak times. Diersen reviewed the event policy changes in the past couple years, and noted the resorts were trying to get the right events at the right venue. She stated Deer Valley was a great partner with regard to transportation mitigation. Staff recommended approving these events because of the setbacks due to COVID-19. Deer Valley reduced the attendance maximum and helped the City with parking during other events. She stated these events would not be held during peak times in the future.

Council Member Gerber asked how the event was added on June 21st and tickets were sold without first being approved by Council. Diersen indicated Deer Valley was the host, but the concert promoter sold the tickets. Westberg noted the event tickets were sold quickly, in spite of the promoter being told to wait for approval, but Deer Valley limited the ticket numbers. Council Member Gerber asked what attendance maximum number would make it a Level Three event. Diersen explained the reasoning that made the event a Level Four event, including that this was an event in a series of five events, and because of the need for traffic mitigation, Police services, and transportation services. Westberg stated shows this year had sold out at 3,500 tickets and the traffic mitigation was seamless.

Council Member Joyce was in favor of this request, but indicated he was uncomfortable with the promoter immediately selling tickets without approval. He requested a mechanism be put in place so this would not happen again. Westberg affirmed those measures would be in place.

Council Member Worel asked about fee reductions. Westberg stated Deer Valley paid for the City services. Mayor Beerman asked if the fee reduction was per concert to which Diersen affirmed. Mayor Beerman asked if the extra events would receive a fee waiver. Diersen stated all events would be evaluated after the season was completed. Mayor Beerman thanked Westberg for rescheduling the Deer Valley concert during the fire scare.

Council Member Gerber referred to the staff report that Council could consider capping the attendance to 3,000 to eliminate the need for Police services. Diersen stated it was an option, but Deer Valley did not want to cap the concerts. It was indicated Police and security were already planning on this event.

Mayor Beerman opened the public hearing. No comments were given. Mayor Beerman closed the public hearing.

Council Member Joyce moved to approve two additional Deer Valley Concert Series (DVCS) event dates over a peak time period - Labor Day/Miners Day. Council Member Doilney seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

VII) BOARD OF CANVASSERS

1. Consideration to Adopt Resolution 20-2021, a Resolution of the Board of Canvassers Certifying the Official Canvassers' Report from the August 10, 2021, Municipal Primary Election for Park City, Utah:
Michelle Kellogg, Election Official, presented this item and reviewed the results of the Primary Election. She stated Nann Worel and Andy Beerman would be moving forward to the General Municipal Election for the open Mayoral seat and Tana Toly, Jeremy Rubell, Tim B. Henney, and Thomas C. Purcell would move forward for the open

Council seats. She also noted 103 ballots were rejected because of not having signatures on the envelopes, signatures that didn't match, and ballots postmarked after the deadline. Board Member Joyce thought it was sad that voters had three weeks to return their ballots and 68 of them would not be counted because of not meeting the deadline. Kellogg indicated ballots could be dropped off at election drop boxes on Election Day, but those choosing to mail their ballots had to make sure the ballots had a postmark of the day before Election Day in order for those ballots to be counted.

Board Member Joyce moved to adopt Resolution 20-2021, a resolution of the Board of Canvassers certifying the Official Canvassers' Report from the August 10, 2021, Municipal Primary Election for Park City, Utah. Board Member Gerber seconded the motion.

RESULT: APPROVED
AYES: Board Members Doilney, Gerber, Henney, Joyce, and Worel

Council Member Doilney moved to close the meeting to discuss personnel at 7:32 p.m. Council Member Worel seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

CLOSED SESSION

Council Member Doilney moved to adjourn from Closed Meeting at 7:50 p.m. Council Member Henney seconded the motion.

RESULT: APPROVED
AYES: Council Members Doilney, Gerber, Henney, Joyce, and Worel

VIII) ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder

1

Economic Development or Redevelopment

- Incentivize commercial development
- Facilitate master planned communities
- Incentivize multi-family and/or low-income housing
- Enhanced infrastructure, such as increased capacity
- Backbone and regional infrastructure

2

Special Financing Tools

	RDA	CRA	PID
Authorization	Taxing Entity Committee (representatives from each taxing entity)	ILA between each taxing entity and CRA	City/County where PID is proposed
Initiation	City (or County)	City (or County)	Developer seeking more funding
Governance	Same board as initiating entity (City)	Same board as initiating entity (City)	Separate board
Property Tax	Redistributes new growth (development) of property tax within boundaries	Redistributes new growth (development) of property tax within boundaries	Adds new property tax for residents of bounded geography only
Bonding	Proceeds raised from tax increment (new growth in boudaries)	Proceeds raised from tax increment (new growth in boudaries)	Proceeds raised from raised tax levy on new/existing property owners
Debt Liability	RDA is component unit of City, incurs RDA's debt	CRA is component unit of City, incurs CRA's debt	PID is separate political subdivision, City wouldn't incur debt
Extension or Change	Through TEC	Through ILAs with each taxing entity	Determined by governing document
Project Requirement	Flexible	Project area and budget need approval from all taxing entities	Some constraints determined by governing document

3

Public Improvement Districts (PIDs)

- PIDs can issue debt repayable from property taxes or assessments on the property owners within its boundaries
- PIDs can be an effective tool to the interests of both the City and a property owner when potentially competing interests are **balanced**
- Independent political subdivision
    - PID debt wouldn't be a liability or a balance sheet item of the City
    - Defaults by PID taxpayers not enforced by municipality
- Governed by own board
- Creates new tax revenue stream rather than reallocation of existing taxes

4

PID Creation Powers

Creation

- Discretion of City
- Requires 100% consent of property owners and voters within the PID boundaries
- Costs of counsel in evaluating PID paid by the property owner

Powers

- City has broad powers to finance public infrastructure of many types
- City powers would be limited to the governing document entered into at creation

5

PID Governance

- PIDs are governed by a board with members initially appointed by the City
- Initial board comprised of property owners or their designated representatives
- Board will transition to an elected board as electors reside in the PID, as provided in the Governing Document
- Board authority constrained by the limitations established in the Governing Document

6

Utah Communities with Public Infrastructure Districts

- MIDA
- Provo
- Payson
- Morgan County
- Hurricane
- Ivins
- Toquerville
- Apple Valley

GILMORE BELL

7

CASE STUDY: RED BRIDGE PUBLIC INFRASTRUCTURE DISTRICT NO. 1

RED BRIDGE STATION

Limited Tax General Obligation Bonds
$24,000,000

Series 2021A:
$21,000,000

Series 2021B:
$3,000,000

Dated Date: July 8, 2021

DEVELOPMENT

- Contains approx. 163 acres of land in Payson City, Utah
- The district is planned to include 1,212 residential units, 157,200 sq. ft. of commercial space, 100,000 sq. ft. of industrial space, as well as 150,613 manufacturing space which has already constructed.
- Also planned to include 25 acres of open space, an extensive public trail system, the MTEC campus, and a future UTA Station.

BOND STRUCTURE

- Non-rated senior current interest and subordinate cash flow bonds sized to 1.54x and 1.00x coverage on 4% bi-annual inflation, respectively

USES OF FUNDS

- Proceeds were used for public improvements, such as water systems, sewer systems, drainage and flood control systems, recreational facilities, and road improvements.

KEY TAKEAWAY

- The second limited tax general obligation PID bond ever done in the State of Utah
- The 2051 maturity priced to yield 4.375%, exemplifying an ultra-efficient way to finance public infrastructure costs

D|A|DAVIDSON

8

CASE STUDY: MEDICAL SCHOOL CAMPUS PUBLIC INFRASTRUCTURE DISTRICT

ROCKY MOUNTAIN UNIVERSITY of HEALTH PROFESSIONS

Limited Tax General Obligation Bonds
$42,754,000

Series 2020A:
$38,845,000

Series 2020B:
$3,909,000

Dated Date: August 25, 2020

DEVELOPMENT

- 30 acres of unimproved land in Provo, Utah being developed for the purpose of constructing a private medical school and medical school housing
- Development to include an academic building, student center, research/surgical office building, an additional office building, 685 student/multifamily housing units, and two parking structures

BOND STRUCTURE

- Non-rated senior current interest and subordinate cash flow bonds sized to 1.30x and 1.00x coverage on 4% bi-annual inflation, respectively
- Includes a restricted account that holds proceeds attributable to certain buildings that require delivery of the School's Pre-Accreditation status (proceeds release upon delivery)

USES OF FUNDS

- Included the remediation of certain soil, groundwater, and gas contamination resulting from the lands prior use as a landfill.
- Relocation of 3 holes of the East Bay Golf Course
- Proceeds were also used for other public infrastructure expenses, such as roads and professional services (e.g. engineering, surveying, and planning costs)

KEY TAKEAWAY

- This transaction represented the first bond issuance from a Public Infrastructure District in the state of Utah since S.B. 228 was passed by the legislature in 2019

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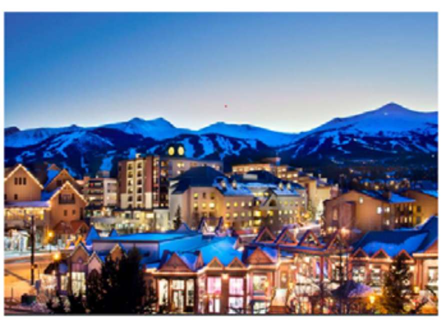
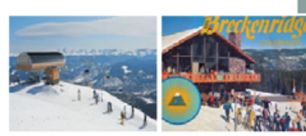
CASE STUDY: BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT





Unlimited Tax General Obligation Refunding Bonds, Series 2020:
$2,725,000

Dated Date: September 2, 2020

DEVELOPMENT

- Contains approx. 284 acres of land in Breckenridge, CO
- The master dev. plan provides for redesigning the entire base area of Peak 8, creating a new neighborhood at Peak 7, a new gondola from the sawmill and Watson parking lots and development of a skiway
- All infrastructure has been completed and supports 703 residential units, and approximately 145,000 square feet of commercial and guest service facilities

BOND STRUCTURE

- A- rated (S&P) refunding bond (AA Insured)

USES OF FUNDS

- Refunding 2010 bonds, which were used for roads, retaining walls, water and sewer lines, power and gas lines, relocating a gondola lift tower, and constructing an escalator and ice rink

KEY TAKEAWAY

- Was able to refund existing bonds from 2010, while having a S&P assign an A- rating to that debt

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CASE STUDY: BASE VILLAGE METROPOLITAN DISTRICT

Base Village
METROPOLITAN DISTRICTS 1 & 2
General Obligation Limited Tax Refunding Bonds:
$44,590,000
Series 2016A:
$31,260,000
Series 2016B:
$13,330,000
Dated Date: December 16, 2020

DEVELOPMENT
- Contains approx.19 acres of partially developed property at the base of Snowmass Ski Resort.
- Base Village is planned to contain a total of ~1million sq. ft. comprised of 504 condominium units, a 102 unit hotel, employee housing, and commercial (retail, restaurant, and office) space as well as 5 underground parking garages
- Development began in 2006 was discontinued in 2009; but has since resumed

BOND STRUCTURE
- Non-rated G.O. Limited Tax Refunding Bonds

USES OF FUNDS
- Refunding 2013A Loan and 2013B bonds; original bonds issued to provide public improvements related to the ski resort including the Main Parking Garage, snowmelt systems, the Transit Center, road bridges, the Conference Center, street and road improvements, skier bridges and a fire truck

KEY TAKEAWAY
- Funds allowed for continuation of the development of Base Village at Snowmass Ski Resort

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Limited Tax
BONDS

- Fixed rate bonds, generally for 30-year term
- Repaid from a limited ad valorem property tax
  - Tax payment pegged to taxable value of property
  - Statutorily, this rate may not to exceed 15 mills
  - A lower limit may be established by the City in the Governing Document or in the bond documents
  - New revenue source, no need to negotiate with school district, RDA, etc.

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Property Tax Scenario Analysis

Park City Property Tax Scenario Analysis		Primary Resident	Secondary Homeowner	Deed Restricted Primary "Affordable" Homeowner
Median Property Market Value[1]		$ 2,600,000	$ 2,600,000	$ 650,000
Median Property Assessed Value[2]		$ 1,065,752	$ 1,065,752	$ 266,438
Median Property Taxable Value[3]		$ 586,164	$ 1,065,752	$ 146,541
Tax Scenario	**Mill Levy**	**Annual $ Property Tax**		
2021 Base Mil Levy	0.00762	$ 4,467	$ 8,121	$ 1,117
+2 Mills	0.00962	$ 5,639	$ 10,253	$ 1,410
+4 Mills	0.01162	$ 6,811	$ 12,384	$ 1,703
+6 Mills	0.01362	$ 7,984	$ 14,516	$ 1,996
+8 Mills	0.01562	$ 9,156	$ 16,647	$ 2,289
+10 Mills	0.01762	$ 10,328	$ 18,779	$ 2,582
+12 Mills	0.01962	$ 11,501	$ 20,910	$ 2,875
+14 Mills	0.02162	$ 12,673	$ 23,042	$ 3,168

Source: Park City Municipal Corporation. As of July 28, 2021.
1. Median Property Market Value is defined as the median dollar value of assets currently selling in 84060 zip code as of July 2021.
2. Median Assessed Value is defined as the level of that Summit County assesses properties on average, which is estimated as 41% of current sale prices as of July 2021.
3. Median Property Taxable Value accounts for primary or secondary home ownership as primary residents are taxed at 55% of assessed value while secondary residents are taxed at 100% of assessed value.

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Critical Community Pillars

Transportation Innovation – Envisioning bold, multi-modal transportation solutions

- *PID Suggestion: PID should provide street and trails network connectivity, multi-modal street design, and pedestrian-friendly building design. PID should increase the potential for multi-modal transportation options, including public transit, biking, and walking. PID should include transportation infrastructure to integrate with current mass transportation and bus rapid transit systems and consider potential upgrades like light rail and gondolas.*

Social Equity and Affordability – Cultivating and engaging an inclusive and diverse community, while working to address disparities

- *PID Suggestion: PID should provide increased housing opportunities that are affordable to a wide range of income levels within all Park City neighborhoods. Increase rental housing opportunities for seasonal workers in close proximity to resorts and mixed-use centers. Increase housing ownership opportunities for the workforce within primary residential neighborhoods.*

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Critical Community Pillars

Environmental Leadership – Protect, enhance and support our natural world and local ecosystems, so we can all thrive

- *PID Suggestion: PID should include sustainable design, including water-conserving landscape design, thoughtful development phasing, and green building design. PID should encourage proper infrastructure, such as dedicated parking and charging stations, to support electric and alternative fuel automobiles within new development and redevelopment. PID should promote energy efficiencies in construction, including infill, preservation, adaptive reuse, and redevelopment.*

Authentic Local Culture – Fostering economic diversity through arts, culture, and local entrepreneurship, and create a balance between resident and visitor quality of experience

- *PID Suggestion: PID should include mixed-use development that consists of various affordable housing types and prices, a range of employment opportunities, retail and consumer services, and civic amenities. Encourage the installation of public art on private property, public space, parks, trails, and streets that represent Park City's core values.*

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Considerations

1. City should adopt standard policies for evaluating all PID requests in light of its objectives:
   - City's decision-making criteria
   - Governing Document requirements
   - Any general obligation bonding
   - Transition to elected Board
   - PID lifespan and dissolution
   - Notice to future property owners

   The statute only establishes the outer limits of what a PID can do, greater limitations or requirements may be imposed by the City
2. Establish a mill rate limit appropriate to accomplish financing of approved improvements
3. **What types of infrastructure does the city want to allow the PID to finance?**

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Next Steps

1. Draft PID policy presented
2. Council adopts new PID policy
3. Developer submits letter of intent for new PID per City policy
4. District Advisory Committee (internal staff) review PID utilizing criteria established in PID policy
   - If approved, DAC will direct applicant to prepare the Governing Document
5. DAC will review Governing Document and work with Council as needed
6. Final Governing Document forwarded to Council for action through the standard City and statutory processes

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MIDA Mountain Village Public Infrastructure District

Special Assessment Revenue Bonds
$168,300,000
Series 2020A
$52,890,000
Series 2020B
$15,610,000
Series 2021
$99,800,000

Development
- 5,600 acres in the Wasatch Range of the Rocky Mountains
- Development to include the Mayflower Mountain Resort and Resort Village, including 5 hotels, retail establishments and residential lots

Bond Structure
- Non-rated Special Assessment Revenue Bonds

Uses of Funds
- Finance the costs of acquisition of infrastructure, roads, and bridges, storm water, sewer, and recreational trails

Key Takeaway
- Development's Mayflower Mountain Resort will be North America's first world-class alpine village to be developed since 1981

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SPECIAL DISTRICT SAMPLES – COLORADO MOUNTAINS

D.A. Davidson Co. has extensive experience using special district and tax increment financing in mountain settings (e.g. ski resorts) in the State of Colorado having worked with more than 15 different Special Districts to provide infrastructure financing

Metropolitan District	Location in CO	Date of Transaction	Issuance Details
Breckenridge Mountain Metropolitan District	Breckenridge, Summit County	Jul. 2020	$2,725,000 Unlimited Tax General Obligation Refunding Bonds
Riverview Metropolitan District	Steamboat Springs, Routt County	Feb. 2018	$4,000,000 Limited General Obligation Bonds, Series 2018
Base Village Metropolitan District	Snowmass Village, Pitkin County	Dec. 2016	$44,590,000 Limited Tax General Obligation Refunding Bonds, Series 2016
Solaris Metropolitan District	Vail, Eagle County	Oct. 2016	$33,330,000 Limited Tax General Obligation Refunding Bonds, Series 2016
Reserve Metropolitan District	Crested Butte, Gunnison County	Jul. 2016	$10,775,000- Series 2016A-C Limited Tax General Obligation Bonds
Red Sky Ranch Metropolitan District	Edwards, Eagle County	Apr. 2015	$7,140,000 General Obligation Refunding Bonds, Series 2015
Bachelor Gulch Metropolitan District	Avon, Eagle County	Sep. 2011	$7,175,000 General Obligation Refunding Bonds
Alpine Mountain Ranch Metropolitan District	Steamboat Springs, Routt County	Feb. 2011	$6,825,000 Special Assessment Revenue Bonds, Series 2011

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CASE STUDY: SOLARIS METROPOLITAN DISTRICT

SOLARIS
RESIDENCES

Limited Tax General Obligation Refunding Bonds, Series 2016:
$33,560,000

Dated Date: October 13, 2016

DEVELOPMENT

- 2.643 acres mixed use development within the Town of Vail, Colorado
- Development includes 77 residential condominium units, 70,000 sf of retail development, a self-storage facility, and 300 public parking spaces located in Vail Village.

BOND STRUCTURE

- Non-rated senior & subordinate cash flow bonds sized to 1.30x and 1.00x coverage on 3% bi-annual inflation, respectively
- Included both a Senior Reserve Fund and Senior Surplus Fund at issuance

USES OF FUNDS

- Improvements were used for widening and improving public streets, landscape and site improvements, public art, and a public skating rink.

KEY TAKEAWAY

- Special District financing provided the necessary funding to develop a project that has sustained occupancy rates near 100% since opening in 2010

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CASE STUDY: BACHELOR GULCH METROPOLITAN DISTRICT

BACHELOR GULCH
METRO DISTRICT

General Obligation Refunding Bonds, Series 2011:
$7,175,000

Dated Date: September 29, 2011

DEVELOPMENT

- 1,367 acres of residential resort community adjacent to Beaver Creek Mountain ski area west of Vail, CO
- Consists of 103 luxury homes, 39 "cluster" homes, 46 townhomes, 392 luxury condos, and a 136 employee housing complex
- Assessed valuation of taxable property within the District increased 312% from $45,138,850 in 1999 to $185,760,410 in 2010

BOND STRUCTURE

- A+ rated (S&P) refunding bond

USES OF FUNDS

- Construction of roads, streets, parking areas, curbs, gutters, ski-ways, lighting, landscaping, and drainage improvements

KEY TAKEAWAY

- Was able to refund existing bonds from 2001, while having a S&P assign an A+ rating to that debt

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