PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JULY 29, 2004

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, July 29, 2004.

AGENDA

Work Session – City Council Chambers
3:00 p.m. Council questions/comments
3:15 p.m. Review of regular meeting

- Employee mortgage assistance program
- Interlocal agreement - regional ice facility
- Questions/comments on contracts
- Process for appeal

4:00 p.m. HPB and RAB interviews
5:45 p.m. Break

Regular Meeting – City Council Chambers
6:00 p.m.

I ROLL CALL

II COMMUNICATIONS FROM COUNCIL AND STAFF

Resolution extending the Mayor's and City Council's appreciation of the patriotic commitment of Jameson Tyler Hulse honored to serve our country

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

IV CONSENT AGENDA PUBLIC HEARING

Ordinance amending Title 4, Chapter 3A, Section 7 of the Municipal Code, regulating vending by artists on public property to amend the definition of art allowed to be exhibited

V CONSENT AGENDA

1. Ordinance amending Title 4, Chapter 3A, Section 7 of the Municipal Code, regulating vending by artists on public property to amend the definition of art allowed to be exhibited

2. Resolution extending the Mayor's and City Council's appreciation of the patriotic commitment of Jameson Tyler Hulse honored to serve our country

3. Award of contract to Mountain Manufacturing and Marketing Inc. for the purchase of bus shelters in the amount of $97,012

4. Resolution adopting mortgage assistance programs for employees of Park City Municipal Corporation and repealing Resolution No. 23-95

5. Lease with Boys and Girls Clubs for Recreation Building, located at 1400 Sullivan Road

6. Addendum to contract with ResortCom for management services for the Imperial Hotel, located at 221 Main Street

VI NEW BUSINESS

1. Resolution adopting an interlocal agreement with the Snyderville Basin Special Recreation District for joint funding of a regional ice facility

2. Appeal of Historic Preservation Board's denial of a Certificate of Appropriateness for Demolition for 801 Park Avenue – David Belz
   - Presentation by staff
   - Presentation by appellant
   - Public input
   - Decision

VII ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so the location will be announced by the Mayor. City business will not be conducted.

Posted: 07/26/04
See: parkcity.org

TENTATIVE
PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
AUGUST 5, 2004

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, August 5, 2004.

AGENDA

2:00 p.m.
Work Session – City Council Chambers
Council questions/comments
Quarterly goal update

3:00 p.m.
Closed Session – Executive Conference Room
Personnel and property

6:00 p.m.
Public Input – City Council Chambers

A majority of City Council members may meet socially after the meeting. If so the location will be announced by the Mayor. City business will not be conducted.

Posted: 08/02/04
See parkcity.org

Note: This future meeting schedule is TENTATIVE and subject to change.
PARK CITY COUNCIL TENTATIVE MEETING SCHEDULE

August 2004

12 Closed session – personnel
Prospector sidewalk snow removal services – work
Main Street business vitalization – work – 30 in
Award of contract for transit bus space sales services
Appointment of RAB and HPB members
Annexation and zoning of property known as the Spiro Tunnel Parcel – Paladin
Triple Crown Sports MFL and service agreement
Marsac Avenue and Chambers Street right-of-way – Brooks
Addendum to Sundance Film Festival license and service agreement
Insurance broker agreement – Cindy
Ordinance - 445 King Road, Treasure Hill Phase IV – final subdivision plat extension of approval - Brooks

19 Manager's workshop 10 a.m. – 3 p.m.
Candy gone - No meeting

26 RAB Annual Visioning Session – work (45 min)
Ordinance - 2409 Gilt Edge Circle – Arrowwood Subdivision plat amendment – Jonathan
Proposal to rezone from HR-1 to HRM Lots 2 – 16, Block 5 Snyder's Addition – public hearing – Ray
Ordinance – 160 Park Avenue plat amendment
Quinns Junction design contract
Downtown Projects design contract
White Pine Touring cross-county lease

September 2004

2 **No meeting**
6 Labor Day
9
16 **No meeting – City tour**
23
30

October 2004

7 **No meeting**
14
21
28 **No meeting**

November 2004

4
11
18

25 **Thanksgiving**
26 Thanksgiving holiday

December 2004
2
9
16
23
30

Pending Items:
Hoffman annexation - Kirsten
Water Service District – Grant of easement from Iron Mountain Associates
Transit Center Land Match Resolution – Gary
Public safety agencies - planning and education - Phil
Conservation easements – Brooks
City-owned buildings – Pat
January – update on temporary liquor and beer licenses – Alison

RESOLUTION EXTENDING THE MAYOR'S AND CITY COUNCIL'S APPRECIATION OF THE PATRIOTIC COMMITMENT OF JAMESON TYLER HULSE HONORED TO SERVE OUR COUNTRY

WHEREAS, it is appropriate to acknowledge residents of the past and present who proudly and willingly volunteer for military service to ensure a sound national defense, to provide a strong deterrent to attacks from hostile sources, and to maintain the security of our country and free people everywhere; and

WHEREAS, we gratefully acknowledge that we live in freedom today because of the many sacrifices that have been made and are being made today, by the valiant servicemen and women in the Armed Forces and their families; and

WHEREAS, we extend continuing support of these men and women and their families in this time of uncertainty and devote our thoughts and best wishes to all military service members and their families; and

WHEREAS, the Park City community extends its hope for a prompt end to the military actions facing our nation, and a safe and speedy return of our citizens serving in the military and all U S Armed Forces members.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council urge citizens to also pay tribute to our military reservists and families, and to extend our heartfelt appreciation for their courageous service in the preservation of the heritage of freedom of our great nation.

PASSED AND ADOPTED this 30th day of January, 2003.

PRESENTED to the Family of Jameson Hulse this 29th day of July, 2004.

PARK CITY MUNICIPAL CORPORATION

Mayor Dana Williams

Attest:

Janet M. Scott, City Recorder

City Council
Staff Report

Author: Mark Harrington
Subject: CITY ATTORNEY
Date: July 29, 2004
Type of Item: Public Hearing and Action - Legislative

PARK CITY 1884

LEGAL DEPARTMENT

Summary Recommendations:
Conduct a public hearing and adopt the ordinance change requested by a citizen to amend the Art in the Park Ordinance to allow the sale of clothing.

Description:
Topic:
Art exhibit space in the public park north of the Library.

Background:
This matter was previously discussed before City Council on July 31, 2003, September 25, 2003, March 1, 2004, April 15, 2004, and July 1, 2004.

In the June 24th Manager's Report, the Council received a copy of a letter from a textile artist who wished to display hand-woven articles of clothing. Council member Marianne Cone requested consideration of the request and specifically suggested amending the Art in Park Ordinance by removing the last phrase in the Art definition, which excluded clothing, as shown below:

<u>(1) "Art" means original works of fine art, graphic art and aesthetic objects produced by the Artist. It shall not include (1) any artwork produced by any person other than the Artist displaying the artwork; or (2) any artwork purchased or taken on consignment and held for resale.</u>

The Council considered the matter during work session July 1st and directed staff to return with an ordinance amending the code as requested.

Analysis:

See July 1, 2004 staff report.

Department Review:

Legal, the City Manager and Special Events have reviewed this matter.

Alternatives:

Approve the Request:

Adopt the ordinance as proposed.

Deny the Request:

List this as an issue to include in the post-test season evaluation, but do not change the ordinance.

Continue the Item:

Provide direction regarding what change in implementation the Council would like to achieve.

Significant Impacts:

Staff will monitor any impacts and report back to Council as necessary.

Consequences of not taking the recommended action:

Staff does not think the amendment will create an overload in number of artists, but as discussed above, the amendment will likely open the door the other requests and create an on-going dialogue, rather than the agreed upon test.

Recommendation:

Conduct a public hearing and adopt the ordinance change requested by a citizen to amend the Art in the Park Ordinance to allow the sale of clothing.

Ordinance No. 04-__

AN ORDINANCE AMENDING TITLE 4, CHAPTER 3A, SECTION 7 OF THE MUNICIPAL CODE, REGULATING VENDING BY ARTISTS ON PUBLIC PROPERTY, TO AMEND THE DEFINITION OF ART ALLOWED TO BE EXHIBITED.

WHEREAS, Park City adopted Ordinance No. 04-10, the Art in the Park Ordinance, on April 15, 2004, to partner with artists who wished to exhibit and sell their artwork on public property to define reasonable time, manner, place regulations and a location to allow such display; and

WHEREAS, at the request of an artist, the Council now finds that it is in the best interests of the city to clarity/expand the definition of art to include art works originally produced but may be worn as clothing;

NOW, THEREFORE, BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. FINDINGS: The Council finds that:

1. All findings of Ordinanace No. 04-10 are incorporated herein;

2. Expanding the definition of Art to include originally produced artwork which may also be worn as clothing is consistent with the original intent of the Council and increased registration as a result of such new definition is not reasonably expected to detract from the overall capacity nor compatibility of the park area;

SECTION 2. AMENDMENTS TO TITLE 4 OF THE MUNICIPAL CODE. Title 4, Chapter 3A, Section 7 "Art Exhibit for Sale on Public Property," is hereby amended as follows:

(A) **Definitions**. For the purpose of this Chapter, the following words shall have the following meanings:

(1) "Art" means original works of fine art, graphic art and aesthetic objects produced by the Artist. It shall not include (1) any artwork produced by any person other than the Artist displaying the artwork; (2) any artwork purchased or taken on consignment and held for resale~~; or (3) any clothing~~.

SECTION 3. EFFECTIVE DATE. This Ordinance shall be effective upon publication.

City Council
Staff Report

Author: **Eric Nesset, Transit-Parking M**
Subject: **Bus Shelters**
Date: **July 29, 2004**
Type of Item: **Administrative**

Public Works

Summary Recommendations:

Authorize staff to execute an agreement with Mountain Manufacturing & Marketing Inc., in a form approved by the City Attorney, for eight (8) bus shelter assemblies, in the amount of $97,012.

Description:

Background:

Park City Transit and Summit County have been awarded a Federal Transit Administration grant that will provide reimbursement for 80% of the cost, of up to eight (8) bus shelters and related transit amenities. Park City will pay the remaining 20% of the cost of shelters installed within Park City and Summit County will pay the remaining 20% of the cost of shelters installed along county bus routes. It is anticipated that Park City will purchase four (4) of the shelters and Summit County will purchase the remaining four (4) shelters.

Staff is currently in the process of identifying appropriate bus shelter locations. Potential locations within Park City may be on Park Ave at the Library, on Kearns east of Adolph's and the High School, and Sidewinder near Comstock. In Summit County, potential locations may be near the new Field House, Wal-Mart, Ritchins Building, Uinta Blvd near Wild Oats, or near Ecker Hill or Trailside schools. All shelters may not be installed immediately. While the best sites are identified and negotiations completed with landowners; they will be stored at Public Works.

Upon notice of award of this grant, Park City Transit issued a Request For Proposals (RFP) in compliance with applicable Local, State and Federal requirements. The RFP was advertised locally and nationally. The RFP was for no less than five (5) and up to eight (8) approximately 8 ft x 15 ft shelters and included structural design requirements to meet Park City's building codes. Nine companies requested and received copies of the RFP.

Analysis:

Responsive proposals were received from three companies. Cost proposals for eight (8) shelters, including structural design and shipping are:

Design Dimensions -	$115,505
Mountain Manufacturing Inc. -	$97,012
Columbia Equipment Company -	$90,740

A selection committee reviewed the proposals. Selection criteria listed in the RFP were:

- Shelter design appropriate for mountain resort environment
- Ease of maintenance and assembly
- Initial cost

The selection committee's recommendation is to award the contract to Mountain Manufacturing based on a design they determined to be more flexible and compatible with bus shelters previously installed in Park City than the more urban, window wall design of the Columbia shelter.

The reasons for recommending the purchase of the maximum number of shelters available under the grant now, rather than purchasing shelters individually as site negotiations are completed are: 1) the grantor wants the money spent by October, 2004, and 2) the cost of each shelter is reduced when purchased in quantity. The purchase of these shelters was anticipated in the 2004 budget process. Adequate funding for this purchase exists in CIP account 57-47006-7319 “Bus Shelters”.

Department Review:

The City Manager's Office, the City Attorney's Office, Budget\Debt and Grants and Public Works have reviewed this Staff report.

Alternatives:

- **Approve the Request:** Authorize staff to execute an agreement with Mountain Manufacturing & Marketing Inc., in a form approved by the City Attorney, for eight (8) bus shelter assemblies, in the amount of $97,012.
- **Deny the Request:** Not utilizing FTA grant monies will forgo an opportunity to fund 80% of the cost of these bus shelters and may jeopardize approval of future grant applications.
- **Continue the Item:** This alternative will have the same impact as Alternative B.
- **Do Nothing:** This alternative will have the same impact as Alternative B.

Significant Impacts:

Transit amenities, including bus shelters, usually result in increased transit use and will provide more comfortable waiting areas for locals and visitors.

Consequences of not taking the recommended action:

Not utilizing FTA grant monies will forgo an opportunity to fund 80% of the cost of these bus shelters and may jeopardize approval of future grant applications.

Recommendation:

Authorize staff to execute an agreement with Mountain Manufacturing & Marketing Inc., in a form approved by the City Attorney, for eight (8) bus shelter assemblies, in the amount of $97,012.

City Council
Staff Report

City Manager's Office

Author: **Phyllis McDonough Robinson**
Subject: **Silver Meadows Second Mortgage Program**
Date: **July 20, 2004**
Type of Item: **Administrative**

Summary:
Approve the attached resolution that authorizes staff to implement an enhanced Silver Meadows Second Mortgage program to assist City employees to purchase units in the Silver Meadows development.

Topic: Enhancements to Employee Second Mortgage Program

Background:
Park City Municipal Corporation currently owns six town homes in the Silver Meadows development located across from the Park City High School. These units are available for rent by full time, regular employees. Five of the six units are currently rented. The sixth unit was acquired earlier this month to replace a rental unit purchased by a city employee. It is being prepared for occupancy.

The City maintains a waiting list of city employees interested in purchasing a unit at Silver Meadows. Staff recently conducted a survey among the city employees currently renting at Silver Meadows and employees who recently tried to purchase a unit. Four of the current renters, and two other employees would be interested in purchasing a unit, but are unable to accumulate a down payment substantial enough to bring monthly housing costs into an affordable range.

The City currently provides second mortgage assistance of up to $10,000 in matching funds to assist employees to purchase housing within the Park City School District Boundary. While this is an important resource, for some employees – especially those purchasing their first home, or employees with single income households, the hurdle of accumulating a matching down payment to access those funds still exists.

This staff report presents a recommendation for the City to implement an enhanced Employee Second Mortgage Program for the Silver Meadows development. This program will maintain the City's commitment to employee assisted housing with the added benefits of increased homeownership rates within the Silver Meadows development, reduction in the City's risk and exposure as a landlord, and expansion of resources for additional affordable housing projects through the conversion of existing rental units.

Analysis:

Program Description
The key element of the enhanced Employee Second Mortgage Program for Silver Meadows is the increase in the maximum second mortgage loan amount to 17 percent of the unit cost. At current sales prices this is approximately $26,690. The existing Employee Second Mortgage Program is limited to $10,000.

The buyer would be responsible for providing at minimum a three percent down payment, or approximately $4,710. These funds, when combined, would provide 20 percent of the financing thus allowing the buyer to qualify for conventional financing without private mortgage insurance on its first mortgage. This can provide a significant cost savings of up to $100 per month in housing costs.

In addition, a deed restriction requiring that the unit be owner-occupied would be added to the property. This deed restriction does not currently exist. In some cases units have been purchased by city and non-city employees, and after a period of time they have become rental property. While subject to maximum rent limitations, the decreasing homeownership level in the development has affected the ability to obtain financing because it is considered to be a primarily investor-owned HOA. Increasing the overall level of homeownership in the development would be of benefit to all owners. This deed restriction would be enforced through an annual owner-occupancy certification verified by tax roles showing the property taxed as the primary residence. Should the property cease to be the primary residence, the second mortgage would be due and payable at the City's discretion. Consideration should be given for short term rentals necessitated by changes in family situation or military service. This is not intended to prohibit an owner from having a housemate who contributes towards the monthly housing cost.

The interest rate and terms of the program would be similar to the existing City mortgage program. The interest rate would be five percent. Principal and interest payments would be deferred for the first five years. Interest would accrue during the period of deferral. The five year deferral is essential for the loan amount not to be considered in the loan underwriting. If the deferral period were shorter, the first mortgage would need to include the payments in the loan underwriting. It would have the effect of reducing the amount of the first mortgage the employee could afford.

Funds would be available on a first-come, first-served basis to full-time, regular employees. Employees are not required to purchase a city-owned rental unit. The Silver Meadows Second Mortgage program may be used in the purchase of any unit at Silver Meadows. In the event that applications for assistance outstrip available resources during the first 90 days of the program, applications from employees living in city-owed rental units who wish to purchase their current rental property will be given priority. The program would be effective January 1, 2004 to allow employees who recently purchased units to take advantage of these funds if they would be of assistance.

All other master deed restrictions, including appreciation caps and the City's right-of-first refusal would still be in place.

Program Funding

Funding for the enhanced Employee Second Mortgage Program for Silver Meadows would be provided through the sale of an existing city-owned rental unit to a city employee. The sale of one town home would generate funds sufficient to fund up to six second mortgages. Funds generated through the sale of additional town homes would be placed in the City's affordable housing account and used to further other affordable housing goals. Eligible uses of these funds could include capitalizing a replacement reserve account for city-owned rental property at Silver Meadows and 1465 Park Avenue, land or real property acquisition for future affordable housing development, low interest loans for affordable housing development, or seed capital for future programs.

Limitations on Sale

It is recommended that the city retain at least two rental units at Silver Meadows for city employees. These units serve an important function in employee recruitment and retention.

Risk Reduction

The units at Silver Meadows rent for $844. From these proceeds the city must pay HOA dues, a management fee and insurance. These table below details the expenses and estimated return on the current investment.

Current Sales Price	$156,000	
Gross Annual Rent	10,128	
Less: HOA Dues	1,104	
Less: Mgt Fees	304	
Less: Replacement Reserve	500	
Net Annual Income	8,220	
Plus: Appreciation	4,680	(3%)
Total NOI + Appreciation	12,900	
Value of Income	$143,333	(9% capitalization rate)

The sale of one or more Silver Meadow units reduces our risk exposure for ongoing property maintenance.

Comparison of Rental Income vs. Interest Earned

Sale of One Unit	$156,000	(proceeds to fund program)
Interest Earned	7,800	(Second Mortgages at 5%)
NOI	8,220	

The interest earned on the creation of the revolving loan fund is five percent lower than the NOI earned on that unit as a rental property.

Impact of the Sale of Four City-Owned Rental Units

Proceeds from Sale:	$624,000	
Less: Second Mortgages	156,000	(proceeds to sell program)
Net Proceeds available	468,000	(for other affordable housing efforts)

Interest Earned	7,800	(Second Mortgage at 5%)
Interest Earned	14,040	(Remaining Funds Earning 3%)
Net Income	21,840	
Foregone Rental Income	32,880	
Difference	(11,040)	

The short term impact of four city employees purchasing their units is a net loss of $11,040 of income. This assumes that the remaining sales proceeds are in an account earning three percent. If the remaining proceeds are used to fund land acquisition, the funds would then be invested in an appreciating asset. Finally, because the city retains a right of first refusal to purchase units, the city could repurchase units, if desired.

There are intangible positive benefits including:

- Reduction in staff time managing the rental property.
- Availability of funds to capitalize other affordable housing programs.
- Risk reduction in owning rental property including capital replacement costs not currently budgeted or increased HOA costs.
- Employee recruitment and retention encouraged by the second mortgage program.

Department Review:
Budget, Debt and Grants, Finance, City Manager and Legal have reviewed this staff report.

Alternatives:
Approve the Request: Council could approve the request to create an enhanced Second Mortgage Program for the Silver Meadows development as outlined above.

Deny the Request: Council could deny the request and direct staff to maintain the existing rental program.

Continue the Item: Council could continue the item and direct Staff to return with additional information.

Significant Impacts
No long term significant negative impacts are anticipated. As discussed above, the sale of one unit at Silver Meadows will fund second mortgages for up to six employees, as well as capitalize a replacement reserve account for remaining city-owned rental property. Proceeds from the sale of additional units will be placed in the City Housing Fund and used to fund future capital costs related to land and real property acquisition for future affordable housing. There is a potential short term loss of rental income as units are converted from rental to owner-occupied units. This loss is offset by intangible positive benefits discussed above.

Consequences of not taking recommended action:

The enhanced Silver Meadows Second Mortgage Program provides an opportunity to put these assets to work for additional affordable housing opportunities. It provides an opportunity to create a new source of capital that will assist employees to move into homeownership without decreasing the funds available for the existing Second Mortgage Program. The consequence of not taking the recommended action is one of lost opportunities and increased strain on existing housing resources.

Recommendation:
Staff recommends that the City Council approve the creation of the enhanced Silver Meadows Second Mortgage Program.

RESOLUTION ADOPTING MORTGAGE ASSISTANCE PROGRAMS FOR PARK CITY MUNICIPAL CORPORATION EMPLOYEES AND REPEALING RESOLUTION NO. 23-95.

WHEREAS, the City Council has identified employee housing as a high priority in its work program as evidenced by the adoption of Resolution No. 17-99, outlining policies for housing projects; Resolution No. 8-93, detailing affordable housing guidelines and standards; and its commitment and support to the success of several affordable housing projects in Park City;

WHEREAS, in a continued effort to maintain community diversity and high quality emergency services, the City Council adopted Resolution No. 23-95 on October 26, 1995 which established the Mortgage Assistance Program for Park City Municipal full-time employees; and

WHEREAS, it is the determination of this City Council that increasing the limits for the Employee Mortgage Assistance Program to assist in the purchase of units in the Silver Meadows development is in the mutual interest of the City and its employees;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Park City, Utah as follows:

SECTION 1. GENERAL MORTGAGE ASSISTANCE PROGRAM. The City Council hereby affirms and renews its support for the continuation of the Mortgage Assistance Program for Park City Municipal employees.

1. This program assists regular, full-time employees with matching down-payments up to $10,000 down-payments on the purchase of primary residences within the Park City School District Boundaries.
2. Funds are available on a first-come, first-served basis until the balance of the General Mortgage Assistance Fund has been depleted.
3. The unit must be owner-occupied. A deed restriction will be recorded with this requirement. This deed restriction will be enforced through an annual owner-occupancy certification verified by tax roles showing the property taxed as the primary residence. Should the property cease to be the primary residence, the second mortgage would be immediately due and payable at the City's discretion. Consideration should be given for short term rentals necessitated by changes in family situation or military service. This is not intended to prohibit an owner from having a housemate who contributes towards the monthly housing cost.
4. All other master deed restrictions if applicable, including appreciation caps and the City's right-of-first refusal continue in full force.

SECTION 2. SILVER MEADOWS MORTGAGE ASSISTANCE PROGRAM. The City Council hereby authorizes staff to implement a Silver Meadows Mortgage Assistance Program for full-time, regular employees of the Park City Municipal Corporation. This program is intended to increase homeownership levels in the Silver Meadows development.

1. The maximum second mortgage assistance shall not exceed 17 percent of the sales price of the unit. A second deed of trust shall be recorded against the property for the amount of the employee mortgage assistance in favor of Park City Municipal Corporation.
2. The employee shall contribute a minimum of 3 percent of the sales price towards the down payment.
3. The unit must be owner-occupied. A deed restriction will be recorded with this requirement. This deed restriction will be enforced through an annual owner-occupancy certification verified by tax roles showing the property taxed as the primary residence. Should the property cease to be the primary residence, the second mortgage would be immediately due and payable at the City's discretion. Consideration should be given for short term rentals necessitated by changes in family situation or military service. This is not intended to prohibit an owner from having a housemate who contributes towards the monthly housing cost.
4. The interest rate for the second mortgage program will be five percent. Principal and interest payments would be deferred for the first five years. Interest would accrue during the period of deferral.
5. Funds are available on a first-come, first-served basis to full-time, regular employees. In the event that applications for assistance outstrip available resources during the first 90 days of the program, applications from employees living in city-owed rental units who wish to purchase their current rental property will be given priority. The program effective date would be retroactive to January 1, 2004 to allow employees who recently purchased units to take advantage of these funds if such assistance would be beneficial.
6. All other master deed restrictions, including appreciation caps and the City's right-of-first refusal continue in full force.
7. Funding for the Silver Meadows Second Mortgage Program would be provided through the sale of an existing city-owned rental unit to a city employee. Repayments would be reallocated to the Silver Meadows Second Mortgage Program.

8. Funds generated through the sale of subsequent city-owned units up to a maximum of four would be placed in the City's affordable housing account and used to further other affordable housing goals.

SECTION 3. REPEAL. Resolution No. 23-95 if hereby repealed.

SECTION 4. EFFECTIVE DATE. This Resolution shall become effective upon adoption.

City Council
Staff Report

Author:	**Alison Butz**
Subject:	**Boys and Girls Club**
Date:	**July 29, 2004**
Type of Item:	**Administrative – Lease Authorization**

PARK CITY
1884

Special Events and
Facilities Department

Summary Recommendations:
Staff recommends that Council approve the lease of the Rec Building to the Boys and Girls Club.

Description:

Topic:
The Boys and Girls Club is looking to establish a more permanent home in Park City. At this time they have requested assistance in finding a temporary space in the City's Rec Building to hold programs while a more permanent location is found.

Background:
The Boys and Girls Club currently offers programs in two schools in Park City and has maximized their available space the School District has offered to them. There are 150 registered members in the Park City School District, and with the expansion plans they plan to increase the registered members to 400. When fully operational, the Boys and Girls Club would offer kids in the community programs in Education and Career Development; Health and Life Skills; Character and Leadership Development; Sports, Fitness and Recreation; and the Arts. Boys and Girls Club Services also extend into before and after school care, and after school drop-in.

The Boys and Girls Club is pursuing a permanent home within Park City and anticipate acquiring property within the next four years. In the meantime, with the space in the School District maximized, they have begun looking for a temporary 1 – 3 year location to increase their programs and services to the community.

The Boys and Girls Club would use the entire building to provide their programs and services with the goal to be open as many non-school hours as possible. While the Boys and Girls Club can provide transportation to and from school, a central location in town, on the bus route is convenient for the evening, weekend and summer attendees.

Anaylsis:
Staff began looking at available City buildings and the Rec Building in City Park was suggested. The Recreation Center has many current uses throughout the entire

year. Staff has reviewed the list of users and finds that it could work to reschedule the AA and other various meetings at Miners Hospital. Staff has already worked with the Sundance Institute to find a suitable space to relocate the print room for the festival. The Summer Camp cannot be easily relocated.

The Summer Day Camp program has been offered by Park City Recreation for over 20 years. It is a valuable and popular program for Park City residents, as evidenced by the 2003 and 2004 summers when the camp operated at close to capacity (for the building and staff:camper ratio).

The location of the Recreation Building in City Park is ideal for Day Camp. Staff can easily utilize the skatepark and the soccer/softball fields for games. The library is easily accessible. Being on the bus route allows for short "in-town" field trips to other parks, and to the Racquet Club for swimming.

The lease has been written to continue allow the Recreation Department to continue their use of the building during the summer. Staff has offered the Boys and Girls Club use of the building from September 1st to May 31st.

The attached lease and the addendum will be in effect upon execution.

ALTERNATIVES

A. Recommend the lease be approved, thereby allowing the Boys and Girls Club to rent the Rec Building in City Park.

B. Modify terms of the addendum and approve in order to allow for the Boys and Girls Club Library expansion.

C. Recommend denial of the lease thereby preventing the Boys and Girls to locate their programming in the Rec Building.

D. The City Council may continue the action for more information and discussion.

Significant Impacts:

Renting the Rec Building to the Boys and Girls Club will cause the relocation of some existing meetings in the building. Staff is confident that alternative locations can be provided to those meeting groups in other City facilities.

The Boys and Girls Club will be paying rent at $15.75 per square foot. The total for nine months of rent comes to Eighteen Thousand Three Hundred Forty-Four Dollars and Eighty-One Cents ($18,344.81) for the lease term.

Consequences of not taking the recommended action:

The Boys and Girls Club would need to find another suitable location to expand their programming in Park City.

RECOMMENDATION:

Staff recommends that Council approve the lease thereby allowing the Boys and Grils Club to occupy the Rec Building from September 1st through May 31st.

Exhibits

Exhibit A – Lease Agreement Between the Boys and Girls Club and Park City Municipal Corporation

Boys and Girls Club of Greater Salt Lake
Park City Municipal Corporation
2004 Property Lease

THIS AGREEMENT is made by and between Park City Municipal Corporation (hereinafter referred to as “Landlord”) and the Boys and Girls Club of Greater Salt Lake (hereinafter referred to as “Tenant”) to set forth the terms and conditions under which Landlord will lease space in Recreation Building at 1400 Sullivan Road, Park City Utah (hereinafter referred to as “Rec Building”) to Tenant. The parties agree as follows:

1. Property. The property leased is within Rec Building as described in Exhibit A (attached and hereafter referred to as Premises). The leased space includes the entire Main Floor of the Rec Building as is, excluding the Police Department office.

2. Term. The term of this Agreement shall run for up to two (2) consecutive nine-month terms running from September 1st through May 31st. The initial term shall be for September 1, 2004 through May 31, 2005. The leased property is currently surplus municipal space, but may be required for municipal purposes by Landlord at the conclusion of the lease term. Landlord may terminate this lease upon three (3) months prior written notice if the leased space is required for municipal purposes. No option of first refusal is granted to Tenant.

3. Rent. The rent for the leased space shall be as follows:
   (a) Rate: Eighteen Thousand Three Hundred Forty-Four Dollars and Eighty-One Cents ($18,344.81) for the lease term.
   (b) Payments: Rent shall be paid in nine equal installments of Two Thousand Thirty Eight Dollars and Thirty-One Cents ($2,038.31). Rent shall be due on the first of each month, and past due if not paid by the tenth (10^{th}) of the month.
   (c) Deposit: No Deposit is required.
   (d) Credit for Early Payment. Beginning in Calendar Year 2004, if Tenant pays Landlord the term rent in full by September 15, then rent will be reduced by four percent (4%).
   (e) Late Payment: If any installment of rent due from Tenant is not received by Landlord within 10 calendar days after the date in which it’s due, Tenant shall pay to Landlord a late charge of $25.00.

4. Utility Service. Landlord shall be responsible for natural gas, electricity, sewer, refuse collection and water for the leased space. Tenant will be responsible for any other utilities such as telephone and cable television and shall establish an account with each of these utilities in its own name.

5. Use of the Premises. The premises shall be used only for programs associated with the Boys and Girls Club of Greater Salt Lake.

6. Telephone, Cable and Microwave. The Tenant will install its own telephone, television, computer and other communication equipment in the leased space. The remodeled space will include wiring, cables or chases for a wide variety for communications between spaces within the building and externally. Any specialized communication facilities, equipment, wiring, cables or installations will be the Tenant's responsibility. Tenant will coordinate installation with the City's IT Department.

7. Insurance. The Tenant will provide insurance at its expense covering its contents against loss through theft, fire, vandalism or similar casualties. The Landlord will maintain insurance on the structure for the replacement of the building itself, and the contents of the building owned by Landlord. The Landlord also carries a public liability policy insuring it against claims of personal injury on Landlord's property. The Landlord's policy does not cover the Tenant's employees or patrons who are on Landlord's property exclusively for the purpose of doing business with the Tenant. The Tenant agrees to maintain a comprehensive property liability policy in the amount of Five Hundred Thousand Dollars ($500,000) (each person and each occurrence) and to obtain a certificate of insurance naming Park City Municipal Corporation and the Municipal Building Authority of Park City as additional insured and evidencing coverage as to any person on the Premises as a result of Tenant's programs or activities. The Landlord is protected by the Utah Governmental Immunity Act, and nothing herein is intended to waive or limit the protection of the Act in behalf of either entity, but to the extent it is consistent with this intent, it is the purpose of this provision to protect the Landlord for liability or allegations arising out of the Tenant's use of Landlord's property.

8. Payment of Taxes and Other Assessments. As a tax exempt entity, the Landlord does not expect to be assessed real estate and personal property taxes and other related assessments or taxes on the Premises. However should the Tenant change the tax status or should other circumstances cause taxes or assessments to be imposed on the Premises, then Tenant shall pay real estate and personal property taxes and other related assessments or taxes on the Tenant's Premises during the term of this lease.

9. Liens. Tenant shall not permit any liens to attach to the property for work done at Tenant's request or for Tenant's benefit. If Landlord received notice of any such against the property, Tenant shall promptly discharge the lien at Landlord's request, or post fund sufficient to satisfy the lien during any period of good faith contest of the lien by Tenant. In the event Landlord reasonably feels its title to the property is in jeopardy because of any lien Tenant has elected to attach to the property, Landlord may discharge the lien and collect the amount paid from the Tenant. The Tenant agrees to pay all reasonable costs incurred by the Landlord in the defense or discharge of any liens on the

property.

10. Tenant Improvements. The Premises are being leased to Tenant in as-is condition. Any additional interior finish or furnishings desired by the Tenant must be approved in advance by the Landlord and Owner in writing and are the responsibility of the Tenant, with no allowance made for the costs of the Tenant improvements unless agreed to by Landlord in writing. At the expiration or termination of the Lease, all Tenant improvements become property of the Landlord unless specifically exempted in writing prior to installation.

11. Signs. Landlord reserves the right to specifically review and approve or reject proposed signs on or in the building. Landlord's approval for signs will not be unreasonably withheld, so long as the sign is directional rather than promotional, meets the requirements of the Park City Sign Code, and conforms with the historic nature and architectural detailing of the building. Signs shall be removed and any damage resulting from removal shall be repaired at the termination of the Lease.

12. Assignment/Sublease. The Lease may not be assigned or the Premises sublet without the advance written consent of Landlord. Landlord's consent to assignment or sublease will not be unreasonably withheld.

13. Remedies. In the event the Tenant fails to pay monthly installment payments when due, or violates or reaches any other term or condition of the Lease, Landlord shall have the right to exercise the following remedies, and any other remedies available at law or equity:
   (a) Landlord may, by written notice to Tenant, demand that Tenant either pay rental installments due within ten (10) days, or quit the premises within fifteen (15) days;
   (b) Landlord may permit the Tenant to remain in possession and sue for the installments that are past due;
   (c) Landlord may re-let the premises for Tenant's account at the rate and on such terms as are commercially reasonable at the time and under the circumstances, and charge Tenant for any difference in the rental received and the rental agreed to herein, provided that any re-letting shall be done in good faith under the circumstances;
   (d) Landlord may agree to a payment of damages in such amount as the parties then agree, and release the Tenant from obligations under this Lease entirely. Unless Landlord has released Tenant's continued performance under this Lease, Tenant is deemed to be in possession of the Premises, and any re-letting by Landlord in on Tenant's account. Tenant is responsible for all payments and obligations under the Lease until Landlord releases Tenant.

14. Covenant of Quiet Possession. Landlord covenants with Tenant that

Landlord is the owner of the Premises and that, except as provided herein, Tenant's possession will not be disturbed by acts or omissions of the Landlord so long as Tenant faithfully performs the Tenant's obligations of this Lease. Tenant hereby acknowledges that the Premises are a public recreation facility that often has special events and tournaments. These special events often result in the filling of the parking lot for the Premises, total occupation of the Common Area, and other traffic, access and noise impacts. Tenant hereby acknowledges that such impacts from operation of the recreation facility shall not constitute a breach of Landlord's covenant of quiet possession, and that such events shall be scheduled at the sole discretion of the Landlord. Landlord shall use reasonable efforts to provide the Tenant with advanced notice of said events.

15. Maintenance. The Landlord shall be responsible for all structural maintenance of the Premises, including the roof, foundation, structural members, and exterior wall surfaces. The Landlord will be responsible for janitorial service in areas used in common and cleaning the outside of the glass and replacement in the event of damage from an outside source. Tenant shall be responsible for all interior maintenance, including mechanical and electrical fixtures to the extent that they are located within and exclusively benefit the Premises, janitorial service, and glass maintenance (both cleaning the inside and replacement in the event of damage from an inside source) which is within the leased premises or solely serves the Premises. Landlord shall be responsible for mechanical systems, which serve space as reasonably necessary to maintain the structure and to service common utility facilities. Exterior maintenance of the site and snow removal shall be Landlord’s responsibility.

16. Access to Other Spaces. Tenant shall not interfere with the access to other spaces within the building or obstruct the entrances to those other spaces in any way. Landlord shall have such access through Tenant’s space as reasonably necessary to maintain the structure and to service common utility facilities. Landlord shall have the right to inspect the leased space during the Tenant’s normal business hours.

17. Force Majeure. This Lease Agreement shall automatically terminate upon any holding, interpretation, or determination by a court, legislative, or administrative body that Landlord may not lease to a private educational entity or similar establishment or that the Landlord may not lease to a private entity either under existing state and federal law regulation or future state and federal law regulation.

18. Increased Insurance Risk. Tenant will not permit said premises to be used for any purpose which would render the fire insurance on the building or the premises void or cause cancellation thereof or increase the insurance risk or increase the insurance premium in effect at the time of the terms of this

Lease. Tenant will not keep, use or sell, or allow to be kept, used or sold in or about the Premises any article or materials which are prohibited by law or by standard fire insurance policies of the kind customarily in force with respect to the Premises of the same general type as those covered by this Agreement.

19. Care and Repair of Premises by Tenant. Tenant will inspect and accept the Premises for the purposes of this agreement prior to taking occupancy. Tenant will not commit any waste on Premises nor shall it use or permit the use of the Premises in violation of any state law or county or municipal ordinance or regulation applicable thereto. Tenant may, with the prior written consent of the Landlord, but at its own cost and expense, in a good workmanlike manner, make such alterations and repairs to the leased space as Tenant may require for the conduct of its business without, however, materially altering the basic character for the building or improvements or weakening the structure on the leased premises. Any permanent alterations or improvements to the Premises shall become the property of the Landlord upon expiration or termination of this Lease unless specifically exempted in writing prior to commencing work.

20. Damage or Destruction. If the Premises or any part thereof shall be damaged or destroyed by fire or other casualty, Landlord shall promptly repair all such damage and restore the premises without expense to the Tenant subject to delays due to adjustment in insurance claims, strikes and other causes beyond the Landlord's control. If such damage or destruction shall render the Premises uninhabitable in whole or in part, the rent shall be abated wholly or proportionately until the damage shall be repaired and the premises restored. If the damage or destruction shall be of which may require removal of Tenant's operations from the Premises, either Landlord or Tenant may elect to terminate this lease by written notice to the other within thirty (30) days after the occurrence of such damage or destruction.

21. Surrender of Premise. Tenant agrees to surrender the Premises at the expiration or sooner termination of this Agreement or any extension thereof in the same condition or as altered pursuant to the provisions of this Agreement. Ordinary war, tear and damage by the elements or other acts of God excepted.

22. Hold Over. Should Tenant hold over the Premises or any part thereof after the expiration of the term of this Lease unless otherwise agreed in writing, such holding over shall constitute a tenancy from month to month only, and Tenant shall pay as monthly rental the same monthly rental provided for herein.

23. Indemnity. The Tenant covenants and agrees to indemnify, hold Landlord harmless from all claims, loss damage, injury or liability (hereafter "Liability") resulting from Tenant's use and occupancy of the Premises to the full extent

provided in the Utah Governmental Immunity Act, including reasonable attorney's fees, but excluding any Liability resulting from acts or omissions of Landlord, its officers, employees or agents. Nothing herein shall be construed as a waiver of any of the rights or defenses under the Utah Governmental Immunity Act (Utah Code Ann. Sections 63-30-1, et seq), as amended. The obligations hereunder shall be determined under principles of tort law including, but not limited to, the Governmental Immunity Act.

Landlord will indemnify and hold tenant and its employees harmless to the full extent provided in the Utah Governmental Immunity Act, and limited by Paragraph 25 of this lease, from claims, loss, damage, injury, or liability resulting from Landlord's use and occupancy of the Premises or from the conduct of Landlord's operations; including, but not limited to, Landlord's negligence or intentional acts. Nothing herein shall be construed as a waiver of any of the rights or defenses under the Utah Governmental Immunity Act (Utah Code Ann. Sections 63-30-1, et seq.), as amended.

24. Landlord Liable only for Negligence. Except where caused by Landlord's negligence, Landlord shall not be liable for any failure of water supply, natural gas supply or electrical supply; or for any injury or damage to persons or property caused by gasoline, oil, steam, gas or electricity; or hurricane, tornado, flood, wind or similar storms or disturbances; or water, rain or snow which may leak or flow from the street, sewer, gas mains or any subsurface area or from any part of the building or buildings or for an interference with light.

25. Nondiscrimination. Tenant agrees not to discriminate against anyone on the basis of race, color, national origin, age, sex or handicap in its hiring practices, services or operation of its business hereunder.

26. Waiver of Covenants. It is agreed that the waiver of any of the covenants of this Lease Agreement by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenant or any provisions herein.

27. Rights of Successors and Assigns. The covenants and agreements contained within the Lease shall apply to the benefit of successors in interest and legal representatives, except as expressly otherwise hereinbefore provided.

28. Security. The Landlord will install doors with locking hardware. The Tenant is entitled to put locks on the doors to its space, provided the Landlord is given keys for reasonable access and building maintenance. Both parties will attempt to keep the exterior doors locked after their use of the building is completed for the day, and the Tenant shall have the obligation of checking all exterior doors at the conclusion of each day to make sure that they are

locked, and that windows in the rooms used by the Tenant are secured. Lights and radiators should be turned off at the conclusion of the Tenant's use each day.

29. Notice Provision. Any and all notices required by this Lease Agreement shall be in writing and delivered personally to the party to whom the notice is to be given, or mailed by certified mail, postage prepaid, and addressed as follows:

If to Landlord:
Alison Butz
Facilities Manager
Park City Municipal Corporation
P.O. Box 1480
Park City, Utah 84060

If to Tenant:
Boys and Girls Club of Greater Salt Lake
675 East 2100 South, Suite 270
Salt Lake City, Utah 84106

30. Entire Agreement. This agreement constitutes the entire and only agreement between parties and it cannot be altered or amended except by written instrument, signed by both parties.

City Council
Staff Report

Author:	**Alison Butz**
Subject:	**Imperial Hotel**
Date:	**July 29, 2004**
Type of Item:	**Administrative – Review of the Management Contract**

PARK CITY
1884

Special Events and
Facilities Department

Summary Recommendations:
Authorize the City Manager to execute an addendum to the management contract for management of the Imperial Hotel, with ResortCom for an additional nine-month period.

Description:

Topic:
Requests for Proposals (RFP) for the Management of the Imperial Hotel.

Background:
After purchasing the Imperial Hotel in December 2003, the City entered into a contract with ResortCom International. ResortCom took over the day-to-day operation of the hotel. The agreement with ResortCom was scheduled to terminate on June 30, 2004 unless extended by mutual agreement of the parties. At that time Staff extended the contract an additional month, to July 31, 2004, to allow for time to contact the Air Force and find out the status of the City's proposal to swap the Imperial Hotel with land they own on Hwy 248.

Staff contacted the Air Force and received an indication that they will be close to their final decision in September. Staff discussed this with Councilman Heir, the Council's liaison for the Imperial Hotel. Given the past performance of the Imperial Hotel this spring and projected room nights for the summer, a decision was made to close the hotel operation for the remainder of the summer. The projected room nights showed that there would be a loss in income, which is consistent in the summer months with other Park City rental properties.

ResortCom was still interested in extending the management contract and offered a change in some of the terms for the extension. The changes offered addressed the City's concerns regarding the loss in income and allowed the hotel to remain open and in good operating condition.

Analysis:
The current proposal with ResortCom has the City paying a $2,000 monthly management fee for their services. ResortCom would manage the revenues and expenses from the Imperial and will pay the City's 50% of net profits on a semi-annual basis.

Given the past performance and the City's hesitation moving into the summer season ResortCom was willing to amend the current contract with regards to the management fee and pay the City $2,000 for them to operate and manage the hotel. In this case the City would be guaranteed an amount of money a month with no worry about the net profits.

In return, ResortCom did request two items. The first requesting the contract term be extended through the 2004/2005 ski season. The second request asked that the City paint the Imperial Hotel. The City has been planning on painting the hotel and has set a timeline for the painting to be complete by October 1, 2004.

The remaining terms of the contract will remain including the 30 day termination clause. This would allow either party to terminate this Agreement, in whole or in part, at any time, by at least thirty (30) days written notice to the other party. This would allow the City to provide ResortCom with notice if the Air Force was willing to trade the property for their parcel on Hwy 248.

Significant Impacts

The extension of the management contract for the Imperial Hotel would keep the structure and business in good condition thereby keeping the City's investment in the property.

ALTERNATIVES

- Conduct a public hearing and approve the addendum to the management contract between Park City Municipal and ResortCom International to manager the Imperial Hotel.
- Deny the approval of the management contract and close the Imperial Hotel.
- The City Council may continue the action for more information and discussion.

RECOMMENDATION:

Direct Staff to approve an addendum to the management contract for management of the Imperial Hotel, with ResortCom for an additional nine-month period

Exhibits

Exhibit A – Second Addendum to the Management Contract

SECOND ADDENDUM TO PARK CITY MUNICIPAL CORPORATION
SERVICE PROVIDER/PROFESSIONAL SERVICES AGREEMENT

THIS SECOND ADDENDUM is made and entered into in duplicate this 30th day of July 2004, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation and political subdivision of the State of Utah ("City"), and ResortCom International, a California limited liability company ("Service Provider") to amend the Service Provider/Professional Services Agreement signed and executed by the Parties on December 18, 2003, as amended via addendum dated June 10, 2004.

WITNESSETH:

WHEREAS, the parties entered into a Professional Services Agreement on December 18, 2003 (hereinafter "Original Agreement"); and

WHEREAS, both parties to the Original Agreement require additional time to complete performance of their obligations thereunder; and

WHEREAS, the parties desire to amend the Original Agreement to provide sufficient time for such performance.

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, the parties hereto now amend the Original Agreement as follows:

1. **EXTENSION OF TERM**. The term of the Original Agreement shall be extended to a termination date of April 17, 2005 or upon such later date as performance by both parties of all obligations pursuant the Original Agreement is completed.

2. **FEE.** The "Monthly Fee, Commission, and Additional Work" section of the Original Agreement (located at Exhibit A, Paragraph 4) is hereby superseded and replaced as follows:

A. Monthly Fee: Service Provider will pay to the City a monthly fee of Two Thousand Dollars ($2,000.00) per month for ResortCom to supervise and manage The Imperial Hotel, due and payable on the first day of each month. Fees for any partial month shall be paid on a pro rata basis.

B. Commission: All net profits earned by the Imperial Hotel for the effective term of this Agreement, as amended herein, shall be retained by Service Provider.

C. Operating Expenses: Service Provider shall be solely responsible for all operating expenses for the Imperial Hotel for the effective term of the Agreement, as amended herein.

D. Additional Work: Any additional work or services required which lie outside of the scope of this Agreement will be performed by Service Provider only upon written request of the City. Such additional work will be billed to City at an hourly rate of $90.00 per hour

3. **PROPERTY IMPROVEMENTS.** The City agrees to paint the exterior of the Imperial Hotel at the City's sole expense by October 1, 2004. Selection of exterior paint colors and scheme shall be at the City's sole discretion.

4. **OTHER TERMS**. All other terms and conditions of the Original Agreement shall continue to apply.

5. **ENTIRE AGREEMENT**. This Second Addendum is a written instrument pursuant to Paragraphs 2 and 23 of the Original Agreement between the parties and cannot be altered or amended except by written instrument, signed by both parties.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first herein above written.

City Council
Staff Report

Author: **Colin Hilton – Park City Municipal Corporation**
Subject: **Quinn's Ice - Inter-Local Agreement**
Date: **7-29-04**
Type of Item: **Legislative**

SUMMARY RECOMMENDATION:
The Regional Ice Committee (RIC Committee), made up of representatives of both the City and the Snyderville Basin Special Recreation District (SBSRD), have finalized the language of the proposed Inter-local Agreement (ILA). It is City Staff's recommendation to review and approve the attached ILA for the purposes of outlining suggested roles and responsibilities of planning, constructing, and operating a regional ice facility at Quinn's Junction.

DESCRIPTION:
Topic: Quinn's Ice - Inter-Local Agreement

Background: In August of 2001, Park City and the Snyderville Basin Special Recreation District (SBSRD) adopted a four (4) year Memorandum of Understanding (MOU) on cooperative youth sports programming and facility operations and maintenance. Section 8 of the MOU states that the City and the SBSRD acknowledge that combined planning efforts for large capital improvement projects may better serve long term constituent needs. Both the City and the Basin have identified the construction of an ice facility as a priority.

The City and SBSRD both passed bonds in November of 2001. Prior to the bonds passing, the City and SBSRD informed the public that it was their intent to jointly develop a large regional ice facility that would serve both communities. Since the passage of the voter approved bonds, both Parties have been working to jointly develop an ice facility.

On January 17, 2002, the City and SBSRD approved a letter of intent for the joint development of an indoor ice facility and the possible phased construction of an adjoining outdoor ice rink. On June 6, 2002, the City Council and the Snyderville Basin Special Recreation District extended the letter of intent until December 31, 2002 so that an inter-local agreement governing the management, construction and operation of the ice facility could be adopted. The letter of intent narrowed the focus of the project to just an indoor ice facility. The letter of intent also identified the SR 224 corridor as the possible location for the ice rink.

On December 17, 2002, the City Council and SBSRD updated the Letter Of Intent (LOI) and extended its life to May 1, 2003. It was hoped that an Inter-local Agreement would be adopted prior to that date. The LOI updated the Regional Ice Committee's recommendation to phase in the development of the ice rink to ensure that the capital budget did not exceed the $4 million in bond proceeds. The LOI also reflected the desire of the SBSRD and the City to have the rink located along the Highway 224 transit corridor. This language did not preclude other sites, but did indicate a preference for the Highway 224 corridor.

In April of 2003, the City and SBSRD extended an LOI until January of 2004. Through the Summer of 2003, the RIC Committee completed a first draft of an Inter-local Agreement (ILA) under the plan of having a new Regional Ice Authority serve as the managing entity. The preferred Canyons site was targeted and all efforts were made to plan for a possible rink in the Specially Planned Area within the Lower Canyons Village. After a year of focus on this site, challenges of land acquisition continued and led to the RIC Committee being concerned over whether this site could be developed for ice anytime soon and whether the site was actually the preferred site, given new developments in other areas of the region.

The Regional Ice Committee (RIC) met on April 27, 2004 and unanimously recommended that the much discussed ice rink facility be considered as a component of the proposed recreation complex at Quinn's Junction. The Committee reviewed a series of pro's & con's of the four sites under consideration. The Quinn's site was considered the most attractive due to:

1. Lower forecasted construction and operating costs in light of shared infrastructure and operating expenses with the proposed playing fields project.
2. Comparably lower design & construction costs that would allow for "better interior building components" to be realized.
3. A proposed management structure that would have an existing organization (City) taking the lead on seeing through the design, construction, and operation of the facility. There would not be a creation of a new organization (Regional Ice Authority) to oversee those elements.
4. The easier access of Quinn's Junction verses the growing traffic concerns in the Hwy 224 corridor.
5. The lack of movement on land issues surrounding the Canyons proposed site
6. Desire to have a site where the probability of moving into a design and construction process sooner rather than later.
7. Possibility of future facility expansion.

On May 10, 2004, the City held a public meeting to hear input about the proposed Recreation Complex – and how a proposed ice rink would be supported here. More than 70+ attendees overwhelmingly supported the concept of a Fields & Ice rink complex in the City-owned land at Quinn's Junction.

Over the subsequent weeks, the RIC Committee convened to streamline the previous draft of the ILA. Terms and conditions highlighted in previous Letters of Intent(s) served as the basis for drafting the new ILA language at a Quinn's Junction location.

On June 23, 2004 a joint planning meeting was held between the City Council and SBSRD. Positive discussions paved the way for a refinement of certain sections of the ILA, mainly pertaining to the use of the Parties annual payments towards forecasted operating deficits, capital replacement and expansion funds.

Timeline of Past History

November 2001	Bond Initiatives Passed voter approval
Jan 2002	First LOI approved by PCMC & SBSRD – joint planning (RIC)
June 2002	Second LOI created identifying the Rt 224 corridor as possible site areas and promoted that an ILA would be developed to address construction, operations, & management responsibilities
2002-2003	Sites Identified: Kimball Jct., Sewer Treatment site, Canyons
	Canyons Site selected as preferred site
December 2002	Third LOI extension – hoping to see ILA completion by April
April 2003	Fourth LOI created identifying language that both Parties wanted to see in the ILA. Also – pointed out acceptance of a possible "covered pavilion concept" to keep within budget forecasts.
June 2003	Draft ILA language agreed to – 50-50 cost sharing process worked through to address forecasted operating deficits
December 2003	RIC deadline to Canyons/RVMA for "recorded" land realignment
February 2004	Extended RIC deadline to Canyons/RVMA before alternative sites would be explored.
March 1	Feb 28th date came and went – discussion of alternative sites started
April 27, 2004	RIC Committee makes decision to recommend Quinn's Junction as preferred site and proceed with public input.
May 10, 2004	City holds public meeting to hear input about the proposed Recreation Complex – and how a proposed ice rink would be supported here – saw overwhelming support of the 70+ attendees.
June 8-28th	RIC Committee fine tunes proposed ILA language
June 28, 2004	Joint Meeting between SBSRD Board & City Council to work through agreement points.
July 29, 2004	Review & proposed adoption of Ice ILA

Assessment of changes since the last meeting:

The major points addressed since the Joint meeting are:

1. Annual Operating Subsidies: District's annual payment amount and allocation – The District was seeking to ensure that its investment would be properly maintained through a detailed capital replacement schedule and appropriate funding allocations. They desired to see their annual contribution be focused on capital replacement and future facility expansion. Therefore, the schedule outlined in Attachment B of the following proposed ILA reflects a sliding schedule shifting away from operating deficit support after two years to only funding of the capital replacement reserve fund and expansion fund in subsequent years. This reflects their stated objective of allowing the City to operate the facility as they best see fit, without having to track and perhaps scrutinize how it is being managed. Instead, their interests would be in preserving the building assets and utilizing the every three year review period to address any and all other issues. Their amount of contribution would be a minimum of $50,000 annually, with additional funds possible in the first two years that would be dependent on RAP tax allocations. Details on this can be reviewed in Section 4.3 of the attached ILA.

2. Use Guidelines (outlined in greater detail in Attachment C); highlighting these:
    a. Balance of the facility's locals use with event use
    b. Concessions and pro-shop revenues
    c. Maintenance & repairs funding

3. Review periods

4. Disposition of assets

5. Making more clear the operating and decision making steps, keeping in mind the joint funding commitment.

Staff will review other ILA elements during the discussion at City Council's meeting on July 29th.

<u>Department Review</u>: This agreement has been reviewed by the City Manager's Office and Legal Department.

<u>Alternatives</u>

1. Review and adopt the attached ILA as written
2. Review and suggest any changes to the proposed language; and take action on 7-29-04.
3. Review and suggest any changes to the proposed language; return at a later date for action.
4. Provide a directional change in how the City would like to see the planning for the ice facility taken.

Staff Recommendation:

Review and approve the attached ILA as written for the purposes of outlining suggested roles and responsibilities of planning, constructing, and operating a regional ice facility at Quinn’s Junction.

Attachments - Inter-local Agreement (ILA) with SBSRD:

The Agreement is being finalized at this time. It will be distributed to Council before Thursday’s meeting.

CITY COUNCIL STAFF REPORT

Date:	July 29, 2004
Department:	Planning Department
Title:	801Park Avenue Boarding House Appeal of June 13, 1994 HDC Denial of Certificate of Appropriateness For Demolition
Type of Item:	Quasi-Judicial

Topic

Applicant/Appellant: David Belz
Location: 801 Park Avenue
Zoning: Historic Residential Commercial & Historic Residential Districts
Adjacent Land Uses: Commerical and Residential
Project Planner: Kevin LoPiccolo

Summary Recommendation: Staff recommends that Council hear this matter, take public input, and rescind the Historic District Commission's June 13, 1004 decision denying the appellant's Certificate of Appropriateness for Demolition at 801 Park Avenue, subject to the findings of fact and conclusions of law.

Proposal

Appeal of June 13, 1994 HDC Denial of Certificate of Appropriateness For Demolition

Background

The subject matter of this appeal is a 1994 Historic District Commission denial of an application to demolish a vacant boarding house at 801 Park Avenue.

The property is located within the Historic Recreation Commercial (HRC) and Historic Residential (HR-1) Districts. Research suggests that the building was constructed prior to 1889. The building suffered fire damage during the fire of 1898 and was subsequently repaired and used for boarding house and residential purposes until the City condemned the structure in 1991. The Chief Building Official condemned the building due to its hazardous condition and its deteriorating structural integrity.

On January 8, 1993, the current owner, David Belz, filed a Certificate of Appropriateness for Demolition (CAD) application to raze the building (see Exhibit K).[1] The Historic District Commission denied Mr. Belz's CAD application on June 13, 1994.

1 In addition to and concurrently with the CAD application that is the subject of this appeal, Mr. Belz submitted a Master Planned Development (MPD) application for the properties encompassing 801-817 Park Avenue. The Planning Commission denied the MPD application on August 17, 1994; said denial was also appealed to the City Council in 1994. The MPD appeal was withdrawn by Mr. Belz earlier this year and has no relevance to the CAD appeal presently before the Council. To the extent that some of the exhibits attached to this staff report discuss the MPD appeal (including staff reports and correspondence dated 1993 and 1994), the Council should ignore those materials and focus solely on the materials relating to the CAD application.

The record of the HDC's action is attached to this report. The property owner subsequently appealed the CAD denial to the City Council. Prior to Council hearing the matter, an agreement to stay action on the appeal was reached between the property owner and City. The purpose of staying the appeal was to provide the applicant an opportunity to develop an alternative development plan for the boarding house and associated property (generally 801-817 Park Avenue) that satisfied applicable Land Management Code development requirements.

In the ensuing 10 years, staff and/or the Planning Commission considered several conceptual plans; however, no formal applications were ever completed. In March of 2004, Council amended the Land Management Code to reinstate a provision for consideration of Master Planned Developments in the HR-1 and HRC Districts for properties that, among several factors, included historic structures. The amendments were made, in part, to create incentives and possible design flexibility for properties such as 801 Park Avenue. No development applications for the subject property have been filed since the recent LMC amendments. On June 15, 2004, the applicant formally requested that Council consider and take action on the 1994 appeal.

At the July 22, 2004 City Council meeting, the Council voted to expand the scope of review to include public input.

Analysis

The Council will apply the correctness standard of review in hearing this appeal. This means the Council must decide whether the HDC erred in its June 13, 1994 decision applying and/or interpreting the applicable LMC CAD provisions. The appellant carries the burden of proving that an error has been made.

Although the Land Management Code (LMC) has undergone numerous amendments since 1993, it is important to note that Mr. Belz's CAD application vested under the LMC in effect at the time the application was filed (January 8, 1993). Accordingly, in hearing this appeal, the Council must review the HDC's decision applying the terms of the LMC in effect on that date.

The Code in effect at the time was the 28th Edition of the Land Management Code (adopted November 5, 1992 and subsequently amended beginning in April, 1993). Section 4 of the 28th Edition of the LMC established the process and criteria by which demolition of historic buildings were to be reviewed. Section 4.15: Certificate of Appropriateness For Demolition specified that

> **"No building or other structure located within the Historic District and deemed to be historically significant by the Historic District Commission may be demolished or removed without prior issuance of a Certificate of Appropriateness For Demolition."**

Section 4 further required that historically significant structures be designated on a list. Section 4.13: List of Historic Buildings and Sites states that:

“A list of historic buildings and sites is to be established and maintained by the Historic District Commission to describe as concisely as possible each building or site, the date of its construction as nearly as can be determined, or if a site, the date during which its historic significance was established, the reason for including it on such list, and the name and address of the current owner as shown on the records of the Summit County Recorder. The Historic District Commission shall file such list and any subsequent amendments or any additions thereto with the City Recorder.”

A plain reading of these former code provisions reveals that the LMC CAD provisions in effect during January, 1993 applied only to buildings/structures located within the Historic District and deemed historically significant. A building or structure was considered historically significant only if it was included on the list of historic building and sites established by the HDC. In this instance, although located within the Historic District, the boarding house at 801 Park Avenue was not identified on the HDC’s List of Historic Building and Sites at the time Mr. Belz submitted his 1993 demolition/CAD application. Accordingly, the boarding house was not deemed historically significant and therefore was not subject to the CAD provisions of former LMC Chapter 4. Unfortunately, it is apparent that neither the City nor Mr. Belz was aware of this fact at the time the CAD application was filed and reviewed by the HDC.

The merit of the HDC’s decision denying the CAD application pursuant to former LMC Section 4.17 is at issue only if the Council finds that the boarding house was subject to those CAD provisions. As explained above, Staff finds that the boarding house was not subject to the CAD provisions because it was not deemed historically significant at the time the CAD application was filed. Staff therefore recommends the Council rescind the HDC’s June 13, 1994 denial of the CAD application for the boarding house at 801 Park Avenue.

Current CAD Provisions:
It is important to note that the Land Management Code’s CAD provisions and City’s historic building inventory have been amended several times over the succeeding years. While the CAD provisions still apply only to buildings, structures, or sites deemed historically significant under the current LMC, determinations of historical significance are made by the Historic Preservation Board applying the standard of review and criteria located at LMC Section 15-11-12(A).

Recommendation:
It is recommended that Council hear this matter, take public input, and rescind the Historic District Commission’s June 13, 1004 decision denying the appellant’s Certificate of Appropriateness for Demolition at 801 Park Avenue, subject to the findings of fact and conclusions of law.

Findings of Fact

1. The property is located within the Historic Recreation Commercial (HRC) and Historic Residential (HR-1) Districts.
2. The building suffered fire damage during the fire of 1898 and was subsequently repaired and used for boarding house and residential purposes until the City condemned the structure in 1991.
3. The Chief Building Official condemned the building due to its hazardous condition and its deteriorating structural integrity.
4. On January 8, 1993, the current owner, David Belz, filed a Certificate of Appropriateness for Demolition (CAD) application to raze the building.
5. The Historic District Commission denied Mr. Belz's CAD application on June 13, 1994 per findings of fact and conclusions of law.
6. The property owner subsequently appealed the CAD denial to the City Council on September 27, 1994.
7. Prior to Council hearing the matter, an agreement to stay action on the appeal was reached between the property owner and City. The purpose of staying the appeal was to provide the applicant an opportunity to develop an alternative development plan for the boarding house and associated property (generally 801-817 Park Avenue) that satisfied applicable Land Management Code development requirements.
8. In the ensuing 10 years, staff and/or the Planning Commission considered several conceptual plans; however, no formal applications were ever completed.
9. CAD application is vested under LMC in effect as of date of application was filed (28th Edition, Sections 4.11-4.17).
10. Attach applicable CAD provisions as an Exhibit (attached hereto and incorporated into these findings of fact as Exhibit "A").
11. As of the date the CAD application was filed, the 801 Park Avenue boarding house was not included on the HDC's list of historic buildings and sites.
12. On August 28, 1991, the Chief Building Official issued a condemnation letter to the subject property at 801 Park Avenue.
13. On June 15, 2004, the applicant formally requested that Council consider and take action on the 1994 appeal.

Conclusions of Law

1. Because it did not appear on the list of historic buildings and sites established and maintained by the Historic District Commission as of the CAD appeal on September 27, 1994, the boarding house located at 801 Park Avenue was not deemed historically significant pursuant to Section 4.13 of the Land Management Code, 28th Edition.
2. Because it was not deemed to be historically significant as of September 27,1994, the CAD provisions of Section 4.15 of the LMC, 28th Edition did not apply to the boarding house located at 801 Park Avenue; accordingly, no CAD was necessary to demolish or remove that structure as of June 13, 1994.
3. Because the CAD provisions of the LMC, 28th Edition did not apply to the boarding house located at 801 Park Avenue, the Historic District Commission's

June 13, 1994 decision denying the appellant's CAD application is hereby rescinded.

See separate appeal packet. Exhibits are available at City Recorder's Office during regular business hours 615-5007.

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