PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 8, 1995

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, June 8, 1995.

A G E N D A

Work Session

3:00 p.m.	Council questions and comments
	Review of regular meeting
3:15 p.m.	Plat approvals
3:30 p.m.	1465 Park Avenue
3:45 p.m.	Budget review

Regular Meeting

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III MINUTES OF MEETING OF JUNE 1, 1995

IV PUBLIC HEARING

1. Ordinance approving an amendment to the American Flag Subdivision, Lots 88 and 89, located at 349 Centennial Circle, Park City, Utah

2. Ordinance approving a subdivision plat creating the Bristlecone Parcel in Park City, Utah

3. 1995-96 proposed budget for Park City Municipal Corporation and its related agencies and the 1996-97 financial plan

V CONSENT AGENDA

1. Ordinance approving the final plat for Double Eagle PUD Phase II, located at 7900 Royal Street East, Park City, Utah

2. Ordinance approving a subdivision plat creating the Bristlecone Parcel in Park City, Utah

3. Resolution amending the School Fields Master Plan developed by the Park City School District and Park City Municipal Corporation

4. Ordinance approving the Deer Valley Drive Subdivision, Lots 1 and 2, located at 1245 and 1283 Deer Valley Drive, Park City, Utah

5. Ordinance approving an amendment to the American Flag Subdivision, Lots 88 and 89, located at 349 Centennial Circle, Park City, Utah

VI NEW BUSINESS

Authorization to City Manager to purchase a parcel, located at 1465 Park Avenue; market the Redevelopment Agency parcel north of Heber Avenue; and negotiate with Summit Watch on the development of employee housing on the Park Avenue site

VI COMMUNICATIONS FROM COUNCIL AND STAFF

1. Dog control services

2. General Plan update

3. 330 Main Street

4. City Manager and City Attorney evaluations

VII ADJOURNMENT

Posted: 6/5/95 noon

Note: It should be noted that the entries under Communications from Council and Staff occurred during the meeting and were not noticed. They appear here for reference purposes.

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
JUNE 8, 1995

I ROLL CALL

Mayor Pro Tem Miller called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, June 8, 1995. Members in attendance were Ruth Gezelius, Roger Harlan, Lou Hudson, Shauna Kerr, and Leslie Miller. Brad Olch was excused. Staff present were Toby Ross, City Manage; Nora Seltenrich, Special Projects Coordinator; Kent Parker, Finance Director; and Jodi Hoffman, City Attorney.

II PUBLIC INPUT

The Mayor Pro Tem invited the public to comment on any matter not scheduled on the agenda. Hearing none, the public input was closed.

III MINUTES OF MEETING OF JUNE 1, 1995

Ruth Gezelius, "I move that we approve the minutes of June 1, 1995, as presented". Shauna Kerr seconded. Leslie Miller abstained as she was not in attendance. Motion carried.

Ruth Gezelius	Aye
Roger Harlan	Aye
Lou Hudson	Aye
Shauna Kerr	Aye
Leslie Miller	Abstention

IV PUBLIC HEARING

1. Ordinance approving an amendment to the American Flag Subdivision, Lots 88 and 89, located at 349 Centennial Circle, Park City, Utah - See attached staff report. Nora Seltenrich stated that this is a request to move a lot line between two lots by ten feet. The proposal is to make the corner lot somewhat larger to accommodate decks. An adjacent property owner, Helene Hahn, submitted a letter in opposition. With no questions from the public or the Council, the public hearing was closed.

2. Ordinance approving a subdivision plat creating the Bristlecone Parcel in Park City, Utah - Ms. Seltenrich discussed that this is a subdivision which legally subdivides what was originally Phase 3 of Fawngrove from the rest of the Fawngrove Project. The parcel is being developed separately, which is called the Bristlecone Development, and has received MPD approval from the Planing Commission. There was public input, most of which was on the MPD rather than

the subdivision. She distributed a letter from Lavida Wai who expressed concerns with the design of the project itself but not the subdivision issue. The staff recommends approval; see attached staff report. With no comments from the public or the Council, the public hearing was closed.

3. 1995-96 proposed budget for Park City Municipal Corporation and its related agencies and the 1996-97 financial plan - Kent Parker, Finance Director, explained that the 1997 financial plan will come before Council next year for adjustment and a hearing. The fiscal year 1996 budget represents authorization for expenditure of $25.7 million which is approximately a 28% increase over last year. This change is primarily due to the change in funding capital improvements, which is a result of the new impact fee legislation. Mr. Parker clarified that capital improvement projects have been shifted to relate to the amount of impact fees expected to be collected. Also impact fees collections have been forecasted conservatively ($30 million) in the past, and now they will be based on a more reflective valuation of construction ($52.9 million). Before this adjustment, the budget was closer to a 10% increase over last year.

The major resources of the budget includes property and sales taxes, representing 50%. Licenses and charges for services and the carry-over balance basically makes up the other 50%. Mr. Parker continued that expenditures include personnel, materials, and services which make up about 50% of expenditures. The next major category is capital improvements at 28%. This budget does not anticipate a property tax increase, but a water rate increase is included. With regard to the percentages, Ms. Miller asked if these are standard and financially healthy. Toby Ross stated that this budget is probably higher on capital improvements which is partially a result of an accounting adjustment. Ms. Gezelius commented on the "catch-up" the City is doing with regard to capital improvements as it was growing without the funds for infrastructure.

For the benefit of Lou Hudson, Toby Ross reported that approximately 70% of residential property tax comes from second homes. Mr. Parker pointed out that second home properties are assessed at 100% of market value while primary properties are assessed at about 55% of market value. Mr. Parker then explained setting a tax rate and collecting revenues to cover existing services and new growth. He discussed new legislature which requires taxing entities to go to a vote to implement a tax increase above the certified tax rate.

With no comments or questions, the public hearing was closed. The Mayor Pro Tem requested a motion to continue the hearing to June 22. Ruth Gezelius, "I so move". Roger Harlan seconded. Motion carried unanimously.

V CONSENT AGENDA

Shauna Kerr, "I move approval of Consent Agenda Items 1 - 5". Ruth Gezelius seconded. Motion unanimously carried.

1. Ordinance approving the final plat for Double Eagle PUD Phase II, located at 7900 Royal Street East, Park City, Utah - See attached staff report.

2. Ordinance approving a subdivision plat creating the Bristlecone Parcel in Park City, Utah - See public hearing and attached staff report.

3. Resolution amending the School Fields Master Plan developed by the Park City School District and Park City Municipal Corporation - See staff report.

4. Ordinance approving the Deer Valley Drive Subdivision, Lots 1 and 2, located at 1245 and 1283 Deer Valley Drive, Park City, Utah - See attached staff report.

5. Ordinance approving an amendment to the American Flag Subdivision, Lots 88 and 89, located at 349 Centennial Circle, Park City, Utah - See public hearing and attached staff report.

VI NEW BUSINESS

Authorization to City Manager to purchase a parcel, located at 1465 Park Avenue; market the Redevelopment Agency parcel north of Heber Avenue; and negotiate with Summit Watch on the development of employee housing on the Park Avenue site - The City Manager explained that this project is intended to acquire property for affordable housing. This could include selling the RDA property which is located to the north of Heber Avenue near Swede Alley. The property the City is looking at acquiring is 1465 Park Avenue which is a medium-density zoned property between two existing developments. It is envisioned that this development could accommodate about eight two-bedroom units with underground parking. Those units would be restricted for life as employee housing; it is not precisely the same as other affordable housing projects as there are no tax credits or state or federal assistance. Rental rates may be somewhat higher than policy, because the rate must cover the investment so that the mortgage can be repaid, but there would be no profit for the developer as this is a condition of the Summit Watch Project. Summit Watch has prepared preliminary designs but this project would probably commence next year. Acquisition of the land is required at this stage as the option expires later this month. The City has received an $80,000 offer on the RDA parcel.

Shauna Kerr felt that since this is a requirement for Summit Watch, she did not feel that the City should also be providing fee waivers. Toby Ross responded that it is the hope that everything would be returned and that the units would be produced and affordable. The initial discussions did not resolve the question of whether the City would contribute or sell the land, but that was left to the pricing of the units. The Council will have a determination to make at the time of project approval whether to grant fee waivers, thereby reducing rents, or not granting them and have higher rents. Fee waivers may be given in the form of a loan which would have to be repaid.

Assuming a purchase price of $125,000 and fee waivers of $5,000 per unit, the rental rates would be in the $800 to $850 range which would fall at the upper level of policy rental guidelines. The goal is to recapture contributions at a later date. Leslie Miller felt that the developer should cover the gap to provide affordable rents. Mr. Ross explained that this is different than housing requirements for an annexation; this was an exaction without any written basis. It was qualified if the City provided a site then the developer is required to produce units that rent for the price it will take to recover that investment with no profit. How low the rents should be is an open question. For the benefit of Leslie Miller, Mr. Ross explained that this action will permit staff to market the RDA parcel but not to sell it at this point.

Ruth Gezelius, "I move that we authorize the City Manager to purchase the parcel located at 1465 Park Avenue, market the RDA parcel north of Heber and negotiate with Summit Watch on the development of employee housing on the 1465 Park Avenue site. Roger Harlan seconded. Motion unanimously carried.

VI COMMUNICATIONS FROM COUNCIL AND STAFF

1. Dog control services. Lou Hudson reported that the Summit County Commission discussed sending a letter to the City regarding shared costs for an additional dog catcher in Park City.

2. General Plan update. Ruth Gezelius invited the Council to an informal meeting with the consultants on the general plan on Tuesday from 6 p.m. to 8 p.m.

3. 330 Main Street. Leslie Miller stated that she is receiving inquiries from the general public on the lots north of the Egyptian Theater regarding parking. She asked that there be a full discussion on this matter or information so that she can be familiar with it so that she can answer questions from the public. City Attorney Hoffman responded that a while ago she discussed this matter with Ms. Miller which prompted a fair amount of research. She prepared protected packets for the Council at that time, but it was decided not to send them out. Ms. Hoffman distributed information packets to the Council.

4. City Manager and City Attorney evaluations. Leslie Miller expressed her confusion of the schedule of the evaluations. Ms. Hoffman stated that her evaluation last year was in the summer, but was tenatively moved to April, after the City Manager's evaluation. Although it occurred on June 1, it was a good two months earlier than last year's. Discussion ensued regarding discussion for scheduling the Manager's and Attorney's evaluations in February shortly after the January retreat. Ms. Miller expressed her concern that these evaluations are very important and all Councilmembers should be involved. She felt deprived as she was not a part of the process and stated that this is the first meeting she has missed all year and although it was on the master schedule,

she had hoped she would have been accommodated. Ms. Miller suggested that this be scheduled in February as spring and summer is the time that people take vacations. Shauna Kerr pointed out that when there is an election and new Councilmembers, it may be more appropriate to hold it later in the year. Ruth Gezelius suggested that May to June is a good time and that this City Attorney's review was on the master docket for at least two months. She added that everyone has to be gone from time to time, but if there are concerns regarding the City Attorney's review, it would be appropriate to make an appointment with her and discuss any of those issues. Ms. Miller pointed out the benefits of group discussion. The City Manager suggested that there be a discussion on the timing of evaluations at the retreat.

VII ADJOURNMENT

With no further business, the regular meeting of the City Council was adjourned.

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

Prepared by Janet M. Scott

Janet M. Scott

Janet M. Scott
Deputy City Recorder

PARK CITY COUNCIL WORK SESSION
SUMMIT COUNTY, UTAH
JUNE 8, 1995

Present: **Roger Harlan, Lou Hudson, Shauna Kerr, Ruth Gezelius, Toby Ross, Jodi Hoffman, Eric DeHaan, Kent Parker**

Absent: **Mayor Brad Olch**

1. **Council questions and comments.** Roger Harlan reported that the Battle of the Bands is scheduled for this weekend at the high school football field and the teens have advertised quite extensively. He added that he is pleased that the Women's Shelter is of such high quality. Leslie Miller asked about the use of the lower Swede Alley parking lot for a staging area for the Gateway Project across the street. Eric DeHaan clarified that staff approved this arrangement so that Heber Avenue and Swede Alley would not be obstructed. When public right-of-ways are available and there are no conflicts, they have been used to accommodate construction projects.

2. **Review of regular meeting.** See attached staff reports and the minutes of the regular meting.

3. **Budget review:**

Grants. Mayor Pro Tem Leslie Miller explained that Council has decided to allocate 1% of the General Fund to grants which would equate to about $220,000. It is also the hope of the Council to set aside a $20,000 contingency fund for unexpected requests during the year.

Park City Outdoor Center, aka Youth Coalition. This grant request is for $12,500 in cash and a $3,600 fee waiver for the use of the Recreation Building in City Park and is on-going. Ruth Gezelius supported the request and felt that this service is valuable, as did Roger Harlan and Shauna Kerr. Lou Hudson felt that everyone's request should be reduced because of budget constraints. Leslie Miller stated that the City's percentage of support for the Center's budget is too high as there is too much dependence on government. She added that there are other organizations in the community that offer the same services and that the Center does not seem to be widely used.

Park City Chamber/Convention and Visitors Bureau. This is an on-going grant request for $70,000. Ruth Gezelius noted that funding chambers of commerce in other cities is common and that this amount is a small percentage of the total budget. She felt that the Chamber is performing well and supports the request. Shauna Kerr pointed out that the grant amount has decreased over the years and felt that the City should continue to diminish the grant amount as it appears that it is not as needed because of increased membership. Ms. Gezelius added that there should be rewards for a job well done and that the business community should be supported. Lou Hudson and Leslie Miller felt that the grant amount should be cut back.

Park City International Music Festival and Summer Music Institute. This is a one-time grant request for $10,000 cash and $7,966 in rent waivers and in-kind services. Ruth Gezelius stated that although this is a new request, this event has a history in Park City. She supports most of the request except the back-rent in the amount of $1,816. Roger Harlan felt that if the City provides funding that it should be specified for marketing. Shauna Kerr stated that the grant should be either cash or in-kind services, but not both. Lou Hudson noted that the grant award should be decreased. Leslie Miller discussed the policies of the Blue Ribbon Task Force with regard to non-profit fees. She pointed out that the Festival is already receiving a substantially reduced non-profit rate and could not support waiver of fees as it is contrary to the policy for the rental of this facility. Ms. Miller also supported decreasing the cash grant.

Park City Performing Arts Foundation. This is a one-time grant request for use of the Racquet Club and security in an amount of $11,475. Ruth Gezelius felt that the non-profit rate is already sufficient and that the facility should not be given away. Lou Hudson felt the full amount should not be granted. Shauna Kerr pointed out that this is a one-time request and although a cash grant was not requested, that it may be more appropriate to allocate cash toward the rental of the facility and suggested $7,500. Roger Harlan felt a $5,000 grant may be appropriate and Leslie Miller concurred.

Domestic Peace Task Force. This is a one-time grant request for $10,000 for staffing needs. Leslie Miller stated that this is a critical service in the community and could support the total request while Lou Hudson felt the amount should be lowered. Ruth Gezelius voiced her support and felt that the services of this organization is a high priority . Shauna Kerr and Roger Harlan agreed that the organization should receive the full amount.

ICTHOS. This is a grant request for $25,000. Lou Hudson pointed out all of the affordable housing efforts the City has undertaken and didn't feel that this organization was a high priority in consideration of the City's financial commitment to affordable housing. Roger Harlan agreed that the request represents a high percentage of ICTHOS' budget and Leslie Miller confirmed that it is 24%. It was Council's consensus that the City has spent hundreds of thousands of dollars on affordable housing and that the grant should be reduced to $10,000 to $15,000.

Park City Recycling Center. Council was unanimously in support of allocating the full grant requests of $8,000 in cash and $4,700 in in-kind services. Leslie Miller suggested increasing the grant but Mary Morrison, Director, stated that she is more interested in securing another recycling site as opposed to receiving more money.

Park City Arts Council. This is a grant request for $15,000 and a request for cubicle space which has not yet been identified. Ruth Gezelius stated that she has difficulty in doubling the cash grant as the Arts Council has been receiving $7,500 the past couple of years. She supported the $7,500 amount and perhaps $3,000 toward leasing office space. Shauna Kerr noted that if the grant is doubled, it will represent 35% of the budget and supported the $7,500 amount. Leslie Miller commented on the doubling of the workload of the Director as a result of programming and supported the full grant amount.

Park City Historical Society. This is an on-going grant request for $21,000 and a one-time request for $3,000 for indexing services. In-kind services involve storage and office space in the amount of $10,521 for a total of $34,621. Lou Hudson noted that there could be some reduction. Ruth Gezelius commented on the amount of volunteers used by the Society which indicates great community support. Roger Harlan and Leslie Miller supported the full grant allocation and Shauna Kerr did not comment.

National Abilities Center. Council unanimously supported the $750 request for the City's participation in this organization's fund-raiser in March.

KPCW. This is a grant request for free office and studio rent in the Marsac Building, valued at $28,188. Council unanimously supported continuing this allocation.

Main Street Liquor Store. This represents free rent valued at $24,840 a year. The history of the arrangement was discussed and Council felt that the Liquor Store should be paying rent and authorized the City Manager to negotiate a lease agreement. Toby Ross reported that he thought the state would be willing to pay something but doubted if it was market value. Shauna Kerr discussed the merits of having a liquor store on Main Street and suggested that perhaps a long-term lease could be negotiated with rent rates that escalated each year and suggested charging $1,000 per month as a beginning point. This would represent a $12,840 in lost revenue.

Total grants including cash and in-kind services amount to approximately $270,000 and in an effort to cut about $70,000, Council evaluated the requests individually and arrived at the following conclusions.

ORGANIZATION	Ruth Gezelius	Leslie Miller	Roger Harlan	Lou Hudson	Shauna Kerr	Tena-tive Consen-sus
Park City Outdoor Center $12,500 cash 3,600 use of building ——— $16,100	16,100	6,000	16,100	10,000	16,100	11,000
Park City Chamber/Bureau $70,000 cash	70,000	60,000	70,000	65,000	60,000	65,000
Park City International Music Festival $ 10,000 cash 7,966 waiver/in-kind ——— $ 17,966 (*grant allocation for cash only - no rental waivers)	10,000*	7,500*	10,000*	10,000*	5,000*	8,500*
Park City Performing Arts Foundation $ 11,475 waivers/in-kind (*grant allocation for cash only - no waivers)	6,000*	5,000*	6,000*	6,000*	7,500*	6,000*
Domestic Peace Task Force $10,000 cash	10,000	10,000	10,000	10,000	10,000	10,000
ICTHOS $25,000 cash	10,000	10,000	12,500	10,000	15,000	10,000

ORGANIZATION	**Ruth Gezelius**	**Leslie Miller**	**Roger Harlan**	**Lou Hudson**	**Shauna Kerr**	**Tena-tive Consen-sus**
Park City Recycling Center $ 8,000 cash 4,700 site and in-kind ——— $12,700	12,700	12,700	12,700	12,700	12,700	12,700
Park City Arts Council $15,000 cash 1,500 cubicle space ——— $16,500 (*cash and $3,000 toward rental)	10,500*	10,500*	10,500*	10,500*	10,500*	10,500*
Park City Historical Society $24,000 cash 10,621 rent and storage ——— $34,521	34,621	34,621	34,621	34,621	34,621	34,621
National Abilities Center $750 cash	750	750	750	750	750	750
KPCW $28,188 free rent	28,188	28,188	28,188	28,188	28,188	28,188
Main Street Liquor Store $12,840 subsidized rent	12,840	12,840	12,840	12,840	12,840	12,840
TOTALS	**221,699**	**204,099**	**224,199**	**210,599**	**213,199**	**210,099**

Water user rates. Jerry Gibbs reviewed the history of water fees and pointed out that rates have not been increased since 1989. Staff is recommending that a rate structure be implemented that increased water user rates by 15% and the residential base rates according to meter size ($3 per month for most customers) to provide adequate revenues to conform to bond covenants and replace aging water facilities. User fees have generated approximately $1.75 million annually over the last two years. Annual expenditures for water operations and billing are anticipated to exceed $1.6 million; debt service is $400,000; debt coverage $150,000; and capital is $250,000 to $400,000. The shortfall is needed to replace the existing system. Current bond covenants require the revenues generated by user fees be a minimum of 115% of the operational expense excluding debt. A large percentage of debt is paid by impact fees, however, the user fees guarantee payment. Because of this guarantee, the debt coverage varies depending on the year from $150,000 to $212,000. This amount must be generated annually. The carry-over is added to capital the following year and capital is reduced the equivalent amount. Though illustration of a chart, Mr. Gibbs discussed the rate increases relating to water usage.

Expanded Silver Lake bus service. Toby Ross explained that there have been numerous requests for expanded bus service in Deer Valley. There are three options outlining various levels and a fourth for contracted services. Staff is recommending extending hours of operation and perhaps working with private shuttle services. Ms. Kerr felt that extended hours would be helpful for employees and that the "express bus" from Main Street option would be an appropriate restaurant tax application in the future. Roger Harlan was not convinced that this request should be funded, especially in light of the difficulty in recruiting drivers. The City Manager stated that this would be the first leg of service to be cut back in the event of a labor shortage, however the budget needs to reflect an allocation for additional drivers. There was consensus to support extended hours.

Because there was not enough time to discuss all items relating to the budget, they were moved to the meeting of June 22; these discussions will involve capital improvements, affordable housing, and grants.

Prepared by Janet M. Scott