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

**June 11, 2020**

The Council of Park City, Summit County, Utah, met in open meeting on June 11, 2020, at 2:00 p.m. The meeting was a remote, electronic meeting due to the declared public health emergency.

Council Member Gerber moved to close the meeting to discuss property at 2:05 p.m. Council Member Joyce seconded the motion.

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

**CLOSED SESSION**

Council Member Gerber moved to adjourn from Closed Meeting at 3:10 p.m. Council Member Doilney seconded the motion.

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

**WORK SESSION**

**FY2020-21 City Manager's Recommended Budget: Presentation and Review:**
Jed Briggs, Penny Frates, and Josh Miller, Budget Department, presented this item. Frates reviewed the proposed budget reduction and the various cuts that were being made, including a hiring freeze. Briggs added cuts had been made in most departments. Frates displayed a list of operating reductions by department and stated most cuts consisted of materials and one-time expenses.

Mayor Beerman asked if there were funds available to hire a finance position for the Transit Department. Briggs stated there weren't any funds for hiring, but there was staff in that department that was performing the finance tasks. Mayor Beerman felt that position needed to be filled because the City could be exposed. Council Member Joyce stated he would like to see staff requests come from the departments. Council Member Henney agreed and wanted to ask Jerry Benson and Matt Dias their opinions on that staffing need, and noted there had been significant progress in the Transit Department over the past year and he didn't see the urgency to fill that position.

Council Member Doilney thought the resources needed to be evaluated to see the best use for those funds. Mayor Beerman agreed there was tremendous progress, but it was taking a lot of the City Manager's, Deputy City Manager's and Jerry Benson's time, which he felt wasn't the best use of time.

Matt Dias, City Manager, stated a lot of work had been done in the Transit Department over the last year to improve finances, technology, etc. A very strong team was currently in place. He indicated this was a provisional budget. He would evaluate a finance position, and make a recommendation on the need for this position when the budget came back to Council in 60-90 days.

Council Member Worel thought the 60-90 days was a good timeframe to evaluate the need for this position. Dias was confident the Transit Department was fine for the next two or three months. Council Member Gerber asked to hear from that department on its needs. The Council agreed to Dias' proposal.

Council Member Gerber asked if the summer operations budget should be reduced since the scheduled summer events were minimal this year. Dias stated staff was still working with uncertainties, and this was the reason the budget would come back in 60-90 days. He felt certain there would be savings, but they couldn't be pinpointed at this time.

Mayor Beerman asked about the Fleet Services Fund. Briggs stated this was an internal fund, so no sales tax or property tax funded it. The bulk of the fund was for maintenance and gas for Transit services, some personnel, parks and equipment. This fund billed Transit for services and the funds were transferred. Council Member Doilney asked about funds spent on State liquor enforcement. Briggs stated this funded part of the Police Department and it was tracked separately.

Frates reviewed personnel changes and indicated personnel had been reduced by 13 full-time employees. Miller reviewed the Utilities budget and stated there would be approximately $280,000 in cuts. Each utility manager offered proposed cuts. Council Member Joyce noted new pipes saved on pumping charges which helped cut costs. Council Member Gerber asked if the reductions were not all COVID-19 related, but rather a result of efficiencies. Briggs stated the cuts were based on good financial management from Public Utilities. Council Member Joyce added many water leaks had been fixed which also helped with cost savings. McAffee noted the budget cuts were because of decreased electrical use, water loss success and pumping decreases.

With regard to special service contracts, Miller reviewed that the City split up this budget for regular special service contracts, department specific regular services, and allocations for future relief funding and social equity type services. He gave the example of the Mountain Trails Foundation contract moving to the Open Space and Trails

Department going forward. He also discussed funding that had been reserved for COVID-19 priorities. He displayed a chart with the regular special service contracts recommendations and indicated the contracts would be four-year contracts. Council Member Gerber indicated the four-year contracts would provide stability for the nonprofits and noted additional funding would be given to nonprofits for emergency funding. Council Member Worel asked what the $40,000 allocated for the Museum was going for. Council Member Joyce stated it would go for operating expenses. He indicated the Chamber would fund about $30,000 of that by reimbursing the City.

Mayor Beerman suggested more money should be invested in the City's trails because he anticipated the trails would see record usage due to social distancing. Council Member Joyce explained the work being done on trails. Council Member Gerber thought trails could be evaluated over the next 60-90 days and Council could look at the entire Trails budget and discuss efficiencies that could be realized at a future meeting. Council Member Henney asked to also discuss the housing outreach service amount of $15,000. Council Member Gerber reviewed the scope and history of the housing outreach contract. Mayor Beerman suggested both of these items come back to a future work session.

Miller reviewed the changes to the fee schedule. He indicated there would be a 3% increase in water fees, a 10% increase in water irrigation meter base rates, and a 3% increase in stormwater rates. Briggs noted there would be public hearings for the budget and the Council compensation during the regular meeting tonight. He indicated there was a page on the City website that broke down Council compensation in an effort to be more transparent. Council Member Gerber asked that the election filing fee have an asterisk with an explanation that the fee could be waived.

Council Member Henney asked if the Council health insurance benefit could be added to the ordinance. Briggs stated the ordinance as written followed State code. Council Member Henney was concerned that the ordinance did not reflect the true compensation of Council. Margaret Plane, Special Counsel, reiterated the ordinance complied with State and City code, but Council could choose to add language. Council Member Henney was in favor of expanding the ordinance to include total compensation of Council. Council agreed to add the health insurance benefit as part of Council's compensation in the ordinance.

Mayor Beerman opened the meeting for public input.

<u>Jess Griffiths</u> via Zoom stated the after school program was fantastic and it made a great impact to students who were falling behind in class. Mayor Beerman agreed and stated he visited the program and saw all the work that went into it.

Mayor Beerman closed the public input portion of the meeting.

**Review Temporary Changes to Housing Requirements:**
Jason Glidden, Affordable Housing Manager, and David Everitt, Deputy City Manager, presented this item. Glidden reviewed that many applicants were losing eligibility because of new loan requirements in light of COVID-19. He recommended extended closing periods, up to four months, to allow for employment gaps due to COVID-19, and allow for co-signers for applicants who had been furloughed or laid off, due to COVID-19. He stated these requirement changes would be reevaluated in the fall.

Council Member Joyce asked if this would be a loophole for people who normally would not have qualified. Glidden stated this was for applicants who were eligible and then lost it due to COVID-19. He indicated this would be looked at on a case-by-case basis. Council supported the recommendations. Council Member Doilney felt co-signing was a good way for some people to get started.

**Discuss Changes to Park City's Strategy for Sequencing City-Owned Affordable Housing Developments:**
Jason Glidden, Affordable Housing Manager, and David Everitt, Deputy City Manager, presented this item. Glidden stated this plan was part of the strategic plan to build as many affordable housing units as possible. He noted the pipeline was a timeline for adding affordable units, and this pipeline would need to be modified as necessary as time went on.

Erik Daenitz discussed funding as part of the Lower Park Redevelopment Agency (RDA). He reviewed the debt schedules the RDA paid, and noted the funds did not take into account base development. Currently, the fund had $22 million, but the Woodside Phase II project would cost more than that. Staff created a phased timeline for constructing the project, which would keep the project sustainable.

Glidden reviewed Woodside Phase 1 was completed and buyers would be approved soon. Woodside Phase 2 included 52 units, but there were problems with setbacks that had to be fixed. There was a funding shortfall of $4 million due to the purchase of 1302 Norfolk, additional design costs and higher construction costs. He displayed a new design which did not include the 1302 Norfolk property and noted it looked similar to the original design. He indicated the benefits of phasing the project, including that it allowed time to construct the senior center, it would spread out capital outlay for construction and it would increase the construction budget because some units would be sold before the rest were constructed. He noted phased construction would increase the total cost since the project would take longer to complete.

Glidden also indicated 100 Marsac Avenue was evaluated for affordable housing. He reviewed there was a good deal of community outreach. He estimated $200,000 per unit in site costs alone, and felt that was not the best use of City funds. This property was then evaluated to subdivide and sell at market rate, while retaining a portion for open space and preserving the historic wall on the property. The sale of the units would provide funding for other affordable housing projects. Glidden noted public feedback had been received on this property. He related that this property was given to the City in exchange for a release from housing obligations, so there were no restrictions on the property due to funding. Staff's recommendation was to get some benefit from the property for affordable housing. He noted there were not many opportunities for infill construction.

Daenitz indicated RDA bonds were paid by sales tax and was used for affordable housing. There were also non-housing capital projects that the RDA funded. He reviewed the current and future projects in the RDA, including a recreation building in City Park, City Park improvements, Old Town Stairs, Crescent Tramway Trail, Skate Park repairs, public art, traffic calming, Old Town Access and Circulation Plan, and City-wide signs and Central Park.

Glidden recommended moving forward with the redesign of Woodside 2, selling 1302 Norfolk and 100 Marsac, and to phase some of Woodside Phase 2.

Council Member Gerber expressed concern with selling City property because it was a limited resource. She thought the City should retain 100 Marsac, and noted it might be feasible if it was developed 10 years in the future. She also wanted to keep 1302 Norfolk and thought at some point something could be developed there. She favored phasing the Woodside Phase 2 project.

Council Member Worel asked if staff were still evaluating if it made sense to build units on Empire or sell the land. Glidden stated the Empire parcel was evaluated and it was felt the City would lose significant revenue by building the units. Council Member Worel did not favor selling 100 Marsac. She asked if the house would be sold along with the land on 1302 Norfolk. Glidden stated it would be subdivided and just the lot would be sold.

Council Member Joyce asked where the access point would be to get to the Ontario Court property. Glidden stated there were some options to access that property. One was to have an intersection at Marsac and Hillside. This would be expensive and didn’t seem feasible. If the number of units were reduced it might be more feasible because that would affect the impact with the number of vehicles coming in at that point. Council Member Joyce asked if this plan would change if vehicles couldn't come off of Ontario Court. Glidden stated it was still being worked on.

Council Member Joyce referred to the housing pipeline proposal for 2022 that stated there would be Arts and Culture Housing Authority bonds. This concerned him since Council hadn’t approved this bonding and funding. Glidden explained there had been preliminary conversations, but in order to make the rental model work, 20% would be required. The conversation needed to continue because this was the plan for the Homestake project as well. Council Member Joyce stated last year, the pipeline involved constructing units and selling them to fund additional construction, but now bonding was proposed. Council did not discuss that so he didn't want to make a decision at this time. He favored selling 100 Marsac if it could be worked out. He stated a decision needed to be made on Woodside for the next year, but future discussions needed to take place for affordable housing plans in the future.

Council Member Worel clarified she did not think 100 Marsac was appropriate for affordable housing, but indicated there needed to be more discussion before she was comfortable selling that property.

Council Member Doilney stated the ingress and egress was a problem for Marsac and he favored having an intersection and/or signage for that area if that became an option. He wanted to look at all City-owned properties before looking at selling some in order to develop affordable housing.

Council Member Henney liked the Woodside Phase 2 redesign, but was worried about flipping market rate homes to fund the affordable projects. He was neutral selling 1302 Norfolk. He thought there was a value to not developing 100 Marsac. He knew if it was sold it would be developed, and he didn't think the community wanted that. He supported phasing the Woodside Phase 2 construction.

Mayor Beerman supported the redesign and the phasing of this project, was open to selling 1302 Norfolk, but was against selling 100 Marsac.

Glidden indicated 1302 Norfolk was acquired for multiple reasons including moving sewer lines for the Woodside project and protecting the historic home. Although it wasn't solely purchased to add units, he thought the property could be evaluated for options for building affordable units. Council Member Henney asked if the Woodside Phase 2 setbacks were in compliance. Council Member Gerber stated the City changed the setback code for affordable units, and now the redesign was in compliance. Glidden stated some issues were addressed after the original design approval was appealed. Council Member Joyce stated the community perception was that this was unethical, since the code was changed to make the project work. Glidden indicated all MPDs could ask for exemptions, and this project only asked for five feet.

Council Member Worel asked if the sewer would impact the ability to sell the 1302 Norfolk property. Glidden responded there were no sewer issues with the property, but the property purchase allowed a sewer connection from the project to the established connection located at 1302 Norfolk.

Council Member Doilney noted there were efficiencies that could be maximized in the units. Glidden stated these were conceptual designs and they could be changed.

The Council members asked staff to pursue other options for affordable housing at 1302 Norfolk. Glidden summarized Council supported the redesign for Woodside Phase 2, supported looking at options for 1302 Norfolk, supported not selling 100 Marsac at this time, and supported phasing Woodside Phase 2.

Mayor Beerman opened the meeting for public input. The following submitted comments:

Jamie Thomas: “Ontario Court is private property in the Ontario Court Subdivision. The owners of the properties in the Subdivision paid for ALL the components of its construction, including utilities and fire service.They currently pay for ALL snow clearing and ongoing maintenance. The City required restricted access to the extent that one parcel had to access from McHenry Ave. The Conditions of Approval for the Ontario Court Subdivision address this. Its design and configuration reflect the City's intent to limit access off the driveway. It was never intended to be an access to development beyond. As evidenced by its conditions of approval etc.”

Jeff Edison: “I have a few questions about 100 Marsac. 1. Has there been an assessment of the clean-up cost of the environmental issues at 100 Marsac? 2. What are a buyer's legal rights for access to the proposed lots from a private road? 3. Should we anticipate the right to build 3 homes or 30 affordable housing units? 4. Has the sidewalk on Marsac Avenue been discussed? 5. How will you address traffic issues on Ontario Avenue and Ontario Court?”

Mayor Beerman asked Edison to call Glidden for those answers and to discuss that issue further.

Mayor Beerman closed the public input portion of the meeting.

**Review Possible Amendments to Housing Resolution 03-2017:**
Jason Glidden and Rhoda Stauffer, Affordable Housing Department, presented this item. Glidden stated there were some modifications they proposed for this resolution which would mitigate impacts from new development as well as provide additional guidelines for affordable housing. Stauffer stated the resolution required a review every two years. She noted a blue ribbon housing commission was formed in 2017and they had recommendations, some of which were in the 2017 resolution, and others to be considered at this time.

Stauffer reviewed proposed modifications, including updating household qualifications to match the current deed restriction template and the 2020 Housing Needs

Assessment, including criteria for approving online, remote, or non-place-based employment, revising net-worth limits and revising income limits. Staff would also change how deed restricted units could be rented. Stauffer asked for Council feedback on changing qualifications for purchasers after closing, such as employer verification of income. She asked if the Council favored increasing the housing requirement for multi-family residential units from 15% affordable units to 20% or 25%. She also proposed establishing a residential unit equivalent (RUE) instead of assessing the obligation based on units, and noted a RUE was calculated at one unit per 2,000 square feet. Stauffer reviewed another proposed amendment that would require an additional housing obligation if a commercial use changed that would increase the employee count.

Council Member Worel indicated there was frustration by some when large homes were permitted. She asked if the amendments could include assessing an affordable housing fee for large homes. Glidden stated staff could research that to see if that was an option. He didn't know how much funding that would capture and if it would be worth it. Council Member Worel asked if there could be different net-worth limits for seniors. Glidden stated these were good things to consider and he would research that.

Council Member Gerber agreed with Council Member Worel on the large home proposal. She favored the RUEs and proposed the 10 unit minimum housing requirement be adjusted because builders developed nine lot subdivisions to avoid the affordable housing obligation. Glidden clarified that would be a change in the triggers for a MPD. Council Member Gerber was uncomfortable requiring income verification for those living in affordable housing, and stated the City was trying to create community and she didn't want somebody to be forced to leave their home because of a job change. She also felt deed restrictions were not helping with the immediate need for affordable housing, and suggested a percentage cap on purchasing deed restrictions. She asked for a housing review panel to help create a product the community needed and wanted. Glidden stated one thing recommended by the blue ribbon commission was an advisory group. Council Member Gerber stated an advisory group would be beneficial, and they could collect best practices to help developers make an affordable and/or attainable unit that would be desirable.

Mayor Beerman stated one way to avoid developers purchasing deed restrictions would be to assess a fee in lieu. That would be one way to establish a firm rate on the value of a unit. Council Member Gerber stated a limit could be set on fees in lieu as well as a standard set to know what selling deed restrictions would cost.

Council Member Joyce was concerned that the City was looking for many units to reach the goal of 800 units and wondered how much development could be done in town since it was mostly built out. He wanted to know how the City could make a difference. Council Member Gerber also asked for a discussion every couple years on accessory units. Council Member Henney thought many owners would build accessory units if they weren't prohibited by CCRs or zones. He was in favor of renting rooms, roommates and other creative ideas for affordability. He liked RUEs, but didn't want to kick people out of their homes based on income.

Council Member Doilney liked RUEs, but was concerned about proactive development if the City kept adding requirements for the developers. He also favored allowing more people in the buildings the City already had.

Glidden noted staff was working on Accessory Dwelling Units (ADU), which was in the Land Management Code, and indicated this would be discussed by the Planning Commission in the next few weeks. Mayor Beerman asked for a future discussion on how to meet the City's housing goals.

**REGULAR MEETING**

**I) ROLL CALL**

| Attendee Name | Status |
|---|---|
| Mayor Andy Beerman<br>Council Member Max Doilney<br>Council Member Becca Gerber<br>Council Member Tim Henney<br>Council Member Steve Joyce<br>Council Member Nann Worel<br>Matt Dias, City Manager<br>Margaret Plane, Special Counsel<br>Michelle Kellogg, City Recorder | Present via technology |
| None | Excused |

**II) APPOINTMENTS**

**1. Consideration to Appoint Jennifer Adler, Seth Beal, and Bruce Kasanoff and Reappoint Sarah Hall to Serve on the Library Board for Three-Year Terms Beginning July 2020:**
Adriane Juarez, Library Director, reviewed the process for the Library Board member selection.

Mayor Beerman opened the meeting for public input.

Jess Griffiths via Zoom stated there were many qualified applicants and the selection was a hard decision. He added the appointees tonight were great.

Mayor Beerman closed the public input portion of the meeting.

Council Member Henney indicated when the library was remodeled many in the community doubted the need. Now the library had proven to be such an asset, and so many people wanted to help it continue to progress.

Juarez noted Saturday the library was celebrating its $5^{th}$ anniversary of the renovation and there would be story time on the library field.

Council Member Worel moved to appoint Jennifer Adler, Seth Beal, and Bruce Kasanoff and reappoint Sarah Hall to serve on the Library Board for three-year terms beginning July 2020. Council Member Joyce seconded the motion.

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

## III) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

**Council Questions and Comments:**
The Council members and Mayor Beerman reviewed the events and activities they participated in since the last meeting.

Mayor Beerman asked if Council wanted a discussion on a traffic flow pilot program where the City would install one-way signage and use other methods to keep commercial vehicles out of residential areas, including Hillside Avenue, Park Avenue and Woodside Avenue. Council agreed they would like to have that discussion. Mayor Beerman asked for better public education to remind people to wear masks and protect the community.

**Staff Communications Reports:**

**1. Public Utilities Sustainability Article:**

**2. COVID-19 Related Rent Abatement for Tenants of City-Owned Facilities:**

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

Mayor Beerman opened the meeting for anyone who wished to submit written comments, or give in-person comments to the Council on items not included on the agenda.

Neal Krasnick read the following statement: “During the 20th century this City was almost a ghost town. Today Park City is almost a ghost town. In the twentieth century the city had silver mining and outdoor recreation. Silver mining, ski jumping, powder skiing, Olympics, recreational skiing. Money was made, then the developer left, the tourist dollar left… empty builds were left... It was the Aesop’s Fable of the goose that laid the golden egg. The Goose that laid the Golden egg; a farmer became wealthy because he had a goose who laid golden eggs. Greedy men wanted to have the gold, so they stole the goose and cut it open. The Goose died. They had nothing.

Today, in Park City the “tourist dollar” has made local businessmen and property developers wealthy. Park City is almost a ghost town. The real wealth of Park City has always been the Wasatch Mountains. They were exploited to the point that we have a Ghost town. The City has always been aware of the need of clean water and room to breathe. We need bigger attitudes. We have packed Park City the same way Walmart developed its chain. “Pack it deep and sell it cheap” was their motto. We need less commercial development and more breathing room. Outdoor recreation needs the great outdoors. Outdoor recreation does not need more parking garages, taco stands, fast food chains, motels, hotels, beauty parlors, cheap labor and sunglasses. We need the exact opposite: breathing space, fresh air, clean water, no noise pollution, no light pollution, less sewage, less disposable material, no traffic jams, educated employees, etc. We need year-round educated workers, not cheap seasonal employees. We need people who have pride in how they live, not servants.

There is NO reason for ANYONE to visit Park City. They can experience overcrowded conditions that include mentally and physically sick people where they currently reside. They can find those things where they live, in Salt Lake, Denver, New York, Dallas, Los Angeles. The City has encouraged commercial tourism. The City should try something different. I am not liberal nor am I altruistic. I have an agenda, I am sure each person in Park City has things, ideas and wants they feel they should be able to obtain. I enjoy mountain biking, hiking and being in the outdoors. I do not enjoy living with the physically and mentally sick. I do not know if the continuous coughing I hear is the cigarette smoker, a drug addict, or a viral respiratory infection cough. Speed kills, and in Park City the average visitor and recreational enthusiast is a “speed demon”. They must get to where they are going as fast as they can so they can rest. Their vacation is a competition. This input is about getting the City Government moving toward a profitable and acceptable way of guiding the city.”

Mayor Beerman closed the public input portion of the meeting.

## V) CONSIDERATION OF MINUTES

**Consideration to Approve the City Council Meeting Minutes from May 14, 21, and 28, 2020:**
Mayor Beerman indicated he had the following corrections with the minutes: May 14th, Page Four, Line 11, to add “renewable” before energy. May 21st, Page Four, Line 12, “but he wanted the focus to be on Main Street businesses rather than Silly Market scenarios”; Page Seven, Line 24, add “not” before opening Guardsman Pass; Line 38, add “other” before members; Line 41, “Park City had been a founding member and invested a lot of time and effort into this organization.” May 28th, Page Two, Line 10, “frontline healthcare workers.”

Council Member Gerber moved to approve the City Council meeting minutes from May 14, 21, and 28, 2020 as amended. Council Member Joyce seconded the motion.

**RESULT: APPROVED**
**AYES:** Council Members Doilney, Gerber, Henney, Joyce, and Worel
**ABSTAIN:** Council Member Worel from the May 21, 2020 Minutes

## VI) CONSENT AGENDA

**1. Request to Approve Lease Addendum One in a Form Approved by the City Attorney for the 1302 Norfolk Avenue Residential Rental Agreement:**

**2. Request to Authorize the City Manager to Amend the Existing Contract between Park City Municipal and Horrocks Engineers, for an Additional Amount Not to Exceed $145,310 for Construction Management of the SR-248/Kearns Boulevard Tunnel:**

**3. Request to Approve a One Year Extension to the Property Lease for the Park City Cooperative Preschool (PCCP) in a Form Approved by the City Attorney:**

**4. Request to Approve a One Year Extension to the Property Lease for Park City Film (PCF) in a Form Approved by the City Attorney:**

**5. Request to Authorize the City Manager to Execute Amendment No. 1 to the Construction Agreement, in a Form Approved by the City Attorney, with Harrison Western Construction Corporation Inc., to Fund the Spiro Mine Tunnel Protection and Reconstruction Project, Not to Exceed $4,500,000:**
Council Member Henney asked about this construction project being in a neighborhood that saw a lot of construction impacts. He wondered if the impacts would affect the local business and if the scale of the project would impact the neighborhood, especially since the 3Kings Water Treatment Plant construction was impacting that neighborhood.

Griffin Lloyd, Water Department, stated he was working with the same public information team as they used for 3Kings. This tunnel project would only take six months to complete and he estimated it would be finished by December. The façade would be constructed next April through June. The construction parking would take six spaces next to the tunnel. The staging would be offsite, so there would only be some truck traffic and parking that would be an impact. Council Member Henney thought six parking spaces was reasonable. He noted that area was by a trail and was a popular lunch location and this construction area couldn't expand. Lloyd stated the construction company was limited to the upper parking lot with six spaces.

**6. Request to Authorize the City Manager to Execute the First Addendum to the Professional Services Agreement, in a Form Approved by the City Attorney, with Lithos Engineering Inc., for the Spiro Mine Tunnel Reconstruction Project in an Amount Not to Exceed $265,000.00:**

**7. Request to Adopt Resolution 13-2020, a Resolution Approving Amendments to the Central Wasatch Commission Interlocal Agreement and Admitting the Town of Brighton as a Member of the Central Wasatch Commission:**

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

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

**VII) OLD BUSINESS**

**1. Discuss Potential Changes to the Proposed 2020 Kimball Arts Festival (KAC) Supplemental Plan:**
Jenny Diersen, Special Events Manager, along with Dan Lemaitre, Board Chair, Shawni Tanner, Interim Executive Director, and Amy Roberts, Events and Marketing, KAC, were present for this item. Diersen stated this was a pinnacle event for Park City and was scheduled for July 31-August 2. The revenue supported local artists and was an economic driver for businesses. KAC recommended reducing the number of booths to 140 or by 27% to accommodate additional social distancing space. There would also be timed entry for patrons. KAC asked for additional booth space. With the impacts of COVID-19, there was an anticipated 40% visitor reduction. She noted if the State had a change in restrictions, KAC and City staff would work to adapt the plans even further.

Lemaitre stated adapting the festival plans would create an operating loss, but they felt having the event was the right thing to do because KAC wanted to connect people to art. Some of their constituents were artists and they had been greatly impacted by COVID-19. He noted the board was divided, but they weren't divided on moving forward with having a safe arts festival. They were committed to adhering to the guidelines to keep it safe.

Council Member Worel asked if KAC had time to put the logistics in place. Roberts stated the artists were chosen in March and the board reached out to them to see if they were still interested. She felt confident the board could meet the timeline.

Council Member Joyce noted a 30%-40% attendance reduction was estimated and asked how admittance to the festival would be limited to 750 people at a time. Roberts explained the tickets would indicate a timed entry. She also noted the estimated 50,000 that normally attended were not all unique attendees, but some attendees came on multiple days. Diersen indicated if the State went into a green phase, staff would still estimate a 40% attendance reduction. Council Member Joyce didn't know how social distancing could be managed and stated he didn't want to jeopardize the ski season. Roberts stated she consulted with the Summit County Health Department Director and he didn't think an early August event would impact something three or four months later. Diersen stated the 40% attendance reduction estimate would be the minimum reduction that would be seen. Lemaitre stated those estimates were based on a green risk level, and if there was a yellow risk level, those attendance numbers would be even lower.

Council Member Doilney stated Park City had the opportunity to show that the City could handle a crowd this size prior to the ski season. Council Member Gerber stated the City was taking a chance with people's lives. She was concerned how KAC would keep low numbers of attendees on Main Street. She wanted to be a good partner with KAC, but health and safety was at the forefront of her concerns. Lemaitre stated KAC staff and board had the same concerns. They had contingency plans for the festival if the risk level was yellow, including having special hours for some attendees and requiring masks of the artists and volunteers.

Council Member Worel stated the City was helping businesses reopen safely and she felt this was the same thing. Their request was to bring back a plan. Mayor Beerman asked if KAC would mandate the use of masks by attendees. Roberts stated they would require masks if the City gave them permission.

Council Member Joyce liked the 750 person limit on Main Street. He didn't trust the State risk levels, so he suggested putting minimum requirements in the plan. It was indicated the board would plan with the minimum of a yellow risk level scenario, regardless of the actual risk level. Council favored moving forward with planning.

Mayor Beerman opened the meeting for public input. No comments were submitted. Mayor Beerman closed the public input portion of the meeting.

## VIII) NEW BUSINESS

**1. Letter from Mayor, City Council, Chief Wade Carpenter and City Manager Matt Dias after the Events in Minneapolis, Minnesota and Ensuing Protests around the U.S.:**

Mayor Beerman indicated this had been a rough couple weeks since the murder in Minneapolis. He and Police Chief Wade Carpenter had talked extensively and he was pleased with the City's Police Department. Chief Carpenter condemned the death of George Floyd and stated bad officers affected the entire profession. All police departments nationally and internationally condemned this behavior. He recognized that officers needed resources to do their jobs effectively. Park City was the first police department in the State to use body cams for transparency purposes. PCPD had implemented numerous programs to help those in the City.

Council Member Gerber appreciated the policies put in place. She asked how often officers received bias training. Chief Carpenter stated they had model policies. Implicit bias was not a policy, but the department had bias-based policing practices, which was a policy that spelled out what the police officers would be held to. He explained the training officers received on implicit bias. Chief Carpenter stated the department tried to determine the needs of the community, but he hoped he could hear concerns from the neighborhoods so the Police Department could get other perspectives. Council Member Gerber stated many people thought police didn't have the resources to handle so many different scenarios. She thought there should be a discussion with the Police Department on if they had the resources to handle mental health and other crises. Chief Carpenter stated all officers were trained on mental health critical incidents. He knew mental health and homelessness sometimes went hand in hand. They didn't have all the resources, but within Park City, there were several entities that had capabilities to help individuals with mental health issues. Council Member Gerber asked what trainings other officers in the State received. Chief Carpenter stated PCPD contracted with West Jordan officers to help with Park City events and those officers received the trainings as well. Each officer was vetted by his/her department and was required not to have any discipline issues before they came to work at events in Park City. Council Member Gerber stated there were immigrants in the community and she asked what numbers were tracked. Chief Carpenter stated the Police year-end report had numbers of arrests by race and noted the arrests trended closely with the population statistics.

Council Member Doilney noted that there was a lot of outreach between Council and the community and he suggested having outreach events between the Police Department and the community. Chief Carpenter reviewed the outreach police officers had with the community and with seasonal workers in particular.

Council Member Worel asked if there were plans to put all the officers in the advanced national mental health training. Chief Carpenter stated 70% of Park City officers had the advanced training and all had received other trainings.

Mayor Beerman opened the public hearing.

Bill Dark: "Recent events have magnified the issue of the police that were hired to protect and serve instead acting like a gang of thugs and bullies. This problem is nationwide and unfortunately not a stranger to Park City. I have lived in this town for 26 years and in almost every incident interacting with the police here, have come out of it with a negative experience. Last fall, I found a disturbing video on the internet of four Park City Police involved in a domestic situation bullying a 15 year old boy. I sent the link to the City council and the mayor and heard nothing back from any of them. I did get a response from Wade Carpenter that was a generic cut and paste response and no follow up after that. With everything going on with protests and riots, the one and most important entity we hear not a word from is the police telling us that they see the problem and will actively address it. We have bad police here in our town, that is a fact. Until those men and women are either fired or pulled into line with the good cops how are we supposed to trust any of them? If you had three dogs in front of you and you knew one would bite, but didn't know which one, would you reach out to any of them? I realize this is going to put me in the crosshairs of these bad cops, but someone has to speak up. Park City Council, Mayor and Wade Carpenter when are you going to acknowledge the problem and fix it?"

Chief Carpenter stated he couldn't comment on current cases.

Meghan Higgins: "Hello, I wanted to say thank you to the Mayor and City Council for putting out a statement regarding Minneapolis and the racial bias that is present in our own community. In my time in Park City I have witnessed an incredible community that cares deeply for one another and is very willing to support local nonprofit organizations and initiatives that seek to help underserved populations. As Mayor Mayor Beerman stated, you are committed to creating a safe and more equitable community for all that work, live and visit Park City. My question is, what steps are you going to take and commit to in order to create a more equitable community in our town that would yield a more inclusive environment for the minority populations of our town, particularly in regards to industry workers that may feel discriminated against or taken advantage of in terms of housing and affordability of residing in Park City?"

Chief Carpenter stated policing was taken seriously and immigration status had nothing to do with it. Victims of crimes would receive help from the Police Department. Mayor Beerman stated her question more involved what the City would do to create equity and noted the City would be working on this in the next few years.

Mayor Beerman closed the public hearing.

Mayor Beerman thanked Chief Carpenter and the Police Department for their hard work. Chief Carpenter stated the Police Department had received an outpouring of support and he thanked Council and the community.

**2. FY2020-21 City Manager's Recommended Budget:**

Mayor Beerman opened the public hearing.

Jane Toly: “Greetings and thank you for taking my comments regarding the after-school programs at Park City School District. As a working parent with a child in the program, I have watched the program grow and evolve to meet the needs of our local families. The Park City School District’s after-school program is very unique and a crucial offering not available in the surrounding communities. It sets our community apart in meeting the needs of children and working parents. It gives me peace of mind knowing that my child is well taken care of while I am working and unavailable. It is my sincere hope that council continues to fund this amazing program at the level recommended by the committee so that the positive bonds children have with the after-school staff and the peace of mind for parents may continue.”

Todd Klarich: “As Director of the Park City After-School program I see a direct impact every day to over 450 students and their families! The main purpose of this request is to secure the financial support we need to provide the highest quality, academically supported, and engaging program for our students and their families. Everyday in our After-School program the children receive the skills they need to perform well in school, participate actively in their community, and develop the socio-emotional talents they need and want to become valuable members of our town. With your support we are able to offer families peace of mind that their children are in a safe, healthy and enriching environment throughout the year. Thank you very much for your consideration of this important request!”

Kara Cody: “Thank you for this opportunity to comment on the Special Service Contract Committee’s funding recommendations for next year. I want to thank the Committee for the recommendation to fund the McPolin and Parley’s Park Elementary After school programs through the Park City Education Foundation (PCEF). I urge the Council members to support the Committee’s funding recommendation to fully support this vital program that provides care for 5-10 year old children after their school day ends and while parents are still working. The Afterschool Program ensures that all working families in our community have access to a quality afterschool program. The programs at all four elementary, middle, and junior high schools provide a rich experience in a safe and supportive environment. This includes homework help, literacy, science exploration activities, art, snacks, exercise and opportunities to engage with the community through key partnerships. In our pandemic reality, the Afterschool Program is more important than ever to address the opportunity gap in our community and schools that is increasing with an economic recession and healthy risks. Research demonstrates that expanding access to after school programs equates to higher graduation rates, improved academic achievement, and higher wages. Working families in Park City need the school-based Afterschool Program to provide a consistent, high quality, and nurturing environment for children after the school bell rings. These are 5-10 years old kiddos who should not be home alone. All children need a safe, healthy, educating, enriching, and affordable care after the school day ends. Our schools are the backbone for the community's collective work and impact. However, our schools need additional support to ensure we offer ALL students opportunities to be successful and reach their potential. Thank you for your service on City Council and for your consideration of this impactful program."

Mayor Beerman closed the public hearing and indicated most of the budget discussion happened during today's work session.

Council Member Henney moved to continue the FY2020-21 City Manager's recommended budget to June 18, 2020. Council Member Worel seconded the motion.

**RESULT: CONTINUED TO JUNE 18, 2020**
**AYES:** Council Members Doilney, Gerber, Henney, Joyce, and Worel

**3. Council Compensation Ordinance**:
Jed Briggs, Budget Manager, stated the ordinance showed the Council's compensation per State code, and he would also include, as directed by Council, the health insurance benefit to show a total compensation package for the City Council and Mayor for maximum transparency.

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

Council Member Gerber moved to continue the Council Compensation Ordinance to June 18, 2020. Council Member Henney seconded the motion.

**RESULT: CONTINUED TO JUNE 18, 2020**
**AYES:** Council Members Doilney, Gerber, Henney, Joyce, and Worel

**4. Consideration to Approve Ordinance 2020-23, an Ordinance Approving the Snow Park Residences Condominium Plat at 2290 Deer Valley Drive East, Park City, Utah:**
Alex Ananth, Planner, and Steve Mehr, attorney for the applicant, were present for this item. Ananth stated this plat was phase two of a three-phase project. She noted two affordable units would be constructed during this phase.

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

Council Member Henney asked about vehicular access. There was significant traffic going to St. Regis using Deer Crest access. The development agreement limited the Deer Crest access. He asked if this issue had been addressed. Ananth stated there was correspondence about traffic in the file, but in the last year she received none. Mayor Beerman indicated he heard there were a few complaints, but didn't know if this was the place to address it. Council Member Joyce indicated other things would be developed and the access could be discussed at that time. There was discussion on "support commercial" that would bring people to the Deer Crest area. Ananth stated Phase Three had to pull a building permit by the end of 2020, so this could be researched and discussed further at a future meeting.

Council Member Joyce moved to approve Ordinance 2020-23, an ordinance approving the Snow Park Residences Condominium Plat at 2290 Deer Valley Drive East, Park City, Utah. Council Member Worel seconded the motion.

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

**5. Consideration to Approve Ordinance 2020-24, an Ordinance Approving the 1121 Norfolk Avenue Plat Amendment, Located at 1121 Norfolk Avenue, Park City, Utah:**

Laura Kuhrmeyer, Planner, stated this plat amendment would combine two lots.

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

Council Member Gerber asked in what year the home was built. Kuhrmeyer didn't know, but indicated the home was not listed on the Historic Sites Inventory. Council Member Gerber stated she read the intent was to demolish the existing home and build a new one.

Council Member Joyce moved to approve Ordinance 2020-24, an ordinance approving the 1121 Norfolk Avenue Plat Amendment, located at 1121 Norfolk Avenue, Park City, Utah. Council Member Doilney seconded the motion.

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

**6. Consideration to Approve Ordinance 2020-25, an Ordinance Amending Park City Municipal Code Title 2, Chapter 4, Section 9 – Bonding of City Officials, to Reflect Changes in State Law:**
Sara Nagel, Finance Department, presented this item. She indicated this ordinance would update the City code to be aligned with the State code on bonding requirements.

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

Council Member Gerber moved to approve Ordinance 2020-25, an ordinance amending Park City Municipal Code Title 2, Chapter 4, Section 9 – Bonding of City Officials, to reflect changes in State law. Council Member Joyce seconded the motion.

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

## IX) ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder

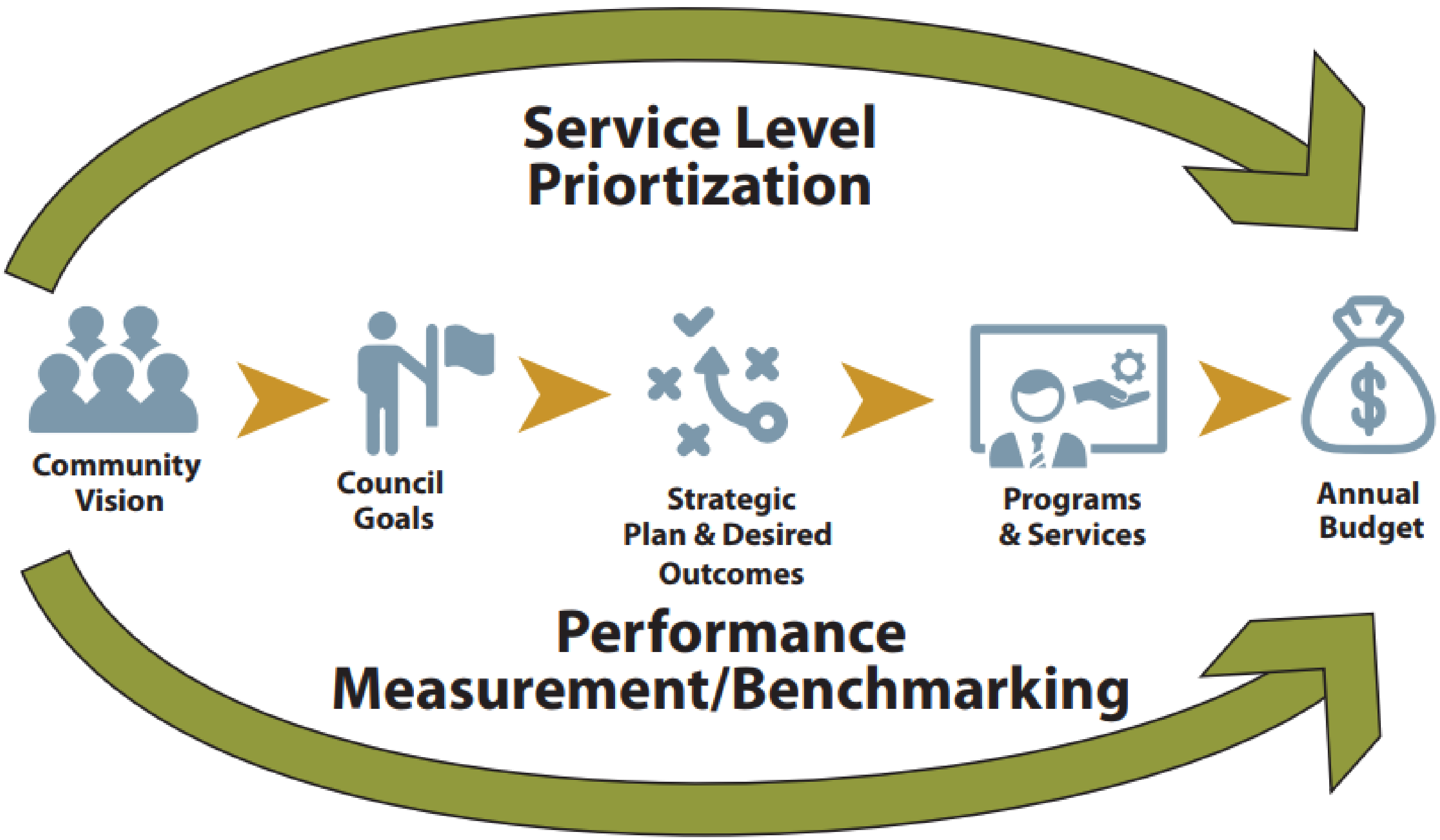
# Fiscal Year 2021
# Operating Budget

PARK CITY
1884

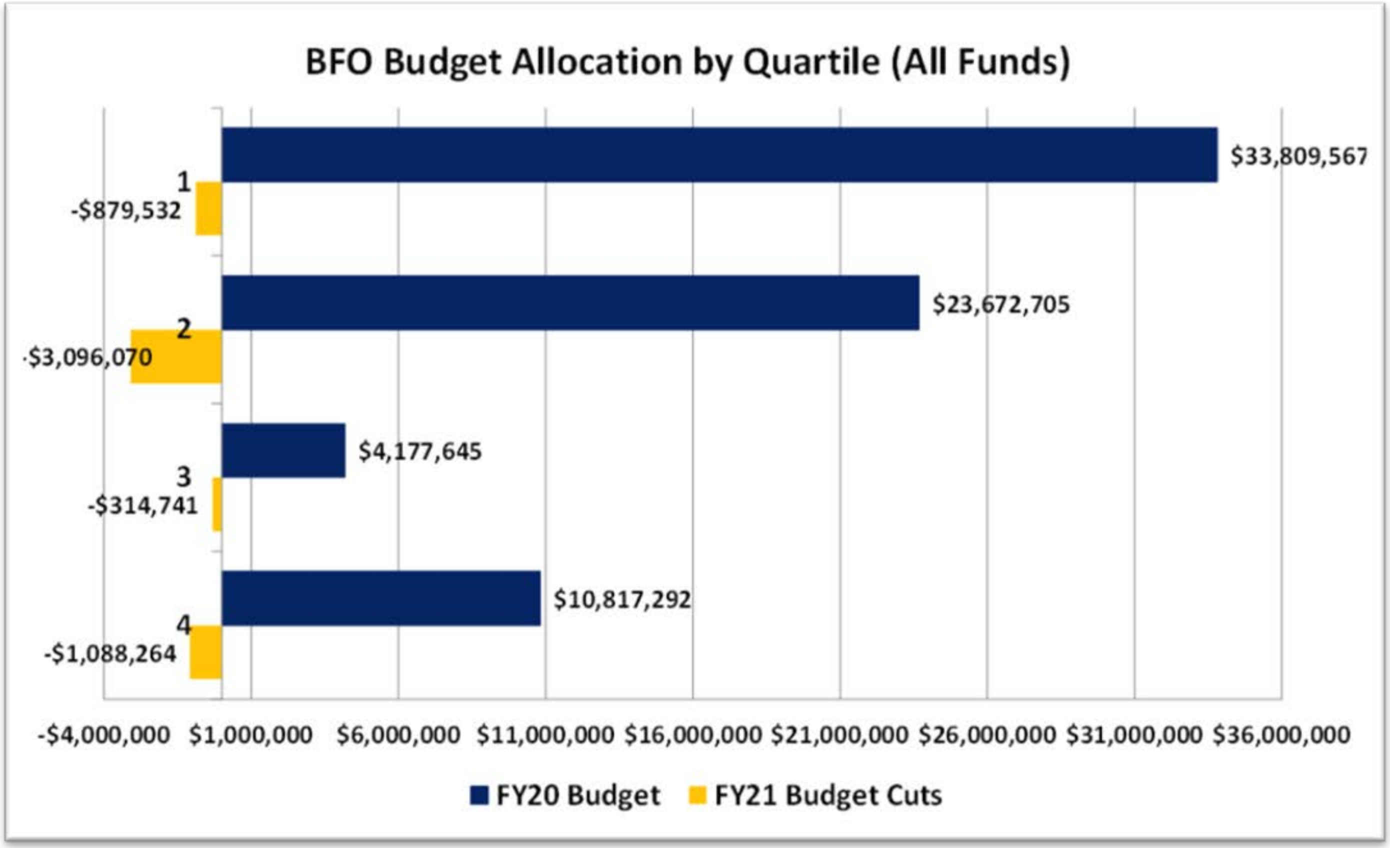
# Fiscal Year 2021 Budget Process

- April 9 – FY20 Revenue Shortfall Plan
- April 16 – FY21 COVID-19 Financial Impacts
- April 30 – FY21 Revenue Shortfall Plan
- May 14 – Presentation & Adoption of the Tentative Budget
- May 21 – CIP Budget Presentation
- **June 11 – Operating Budget, SSC's, City Fees, Compensation Ordinance, Budget Policies & Outstanding Budget Issues**
- June 18 – Presentation & Adoption of Final "Provisional" Budget

# STRATEGIC PLANNING & BFO CYCLE



# Funding by Quartile



# Department Budgets by Fund

| Fund | Name | FY20 Budget | FY21 Budget | Variance | % |
|---|---|---|---|---|---|
| **11** | General Fund | $ 36,967,816 | $ 35,047,343 | $ (1,920,473) | -5.5% |
| **12** | Quinns Park Recreation Complex | $ 1,344,554 | $ 1,246,624 | $ (97,929) | -7.9% |
| **23** | Lower Park Avenue RDA | $ 157,596 | $ 157,596 | $ - | 0.0% |
| **34** | Main Street RDA | $ 20,000 | $ 20,000 | $ - | 0.0% |
| **51** | Water Fund | $ 8,812,542 | $ 8,556,731 | $ (255,812) | -3.0% |
| **52** | Storm Water Fund | $ 1,126,733 | $ 1,021,055 | $ (105,678) | -10.3% |
| **55** | Golf Fund | $ 1,629,714 | $ 1,566,566 | $ (63,148) | -4.0% |
| **57** | Transportation Fund | $ 15,714,606 | $ 14,535,689 | $ (1,178,917) | -8.1% |
| **58** | Parking Fund | $ 1,773,954 | $ 1,621,300 | $ (152,653) | -9.4% |
| **62** | Fleet Services Fund | $ 2,946,730 | $ 2,855,574 | $ (91,156) | -3.2% |
| | **Total** | **$ 70,494,245** | **$ 66,628,479** | **$ (3,865,766)** | **-5.8%** |

# Personnel Changes FY21

Reductions to part-time/seasonal staff and overtime, based on historical spending averages & new levels of demand. The City proactively implemented a broad hiring freeze, suspending recruitments for approximately 50-75 summer positions.

| FTE by Fund | | | | |
|---|---|---|---|---|
| **Fund** | **Fund Name** | **FY 2020(Adj)** | **FY21** | **Change** |
| 11 | General Fund | 221.41 | 216.48 | -4.93 |
| 12 | Quinn's Recreation Complex | 11.57 | 10.88 | -0.69 |
| 23 | Lower Park Avenue RDA | 0.5 | 0.5 | |
| 51 | Water Fund | 29.21 | 29.21 | |
| 55 | Golf Fund | 16.65 | 16.649 | |
| 57 | Transportation Fund | 124.64 | 117.59 | -7.05 |
| 58 | Parking Fund | 10.7 | 10.7 | |
| 62 | Fleet Services Fund | 9.85 | 9.85 | |
| 52 | Storm Water Fund | 5.9 | 5.9 | |
| | **TOTAL** | **430.43** | **417.759** | **-12.67** |

# Utilities FY21

Utility reductions based on average usage over the past three years

| Fund | FY20 | FY21 | Change |
|---|---|---|---|
| 11 - General Fund | $ 913,300 | $ 842,900 | $ (70,400) |
| 12 - Quinn's | $ 157,500 | $ 158,000 | $ 500 |
| 33 - Lower Park RDA | $ 16,300 | $ 32,900 | $ 16,600 |
| 51 - Water | $1,408,600 | $1,162,500 | $(246,100) |
| 52 - Storm Water | $ 32,600 | $ 30,500 | $ (2,100) |
| 57 - Golf | $ 39,900 | $ 39,900 | $ - |
| 57 - Transportation | $ 277,744 | $ 301,200 | $ 23,456 |
| | | | |
| **Total Utility Budget** | **$2,694,844** | **$2,414,900** | **$(279,944)** |

# Special Service Contracts FY21

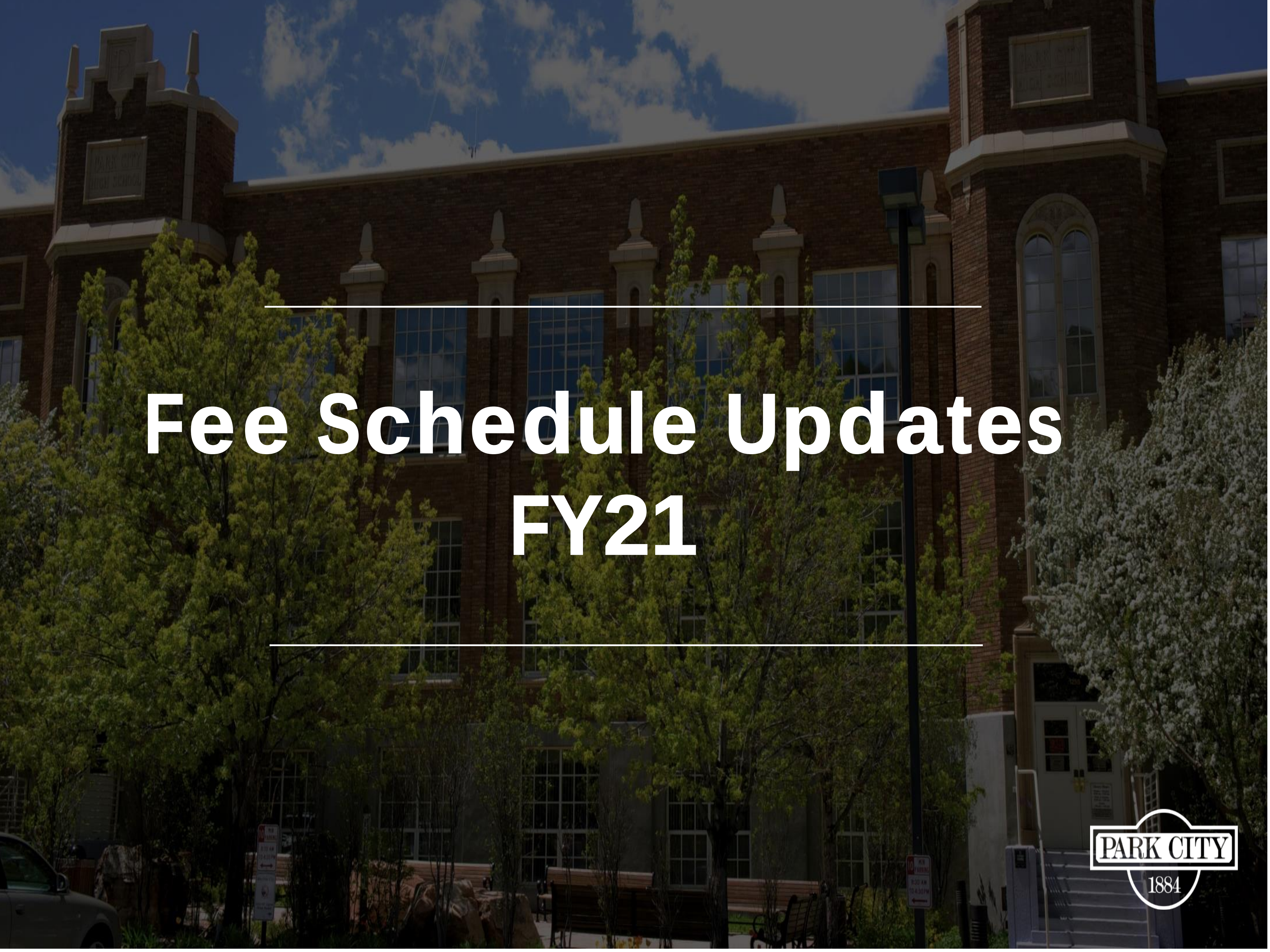
According to City policy, up to one percent of the City's total combined operating budget may be allocated for Special Service Contracts, or roughly $630k.

- $250,000 – Regular Special Service Contracts
- $130,000 – Allocated to Department Specific Regular Services
  - Non-departmental GL codes have been created for these services to easily track budgets
- $250,000 – Allocated to future relief funding and social equity type services
- $40,000 – Funding for the Chamber/Bureau for PC Museum operations according to existing agreement

# Special Service Contracts FY21

Summary of the recommendations from the SSC Subcommittee

| Category | Applicant | FY2021 Recommended Amount |
|---|---|---|
| **Education** | PC Education Foundation | $50,000 |
| | PC Tots | $50,000 |
| **Emergency Assistance** | Holy Cross Ministries | $10,000 |
| | Jewish Family Service | $10,000 |
| | Christian Center | $30,000 |
| **Food Pantry** | Christian Center | $10,000 |
| **Medical Treatment** | Jewish Family Service | $10,000 |
| | People's Health Clinic | $40,000 |
| **Safe Haven** | Peace House, Inc. | $40,000 |



# Fee Schedule Updates
## FY21

PARK CITY 1884

# Fee Schedule Changes

**Police**

$15 Fingerprinting fee

**Elections**

Municipal Election Filing Fees:

$150 Mayoral filing fee; or

$100 Council filing fee

**Library**

Removing the following Fees:

Wasatch County Student Cards $15 per year

Organization card - non-profit $45 per year

Organization card - for-profit $55 per year

**Planning**

$1 mailing fee

# Ice Fees

Fee increases in skate services, ice rentals and events to help mitigate increased costs

**Hourly Rate Increases:**

Local Rate (Summit or Wasatch County Resident) - $225

Non Resident, Not for Profit - $250

Camp - $300

**New Cleaning Fees for Events:**

Bleachers $200/day

Catering Fee $150

Scheduling Impact Fee $150

**Other:**

Hockey Skate Sharpening  - $85.50

Goalie Skate Sharpening - $6.50

Figure Skate Sharpening - $10.00

Custom Radius - $30.00

Figure Skate Sealing - $30.00

Rivets Replacements - $2.50 (ea.)

# Public Utility Fees

- The Public Utilities department is making a 3% increase to all water fees, excluding the energy surcharge
- The department is also proposing an additional 10% increase to Water Irrigation Meter base rates
- There is a 3% increase to the Storm Water ESU charge, the basis of all Storm Water billing. This is needed to meet operational and capital expenses of the Storm Water fund

# Temporary Changes to Housing Requirements

June 11, 2020

PARK CITY
1884

# BACKGROUND

- Applicants qualified and ready prior to COVID-19 now unable to close on their selected unit
- Employment changes – Furloughed, or lost job to COVID-19 shut down.
- Temporary inability to get a mortgage approval.

# RECOMMENDATION

The following would be allowed temporarily and to be revisited in October of 2020:

- Allow for extended closing periods – up to four months
- Allow for gaps in employment due to COVID-19
- Allow for co-signers for applicants who’ve been furloughed or laid off.

# Sequencing City-Owned Affordable Housing Developments

"Housing Pipeline"

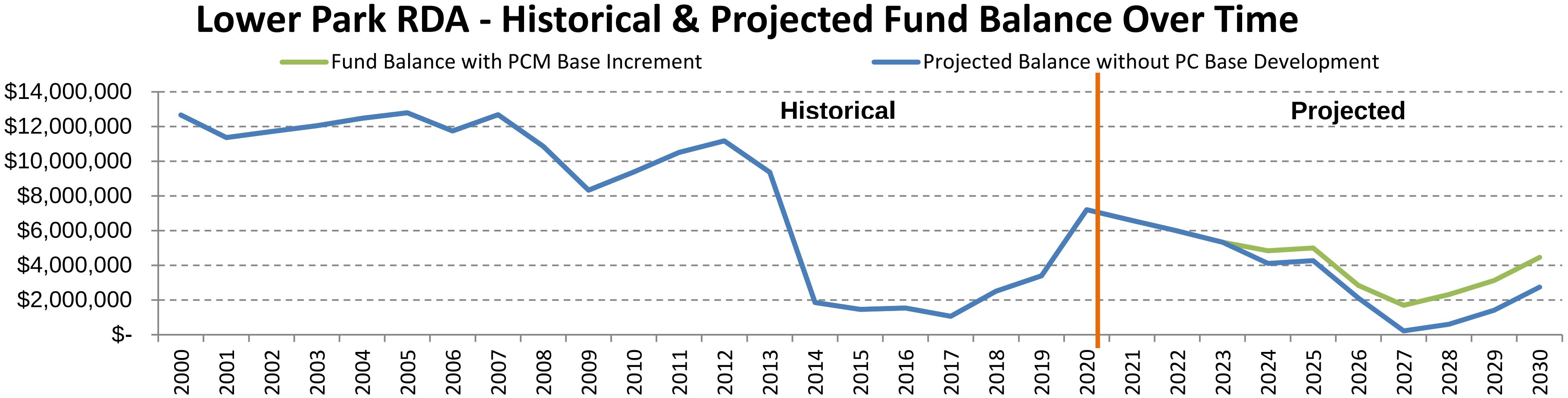
PARK CITY
1884

# The Housing Pipeline

- Outlines the strategic plan/timeline for development of affordable housing.
- Takes into consideration a number of variables such as costs, construction timeline, and fund balances.
- As variables change, the pipeline may need to be modified to maintain the financial health of the fund.

# Lower Park RDA Health - Update

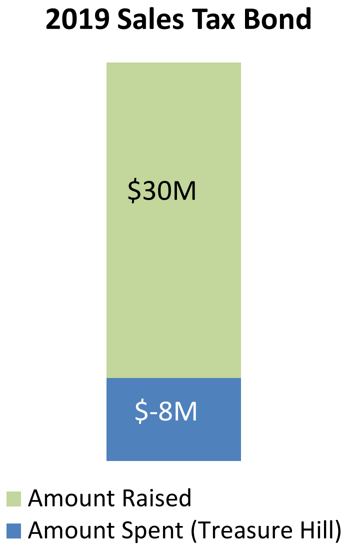
- An update to our fund balance model indicates fund balance is sustainable, yet fully levered as previously noted
- Potential tax increment from Park City Mountain base development has the potential to benefit RDA fund balance and create slightly more flexibility in the long-term

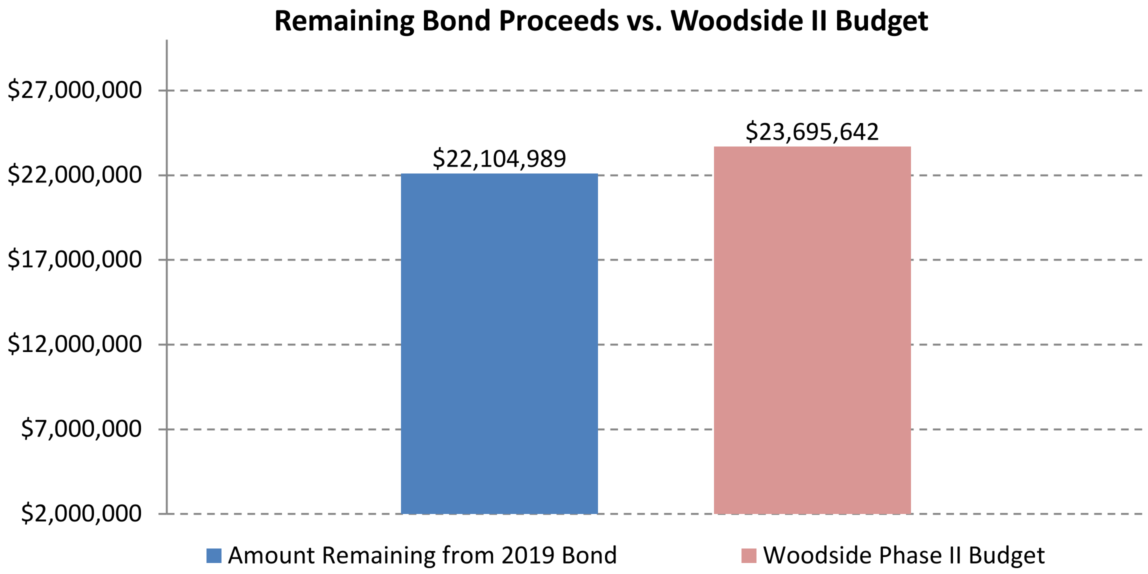



- What has changed since our last update?
  - The previous model utilized estimated debt payments that were generated prior to the issuance of the 2019 bond
  - The current model uses a live debt schedule from Zion's Public Finance
  - Tax revenues are estimated with an updated regression model
  - The effect of tax increment estimates linked to Park City Mountain base development have been modeled as well (green line)

# Bond Proceeds Review

- The proceeds generated from the City's 2017 sales tax bond issuance have been spent with a negligible amount remaining (arts & culture, central park, affordable housing)
- The remaining proceeds from the City's 2019 sales tax bond issuance stand at **$22M**
- We see these remaining bond proceeds as encumbered by the budgeted cost of Woodside Park Phase II



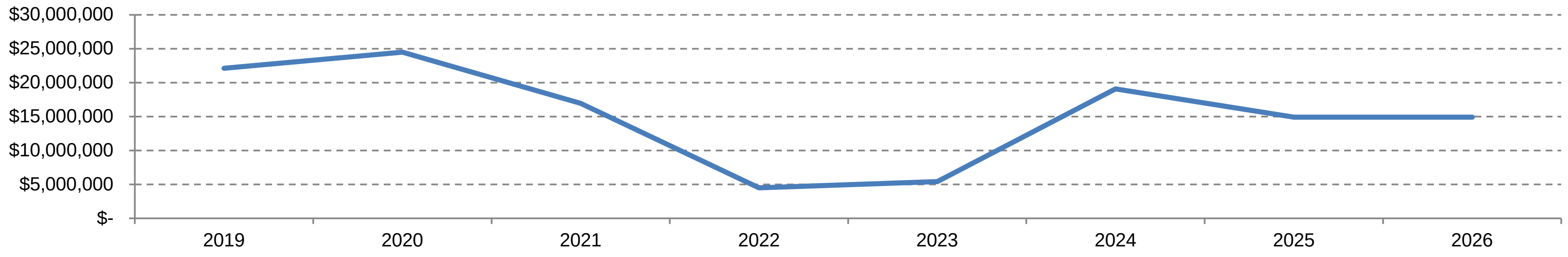
# RDA Housing Pipeline: Scenario 6

**Scenario 6** Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. The Woodside portion of the project would be redesigned, removing the townhomes and replacing them with stacked flats.This option is the same unit plan as Scenario 3, but over a longer period of time to distribute expenses more evenly.

| Project Legend | Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |
|---|---|---|---|---|---|---|

| | Current Available Bond Proceeds | | Ongoing Proceeds Available for Housing Related Projects | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ 22,104,989 | | $ 24,483,935 | | $ 16,967,866 | | $ 4,508,779 | | $ 5,426,521 | | $ 19,079,521 | | $ 14,910,502 | |
| | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** |
| Revenue Flows | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $1,750,000 | Woodside II - subdivision & sale of Norfolk assets | $9,000,000 | Sale of constructed Empire Units | $14,303,000 | Remaining Woodside II Assets Sold | | |
| Fiscal Year | **FY 2019** | | **FY 2020** | | **FY 2021** | | **FY 2022** | | **FY 2023** | | **FY 2024** | | **FY 2025** | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($8,082,258) | Woodside II construction continues | ($8,082,258) | Woodside II construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($8,082,258) | Woodside II construction launches | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | ($904,865) | Senior Center construction cost to RDA | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



# Woodside Phase 1

- Construction has been completed.
- Currently, three units have closed, one is under contract, and the remaining three units are being matched with buyers.
- The sales revenue ($2.7M) from this project will be placed into the Housing Fund to support future developments.

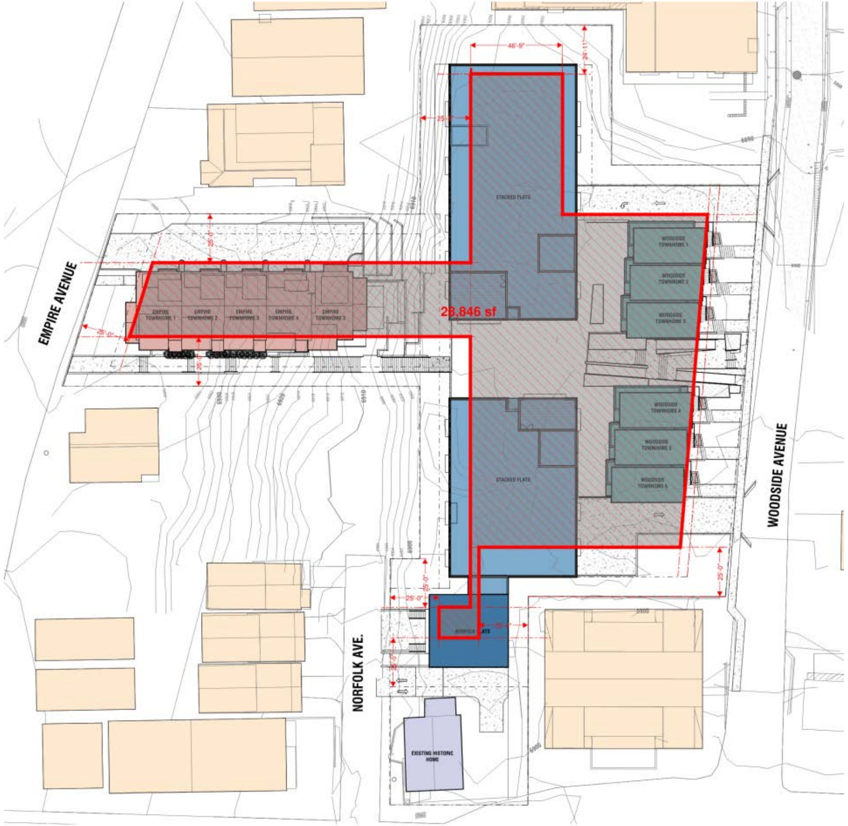
# Woodside Park Phase 2

- Current design includes 52 affordable/attainable housing units.
- The project was approved by the Planning Commission MPD approval was appealed by an adjacent property owner.
- The Board of Adjustments sided with the appellant and overturned the Planning Commission's approval.

# Woodside Park Phase 2

- There is a funding shortfall of around $4M due to the purchase the 1302 Norfolk property, additional design costs, and increasing construction costs and inflation.
- Alternatives were explored with the architect to satisfy design issues in the context of the Land Management Code and construction feasibility.

# Current Design

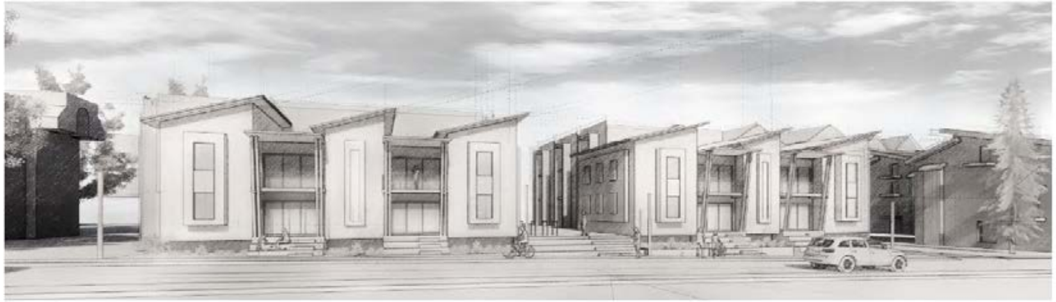



# Woodside Park Phase 2

- Considerations in redesign/schedule
  - Setbacks
  - 1302 Norfolk Avenue property
  - Empire Avenue Property
  - Senior Center

# Proposed Redesign

# Proposed Redesign



WOODSIDE AVENUE - WEST

**WOODSIDE PHASE II**
REVISED OPTION 2

WOODSIDE AVENUE - SOUTHEAST

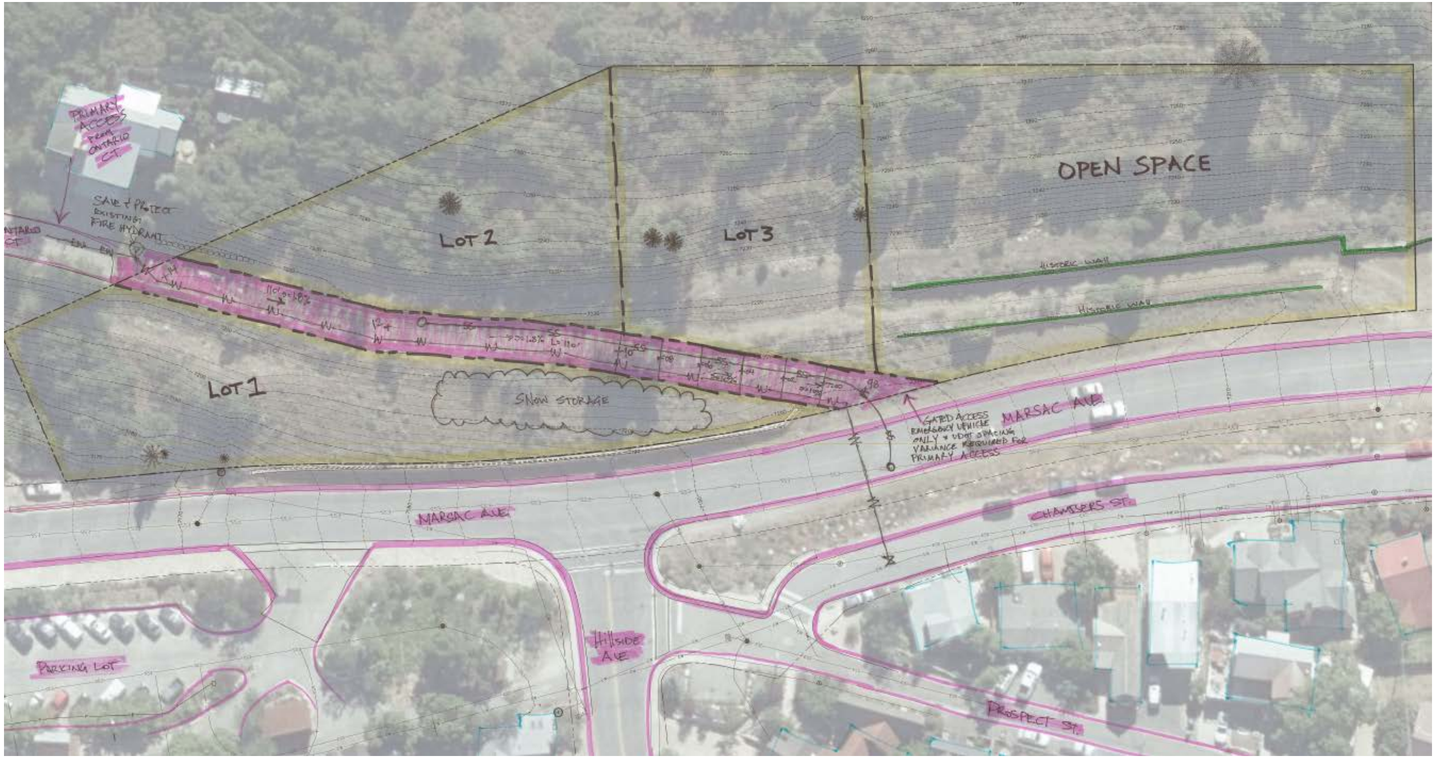
# Phasing of Woodside Park Phase 2

- Allows time for senior center to be constructed.
- Spreads out capital outlay for construction.
- Increasing construction budget.

# 100 Marsac Avenue

- On May 16, 2019, Council entered into a contract with Sparano & Mooney to investigate the possibility of development.
- Community Outreach program included open houses, and one on one interviews.
- Three development options created.
- Based upon the projected costs of $200,000 per unit, which is much higher than previous housing developments, staff does not recommend moving forward.
- Staff recommends amending the plat, splitting the property into four parcels, disposing of three properties at market rate, preserving a large parcel of the property as open space, and protecting the historic wall.
- All revenue raised through the sale will be directed to the housing fund.

# 100 Marsac


PRIMARY ACCESS FROM ONTARIO CT
SAVE & PROTECT EXISTING FIRE HYDRANT
LOT 2
LOT 3
OPEN SPACE
HISTORIC WALL
HISTORIC WALL
LOT 1
SNOW STORAGE
GATED ACCESS EMERGENCY VEHICLE ONLY & UDOT SPACING VARIANCE REQUIRED FOR PRIMARY ACCESS
MARSAC AVE
MARSAC AVE
CHAMBERS ST.
HILLSIDE AVE
PARKING LOT
PROSPECT ST.

# RDA Housing Pipeline: Scenario 6

**Scenario 6** Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. The Woodside portion of the project would be redesigned, removing the townhomes and replacing them with stacked flats.This option is the same unit plan as Scenario 3,  but over a longer period of time to distribute expenses more evenly.

| **Project Legend** | | | | | |
|---|---|---|---|---|---|
| Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |

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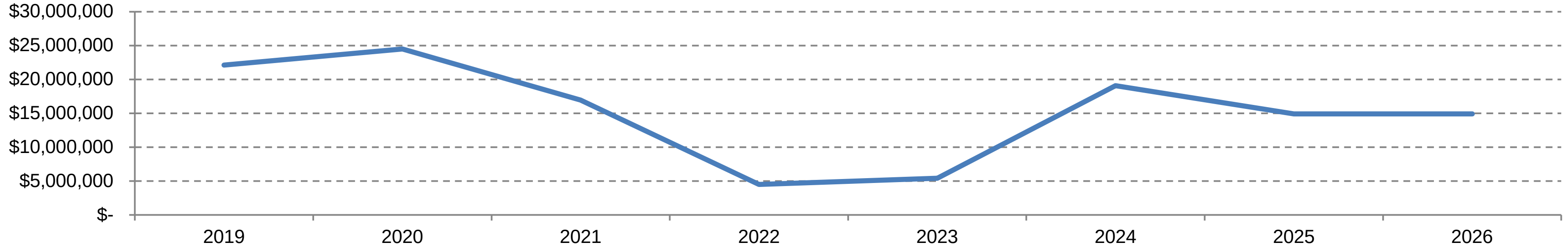
| Revenue Flows | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $1,750,000 | Woodside II - subdivision & sale of Norfolk assets | $9,000,000 | Sale of constructed Empire Units | $14,303,000 | Remaining Woodside II Assets Sold | | |
| Fiscal Year | **FY 2019** | | **FY 2020** | | **FY 2021** | | **FY 2022** | | **FY 2023** | | **FY 2024** | | **FY 2025** | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($8,082,258) | Woodside II construction continues | ($8,082,258) | Woodside II construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($8,082,258) | Woodside II construction launches | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | ($904,865) | Senior Center construction cost to RDA | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



# Non-Housing Capital Projects

- Specific capital projects that are not directly related to affordable housing proposed to be adjusted for sustainability of fund balance
- We have listed these projects below with their budgets for additional visibility

| Legend | No Change | Proposed Adjustment |
|---|---|---|
| **Project** | **Budget** | **Proposed Timing** |
| Recreation Building in City Park | $4,447,101 | FY25 |
| City Park Improvements | $942,248 | No Change from Current Budget, $100k/year through FY24 |
| Old Town Stairs | $600,000 | $150k/year FY20 - FY24 |
| Crescent Tramway Trail | $193,857 | FY20 and FY21, no change from current, available balance as of FY20 $193,857 |
| Skate Park Repairs | $59,749 | $5k/year FY20 - FY24, remaining balance in FY26 |
| Public Art | $42,749 | No change from Current Budget, available balance as of FY20 $42,749 |
| Traffic Calming | $39,845 | No change from Current Budget, available balance as of FY20 $39,845 |
| Old Town Access and Circulation Plan | $30,000 | No change from Current Budget, available balance as of FY20 $30,000 |
| City-wide Signs Phase I | $7,156 | No change from Current Budget, available balance as of FY20 $7,156 |
| Central Park | $1,364 | No change from Current Budget, available balance as of FY20 $1,364 |
| **Total** | **$6,364,069** | |

# Staff's Recommendation

- Move forward with Scenario 6. This Scenario includes:
  - Redesigning Woodside Park Phase 2, which removes the Norfolk House portion of the project, removes the townhomes and replaces with a larger building of stacked flat units;
  - Selling the property at 1302 Norfolk;
  - Selling the property at 100 Marsac; and
  - Phasing the rest of the Woodside Park Phase 2, starting with the construction and sale of the Empire Avenue units.

# Appendix

# RDA Housing Pipeline

- As mentioned in City Council meeting on 3/5/2020, remaining proceeds from the City's 2019 sales tax bond issuance stand at **$22M** and we see these remaining bond proceeds as encumbered by the budgeted cost of Woodside Park Phase II
- The affordable housing pipeline within the LPA RDA is viable, yet hinges on potential approaches taken with respect to the Woodside Park Phase II project
- To illustrate potential options we have conducted a multiple scenario cashflow analysis outlined in the details that follow below and in subsequent slides

### Lower Park RDA - Housing Scenario Summary

| | Scenario 1 | Scenario 2 | Scenario 3 | Scenario 4 | Scenario 5 | Scenario 6 |
|---|---|---|---|---|---|---|
| **Number of Woodside II Units Constructed:** | 52 | 45 | 46 | 40 | 45 | 46 |
| **Woodside II Construction Launch:** | FY 2022 | FY 2022 | FY 2022 | FY 2021 | FY 2021 | FY 2021 |
| **Woodside II Construction Completion:** | FY 2023 | FY 2023 | FY 2023 | FY 2023 | FY 2023 | FY 2023 |
| Description | Description: This option is to keep the current design of the Woodside Park development and develop all three parcels. | Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. This includes a resdesign of the Woodside portion but keeps the townhomes and stacked flats. | Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. The Woodside portion of the project would be redesigned, removing the townhomes and replacing them with stacked flats. | Description: This option is to split off both the Norfolk and Empire properties and sell the land at market rate. | Description: This option is the same unit plan as Scenario 2, but over a longer period of time to distribute expenses more evenly. | Description: This option is the same unit plan as Scenario 3, but over a longer period of time to distribute expenses more evenly. |
| **Woodside II Total Expense** | $27,836,710 | $26,967,512 | $24,246,775 | $22,757,142 | $27,717,512 | $24,996,775 |
| **Woodside II Total Revenue** | $27,126,000 | $26,245,000 | $25,053,000 | $17,866,906 | $26,245,000 | $25,053,000 |
| **Positives** | Woodside II Project initiates with no sub-division activities | | Less total cost than Scenarios 1 and 2 | Housing proceeds more sustainable over time | Full Woodside II project completion in FY 2023 | Full Woodside II project completion in FY 2023 |
| **Negatives** | Available project funds go negative in FY 2023 | Available project funds go negative in FY 2023 | Available project funds go negative in FY 2023 | Assumes sale of Empire, less total units relative to other plans | Assumes sale of Norfolk assets in FY 2021 | Assumes sale of Norfolk assets in FY 2021 |
| **Additional Details** | Assumes subdivision and sale of 100 Marsac in FY 2021 | Assumes subdivision and sale of 100 Marsac in FY 2021 | Assumes subdivision and sale of 100 Marsac in FY 2021 | Assumes subdivision and sale of 100 Marsac in FY 2021 | Assumes subdivision and sale of 100 Marsac in FY 2021 | Assumes subdivision and sale of 100 Marsac in FY 2021 |

# RDA Housing Pipeline: Scenario 1

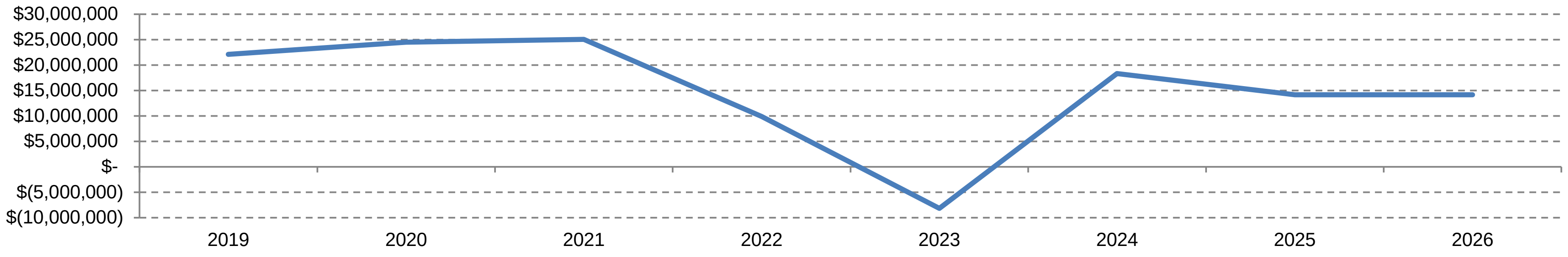
**Scenario 1** Description: This option is to keep the current design of the Woodside Park development and develop all three parcels.

| **Project Legend** | Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |
|---|---|---|---|---|---|---|

| | **Current Available Bond Proceeds** | **Ongoing Proceeds Available for Housing Related Projects** | | | | | |
|---|---|---|---|---|---|---|---|
| | $ 22,104,989 | $ 24,483,935 | $ 25,050,124 | $ 9,894,393 | $ (8,163,414) | $ 18,312,586 | $ 14,143,567 |

| Fiscal Year | FY 2019 | | FY 2020 | | FY 2021 | | FY 2022 | | FY 2023 | | FY 2024 | | FY 2025 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** |
| Revenue Flows | | | $2,700,000 | Woodside I sale of assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | | | | | $27,126,000 | Sale of Woodside II assets | | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design Expenses | ($528,946) | Woodside II Planning/Design Expenses | ($9,028,903) | Woodside II Construction begins | ($18,057,807) | Woodside II Construction continues & completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($904,865) | Senior Center construction cost to RDA | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | | | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



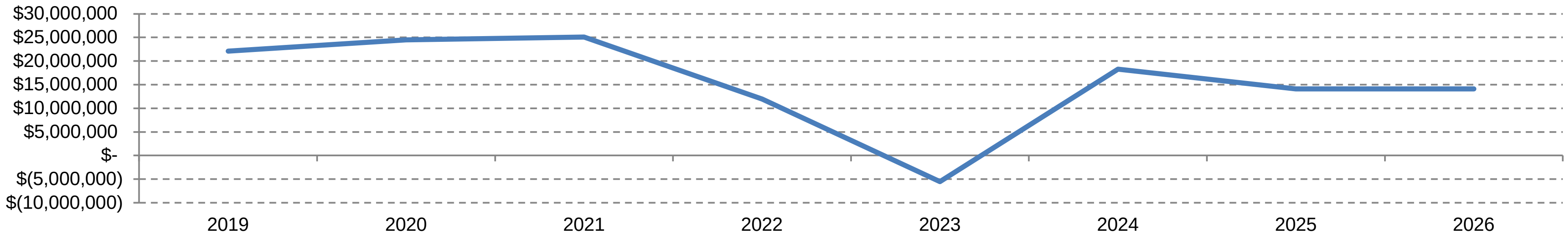
# RDA Housing Pipeline: Scenario 2

**Scenario 2** Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. This includes a resdesign of the Woodside portion but keeps the townhomes and stacked flats.

| **Project Legend** | Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |
|---|---|---|---|---|---|---|

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Current Available Bond Proceeds** | | **Ongoing Proceeds Available for Housing Related Projects** | | | | | | | | | | | |
| | **$ 22,104,989** | | **$ 24,483,935** | | **$ 25,050,124** | | **$ 11,934,125** | | **$ (5,544,216)** | | **$ 18,300,784** | | **$ 14,131,765** | |
| Revenue Flows | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** |
| | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $1,750,000 | Woodside II - Subdivision and sale of Norfolk assets | | | $24,495,000 | Remaining Woodside II Assets Sold | | |
| Fiscal Year | **FY 2019** | | **FY 2020** | | **FY 2021** | | **FY 2022** | | **FY 2023** | | **FY 2024** | | **FY 2025** | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($8,739,171) | Woodside II - Construction initiates | ($17,478,341) | Woodside II Construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($904,865) | Senior Center construction cost to RDA | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | | | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



# RDA Housing Pipeline: Scenario 3

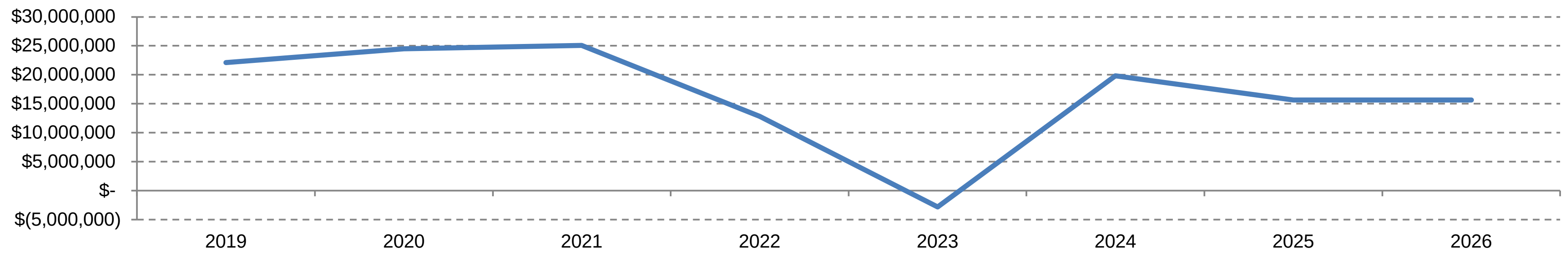
| | |
|---|---|
| **Scenario 3** | Description: This option is to split off the Norfolk property from the Woodside Park development, divide the Norfolk parcel in half and sell both lots at market rate. The Woodside portion of the project would be redesigned, removing the townhomes and replacing them with stacked flats. |

| **Project Legend** | Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |
|---|---|---|---|---|---|---|

| **Current Available Bond Proceeds** | **Ongoing Proceeds Available for Housing Related Projects** | | | | | |
|---|---|---|---|---|---|---|
| $ 22,104,989 | $ 24,483,935 | $ 25,050,124 | $ 12,841,038 | $ (2,823,479) | $ 19,829,521 | $ 15,660,502 |

| | Amnt. | Desc. | Amnt. | Desc. | Amnt. | Desc. | Amnt. | Desc. | Amnt. | Desc. | Amnt. | Desc. | Amnt. | Desc. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue Flows | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $1,750,000 | Woodside II - subdivision & sale of Norfolk assets | | | $23,303,000 | Remaining Woodside II Assets Sold | | |
| Fiscal Year | **FY 2019** | | **FY 2020** | | **FY 2021** | | **FY 2022** | | **FY 2023** | | **FY 2024** | | **FY 2025** | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($6,082,258) | Woodside II - Construction initiates | ($15,664,517) | Woodside II construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($904,865) | Senior Center construction cost to RDA | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | | | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



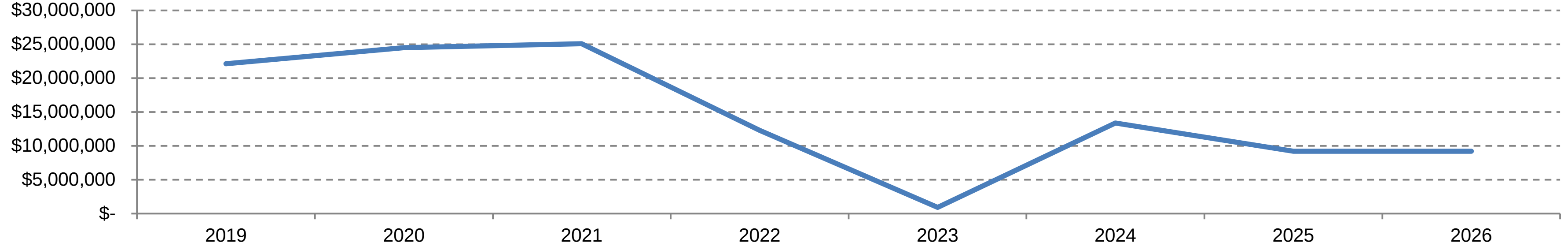
# RDA Housing Pipeline: Scenario 4

**Scenario 4** Description: This option is to split off both the Norfolk and Empire properties and sell the land at market rate.

| **Project Legend** | | | | | |
|---|---|---|---|---|---|
| Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |

| | **Current Available Bond Proceeds** | | **Ongoing Proceeds Available for Housing Related Projects** | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ 22,104,989 | | $ 24,483,935 | | $ 25,050,124 | | $ 12,294,725 | | $ 916,154 | | $ 13,383,060 | | $ 9,214,041 | |
| | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** | **Amnt.** | **Desc.** |
| Revenue Flows | | | | | | | $1,750,000 | Woodside II - subdivision & sale of Norfolk | | | | | | |
| | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $3,000,000 | Woodside II - subdivision & sale of Empire land | | | $13,116,906 | Remaining Woodside II Assets Sold | | |
| Fiscal Year | **FY 2019** | | **FY 2020** | | **FY 2021** | | **FY 2022** | | **FY 2023** | | **FY 2024** | | **FY 2025** | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($11,378,571) | Woodside II construction launches | ($11,378,571) | Woodside II construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| | | | ($100,000) | Senior Center Planning/Design expenses | ($904,865) | Senior Center construction cost to RDA | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| | | | | | | | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



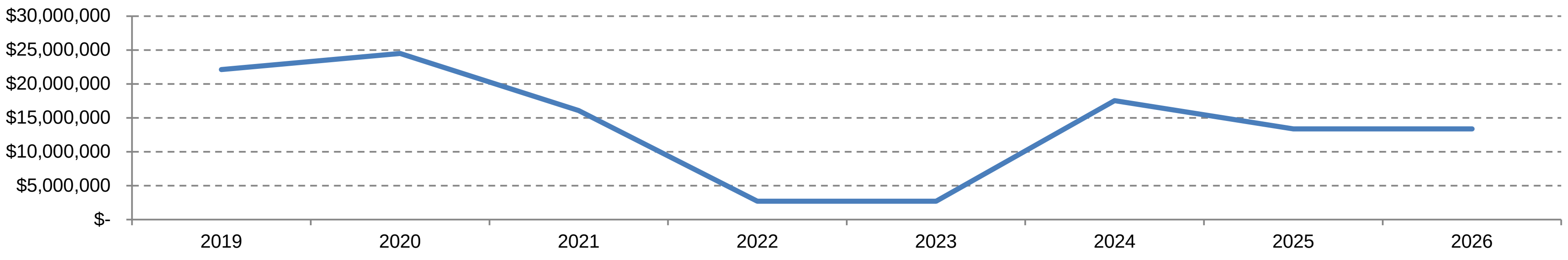
# RDA Housing Pipeline: Scenario 5

**Scenario 5** Description: This option is the same unit plan as Scenario 2, but over a longer period of time to distribute expenses more evenly.

| **Project Legend** | | | | | |
|---|---|---|---|---|---|
| Woodside I | Senior Center | Woodside II | Homestake | Arts & Culture Housing | Other RDA Capital Projects |

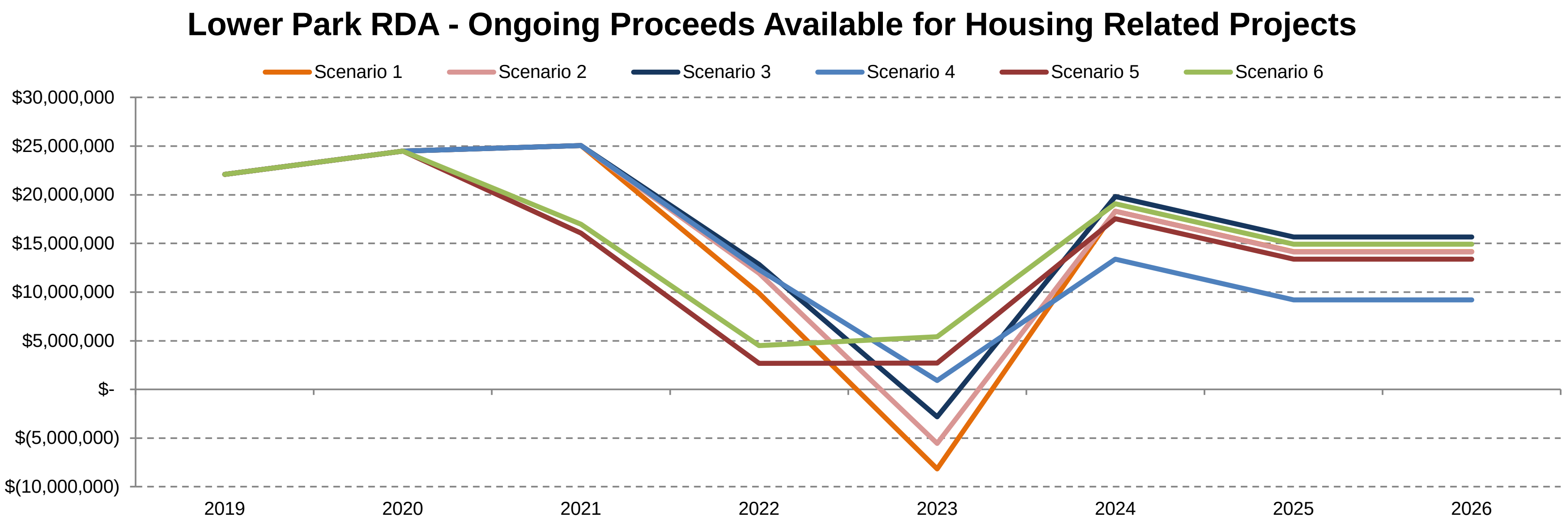
| | FY 2019 Amnt. | FY 2019 Desc. | FY 2020 Amnt. | FY 2020 Desc. | FY 2021 Amnt. | FY 2021 Desc. | FY 2022 Amnt. | FY 2022 Desc. | FY 2023 Amnt. | FY 2023 Desc. | FY 2024 Amnt. | FY 2024 Desc. | FY 2025 Amnt. | FY 2025 Desc. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Current Available Bond Proceeds** / **Ongoing Proceeds Available for Housing Related Projects** | $ 22,104,989 | | $ 24,483,935 | | $ 16,060,953 | | $ 2,694,954 | | $ 2,705,784 | | $ 17,550,784 | | $ 13,381,765 | |
| Revenue Flows | | | $2,700,000 | Sale of Assets, option to sell additional 600,000 unit #4 | $2,000,000 | Subdivide and sell 100 Marsac | $1,750,000 | Woodside II - subdivision & sale of Norfolk assets | $9,000,000 | Sale of constructed Empire Units | $15,495,000 | Remaining Woodside II Assets Sold | | |
| Expense Flows | | | ($221,054) | Woodside II Planning/Design | ($528,946) | Woodside II Planning/Design | ($8,989,171) | Woodside II construction continues | ($8,989,171) | Woodside II construction completes | ($650,000) | Homestake Planning/Design Expense | ($4,169,019) | Cash reserved for Homestake bond issuance |
| Expense Flows | | | ($100,000) | Senior Center Planning/Design expenses | ($8,989,171) | Woodside II construction launches | ($2,079,575) | RDA contribution to Arts & Culture Land Cost | | | | | | |
| Expense Flows | | | | | ($904,865) | Senior Center construction cost to RDA | ($4,047,253) | 20% of Arts & Culture Housing cost reserved to secure housing authority bonds | | | | | | |

## Ongoing Proceeds Available for Housing Related Projects



# Housing Pipeline Summary

- Amidst the outlined potential scenarios, we find  Scenarios 5 or 6 as effective toward sustaining the affordable housing pipeline



# Amending the Housing Resolution

June 11, 2020

# PROCESS

- Requires that the Resolution be reviewed every two years. Last updated in 2017

- Staff has reviewed the following items:
  - Recommendations from Blue Ribbon Housing Commission and EPS

  - Best practices from other municipalities

  - Lessons learned from implementation over time and changing circumstances.

# Status of 2016 Recommendations

| BLUE RIBBON HOUSING COMMISSION | |
|---|---|
| <u>All Development</u> should pay something towards affordable housing goals: Commercial and Residential; New Construction and Remodels; and Multi-unit as well as Single Home Developments | Not addressed: extensive nexus study required and legal review to determine compliance with State impact fee law, study to determine projected large single family homes that are not in an existing MPD/Annexation. |
| A portion, if not all, of the future affordable housing generated should be permanently deed restricted affordable housing | This is already the case for all units in the City program. |
| New as well as rehabilitation affordable housing alternatives should be considered | Rehabilitation of existing units continues to be utilized to meet affordable housing goals (Prospector Condos, Rail Central, Claimjumper and 1440 Empire Avenue) |
| A balance of affordable types should be achieved that meet the needs of low, moderate and higher income populations | With PC Heights and Woodside Park Phase 1, both affordable and attainable units are being provided. |
| Create a permanent, community-based affordable housing advisory group. | Not addressed |

# Status of 2016 Recommendations

| Economic and Planning Systems, Inc. | |
|---|---|
| Provide additional financial and economic incentives to private sector affordable housing efforts. The example given was to raise the limit on fee waivers (Section 7) to affordable housing development. | This was addressed in the 03-2017 Housing Resolution which increased the maximum waiver limit. |
| Modify the commercial development calculation in accordance with updated data | This was included in the 03-2017 Housing Resolution. |
| Modify in-lieu fee structure | Have since converted to a formula based on actual construction costs. |
| Modify the residential portion of the Housing Resolution to apply to all residential developments -- with many qualifiers about needing review/approval/counsel of City Attorney. | Not addressed: extensive nexus study required and legal review to determine compliance with State impact fee law, study to determine projected large single family homes that are not in an existing MPD/Annexation. |
| Consider instituting a "shared equity" model as an alternative to limiting appreciation. It is a finance model that rather than limit value allows the market to dictate value and inserts equity as a subsidy that is returned to the City at each sale plus a percentage of increased property value. | This model would be difficult for the City to administer since municipal accounting rules don't allow the use of tax dollars to provide credit or loans. Would have to partner with a 3rd party. |

# Update Renter and Buyer Qualifications Criteria

- Update household qualifications to match the current deed restriction template and the 2020 Housing Needs Assessment.
- Changes may include:
  - Criteria for approving online, remote, or non-place-based employment;
  - Revising net-worth limits; and
  - Revising income limits.

# Allow for Rental of Deed Restricted Units

- Add provisions that clarify when and how deed restricted units may be rented long term [not nightly rental].
- This could include:
  - Rental rates
  - Occupancy standards
  - Inspections
  - Upgrades
  - Approval process for either rental of an entire unit or an individual room.

# Ongoing Qualification After Purchase

- Currently, the City certifies that the purchasers maintains the unit as their primary residence  after closing.
- The City could require continuing adherence to other requirements such as
  - Place of work within Park City School District
  - Income levels.

# Increase the Housing Requirement for Multifamily Residential Development

- Increase the residential development requirement from 15% to 20% or 25%
- Establish a trigger related to residential unit equivalents (RUEs) instead of units. RUEs are calculated at one unit per every 2,000 sf.

# Increase housing requirement: the math

| Market Units being built | Total Square footage | HR 03-2017 # of units | Based on RUEs (2000sf/RUE) |
|---|---|---|---|
| 3 two bedroom units (2200sf/unit) | 6600 | 3 | 3.3 |
| 4 three bedroom units (2800sf/unit) | 11200 | 4 | 5.6 |
| 3 four bedroom units (3300sf/unit) | 9900 | 3 | 4.95 |
| Total sf and AUE obligation based on current requirement and RUE calculation | 27700 | 10 | 13.85 |
| **Housing Obligation** | | | |
| 15% (current) | | 1.5 | 2.08 |
| 20% (possible) | | 2 | 2.77 |
| 25% (possible) | | 2.5 | 3.46 |

PARK CITY 1884

# Broaden Applicability to Commercial Development outside of MPDs

- Require commercial development of a certain size to mitigate employment generation, also including instances when there are proposed changes of use to an existing property.
- Resolve the ambiguity regarding applicability to a change in use (whether currently in an MPD or not).

# Allow recordation of Deed Restrictions on Existing Housing to Fulfill Housing Obligations

- Allow a housing obligation to be fulfilled by placing deed restrictions on already constructed units without ownership of those units.
- While this is not an optimal strategy, it is a potential tool for protecting existing units from future market escalations.

# Update Carbon Footprint Requirements

- Update green building requirements to align with the City's Net Zero goals.
- Work with the Environmental Sustainability Team to ensure that the Housing Resolution requirements conform to the City's environmental goals.

# COUNCIL DIRECTION

- What should be further explored?

- What should not be further explored?

- Are there other policy areas not currently addressed in the Housing Resolution that Council would like staff to investigate?


KIMBALL ART CENTER
2020 Proposed Changes
PARK CITY
1884

# KIMBALL ART FESTIVAL

## 2020 Proposed Changes

KAF is an important community, cultural and economic event. The event is currently scheduled on July 31, August 1 and 2. KAC has an imminent decision on how to move forward for this year's Festival.

Council should evaluate and provide direction on potential changes to the 2020 KAF following Yellow Phase State Guidelines:

1. Artist Booths reduced by 27% to accommodate more Social Distancing space;
2. Online ticketing with timed entry for those attending in person (contact tracing). Virtual event for those who want to support from home.

# CONSIDERATIONS

## YOY Data 2016 to 2019

| Item | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|
| **Transit Ridership (System wide/entire Festival)** | 44,271 | 35,765 | 32,000 | 23,200 |
| **Growth of Ridership** | 35% | 12% | 35% | N/A |
| **Parking Occupancy Average** | 95% | 95% | 95% | N/A |
| **Parking Cost in China Bridge** | $5/hr max $18 | $5/hr max $18 | $20 | $20 |
| **Economic Impact** | $26,366,146 | $23,314,237 | $20,788,406 | $19,788,171 |
| **PC Econ Impact** | $263,661 | $233,142 | $207,884 | $197,881 |
| **Average Spend Per Person** | $985 | $963 | $939 | N/A |
| **Overall Attendance** | 53,550 | 49,921 | 53,408 | 48,482 |
| **Free Local Attendance** | 7,145 | 4,286 | 4,080 | 3,728 |
| **Summit County** | 67% | 22% | 24% | 16% |
| **Attendees from Out of State** | 43% | 43% | 43% | 43% |
| **Total City Service Costs** | $152,553 | $148,289 | $158,239 | $167,200 |

## Considerations

- Due to Covid-19 Impacts, Staff anticipates up to 40% reduction in attendance.
- Staff anticipates being below annual $180K contract for City Service, within existing budgets.
- If State Phased Guidelines change, KAC and City staff will work to adapt plans.

# Snow Park Residences Condominium Plat
# St. Regis Phase 2

City Council

June 11, 2020

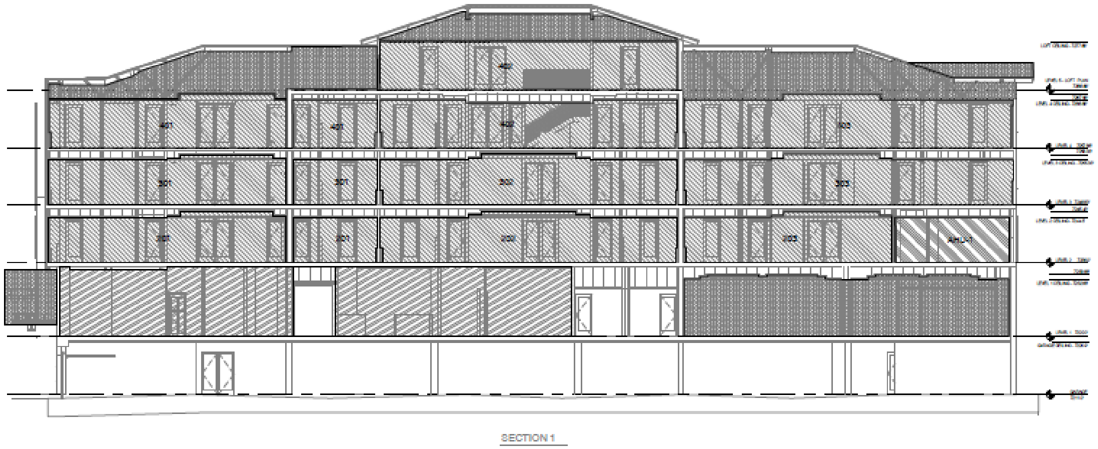
# – Background –

- 2001 PC approved a CUP for a Hotel with a total density of up to 130 RUEs with up to 30.5 RUEs located at Snow Park
- Applicant is now seeking approval of the Condo Plat for Phase 2 of the St. Regis Hotel Development, the Snow Park Residences which is currently under construction.

Figure 1: Phase 2 of the St. Regis Under Construction

# – Condo Plat –

- The Snow Park Residences includes a four-story condominium building with 1 level of underground parking (35 stalls), 9 condominium units, meeting space, and support commercial space
- 12.3 RUEs
- 2 affordable units will also be constructed as part of Phase 2, one in the Phase 2 building and one in the existing funicular building



# – Good Cause –

- Staff finds Good Cause for this Condominium Plat as it is consistent with the density, maximum height, location and uses identified in the approved Deer Valley Settlement Agreement, the Deer Valley Master Planned Development and the most recently amended Hotel CUP. The project is in keeping with the goals of the General Plan for the Deer Valley neighborhood and adds two additional deed restricted employee units. Approval of the Condominium Plat will allow for the sale of individual units.

# Recommendation

- Staff recommends the Planning Commission hold a Public Hearing and consider forwarding a positive recommendation for consideration by the City Council at their June 11, 2020 meeting, based on the Findings of Fact, Conclusions of Law and Conditions of Approval as found in the draft Ordinance.

# —Recommended Conditions—

1. All conditions of approval of the 1995 Deer Crest Settlement Agreement, as amended, continue to apply.
2. All conditions of approval of the Deer Crest Hotel CUP approved on February 28, 2001 (then known as the Rosewood CUP) and amended by the Planning Commission on July 25, 2001; March 24, 2004; May 11, 2005; and April 22, 2009 (with final approval by the City Council on appeal on June 18, 2009), April 23, 2014; and April 13, 2016, shall continue to apply.
3. The two (2) new deed restricted housing units shall be a minimum of 449 and 459 sf respectively, to meet the requirement of 1.135 AUE consistent with the 1st Amendment to the Housing Mitigation Plan for Phase 2 of the St. Regis. One AUE is equivalent to 800 sf according to the Development Agreement.
4. Deed Restrictions for the AUEs, approved by the City in accordance with the applicable Housing Resolution, shall be recorded prior to plat recordation, and Certificates of Occupancy shall be issued for these units prior to the issuance of Certificates of Occupancy for any of the market rate units.
5. The CCRs shall limit the HOA dues related to the deed restricted employee housing units in order to ensure the units remains affordable. The CCRs shall reflect a lower par-value to reflect the reduced cost of the unit (or exempt the unit from HOA fees) to ensure that the unit doesn't lose its affordability due to such fees. The CCRs shall be submitted with the Condominium Plat for review and approval by the City prior to final Condominium Plat recordation.

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