PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 27, 1996

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 27, 1996.

AGENDA

Work Session

4:30 p.m. Council questions and comments
Review of special meeting

Special Meeting - Continued in work session room

4:50 p.m.

I ROLL CALL

II PUBLIC INPUT

III COMMUNICATIONS FROM COUNCIL AND STAFF

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JUNE 13, 1996

V OLD BUSINESS

Authorization to the Mayor to execute a preliminary agreement to purchase 372.5 acre feet of water and 218 acres of land

VI NEW BUSINESS

Agreement to lease 500,000 gallons per day (225 acre feet) of water for $10,000 per year from Melbourne and Herb Armstrong for municipal use

VII ADJOURNMENT

A Municipal Building Authority Meeting will convene

Work Session

5:00 p.m. Meeting with Planning Commission to discuss the General Plan and Temporary Zoning Ordinance for the Historic Commercial Zone

Posted: 6/24/96
Reposted 6/26/96 to add Item VI

PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
JUNE 27, 1996

Present: Mayor Brad Olch; Council members Hugh Daniels, Roger Harlan, Shauna Kerr, Chuck Klingenstein, and Paul Sincock

Toby Ross, City Manager; Jodi Hoffman, City Attorney; Eric DeHaan, City Engineer; Lloyd Evans, Assistant Chief of Police

Standly Pace, Beverly Pace, Arvil Pace, Mike Pace, and Dan Jensen, esq.

1. **Council questions and comments.** The Mayor and Hugh Daniels relayed that they have received calls regarding the fatality on SR224 and requests for a traffic light at that area. Mr. Daniels stated that he needed more information to determine if it is appropriate. In response to a question from Shauna Kerr, Lloyd Evans explained that Mrs. Neff ran a stop sign without yielding to traffic. He emphasized that excessive speed was not an issue in the accident and there were no skid marks. Mr. Evans didn't feel that vehicles were moving any faster than 35 to 40 mph. Paul Sincock reported that he also received calls and the topic of a light in this location was not a result of this accident. There have been requests from Thaynes Canyon residents concerned about construction traffic with the new golf course hotel. He discussed the circulation problems in the area and suggested that the City conduct some studies. Lloyd Evans advised that the Department is planning on doing traffic counts and speed checks, although UDOT will not accept the City's analysis in determining if a traffic light is warranted. Turning lanes were discussed. Chuck Klingenstein expressed his concerns about SR224 and the SR248 future improvements. He felt that there should be sign before Meadows Drive notifying motorists that they are approaching the City. He suggested that the City meet with UDOT and members of the home owners associations to deal with these safety issues. Ms. Kerr discussed the flashing lights many communities have to slow people traveling from freeways and entering into towns. The Mayor suggested that the City purchase another speed board as he felt that it keeps speeds down, and that the officers write more tickets. Mr. Evans reported that the Department uses the traffic trailer six hours a day and traffic surveys are conducted when residents assert a concern. Although contrary to public perception, it has become clear that it is not the construction traffic that speeds, but rather the residential traffic.

In response to a question from Ms. Kerr, Mr. Evans indicated that he has not heard from the Rugby Club regarding the issuance of a beer license to the KAC for Arts Festival. Paul Sincock felt that the Gateway Center clock should be accurate. Roger Harlan reported on 4th of July plans and a garden project. He added that he attended the Board of Education meeting where members expressed their gratitude of the approval of the easement to accommodate the administrative offices.

2. **Review of special meeting.**

Pace water and land purchase. Toby Ross explained that the agreement has been modified slightly for minor changes. The purchase price is $2.4 million for water and land. The City is provided additional time and the agreement is contingent to obtaining a current title report and a report on the water. Ms. Hoffman explained that the crop replacement amount will be diminished by the amount of water that the City is acquiring. Ms. Hoffman introduced the Pace Family whose presence indicates that they have agreed to the terms and are ready to sign if the Council approves the agreement. In response to a question from Mr. Sincock, the City Manager explained that the City has an obligation to pursue conversion to municipal use of the 968 Right and if successful, the City would pay $3,000 per acre foot. If at the end of five years, the City has not made any progress, then it is up to the Paces to determine if they want the City to continue to pursue it or take the right back. For the benefit of Roger Harlan, the City Manager explained that this acquisition will probably be financed with a 15 to 20 year bond, to be closed within 90 days. After 90 days, interest will be charged. The City Manager felt confident that a bond issue could be accomplished within 90 days, and if not would approach Council with a different strategy. Ms. Hoffman explained that the Paces have a pending protest against an existing change application by Summit Creek Investors and their interest will be assigned to the City.

Agreement to lease water from the Armstrongs. The City Manager explained that the purchase price is $10,000 per year for 500,000 gallons per day (255 acre feet), is consistent with market rate and equivalent to what is paid Salt Lake for Spiro water. The term of the agreement is five years.

Prepared by Janet M. Scott

PARK CITY JOINT WORK SESSION NOTES
SUMMIT COUNTY, UTAH
JUNE 27, 1996

Present: Mayor Brad Olch; Council members Hugh Daniels, Shauna Kerr, Chuck Klingenstein, and Paul Sincock

Planning Commissioners Bruce Erickson, Chris Larson, Karri Hays-Walzer, Tom Calder, and Michael O'Hara

Toby Ross, City Manager; Jodi Hoffman, City Attorney; Pat Putt, Planning and Zoning Administrator; Nora Seltenrich, Special Projects Manager; Ron Ivie, Chief Building Official; Rick Lewis, Community Development Director

Roger Dirst, architect

Absent: Council member Roger Harlan; Planning Commissioners Fred Jones and Diane Zimney (most of the meeting)

1. **Temporary Zoning Ordinance for the Historic Commercial Zone.** The Mayor expressed his appreciation of the efforts of the Planning Commission on the TZO and General Plan. Pat Putt explained that on February 22, the City Council adopted a TZO which applied to the HCB and HTO Zones to address the scale of development along historic Main Street. It limited building heights to 27 feet and the amount of tenant use to 2,800 square feet. The eight findings relate to the impacts of new development. Mr. Putt continued that the goal of the joint work session is to determine if there should be permanent revisions to these zones or revert to prior regulations and the zones it should be applied.

Mr. Putt stated that there are currently 26 vacant parcels; some of which are full-sized Old Town lots and others are portions. Of the 26 lots, there are five key parcels including the park parcel next to Grappa, the site north of the Wasatch Brewery, the parcel between Hey Charlie and the Claimjumper, the parcel on the other side of the Claimjumper, and the site east of Mercato on Heber and Main Street. Mr. Putt continued that lots in Old Town were platted in 25 foot x 75 foot wide configurations for a total area of 2,880 square feet and heights in general, with three exceptions were two stories ranging between 26 feet and 29.5 feet. Side widths range from half lot widths to lot and a half widths or 14.5 feet to 37.5 feet. Without the TZO or permanent amendments, new development on Main Street has the potential of building heights up to three or four stories, have building facade widths of 50 feet or larger and staff is recommending permanent amendments to the HCB and HTO Zones.

Through illustration of a rendering, Mr. Putt described the measurement of height prior to the TZO; 30 feet from natural grade, and from a 45° angle, up to a maximum of 45 feet. An alternative could be a maximum of 30 feet on the west side and on the east side, 30 foot maximum limit and a 45° until it meets the Main Street elevation. An option could be granting exceptions for additional floors for deed restricted affordable housing or additional setbacks. The Mayor felt hesitant about granting any exceptions, even for housing which may contribute to parking problems and pointed out that Dolly's Bookstore is two stories with apartments. He added that anything more than two stores defeats what is trying to be accomplished. Shauna Kerr stated that she would be willing to go more than two stories in the instance of the lot at the corner of Heber and Main Street for significant setbacks as the intersection for sight distance purposes. She pointed out that the building next to it is probably 45 feet and a higher building could be compatible. Hugh Daniels felt that three stories with greater setbacks or housing could be options, depending on the site. Paul Sincock suggested that the exceptions just apply to the west side and discussed the unsuccessful treatment with the breaking up of facades on large buildings. He also addressed considering heights in context with surrounding buildings for a better transition. Mr. Putt stressed that if Council is attempting to mitigate intensity and use, then the Council needs to look at number of floors. If the focus is the perception of scale, third floors need to be offset to a greater extent. The Mayor emphasized that the Council has an opportunity to go smaller. Chuck Klingenstein stated that he would like to see people living downtown and favored the flexibility of exchange of setbacks or affordable housing. Tom Calder of the Planning Commission suggested contextual heights and Shauna Kerr pointed out that the Claimjumper is an historic building and it may be appropriate that it be prominent and new construction limited in size.

Roger Dirst stated that he is the architect for the owner of property between the Claimjumper and Family Jewels stressed that there is a slope on Main Street which should be a significant consideration. He is concerned about designing from the inside out and looking at buildings as veneers. Mr. Dirst expressed his concern about the constraints of designing interior spaces and felt that there should be a transition between two neighboring buildings. Discussion ensued regarding measuring the proposed building as it spans over three lots. Mr. Putt suggested measuring from the middle of the building and because of the slope of the street would result in an average height. Mr. Putt again distinguished between the 21 remnant lots and the five key parcels. Bruce Erickson felt that averaging heights could cause difficulties and emphasized that if three stories are allowed there is more incentive for people to tear down existing structures. Michael O'Hara and Karri Hays-Walzer expressed their support of two stores. Chris Larson suggested defining a story and agreed with Mr. Erickson's comments about measuring heights. Tom Calder suggested defining height by feet not stories; 30 feet is recommended. There was discussion about setbacks as it deals with the lot next to the Mercato and Chris Larson felt suggested that considering setbacks would not generally apply to the zone but specifically to this site. Mr. Putt added that there is a provision in the Code for a 25 foot wide view corridor; it was pointed out that this was a result of the Silver Queen Hotel Project. The Mayor asked if there was Council consensus. Hugh Daniels stated that he still favors allowing a third floor for affordable housing or greater setbacks on the west side. Paul Sincock agreed. Chris Larson noted that his concern with flexibility is that everyone will exercise it and the Mayor stressed that this would create parking demands on Park Avenue. Shauna Kerr didn't feel that the burden is worth the benefit and a third story is still as visually intrusive as retail space. Tom Calder emphasized that providing affordable housing would be financially unfeasible.

Pat Putt asked if the general consensus is to move toward a building height limitation of 30 feet with no additional incentives for setbacks or employee housing. Paul Sincock felt that he would prefer to include employee housing as an option on the west side and let the market dictate if it is practical. Ms. Kerr stressed that in the interim, staff time is consumed trying to make a proposal work. The Mayor suggested keeping it out of the ordinance and if there is a project with merit, to review it on its specifics.

Mr. Putt suggested a maximum 40 foot facade width and for every 25 foot increment, requiring a two foot building setback. Another alternative is a 50 foot maximum facade width with a five foot offset every 37.5 feet. Ms. Kerr stated that this is a feature of the new Main Street buildings and the Gateway Project and it doesn't work; she suggested a recessed entryway. Chris Larson stated that he doesn't support promoting false building facades; buildings should be separated. Mr. Putt explained that the intent is not to create the illusion of another building, but to provide architectural relief. Ms. Kerr argued that there should be a real element breaking up the facade. Hugh Daniels didn't feel that anything less than 40 feet should be broken-up artificially. Pat Putt explained that 2,800 square feet was the typical floor area for a building on a 37.5 x 75 foot lot and asked for direction on limiting the tenant area to limit formula retail and maintain the historic scale of businesses. Ms. Kerr asked if that was defensible and Ms. Hoffman responded that formula retail and restaurants can be zoned to certain districts like sexually oriented businesses. Ms. Hoffman warned, however, if formula retail and restaurants are prohibited on Main Street, it may have unintended affects like moving shopping activity from the Historic District. Chuck Klingenstein didn't feel that formula retail doesn't necessarily detract from other businesses in town; it is detrimental when it is located on the periphery of the City limits like the Factory Outlet Stores. Paul Sincock didn't perceive franchises are part of the community and the Mayor added that they displace historic businesses. Discussion ensued regarding formula retail and restaurants conforming with limited tenant space. Hugh Daniels expressed that he is more concerned about the size than the company. Mr. Erickson supported the tenant space limitation as it would probably discourage most formula retail businesses, but probably not a franchise like an ice cream store. He believed it better to stay out of the market place. Ms. Hays-Walzer felt that chains do not belong on Main Street and there was discussion about TCBY. Diane Zimney felt that there should be controls on the types of businesses allowed in the Historic District.

If the parking is part of the TZO, Pat Putt suggested eliminating the existing exemption for parking for the first two levels. Another option would be eliminating the exemption for more intense uses in the District, including restaurants, lounges or bars. Another option is increasing the in-lieu fee, or increase the parking standards for higher intensity uses, or some combination of the suggestions. In consideration of the timing of the parking study, Mr. Putt suggested that this could be considered at another time in the near future. He also addressed the scope of the regulations into the other pockets of HCB on Park Avenue; Council was supportive of regulating parking district-wide. Paul Sincock stated that he didn't want to see Swede Alley buildings with underground parking and creating an alley with garage doors; it was emphasized that there are very few building lots left. The City Manager explained that staff is recommending deferral of this issue as part of the TZO because of its complexity and the educational process of the parking study. The Mayor expressed his concern of new development not providing parking and Toby Ross explained that a TZO can be adopted specifically for parking. Shauna Kerr felt it appropriate to enact an ordinance and put people on notice about revised parking requirements if there is a new structure or remodel. The Mayor instructed the City Attorney to draft a TZO for parking. Pat Putt pointed out the HRC areas and the Council felt that the same standards should apply.

General Plan. Ms. Seltenrich explained that the revised draft before Council reflects the changes made by the Planning Commission on the annexation, open space, land use, and growth management portions of the General Plan after the public hearing was held. There wasn't a clear consensus from the task force committee and the public and all comments were considered but not necessarily all incorporated. She indicated that the next phase will include transportation, natural resources and environmental issues.

Mr. Erickson referred to Commissioner Fred Jones' memo, and commented that it reflects the majority opinion of the Commission but is not unanimous on all points. A group goal is to get the General Plan in place as soon as possible for annexation direction, to make improvements to current systems, and to implement and use to the extent possible, existing ordinances before new ones are created. For instance, there are mechanisms already in place dealing with growth management but not being enforced or funded well. The General Plan needs to do a better job to articulate community vision. Mr. Erickson relayed that they tried to sort out the impacts of the options. He explained that there is no provision for affordable housing in the General Plan as it currently exist; the intent is to provide the opportunity to the market to provide housing options. He added that the Commission wanted the lower income and smaller businesses protected in the system. Mr. Erickson explained that if the "beauty contest" approach were taken with a permit allocation system, the smaller contractor or builder might be forced out of the system.

Mr. Erickson explained that affordable housing is still controversial among the Planning Commissioners, and it is their feeling that the impediments be removed so the market can provide that housing. There needs to be a good location for affordable housing and it needs to be considered with the clear understanding of the impacts (i.e., demands on services, parking, etc.). In terms of community character, the Commission is in agreement as described in the memo. There were changes made to the annexation area from the advisory task force. Mr. Erickson pointed out that there has been a perception that Summit and Wasatch Counties has more liberal zoning and density allocations than Park City, while in reality, Park City may be granting more density than either counties. The Mayor felt that perhaps the annexation boundaries should be extended. Mr. Erickson responded that the areas eliminated are those that don't enhance the policy of open space buffering. For instance the George Johnson parcel can be reviewed through the annexation extraterritorial jurisdiction component rather than having it included in the annexation map. Additionally, the interlocal agreement with Summit County provides comment authority and areas have been eliminated because of regulatory control. Paul Sincock suggested a dotted line on the map indicating where Park City has regulatory control in other jurisdictions.

Mr. Erickson continued that it was the intent to request 75% open space in annexed areas while 60% is required within the existing limits. This tended to make annexation onerous even if the annexation was a benefit to the City so the 75% open space requirement was eliminated, and the Planning Commission recommended a rank ordering of open space. Mr. Erickson explained that undisturbed ground is the highest priority, i.e., the south face corner of Quarry Mountain. Ski runs, public golf courses and active developed recreation would be a second priority open space. The third priority would be a private golf course surrounded by homes where the community, as a whole, cannot take advantage of that open space. The Planning Commission is still formulating how back yards equate in the open space equation and this element is still being worked on as open space is the key in implementing the General Plan. Mr. Erickson noted that some members of the Planning Commission felt that clustering was over-emphasized and it was argued that clustering results in the Silver Springs type of development where there is no identification of the open space. The Planning Commission recommend revising land use planning to reflect general topography and the types of vegetation that are good opportunities for clustering if it promotes useable open space, but in other cases large conservation lots may be the most effective mechanism. In other words, clustering is not forced, but rather the concept is broadened.

Mr. Erickson indicated that there were in-depth discussions on growth control and management issues. He relayed that the Planning Commission did not believe that the reduction of the tools previously recommended in the General Plan draft weakens our commitment to rate control. He pointed out that the total size of the town is lacking, however, there were seven ways of controlling the rate of getting to that size. The Planning Commission examined each to determine if they would work, and if there would be considerable Commission, Council, or staff time or trauma. He stressed that the "beauty contest" rate approach is hugely time consuming and the flexible rate may never accomplish the goal. Mr. Erickson commented on the amount of disruption in Old Town neighborhoods caused by construction, while it is not as big a problem in other areas. He emphasized that most of the mechanisms mentioned in the construction management component of the General Plan already exist in the Land Management Code and UBC. The Planning Commission recommends better enforcement of these provisions and the addition of a construction plan which can be imposed on a project-by-project basis. Mr. Erickson added that the Commission evaluated tools and whether they impacted staff or interfered with the market forces. For example a growth management tool limiting development to 25 units a year for a project, but exempting resort and employee housing is in conflict. This may increase the price of housing without any significant benefit to the neighborhoods, the Planning Commission avoided interfering with market forces, and there needs to be a broad range of housing. He questioned construction spanned over a long period of time because it may be beneficial, for example, to build the roads for the entire project at one time so that mud isn't tracked for years.

Mr. Erickson emphasized that the Planning Commission felt that transferrable development rights should be implemented as soon as possible. He explained that because we don't know the land use designation or the total densities it is hard to determine what would specifically apply but conceptually transferring density out of Bonanza Flats and into Flagstaff was discussed. TDRs could assist in annexation negotiations. Tom Calder added that there seems to be some tools that the City isn't using, but could implement at a cost. In response to a question from Mr. Sincock, Bruce Erickson explained that if a developer comes in with a specific proposal that the City can offer a broad range of opportunities.

Hugh Daniels felt that the Planning Commission is headed in the right direction. He pointed out that although affordable housing is addressed, he would like to see incentives for support of employee housing by businesses. He is a proponent of a varied community and to some extent, felt it important that the Council support affordable housing for middle income residents. Although there are resulting demands with affordable housing, these individuals are important to the community. Mr. Erickson responded that that component of housing is not being eliminated, but the Commission wanted to make sure that the ordinance doesn't preclude it and that there is an opportunity to provide it. Nora Seltenrich explained that this shows up in the direction and the community character sections and these are guiding documents for the General Plan. There will be a separate employee housing element and there will be an ample opportunity to comment on this issue. Hugh Daniels suggested inserting the word "historic" in the first sentence of the issue statement under Community Character Element. Shauna Kerr stated that she preferred stating that we are going to provide a broad range of housing opportunities and not specifying affordable housing here, however, she felt that the employee housing issue needs to be dealt with separately as it has not been addressed. She agreed that the employee housing is more appropriately the responsibility of the employer. The Mayor agreed, and felt that housing should be a requirement like parking, as suggested in the proposed TZO, for commercial applications. Mr. Erickson felt that the General Plan should articulate broad visions for the City that would reduce reactivity to development proposals; developers could be guided better. The Planning Commission would like to see area plans created for individual components of the General Plan, including Main Street, lower Park Avenue, or the entrance to Deer Valley which are underway but behind. These would be more specific to area than by zoning district and would include information on types of open space, housing types, and activity for transferrable rights. Chuck Klingenstein stated that he doesn't have a lot of faith in the market place, and felt that the exaction level needs to be raised on commercial and on single family developments which create a huge demand on employee housing. Ms. Seltenrich reiterated that this part of the General Plan makes a broad statement on housing, and there will be another opportunity to get more specific.

Paul Sincock referred to comments made by Mr. Erickson regarding the lack of determining population. Mr. Erickson emphasized that the Planning Commission did not want to see a deterioration of quality of life and the testing thresholds will be the determination of underlying densities in the land use plan. Mr. Sincock asked if it would be prudent to set a number like 10,000 permanent residents with a 20,000 bed base. Mr. Erickson felt that it would be helpful except that there isn't enough information to make that determination at this point, i.e., transportation element, services levels, etc.

Paul Sincock questioned a statement on Page 41 which stated that zoning is not effective in managing the overall amount of growth, the rate at which it occurs, or the fiscal impacts on the community. Mr. Erickson explained that it is intended to mean that zoning is a marvelous tool for controlling the total number of things but not the rate of growth or the cost of services. Hugh Daniels felt that City Hall should be kept downtown. Paul Sincock continued that on the policy statement there is one editorial change, which is "to maintain the historic character of buildings", as opposed to "maintain the character of historic buildings". Hugh Daniels felt that the annexation map is close on the general vicinity. He understood the logic of not designating an open space percentage and annexations are negotiated contracts, but felt that a general range should be referenced. Chris Larson interjected that the intent is to emphasize contiguous and useable open space. Karri Hays-Walzer added that in her mind, ski runs are not open space. Mr. Erickson reiterated on the specifics of the open space and annexation plan; Ms. Kerr asked how these plans affect the transferability of properties for buyers and sellers. Mr. Calder responded that the value of the property would depend on the range of uses of a property. Ms. Kerr expressed her concern of artificially tampering with values, but recognized that it is important to identify open space and annexation priorities. She agreed with the 75% annexation open space requirement being onerous. The Mayor felt that the annexation boundaries should be expanded and planned for the long-term. Mr. Erickson explained comments in Fred Jones' memo and reiterated his earlier discussion about Summit and Wasatch Counties having more restrictive zoning in place than Park City, and if there is a general plan that the County and the City agreed upon, the City may not have to annex certain properties as our goals and objectives would probably be met. Chuck Klingenstein agreed with the comments made about clustering. The City Council expressed an interest in the underlying potential densities in areas and Ms. Kerr noted that this information would be helpful in dealing with the County. Rick Lewis stated that staff has analyzed this for clustered and other development types, and could provide a range. Chuck Klingenstein pointed out that it would be beneficial to have build-out projections and the mix for tax revenue purposes. Deeded development rights were explained.

Hugh Daniels commented on the input he received during last year's campaign regarding growth management. He felt that people, however, confused growth management with the impacts of construction. He would like as many tools as possible, but agreed that the City should pursue what is on the books and better enforcement. Mr. Daniels suggested looking at hours of construction and supported construction plans. The rate of growth is flat but shifts to different parts of the community. He is undecided about adding tools back to this element and felt that the benefit of timeshares needs to be examined from a tax revenue standpoint. Ms. Kerr added that an article that she read indicated that the occupancy rate declines as the timeshare product ages so the bed base would be reduced over the long-term. Ms. Kerr stated that she attended the Planning Commission meeting were these issues were discussed and felt that the Commission arrived at the right conclusion that many mechanisms to accomplish the goals of the Council and community are probably already in place but not enforced as strictly as they should. She continued that a construction staging plan is probably the better method to control the construction impacts. Ms. Kerr noted that rather than phasing for example road construction, that most people would rather have the entire road built and done with. Although she was a proponent of rate caps, after attending the meeting and reading through the material, Ms. Kerr felt construction staging would be effective. Ron Ivie commented that there needs to be flexibility in formulating a construction plan and remedies for non-performance. He discussed the constant enforceability problems with limits of disturbance and suggested an up-front deposit that is forfeited if there are violations of a construction plan agreement. Mr. Ivie stated that he supported this concept but that it will need to be sufficiently funded. There was discussion about contractors posting bonds to ensure compliance. Mr. Ivie stressed that if there is compliance, there isn't a cost to the contractor or owner.

With regard to the growth management element Chuck Klingenstein didn't feel that it went far enough. He brought up the construction demands of mega-homes, additionally it is difficult hiring people for City enforcement. He felt it important to maintain the 60/40 mix of permanent and second homes and added that he agrees that it is better not to interfere with the market, but when the market is out-of-control, government should step in. In consideration of the input he received during the campaign and the fact that there are 1,880 approved single family platted lots, 3,078 multi-family, plus 360 hotel rooms to be built, Mr. Klingenstein stated that he is not ready to dismiss the permit allocation system. Mr. Sincock tended to agree and discussed phasing of separate construction projects in the same area, which only the City could control. Bruce Erickson warned that growth control must be precisely applied and the Commission heard from the small contractors who may only build one house a year and could be put out of business with a permit allocation system. On the other hand, the bigger builder may do quite well. Tom Calder brought up an example of a 150 unit limit and a project coming in with 125 units, using most of the allocation and questioned if the limit be set high to see how it works or low, to make sure that the goal is met. Brad Olch pointed out that many projects phase themselves. Bruce Erickson added that affordable and resort housing would be exempted from rate control and these types of housing create the biggest impacts on traffic, schools, etc. If the Planning Commission needs to revisit this issue, he felt that they would look at different parts of town and attempt to apply specific construction and rate mitigation by area. Construction mitigation is easier to determine than growth rate control, and Mr. Erickson continued that perhaps more important than rate control is looking at total approved densities, articulated by Chuck Klingenstein, as currently the General Plan doesn't determine rate of growth by area. Tom Calder stated that a number needs to be determined and the cost of implementation of a permit allocation system. Chris Larson added that the Commission can look at it again but may come back with the same conclusion that maybe the rate isn't as important as the impacts of construction. Brad Olch pointed out the evolution of construction sites, i.e., portable toilets, dumpsters, construction utilities, and contractors complained at first. He discussed new trends among car makers where materials are delivered to the factory the day cars are assembled, and suggested that this approach could be applied to avoid clutter at construction sites.

Hugh Daniels reiterated that the growth is relatively flat, and what people perceive as high rate growth is construction impacts. He felt it would be very difficult to arrive at a rate control plan. He preferred to see if other things work and wasn't sure if it is a key component of the Plan. The Mayor agreed. Paul Sincock also supported this as the rate control plan could be revisited. Karri Hays-Walzer discussed recycling of construction materials at MPD sites; she suggested that construction vehicles have permit tagging to avoid traveling on sensitive Old Town streets. Aspects of the transportation study were discussed. Michael O'Hara pointed out the importance of enforcement with these recommendations. Tom Calder added that enforcement will have immediate effect while a growth rate program will be harder to formulate.

Prepared by Janet M. Scott

PARK CITY SPECIAL COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 27, 1996

I ROLL CALL

Mayor Brad Olch called the special meeting of the City Council to order at approximately 5 p.m. at the Marsac Municipal Building on Thursday, June 27, 1996. Members in attendance were Brad Olch, Hugh Daniels, Roger Harlan, Shauna Kerr, Chuck Klingenstein, and Paul Sincock. Staff present were Toby Ross, City Manager; and Jodi Hoffman, City Attorney.

II PUBLIC INPUT

None.

III COMMUNICATIONS FROM COUNCIL AND STAFF

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF JUNE 13, 1996

The Mayor requested approval of the work session notes and minutes. Paul Sincock, "I so move". Shauna Kerr seconded. Motion carried unanimously.

V OLD BUSINESS

Authorization to the Mayor to execute a preliminary agreement to purchase 372.5 acre feet of water and 218 acres of land - See staff report and work session comments. Roger Harlan, "I move approval of the agreement to purchase 372.5 acre feet of water and 218 acres of land". Chuck Klingenstein seconded. Motion carried unanimously.

VI NEW BUSINESS

Agreement to lease 500,000 gallons per day (225 acre feet) of water for $10,000 per year from Melbourne and Herb Armstrong for municipal use - See staff report and work session comments. Shauna Kerr, "I move approval". Chuck Klingenstein seconded. Motion unanimously carried.

VII ADJOURNMENT

With no further business, the meeting of the City Council was adjourned, a Municipal Building Authority meeting convened, and a joint work session with the Planning Commission was held.

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

Prepared by Janet M. Scott

Janet M. Scott
Deputy City Recorder

PARK CITY SUMMIT COUNTY UTAH
CORPORATE
Seal
MARCH 1,
1884

MEETING RECOMMENDATIONS

PARK CITY
1884

DATE: 6-24-96
DEPARTMENT: City Manager
AUTHOR: Toby Ross TR
TITLE: Pace Purchase and Sale Agreement
TYPE OF ITEM: Property Acquisition

SUMMARY RECOMMENDATIONS: The Council should review the proposed acquisition and authorize the Mayor to execute the Purchase and Sale Agreement (Agreement) at the regular session.

DESCRIPTION:

A. Topic: Response to offer from the Paces to sell water rights and land to Park City

B. Background: In January, March and April the Council authorized staff to prepare counter offers to buy a portion of Paces' land and water rights. After years of negotiations the proposal has come down to a cash price of $2,391,667, which is within the range previously authorized by the Council. The Paces request immediate consideration of this Agreement, even though they have not formally accepted it. We expect formal approval by the Paces before Thursday. If we have not received formal approval, then the item should be continued.

C. Analysis:

The Paces are asking $2,391,667 for 95% of their share of Decreed Right 820, or a total of 372.5 acre feet of water rights and about 218 acres of land. The land purchase is a necessary part of the water rights acquisition and with the exception of a small portion of the property, the property may be used or disposed of as the Council considers appropriate. The price for Decreed Right 968 would be $3000 instead of $3700 in an earlier proposal. The sale would require a bond issue which would cost about $200,000 per year if financed over 20 years. The City could afford to pay for some of the cost from reserves but financing the whole amount is more attractive for the City. Reselling the land could dramatically reduce the net costs, but this approach may be limited or delayed by the option provisions of the Agreement, roll-back restrictions and bond requirements. The Agreement includes a one-year option for Standley Pace to repurchase a 40 acre parcel at the southeast end of the property for $5,000 per acre.

D. Department Review: This proposal has been reviewed generally by Jerry Gibbs, Jodi Hoffman, and Tom Bakaly. The acquisition would support the Council's Long-term program of water acquisition.

ALTERNATIVES:

A. Approve the Purchase: Staff would begin preparing final documents and initiate bonding. The preliminary agreement must be approved at a public session which is scheduled for June 27 The bond authorization and agreements would return to the Council for action. A $200,000 deposit will be required with acceptance. The purchase should close within 90 days.

B. Reject the Offer: If the Council is no longer interested in this water or is not interested at this price or these terms, we should advise the Paces of our position.

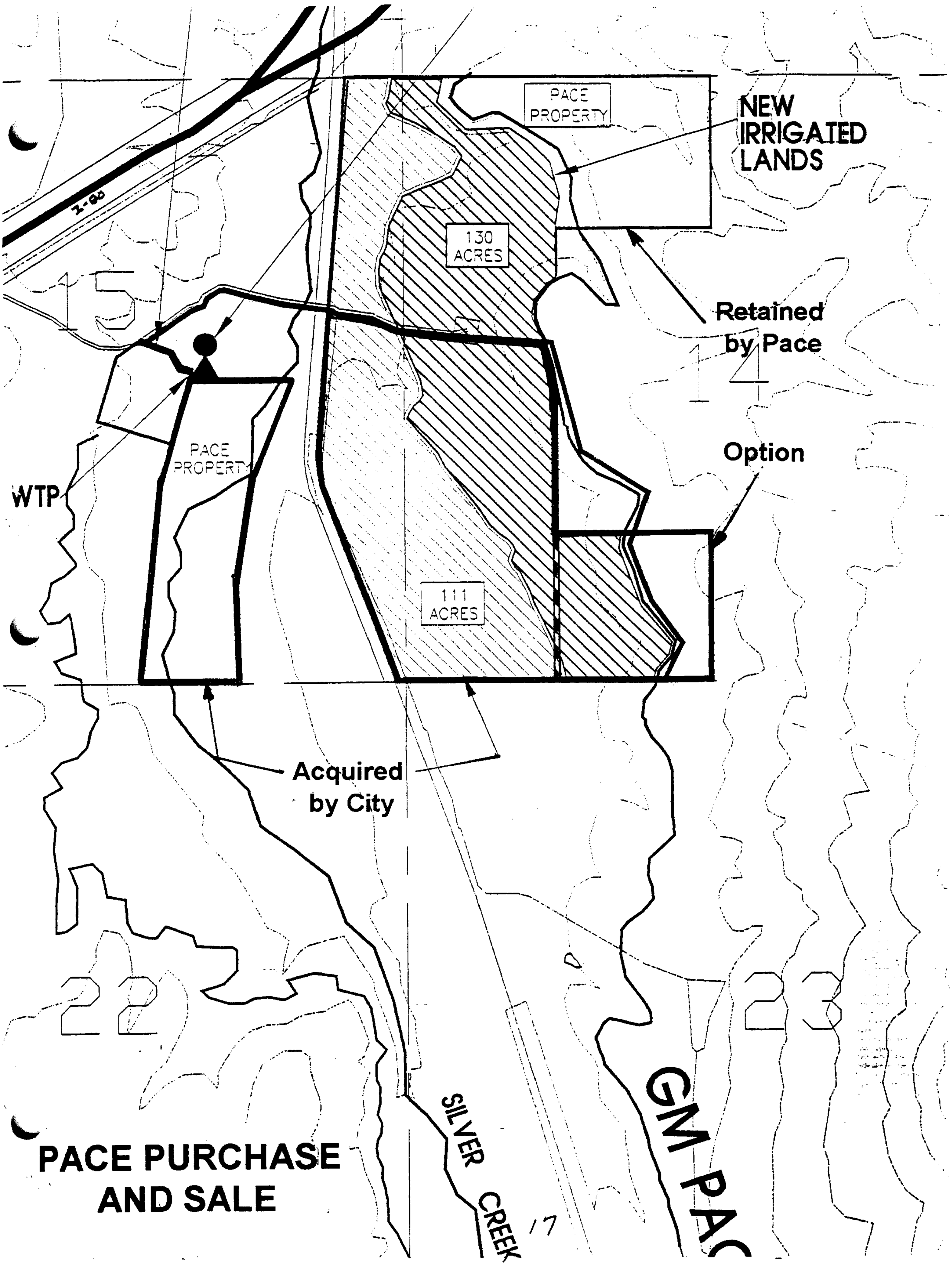
C. Continue the Item: If the Council needs more time or information, the Council could continue the item. Despite numerous delays, the Paces now feel that the timing is critical.

SIGNIFICANT IMPACTS: The proposed purchase is expensive and would require financing with an annual debt service of about $200,000. The Water Fund has adequate revenue to repay the debt. The Paces' water rights are among the most valuable to the City.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: The City risks losing this water to another buyer. It is difficult to gauge how serious this risk is.

RECOMMENDATION: The Council should authorize the Mayor to approve the Agreement in substantially the same form as attached at a public meeting. We expect to make minor changes to the agreement and to prepare escrow instructions consistent with the Agreement.

Attachments: Preliminary Agreement
Map



PACE PURCHASE AND SALE

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement, is entered into this ___ day of June, 1996, by and between Standley B. Pace and Beverly F. Pace, husband and wife, and Arvill B. Pace and Pearl A. Pace, husband and wife, (collectively referred to as Seller) and the Park City Water Service District and the Park City Municipal Building Authority (collectively referred to as Buyer).

1. **Sale Property.** Seller is the fee simple owner of certain unencumbered land and is the exclusive title holder of certain unencumbered water rights, more particularly described as:

   a. **Sale Land:** 218.51 (**169.38 and 49.13**) acres of ground more particularly described in Exhibit A. The 169.38 acres of ground constitutes that portion of the Pace Farm that lies south of the center of the county road and easterly of the Rails to Trails, and the 49.13 acres of the Pace Farm known as the Tailings Parcel, excepting and reserving to the Seller all oil, gas and sulfur rights located at depths thirty feet or more below the surface, together with the right to extract the same, without disturbing the City's surface rights.

   b. **Sale Water Rights:** Ninety-five percent (95%) of the Seller's entire interest in the "irrigation rights" of Right 820 and Right 968 (approximately 372.5 acre feet, assuming a duty of 3 acre feet per irrigated acre).

2. **Retained Property**: Standley and Beverly Pace reserve and obtain as joint tenants with right of survivorship, and Arvill and Pearl Pace shall quit claim their interests in the following property:

   a. **Retained Water Rights:** (i) the remaining five percent (5%) of the irrigation rights of Right 820 and Right 968, (ii) all of the Weber Basin Contract E-148 water rights and (iii) the "domestic and stock water" rights of Right 820 from the Pace Spring and Lower Pace Springs; and

   b. **Retained Land:** That 151.556 acres of the Pace Farm lying north of the center of the county road, and a non-exclusive, temporary easement for the use of an existing reservoir and ditch necessary for the irrigation of the Retained Land, all more particularly described in Exhibit B.

3. **Conveyance.** Seller shall convey marketable record title to the Sale Land and Sale Water Rights, free of all encumbrances and indebtedness, upon Buyer's payment of the Purchase Price. It is agreed that if title to the Sale Property is not marketable and cannot be made marketable for the entire conveyance within sixty (60) days from the date of this Agreement, then this Agreement shall be null and void and all money shall be returned to the Buyer.

4. **Purchase Price/Crop Loss Settlement:** Two Million Three Hundred Ninety-One Thousand Six Hundred and Sixty-Seven Dollars ($2,391,667.00) plus the paragraph 7 money, if any, for the Sale Property. The Purchase Price shall be payable without regard to the number of acre-feet of water allowed by the State Engineer or the courts in connection with any change application Buyer may need or wish to file. The Purchase Price shall be divided and disbursed by the escrow agent: $991,667 to Standley and Beverly Pace, and $1,400,0000 to Arvill and Pearl Pace. Additionally, within 90 days, the City will deposit $30,316.00 into escrow, to be divided equally between Mr. And Mrs. Standley and Mr. and Mrs. Arvill Pace, as full and final settlement of all past, residual, present and future crop loss claims (the Crop Loss Settlement).

5. **Escrow.** Upon execution of this Agreement, Buyer and Seller shall choose an escrow agent and shall prepare escrow instructions, with the costs of escrow to be shared equally by the parties. Buyer shall then immediately place $200,000 into escrow. Buyer shall pay the remainder Purchase Price and the Crop Loss Settlement into escrow within 90 days if Buyer can obtain a satisfactory commitment for title insurance for the Sale Land.

6. **Withdrawal of State Engineer Protest/No Future Protests.** The Purchase Price and Crop Loss Settlement are contingent upon the Seller immediately (upon mutual execution of this document) withdrawing their protest of Application 35-8820 (a17669) and joining the City in a request for reconsideration by the State Engineer of that Application (35-8820-a17669) to change 100 percent of 235.5 acre feet to municipal use in the Treasure Mountain Well. Upon mutual execution of this Agreement, if the Seller promptly withdraw their protest and join the City in a request for reconsideration, as stated above, the Seller shall have the right to a reasonable attorney's fee (one attorney) should the Seller become the prevailing party in a lawsuit to force Buyer to pay the Purchase Price contemplated herein.

7. **Obligation to Attempt to Change Right 968.** Buyer shall use all reasonable efforts to move by way of a change application all of Buyer's acquired interest in the 968 Right. Seller shall cooperate, help and assistant in effecting the change of the 968 Right. Buyer shall simultaneously pursue an application to change rights 820 and 968 within one year of closing.

8. **Purchase of Right 968.** Buyer shall compensate Standley and Beverly Pace and Arvill and Pearl Pace $3,000.00 per acre-foot for the 968 Right that is successfully changed to municipal use, at a Buyer well site. Payment is due within 60 days of final State Engineer approval, without regard to any possible appeal of the State Engineer's decision. Any such payments received by the Seller shall be allocated 47% to Mr. and Mrs. Standley Pace and 53% to Mr. and Mrs. Arvill Pace. Any of the 968 Right (35-8968) that is not moved by way of the change application will revert back to the Seller. If no decision has been made on the change request within five years of this Agreement, then Seller shall have the option for five years from that date to have the 968 Right revert back to the Seller.

9. **The Tailings Parcel.** The 49.13 acres referred to as the Tailings Parcel is hereby sold, subject to a covenant for a period of thirty-five years on the part of the City, to prevent all disturbance of, or construction or development upon, said parcel. For the duration of this covenant, the City is not to disturb or allow any third parties to disturb the Tailings Parcel for any reason, without the written consent of the Seller, or build, or permit any building or construction to take place upon the parcel. After 35 years, these restrictions will terminate. Buyer hereby agrees to indemnify and hold the Seller harmless from any claim for damages or compensation growing out of Seller's prior ownership of the 49.13 acres of land, should the City default in connection with this paragraph.

10. **One Year Option to Purchase.** For one year from the date of this Agreement, if the City receives a legitimate offer to purchase the southeast quarter of the southwest quarter of Section 14 Standley and Beverly Pace shall have the right to purchase that land (40 acres) for $5,000.00 per acre, plus ten percent (10%) interest, compounded annually. This Option Price is personal to Standley and Beverly Pace, may not be transferred, and must be exercised within 90 days of Buyer's mailed notice to the following address: 7427 Whileaway North Park City, Utah, 84060.

11. **Five Year Option to Lease.** For a period of five years, or until Buyer should sell or develop the Sale Land, whichever event occurs first, Standley Pace and Beverly F. Pace shall have the exclusive option to lease all, or any portion of, the Sale Land

for grazing or for growing alfalfa. The Lease price shall be $500.00 per year, and shall include such terms as are standard and reasonable for the lease of farm land. This Lease Option is personal to Standley and Beverly Pace, may not be transferred

12. **Possession.** Buyer shall have immediate possession of the Sale Water Rights and shall take possession of the Sale Land on October 31, 1996 (upon payment of the Purchase Price). Buyer shall deliver to the Sale Land and the Retained Land any of the Sale Water that the City does not put to beneficial City use during 1996.

13. **Imminent Threat of Condemnation.** Park City has a shortage of water. The Seller's water rights are interfering with Park City's plans of development and use of certain waters. The parties agree that this sale is taking place under threat of condemnation.

14. **Utah Greenbelt Rollback Taxes.** Buyer will be responsible for any Utah greenbelt roll-back taxes assessed against the real estate being purchased.

15. **Release of Crop Loss Claims.** Upon Buyer's placement of $200,000.00 in escrow, the Seller hereby formally releases Park City Municipal Corporation, Park City Municipal Building Authority and Park City Water Service District from any and all past, current and future water replacement obligations, damages, costs, fees and crop loss claims.

16. **Withdrawal of and Abstention from Protests**. Upon mutual execution of this document, Seller will immediately withdraw all existing water protests, will join Buyer in its request for reconsideration as provided in Paragraph 8 above, and will not protest any Park City (or Park City Water District) application to the State Engineer of any kind (including change, exchange, proof of diversion or extension application). In exchange for the foregoing, Buyer shall recognize and take into consideration the Seller's retained 5% interest in Right 820. However, under no circumstance will Buyer be required to release or provide any 'carrier' or replacement water to support the Seller's retained 5% interest.

17. **Successors in Interest Bound.** This Agreement shall bind the heirs, executors and assigns of the parties.

18. **No Real Estate Commission.** The parties agree that no real estate agent was involved in this sale and each agrees to hold the other harmless from any claim for a commission by reason of any action on their part.

19. **Entire Agreement.** This Agreement constitutes the entire contract between the parties and supersedes all prior understandings.

20. **Survivability.** The parties hereby agree that the provisions shall not be merged with and shall survive the execution of the deed conveying the Sale Property.

DATED THIS __TH DAY OF JUNE, 1996.

Buyer:

Park City Water Service District
Park City Municipal Building Authority

____
Bradley A. Olch, Chairman

Attest:

____
Anita Sheldon

Approved as to Form:

____
Jodi Hoffman, City Attorney

Seller:

____
ARVILL B. PACE

____
STANDLEY B. PACE

____
PEARL A. PACE

____
BEVELRY F. PACE

Notary Jurats

WORK SESSION

CITY COUNCIL REPORT

DATE: June 24, 1996
(June 27, 1996 Meeting)

DEPARTMENT: Planning Department

AUTHOR: Patrick Putt

TITLE: Land Management Code Amendments To The Main Street HCB-HTO Districts (TZO); Joint Council - Planning Commission Work Session

TYPE OF ITEM: Legislative

<u>SUMMARY RECOMMENDATIONS:</u> Provide Staff with input and direction on issues regarding proposed Land Management Code amendments for the HCB and HTO Districts.

BACKGROUND.

A joint City Council Planning Commission meeting is scheduled for Thursday to discuss issues concerning the proposed Land Management Code amendments to the HCB/HTO Districts along Main Street.

On February 22, 1996, Council adopted a Temporary Zoning Ordinance (TZO) for the Historic Business Commercial (HCB) and the Historic Transition Overlay (HTO) Districts under Utah State Code, Section 10-9-404. Section 10-9-404 authorizes the enactment of interim zoning regulations for a period of up to six (6) months upon a finding of compelling, countervailing interest.

The interim zoning regulations adopted by Council for the HCB and HTO Districts are as follows:

1. Building Height: No structure shall be erected to a height greater than 27 feet. *(Until the adoption of the TZO, the maximum building height in the HCB and HTO Districts was defined by a plane that rose vertically at the front property line to a height of 30 feet measured above natural grade and then proceeded at a 45 degree angle toward the rear of the property until it intersected with a point 45 feet above natural grade. The same system of measurement applied to the rear building elevation. See the attached exhibit illustrating the pre-TZO building height envelop.)*

2. Maximum Area Per Tenant Or Use On The Ground Floor: 2800 square feet. *(Prior to the adoption of the TZO, HCB and HTO project square footages were determined by applying a Floor Area Ratio (FAR) of 4.0, i.e. 4 x square feet of lot /parcel. No limitations on maximum tenant area or use existed.)*

In adopting the TZO regulations, City Council made the following findings:

1. The Historic Commercial Districts are presently zoned in a manner that allows development at a scale and intensity that is not presently reflected in the current development pattern on Main Street and its environs;

2. The City has provided notice of specific proposals to rezone the Historic Commercial Districts within public meetings to develop the Growth Management and Community Character elements of the community's General Plan. This proposed rezoning is intended to establish a limit on development within the rezone that more closely resembles the historic development pattern;

3. Notice of the proposed rezoning, coupled with recent and dramatic increase in property values on Main Street, and a new impetus to develop spurred by the International Olympic Committee's award of the 2002 Winter Olympics to Salt Lake City (with Park City venues) has created an unprecedented incentive toward excessive development and redevelopment within the Historic Commercial Districts under the present zoning. Unchecked, this development pressure could forever destroy the ambiance of Main Street;

4. Without the Growth Management and Community Character Elements of the General Plan adopted, it is premature to adopt permanent rezoning within the Historic Commercial Districts;

5. The Growth Management and Community Character elements of the General Plan can be completed, with implementing zoning enacted within six months;

6. Temporary Zoning enacted hereby preserves a reasonable opportunity to develop on an historic scale within the Historic Commercial Districts;

7. The Historic Districts are the crown jewels of the City and are vital to the economic health and general welfare of the community and its guests; and

8. There is compelling, countervailing public interest in preserving the status quo within the Historic Commercial Districts pending implementation of the General Plan.

Among the feedback that Staff has received during the public hearing process and Planning Commission review of the General Plan Update is support for mechanisms that encourage rehabilitation and new construction on Main Street that is compatible with historic structures and that does not inordinately worsen the City's traffic and parking issues. The draft *General Plan Update* includes an action plan which recommends amendments to the *Land Management Code* that reduce development incentives relating to building height and allowed square footages and which assures the compatibility of new structures with historic buildings within the Historic core.

The General Plan, including the Growth Management and Community Character elements, are scheduled for Council consideration and action in late July or early August. Pursuant to Utah State Code, Section 10-9-404, the interim zoning regulations for the HCB and HTO Districts expire and revert to the prior HCB/HTO regulations after August 22, 1996 unless replaced by a permanent rezoning.

The Planning Department is seeking input and direction on the policy questions from the Council and Planning Commission, including:

1. Whether or not the interim TZO regulations should be replaced with permanent amendments to the HCB and HTO Districts;

2. What elements of the regulations should be amended, i.e. building height, building width, maximum tenant/use areas, and parking requirements;

3. Where the proposed amendments should be applied, i.e. throughout the entire HCB and HTO Districts or only those areas of Main Street North of Heber Avenue.

The Planning Staff has scheduled Planning Commission work sessions and public hearings on the permanent HCB/HTO zoning regulations in July. Council work sessions and public hearings are scheduled for late-July and August.

<u>HCB/HTO VACANT LOT AND BUILDING SCALE ANALYSIS</u>.

The Planning Department conducted an inventory of vacant building sites in the HCB and HTO Districts and analysis of the historic and non-historic building scale along Main Street. Approximately 26 vacant lots have been identified by staff in the HCB and HTO Districts. The largest vacant building sites located on Main Street include:

1. “Park site” between Grappa and the Imperial Hotel
2. site north of Wasatch Brewery
3. site between Hay Charlie and Claimjumper
4. site between Claimjumper and Main Street Accommodations
5. site at the northwest corner of Main Street and Heber

Typical platted Main Street lots are 25 feet x 75 feet *(1875 square feet)* in size. Historic development on Main Street generally consists of one to two-story false-front commercial buildings ranging in height *(on the Main Street facade)* from 26.5 feet to 29 feet. Exceptions to this rule are the Claimjumper *(35-41.5 feet)* and Park Hotel *(49.5 feet)*. Historic Main Street building widths range from 14.5 feet to 37.5 feet. Exceptions to typical historic building widths are Z-Place *(110 feet)*, 328 Main Street *(49 feet)* 350 Main Street *(41 feet)*.

ANALYSIS.

Permanent LMC Amendments to the HCB/HTO Zone: Without the TZO or its replacement, development along Main Street could include new buildings to a height of three or more stories and with facades of 50 feet or more in width. In the Planning Department's opinion, going back to the pre-TZO regulations is counter to Council, Planning Commission, and public comments on the need to develop smaller scale and intensity of development on historic Main Street. Given the number and visibility of the vacant sites on Main Street, Staff recommends that the TZO regulations for the HCB/TZO be replaced with permanent Land Management Code amendments designed to promote a reasonable intensity of development that reestablishes the historic scale of Main Street Development. Among the amendments of the HCB/HTO regulations which could considered are changes to:

* building height;
* building widths;
* maximum tenant and/or use square footages;
* parking requirements;
* where to apply the regulations.

Building Heights: Among the alternatives to address building heights are:

1. Limiting building heights to no more than two stories on the Main Street facade (three stories with an appropriate third floor step back could be permitted on the Swede Alley elevation).

2. Allow a third story on a building in exchange for increased building setbacks or in exchange for creation of on-site deed-restricted employee housing units.

Should the Council and Commission consider Alternative No.1, Staff recommends that the maximum building height of two-story Main Street facade be an average of 30 feet and a overall maximum height to the parapet or ridge line of 32 feet when measured at the top back of the Main Street curb *(see attached exhibit illustrating proposed height measurement)*. The proposed height measurement is consistent with heights of several historic and non-historic two-story buildings on Main Street.

If the Council and Planning Commission wish to consider allowing third stories in exchange for increased front and/or street side setbacks and/or deed-restricted employee housing, Staff recommends that the maximum building height not exceed 45 feet above natural grade and that the third-story facade step backs be increased to minimum of 15 feet to emphasize a two-story front and rear elevation.

Building Facade Widths: To reestablish the development of buildings with historic facade widths (which generally ranged between 14.5 feet to 37.5 feet) the Council and Commission could consider the following three alternatives:

1. Establish a maximum facade width of 50 feet, with the horizontal facade break provision requiring a 5 foot offset for structures wider than 37.5 feet.

2. Limit the maximum facade width to 40 feet (rounding up the 37. 5 foot width) with a required horizontal facade break of 2 feet for buildings wider than 25 feet.

3. Establish a maximum facade width of 50 feet, with a sliding scale for horizontal facade breaks. Buildings with widths between 25 and 40 feet must display a minimum 2 foot facade shift, with a minimum facade width element of 14 feet. Buildings with widths greater than 40 feet must provide a 5 foot facade shift, with a minimum facade width element of 14 feet.

Staff recommends Alternative No. 3 because it can be accommodate development on multiple-lot sites while providing building components compatible with historic facade widths.

Maximum Tenant/Use Square Footage: Council discussed the issue of maintaining Main Street's historic-size/small-scale businesses and discouraging the establishment of formula retail prior to the adoption of the TZO on February 22, 1996. If the Council and Planning Commission wish to implement measures to discourage formula retail on Main Street, at least two alternatives are possible:

1. Limit the maximum amount of square footage per tenant space or use. The current TZO limitation is 2800 square feet. (2800 square feet is based on the approximate floor area of 37.5' x 75' platted Main Street parcel: one and one-half lots).

2. Direct the Legal Department to draft an amendment to the Land Management Code and/or Municipal Code prohibiting formula retail and restaurant businesses from locating on Main Street. If the Council's and Planning Commission's principal concern is formula retail development, staff recommends Alternative No. 2, which more directly

addresses the issue that a size limitation.

Parking: Amending the parking requirements for Main Street uses is not part of the present TZO. The Council and Planning Commission may want to discuss whether or not the Main Street parking issue should be addressed as part of any proposed permanent HCB/HTO amendments or in connection with the parking and circulation study currently under review. Among the alternatives available to for the Council and Planning Commission to consider are:

1. Eliminating the current "two-level"parking exemption for all new Main Street construction. Any new construction, addition, or change of use would be required to provide on-site parking, pay an in-lieu fee, or combination of the two.

2. Eliminate the current "two-level"parking exemption for Main Street restaurants, bars, night clubs and similar uses since these uses are responsible for most of the parking demand in the evenings when available parking is scarce.

3. Increase the in-lieu parking fee, based on the current estimates for the construction of parking facilities.

4. Increase parking requirements for specific traffic generating uses, such as restaurants and bars/lounges.

5. A combination of all or some of the aforementioned alternatives.

Given the short time frame for replacement of the TZO and the potential controversy concerning parking revisions, Staff recommends that any changes to the parking standards be considered with the broader parking review.

Where To Apply Any Proposed Amendments: The original issues that prompted the TZO were the scale and intensity of development on Historic Main Street, i.e. Main Street between Hillside and Heber Avenues. The actual ordinance applied to a larger area. Approximately six properties within the HCB District are not located on historic Main Street. The properties include: the Town Lift site *(Coalition East)*, Park Station Condominiums *(a portion of which is undeveloped and the MPD expired)*, and the Frame Gallery, Cattle Company and Mike Hale Chevrolet on Park Avenue.

Staff seeks input and direction as to whether any proposed Land Management Code amendments should apply to all properties within the district or whether a Historic Main Street Commercial overlay zone should be established for those Main Street Properties between Hillside and Heber Avenues.

The TZO did not include the HRC zone, but the Council may wish to apply some or all of the provisions of the permanent zone to the HRC district.

Recommendation:

The Planning Department requests that the Council and Planning Commission discuss and give direction on the issues set forth in this report, including:

1. Whether or not the interim TZO regulations should be replaced with permanent amendments to the HCB, HRC and HTO Districts;

2. What elements of the regulations should be amended, i.e. building height, building width, maximum tenant/use areas, and parking requirements;

3. Where the proposed amendments should be applied, i.e. throughout the entire HCB, HRC and HTO Districts or only those areas of Main Street North of Heber Avenue.

Following input and direction, Staff will prepare draft amendments to the Land Management Code for Council and Planning Commission work session and public hearings in July and August.

Attachments

TZO Ordinance
HCB/HTO Zoning Map
Pre-TZO Building Height Envelop
Proposed Building Height Envelop

Ordinance No. 96-

AN ORDINANCE ADOPTING TEMPORARY ZONING REGULATIONS FOR THE HISTORIC COMMERCIAL BUSINESS (HCB) DISTRICT AND THE HISTORIC TRANSITIONAL OVERLAY (HTO) ZONE DISTRICT, TOESTABLISH INTERIM ZONING STANDARDS PENDING THE ADOPTION OF THE UPDATED GENERAL PLAN AND REVISIONS OF THE LAND MANAGEMENT CODE OF PARK CITY, UTAH.

WHEREAS, the City is in the process of updating the Community's General Plan which is proposed to result in amendments to provisions of the Land Management Code to mitigate the mass and scale of new development in the Historic Districts;

WHEREAS, public meetings on the General Plan have telegraphed to the development community that a rezone within the Historic Commercial Districts is likely within the next six months;

WHEREAS, the Council has expressed a desire to preserve the unique scale of retail businesses within the Historic Commercial Districts;.

WHEREAS, to prevent a rush to develop under the present zoning regulations while this matter is under consideration, the state legislature has enabled cities to adopt Temporary Zoning Regulations, without a formal public hearing, for a period not to exceed six (6) months (Utah State Code, Section 10-9-404); and

WHEREAS, it is in the best interest of Park City and for the protection of health, safety and the general welfare of its citizens to preserve the historic integrity and economic viability of the City's Historic Commercial Districts; and

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

SECTION 1. FINDINGS: The Council finds that:

1. The Historic Commercial Districts are presently zoned in a manner that allows development at a scale and intensity that is not presently reflected in the current development pattern on Main Street and its environs;

2. The City has provided notice of specific proposals to rezone the Historic Commercial Districts within public meetings to develop the Growth Management and Community Character elements of the Community's General Plan. This proposed rezoning is intended

to establish a limit on development within the rezone that more closely resembles the historic development pattern;

3. Notice of the proposed rezoning, coupled with the recent and dramatic increase in property values on Main Street, and a new impetus to develop spurred by the International Olympic Committee's award of the 2002 Winter Olympics to Salt Lake City (with Park City venues) has created an unprecedented incentive toward excessive development and redevelopment within the Historic Commercial Districts under the present zoning. Unchecked, this development pressure could forever destroy the ambiance of Main Street.

4. Without the Growth Management and Community Character Elements of the General Plan adopted, it is premature to adopt permanent rezoning within the Historic Commercial Districts;

5. The Growth Management and Community Character elements of the General Plan can be completed, with implementing zoning enacted, within six months;

6. Temporary zoning enacted hereby preserves a reasonable opportunity to develop on an historic scale within the Historic Commercial Districts;

7. The Historic Districts are the crown jewels of the City and are vital to the economic health and general welfare of the community and its guests; and

8. There is a compelling, countervailing public interest in preserving the status quo within the Historic Commercial Districts pending implementation of the General Plan.

SECTION 2. AMENDMENTS TO CHAPTER 7 OF THE LAND MANAGEMENT CODE. Chapter 7 is hereby amended as follows:

Section 7.2 Historic Commercial Business (HCB) District

7.2.7 BUILDING HEIGHT ~~AND BULK PLANE. A maximum building envelope shall be defined by a plane that rises vertically at the front lot line to a height of 30 feet measured above the natural grade and then proceeds at a 45 degree angle toward the rear of the property until it intersects with a point 45 feet above the natural grade. No part of a building shall be erected to a height greater than 45 feet, measured from natural grade at the building site. Similarly, the rear portion of the bulk plane shall be defined by a plane that rises vertically at the rear lot line to a height of 30 feet measured above the average natural grade and then proceeds at a 45 degree angle toward the front of the property until it intersects with a point 45 feet above the natural grade of the building site. This provision shall not be construed to encourage solid roofing to follow the 45 degree set back plane.~~ Structures shall be erected to a height no greater than 27 feet, as defined in Section 8.17.

New Subsection:

7.2.13 Maximum Area Per Tenant on Ground Floor. In order to preserve the historic character and to ensure compatibility between commercial uses within the Historic Commercial Business District, the maximum allowable area for any one tenant or use on the ground floor of structures shall be limited to 2800 square feet.

Section 7.4: Historic Transitional Overly (HTO) District

7.4.2 (a) Relationship to Underlying Zone Districts. Those portions of the project located within the HCB District must comply with the provisions of all ordinances for that district. Those portions of the project located in the HR-1 District must comply with the provisions of all ordinances for that district, except as modified by this section. Under this ordinance, commercial development within HR-1 Zone is permitted, subject to the provisions of this section. Such development must maintain a set back of at least 50 feet from residential streets. The height of such commercial uses shall be coordinated with the site planning and building design of the HR-1 parcels in such manner that the impact of the commercial structures is minimized, however, in no case may the height exceed ~~28 feet above natural grade~~ 27 feet, as defined in Section 8.17.

New Subsection:
7.4.7 Maximum Area Per Tenant on Ground Floor. In order to preserve the historic character and to ensure compatibility between commercial uses within the Historic Transitional Overlay District, the maximum allowable area for any one tenant or use on the ground floor of any structure shall be limited to 2800 square feet.

SECTION 3. PERIOD OF LIMITED EFFECT. This temporary zoning ordinance shall be effective for a period of six months.

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

PASSED AND ADOPTED this 22ND day of February, 1996

PARK CITY MUNICIPAL CORPORATION

Mayor Bradley A. Olch

Attest:

Anita Sheldon, City Recorder

Approved as to form:

____

Jodi Hoffman, City Attorney

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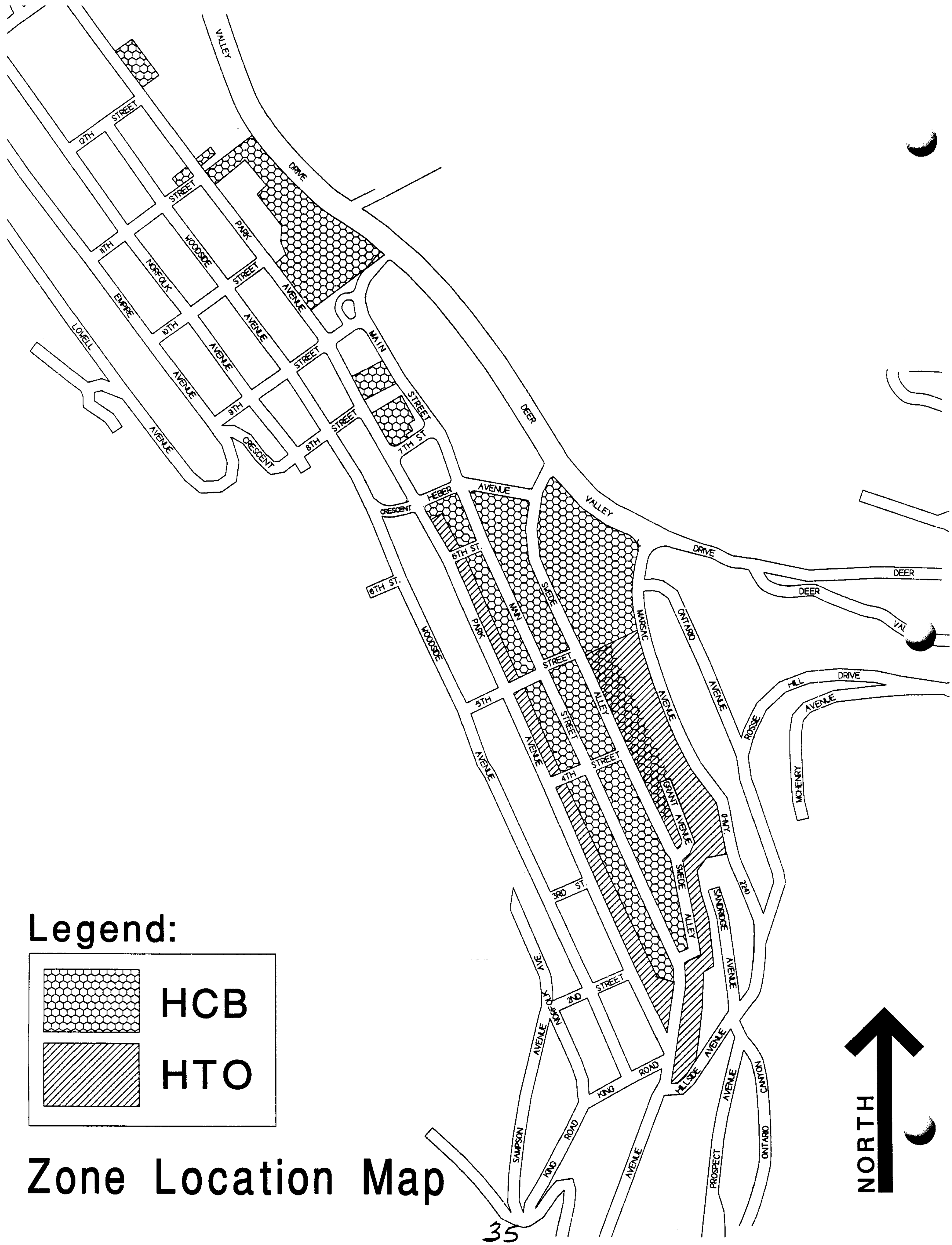
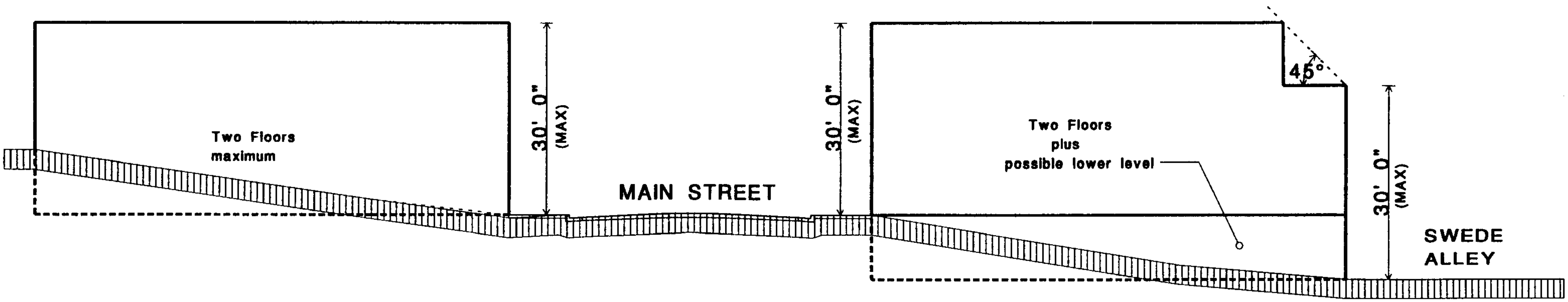
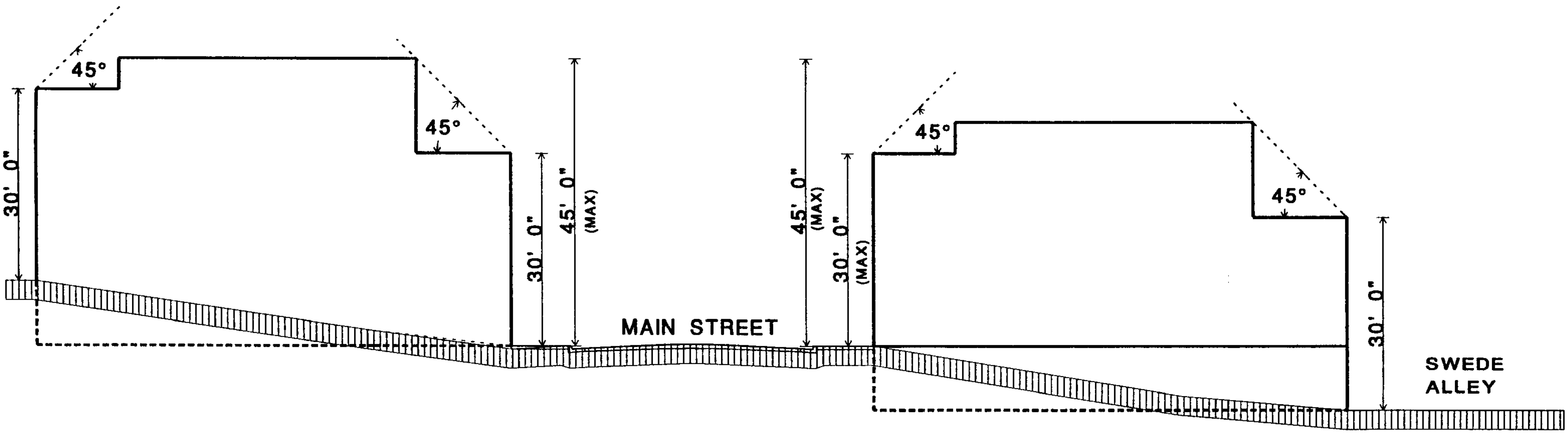


Zone Location Map



PROPOSED Building Height Envelopes

NO SCALE



PRE-TZO Building Height Envelopes

NO SCALE

PARK CITY
1884

DATE: July 18,1996
DEPARTMENT: Public Works
AUTHOR: Jerry W. Gibbs
TITLE: Armstrong Water Lease
TYPE OF ITEM: Contract

SUMMARY RECOMMENDATIONS: Authorize staff to enter into an agreement to lease 500,000 gallons per day (225 acre feet) of water for $10,000 per year from Melbourne and Herb Armstrong for municipal use.

DESCRIPTION:

A. Topic. A five year water lease to provide water to the Park City Golf Course and other municipal uses.

B. Background. Park City is the assignee of a lease between Mel and Herb Armstrong and GPCC for 276 ac-ft (600,000 gallons per day) of irrigation water per year for the irrigation of the back nine holes of the city golf course. The lease provides water from April through September and expires September 30, 1996. Staff has been discussing the extension of the lease with the Armstrong's and their attorney, Robert Felton over the last eighteen months.

C. Analysis. Staff discussed short and long term leases and purchase of the water. The water has higher value the longer the term of the lease. If the lease term is ten years or more, capital facilities can be justified to collect and treat the water. If the lease is less than ten years, the water has irrigation value only.

The proposed lease is for five years, cancellation by either party with a years notice and a first right of refusal on the sale of the water. The contract is not automatically renewable. The price per acre foot is the same as our leased water from Salt Lake City. The assigned cost is currently $10 per year for 276 ac-ft. The proposed lease agreement is for 225 ac-ft. The reduction of 51 ac-ft is accomodated by improved water utilization by the golf course.

D. Department Review. The legal department, City Manager and Public Works Director have reviewed the agreement.

ALTERNATIVES:

1. **Approve the Request:**

2. **Continue negotiations:**

3. **Deny the Request:**

SIGNIFICANT IMPACTS:

Approval of the request will provide the continuation of a water supply for golf course use. The new lease price is significantly higher than our previous cost, however, the lease rate is in line with current market values. The Golf Course budget will need to be adjusted to reflect this increase.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

Loss of this source will require the use of alternate city supplies such as Spiro to provide adequate water. During low flow years, Spiro water is needed for culinary and other obligations. Further negotiations will not result in a better deal or longer lease terms.

RECOMMENDATION: Authorize staff to enter into an agreement with Mebourne and Herb Armstrong to lease 500,000 gallons per day (225 acre feet) of water from 1996 through 2000 for municipal use for $10,000 per year.

LEASE AGREEMENT

William M. Armstrong and Herbert Armstrong, hereinafter referred to as Lessors, who are the owners of certain water represented by Weber River Decree Awards 440, 441, 442, 443 and 445, hereby lease to Park City Municipal Corporation, hereinafter referred to as Lessee, five hundred thousand (500,000) gallons of the above-referenced water for irrigation purposes per day subject to the terms and conditions of this agreement.

1. The term of this Lease shall be for five (5) years commencing on April 1, 1996 and terminating by its own terms on April 1, 2000.

2. The water hereinafter referred to will be leased during the summer season, April 1st to September 30th during each year of the Lease.

3. For and in consideration of this Lease, Lessee shall pay to Lessor the sum of Ten Thousand ($10,000.00) Dollars per year payable in advance on or before April 1st of each year.

4. Lessee covenants and agrees that during the term of this Lease it will beneficially use all of the water during the period this water Lease is in effect.

5. Either party may cancel this Lease during its term by giving the other party written notice at least one (1) year prior to the termination date. Said notice shall be in writing.

6. During the period that this Lease is in effect, Lessor hereby grants to Lessee the right of first refusal to purchase any or all of the water in the event Lessor wishes to sell, trade or transfer said water to any person or entity other than themselves, members of their immediate family or to an entity owned entirely by them or their immediate family or families. In the event Lessors receive or solicit an offer for the purchase of any or all of the water, and Lessors shall be willing to sell at the price and on the terms so offered, Lessors shall give to Lessee written notice of the purchase price and terms of said offer, and Lessee shall have thirty (30) days from

the date it receives said notice to purchase that portion of the water involved at the price and upon the same terms and conditions as were set forth in the notice. In the event that Lessee elects to exercise such right, it shall give written notice to Lessors of said election within said thirty (30) days.

7. In the event either party must bring an action to enforce this agreement or because of a breach, then the defaulting party agrees to pay all costs, damages and attorney's fees as a result of the default.

DATED this _____ day of June, 1996.

____
William M. Armstrong

____
Herbert Armstrong

PARK CITY MUNICIPAL CORPORATION

By _______________________________
Title