



**PARK CITY MUNICIPAL CORPORATION
PLANNING COMMISSION MEETING MINUTES
COUNCIL CHAMBERS
MARSAC MUNICIPAL BUILDING
May 25, 2022**

COMMISSIONERS IN ATTENDANCE: Chair John Phillips, John Kenworthy, Sarah Hall, Laura Suesser (attended virtually), Doug Thimm (attended virtually), Bill Johnson, Christin Van Dine

EX OFFICIO: Gretchen Milliken, Planning Director; Rebecca Ward, Assistant Planning Director; Alexandra Ananth, Senior City Planner; Alex Roy, Senior Transportation Planner; Julia Collins, Transportation Planning Manager; Caitlyn Tubbs, Senior Transportation Planner; Makena Hawley, City Planner II; Browne Sebright, City Planner II; Spencer Cawley, City Planner; Mark Harrington, Senior City Attorney

1. ROLL CALL

Chair Phillips called the meeting to order at approximately 5:30 p.m.

Chair Phillips read the following:

The Planning Commission of Park City, Utah will hold its regular meeting with an anchor location for public participation at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah 84060 on Wednesday, May 25, 2022. Planning Commission members may participate in person or connect electronically by Zoom or phone. Members of the public may attend in person or participate electronically.

Public comments will be accepted virtually. To comment virtually, use eComment or raise your hand on Zoom through www.parkcity.org/publicmeetings. Written comments submitted before or during the meeting will be entered into the public record but will not be read aloud. For more information on attending virtually and to listen live, please go to www.parkcity.org.

Chair Phillips reported that all Commissioners were present. Commissioner Laura Suesser and Commissioner Doug Thimm attended virtually.

2. MINUTES APPROVAL

- A. Consideration to Approve the Planning Commission Meeting Minutes from April 27, 2022.**

MOTION: Commissioner Christin Van Dine moved to APPROVE the Planning Commission

Meeting Minutes from April 27, 2022. Commissioner Bill Johnson seconded the motion.

VOTE: Commissioner John Kenworthy-Aye; Commissioner Doug Thimm-Aye, with the statement that he was not in attendance, but deferred to the other Commissioners; Commissioner Sarah Hall-Aye; Acting Chair Suesser-Abstained. The motion passed unanimously with one abstention.

3. PUBLIC COMMUNICATIONS

There were no public communications.

4. STAFF AND BOARD COMMUNICATIONS AND DISCLOSURES

Commissioner Sarah Hall asked the Planning Department about parking passes for the in-person Planning Commission meetings. Planning Director, Gretchen Milliken, stated that she would look into this request.

Director Milliken reported that the appeal of the Administrative Conditional Use Permit ("CUP") for the Park City Mountain Lift Upgrades would be heard at the next Planning Commission meeting on June 8, 2022. Given the volume of documents included the packet for that item only would be published tonight. The packet for the remainder of the Agenda Items would be published as usual. She added that the exhibits for the appeal could be found at the Lift Upgrade website on the Park City Mountain webpage.

Director Milliken stated in response to an inquiry that the appeal would be placed as early as possible on the Regular Agenda and will likely be within the first 45 minutes of the meeting. Ninety minutes was scheduled for the appeal. She also reported that they were seeking candidates to support the Public Land Use bodies, which plays an instrumental role in shaping the community. These bodies include the Board of Adjustments, the Historic Preservation Board, and the Planning Commission. She noted that these public bodies influence the look and feel of the community and rely on interested and engaged community members to serve and help shape the City. A workshop or open house was to be held on June 6, 2022, from 5:30 p.m. to 7:00 p.m. at the Park City Library. Anyone interested in serving could visit www.parkcity.org for more information. She announced that this meeting would be Commissioner Thimm's last meeting and thanked him for his hard work and long hours serving on the Planning Commission. Commissioner Thimm expressed gratitude and noted that they have a wonderful City and a great Planning Commission.

Director Milliken mentioned that City Planner, Browne Sebright would be leaving the Planning Department and transitioning to the Housing Department. She stated that he would present at the June 8, 2022, meeting as a Planner. Following that he would fully transition to the Housing Department.

Chair Phillips thanked Staff for their effort in getting the Commissioners paid for the meetings. Commissioner Kenworthy thanked Chair Phillips for addressing the issue of compensation.

Commissioner Suesser asked for clarification regarding whether the Planning Commission's decision on the Lift Upgrade Appeal would be considered final or if it could also be appealed. Senior City Attorney, Mark Harrington explained that any aggrieved party or the applicant could appeal a final decision by the Planning Commission to the District Court within 30 days. He

confirmed that the decision would not have to go before the City Council before being appealed to the District Court.

Chair Phillips addressed possible confusion on Agenda Item No. 7.D. He explained that the Commission was initially informed that this item would be continued but then less than 24 hours later was informed that it would not be continued. He noted that notwithstanding, the item remained on the agenda and a public hearing would be conducted since it was noticed as such. He understood that the applicant would present for this item.

Planning Director Milliken apologized for the confusion and confirmed that this item would be heard at tonight's meeting. She added that the Conditions of Approval were incomplete and would need to return to the Commission; however, they could still hear the item and conduct the public hearing to provide direction to the applicant. The matter could then come back at a date certain to address the Conditions of Approval. She clarified that the following meeting on this item would not necessarily be required to be a public hearing. Chair Phillips expressed concerns based on his understanding that some of the neighbors were also informed of the continuance. Planning Director Milliken confirmed that they reached out to the neighbors.

Chair Phillips requested that the follow-up meeting on this item be noticed as a public hearing.

5. CONTINUATIONS

A. 316 Woodside Avenue - Steep Slope Conditional Use Permit - The Applicant Proposes an Addition to a Significant Structure with a Single Car Garage on a Steep Slope in the HR-1 Zone. PL-21-05086.

Chair Phillips announced that Staff recommended that the above item be continued to a date uncertain.

Chair Phillips opened the public hearing. There were no public comments. The public hearing was closed.

MOTION: Commissioner Johnson moved to continue 316 Woodside Avenue-Steep Slope Conditional Use Permit to a date uncertain. Commissioner Kenworthy seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission.

B. 2346 Park Avenue - Conditional Use Permit - Applicant is Requesting Use of a Temporary Structure (Tent) at the Peaks Hotel for a Longer Duration Than the Land Management Code Allows Without an Approved Conditional Use Permit. PL-22-05132.

Chair Phillips opened the public hearing. There were no public comments. The public hearing was closed.

MOTION: Commissioner Johnson moved to continue 2346 Park Avenue—Conditional Use Permit to June 8, 2022. Commissioner Van Dine seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission.

3. WORK SESSION

A. Studio Crossing Work Session - 4001 Kearns Boulevard - Proposal to Amend the Zoning and Annexation Ordinance and Quinn's Junction Partnership Annexation Master Planned Development Agreement for a Mixed-Use Project Including Commercial, Residential, and Affordable Housing Uses. PL-22-05206.

Planner Sebright, representing the Housing Department and the applicant, joined Senior City Planner, Alexandra Ananth. She explained that the applicant proposed to amend the original ordinance that annexed the property and established the zoning. The applicant also proposed to amend the current Master Planned Development ("MPD"). The application applied only to Lot 1B. The applicant was seeking to allow additional uses, as well as modify the use, number, footprints, and building heights of the remaining density allocated in the MPD. Planner Ananth explained that under the existing MPD, the applicant currently has 282,000 square feet of commercial density that had not yet been constructed.

Planner Ananth explained that the applicant proposed to use this density to construct a mixed-use project that would include 60,000 square feet of commercial uses, 100 "for sale" market rate units, and 185 affordable "for rent" units that would be available at 80% Area Medium Income ("AMI"). She reminded the Commission that the Film Studio site is identified as Lot 1A, and this application was for the vacant portion of that site, identified as Lot 1B. She presented the Site Plan for the approved MPD and stated that only Building 7 was constructed and totaled approximately 90,000 square feet. She referenced Table C from the Annexation Agreement that listed all of the approved uses, most of which are commercial. She reported that a hotel of up to 100 keys was also allowed under the MPD.

Planner Ananth reminded the Commission that the current MPD has no affordable housing requirement per the Annexation Agreement. She presented the approved Subdivision and noted that Lot 1B includes approximately 20 acres. The proposed Phasing Plan shows Phases 1 and 2 at the center of the site. Phase 1 would include two buildings, each being three stories with commercial on the ground floor and two floors of affordable housing. Phase 2 would include the Plaza area and two one-story commercial buildings. Phase 3 would include the market rate townhouses and Phase 4 would also include market-rate units. An additional Phase could be constructed either concurrently with Phase 4 or earlier and would include an affordable housing building.

The approved Plat included a Plat note that if the applicant does not develop the site consistent with the MPD, there would be an affordable housing requirement. Planner Ananth explained that the current Housing Resolution includes a requirement for residential units as well as commercial uses, with the Affordable Unit Equivalent ("AUE") requirement of 42.3 units. She explained that units are converted into square feet, so each AUE is 900 square feet. Therefore, there would be 85 units for rent at 80% AMI, which meets the City's Housing Resolution. The breakdown of the affordable units was heavily weighted towards studios and one-bedroom units. She noted the significant need for rental units, and 80% of the units should be rental units.

In addition to the AUEs required, the applicant also proposed an additional 120 new units, which would translate into 79 AUEs that would also be rented at 80% AMI but would be available to households that are earning up to 120% of AMI. She emphasized that there was no affordable

housing requirement in the current MPD, and with this project, they would be getting the 65 units required along with an additional 120 units. Planner Ananth stated that this would put a significant dent in the City's identified affordable units.

Commissioner Suesser sought clarification of the number of units required under the Plat note. Planner Ananth explained that the number of units required depended on the amount of density proposed by the applicant and would include the amount of commercial and residential. She stressed that under the proposal, the applicant would be required to provide 42.3 AUEs, which when multiplied by 900 square feet yields 38,000 square feet. The applicant proposed to allocate that square footage for 65 units. Some units would be smaller, and some would be larger than the 900 square feet. Planner Ananth confirmed that in addition to the 65 required units, the applicant proposed to build an additional 120 additional affordable units.

Chair Phillips asked what the 80% AMI was in actual cost to the renter. Planner Ananth did not have those numbers with her, but it was confirmed by the applicant's representative, Justin Keys, Quinn Capital Partners LLC, that this would be part of his presentation. He reported that the rental numbers are available through the 2021 Needs Study.

Planner Ananth stated that all 185 units will be rented at a rate consistent with the current Housing Resolution at 80% AMI. She stated that 42.3 of the AUEs will meet the current Housing Resolution and the applicant proposed expanded eligibility for the 79 AUEs. Those units would be available for households making up to 120% of AMI but would still be rented at the 80% AMI rate. She emphasized that the 42.3 AUEs would all meet the Housing Resolution that is currently in place.

Planner Ananth further explained that the zone height is 28 feet, with additional restrictions due to the Entry Corridor Protection Overlay. She noted that with MPDs, the Planning Commission was allowed to consider an increase in building height based on a site-specific analysis. In addition, the existing MPD allows for some height exceptions, but anything within the first 150 feet of the median line of the public right-of-way cannot be taller than 25 feet. Anything beyond 200 feet can be up to 28 feet unless the Planning Commission allowed an exception. She explained that a couple of units in the first townhouse building would require a height exception, as would a portion of the multi-family market-rate building. All of the affordable units, which go up to 48 feet in height, are located in the center or towards the back of the site and would be surrounded by open space and City-owned land.

Planner Ananth referenced a number of issues set forth in the Staff Report for which they requested Commission feedback. She noted that the Planning Commission should consider whether each Phase of construction should require its own CUP, or whether each Phase could be considered under an Administrative CUP. She noted that the current MPD allowed for Administrative CUPs. She stated that none of the proposed buildings include commercial space greater than 30,000 square feet. The Regional Commercial Overlay requires a 30,000 square foot or larger anchor tenant. She requested feedback on whether they could consider the Film Studio as the commercial anchor for this site, which would allow for smaller retail in the other buildings.

The applicant submitted a Trip Generation Analysis that compared a commercial project consistent with the existing MPD to a mixed-use residential project. She asked the Commissioners whether they would like this analysis peer-reviewed. Planner Ananth also requested the Planning Commission consider whether the number of affordable units provided

and improved site changes would justify the proposed zone and MPD Amendments, as well as the proposed increase in building height. She also asked if the Planning Commission was ready to provide a positive recommendation or feedback on the Housing Mitigation Plan to the City's Housing Authority prior to their review. She noted that the required findings for building heights were included in the MPD criteria.

Commissioner Van Dine sought clarification that Phase 4 would include additional affordable units. Planner Ananth explained that the required affordable housing would be constructed in Phase 1. The remainder of the units could be built with Phase 4 or earlier. She confirmed that the applicant would satisfy the housing obligation in Phase 1.

In response to an inquiry from Commissioner Kenworthy regarding the square footage, Planner Ananth explained that the maximum square footage was 202,000 square feet since the Ordinance does not count affordable units toward the total square footage. The total gross square footage is 319,000 square feet and includes Phase 4. When the affordable units are backed out the square footage is 202,000 square feet.

Chair Phillips wondered what the Housing Department indicated as the targeted AMI and whether the Housing Department would again review this before it goes to City Council. Planner Ananth stated that the applicant's proposal met the current Housing Resolution, and the Housing Authority must approve the Housing Mitigation Plan. She noted that the 80% AMI was required by the Ordinance but recognized that every unit was appreciated, and the AMI was something that needed to be weighed by the Commission as part of its recommendation.

In response to a question from Commissioner Suesser, Planner Ananth stated that the applicant proposed a total of 100 market-rate units. These would be two to three-bedroom townhomes at 1,500 square feet with some additional variety in the multi-family building. There would be 48 townhomes and up to 52 apartment-style units for sale as condominiums. She confirmed that the approved density under the MPD is 374,000 square feet and the proposed project, including affordable housing, was for 319,000 square feet. She reiterated that the Ordinance would not count the density of the affordable units so they would count 202,000 square feet of proposed density versus the 282,000 square feet allowed.

Commissioner Johnson expressed his understanding that the applicant proposed 100 market-rate units, 65 rental units at 80% AMI, and 120 units at 120% AMI. Planner Ananth clarified that all 185 units that would be affordable would be for rent at 80% AMI. Sixty-five of the affordable units meet the Ordinance requirements, while the additional 120 units for rent would be considered affordable and offered at up to 120% AMI. The 100 market-rate units would all be for sale.

Chair Phillips understood that the 120% AMI was for those who would qualify for affordable housing, but the rent would still be set at 80% AMI.

Mr. Keys explained that they built out and rented another affordable housing project referred to as The Commons. They learned that not everyone makes exactly 80% AMI and their earnings do not remain static each year. In terms of affordable housing, it hurts when people get a pay raise that puts them slightly above the set AMI. He stated that they worked with the County, and Jeff Jones recommended the applicant set it up this way and give themselves some flexibility in their units so that if someone gets a pay raise, they do not have to immediately remove them at the next certification cycle. He added that if a person's income increased to up

to 120% AMI, they would be allowed to stay in that unit because, with the current market, they still could not afford much else. Mr. Keys also noted that if a renter saw an increase in their income, their rent would remain capped at the 80% AMI. He stressed that this would only be applied to the 120 units that they volunteered to build from their commercial density. The other 65 units required under the Plat note would be offered at only up to 80% AMI.

Mr. Keys reported that they have been exploring this project for several years and have worked hand in hand with the Housing Department. He explained that this application was about embracing bold action. He recalled that several years ago, he listened to a consultant hired by the City on why the City was not meeting its affordable housing goals. After hearing that presentation, he asked his client whether he would be willing to explore something different. At that point, they were already well underway with a hotel project.

He reported that there were a lot of discussions between the applicant and Staff about pivoting from the hotel to affordable housing for this site. He expressed pride in this project because it would create 185 affordable homes where the residents can use public transit to get to work and also have close access to the trails.

Mr. Keys summarized what they have the right to build under the MPD, which includes the hotel and supporting commercial that would go with the Studio building on site. Instead, they proposed to build a mixed-use development and a place where residents would want to live, work, and play. He noted that there would be a lot more open space and community benefits than under the allowed MPD. Mr. Keys stressed that they were trying to build a development that has open space and more affordable housing than any other development undertaken in Park City.

He referenced the various studies over the years, including Envision Park City. Section 4.51 of that study addresses the importance of affordable housing. He noted polls that showed that 84% of Park City residents felt that affordable housing was one of the top three issues facing the community. The polls also showed the importance of housing solutions that implement policies that shift neighborhood balance back to residents by incentivizing long-term rentals and creating more work and housing options such as accessory units and apartments. Mr. Keys stressed that this is exactly what they have proposed and the reason why they chose “for rent” units over “for sale” units. In this way, they feel as though there would be more control over who lives there in the long term and that the project does not turn into an out-of-town holding. They want to dedicate 185 units to people who would live in the community.

Mr. Keys noted that in 2016, the City Council passed a Resolution that established an Affordable Housing Production Plan, the goal of which was to have 800 units by 2026 and 220 units by 2020. He presented a graphic based on a consultant review that showed that 169 units have been constructed as of this year and the City purchased many of those units. He commented that a lot of work needed to be done to construct the remainder of the units to meet the City’s goals. He felt that constructing 185 affordable units in a single project would be a significant step in meeting the City’s goals and would also set the standard for future development.

Mr. Keys explained that the reason developers shy away from affordable housing is that the projects do not pencil out. Ground costs and construction costs are so high, that when a developer gets into the 40 to 60 percent AMI range, they hemorrhage money. He urged the Commission to have this in mind when evaluating an affordable housing proposal. He reiterated

that Section 4.5 of MPD would not require the applicant to provide any affordable housing. The Annexation Agreement also would not require any affordable housing or open space for this site. He opined that this would be bad for the City.

Mr. Keys referenced Condition of Approval 8 of the Subdivision that required the applicant to comply with the Code. The applicant did not object to that Condition of Approval and would be happy to comply with the affordable housing regulations. He added that in doing so, they would exceed the prior density if the affordable housing density were counted. The Code, however, does not count affordable housing density. It was noted that most of the building height requests are part of the affordable housing components of this project. He added that they have proposed heights of up to 45 feet, which is what the Affordable MPD ("AMPD") Code allows. They considered filing this under an AMPD process, but the AMPD Code has strict limitations on the amount of commercial density. He noted that they qualify and exceed the 1-for-1 requirement under an Affordable Housing MPD.

Mr. Keys explained the two different types of affordable housing being proposed. The first 65 units would be included to comply with the Plat note and would be offered at 80% AMI. He presented a graphic showing the mix of affordable units and explained that this mix was arrived at as a result of discussions with the Housing Department as well as their own experience in building affordable housing units in Summit County. He stressed that the reality is that there is a shortage of small units. Not many people who qualify for affordable housing can afford a 3-bedroom unit, although there is some demand for those as well. He emphasized that the studios and 1-bedrooms get leased quickly and rarely are occupied by a single resident. He explained that typically two people occupy the 1-bedrooms, which puts them at the 80% AMI. Most of these residents are retail and service-oriented people who, when their incomes are combined, get to the 80% AMI level. He noted they typically did not get people well below the 80% AMI. He felt that with this mix of units, they could meet the needs they have seen in the community.

Mr. Keys presented the mix of units for the voluntary affordable housing density. He invited the Commissioners to visit The Commons to see how the units look and what the mix looks like. He described them as spectacular and noted that the Crandalls did an amazing job at The Commons and is a very similar mix to what they propose here.

With respect to eligibility and pricing, Mr. Keys stated that all of the units would be deed restricted and would be "for rent." They would hire a third-party manager who is qualified to manage all of the rental units. He added that they would include a "waterfall provision" to ensure that they would be rent first those closest to the space; they would start in Quinn's Junction area specifically. He referenced Commissioner Johnson's question and explained the 80% AMI with a table. The monthly gross rent for the studios would be \$1,674.00. He explained that the "gross rent" included a majority of the utilities and any Homeowners' Association fees. He also presented the average median market rate rent in Park City for comparison and noted that a studio was \$1,938 per month. He highlighted more significant discrepancies in the 3-bedroom units. He noted that even on the market rate units in Park City, there was more than 99% occupancy.

Mr. Keys referenced the Consultant's Report that found that there were not a lot of market-rate townhomes in the area and added that the market rate units they included in this application would serve a need in the community. The townhomes and condominiums in the community were largely ski-in/ski-out and are being purchased for nightly rentals. A large segment of the

community was seniors looking for locations like this and the proposed market-rate units. He summarized the Phases of construction and echoed the information provided by Planner Ananth. He commented on the issue of a new anchor tenant and offered his belief that an additional anchor tenant would not be required since this site would still be considered Studio Crossings, with a 90,000-square-foot building next to a 60-foot-tall building already in existence. They would not want to put another box store on this site just to meet an anchor tenant need.

Mr. Keys explained that Phase 4 could be constructed at any time and might be included as part of Phase 1 depending on construction loadings. Phase 4 would include four floors of additional affordable housing. He noted that this building would sit behind a 60-foot building, which would allow for the heights to step up. He added that there are no adjacent neighbors other than Highway 40; therefore, the height of the Phase 4 building would not obstruct views but would rather provide a good gradation of scale with the Studio Building while allowing construction of a significant number of affordable housing units.

Mr. Keys next addressed the Trip Generation Analysis and expressed that the type of use contemplated would require a lot less vehicular trip. The commercial uses require more trips, but this site would have a mix of uses that would reduce overall traffic loads and parking needs. He noted that Fehr & Peers concluded that this project would greatly reduce the traffic needs of the site and would reduce the 9,110 daily trips to 5,438 daily trips. He also referenced the reduction in A.M. peak and P.M. peak. He stressed that these numbers do not even consider the fact that they are trying to make this a transit-centered development. He reported that they were planning a transit center within the development and had already posted a \$70,000 bond with the City to construct the access point to the trails. They would also install an electric bike charging station, with bike storage for all the units. It would be easy for the residents to take the bus or bike to downtown. He offered that this would further decrease the traffic requirements.

Trent Smith, AIA from Modern Out West, identified himself as the Project Architect. He explained that their approach was to create a community development. He presented the Site Plan and noted the various features, including the plaza and multiple connections to the existing Film Studio and the other affordable housing buildings. He explained that they designed the affordable housing and the townhomes with a very active first-floor commercial space. He explained that Phase 1 would consist of two mixed-use buildings, with commercial on the first floor and two stories of housing. He noted the similarities with The Commons that were successfully developed by the applicant. Phase 2 would include two buildings and the plaza that would create a community hub. The goal would be that these would be built simultaneously so that the commercial and housing would support each other onsite.

Mr. Smith explained that the plaza could be used for Christmas trees and would have a small water feature that would use the existing water rights on the property. The Transit Hub would also be included in Phase 2, and he noted that it would include a bus stop, an e-bike station, and a roundabout that would support the size and scale of City buses as well as other carpooling vehicles. He added that electric car charging stations would be installed throughout the development. Mr. Smith stated that Phase 3 would be the market-rate townhomes and Phase 4 would include market-rate condominiums, as well as the additional affordable housing units.

The applicant, Gary Crandall, emphasized that with the costs of this project they would need to have it at 80% AMI, or they could not build it. He pointed out that at 80% AMI, the most that a couple could make to qualify would be \$85,600 per year. He stressed that if the AMI was less

than 80%, professions such as schoolteachers would be excluded. For the sake of comparison, the maximum income that a couple could earn for a 60% AMI project would be \$64,000.

Chair Phillips noted the difference with regard to Phase 3 from the prior presentation. He recalled his concerns about the entry and exit and wanted to understand the site's circulation from the townhomes. He felt that visitors to Phase 3 could travel through the parking lot to the traffic signal. Mr. Smith explained that one of their goals was to make it more walkable and traffic calming would be built within the site. He noted that there was no disconnect from someone to go through the parking lot to the traffic signal.

Commissioner Kenworthy thanked the applicant for the advancements in the project. He sought clarification of the square footage for the project, including the Film Studio. Mr. Keys stated that the Film Studio was 91,000 square feet, making the total project 410,425 gross square feet. The original gross density was 374,000 square feet before backing out the affordable housing from the gross number.

Commissioner Kenworthy addressed eligibility and pricing and asked what was meant by "there will be no time limit" required in selecting between orders of priority. Mr. Keys explained that in waterfall provisions, the open time between each waterfall could be set. For example, they could let it sit open for 7 days until everyone within a certain waterfall has been exhausted. He expressed that they would not be requiring any wait between the waterfalls, and once they have exhausted everyone within the first zone, which is Quinn's, they could immediately accept applications from anyone in Park City.

Commissioner Kenworthy expressed his understanding that applications would be open first to Quinn's, then Park City boundaries, then Park City School District, and finally Summit County. He confirmed his understanding that if there were not 120 qualified applications within the first three zones, then rentals would be opened up for applications from broader Summit County. With respect to community good cause, while he liked this plan, Commissioner Kenworthy was concerned that this affordable housing be available for workers outside the Film Studio tenant.

Mr. Keys confirmed that they would not give any preference to any employment location or business. In response to a question about how they would deed restrict the number of units so that there would not be a high percentage of units going to employees of the Film Studio tenant, Mr. Keys noted that because the Film Studio employees were more transient, they would be less likely to sign a year lease. In addition, the waterfall provision would only apply at the outset to initially fill the project. Once the project was filled, then it would be on a first-come-first-served basis no matter an applicant's location.

Commissioner Kenworthy recognized that the AMI in Park City was skyrocketing. He expressed concern that they maintain the community good cause outside of the tenancy of the Film Studio and requested the applicant provide information on how they would accomplish that.

In response to Commissioner Kenworthy's inquiry regarding nightly rentals, Planner Ananth confirmed that no nightly rentals will be allowed in the affordable units. The for-sale market-rate units could potentially allow for nightly rentals. Commissioner Kenworthy requested further information when the applicant returns to the Commission.

Commissioner Kenworthy emphasized his concern that the affordable units would not be built for the Film Studio employees.

Commissioner Hall felt it would be appropriate to do an Administrative CUP for all Phases, except Phase 4. She was agreeable to recognizing the Film Studio as the anchor tenant so they would not have a big box within this residential community. She expressed her feeling that they would not need a peer review analysis of the parking, but she would like to know whether the parking for the Film Studio would be incorporated as part of the entire site and whether residents would be able to use Film Studio parking. Mr. Smith explained that because the site was subdivided, they have considered the two sites separate with regards to parking. In addition, the original MPD always envisioned the Film Studio being gated off and Lot 1A dedicated to the Film Studio.

Commissioner Hall understood the complexity of the financials and understood why they could not apply as an Affordable MPD. She would like to take the opportunity to add some elements of commercial as part of the MPD. She understood that the intent of this project was to provide the City with what it has been seeking, which is affordable units. She thanked the applicant for taking the time to envision this project. As a whole, she expressed excitement for a project that proposed 185 affordable housing units. She felt this would be sufficient to justify the height exemption but expressed some concern about the setback with the townhomes and requested the applicant provide further information. Mr. Smith stated that the Site Plan had a typo and felt that they could get the townhomes in the 25-foot zone, which is what is allowed for this site.

Commissioner Van Dine referenced Building 1, and Planner Ananth understood that part of Building 1 had a portion within 200 feet. Mr. Smith confirmed this and added that this side would be stepped down, so there would not be an exception needed at this location.

Commissioner Hall expressed that the Certificate of Occupancy should be attached to the affordable units. She liked the idea of having bike storage within each building as the tenants would have access to the Rail Trail. She also expressed the benefit of having childcare within the commercial space. She understood the reasoning behind the 80% AMI and was agreeable to that, as well as the range from 80% to 120% AMI.

Commissioner Hall felt that the egress from the project at O4 looked difficult and requested further information from the applicant. She asked whether the Rail Trail access point would be public or private. Mr. Keys confirmed that it would be public. She was opposed to nightly rentals on the market rate units. Mr. Keys explained that the 100 market-rate units would be constructed in place of a 100-key hotel. Therefore, allowing nightly rentals on the market rate condominiums and townhomes would be an alternative to the hotel. It was added that the density for the "for sale" units was the same density allocated for the hotel, which is why they felt it would not be favorable to put that limitation on these units.

Commissioner Hall wanted to see the specifics of the deed restrictions for the rental units. She expressed that this is what she is most excited about with this project and what is missed the most in the City. She added that the City needed more affordable units, but particularly affordable rental units.

Chair Phillips also wanted further discussions on the issue of nightly rentals. He offered that this project went from one that would support the Film Studio to residential development. He was also interested in the significant change in use for this site, but he liked the direction this project was going with affordable housing. Chair Phillips deferred to the Council and City policy with regards to the AMI but would also like to be able to offer suggestions. He felt that 80% AMI

would allow people to live there and improve without getting kicked out. He inquired whether there was any way to make a portion of the units in the range from 50% to 150% AMI. He noted that even at the low end, some employees would not qualify, and a larger range might allow housing for these employees. He suggested ten units could go up to 150% AMI with a rent increase. He emphasized that he would like to see a small component at a lesser AMI.

Mr. Keys stated that this was the approach they took at The Commons and noted that it ended up being a nightmare to effectuate, which is why they did not propose it for this project. He stated that they were willing to further discuss, however.

Chair Phillips also focused on commercial uses and trip generations. He would like to know what would be in the commercial spaces because that would impact trip generation. He felt it would be important for the City to have a third party look at the Trip Generation Analysis and expressed concerns about having a significant draw from outside the project and the impact on traffic. He asked if there was any way to set aside affordable units for those that work at the development.

Chair Phillips expressed his intent to focus on traffic and parking. In response to Mr. Keys stating they would like to set forth the allowed commercial uses, Chair Phillips commented that would help him feel comfortable knowing what would be in those spaces. He would like some more visuals to help him picture the completed project.

Commissioner Hall echoed the request for information regarding the commercial uses and felt the more they could incorporate into the MPD, the more comfortable the Commission would be in allowing this to proceed as an Administrative CUP. Chair Phillips agreed. Commissioner Kenworthy agreed that day care would be a top priority as commercial use.

Commissioner Van Dine agreed that day care would be a priority. With respect to the waterfall provision, she suggested more priority for those in Quinn's Junction as more applications come in after that initial time period. She did not have a significant issue with the nightly rentals. She agreed with this proceeding as an Administrative CUP as long as they had a bigger picture of what would be included in the MPD. She felt that another anchor tenant was unnecessary.

Commissioner Van Dine did not feel that an additional peer review of the Trip Generation Study was necessary. The goal of this project was to encourage the use of alternative transit for anyone coming to the site. She suggested some sort of incentive program for those who bike to the project. She was satisfied with the AMI as proposed and stated that the project could be a huge benefit to the City. She looked forward to seeing more detail on the bike circulation plan and the walking plan within the site.

Commissioner Johnson agreed with the Film Studio serving as the anchor tenant. He also agreed with the height exception in lieu of affordable housing. While he would like a lower AMI, he liked the affordable housing for this project. He asked the applicant to look at a staggered AMI as suggested by Chair Phillips. He was uncertain with regard to it proceeding as an Administrative CUP and felt that more information would clarify his position. He emphasized that parking would be a significant issue and noted that there would be 550 spaces, exclusive of the Film Studio, for 285 units.

Commissioner Van Dine was also supportive of the height exception.

In response to a question from Commissioner Kenworthy regarding the current AMIs for Park City versus Summit County, Planner Ananth stated they could provide that information. Commissioner Kenworthy suggested that \$130,000 sounded close to Park City's AMI. Planner Ananth offered that it sounded low but preferred not to speculate. She referenced the Housing Needs Assessment linked with the Staff Report.

Commissioner Kenworthy reiterated the community good cause and did not want to see the AMI at \$200,000 ten years from now. He asked if there was a way to cap it, noting that the average couple's income currently in Salt Lake City was around \$80,000 and Salt Lake City is where a lot of Park City's service workers come from. He would like to cap the AMI and keep it in this project 10 years from now.

Commissioner Kenworthy expressed opposition to allowing nightly rentals. He felt that the community good cause would be to have that type of product available for primary residents. Mr. Crandall addressed Commissioner Kenworthy's concerns that the affordable housing would be used by Film Studio employees and offered that they see the inverse of this issue. They do not envision anyone from the Film Studio qualifying for the affordable units because their income is too high. In addition, he stated that they plan on withholding some of the market rate units so they can provide nightly rentals for those employees so that they can save the trips.

He understood that they want to give the coffee shop worker an affordable unit but noted that there was no difference between the coffee shop worker coming from Salt Lake City and the Film Studio employee coming from Salt Lake City, both of which generate a trip. He added that the reason Yellowstone left was that the applicant doubled the incentive. They see the Film Studio component alleviating those trips by renting the market rate units.

Commissioner Kenworthy understood the community good cause of having a substantial tenant in that building, but they want to strike a balance. He appreciated the plan of keeping some of the market rate units for that use, but they still have the benefit for the community that they are looking to balance.

Commissioner Suesser felt that the Planning Commission should be involved in the approval of the Phases. She was okay with the Film Studio being the anchor tenant but would like more details on the allowed commercial uses.

With regard to traffic, she did not believe that a peer review was necessary, but she would like to see a peer review for the parking. She requested more clarification on any underground parking envisioned for this project, as well as driveways and retail parking. She was concerned about the height, given the restrictions in the original MPD. Commissioner Suesser agreed with Commissioner Hall's request to see an affordable housing MPD and noted that Jason Glidden of the Housing Department had stated that it was difficult to get affordable projects to pencil out. She added that they were now contemplating an amendment to the original MPD that would result in a significant change of use on this property because the project as drafted in the original MPD did not pencil. The permitted uses under Section 1.3.6 of the Settlement Agreement were very restricted and included only recreation, an international film school, commercial support retail, entertainment center, motion picture media campus, sound stage studio and event center, and hotel lodging. She urged the Commission to understand how limited these uses were and offered that this might explain why this project was not getting developed as originally envisioned. She suggested that instead of building the number of market-rate units proposed, they should look at mixing in attainable units in addition to the

affordable units. She observed that the developer was asking for a lot, yet they were in a bind with the original MPD.

Commissioner Suesser requested the developer consider including some attainable units in lieu of some of the market rate units to help with the community benefit. She questioned why there was no community center included in the proposal and would like more details on the amenities envisioned for this development. Commissioner Suesser requested clarification on the phasing of the 65 affordable units.

Commissioner Thimm echoed many of the thoughts and requests of the other Commissioners. He felt that the Planning Commission should consider each phase of this project. With regards to the anchor tenant, he felt that was already in place. That said, he felt some neighborhood retail, in the area of 2,000 to 5,000 square feet, would make this a real mixed-use project. Commissioner Thimm offered that having something in there that made sense for the neighborhood would be the right thing to do.

With regard to the Traffic and Parking Analysis, he reviewed the numbers and found there would be less intensity of use than the prior plan, especially with the hospitality user no longer being a part of this project. He did not see much reason to have a third-party review as the numbers appeared pretty clear. He stressed that they need affordable housing in the City that is in the 40 – 60% AMI range. He clarified that this setting might not be the right place for it, however. He felt that the 80% AMI was probably a good number and he liked Commissioner Suesser's suggestion of some attainable housing at the site.

Commissioner Thimm was in favor of the Condition regarding the Certificates of Occupancy for the market rate units being contingent on the Certificates of Occupancy for the affordable housing in the later phase. With regard to building height, he felt that a little extra height at this location would actually be beneficial to help identify the Gateway entry into the City. He requested the applicant consider creating a dogleg at the westerly driveway.

Chair Phillips commented that the applicant received a lot of good feedback and looked forward to their return before the Commission.

4. REGULAR AGENDA

- A. General Plan Supplemental Update – Long-Range Transportation Plan – The Planning Commission Will Review Park City Forward, the City's Long-Range Transportation Plan, and a Supplement to the General Plan. The Plan Prioritizes Multimodal Transportation Projects and Strategies to Address Existing and Future Conditions. The Purpose of the Plan is to Improve Safety, Protect the Natural Environment, Expand Transportation Choices, and Maintain Quality of Life for those that Live, Work, and Recreate in Park City.**

Senior Transportation Planner, Alex Roy, noted their appearance before the Commission two weeks earlier to discuss transportation as a whole and stated that for this meeting they would discuss Park City Forward, the City's long-range Transportation Plan. They plan to go to a Work Session with City Council on June 9, 2022, with consideration of adoption by the City Council later this summer.

They have worked with the Planning Director and City Attorney to discuss how this could best be incorporated into the City's organizational structure. He reported that they determined that a supplemental update to the existing Transportation Element of the General Plan would provide some consistency with the General Plan but would not supersede anything in the current General Plan. The transportation elements could reference the existing General Plan or Park City Forward.

Planner Roy felt that this would provide some teeth to the Transportation Plan while still allowing the past work to be looked at, recognizing that there were elements of the General Plan that might not be as nuanced as this planning effort. He stated that they also envisioned this rolling into the General Plan Update planned for next year, and they were committed to working with Staff and the Planning Commission to ensure that Park City Forward is well-represented in any sort of General Plan update.

Planner Roy explained that they work with three-time horizons as part of a long-range Transportation Plan, and this Plan fits squarely into the first-time horizon of long-range planning. He commented that they initially undertake the long-range planning because many of the transportation projects are large, long-term projects that involve environmental analyses and intensive regional collaboration with stakeholders such as the Utah Department of Transportation ("UDOT") and Utah Transit Authority ("UTA"). He explained that long-range planning gives them a blueprint for moving forward. Within the long-range plan, there are short and medium-range plans. Medium range planning could include transit plans and roadway improvements. He added that short-range planning generally involved actions such as management of peak day traffic.

Transportation Planning Manager, Julia Collins, explained that they envisioned Park City Forward as a resource for the Planning Commission. The first of the five elements involved identifying regional projects and needs. She explained that transportation projects are incremental and take a lot of time, and they identify the steps in the long-range plan that helps set them up for funding, grant opportunities, and coordination with regional stakeholders. She noted that some projects involve an environmental process, which would feed into engineering and design. She stressed that each of these steps could take a substantial amount of time, depending on the project. She identified the next element as funding projections and grant applications. She reported that they were vigorously pursuing grant opportunities, and this year has applied for over \$12 million for capital projects. Having a long-range plan that includes timelines and stakeholder and community support provides weight to the applications.

Manager Collins next addressed building policy and regulations and highlighted the Modal Hierarchy. They prioritized multi-mode transportation and have presented this to the City Council and the Planning Commission. She added that this is a concept that came out of the community output and the identification of the goals and strategies. She added that this would also serve as a supplemental tool to other strategies being worked on as a result of thinking long-range.

Senior Transportation Planner, Caitlyn Tubbs, stated that an additional component of the implementation of this Plan included the short-term goal of adopting some updates or additions to the Land Management Code ("LMC"). She noted that transit options touch many different types of developments within Park City. She provided the example of the consideration of adopting a transit station amenity standard that the Planning Commission could then refer to in its review of land development applications.

Additionally, Planner Tubbs stated that when they propose updates or amendments to the adopted ordinances, they would bring them before the Planning Commission for feedback.

Planner Roy stated that an important element of this Plan was that it is not for one specific project mode or one specific traveler persona. He stated that this Plan is for all travelers within Park City. To that end, they have looked at different types of travelers, including residents, recreational day-trippers, seasonal or construction workers, and cultural event visitors. Part of the process has been to try to flush out how the different projects and policies of the Park City Forward Plan could be utilized to help these different transit modes. He recognized that these different travelers have different travel needs and they want to recognize that all of the travelers are important.

Planner Roy stated that they identified the blueprint for this Plan as looking at how they get people to Park City. He mentioned that these include the big, regional projects involving high-capacity transit along the gateway corridors, Park-and-Rides at the entry corridors to the City, and working with the resort partners on improving multi-modal and transit facilities at their destinations. He also mentioned that it also involves looking at peak day mitigation, data collection, marketing, and messaging.

He next addressed how the Plan addressed getting people around Park City and noted that this was critical to many of the community members. Within this element, they have Rail Trail connections, intersection improvements, widening and improvement of crossings, complete street and bus stop improvements, flexible transit, and Old Town circulation. He offered that they want to marry the bigger projects with ensuring that the community has a cohesive, well-connected transportation community that allows multiple modes of getting around.

He highlighted that they have multiple active transportation projects, chair mobility, and transit. They also included roadways and goods movement improvements, and parking and Traffic Demand Management ("TDM") for any transit system. They also looked at technology and innovation that could work within the system already established to ensure that it is maximized to the best of its efficiency.

Planner Roy stated that they have heard that active transportation was critical to the Planning Commission and provided an example of a project and how it would be represented in Park City Forward.

The Transportation Department recognized that the Engineering Department has worked hard to build up the Snow Creek and the SR-248 crossing. This project would be represented in Park City Forward as Pedestrian Crossings Improvements in ATO2. Within ATO2, it was listed as an undetermined crossing type and something that would become specified with more detailed engineering work. These projects carry a higher cost because there are multiple crossings and he stated that this was one of the highest-cost active transportation projects.

He noted that only 1 ½ of these crossings were included in the first five years of this Plan because they recognized they are very expensive to build. He explained that they know that they need to put more at-grade crossings within the first five years that are built out past the five-year mark with some of the big crossings. More projects would be budgeted for beyond the five-year mark.

Planner Roy noted that many active transportation projects were being considered and they have recognized how important active transportation is to the community. He asked the Planning Commission to consider how Park City Forward could support the Planning Commission in the development review process, and how Transportation Planning Staff could help shape the General Plan Update.

Commissioner Thimm appreciated the update and was fully supportive of the ongoing efforts. He offered that there have been a number of projects where TDM initiatives were necessary and having the Transportation Planning Staff's input with regards to the TDMs would be of great benefit. Staff could help analyze whether the proposed TDM initiatives made sense with the overall Transportation Plan.

Commissioner Suesser echoed Commissioner Thimm's comments regarding TDM and added that she would like to see Park City Forward at the table, especially for major MPDs or amendments to major MPDs, such as the two major Base Developments currently before the Commission. She also felt it would be helpful if Park City Forward thought broadly about how stakeholders in the community or developers of projects could engage and get involved in how to bring those players into the projects, rather than just thinking of these projects as City projects. Commissioner Suesser did not feel comfortable at this time recommending this Plan to the City Council because it is still very much a draft and needed some work.

Director Milliken thanked Commissioner Suesser for her feedback and stated it would be helpful to know what additional information she would like included in the Plan. She explained that the Plan was labeled "Draft" because it had not yet been formally recommended to City Council and wanted to ensure that it would include Commission feedback as well as that of other stakeholders, including their partners at Summit County and UDOT.

She added that they intentionally called out the Park City Base Area and the Deer Valley Resort area as areas for multi-modal transit hubs, recognizing both the community need and the potential developer contribution to this amenity. There are contributions that developers could make to offset their transportation impacts, which also advance the City's transportation and multi-modal goals. They purposely left some of those areas open for stakeholders and developers to fill in and would defer to the Planning Commission if that was the appropriate approach.

Commissioner Suesser responded that with regards to developer contributions, she pointed to the Park-and-Ride at Quinn's Junction. She stated that there was a reduction in parking elements as part of the proposed supplement to the General Plan that would reduce a developer's parking requirement. She asked how they could get the developer to contribute if the City reduces their parking requirement. She also expressed concern about adopting this type of supplement during two major resort development projects and how that would potentially impact those projects.

Director Milliken explained that Park City Forward was part of the General Plan of Transportation, so it was a high-level, big picture, and a guiding document. It would provide recommendations on things like modal hierarchy and how the City should get from A to B in the community in a broad sense. She added that it includes projects and recommended initiatives within the Plan, but those are recommendations only and look toward potential projects that would push the needle on achieving the over-arching goals.

She added that the more detailed information about parking a particular development has or doesn't have would get worked out as part of the development review before the Commission. The Commission would use the Plan as the guiding document. She stressed that the intention is not to have the Plan "in the weeds."

Commissioner Johnson echoed the concerns expressed by Commissioner Suesser and agreed with Commissioner Thimm's suggestion of having the Transportation Planning Staff more involved in the review of the project TDMs. He saw the benefit of the Plan for areas like Bonanza but had concerns about the Plan's impact on the resort projects. He wanted to make sure that they would not be boxing themselves in with regards to parking reductions by adopting this Plan.

Director Milliken recognized that everyone is asking for a parking reduction, and they support parking reductions, but not without other mitigation. They recognize that parking is an issue and there are too many cars entering the community and one way of trying to address that is to reduce parking because every parking spot is a car on the road.

In response to an inquiry, Planner Roy stated that the overall document was approximately 120 pages, plus an additional 15 – 20 for the Executive Summary and the Engagement Report. Chair Phillips stated that 120 pages was a lot to digest, and offered that the simpler they could make it, the more readable it would be. He appreciated the work and understood the use of this Plan but suggested that some historical information could potentially be cut down.

Chair Phillips expressed reservations given the short time the Commission had to review this Plan. He could see the Commission having more involvement in providing feedback and recalled that he requested bullet points identifying areas of requested feedback. He added that Staff did great work on this Plan and was not opposed to it but expressed reluctance because he felt they did not have adequate time to review it.

Commissioner Hall agreed that this was a lot to digest and was looking for the project list and action plan for the next five years, which she found on page 78. Conceptually, it would be great to have the background information for those who want to read it. She liked the idea of itemizing and prioritizing projects but felt that the active transportation component was much more important to her than the other items. She noted that the project list was very extensive and difficult to distill down as to what is happening next year.

Commissioner Hall suggested that there should be an exit strategy on peak days in addition to the police officers sitting on the corners. She would like more pedestrian improvements on Main Street and Park Avenue. She questioned whether there were less expensive improvements considered such as marking bike paths. She asked about the Marsac closure in winter and whether they could get further information on the potential SR-248 expansion. She would also like more information on the Complete Street for Park Avenue.

Commissioner Kenworthy agreed with the previous Commissioner's comments. He felt that TDM support would be great. He asked how this document compared to the 2011 Transportation Plan and referenced the issues surrounding SR-248. He suggested that a big help for the Commission would be for Staff to summarize the differences between this Plan and the prior Plan, and state whether it supersedes or supports the prior Plan.

Planner Roy responded that this Plan would supersede the 2011 Traffic and Transportation Master Plan ("TTMP") and support the General Plan. Manager Collins added that in either October 2019 or 2020, they took the 2011 TTMP to Council and identified the project list. She noted that the City had built everything in that Plan.

Additionally, she noted that some of the projects were outdated and no longer goals of the City and did not align with the multi-modal transportation goals. She stated that when they started this Plan, they reviewed the existing documents, including the Trails Plan, Summit County's Active Transportation Master Plan, UDOT's long-range Statewide Plan, and all of the City's Plans. These provided the foundation for the background of developing Park City Forward.

With regard to Commissioner Kenworthy's questions regarding SR-248, Manager Collins responded that this was a challenging issue, which is why they identified it throughout the Plan. She reiterated that there were incremental approaches as to how they build transportation projects and SR-248 was particularly tricky because it is owned by UDOT. She reported that Staff was in continuous conversations with UDOT about what would be feasible in the short term; as a result, UDOT completed a pavement reconstruction project where they added pedestrian improvements on Bonanza and SR-248, upgraded all crossings for ADA compliance, and added the inbound/westbound shoulder running bus lane. She proffered that Staff and UDOT both recognize that these were not ultimate solutions, so they are looking at what could be done in the next 1 to 3 years.

She added that they were also looking at whether there should be a full jurisdictional transfer on the corridor or a transit corridor analysis. In Park City Forward, they identified in the 1 – 5 year Plan a Transit Corridor Study, incremental improvements and the inclusion of SR-248 in the disruptive ideas section. She reiterated that the Plan does not get into the details; rather, they dive into the details when the project comes forward.

Commissioner Kenworthy stated that his concern was that they have not had enough time to review this Plan, and he felt that if there was a comparison with the 2011 Plan that would help. He added that in terms of SR-224, they were still waiting on the engineering, and they had limitations on SR-248. He did not want to see the City going backward and going to the back of UDOT's queue would be going backward.

Commissioner Kenworthy explained that he was adamant about the comparison with the 2011 Plan because over the past 2 – 3 years when they had to make decisions, it was clear to the City Council that Bus Rapid Transit ("BRT") was out, and they do not want to think they would be able to do that with UDOT anytime in the near future. He stressed that he does not want to mislead the community.

Commissioner Van Dine felt that being able to tie the big projects back into these goals would be helpful. She liked the breakdown of specific goals for each area but felt that the project lists were difficult to interpret. She would like to know what projects in each area were the big targets for the City's goals. She agreed with Commissioner Hall's suggestion of making active transportation goals a priority in most areas, and effort should be made to bring that forward as much as possible.

Commissioner Van Dine thanked Staff for their work and felt this Plan would be amazing once they have had more time to review it to make sure it is a strong supporting document.

Chair Phillips asked how long this document would be used before it would be revisited. Planner Roy responded that this was likely a 7 to 10-year document.

Chair Phillips reiterated his suggestion to streamline the document and noted that he was looking at similar changes to the General Plan. He referenced several pages that only have a picture, which he felt could be eliminated or included as smaller pictures on other pages. He also mentioned a lot of background information relating to the last couple of years. He questioned the importance of that information and suggested eliminating some of that information. He specifically referenced the information in the document about a pause during COVID-19. He suggested putting that information in a different document that would serve as a backup for the main document.

Director Milliken observed that the Commission's feedback was excellent and eye-opening. She thought it might have been more productive if they prepared and presented an Executive Summary of the Plan that identified only the priority projects. Ultimately, the Planning Commission would use this document as a lens for evaluating land use applications from a transportation standpoint. She suggested Staff return with an Executive Summary that would provide the big picture because ultimately they were requesting feedback from the Commission that it agreed with the big picture. She added that they were not asking for details on how to solve SR-248, but when that project comes up the document should allow the Commission to look at it through this lens.

Planner Roy mentioned that Exhibit A is an Executive Summary but acknowledged that there could be more substance to the Plan in the Executive Summary.

Commissioner Suesser requested information on what projects have been completed, which ones were underway, and what projects were projected on the project list. She liked the idea of identifying priority timing for the projects. She added that in terms of a broad-brush look, they discuss the overall transportation objectives and goals, but not an execution plan. If the plan is to park people outside of town and use transit to bring them into town, then they need a plan for more Park-and-Rides at the junction. She asked how they could find the land to get there.

Commissioner Suesser stressed that everyone wants the modal shift, but there was no way of getting there, and that should be in the Plan.

Chair Phillips opened the public hearing. There were no public comments. The public hearing was closed.

Commissioner Hall stated that what she found most helpful in the packet was on page 4, which identified the goals; she felt that active transportation component needed to be in all of these goals. The information on page 10, pages 78 – 88 and page 98 were also helpful for a high-level review.

Manager Collins noted the Commission's request for more time to review this Plan and asked the Commission what Staff could do to help the Commission with the larger development projects currently before it. She asked that the Commission consider Staff's timeline and the Commission's timeline with regards to the developments before it.

Commissioner Suesser asked why they were looking to supplement the General Plan at this time instead of just updating the Transportation Element of the General Plan when the entire General Plan is updated.

Director Milliken explained that most cities have a strategic or long-range Transportation Plan in addition to their General Plan. Many cities use the long-term Transportation Plan as the Transportation element in the General Plan because the two align. The Transportation Plan is more detailed than the Transportation element in the General Plan, which is why it is a separate document. Additionally, just as the document guides the Planning Commission, it serves as the Bible for the Transportation Planning team and the Engineering team because it includes the list of projects that have been vetted and prioritized.

Manager Collins added that Staff was on track for the adoption of this Plan prior to the pandemic. She noted that these plans do not typically take 3 ½ years to adopt, and Staff had hoped to bring this before the Commission sooner. She expressed excitement over this Plan and noted that they were able to test their new conditions after the pandemic and were able to reaffirm this with the community.

Commissioner Kenworthy expressed that the amount of work done by Staff was phenomenal and added that not only was this Plan stalled because of the pandemic, but the world also changed, and they have to be transparent with the community as they move forward. He raised the issue of how these projects get funded and regional cooperation. Specifically referencing SR-248, he stated that they could not hide from the decisions already made and the ramifications of those decisions. If they stay aligned with UDOT there is a timeline that is light years away before they could address widening SR-248. He wanted transparency regarding the timelines and financial aspects. If they could surplus it and get it in the City's jurisdiction, they could have a completely different timeline and different financing mechanisms. Commissioner Kenworthy did not want to get caught up in ideology.

In response to an inquiry regarding what the focus should be when this returns to the Commission, Planning Director Milliken suggested the Commission review the Executive Summary. Staff would like the Commission's approval of the entire document, but the Commission would be using it more as a visioning tool as it reviews planning applications and land use applications to ensure that they live up to the goals and objectives of the Plan. Planning Director Milliken added that the Commission did not have to worry as much about the "weeds" because that is not how the Commission would use the document.

Commissioner Hall felt that when she looked at the Vision and Goals as they relate to the packets that they review, the peak days are a huge issue for these applications. She suggested that peak days be included in the Vision and Goals. Planner Roy stated that they could highlight the peak days portion in the Executive Summary. Commissioner Hall expressed that she would like to be able to reference this document in five years and refer to the Vision of mitigating peak days.

Planner Roy stated that Staff would welcome notes and comments from the Commissioners, and they could return at a date to be determined to seek the Commission's recommendation. Staff would expand the Executive Summary to create more of a guiding document for the Commission. He stated they would also provide a comparison between this Plan and the 2011 Plan. He stated that they would work on synergizing certain areas of the Plan and move the strategies to the front of the main document.

Chair Phillips re-opened public comment to allow a member of the public to speak.

Benjamin Nitka stated that he is a full-time resident of Park City in Aspen Springs. He agreed with proceeding with the Plan and agreed with the Commission that there have to be solutions to the questions of where the cars and people go. He noted the bid for the 2030 Olympics, which was not mentioned as part of this Plan. He expressed that this Plan either needs to be kicked into high gear or there needed to be a new Plan because eight years did not give the City much time.

Chair Phillips observed that this was a fantastic comment and stated that this has been on his mind since they received the packet. He commented that they were required to move forward as if there were no Olympics, knowing that if the Olympics came to Utah, everything would need to be kicked into high gear. Chair Phillips stated that the item was noticed for action and invited a motion.

MOTION: Commissioner Thimm moved to continue the General Plan Supplement Update-Long Range Transportation Plan to June 22, 2022. Commissioner Suesser seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission.

- B. Annexation Petition and Zoning Map Amendment – Southeast Quinn’s Junction Annexation – The Planning Commission Will Conduct a Public Hearing on the Petition to Annex Approximately 1,200 Acres of Property in the Southeast Quinn’s Junction Area into Park City and Amend the Zoning Map of Park City to Zone the Annexed Area Recreation and Open Space in the Entry Corridor Protection and Sensitive Land Overlays. The Area Proposed for Annexation Includes Richardson Flat Property Subject to the 1999 Flagstaff Development Agreement that is Restricted to Recreation Uses and the CityOwned Clark Ranch Property, Parcels SS-65-A-X; SS-65-A-X-X; SS-65-A-1-X; SS-92-A-1-A; SS-92-A-1-X; SS-92-A-X; SS-88; SS-91-UP-X; SS-87-A-X; SS87; SS-87-B; SS-86-91-UP-X; SS-91-X; PP-28-A; SS-121-X; PP-26-A-1-AX; PP-26-X; PP-26-D-X; PP-26-A-X; PP-S-46. PL-21-05031.**

Assistant Planning Director, Rebecca Ward, introduced the City representative for this application, Trails and Open Space Manager, Heinrich Dieters. Budget Manager, Judd Briggs, also attended remotely. She explained that this was a follow-up to the April 27, 2022, Work Session on the Annexation Petition for Southeast Quinn’s Junction. The Annexation Petition was filed by Park City Municipal on October 15, 2021, and seeks to annex approximately 1,200 acres in the Quinn’s Junction area along Highway 40 and SR-248. The Petition also seeks to zone the area Recreation and Open Space (“ROS”).

Assistant Director Ward stated that the Petition included the Richardson Flat property, which was highlighted orange on the graphic presented to the Commission. This property is subject to the Flagstaff Development Agreement restrictions that outline future uses such as golf, equestrian or recreational facilities. She reported that Section 3.1 of the Flagstaff Development Agreement established an unconditional offer to annex Richardson Flat into Park City. The General Plan Quinn’s Junction Joint Planning Commission Principles, developed between

Summit County and Park City, identified future use of this area as Recreation and Open Space consistent with the 1999 Flagstaff Development Agreement.

She noted that the City leases 30 acres within the Richardson Flat property, with 650 parking spaces for City use, and 100 parking spaces for the owner of The Montage Hotel at Empire Pass. She stated that the lease allows for future recreation uses and as part of the Work Session, the Commission asked for a map outlining those 30 acres. She identified that area for the Commission, denoted in yellow on the graphic.

Assistant Director Ward continued by stating that the Petition also included the City-owned Clark Ranch property, and in 2014 the City Council approved a Real Estate Purchase Contract for the purchase of this property with Resort Communities Tax open space funds. She added that the purchase included plans for a conservation easement with a potential for limited non-open space uses. She commented that the General Plan designates this area ROS. She noted that the annexation of Richardson Flat into Park City had been envisioned for more than two decades and annexation of the Clark Ranch property would bring that City-owned property into the City's jurisdiction.

Assistant Director Ward stated that the Petition would not overlap with Hideout's attempted annexation in 2020. She highlighted the area that encompasses approximately 350 acres connected along the corridor along SR-248. She explained that when considering an Annexation Petition, the Planning Commission was to evaluate 15 criteria and the Annexation Agreement. She noted that the criteria and the analysis were outlined in detail in the Staff Report. She intended to highlight the environmental quality, services, General Plan, and proposed zoning criteria in her presentation.

With regard to environmental quality, Assistant Director Ward stated that a portion of Richardson Flat was designated the Richardson Flat Tailings Impoundment or Operable Unit ("OU") 1. Some cleanup activities have been completed, and some long-term cleanup activities were planned. She added that the Environmental Protection Agency ("EPA") cleanup does not require local permitting, and annexation of this area into the Municipal boundaries would not alter any legal liability of the City or current or future property owners. Therefore, the cleanup efforts would continue as planned.

In terms of the services criteria, she stated that the area to be annexed was already within the Park City Fire District, the School District, and the Snyderville Basin Water Reclamation District. She added that annexation would not change solid waste services, mosquito abatement services, or animal control services.

Assistant Director Ward expressed that the City would provide police, snow removal, street maintenance, planning, building and Code enforcement, as well as Trails and Open Space services. Future services may include transit and water. With regards to police service, she reported that the Park City Police, in coordination with Summit County Sheriff, currently patrols the Richardson Flat parking lot and the City has cameras installed in that lot for public safety. This level of service was expected to continue. She stated that if transit were expanded to the area, the level of service would likely increase, which would require a future budget amendment.

In 2019, the Planning Commission approved a Conditional Use Permit for a fire station that would be located in the northwestern quadrant of Quinn's Junction. She noted that a police sub-station was also planned on the Park City Medical Campus.

In terms of snow removal and street maintenance, Assistant Director Ward explained that UDOT would continue to provide snow removal services for Highway 40 and SR-248. Richardson Flat Road is the only local road, and an agreement is already in place that Park City would take over the snow removal at the time of annexation. She added that the City would be able to apply for State funds to help with the maintenance costs for Richardson Flat Road.

Assistant Director Ward stated that with regard to planning, zoning, and Code enforcement, no development was proposed for this property, and any future recreational facilities or transit hubs would trigger a Planning Commission review of a Conditional Use. Summit County already approved trails under construction on the Clark Ranch property, and the east side future trail and trailheads would go through an Administrative Planning and Building review process.

With regard to Trails and Open Space, Assistant Director Ward explained that trails were in progress for Clark Ranch East. There are also trails planned for the next year for Clark Ranch West. She added that improvement pathways were also planned, and Clark Ranch services were already in the City's budget.

Assistant Director Ward referenced the prior discussion of Park City Forward and reported that they have two draft plans in progress that identify Quinn's Junction as an important area to improve transit and multi-modal connectivity. She commented that annexation into Park City would bring those into City jurisdiction. She explained that the area to be annexed is part of the Quinn's Junction Joint Planning Commission Principles of the General Plan, where this area was envisioned as Recreation and Open Space. The General Plan specifically states that the development of Richardson Flat was to be consistent with the 1999 Flagstaff Development Agreement with future golf, equestrian, or other recreation facilities.

The applicant proposed ROS zoning for this area, and Staff also recommended that the area be included in the Entry Corridor Protection and Sensitive Land Overlays. The Overlay would protect development along SR-248 and require additional setbacks and height regulations to protect the City's eastern entry corridor.

Assistant Director Ward stated that a draft Annexation Agreement was attached as Exhibit I to the Staff Report and outlined flood plain management and preservation of environmentally sensitive lands. It also requires compliance with the Joint Planning Commission Principles. She noted that because no development was planned for the annexation area, and the proposed zoning and use were intended to remain status quo, the City Council might find that the circumstances of the annexation do not require an Annexation Agreement. She reported that Staff recommended the Planning Commission review the Annexation Petition and proposed Zoning Map Amendment, conduct a public hearing, and consider forwarding a positive recommendation for City Council's consideration on June 16, 2022.

Chair Phillips invited comments or questions from the Commissioners.

Commissioner Van Dine liked that the area would remain ROS and agreed with the Sensitive Land and Entry Corridor Overlays. Chair Phillips added that the Commission had previously inquired about any potential costs with the Tailings, which was addressed.

Commissioner Van Dine asked about the need for an Annexation Agreement. Senior City Attorney, Mark Harrington, stated that looking at having a brief Annexation Agreement similar to

the Gilmore Annexation, might be an option. With regard to the parking at Richardson Flat, Commissioner Suesser understood that the City has a 99-year lease on 30 acres but asked whether that was a permitted use under the Flagstaff Development Agreement. City Attorney Harrington answered in the affirmative.

Commissioner Suesser asked whether the statement that no development was anticipated included improvements to the Richardson Flat parking lot. Assistant Director Ward responded that at this time, no development applications were pending. If this property were to come within the City's boundaries, any development that was in compliance with the ROS zone and the Flagstaff Development Agreement could move forward through the usual development process. She offered that there could be the development of recreation facilities or improvements to transit facilities, and anything over 600 square feet would trigger a Conditional Use review by the Planning Commission, with a public hearing.

Commissioner Suesser expressed that she thinks about that lot with respect to what Vail has proposed about parking its employees and anticipated that some improvements would be necessary to accomplish that.

Commissioner Hall commended Staff for its work on this Petition.

Chair Phillips opened the public hearing.

Bill Ciraco stated that he resides in Aspen Springs. He stated that the discussion tonight and in the prior meetings reminded him of a comment by Commissioner Kenworthy about pulling back to look at this from a 30,000-foot level. He referenced the Work Session presentation for the Film Studio project, and this land borders that property. The City owns 55 acres immediately south of the Film Studio and 40 acres across SR-248 to the west. He asked that the Commission include these comments and thoughts when the Commission sends this along to City Council.

Mr. Ciraco referenced Chair Phillips' comments tonight regarding how some of the elements of the General Plan and the Long-Range Transportation Plan were obsolete. He felt that some elements of the Flagstaff Development Agreement were obsolete, and suggested they preserve some options when they think about the future.

He noted that Kimball Junction was pretty much lost to the City at this point as a functional entry into Park City, and Quinn's Junction provided another opportunity to fix some of the things that they have done wrong regarding access. He referenced Commissioner Hall's comments regarding traffic calming measures in the Long-Range Transportation Plan. He suggested that the way to affect traffic calming is to get cars off the road.

Mr. Ciraco implored the Commission to think about these issues when forwarding this to City Council. He added that the liability does not transfer to the City for the contaminated soils on the site just because they annex the property, but if there is no flexibility in the City's thinking about what happens with the property if it remains as intended in the Flagstaff Development Agreement that would guarantee that it would remain contaminated forever. He suggested using the leverage they have to make some improvements for Park City.

Rory Murphy referenced page 29, Section 3 of the Flagstaff Development Agreement, entitled "Additional Public Benefits." He read the first line as follows: "The developer unconditionally

offers to annex Richardson Flat to the City.” He stated that there was no ambiguity in that statement. He stated that this annexation had been contemplated for 23 years and added that he was at the table when the Agreement was written. He explained that this involved a 5 – 6-year entitlement fight that made anything they have done recently look tame in comparison. He stated that the fight was all about Empire Pass and the development that occurred there. He explained that there was a lot of blood, sweat and tears shed over this document, and it’s not obsolete.

He stressed that the land was designated for a golf course or open space, and a deal is a deal. Mr. Murphy stated that for 10 years, he was Vice President of United Park City Mines Company, the predecessor in interest to Talisker. He understood that United City Park Mines had recently sold this property and the new owner does not get to pick and choose the parts of the Agreement that will apply.

Mr. Murphy stated that the future of this property was decided and was always meant to be annexed with the trade-off being that it would not be developed. Although he has not worked with the developer for 22 years, he stressed that they made promises and those promises need to be kept.

There were no further public comments. Chair Phillips closed the public hearing.

Commissioner Hall asked Staff to address page 29 of the Flagstaff Development Agreement, as raised by the public comment.

City Attorney Harrington stated that Staff was recommending annexation subject to the same terms of the Flagstaff Development Agreement, with no modifications to these restrictions. Any future modification would have to go through a transparent, public application process. He opined that they did not have to address a potential future unknown event, because a public process exists. He referenced Section 3.1 of the 2007 Amended Flagstaff Development Agreement that further clarified the parking use and is expressly consistent. Mr. Murphy clarified that he enthusiastically endorsed this effort.

Chair Phillips felt that everything was consistent and followed the intent of the Development Agreement. He expressed that he was happy where they were at with this and that this Petition was ready to go to City Council.

MOTION: Commissioner Kenworthy moved to forward a positive recommendation for City Council’s consideration on June 16, 2022, on the Southeast Quinn’s Junction Annexation Petition as outlined in the Draft Ordinance attached as Exhibit A to the Staff Report. Commissioner Hall seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission.

C. Land Management Code Amendments – Fractional Ownership – The Planning Commission Will Review Proposed Land Management Code Amendments to Define Fractional Ownership of Single-Family Dwellings and Restrict them to the Historic Recreation Commercial, Historic Commercial Business, Residential Development, Residential Development – Medium Density, Recreation Commercial, Regional Commercial Overlay, General Commercial, and Light Industrial Zoning Districts. PL-22-05210

City Planner, Spencer Cawley reported that prior to this meeting, Staff received a public comment that was forwarded to the Commission. A letter was also printed and provided to each Commissioner. Planner Cawley explained that Fractional Ownership is percentage ownership in an asset, typically something luxurious like cars and aircraft. In this case, they are referring to Single-Family homes in Park City. Fractional Ownership also generally involves a management company and ownership is through an LLC, with the management company overseeing regular upkeep and operations. He stated that affordability is a significant reason for interest in Fractional Ownership. In addition, shared responsibilities for furnishings and upkeep, management, maintenance, and flexibility to use the dwelling are other reasons why Fractional Ownership is attractive.

Planner Cawley explained that Utah Code defines Timeshares as a small, undivided fractional fee interest in real property by which the purchaser does not receive any right to use the accommodation, except as provided by contract, declaration, or other instrument defining a legal right. The Utah Code also states that as a right to occupy fixed or variable accommodations during three or more separate fixed or variable time periods over a period of at least three years, including renewal options, whether or not coupled with an estate in land.

Planner Cawley stated that the LMC currently requires a CUP and an evaluation of Timeshare instruments, rules and regulations, management, utility service payments, the minimum duration of stay intervals, and parking considerations. He compared that to Private Residence Clubs, which also are defined in the LMC as ownership of a condominium unit that is shared by no less than four and no more than 12 owners and operated by a property management service that provides reservations and registration. Private Residence Clubs differ from Fractional Ownership use in the management strategy and shared ownership of Single-Family dwellings that are typically located in residential neighborhoods.

Planner Cawley listed the zones in which Timeshares and Private Residence Clubs are allowed as a Conditional Use. Private Residence Clubs have an expanded use in additional zones as they are typically multi-unit dwellings in commercial zones or zones that are proximate to resorts. He noted that what sets Fractional Ownership apart is that it is shared ownership of a Single-Family dwelling typically in Residential zones or neighborhoods. He explained that Staff had four recommendations for the Planning Commission's consideration to address this ownership model. The proposed amendments seek to:

- Define Single-Family Dwelling Fractional Ownership/Use,
- Require a Conditional Use Permit and Management Plan,
- Direct Single-Family Dwelling Fractional Ownership Use to zoning districts that allow Timeshares and Private Residential Clubs, and
- Require an active Business License.

Planner Cawley referenced certain goals in the General Plan established to create diversity in housing opportunities. One of those goals is to allow for occupancy of full-time residents within primarily Residential zones.

Another goal is to increase affordable housing by offering opportunities for workforce in primary Residential neighborhoods. He noted that the City Council adopted the Lite Deed Restriction Pilot Program on May 5, 2022, to provide more housing supply for year-round residents. He stated that the General Plan acknowledges that neighborhoods where secondary homeownership and nightly rentals were appropriate to support the City's resort economy and the goals of the General Plan.

Planner Cawley presented a map that depicted the Primary and Secondary homes within Park City. He reported that the Budget Department evaluated Primary versus Secondary from 2015 to 2021, and although there was a dip in 2020, they generally had around 3,000 Primary residences throughout the City. He stated that the proposed amendments for Fractional Ownership/Use of Single-Family Dwellings are directed to those same zoning districts that allow the Timeshares and Private Residence Clubs to protect primarily Residential neighborhoods for the City's primary residents.

Planner Cawley explained that the Commission was requested to consider the following definition of Single-Family Dwelling, Fractional Ownership/Use: "Any Single-Family property which is owned by an LC or LLC, which limits the LC or LLC members, shareholders, owners' right to occupy the property by member shareholder's agreement or any other contract which limits owner use of the property to Fractional reservations under 30 days at a time. Other factors include, but are not limited to, centralized management, advanced reservations, fee electronic app reservation systems, maximum day limits on each owner's overall reservation or use of the property, and fixed management subscription fee as part of the initial purchase."

He clarified that not all residences with multiple owners or that are owned by business entities such as a family trust or LLC, or a corporation without fractional use limitations, fall under the proposed definition. The definition is directed specifically at the regulation of the management model, that is the period of use, managed by a centralized entity, with advanced reservations or a management fee.

Planner Cawley proffered that the Planning Commission was requested to consider whether there should be a time period longer than the 30 days specified in the draft definition. With regard to the proposed amendment to require a CUP and a Management Plan, Planner Cawley explained that this was consistent with Timeshares and Private Residents Clubs. A CUP and Management Plan would require the Planning Commission's review and would trigger a public notice to neighboring property owners within 300 feet of the property, which would allow neighbors the opportunity to provide input and offer transparency.

Within the CUP and Management Plan, he stated that there would be a prohibition of nightly rentals, on-street parking, outdoor display of goods and merchandise, and signs and commercial uses not otherwise permitted in that zone. The Management Plan would outline several items that would be considered a satisfactory level of management and maintenance. This would include items such as snow removal, yard, and structural maintenance, routine upkeep, trash collection, and noise control. He added that the Management Plan would also be required to identify the proposed use, including the method of management, restrictions on the

use or occupancy of the property, and any additional documentation that Staff or the Planning Commission would deem necessary for the evaluation of use. He stated that a Business License would also be required.

Planner Cawley addressed the third recommended amendment that would direct Single-Family Dwelling Fractional Ownership/Use to Zoning Districts that allow Timeshares and Private Residential Clubs. He provided the list for the Commission and highlighted the allowance of this use in a Residential Development, except for those subdivisions that restrict nightly rentals through LMC amendments. The excepted developments include April Mountain, Mellow Mountain Estates Subdivisions, Meadow Estates Subdivisions Phases 1A, and 1B, Fairway Meadow Subdivision, and Hidden Oaks at Deer Valley Phases 2 and 3.

Planner Cawley presented a map showing where Fractional Ownership of Single-Family Dwellings would be prohibited, as shown in red. The green areas showed where these uses would be allowed. He next addressed the amendment that would require an active Business License for Fractional Ownerships. Within the Zoning Districts where Single-Family Dwellings are allowed, the ownership model is what this Ordinance would regulate, not the property. He offered that requiring a Business License would help with tracking and enforcement. He reported that Finance and Planning Staff were working to implement a Business License for each Single-Family Dwelling Fractional Ownership/Use.

Planner Cawley detailed that Notice was sent via postcard notice on May 10, 2022, to property owners within the affected Zoning Districts. Public notice was posted to the Utah Public Notice website and City website on May 9, 2022. The *Park Record* published a legal notice on May 11, 2022. He stated that Staff recommended the Planning Commission review the proposed LMC Amendments to define Single-Family Dwelling Fractional Ownership/Use, establish Fractional Ownership/Use of Single-Family Dwellings as Conditional Uses, establish additional review criteria in those Zoning Districts that allow Timeshares and Private Residents Clubs, and to require a Business License for the management of each Single-Family Dwelling Fractional Ownership/Use. He added that Staff also recommended the Planning Commission conduct a public hearing and consider forwarding a positive recommendation for City Council's consideration on June 23, 2022. He noted that line 262 of the Draft Ordinance be amended to include footnotes 3 and 19, which were inadvertently omitted.

Planner Cawley announced that representatives of Pacaso were attending virtually and available to provide a short presentation should the Commission deem it necessary.

Commissioner Suesser noted that the map showing where Fractional Ownership/Use would be permitted was not the best graphic, and she would be interested in the areas of Old Town. She requested Staff provide her with a more detailed view of this map.

Chair Phillips opened the public hearing and invited the representatives from Pacaso to provide a short presentation.

Sarah Filosa identified herself as the Public Affairs Manager for Pacaso. She explained that Pacaso is a real estate service that supports people who want to co-own second homes. For generations, groups of friends and families have co-owned second homes in Park City and the experience was labor intensive and could strain personal relationships. She stated that Pacaso simplifies the owner experience. Generally, between two and eight families co-own and control

100% of a luxury home. She noted that on average, these homes are 7 times the average price point of a primary home.

Ms. Filosa expressed that these owners also employ Pacaso as a full-service property manager to reduce the hassle of second home ownership, and Pacaso offers a fully managed experience. She explained that as a property manager, Pacaso takes care of the details so that owners may enjoy their second home without the hassle. A local home manager is provided that serves as a liaison between owners, vendors, and neighbors. She stated that the Park City home manager is a Park City resident. She added that Pacaso supports owners with cleaning, landscaping, interior design, streamlined bill pay, home maintenance, easy and equitable scheduling, and home policies and enforcement.

Ms. Filosa stated that the Pacaso clients are owners, not vacation renters. Unlike vacation renters, co-owners make a large investment and return to their home to make lasting memories just like any other second homeowner. She added that Pacaso owners invest in relationships with Park City community members, support local businesses year-round, and typically have either children or are considering retirement in the region. All of the owners pay property taxes, put a minimum of 30% cash down, and clear a credit and criminal background check before the close of escrow. She stressed that these owners are new neighbors, not nightly renters. Ms. Filosa expressed that Pacaso values neighbor relations and have policies in place that reflect its commitment to the community. Their professional management service prevents and/or quickly resolves any community issues. She reported that all owners agree to sign a Code of Conduct as a condition of sale and within that, there is a prohibition against rental of the property, a prohibition of large events, and the observance of quiet hours between 9:00 p.m. and 7:00 a.m.

In addition, owners may not use the home for any commercial use and may not have any non-essential street parking. She explained that if an owner violates any of these policies, Pacaso could take action up to and including suspension. As of today, Pacaso has not received any complaints from neighbors about their homes in Park City.

Ms. Filosa highlighted some of the economic impacts of these homes. She stated that Pacaso worked with EVP, a trusted economic research firm, to estimate the economic impact that Pacaso homes have been in the top five second-home destinations across the country. They found that Pacaso helped aggregate second-home demand into fewer top-tier luxury homes, reducing competition for middle-tier single-family homes.

In addition, Pacaso homes typically cost 7 times more than the average primary home. Year-round home use means that Pacaso homes result in nearly 10 times more spending at local businesses compared to the average second home. With that, Pacaso owners are as a result making more tax contributions than the traditional second homeowner.

Ms. Filosa outlined the differences between Pacaso, a timeshare, and nightly rental. She explained that Pacaso owners own their real estate. They purchase a share of specific property as part of a multi-member LLC, and the LLC is the singular deeded owner of the property. Pacaso does not retain any ownership in the home, which is owned 100% by the co-owners. Unlike a timeshare, if Pacaso were to go out of business, the co-owners would retain ownership of their home. She explained that owners could sell their shares at any time after 12 months, and the other owners have a five-day right of first refusal. After that time, the owners determine the list price and market and list the shares through Pacaso or on the MLS.

Ms. Filosa addressed the proposed modifications to the LMC. With respect to the expansion of permitted zones, she stated that professionally managed co-ownership should be accessible in all Single-Family zones. Currently, 15% of second homes in Park City are owned by an LLC, and 22% of second homes are owned by a company. She highlighted that Pacaso owners own 100% of their home through an LLC co-ownership. She noted that some zones that permit nightly rentals were excluded from the proposed Ordinance. She noted that co-ownership was a more sustainable use of second homes than short-term rentals. Allowing owners to purchase in zones that permit short-term rentals helps prevent a home from being converted to a nightly rental.

Ms. Filosa added that alternative options for the ownership of second homes would help alleviate the pressure off of primary residential housing stock. She next addressed Single-Family Fractional regulations and stated that CUP hearing related to Pacaso-acquired properties were likely to be duplicative, given the identical business model, use, and ownership structure. She offered that a streamlined approach would be an efficient use of City resources. Therefore, in the place of a CUP, Pacaso suggested that Park City adopt a set of specific requirements that Single-Family Fractional Owners must meet. This would be similar to how the Park City Code includes special requirements for the regulation of nightly rentals and regulation of food truck locations. Therefore, the LMC would classify Single-Family Fractionals as a permitted use in the zones with a footnote that an applicant would be required to obtain from the Planning Director an Administrative approval letter confirming compliance with the regulations.

Ms. Filosa listed the criteria for a Single-Family Fractional to be considered a permitted use in those zones:

- Prohibition of signs
- Prohibition of nightly rentals
- Prohibition of on-street parking
- Prohibition of outdoor display of goods and merchandise
- Prohibition of a commercial use not otherwise permitted in the Zoning District
- Existence of property management with a local point of contact
- Snow Removal service
- Yard Maintenance
- Structural Maintenance
- Occupancy Limits
- Noise control
- Maintenance of a Business License with Park City

Chair Phillips thanked Ms. Filosa for the presentation.

Charles Meal identified himself as President of the Fairway Meadows Homeowners Association ("HOA"). He stated that the HOA adamantly opposed any fractional ownership or similar schemes in their HOA and offered that it appeared that Park Meadows would not be subject to these uses. He stated that in his neighborhood, he recognizes people on the street, and it is a community that is overwhelmingly full-time Park City residents. He stated that to have fractional ownership would create many administrative issues with the HOA, and he would not be able to recognize all of his neighbors. He felt their community would not be as safe and emphasized that fractional ownership would simply not work in HOAs. He hoped that something could be

adopted that would limit the availability of fractional ownership and prohibit them in some neighborhoods.

Rylan Kramer had difficulty connecting via Zoom. City Planner *Makena Hawley* read his comment submitted via the chat as follows: "If this moratorium is passed, it will have a severe impact on Park City's economy. There are multiple variables that are not being considered for how this could impact Park City's economy. If this moratorium is passed, it will be the start of a decline in real estate in the Wasatch Back. If this moratorium is passed, you will severely hurt the housing market, winter tourism that stimulates our economy, and the real estate industry that represents the residents of Park City. Please see the big picture and negative domino effect that could take place if this moratorium is passed."

Todd Bice stated that he and his family are owners of 135 Norfolk, which is one of the properties managed by Pacaso. He was a lawyer for 30 years and recognized and appreciated the need for local governments to regulate property. He noted that this would not regulate property or land use. He observed that Staff acknowledged that this ordinance would regulate a management model.

He added that private parties have for years managed joint ownership of property in all forms. It is common for the owners of the legal entity to have a private agreement as to how the property would be used. He offered that this is what Pacaso has done and added that the convenience Pacaso provides is what made him and his family go with them. He noted that he could have purchased a property, formed an LLC, and sold off units within the LLC.

Mr. Bice felt that the map was misleading because Fractional Ownership would be allowed in even those areas depicted in red. What would not be allowed would be the management model targeted by this Ordinance. He does not object to local government appropriately regulating property, but it must be done in a reasonable and non-discriminatory manner. He felt that this proposed ordinance discriminates and punishes those who use the Pacaso model. He stressed that he could hire some management company other than Pacaso, but Pacaso's services have been good, and they provide a booking and technology platform that helps all of the owners use the property in the manner most efficient and convenient for them collectively.

Mr. Bice emphasized that the problem with the draft Ordinance is that it would not prohibit Fractional Ownership anywhere; it simply prohibits a form of Fractional Ownership that is specific to Pacaso and its' technology, which the proposed definition of Fractional Ownership essentially admits due to its reference to the use of an app. He questioned why a business would be singled out because it uses an app to manage the scheduling of the property and offered that this would not serve any governmental purpose. He commented that this would not preclude Fractional Ownership anywhere; it would only preclude a particular type of business operation by Pacaso, which he felt was not an appropriate land use restriction. Fractional ownership exists all over the country and in Park City, and this ordinance simply punishes those who use Pacaso.

Benjamin Nitka resides in Aspen Springs. He commented that Pacaso provided a lot of information that was merely an extrapolation of taxes and revenue streams. He felt that there were enough caveats that the only real numbers might have been from some tax entities, while everything else was just numbers that do not mean anything. He added that Pacaso submitted lots of information trying to justify what they do, yet they acknowledge that the numbers might not be accurate. He also stated that the City designated primary residential areas for a reason.

The City wanted to promote full-time residents in the community. He urged the Commission to look to the future because the City will not survive in the long-term if entities buy out all of the single-family homes in the community. People want to live here and raise their children or grandchildren in a community that they recognize. Mr. Nitka referenced communities like Aspen that have a lot of money but do not have full-time residents because they were aged out and priced out. Park City was yet at this point, but if the City does not enforce the rules regarding primary residential communities, it will hurt the City.

Bill Ciraco stated that he resides in Aspen Springs and is a member of the Aspen Springs HOA Board. He noted that in 2020 when Tony Shea started acquiring property in Aspen Springs, the community became concerned with fractional, transient, and nightly rentals, which destroy the fabric of the community. He stated that there are locations in Park City in which the zoning allows Fractional Ownership. He referenced the comments of Mr. Bice and stated that Park City was more than a resort; it is a town of people who live here full time. He stressed that there is no constitutional right to a fractional share of a vacation home that costs \$7 million. Mr. Ciraco noted there are plenty of homes for sale in Park City and there are plenty of places around the country where someone could find a second home. He urged the Planning Commission to work with Staff and implement some regulations so that the fabric of Park City does not get destroyed.

City Attorney Harrington reminded Chair Phillips to reference the Board of Realtors letter received by the Commission and verify that it was sent to Commissioners Suesser and Thimm. Commissioner Suesser confirmed that she received the letter from Jamie Johnson, Park City Board of Realtors, forwarded by Director Milliken. Commissioner Thimm confirmed that he received and read the letter.

Dustin Moore stated that he is an owner through Pacaso at 1360 Empire. He felt that this was a solution looking for a problem. He referenced Pacaso's presentation that they have not had a single complaint from any residents, yet those who spoke against Pacaso seem to be worried about what might happen, with no data to support what has happened. With regard to the comment about a possible increase in crime, Mr. Moore felt that most Pacaso owners were executives, not criminals. They are people who were looking to buy homes in Park City already, and this presented a reasonable solution.

He stated that he and seven owners of his home were all looking for homes in the \$1 million to \$1.5 million range, which would have taken eight homes off the market. The homes would have then sat vacant for 10 to 11 months out of the year. With Fractional Ownership, only one home was taken off the market that is considerably more expensive than the median home. The owners are all vibrant members of the community, paying taxes and supporting local businesses. He felt all of this was good for the community. He reiterated that he would have likely purchased a home in Park City anyway and would have competed with those wanting to buy median homes. He felt this was a great solution for those who want to be a part of the Park City community.

Mike Hludzinsky stated he has been a realtor in Park City for 20 years. He has worked with Pacaso and echoed Mr. Moore's comments. In his experience, Pacaso was buying the \$7 million homes, and he felt that not many locals were buying homes in that range. Fractional ownership was not taking away affordable housing for those who have children in school. He found that fractional owners have home ownership pride and Pacaso ensures that the homes are maintained and not used for nightly rentals or events. The owners are not taking the \$1.7 or

\$2 million single-family homes off the market, these owners are buying into \$7 million homes, which should not impact the affordability factor. It takes buyers away from the lower-priced homes. Mr. Hludzinsky supported Pacaso and what they are doing. He stated that he has worked with plenty of people who own homes with others under an LLC, and that has been going on for decades.

There were no further public comments. Chair Phillips closed the public hearing.

Chair Phillips saw both sides of the argument but felt there were impacts associated with Fractional Ownership. He saw this as striking a balance. This would not ban these uses but rather would zone it appropriately for zones that have similar uses. He expressed support for Staff's recommendations. He asked if the item should be continued unless the rest of the Commission felt ready to move forward. Commissioner Hall expressed that she would like to move on this and noted that this would proceed to the next body to allow further comment and review. She agreed that this would not be an outright ban of these uses, and there were specific zones in the community where these belong. She expressed this was not a punitive amendment and would circumvent the semantics in the LMC. She felt these amendments were in line with the General Plan to put these uses in the proper zones.

Commissioner Hall suggested adding "co-ownership" in addition to "Fractional Ownership" to the definition. She also suggested adding a business entity, which would include a corporation, LC, or LLC. In the "other factors" section, she would like to see language along the lines of "unrelated parties" to clarify that this relates to people who did not know each other before the purchase. She asked who would decide on whether ownership would be considered Fractional. City Attorney Harrington responded that it would ultimately be a determination by the Planning Director if it remains as is in the LMC. He noted that if it were amended to be more of a business model, it would go before the Finance Department. He suggested that the Commission would want to carefully choose the definition to regulate the use unless they wanted to regulate all Fractional Ownerships.

Commissioner Hall clarified that this Ordinance was not trying to regulate family members who buy a home together; it seeks to regulate unrelated parties. With regard to the footnote for nightly rentals on page 15, Commissioner Hall asked if there was a way to add HOAs that ban nightly rentals to the definition within the footnote. City Attorney Harrington did not recommend that change since HOAs have their own regulations.

Commissioner Hall agreed with some of the comments that Fractional Ownership would be a great replacement for nightly rentals, and these homes belong in a nightly rental zone. She emphasized that this does not ban Fractional Ownership; they are just limiting the use to certain zones. Chair Phillips recognized that it is also a new use that needed to be codified.

Commissioner Suesser asked for clarification on whether HOAs could prohibit Fractional Ownership. City Attorney Harrington stated that City Code was written to recognize that HOAs have their own rules and regulations, and the City does not enforce HOA provisions. As part of the consideration of applications, the HOA is only provided with notice, so they can take their own enforcement action if they feel there would be a violation. He reiterated that they try to enable effective enforcement at the HOA level, but they do not delegate the police authority to private organizations over which the City has no control.

Commissioner Suesser referenced the public comment that allowing Fractional Ownership in Park Meadows would override any restriction in the HOA By-Laws. City Attorney Harrington stated that enforcement would depend on how the By-Laws were written and noted that it may incorporate a reference to allowed uses within the zone. The HOA could generally be more restrictive.

Commissioner Van Dine asked if they could add to the CUP process that the applicant has complied with the underlying HOA. City Attorney Harrington answered in the negative and referenced the discussion regarding pickleball courts. There was further discussion regarding proof of notice.

Commissioner Van Dine agreed with Commissioner Hall's comments and felt that this went back to their core values and sense of community and supporting the local residents. She noted that they were allowing this use in zones that already support that use, and certain neighborhoods, such as Park Meadows, still have affordable housing and if they do not regulate these uses, there is nothing to prevent Fractional Ownership from bleeding into those communities. She emphasized that it was important to keep these in the appropriate zones to maintain and support the local, full-time residents. She expressed her support for these amendments.

Commissioner Kenworthy offered that the General Plan clearly states that they are to protect primary residents and neighborhoods, and this would be consistent with that mandate.

Commissioner Suesser supported the Ordinance as drafted; however, she expressed concern about keeping the zones as outlined intact. She felt it would be hard to defend against these types of Fractional Ownerships in zones where nightly rentals are permitted. She hoped these ownerships would not bleed into other neighborhoods where they are trying to maintain a sense of community and primary residences.

Commissioner Thimm agreed with Commissioners Suesser and Van Dine. Commissioner Johnson also agreed.

Commissioner Hall asked for feedback on her suggested amended definition to include "corporations," and "related parties." Commissioner Suesser referenced City Attorney Harrington's caution about moving into regulating other entities such as trusts. Chair Phillips and Commissioner Kenworthy liked the language to clearly state that they were not regulating families. Chair Phillips reiterated that this is a new use, and the City regulates residential homes. He could not think of any uses that are allowed in all parts of the City. He felt this would strike a good balance.

MOTION: Commissioner Thimm moved to forward a positive recommendation concerning the Land Management Code Amendments for Fractional Ownership to the City Council for their consideration on June 23, 2022. Commissioner Van Dine seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission.

D. 543 Park Ave - Hotel, Minor Conditional Use Permit - The Applicant Requests a Minor Hotel Conditional Use Permit to Convert the Washington School Inn, a Landmark Historic Structure on the Park City Historic Sites Inventory in the Historic Residential -- 1 Zoning District, from a Bed and Breakfast to a Minor Hotel with Accessory Facilities for Events. PL-20-04477.

Chair Phillips noted that Commissioner Van Dine was excused from the remainder of the meeting.

Chair Phillips reported that they were at the end of the meeting, but because this item was publicly noticed, they would proceed with the public hearing. The applicant was agreeable to continue this item to a date certain.

Planner Sebright provided the Commission with an update on this item. One of the issues was Accessory Use and whether the definitions proposed by the applicant met the definition of Accessory Use to the proposed Hotel Minor Use. Additionally, in the draft Final Action Letter Staff acknowledged that it was incomplete as it included references to the prior proposal. They anticipated bringing back a complete Draft Final Action Letter at the next meeting. He noted that this item was noticed for a public hearing and Staff recommended continuation to a date certain on June 8, 2022.

The applicant reported that they updated their application to not allow any exterior use of the building other than by the overnight guests.

Chair Phillips opened the public hearing.

Bill Dark stated that he resides at 594 Park Avenue. The Washington School is approximately 250 feet above his home. He noted that this morning, he listened to a conversation between a painter and the homeowner near the School. Sound travels down the hill, and he stated that if there were to be a commercial entity above his home, it would destroy what quiet neighborhood they have. He also mentioned increased traffic for the restaurant, the associated noise, and trash removal on a daily basis. Mr. Dark referenced the comments regarding supporting full-time residents and noted that full-time residents were a dying breed on Park Avenue. They have a nice street and would like to keep it that way.

Chair Phillips closed the public hearing. He thanked those members of the public who attended this meeting.

MOTION: Commissioner Kenworthy moved to continue the Applicant's Request to Convert the Washington School Inn from a Bed and Breakfast to a Minor Hotel by June 8, 2022. Commissioner Hall seconded the motion.

VOTE: The motion passed with the unanimous consent of the Commission who were present.

5. ADJOURN

MOTION: Commissioner Thimm moved to adjourn.

The meeting adjourned at approximately 10:30 p.m.