PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
April 19, 2018

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, April 19, 2018.

CLOSED SESSION - 2:30 p.m.

2:30 p.m. - To Discuss Property, Personnel, and Litigation

WORK SESSION

4:00 p.m. - Council Questions and Comments

4:15 p.m. - Discuss Community Development Customer Service Regarding Land Use and Building Permits
Customer Service Staff Report

5:15 p.m. - 2030 Olympic Bid Update
2030 Olympics
Exhibit A - 2002 Community Compact

REGULAR MEETING - 6:00 p.m.

I. ROLL CALL

II. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communications Reports

1. Main Street Microseal Project Outreach Efforts for Users of the Outdoor Deck Program
   Spring 2018 Main Street Microsurfacing Project Outreach Staff Report
   Main Street Microsealing Notification

2. PCMC Spotlight Video Series: Economic Development Grant Profile - Part 1
   Mountain Hub Avatech Video Premiere

3. Vibrancy (Vacant Storefront) Ordinance Enforcement
   Vibrancy Ordinance Report.pdf

III. PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

IV. CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from April 5, 2018
4.5.18 Minutes

V. CONSENT AGENDA

1. Request to Support the City Manager in Appointing Leah Langan as a Deputy City Recorder of Park City Municipal Corporation
   Deputy Recorder Staff Report

2. Request to Approve a Lease of Miners Hospital for the Egyptian Theatre (YouTheatre) to hold Theatre Camps Summer 2018, in a Form Approved by the City Attorney

   YOUTHEATRE Miners Hospital Lease Staff Report
   Exhibit A - YouTheatre 2018 Lease

VI. NEW BUSINESS

1. Consideration to Approve Resolution 07-2018, a Resolution Recognizing May 2018 as Mental Health Awareness Month in Park City
   (A) Public Input (B) Action

   Mental Health Awareness Month Staff Report
   Resolution 07-2018 Mental Health Awareness Month

2. Consideration to Approve Resolution No. 06-2018, a Resolution Setting Forth a Policy for Park City Cemetery Operations and Services and Repealing and Replacing Resolution No. 03-14 in its Entirety
   (A) Public Input (B) Action
   Cemetery Staff Report
   Resolution 06-2018 Cemetery
   Resolution 03-14 Cemetery

3. Consideration to Approve Ordinance 2018-15, an Ordinance amending the Land Management Code of Park City, Utah, Chapter 15-2.24 Transfer of Development Rights (TDR) Overlay Zone Sections 15-2.24-2(B), 15-2.24-4(A)(1), and 15-2.24-5(A)(7) Related to the Sending Treasure Hill Overlay Zone
   (A) Public Hearing (B) Action

   LMC Amendment TDR Staff Report and Ordinance

VII. ADJOURNMENT

VIII. PARK CITY REDEVELOPMENT AGENCY

IX. ROLL CALL

X. PUBLIC INPUT (ANY MATTER OF CITY BUSINESS NOT SCHEDULED ON THE AGENDA)

XI. NEW BUSINESS

1. Consideration to Approve the Purchase of 1995 Cooke Drive, Amend the Deed Restrictions to Align with Current Program Guidelines and Goals and Determine the Best Use for the Property
   (A) Public Input (B) Action
   1995 Cooke Drive Staff Report
   Exhibit A-Valuation 1995 Cooke Dr.

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting. Wireless internet service is available in the Marsac Building on Wednesdays and Thursdays from 4:00 p.m. to 9:00 p.m. Posted: See: www.parkcity.org

***Parking validations will be provided for Council meeting attendees that park in the China Bridge parking structure.**

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Anne Laurent
Submitting Department: Community Development
Item Type: Work Session
Agenda Section: WORK SESSION

Subject:
4:15 p.m. - Discuss Community Development Customer Service Regarding Land Use and Building Permits

Suggested Action:

Attachments:
Customer Service Staff Report

City Council Staff Report

Subject:	**Building, Planning, and Engineering Customer Service & New Permit Software Update**
Author:	**Anne Laurent, Community Development Director**
Department:	**Community Development**
Date:	**April 19, 2018**
Type of Item:	**Work Session**

Summary Recommendation

Staff recommends the City Council discuss and provide input on the suggested customer service goals and measurements as they relate to land use approvals and building permits - primary regulatory functions the Building, Planning, and Engineering Departments provide for the community. This is the first of two customer service work session discussions. Staff chose to hold this regulation discussion prior to the broader city wide customer service discussion because of the specific concerns raised by City Council.

Executive Summary

Last month the City Council discussed customer service concerns they continue to have during the second day of their retreat, March 2nd. The City Council hear many complains from community members that the land use approval and building permit processes and requirements are onerous, unreasonable, slow, expensive, and inconsistent to name just a handful of adjectives. This report provides information about staff efforts and strategies in place, or in progress, to facilitate further discussion about what customer service means in a regulatory operation, and how it might be appropriately measured to determine its effectiveness. Additionally, this report provides an update and overview of the new permit software the Community Development Team has contracted for and is implementing over the next few months.

The Problem

Enforcing rules and telling community members and workforce that they cannot do what they want to do with the property, buildings, and business they own or are being paid to design or construct creates controversy and is stressful for all involved. The discussions and interactions can be personally emotional and may affect real estate transactions and investments either financially or causing delays to the desired schedule. From a customer perspective, particularly those not familiar with the entire process of building or renovating a home, the City's process often take longer than expected. From a staff perspective, application information is often incomplete or inaccurate and does not demonstrate how the project complies with the code.

Furthermore, many people are involved at different points in the land use approval and building permit processes – property owners, investors, lenders, attorneys, tenants, surveyors, architects, engineers, contractors, and sub-contractors. Throughout the process the point of contact and communication is often not consistent throughout the entire process for staff or the customer. Approvals also involve staff outside of the Community Development Team and outside of the Park City Municipal Cooperation when for all utility services (water, sewer, electric)

Lastly, the applicable codes are technical and complex due to Park City's terrain, mining legacy, and the policy maker's strong desire to protect the unique sense of place that attributes to Park's City's character, charm, and economic stability. It is challenging for anyone who is not experienced or familiar with Park City's Municipal Code to propose a new development or be a new staff member learning the ropes. Customer requests are perceived by them and presented to staff as simple, but often quickly become more complex as the applicable codes and restrictions are assessed and discussed by the customer and staff. It is also important to highlight that staff is not perfect, and when mistakes are made it is understandably frustrating to the direct customer and any party who is negatively affected by that mistake.

Background

Community Development staff efforts over the last two years have been focused on:

- Resolving very large developments with legacy entitlements that have been controversial for many years in the community;
- improving upon the consistency in which applications are accepted and deemed complete or field inspections are performed;
- better coordinating the land use conditions of approvals and historic district design requirements with the building inspection and code enforcement activities;
- developing checklists for plan reviews and inspections; and
- evaluating and selecting a new permit software system that better tracks, reports, and allows customers to see the status of their application or inspection in real time.

In researching what other local municipalities have used to assess the customer service effectiveness of their land use and building permit processes, common themes were: Attitude, knowledge, and timeliness of staff; quality and helpfulness of website materials; availability of development assistance resources (staff or educational materials); and ability to do business electronically (applications, plan review, inspection results, etc.)

Although plans are in the works, the Community Development Team has not issued regular customer surveys based on the topics listed above because the new permit software has not been implemented. Staff recommends working with Community Engagement staff to issue customer service surveys electronically after they have completed their transaction – within a few months of the new software being in use. Community Development Staff can report quarterly the results to the City Manager and City Council and can serve as a basis for future discussions.

The new permit software has been selected and a contract has been signed for My City Inspector software. It is the same software used by Wasatch County and very similar to the system Summit County has implemented. The software implementation has taken a year longer than initially expected largely due to resolving how the fee data will migrate to the financial software, how the data will be backed up and accessed for the purposes of record retention and access, and staff turnover in the building department.

The new permit software will meet the top priority improvement request of the customers interviewed in 2016, at the request of the City Manager, to have an electronic plan review submission and tracking system. The new software provides real time transaction data such as the application types, amounts, timeframes, and communications between the customer and the staff. The software also has the capability to send email notifications to multiple recipients at the same time such as a contractor, property owner, and architect. One feature of the new software that staff is most excited about is the ability for contractors to schedule inspections electronically, and to perform inspections on a laptop or tablet with immediate notifications of the results to the customer. The implementation schedule is as follows:

- Week of April 16, 2018 - contract signed
- April 25, 2018 - staff kick-off meeting
- May/June - data transfer, software customizing and staff training
- July 2, 2018 - stakeholder training period begins
- August 6, 2018 - tentative go live date.

Analysis

An analysis of Building, Planning, and Engineering’s customer service performance as it relates to land use approvals and building permit processes will be more effective once more and better data is collected and the supporting technology is upgraded. However, staff is very aware of many customers’ negative perceptions and the types of issues that are raised on a regular basis. There is plenty of room for improvement moving forward. One assumption in regulatory operations is that a complaint of not liking what the code states is not a fair measurement of the customer service and interaction. Whether or not the code was explained adequately is an appropriate measure.

What can staff do better?

- Communication must be clear, with thorough justifications based in code language, and consistent between the different staff in similar roles
- Processes need to be clear and written down – don’t just send customers from one person to another
- Raise and address controversial issues in a timely fashion
- Make more efforts to proactively change or clarify the code

What can City Council do to help?

- Own what the code states – staff is not empowered to pick and choose its application
- Be willing to listen to all sides of an issue – the issues are often more complex than they appear to be initially; staff is willing to explain their position to City Council and they are likely to be correct in their determinations even though the customer is dissatisfied with the outcome

- Understand that priorities change faster than the code changes - making code changes is technical, complicated, requires many what-if discussions

Department Review
The Executive Department and the City Attorney’s Office have reviewed this report.

Funding Source
This discussion does not require additional funding or affect existing funding.

Attachments
None

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Matt Dias
Submitting Department: Executive
Item Type: Staff Report
Agenda Section: WORK SESSION

Subject:
5:15 p.m. - 2030 Olympic Bid Update

Suggested Action:
Informational

Attachments:
2030 Olympics

Exhibit A - 2002 Community Compact

City Council
Staff Report

Subject: 2030 Winter Olympic Proposal Update
Author: Matthew Dias
Department: Executive
Date: 4.19.2018
Type of Item: Informational

Summary Recommendation

Staff seeks to provide an update on the State of Utah's efforts to host and support a 2030 Winter Olympic and Paralympic Games in Utah and Park City. Further, staff seeks Council direction on which methods to deploy in order to obtain sufficient community input and feedback regarding some of the challenges and opportunities.

Executive Summary

- In 2018, State of Utah leaders formed an Olympic Exploratory Committee (OEC) to determine if Utah should pursue a bid to host a future Winter Games.
- The evaluation resulted in a positive recommendation to pursue the 2030 Games by State leaders (Governor, Senate President, Speaker of House, and SLC Mayor).
- Additional endorsements were made by the Utah Sorts Commission, Utah Olympic Legacy Foundation, and many other athletes, businesses, and venue owners.
- The Olympic Exploratory Report can be found here: https://utaholympiclegacy.org/wp-content/uploads/2018/02/OEC-Report_final_web.pdf. (support was provided by PCMC's Sustainability and Transportations Depts.; Mayor Beerman provided leadership on the Sustainability portion of the report.)
- 89% of Utah residents support another SLC Winter Games (result in report above).
- The United States Olympic Committee (USOC) is the governing authority that determines which U.S. city can bid to host the Olympics in the U.S.
- The International Olympic Committee (IOC) is the governing authority that determines which country/city will ultimately host the Olympic Games.
- The USOC has formally expressed interest in hosting another Winter Games.
- To date, three U.S. cities have expressed interest in a future Winter Games; Denver, Reno/Tahoe, and Salt Lake City.
- The IOC has a two-stage process; 1) informal dialogue, and 2) formal candidature.
- The USOC has determined that a formal decision on a 2030 bid will be made by late summer 2018 – Utah representatives are working closely with USOC representatives.
- 2026 has also been discussed as a possible bid year, which presents some unique challenges and opportunities. 2026 is, however, unlikely because of the 2028 Games awarded to Los Angeles.
- The Olympic spirit is thriving and well in and around Park City – 30% of the U.S. athletes in PyeongChang had Park City ties, the Park City Homecoming Parade was

held recently on Main Street, and several Olympic qualifying events are held at the UOP and Solder Hollow.
- PCMC benefits from a wealth of institutional knowledge among its existing workforce in terms of hosting Olympic Games. For example:
    - Public relations and communications
    - Economic development
    - Public works and streets
    - Venue operations
    - Public safety and security
    - Transit, traffic, parking and maintenance
    - Special events
    - Legal and risk management
    - Various community stakeholders and businesses
- A decision by USOC is likely in September 2018.

Acronyms

Olympic Exploratory Committee (OEC) HPCA
United States Olympic Committee (USOC)
International Olympic Committee (IOC)
Park City Municipal Corporation (PCMC)
Salt Lake City (SLC)

The Opportunity/Problem

- Despite the overwhelming success of the 2002 SLC Winter Games, there are considerable opportunities and challenges presented by hosting another Olympics in and around Park City.
- Most Utah leaders view the Olympics as a unique opportunity to not only once again host the world and share all that the State of Utah has to offer, but also an opportunity to accelerate and infrastructure improvements and other public enhancements to benefit the quality of life for Utah residents.
- For example, Park City has a myriad of public infrastructure projects, such as transit, housing, and energy projects, that could benefit considerably with an infusion of Olympic planning and financial support.
- Park City and Utah are uniquely situated to host the first ever “green” or “sustainable” Olympic Games by utilizing existing venues that are still active as a result of proactive planning principles and legacy foundations. A 2030 SLC Games could be a model for future organizers and help deter some the wastefulness witnessed over the past decade by host communities.
- The Park City Council is interested in discussing the potential of a 2030 Olympic Games with residents and businesses – to gain a better understanding of the opportunities and challenges.
- To be fair, a 2030 Winter Games will have significant community and organizational impacts, most notably in the areas of impacts to residents (special event) and considerable allocation of staff resources and time. By comparison, the 2002 Winter Games required thousands of hours of staff time and efforts.
- The 2002 Winter Games in Park City included the following Community Compact – a document used by City officials and community stakeholders (Attachment A)
- There are several opportunities to engage with the public using existing PCMC public outreach and communication tools, such as:

- **Park City Council Meetings** – Staff can return monthly via work session and provide regular updates and opportunities for the public comment.
- **Coffee(s) with Council** – Topically structured on a potential Olympic bid to hear directly from residents in an informal setting.
- **Open House Concept** – Topically structured on a potential Olympic bid to hear directly from residents in an informal setting.
- **Engage Park City** – Online portal whereby residents can pose questions to staff members and Council (used for Arts & Culture and Treasure Hill).
- **Leadership Park City Community Lecture Series** – Similar to the panel discussion held last month with several former 2002 SLC Officials (Colin Hylton, Myles Rademan, Bill Malone, etc.).
- **Olympic Presentation/Update** – Staff can organize a large community presentation with individuals like Frazer Bullock, Colin Hylton, Wayne Niederhauser, and Jeff Robbins.
- **Community Stakeholder Working Group** – Park City benefits from numerous individuals that were heavily involved in the SLC 2002 Olympics. Staff could form a working group of said individuals and begin using this group to identify additional challenges and opportunities given their past experience (DV/PC Mountain employees, venue officials, and private citizens, etc., etc.).

Alternatives for City Council to Consider

Recommended Alternative: Staff seeks to provide an update on the State of Utah's efforts to host and support a 2030 Winter Olympic and Paralympic Games in Utah and Park City. Further, staff seeks Council direction on which methods to deploy in order to obtain sufficient community input and feedback regarding some of the challenges and opportunities.

Department Review

Executive, Legal, and Communications.

2002 WINTER OLYMPIC GAMES

COMMUNITY COMPACT

Best Olympics Ever

Public Costs Covered

Enduring Physical Legacies

Manage Impacts

Olympic City Recognition

Involve Our Children

Boost Resort Economy

***Source – Myles Rademan**

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Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Linda Jager
Submitting Department: Sustainability
Item Type: Staff Report
Agenda Section: COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Subject:
Main Street Microseal Project Outreach Efforts for Users of the Outdoor Deck Program

Suggested Action:

Attachments:
Spring 2018 Main Street Microsurfacing Project Outreach Staff Report

Main Street Microsealing Notification

City Council
Staff Communications Report

Subject: Spring 2018 Main Street Microsurfacing Project Outreach
Authors: Linda Jager, Community Engagement Manager
Departments: Community Engagement
Date: April 19, 2018
Type of Item: Informational

Executive Summary

Park City Municipal's 2018 Pavement Management Program will include a Microsurfacing application on Main Street. This microsurfacing application will provide an improved road surface that should last between 5 to 7 years. Microsurfacing requires a temperature of 40 degrees and rising along with dry pavement to cure. The project will take approximately nine hours from start to finish, and will require closure of Main Street to traffic and parking.

Background

In 2010, City Council authorized the Planning Department to begin working with Main Street restaurant owners interested in installing temporary outdoor dining decks along Main Street. Upon application, approval, liscencing and installation, the dining decks are permitted to be installed and operational from May 1 – October 30.

Due to exsisting street conditions on Main Street, the Public Utilities Streets Division has recommended a microsurface application, which will improve road conditions for up to 7 years. Microsurfacing is similar to slurry seal. It consists of the application of a mixture of water, asphalt emulsion, aggregate (very small crushed rock), and chemical additives to an existing asphalt concrete pavement surface. The project will take approximately nine hours from start to finish, and will require closure of Main Street to traffic and parking.

To minimize impacts on Main Street merchants, and to schedule the project when temperatures and weather conditions permit, the Streets Division recommendation is to schedule the project for the week of May 1, with the week of May 7, as an alternate. Main Street dining decks will not be able to be installed until after the street sealing is complete. Staff intends to work with the Main Street dining deck leaseholders on an equitable solution to accommodate the delay in deck installations.

Outreach Summary

Staff has worked closely with the Streets Division, Economic Development and Planning departments to craft and implement a proactive outreach campaign to impacted dining deck leasholders and Main Street merchants.

Staff engaged in outreach visits to the six 2017 dining deck leaseholders, in addition to e-mails to the impacted restaurant owners, to alert them of the project specifications and to seek their feedback in identifying an ideal window to schedule the microsurfacing project.

On March 20, staff attended the Historic Park City Alliance monthly membership meeting to advise the group of the microsurfacing project, potential impacts to dining deck leaseholders, Main Street merchants and ask for their preference for timing. Based on feedback provided by HPCA members, staff has recommended scheduling the microsurfacing project for the week of May 1 - preferably Monday, May 1 or Tuesday, May 2, with Monday, May 7, and Tuesday May 8, as alternate dates. Staff is moving forward with these preferred dates.

Economic Development staff intends to work with the Main Street dining deck leaseholders on an equitable solution to accommodate the reduced deck season.

Department Review

Community Engagement, Economic Development, Executive, Legal, Planning and Public Utilities.

Attachment

Spring Main Street Microsurfacing Project Notification

Spring Main Street Microsurfacing Project Notification

Park City Municipal's 2018 Pavement Management Program will include a Microsurfacing application on Main Street. Microsurfacing is similar to slurry seal. It consists of the application of a mixture of water, asphalt emulsion, aggregate (very small crushed rock), and chemical additives to an existing asphalt concrete pavement surface. This microsurfacing application will provide an improved road surface that should last between 5 to 7 years.

Microsurfacing requires a temperature of 40 degrees and rising along with dry pavement. The project will take approximately nine hours from start to finish, and will require closure of Main Street to traffic and parking. Crews will begin by cleaning and preparing the surface along with protecting all utility accesses. Once the street is ready the applicator truck will apply microseal. No traffic will be allowed on the street until the material has hardened.

To minimize impacts on Main Street merchants and schedule the project when temperatures and weather conditions permit our recommendation is to schedule the project for the week of May 1, with the week of May 7 as an alternate.Prior to the actual project city staff will be doing some minor repair work along the street. We anticipate no closures for this preliminary repair work and expect minimal impacts.

The Main Street dining decks will not be able to be installed until after the street sealing is complete. Staff intends to work with the Main Street dining deck leaseholders on an equitable solution to accommodate the reduced deck season.

In advance of this project, we welcome your questions and comments. The Historic Park City Alliance will have this item on their monthly Board Meeting agenda and would love your participation in the discussion: Tuesday, 3/20, 8:30am @ Wasatch Brewpub. Please contact Linda Jager at 615-5189 or linda.jager@parkcity.org if you have any additional questions or comments. Thank you for your patience as we work to improve Main Street.


Exhibit B
Proposed 2017 Street Dining on Main Decks
530 Main Street
Main Street Pizza & Noodle
31'-2" long
1.56 parking spaces
442 Main Street
Shabu
23' long
1.15 parking spaces
440 Main Street
Bandits Bar & Grill
23' long
1.15 parking spaces
501 Main Street
501 on Main
17' long
1 parking space
438 on Main
Flanagan's on Main
22'-8" long
1.1 parking spaces
412 Main Street
Bistro 412
20' long
1 parking space
317 Main Street
The Eating Establishment
21'-10.5" long
1.09 parking spaces
Swede Aly
Marsac Ave
Ontario Ave
5th St
4th St
Woodside Ave
Park Ave
Main St
Grant Ave
0
200
400
Feet
PCMC

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Linda Jager
Submitting Department: Sustainability
Item Type: Staff Report
Agenda Section: COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Subject:
PCMC Spotlight Video Series: Economic Development Grant Profile - Part 1

Suggested Action:

Attachments:
Mountain Hub Avatech Video Premiere

City Council
Staff Communications Report

Subject:	**Park City Municipal Spotlight Series Premiere: Economic Development Grant Program: Mountain Hub**
Author:	**Linda Jager, Community Engagement Manager**
Department:	**Community Engagement**
Date:	**April 19, 2018**
Type of Item:	**Informational**

Executive Summary

In conjunction with City Council's critical priorities, staff presents to Council the eleventh video in the Park City Municipal Spotlight Series. This video showcases recipients of the Economic Development Grant Program. This video profiles Mountain Hub (Avatech), whose avalanche app and tools are designed to help people instantly share safety information, along with route descriptions, alerts, trip reports, pictures, and topo maps.

In 2006 Park City Municipal created the Economic Development Grant program. City economic development grants are awarded to applicants deemed aligned with the many goals and initiatives of the City. They are intended to give the financial assistance necessary for businesses to grow themselves in a way aligned with stated City and State criteria.

In our continuing efforts to engage with the community, staff's goal is to produce an ongoing video series highlighting the City's work on Council's priorities. These videos showcase the people, projects and programs involved in this effort and serve to inform and update the community. Staff welcomes additional suggestions from Council for future video topics.

This video was produced by Park City's Eclectic Brew Productions under the direction of Matt Dias, assistant city manager, and Linda Jager, community engagement manager. Please click here to watch.

Department Review

Economic Development, Executive, Legal, and Community Engagement

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Beth Bynan
Submitting Department: Finance & Accounting
Item Type: Staff Report
Agenda Section: COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Subject:
Vibrancy (Vacant Storefront) Ordinance Enforcement

Suggested Action:
Review

Attachments:
Vibrancy Ordinance Report.pdf

City Council
Staff Communications Report

Subject:	**Vibrancy Ordinance (Vacant Storefront)- Business Hours Posted**
Author:	**Beth Bynan-Busniess License Specialist** **Mindy Finlinson-Accounting Manager** **Jonathan Weidenhamer- Economic Development Manager**
Department:	**Economic Development, Finance**
Date:	**April 19, 2018**
Type of Item:	**Administrative-Informational**

On December 14, 2017, City Council adopted a Vibrancy (vacant storefront) Ordinance (Muni Code Section 4-2-15) which took effect on February 1, 2018. The Ordinance contains three provisions that are used to determine and monitor vibrancy. A business is determined to be "Vibrant" if it:

1. Is found to be Engaging in Business for at least sixty (60) days during each quarter; and
2. Has an active Business License; and
3. Posts its hours and days of operation in the storefront.

Staff from Finance, Building, and Planning first began monitoring vibrancy by doing inspections in December 2017. Another enforcement inspection was conducted in late February 2018. Staff sent letters of notice to 75 businesses within the HRC and HCB Districts that were identified as out of compliance with the Vibrancy Ordinance for both quarters. A majority of these (approximately 70 businesses) were out of compliance due to provision 3 above - lack of posting of hours Vibrancy Ordinance. It should be noted that the Vibrancy Ordinance had a deferred effective date of February 1, 2018. In addition, the *Enforcement of Vibrant Storefronts in the HCB and HRC Districts* policy (included in the December 14, 2017 staff report), the letters of notice were sent March 20, 2018 (this was premature: only one quarterly inspection would have been applicable whereas the policy notes that a business must be documented as closed two quarters in a row).

Only about 5 out of the 75 businesses on the list were actually "dark" or not open during both inspections. Staff's understanding of the City Council's intention was to address those venues that are "dark" for longer than 60 days, and then open only during Sundance. The posting hours provision was seen as a tool to help staff enforce the ordinance. An unintended consequence of the posting of hours and days provision is that many restaurants who received letters of notice are clearly open and operating, but do not post hours of operation because of the seasonal nature of their businesses. Moreover, businesses wishing to apply for temporary liquor permits during other times of the year for events such as Savor the Summit and Park City Food & Wine Classic could be deemed ineligible simply because their hours are not posted.

On March 30, 2018, staff met with HPCA Executive Director Michael Barille to discuss the feedback received from business owners and the implications of the current Code. At this time, staff intends to return to City Council on May 3, 2018 with a recommendation to remove the posting of hours requirement. What was intended to be an indicator of vibrancy and a tool for enforcement has instead created a burden on staff and local business owners.

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Minutes
Agenda Section: CONSIDERATION OF MINUTES

Subject:
Consideration to Approve the City Council Meeting Minutes from April 5, 2018

Suggested Action:

Attachments:
4.5.18 Minutes

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

April 5, 2018

The Council of Park City, Summit County, Utah, met in open meeting on April 5, 2018, at 2:00 p.m. in the City Council Chambers.

Council Member Henney moved to close the meeting to discuss property, personnel, security and litigation at 2:00 p.m. Council Member Worel seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

CLOSED SESSION

Council Member Worel moved to adjourn from Closed Meeting at 3:15 p.m. Council Member Ware Peek seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

STUDY SESSION

Nightly Rental Study - Potential Phase 2 Update
Matt Dias, Assistant City Manager, Beth Bynan, Business License Specialist, and Brumby McLeod, expert in the Nightly Rental industry, presented this item. Dias indicated staff went to great efforts to regulate the nightly rental industry.

McLeod reviewed that the Phase One study was to assess the nightly rental market in Summit County. He presented a PowerPoint on the data findings and indicated a goal was to see the current housing mix with the data provided by the County and City. Another goal was to map the housing units. McLeod's team used GIS to plot the residential units, nightly rental licenses and internet listings. He discovered there was a big discrepancy between the internet listings and actual licenses.

The third goal was to do a gap analysis of the findings and make recommendations. Foster stated the higher number of licenses within the City limits was attributed to increased enforcement in the City over the past few years. Now the State prohibited cities from penalizing non-licensed nightly rentals that were discovered on the internet.

McLeod stated the gaps for discussion, including the poor match between nightly rental licenses and the actual unit, having a clear identification of the nightly rental operator, whether it was a property management company, rent by owner, or lodging complex operator; and the inconsistency in nightly rental requirements for operators. His recommendations included resolving unmatched licenses to parcel data; enhancing requested licensing information by changing the business license applications; and enhancing the license ordinance to include life safety inspections, increasing fines and enforcement of non-compliance, etc. McLeod also suggested identifying the lodging inventory, acquiring a monitoring and tracking system, and developing a housing fact base.

Council Member Henney asked if the non-licensed units existed because of the lack of education. McLeod thought people wanted to follow the rules and education and clarity were key to success. Council Member Henney asked if McLeod saw a shift from short-term rentals to long-term rentals once owners became aware of the regulations for short-term rentals. McLeod agreed there could be a shift to long-term rentals under those circumstances. Council Member Henney asked if McLeod found any unintended consequences in his research. McLeod indicated he was surprised to see the number of unlicensed units in the study.

Council Member Worel asked if the owner or operator usually obtained the licenses. Bynan stated the owner filled out the application, but up to three different entities could be shown on the application as the operator. Council Member Worel asked what the consequence was if code enforcement found a unit that was not licensed. Michelle Downard, Deputy Building Official, stated enforcement would educate the owner first, and then progress from there if compliance was not achieved. Fines could be charged on a daily basis for non-compliance, but staff could not enforce without having proof of nightly rentals.

Council Member Ware Peek asked if McLeod knew how many long-term rentals shifted to short-term when AirBnB came online. McLeod did not know that number. Foster indicated it was difficult for seasonal employees to get housing compared to five years ago. Council Member Ware Peek asked if the owners of long-term rentals paid less property taxes than owners of short-term rentals, to which Foster affirmed. McLeod reviewed the fees for short-term rentals. Council Member Ware Peek thought the education process could deter owners from continuing with short-term rentals. Foster thought a discussion should take place to incentivize long-term rentals.

Mayor Beerman asked if McLeod thought the unlicensed rentals did not pay taxes on the rental income. McLeod stated AirBnB would pay the Transient Room Tax (TRT) to the State, but cities were not collecting business license fees or associated taxes and were feeling that loss of revenue. McLeod noted that only AirBnB had the voluntary collection agreement with state governments and other short-term rental websites did not have that automatic tax withdrawal for the states set up. The states distributed portions of the tax to the associated counties but since the revenue was submitted as a lump sum, it could not be broken down by city. Mayor Beerman asked if there was better compliance from nightly rentals when a disclosure was required. McLeod did not think states could force AirBnB to disclose where the revenues came from.

Council Member Henney stated there was an obligation to license nightly rentals. He thought there were problems like tax collection and license fees as well as regulatory violations that needed to be addressed.

Dias stated this was a sensitive issue at the Legislature and they almost deregulated the system. They passed a law to prohibit internet searches as proof that a nightly rental was unlicensed. He agreed that education would be a good first step in limiting the nightly rentals in the City. He also felt having unlicensed rentals was unfair, since many owners/operators did license their units.

Social Equity Community Critical Priority Next Steps:

Kilo Zamora, expert in Social Equity, noted equity was different than equality. Equity was finding the right fit for all, not one size fits all. He felt inclusion was very important. He asked Council for feedback on what they and staff wanted as an end goal. Council Member Ware Peek stated the community was coming from so many different places. The City was trying to put more emphasis on the access and amenities available to the constituents and less on where people came from.

Council Member Worel stated inclusion summed up her goal. She knew there were barriers in the community and she wanted to bring those down. Once a gap or barrier was identified, then resources needed to be found to fill it. Council Member Ware Peek added that one goal should be becoming aware of what some of the groups were up against in the community. Council and staff needed to discover what we don't know.

Council Member Henney stated "privilege" was prominent in the community and so many had a hard time relating to the marginalized in the community. He stated he would like to provide opportunities and fill in the gaps to allow more people to be able to be part of the space.

Zamora thought affordable housing, which was one of the City's critical priorities, was a good connection to Social Equity. He asked what made people feel welcomed and stated he wanted people of all identities to be at the table to work on this goal. He noted without Social Equity there would be group think and everyone at the table would look the same. Council Member Worel asserted decisions would be made for other groups by a group that could not relate. Council Member Ware Peek stated the predominant "white male" would never know Latin music, or that eight people were living in a one bedroom apartment. She felt one great thing about Social Equity was knowing the beauty of other peoples.

Zamora indicated money could not solve Social Equity or it would have already been solved. He gave the example of Salt Lake City, and noted the mayor and council did not lead, but rather followed youth who were demonstrating. The funds were also supporting the cause from behind the scenes.

Council Member Henney stated he moved here 20 years ago because of the Social Equity of the City. He noted at the time, the City was largely middle class and he hoped to keep the middle class here.

Zamora asked what the approach would be to accomplish this goal. He recommended that Council focus on changing the policy issues such as hiring practices for all groups. He stated there could be several ways to work on Social Equity including forming a commission. He indicated that if Council just talked about the inclusion of all the groups, nothing would change.

Council Member Ware Peek indicated that bringing this topic to the front had changed her life. She thought having Social Equity as a critical priority raised a consciousness in the community. Zamora gave examples of letting different groups take the lead on raising awareness and status, and being the follower/supporter of their efforts.

Zamora asked what the next steps would be to keep Social Equity moving forward. Council Member Ware Peek thought there should be a united "speech" that could be given when the community asked questions.

Council Member Henney indicated the City had already enacted policy, such as its affordable housing policies, but he thought the Council should act as conveners so that the community could come together with the goal of having all residents feeling valued and safe.

Council Member Worel stated getting the right voices to the table would be a challenge and indicated the nonprofits should be included. Zamora stated the nonprofits in the community had a wealth of knowledge and would be valuable in this endeavor.

WORK SESSION

Discuss Potential Land Management Code Amendments for Title 15 Chapter 6 Section 7, Master Planned Affordable Housing Development:
Hannah Tyler and Bruce Erickson, Planning Department, and Jason Glidden, Affordable Housing Manager, presented this item. Tyler stated the Planning Department had been working to align the Code with the Affordable Housing priority. She reviewed the Master Planned Development Code and indicated there was a separate code for Affordable Housing. She noted that developers were not able to use it, and she felt some reasons included the parking requirements, minimum percentage for affordable units, and the high land values in the City.

Currently, the Code stated 100% of an affordable development had to be affordable. She proposed 50% of the development be affordable, and attainable housing could count towards the minimum affordable percentage. Council Member Henney asked for an example of how a developer would be incentivized to develop affordable housing. Glidden stated the other proposals would be more of an incentive, but this amendment would get them "in the door." Council Member Ware Peek asked if a developer could build 100% attainable housing under this amendment, to which Tyler responded in the affirmative.

Tyler stated another proposed Code amendment would be giving the developer a density bonus, which would be determined on a sliding scale. Council Member Worel asked if zoning changes would be necessary. Erickson stated the Land Management Code (LMC) would be changed so zoning changes would not be needed. Tyler indicated the Planning Department would be careful to make sure the project was appropriate to the zone. Erickson noted the benefits of a blended development, and indicated it would de-stigmatize the affordable development by having market rate homes mixed in.

Council Member Worel asked if the Code could prohibit nightly rentals on the market rate units. Erickson indicated a restriction on nightly rentals could be added.

Council Member Ware Peek asked how the City would know if the amendments would be attractive to developers. Erickson stated a consultant could be acquired or the City could just do it and see how the new model worked. Council Member Ware Peek asked if developers had been involved in the discussion. Glidden stated the Planning Department wanted to work through the amendments and then approach developers to get their feedback. He also noted this was good for developers as well as nonprofits. Erickson indicated he did not recommend going above five units per acre, and asserted a different model was being created for open space.

Tyler indicated the third amendment was off-street parking, noting the affordable housing amendment would match the affordable code for off-street parking in the standard Master Planned Development (MPD) Code, which would reduce the parking requirement for affordable units. The final amendment would be creating a parking exemption for micro units of 500 square feet or less. There would be a cap for the total number of micro units allowed in a development. A parking management plan for the development would also be required to mitigate impacts, which would include looking at the proximity to transit, car-share, and proximity to basic services.

Council Member Henney asked how it would impact Woodside Phase 1. Erickson thought when smaller units were built, storage space was cut out. So for the smaller units, more storage would be required.

Mayor Beerman liked the amendments and asked how the parking development plan would be handled. Erickson stated the plan would be handled by the Planning Commission. Mayor Beerman was pleased and noted the public would want input on the parking plan.

REGULAR MEETING - 6:00 p.m.

I) ROLL CALL

Attendee Name	Status
Mayor Andy Beerman Council Member Tim Henney Council Member Lynn Ware Peek Council Member Nann Worel Diane Foster, City Manager Matt Dias, Assistant City Manager Mark Harrington, City Attorney Michelle Kellogg, City Recorder	**Present**
Council Member Becca Gerber Council Member Steve Joyce	**Excused**

Mayor Beerman noted Council Member Gerber had a baby boy on Monday.

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

Mayor Beerman opened the meeting for those who wished to address the Council on items not listed on the agenda.

Scott Loomis Mountainlands Community Housing Trust, expressed his support for the Affordable Housing Code amendments. He also thought capping the density would be a good idea and gave examples of negative consequences that resulted when the County passed a density bonus.

Michael Kaplan stated he was trying to build some micro units in the City and had lived in affordable units overseas. With the land values he couldn't make the development work, but with the amendments, he felt it could work. In Sweden, one out of three units had to have an affordable component. In Switzerland, employers were required to provide housing for their employees. He suggested that having housing by the bus route would be appealing to those looking to buy affordable units.

Mayor Beerman closed the public input portion of the meeting.

II) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments:

Council Member Henney indicated he attended the Health Board meeting and listened to an update on the opioid lawsuit from the County Attorney. They also discussed having Park City as an official member on the board. He attended the Mountainlands Affordable Housing Trust board meeting and noted they were preparing for their 25th anniversary. He attended the Fire Board meeting, where impact fee adjustments were proposed, and stated the board also toured their new maintenance building.

Council Member Worel stated she would not be here for the April 19 meeting. She attended the final Arts, Beauty and Culture (ABC) Steering Committee meeting where they asked for letters of endorsement from each of the members, and she asked if Council wanted to contribute a letter. Foster thought Council could look at the implementation timelines of the plan. Staff didn’t want to put an endorsement in front of Council that would commit them to doing certain things. The Council had already made a significant investment to Arts and Culture, both monetarily and with City resources. Council did not support contributing a letter to the steering committee. Council Member Worel had lunch with the Peace House director and noted they would be in their new facility next year. She also visited PC Tots and indicated they had 104 children with 115 on the waitlist and 15 moms were currently pregnant with siblings to these children. She felt the City had a role as a convener. She went to the Historical Society meeting where it was suggested that future bus routes could feature historical spaces.

Council Member Ware Peek went to the Friends of Farm meeting. She also went to the Lucky Ones Coffee Shop and spoke with the owners. They talked about additional ways they could create more community in the space. She complimented the owners for how they treated others in the community. She attended the Mountain Trails board meeting where the fragile trails were discussed. She attended the Recreation Advisory Board meeting where they had the goal to have a representative at the Mountain Trails board meetings. She encouraged people to attend the Thin Air Festival.

Mayor Beerman met with many citizens and groups. He announced that on June 8th there would be a community cleanup of the Poison Creek Trail and stream. There would be staff, Council and community groups there. He was asked about the lights at Quinn's being on late at night. Foster stated Ken Fisher was looking at resolving it. Jonathan Weidenhamer stated there was a budget request for LED lights at that location. Mayor Beerman saw Anthony Romero speak and indicated it was a fantastic conversation. He wished everyone a happy Easter and noted that Easter was not only Christian, but a pagan holiday symbolizing renewal and rebirth, and it also signaled the close of the ski season. He thanked staff and the workforce for working so hard this winter. He thought this tied into Social Equity and also stated learning new things should be fun, including Social Equity.

Foster introduced Leah Langan as a new member of the Executive Department.

IV) CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from March 15, 2018

3.15.18 Minutes:

Mayor Beerman referred to Page 91 Line 38 of the packet, and noted he was not in favor of plowing the road.

Council Member Worel moved to approve the City Council Meeting minutes from March 15, 2018 as amended. Council Member Ware Peek seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

V) CONSENT AGENDA

1. Request to Authorize the City Manager to Execute the First Amendment to the Professional Services Agreement, in a Form Approved by the City Attorney, with CH2M, Inc., for the 3Kings Water Treatment Facility (3KWTF) Phase III Design Services in an Amount Not to Exceed $1,600,000.00:

2. Request to Authorize the City Manager to execute a Construction Agreement, in a Form Approved by the City Attorney, with Daley Excavators for the 2018 Water Improvements Project for Amount Not to Exceed $678,000.00:

Council Member Nann Worel moved to approve the Consent Agenda. Council Member Ware Peek seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

VI) NEW BUSINESS

1. Consideration to Approve Ordinance No. 2018-13, an Ordinance Approving the 89 King Road Plat Amendment Located at 89 King Road, Park City, Utah:
Tippe Morlan, Planner II, presented this item. The applicant requested to combine three lots and a sliver of a fourth lot into one lot. The intent was to demolish the existing structure and build a new residential unit. The new lot would be less than the average lot size for the area.

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

Council Member Worel stated a resident was concerned that the new building would be next to another new building, and asked if there was a way to ensure that the two construction mitigation plans were coordinated if they were permitted at the same time. Morlan stated the mitigation plans would be coordinated. Erickson stated the Council could modify the condition of approval to require the Planning and Building Departments to coordinate the construction management plans with adjacent properties if they are under construction at the same time.

Council Member Ware Peek knew construction mitigation was an issue with the neighbors of Alice Claim and now 88 and 89 King Road would also be under construction. She asked what the City's involvement would be in coordinating that construction. Erickson stated there would be outreach to let neighbors know construction was coming. Currently, there was no ordinance in place that would allow the City to phase construction on substandard streets, but he was discussing that possibility with the Chief Building Official. Council Member Ware Peek noted that this current structure was affordable housing and stated these structures were disappearing.

Mayor Beerman reopened the public hearing.

Mark Blue asked if there would be two construction projects right across the street from each other that would prohibit access to Vail's maintenance shack. Mayor Beerman indicated there would be an amendment to the motion that would coordinate construction mitigation plans so that access would not be prohibited.

Mayor Beerman closed the public hearing.

Council Member Worel moved to approve Ordinance No. 2018-13, an ordinance approving the 89 King Road Plat Amendment located at 89 King Road, Park City, Utah, with the amendment as stated by Planning Director Erickson. Council Member Ware Peek seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

2. Consideration to Approve Ordinance No. 2018-14, an Ordinance Approving the Prospect Place Plat Amendment Located at 86 Prospect Street, Park City, Utah:

Tippe Morlan, Planner II, presented this item. The applicant proposed making three lots out of two parcels. Currently, there were three structures on site but they were not historical. The intent was to demolish the structures and construct three single family units on the lots. A steep slope Conditional Use Permit (CUP) would be likely if the new units were approved. She noted the units would need to be removed before the plat recording.

Council Member Henney disclosed he was friends with the owners.

Council Member Ware Peek asked about the process for determining how a house was not historic. Morlan stated the structure was significantly altered and was almost new so it could not be classified as historic. Harrington stated the owners were entitled to move forward since they were not on the list.

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

Council Member Ware Peek moved to approve Ordinance No. 2018-14, an ordinance approving the Prospect Place Plat Amendment located at 86 Prospect Street, Park City, Utah. Council Member Worel seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

3. Critical Priority Environmental Sustainability Update:

Luke Cartin, Environmental Sustainability Manager, presented this item and indicated there would be an LMC solar amendment. His team was also looking at Commercial Property Assessed Clean Energy (C-PACE) for financing options for commercial and industrial companies with more than five units. Cartin stated that energy conservation did not have to be unaffordable and noted that in the past year his team brought in $306,000 in grant money for projects already in place. He indicated that other cities were using the City's agreement to become 100% renewable. These cities were working as a block and it was having an effect in the six surrounding states.

Cartin reviewed the cost savings for using electric buses, and noted it cost 72% less than using diesel fuel. He indicated that using electric buses increased the City's footprint on the electric grid by 2%, but the carbon footprint would be increased by 4% if diesel fuel was used.

Cartin reviewed the Joint Clean Energy Cooperative Agreement with Rocky Mountain Power (RMP) and stated it established rules for working together. He stated there would be a progress report the end of April and another in early summer. He also explained the Engineering and Professional Services Agreement (EPSA) agreement with RMP and indicated it would model future electric needs, sizing the renewables, had a 550 day deadline, and cost $31,000. He indicated the next step was to issue a joint RFP for construction for the renewables. Cartin reviewed that the Wattsmart Communities Program was a two year program and would include an energy action plan.

Cartin stated the Net Metering and Rooftop Solar Program would set a clear pathway forward for rooftop solar and he explained that a transition period and a post transition period in this program had been set up for tax credits through 2024. As part of the program, if solar panels were on a roof and an owner decided to transition the energy to the grid, a value would be determined. He noted the IRS issued a private letter ruling where those with battery storage from rooftop panels would qualify to receive a 30% tax credit.

Cartin indicated staff was looking to increase the electric vehicle infrastructure. He explained RMP had rebates for car charging stations and the City was awarded $250,000 for constructing the Old Town Transit Center charging station. He stated he would come back at a future date to discuss future electric vehicle charging stations. He also hoped other entities would construct charging centers and take advantage of the rebates.

Council Member Ware Peek asked about the increased footprint on the electric grid versus the diesel carbon footprint increase. Cartin stated although there was an increase, it was cleaner than the diesel emissions. Council Member Ware Peek asked about the tax credit for storing electricity. Cartin stated that was valid if it was generated by an owner's own solar panels. Council Member Ware Peek asked about the tax rebates for creating more energy from solar panels. Cartin explained the timelines for the different tax credits offered for solar.

Council Member Worel asked how big the batteries were that were linked into the solar panels. Cartin indicated batteries from electric vehicles might be used in the future in homes and businesses to balance out the energy peaks.

Council Member Henney was very pleased with how far the City had come in such a short time in achieving this goal. Mayor Beerman agreed.

Cartin stated he would be speaking at the Utah League of Cities and Towns (ULCT) conference on how the City and RMP worked together to solve community issues and power infrastructure issues at the same time.

VII) ADJOURNMENT

VIII) PARK CITY REDEVELOPMENT AGENCY MEETING

IX) ROLL CALL

Attendee Name	Status
Chair Andy Beerman Committee Member Tim Henney Committee Member Lynn Ware Peek Committee Member Nann Worel Diane Foster, City Manager Matt Dias, Assistant City Manager Mark Harrington, City Attorney Michelle Kellogg, City Recorder	**Present**
Committee Member Becca Gerber Committee Member Steve Joyce	**Excused**

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

Chair Beerman opened the meeting for those who wished to address the Council on items not listed on the agenda. No comments were given. Chair Beerman closed the public input portion of the meeting.

XI) NEW BUSINESS

1. Consideration to Approve an Economic Development Grant Contract in the amount of $15,000 for Red Flower LLC in a Form Approved by the City Attorney:

Jonathan Weidenhamer, Economic Development Manager, stated that Micah Goddard and Daniel Bell, owners, requested a $20,000 Economic Development grant and staff recommended a $15,000 grant for electrical and gas upgrades in the building, equipment such as a furnace and kiln, and marketing materials. They would be required to do outreach and education at the schools as part of the grant agreement. Weidenhamer felt this tied in with the Arts and Culture aspect in the community.

Goddard and Bell thanked Council for this opportunity. They indicated the business was located in the Iron Horse District. Goddard stated the experience was great for kids. He also reflected that it was cool to have grown up here and now to come back and open a business here.

Council Member Worel asked why staff only recommended $15,000. Weidenhamer stated another business was also thinking of applying for a grant and another business in that district was also planning on applying again in July, so there could be competition in July.

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

Council Member Ware Peek moved to approve an economic development grant contract in the amount of $15,000 for Red Flower LLC in a form approved by the City Attorney. Council Member Worel seconded the motion.

RESULT: APPROVED
AYES: Council Members Henney, Ware Peek and Worel
EXCUSED: Council Members Gerber and Joyce

ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Staff Report
Agenda Section: CONSENT AGENDA

Subject:
Request to Support the City Manager in Appointing Leah Langan as a Deputy City Recorder of Park City Municipal Corporation

Suggested Action:

Attachments:
Deputy Recorder Staff Report

City Council Staff Report

Subject: **Appointment of a Deputy City Recorder**
Author: **Michelle Kellogg**
Department: **Executive Department**
Date: **April 19, 2018**
Type of Item: **Administrative**

Summary Recommendation

Staff recommends City Council support the City Manager in formally appointing Leah Langan as a Deputy City Recorder of Park City Municipal Corporation.

Executive Summary

As a result of a recent turnover in the Executive Office, the City Manager wishes to appoint the new member of the department, Leah Langan, as a deputy to the City Recorder. Leah has been training with the City Recorder and is in a good position to successfully fulfill the duties and obligations of the City Recorder, when required.

Background

Park City's Municipal Code, Section 2-4-6, prescribes the approval process for the City Recorder position. In addition, Section 2-4-6 also allows the City Manager to appoint a deputy or deputies who serve under the supervision of the City Recorder and have authority to act in the absence of the City Recorder.

Alternatives for City Council to Consider

1. **Recommended Alternative:** Staff recommends City Council support the City Manager in appointing a Deputy City Recorder.
   Pros
   a. Appointing Leah as a Deputy City Recorder will help the Executive Department provide better customer service.
   Cons
   b. There are no cons to appointing Leah as a Deputy City Recorder.

   Consequences of Selecting This Alternative: Leah Langan will be appointed as a Deputy City Recorder.

2. **Null Alternative:** If no steps are taken, Leah Langan will not be appointed as a Deputy City Recorder.

Analysis

Though code does not specifically require the Manager to come before Council to request support for this type of an appointment, previous city managers have taken this step to avoid confusion. Also—where the appointment of the City Recorder does require the approval of the Mayor and City Council, the current City Manager believes that where the Deputy will, at times, act as the City Recorder, it is appropriate to ask for the approval of the Mayor and City Council.

By appointing Leah Langan, the Executive Department will continue to ensure the effective and efficient operations of City Council and various other PCMC departments. It will also ensure that staff is prepared and equipped to handle intermittent and/or unexpected absences of the City Recorder.

Department Review
Legal and Executive

Funding Source
No funding is necessary.

Agenda Item No:2.

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Christopher Phinney
Submitting Department: Sustainability
Item Type: Staff Report
Agenda Section: CONSENT AGENDA

Subject:
Request to Approve a Lease of Miners Hospital for the Egyptian Theatre (YouTheatre) to hold Theatre Camps Summer 2018, in a Form Approved by the City Attorney

Suggested Action:

Attachments:
YOUTHEATRE Miners Hospital Lease Staff Report

Exhibit A - YouTheatre 2018 Lease

City Council
Staff Report

Subject:	**Egyptian Theatre (YouTheatre) Lease**
Author:	**Chris Phinney, Special Event and Facility Coordinator**
Department:	**Special Events**
Date:	**April 19, 2018**
Type of Item:	**Consent**

Summary Recommendation

Staff recommends that City Council approve a lease of Miners Hospital for the Egyptian Theatre (YouTheatre) to hold summer theatre camps in a form approved by the City Attorney.

Executive Summary

The Egyptian Theatre has held a lease for their summer camps for 3 years. Staff has received a request from the Egyptian Theatre (YouTheatre) to continue the lease of Miners Hospital for the 2018 summer camp program. Staff recommends the approval of the lease.

Acronyms/Definitions

ETYT	Egyptian Theatre Youtheatre
PCMC	Park City Municipal Corporation
PCMARC	Park City Municipal Athletic & Recreation Center

The Opportunity and the Problem

The proposed lease allows a local non-profit the opportunity to offer a youth theatre summer camp to the community. The camp offers tuition scholarships; this also supports City Council's newest Critical Priority of Social Equity. The recommended lease will cause:

- The Miner's Hospital will not be available for rental to the public during the times and dates of the lease;
- Minimal increased cleaning costs; and
- Parking mitigation for drop off and pick up of camp attendees.

Background

The Egyptian Theatre (Youtheatre) has leased the Miner's Hospital since the summer of 2015 to hold its camps. Since that time, the Youtheatre has worked with City staff to ensure that all conditions of the lease were met.

Analysis

Egyptian Youtheatre:

Since 1995 the Egyptian Theatre has enriched children's lives through their YouTheatre programs. YouTheatre has taught over a thousand aspiring actors who have gone on to study acting in college or pursue careers in the theatrical arts. Some former YouTheatre

students have performed on Broadway-- their dream come true!
The Egyptian Theatre YouTheatre program is based on the premise that participating in an arts program is an important aspect in the growth of every child. Through the creativity, discipline, and teamwork of being part of a production, our students are instilled with confidence, an appreciation for the performing arts, and life skills for navigating obstacles to achieve their ambitions.
Lease:

- Term – Three month Lease
  - June 8, 2018 to August 16, 2018
  - Monday through Friday, 8:00 a.m. to 5:00 p.m.
  - Lease to include all 3 floors of the Miners Hospital excluding the basement level which will be used by the Park City Summer Day Camp
- Rent
  - $2,500 per month. Rent will be prorated for June and August.

	Rental Schedule	
Month	**Days**	**Rent**
June	16	$1,916.67
July	22	$2,500.00
August	12	$1,290.32
Total	50	$5,706.99

  - The rent amounts were determined by using the $18.00 per hour rate schedule for the first and second floor and $15.00 per hour rate schedule for the third floor and providing a 50% discount for being a community non-profit and a long term renter.
- Miners Hospital Use
  - September through March, occupied by Sundance.
  - April through August, open for rentals. There were four summer rentals of Miners Hospital in 2017.
- Operating Costs
  - The anticipated cost to Park City to operate the Miners Hospital is $500/month.
  - Increased use will incur minimal additional costs.
  - Regular use of the building is good for the facility. It keeps the operating and mechanical systems running efficiently and provides a higher level of awareness for any potential maintenance issues.
- Parking Plan
  - Youtheatre has worked with staff to develop a parking plan that will utilize the north end parking of Miners Hospital for parents to drop off children attending the camp.
- Scholarship Program
  - Scholarships are offered as full and partial scholarships based on financial need of the family, which the family itself determines.

- Full scholarship: Family pays either $25 (for a one-week camp, where regular tuition varies from $175-$250) or $50 (for a two-week camp, where regular tuition is $475).
- Partial scholarship: Family informs ETYT how much they can pay toward the regular priced tuition.
- 2017 total scholarships awarded: 63, totaling $12,945, 28 of the 63 were for the Summer Camp, totaling $6,385.

Alternatives for City Council to Consider

1. Recommended Alternative:

This is staff's recommendation. Staff recommends that City Council approve the lease of Miner's Hospital to The Egyptian Theatre's Youtheatre Summer Camp.

Pros

a. Allow a Community Non-Profit the opportunity to hold a summer camp for local youth.
b. Support the participation of an arts program as an important aspect of a child's growth.
c. Egyptian Theatre provides social equity opportunities by offering scholarship opportunities.
d. Regular use of the building is beneficial for the operating and mechanical system as well as brings a higher level of awareness for any potential maintenance issues and potential renters.

Cons

a. The building will not be available for rental during the leased dates and hours.
b. Minimal increase in janitorial services.

2. Deny Alternative

City Council could deny the lease of Miner's Hospital to the Egyptian Theatre (Youtheatre).

Cons:

a. The summer camp wouldn't be held at Miner's Hospital and the Egyptian Threatre would not have a location to hold their summer camp.

Department Review

Economic Development, Special Events, Building Maintenance, Budget, Executive and Legal

Funding Source

No funding source is required.
Rental income collected from the lease will be credited to the General Fund, Rental Income line item.

Attachments & Links

Exhibit A – 2018 Miner's Hospital Lease Draft

Park City Performances d/b/a Egyptian Theatre Company – YouTheatre Program
Park City Municipal Corporation
2018 Property Lease – Miners Hospital

THIS LEASE AGREEMENT, (hereinafter referred to as "Lease") is made by and between Park City Municipal Corporation, a Utah municipal corporation, (hereinafter referred to as "Landlord") and Park City Performances, a Utah corporation, d/b/a Egyptian Theatre Company, (hereinafter referred to as "Tenant") on this ____ day of _____________, 2018, to set forth the terms and conditions under which Landlord will lease space in the Miners Hospital located at 1354 Park Avenue, Park City, Utah, (hereinafter referred to as "Miners") to Tenant. The parties agree as follows:

1. <u>Property</u>. The property leased is within Miners Hospital and described as the exclusive use Monday through Friday from 8:00 a.m. to 5:00 p.m. of all interior space within the building (1st, 2nd, & Attic {3rd floor}) excluding the basement level, and exclusive use at all times of office space on the first floor as shown in Exhibit "A" attached hereto and made a part hereof, (hereafter referred to as "Premises"). The Park City Recreation Department will be using the basement of the Premises for Summer Day Camp. All times and property outside of those specified above will be open for public use.

In addition, the Tenant will have the option to rent the space outside of the times outlined. Any additional rental of space must be booked through the normal rental process with the City's Special Events Department and will be subject to normal rental conditions.

2. <u>Term</u>. The Lease term shall commence on June 8, 2018, and terminate at 5:00 p.m. on August 16, 2018. In months with partial occupancy, the monthly rent amount shall be calculated on a pro rata basis for each day that Tenant occupies the space.

3. <u>Rent</u>. The rent for the leased space within the Miners Hospital shall be as follows:

(a) Rate: Rent shall be Two Thousand Five Hundred Dollars ($2,500.00) per month and will be prorated in June and August based on move in date (June) and move out date (August).

(b) Payments: Rent shall be paid monthly and should be mailed or directly delivered to the Park City Finance Department, located at 445 Marsac Avenue, Park City, UT 84060. Rent shall be due on the first of each month, with the exception of the June rent, which shall be paid at lease signing, and past due if not paid by the tenth (10th) of the month. A late fee of Twenty Five Dollars ($25.00) will be charged every five (5) days that payment is past due.

RENT SCHEDULE		
Month	Days	Rent
June	23	$ 1,916.67
July	31	$ 2,500.00
August	16	$ 1,290.32
TOTAL	**70**	**$ 5,706.99**

(c) Deposit: A refundable deposit of Two Thousand Five Hundred Dollars ($2,500.00) is required to cover any damage and cleaning/removal of items. A refund of the deposit will be payable upon expiration of the lease upon final inspection from the Landlord.

4. Y͟o͟u͟T͟h͟e͟a͟t͟r͟e͟ ͟O͟b͟l͟i͟g͟a͟t͟i͟o͟n͟.͟ The Egyptian Theatre's YouTheatre ((hereinafter referred to as "YouTheatre") shall conduct the programmed children's (ages 5- 18) camps that focus on theatrical production. YouTheatre shall not exceed posted occupancy of the building (listed in chart below) at any time. YouTheatre shall be responsible for creating and managing a parking/drop off plan for all camp participants.

ROOM	**CAPACITY**
ATTIC	**25**
2ND FLOOR	**49**
MAIN	**49**

5. Tax-Exempt Status. In the event Tenant loses it tax-exempt status, the City shall have the option of terminating the Lease, or increasing the rental to the fair market value of the space occupied by the YouTheatre on the date that the tax exemption was revoked.

6. Storage of Equipment and Supplies. The Tenant has exclusive use of office space on the first floor which the tenant is permitted to use for storage of equipment and supplies related to the summer YouTheatre operations. No hazardous material shall be stored in this designated area. Equipment and supplies stored in this area shall be in compliance with applicable building codes and stored such that they do not cause risk of injury to individuals inside or outside of the area. YouTheatre will be responsible for securing this area and the City is not responsible for any lost or damaged items stored in this area.

7. Accounting. The Tenant and YouTheatre agree to keep and maintain its financial books and records in accordance with generally accepted accounting principles. The City or its independent auditor reserves the right to conduct its own annual audit of the financial books and records at reasonable times and places during ordinary business hours provided that thirty (30) days written notice of the audit is provided to Tenant, and such notice contains a reasonable explanation for the audit. Any audit performed by Landlord pursuant to this Lease Agreement shall be performed at Landlord's sole expense.

8. Scale of Event. YouTheatre hereby acknowledges that no event shall exceed the occupancy limit on any space inside the building as determined by the Park City Building Department and Planning approvals. YouTheatre shall arrange to mitigate parking, traffic, and noise impacts associated with any camp operations not limited to marketing efforts and directional signage. A written plan will need to be approved by City officials annually prior to occupancy. Security and emergency lighting/exits/evacuation for all camps are solely the responsibility of Tenant.

9. Assignment/Sublease. Tenant has no right to assign or sublet any or all portions of the leased space for any purpose whatsoever, including subleases or assignments to other non-profit organizations, or assignments for the benefit of creditors. Any attempt to sublet or assign shall cause this Lease Agreement to immediately terminate.

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

11. Use of the Premises. The Premises shall be used by the Tenant only for youth theatrical programs sponsored and organized by YouTheatre.

12. Telephone, Cable, Internet. The Tenant will install its own telephone, television, computer, and other communication equipment in the leased space.

13. Insurance. Tenant will carry a primary and non-contributory policy of general liability insurance, in an amount of at least Two Million Dollars ($2,000,000.00) per incident or occurrence and Four Million Dollars ($4,000,000.00) policy aggregate limits, to cover Tenant's patrons and employees during the course of its business. Tenant shall carry a primary and non-contributory policy of workers compensation insurance, in an amount of at least Five Hundred Thousand ($500,000.00) per accident.Tenant shall carry a primary and non-contributory property insurance policy covering Premises and contents located in Tenant's space, which are owned or leased by the Tenant.

Tenant's policies shall include an endorsement naming Landlord an additional insured on the policy, and an endorsement Waiver of Transfer of Rights of Recovery Against Others To Us (form CG 24 04 10 93), as part of the policy. A certificate of insurance with a thirty (30) day cancellation notice provision shall be provided to Landlord on or before the lease commencement date, and maintained continuously during the term of the Lease Agreement.

The Tenant will not store or keep any product or equipment within the space that will, because of its nature, increase the risk of casualty losses to the overall building, or that will require additional premiums or specialty coverage.

14. Payment of Taxes and Other Assessments. As a tax exempt entity, the Landlord does not expect to be assessed real estate and personal property taxes and other related assessments or taxes on the Premises. However, should Tenant change the tax status or should other

circumstances cause taxes or assessments to be imposed on the Premises, then Tenant shall pay a pro-rata share of real estate and personal property taxes and other related assessments or taxes for the Tenant's Premises during the term of this Lease Agreement.

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

16. Tenant Improvements. The Premises are being leased to Tenant in AS-IS condition. Any additional interior finish or furnishings desired by the Tenant must be approved in advance by the Landlord in writing and are the responsibility of the Tenant, with no allowance made for the costs of the Tenant improvements unless agreed to by Landlord in writing. At the expiration or termination of the Lease Agreement, all Tenant improvements that could be deemed fixtures under the law become property of the Landlord unless specifically exempted in writing prior to installation.

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

18. Remedies. In the event the Tenant fails to pay monthly installment payments when due, or violates or reaches any other term or condition of the Lease Agreement, Landlord shall have the right to exercise the following remedies, and any other remedies available at law or equity:

(1) Landlord may, by written notice to Tenant, demand that Tenant either pay rental installments due within ten (10) days, or quit the premises within fifteen (15) days;

(2) Landlord may permit Tenant to remain in possession and sue for the installments that are past due;

(3) Landlord may re-let the premises for Tenant's account at the rate and on such terms as are commercially reasonable at the time and under the circumstances, and charge Tenant for any difference in the rental received and the rental agreed to herein, provided that any re-letting shall be done in good faith under the circumstances;

(4) Landlord may agree to a payment of damages in such amount as the parties then agree, and release the Tenant from obligations under this Lease Agreement entirely. Unless Landlord has released Tenant's continued performance under this Lease

Agreement, Tenant is deemed to be in possession of the Premises, and any re-letting by Landlord in on Tenant's account. Tenant is responsible for all payments and obligations under the Lease Agreement until Landlord releases Tenant.

19. Covenant of Quiet Possession. Landlord covenants with Tenant that Landlord owns or controls the Premises and that Tenant's possession will not be disturbed by acts or omissions of the Landlord so long as Tenant faithfully performs the obligations of this Lease Agreement. However, Tenant acknowledges the Premises are part of a larger public building. Therefore, Tenant may experience temporary impacts to operations, noise, and parking access customarily found with public buildings.

20. Maintenance. Landlord shall be responsible for all structural maintenance of the Premises, including the roof, foundation, structural members, and exterior wall surfaces. The Landlord will be responsible for janitorial service in areas used in common with the Miners Hospital and other tenants and cleaning the outside of the glass and replacement in the event of damage from an outside source. Landlord shall be responsible for mechanical systems which serve space as reasonably necessary to maintain the structure and to service common utility facilities. Exterior maintenance of the site and snow removal shall be Landlord's responsibility.

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

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

23. Increased Insurance Risk. Tenant will not permit the Premises to be used for any purpose which would render the fire insurance on the building or the Premises void or cause cancellation thereof or increase the insurance risk or increase the insurance premium in effect at the time of the terms of this Lease Agreement. Tenant will not keep, use or sell, or allow to be kept, used or sold in or about the Premises any article or materials which are prohibited by law or by standard fire insurance policies of the kind customarily in force with respect to the Premises of the same general type as those covered by this Lease Agreement.

24. Care and Repair of Premises by Tenant. Tenant will inspect and accept the Premises for the purposes of this Lease Agreement prior to taking occupancy. Tenant will not commit any waste on Premises, nor shall it use or permit the use of the Premises in violation of any State law or County or municipal ordinance or regulation applicable thereto. Tenant may, with the prior written consent of the Landlord, but at its own cost and expense, in a good workmanlike manner, make such alterations and repairs to the leased space as Tenant may require for the conduct of its business without, however, materially altering the basic character of the building or

improvements or weakening the structure on the Premises. Any permanent alterations or improvements to the Premises shall become the property of the Landlord upon expiration or termination of this Lease Agreement unless specifically exempted in writing prior to commencing work.

25. Damage or Destruction. If the Premises or any part thereof shall be damaged or destroyed by fire or other casualty, Landlord shall promptly repair all such damage and restore the Premises without expense to the Tenant, subject to delays due to adjustment in insurance claims, strikes, and other causes beyond the Landlord's control. If such damage or destruction shall render the Premises uninhabitable in whole or in part, the rent shall be abated wholly or proportionately until the damage shall be repaired and the premises restored. If the damage or destruction shall require removal of Tenant's operations from the Premises, either Landlord or Tenant may elect to terminate this Lease by written notice to the other within thirty (30) days after the occurrence of such damage or destruction. Tenant shall not use space heaters and/or any other electrical equipment which may overload the system without written permission from Landlord.

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

27. Hold Over. Should Tenant hold over the Premises or any part thereof after the expiration of the term of this Lease Agreement unless otherwise agreed in writing, Tenant shall pay the same monthly rental provided for herein, plus ten (10%) increase, and any and all damages as available to Landlord, including attorney fees for eviction and statutory penalties/treble damages.

28. Indemnity.

(1) Tenant shall indemnify and hold Landlord and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Landlord arising out of, in connection with, or incident to the execution of this Lease Agreement and/or the Tenant's defective performance or failure to perform any aspect of this Lease Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the Landlord, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Tenant; and provided further, that nothing herein shall require the Tenant to hold harmless or defend Landlord, its agents, employees and/or officers from any claims arising from the sole negligence of Landlord, its agents, employees, and/or officers. The Tenant expressly agrees that the indemnification provided herein constitutes the Tenant's limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Tenant claims

or recovers compensation from the Landlord for a loss or injury that Tenant would be obligated to indemnify the Landlord for under this Lease Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Lease Agreement. The provisions of this section shall survive the expiration or termination of this Lease Agreement.

(2) No liability shall attach to Landlord by reason of entering into this Lease Agreement except as expressly provided herein.

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

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

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

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

33. Building Security. Landlord will install doors with locking hardware. Tenant is entitled to put locks on the doors to its space that they have exclusive use, provided the Landlord is given keys for reasonable access and building maintenance. Both parties will attempt to keep the exterior doors locked after their use of the building is completed for the day, and Tenant shall have the obligation of checking all exterior doors and setting of alarm at the conclusion of each day to make sure that they are locked, and that windows in the rooms used by Tenant are secured. Lights should be turned off at the conclusion of Tenant's use each day.

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

If to Landlord:
Jonathan Weidenhamer, Economic Development Manager
Park City Municipal Corporation
P.O. Box 1480

Park City, Utah 84060

If to Tenant:
Jamie Wilcox, YouTheatre, Executive Director
Egyptian Theatre
328 Park Main Street
Park City, UT 84060

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

DATED this ______ day of ____________________,2018.

LANDLORD:
PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation

____
Andy Beerman, Mayor

Attest:

____
City Recorder

Approved as to form:

____
City Attorney's Office

TENANT

PARK CITY PERFORMANCES, a Utah corporation d/b/a EGYPTIAN THEATRE COMPANY

____
SIGNATURE

____
PRINT NAME AND TITLE

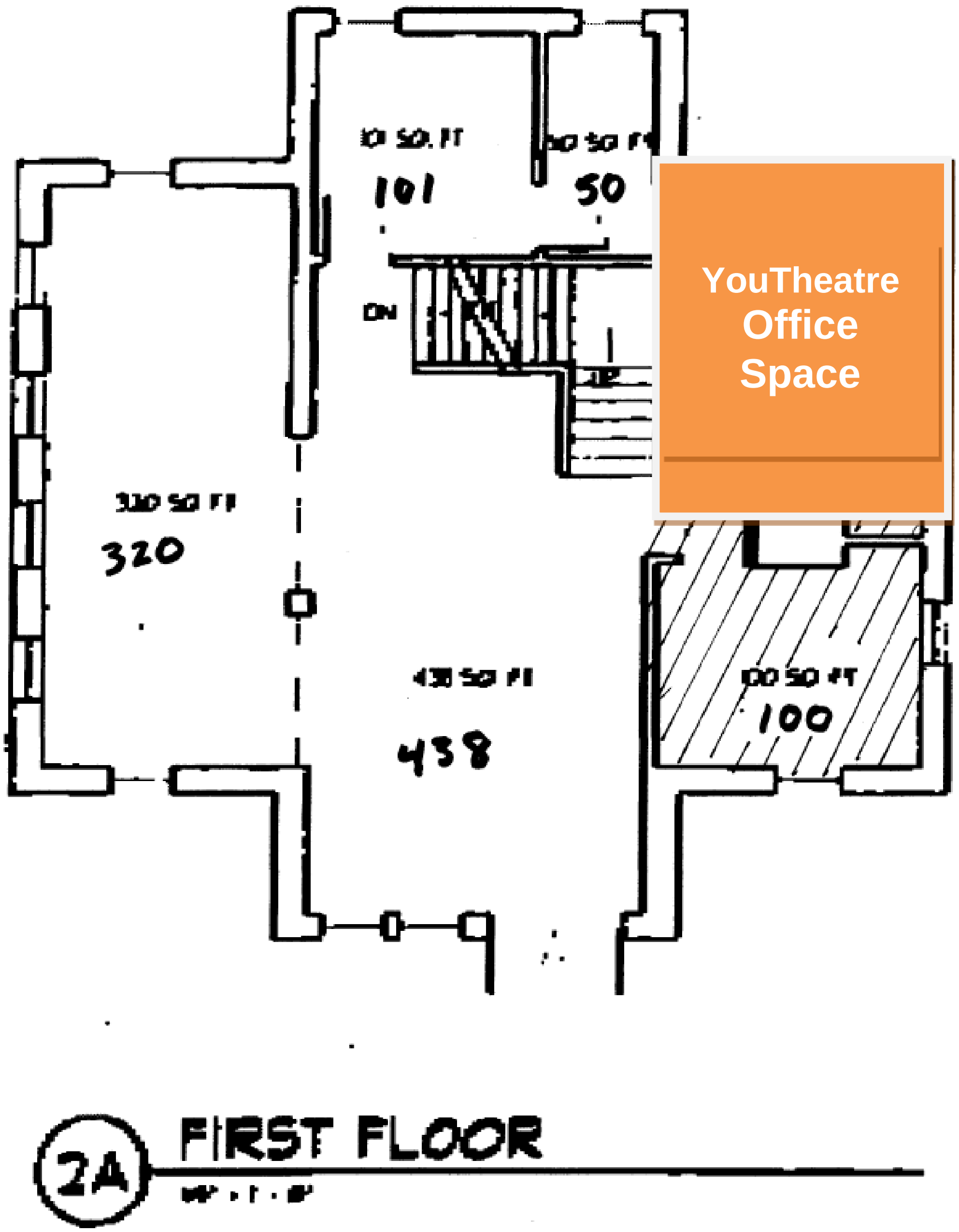
ACKNOWLEDGMENT

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ________ day of ______________________, 2018 before me, the undersigned notary, personally appeared ______________________________________, personally known to me/proved to me through identification documents allowed by law, to be the person who executed the within instrument as _____________________________ of the corporation therein named, and acknowledged to me that he/she executed the same on behalf of the corporation for the purposes therein stated.

____
Notary Public

EXHIBIT "A"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YouTheatre
Office
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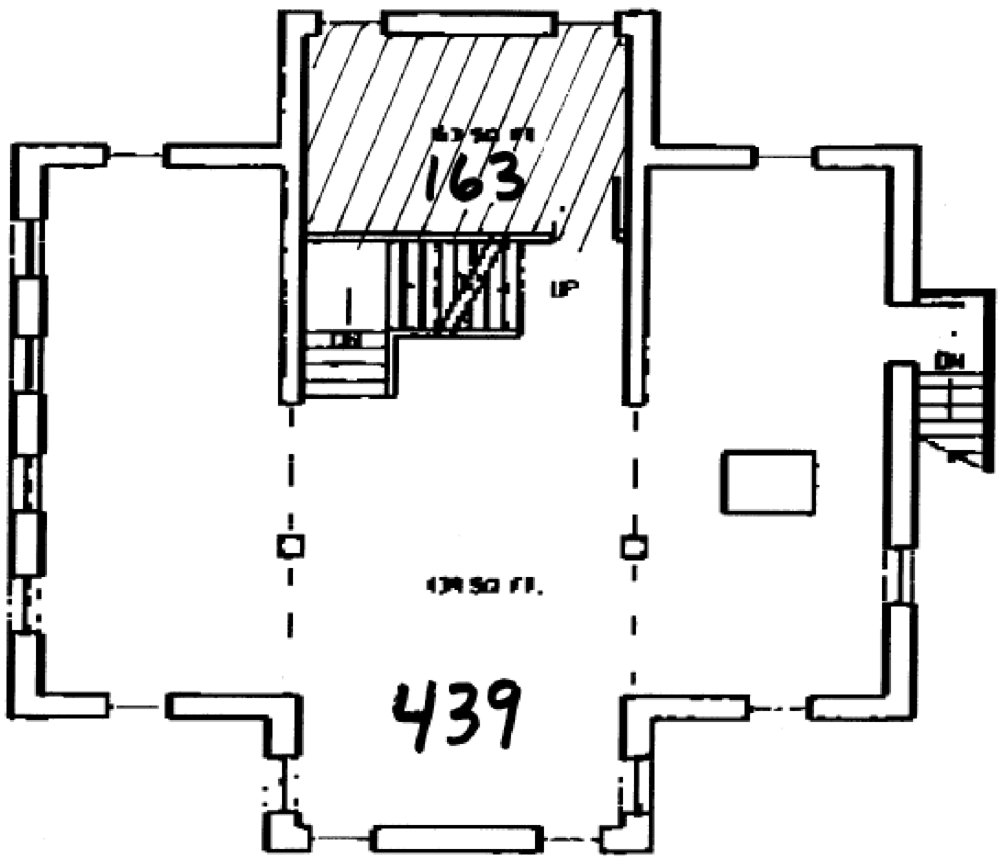
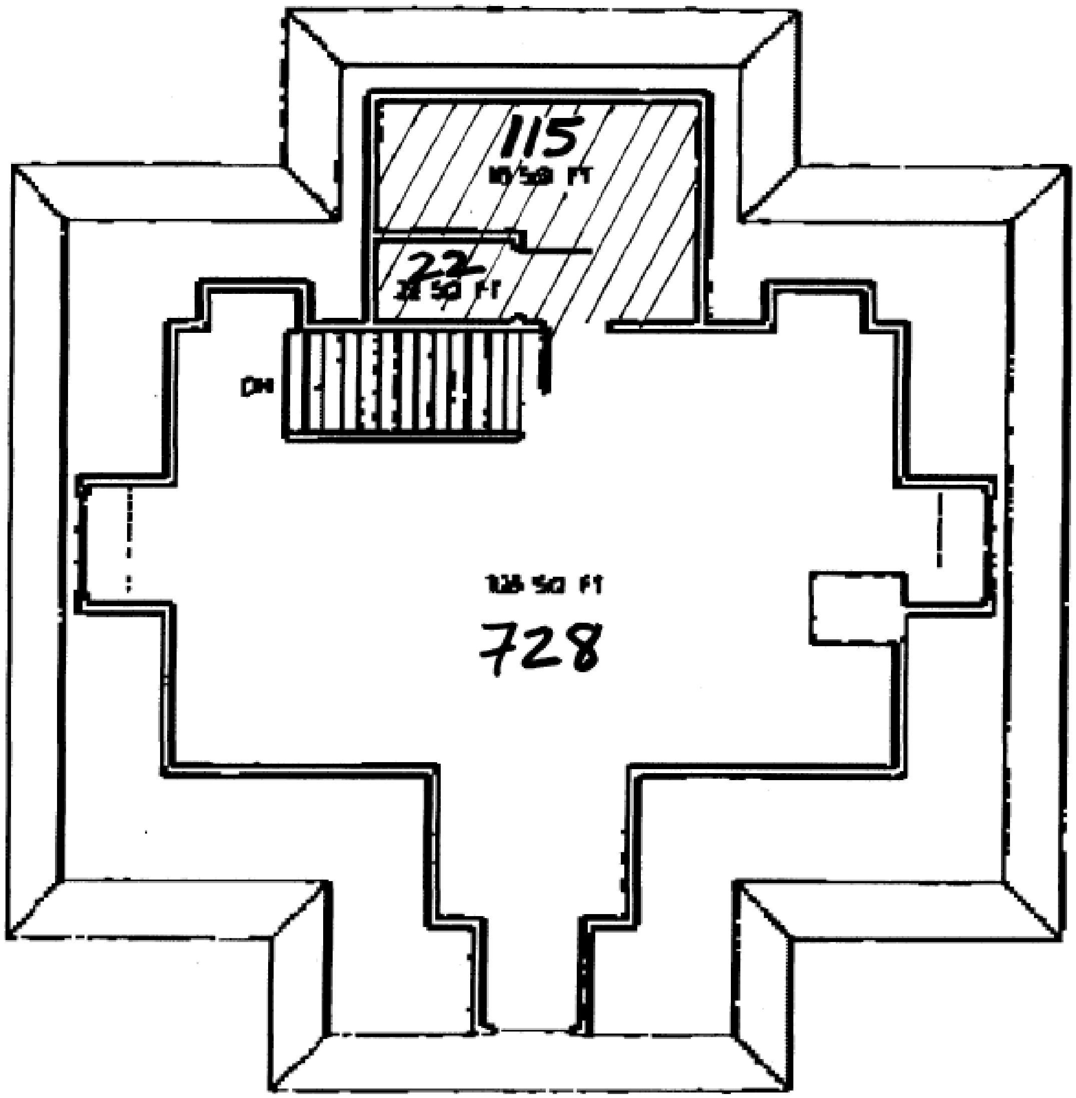
FIRST FLOOR



3A SECOND FLOOR



4A ATTIC FLOOR

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Resolution
Agenda Section: NEW BUSINESS

Subject:
Consideration to Approve Resolution 07-2018, a Resolution Recognizing May 2018 as Mental Health Awareness Month in Park City
(A) Public Input (B) Action

Suggested Action:

Attachments:
Mental Health Awareness Month Staff Report

Resolution 07-2018 Mental Health Awareness Month

City Council
Staff Report

Subject: Mental Health Awareness Month
Author: Michelle Kellogg
Department: Executive
Date: April 19, 2018
Type of Item: Administrative

Summary Recommendation

Approve the proposed resolution proclaiming May 2018 as Mental Health Awareness Month in Park City.

Executive Summary

CONNECT is a nonprofit organization that was formed to bring together Summit County residents who are concerned about mental health issues facing our community. Mental health is a challenge nationwide and this group wants to see improved mental health services that are accessible to Summit County residents.

The Opportunity

Supporting Mental Health Awareness Month could help de-stigmatize mental illness, increase awareness and transparency of existing behavioral health services, provide relevant community programming, and build public support for increased spending on behavioral health in Summit County.

Alternatives for City Council to Consider

Recommended Alternative: Staff recommends Council approve the proposed resolution in support of Mental Health Awareness Month.

Pros

a. The resolution demonstrates the City's support of mental health.
b. Supporting this resolution could result in increased awareness in the community.

Cons

a. No increase in community awareness.

Consequences of Selecting This Alternative

Supporting this resolution will demonstrate that the City values residents of all needs within the community.

2. **Null Alternative:** No material impact.

Department Review

Legal and Executive Departments

Funding Source

There are no commitments associated with this resolution.

Resolution 07-2018

A Resolution Recognizing May 2018 as Mental Health Awareness Month in Park City

WHEREAS, one out of every five American adults experiences a mental health disorder during their lifetime;

WHEREAS, one out of every ten American children has a mental illness serious enough to impair how they function at home, at school and with peers;

WHEREAS, the impact of mental illness reaches families, neighborhoods, schools and the workplace;

WHEREAS, the Summit County Mental Wellness Alliance was created through the leadership of the Summit County Health Department and the Park City Community Foundation in 2017 to bring together for effective, cooperative action, the many organizations in Summit County addressing mental health and substance abuse challenges;

WHEREAS, Communities That Care has been implemented as the youth prevention initiative for the Mental Wellness Alliance of Summit County;

WHEREAS, the City Council has approved the Summit County Mental Wellness Strategic Plan;

WHEREAS, May has been recognized as national Mental Health Awareness Month since 1949; and

WHEREAS, CONNECT Summit County, with the support of the Summit County Mental Wellness Alliance and many other community organizations, has planned a wide range of events for the Park City community for Mental Health Awareness Month, including talks, films, and panel discussions;

NOW THEREFORE, be it resolved by the Park City Council that:

(1) May 2018 is recognized as Mental Health Awareness Month in Park City; and

(2) the people of Park City are encouraged to take the opportunity to learn more about building mental health and preventing substance abuse.

PASSED AND ADOPTED this 19th day of April, 2018.

PARK CITY MUNICIPAL CORPORATION

Mayor Andy Beerman

ATTEST:

Michelle Kellogg, City Recorder

APPROVED TO FORM:

Mark D. Harrington, City Attorney

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Karen Yocum
Submitting Department: Recreation
Item Type: Staff Report
Agenda Section: NEW BUSINESS

Subject:
Consideration to Approve Resolution No. 06-2018, a Resolution Setting Forth a Policy for Park City Cemetery Operations and Services and Repealing and Replacing Resolution No. 03-14 in its Entirety
(A) Public Input (B) Action

Suggested Action:
Repeal and Replace Resolution 03-14 with Resolution 06-18 in it's entirety.

Attachments:
Cemetery Staff Report

Resolution 06-2018 Cemetery

Resolution 03-14 Cemetery

City Council
Staff Report

Subject:	**Cemetery Resolution**
Author:	**Karen Yocum, Cemetery Sexton**
Department:	**Recreation**
Date:	**April 19, 2018**
Type of Item:	**Legislative**

Summary Recommendation

Repeal and replace Resolution No. 03-14, a resolution setting forth a policy for Park City Cemetery operations and services in its entirety, with Resolution No. 06-2018, changing the policy to only allow traditional (full casket) burial plots to be sold to those with immediate need.

Executive Summary

- The Park City Cemetery has only 30 plots left for sale for use as traditional burial, spaces. Once these plots are sold, the cemetery will be closed to sales for traditional burial. The cemetery has a number of plots which are considered viable for cremation only burials as well as the Memorial Walls for plaques available for both qualified residents and non-residents. Limiting the sale of traditional burial plots to those qualified residents with *immediate need* is prudent in order to prolong the availability of the traditional burial option in the cemetery for up to 4 years. A qualified resident is defined as a person meeting the eligibility requirements for plot purchase in the Park City Cemetery and a qualified resident with *"immediate need"* is defined as a qualified resident who has experienced a death in their family. The qualified resident would also be able to purchase a second plot if desired.

The Problem

- Our cemetery has almost run out of traditional burial plots for sale.
- Plot prices are low enough to be reasonable for anyone to purchase but also low enough that some people choose to purchase many plots.
- There is no limit to the number of plots a person may purchase.
- Viable plots for traditional burials are only located on the east side of the Cemetery. Factors precluding use of plots on the west side of the cemetery include ground movement, plywood caskets without use of vaults, lack of ability to ensure no infringement on other burials and small spacing in older burial sections. There are also numerous spaces which visually seem to have had burials however these are unmarked and there are no records.
- Stacked burials are allowed however the terrain in our Cemetery is very rocky and difficult to dig therefore we do not attempt stacked burials.
- It is important to address how we will proceed now and how it will impact the future for our cemetery.

Background

- On March 15, 2018, City Council participated in a study session with Cemetery staff and the Recreation Manager to discuss the cemetery with regards to the limited number of plots available for traditional burial. The link to the Study Session report is here.
- Cemetery Staff Report dated March 15 2018

Alternatives for City Council to Consider

1. **Recommended Alternative:** Repeal and replace Resolution No. 03-14, a resolution setting forth a policy for Park City Cemetery operations and services in its entirety, with Resolution No. 06-2018, changing the policy to only allow the few remaining traditional burial plots to be sold to those with immediate need.

Pros

a. Limiting the sale of traditional burial plots to those qualified residents with *immediate need* is prudent in order to prolong the availability of the traditional burial option in the cemetery for up to 4 years. A person with *"immediate need"* is defined as a qualified resident who has experienced a death in their family. The qualified resident would also be able to purchase a second plot if desired.

Cons

a. Qualified residents will not be able to plan ahead for future cemetery needs unless they are considering a crematory burial or if they are in *immediate need*.
b. Qualified residents who do not currently own plots will not be able to have traditional burials in the cemetery once the last of those traditional burial plots are sold or used.

2. **Null Alternative:** if Council determines not to proceed with this option, all viable traditional burial plots will be sold leaving none available for those who don't currently own plots as well as those with immediate need.

Pros:

a. Once all viable traditional burial plots are sold, the cemetery will only provide burials to those already owning viable plots, sell cremation only plots and provide crematory burials. Memorial Wall plaque spaces are also available.

Cons:

b. Residents will have to find other cemeteries to provide plots and burials outside of Park City.

Department Review

This report was reviewed by Legal, Executive and Recreation

Attachments.

A. Resolution No. 06-2018

A Resolution Setting Forth A Policy For Park City Cemetery Operations and Services and Repealing and Replacing Resolution No. 03-14 in Its Entirety

B. Resolution No 03-14

Resolution No. 06-2018

A RESOLUTION SETTING FORTH A POLICY FOR PARK CITY CEMETERY OPERATIONS AND SERVICES AND REPEALING AND REPLACING RESOLUTION NO. 03-14 IN ITS ENTIRETY

WHEREAS, the Park City Council deems it in the best interest of the community to set forth its policies in writing regarding departmental operations and services of the City, and specifically at this time, to provide clarity on cemetery operations; and

WHEREAS, Resolution No. 03-14 legislated the addition of the Memorial Wall policies to the cemetery policies including approval to make 67 Memorial Wall plaque spaces available to non-residents, Park City Council deems it necessary to change the Cemetery policy due to limited number of plots left for purchase for traditional (full casket) burials; and

WHEREAS, in an effort to prolong the length of time that traditional burial spaces are available in the cemetery; and

WHEREAS, only qualifying residents with "immediate need" will be allowed to purchase one traditional burial plot plus one additional if desired; and

WHEREAS, the definition of "immediate need" refers to a qualifying resident experiencing a death in the family and needing traditional burial space; and

WHEREAS, a public hearing was held on April 19, 2018, to receive public comments on the revised policy,

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

SECTION 1. CEMETERY ADMINISTRATIVE POLICY ADOPTED. The following policy is hereby adopted and Resolution No. 03-14 is replaced and repealed in its entirety:

(a) Background. The history of the Park City Cemetery formally began in 1892 when the Snyder Family sold approximately 4.2 acres of hillside to Park City Municipal Corporation for the reported sum of $300. The property was to be used as a cemetery for the people of Park City. In 1933, additional acreage was acquired when the State realigned Kearns Boulevard.

The cemetery's current potential is approximately 4,000 individual grave sites. In 1991, the City Council allocated $100,000 to expand the cemetery from seven to nine acres, providing an additional 800 plots.

Park City Council deemed it in the best interest of the community to set forth policies in writing regarding operations and services of the City specifically to provide clarity on cemetery operations. Resolution No. 11-93 legislated the number of plots to be set aside available for sale to non- residents to 100. As of October 3, 2006, all 100 plots were sold; Resolution No. 27-06 legislated the removal of all non-resident plot sales.

The Memorial Wall project was created to provide an alternative to burial for the citizens. The sales of plaque sites potentially provide revenue to expand the wall project in the future. Resolution No. 03-14 legislated that the Memorial Walls be created to provide alternative options to traditional burial, that all Memorial Wall policies be added to the current cemetery policies and that a specified number of plaques sites (67) be available for purchase by non-residents.

(b) Purpose. The purpose of this policy is to provide a general outline for the operations of the cemetery including the Memorial Walls; it should not be construed as a rigid rule that binds City staff, the Mayor, or the Park City Council.

(c) Philosophy. It is the intent of the City to offer cemetery services to residents of Park City. Fees will be charged for the sale of property and services associated with interments to help offset the costs of cemetery operations and services.

(d) Eligibility. A Qualified Resident is anyone born in the Park City Miner's Hospital, owning property, currently residing, or having resided within the City limits of Park City for a period of at least ten years consecutively, is eligible to purchase cemetery property for cremation burial, traditional (full casket) burial, Memorial Wall plaque sites, or may be buried in the Park City Cemetery. There are no plots available for sale to anyone who is not a qualified resident. To protect and provide for the welfare of Park City residents as the highest priority of the Mayor and City Council, the remaining available plots for traditional burial (approximately 30) are only available to persons who meet the eligibility criteria above and are with "immediate need". A Qualified Resident with immediate need may also be allowed to purchase a second plot for traditional burial. An allowance of 67 Memorial Wall plaque spaces may be sold to non-residents. Once these sites are sold, only qualified residents may purchase sites until the Memorial Wall site is expanded.

(e) Proof of Eligibility. Anyone wishing to purchase property in the Park City Cemetery, including plots and plaque sites, must show proof of eligibility, which may include presentation of a (1) current Summit County property tax assessment; (2) current utility bill showing a Park City (proper) service address; (3) Park City birth certificate; or (4) written testimony from a long-time Park City resident verifying applicant's eligibility or (5) recommendation from Park City Historical Society.

(f) Terms and Conditions of Cemetery Property Ownership:

1. Owner or owner's representative may determine who may or may not be buried in his/her property; they may also determine the verbiage on a plaque site located on a Memorial Wall.

2. Cemetery and Memorial Wall property deeds are non-transferable. If owner wishes to sell his/her property, the City may buy it back at the original purchase price. Owners may not sell plots or plaque sites to others.

3. Purchase price includes the perpetual care of the property at the City's expense. The City will assume responsibility for care of the property and any monument or marker placed on the grave prior to May 27, 1993. Monuments placed after 1993 are to be maintained by the owner and must remain in a safe condition. See Subsection 7 below for maintenance requirements. The perpetual care also covers the area around the Memorial Walls, the walls themselves, and installation of plaques. However perpetual care does not include care of the plaques.

4. The City assumes no responsibility for damage to coping, fences, plaques in ground or on walls, or plant materials installed without the permission of the City.

5. The City requires a concrete vault for all burials with the exception of cremated remains.

6. Stacked burials will be allowed only on approval of the Cemetery Sexton. Up to 3 Cremations are allowed above a full casket burial. Up to four cremations may be allowed in one plot (with no casket burial).

7. Grave markers flush with the ground are recommended because of related maintenance costs. All parties requesting monument markers will pay an additional one-time fee and are required to sign a hold harmless agreement releasing the City from any liability due to damage resulting from maintenance activities. All monuments must contain pins placed between separate stones for safety. Owners who purchase plaque space on a Memorial Wall are responsible for correct layout and design, correct sizing of the plaque prior to delivery to Cemetery staff for installation. No pets may be buried in the cemetery nor memorialized on a Memorial Wall plaque.

8. No other items (hanging bric-a-brac, fake flowers, etc.) may be placed on walls, surrounding areas, benches or ground around Memorial Walls.

(g) Fee Waivers. Any or all of the fees associated with the operation of the Park City Cemetery may be waived by the Cemetery Sexton, however such consideration is focused on persons who provided exceptional community service or residents with proven financial hardship. Grave sites, located in the "veterans section" for Park City veterans, firemen and police officers will be provided free of charge as well as fees for cemetery services. Memorial Wall plaque sites are also available to veterans, free of charge. Family members wishing to be buried in this section of the cemetery will be charged for plots, services and plaque sites.

(h) Fee and Policy Changes. Fees are set forth in the Park City Fee Resolution. The fees, charges, and policy regarding the cemetery operation will be reviewed every three years and presented to the City Council for formal adoption. The Park City Council reserves the right to amend the policies and fees set forth without notice.

(i) State and Federal Regulations. The Park City Cemetery shall abide by all state and federal rules, regulations, and laws governing the operations of cemeteries.

SECTION 2. EFFECTIVE DATE. This Resolution shall become effective upon adoption.

PASSED AND ADOPTED this 19th day of April, 2018.

PARK CITY MUNICIPAL CORPORATION

____

Mayor Andy Beerman

Attest:

____

Michelle Kellogg, City Recorder

Approved as to form:

____

Mark D. Harrington, City Attorney

Resolution No. 03-14

A RESOLUTION SETTING FORTH A POLICY FOR PARK CITY CEMETERY OPERATIONS AND SERVICES AND REPEALING AND REPLACING RESOLUTION NO. 27-06 IN ITS ENTIRETY

WHEREAS, the Park City Council deems it in the best interest of the community to set forth its policies in writing regarding departmental operations and services of the City, and specifically at this time, to provide clarity on cemetery operations; and

WHEREAS, Resolution No. 11-93 legislated the number of plots to be set aside available for sale to non-residents to 100 and as of October 3, 2006, all 100 plots have been sold as specified; and

WHEREAS, the Park City Council, in review of the number of plots available to City residents only, deemed it appropriate to approve the construction of the Memorial Walls as an alternative to burial; and

WHEREAS, with the addition of the Memorial Walls to the cemetery, the policies for the Memorial Walls be added to the existing cemetery policies; and

WHEREAS, in keeping with the original legislated number of plots available to non-residents, City Council approves the availability of 67 Memorial Wall plaque spaces to be sold to non-residents; and

WHEREAS, a public hearing was held on January, 23, 2014, to receive public comments on the revised policy,

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

SECTION 1. CEMETERY ADMINISTRATIVE POLICY ADOPTED. The following policy is hereby adopted and Resolution No. 27-06 is replaced and repealed in its entirety:

(a) Background. The history of the Park City Cemetery formally began in 1892 when the Snyder Family sold approximately 4.2 acres of hillside to Park City Municipal Corporation for the reported sum of $300. The property was to be used as a cemetery for the people of Park City. In 1933, additional acreage was acquired when the State realigned Kearns Boulevard.

The cemetery's current potential is approximately 4,000 individual grave sites. In 1991, the City Council allocated $100,000 to expand the cemetery from seven to nine acres, providing an additional 800 plots.

Park City Council deemed it in the best interest of the community to set forth policies in writing regarding operations and services of the City specifically to provide clarity on cemetery operations. Resolution No. 11-93 legislated the number of plots to be set aside available for sale to non- residents to 100. As of October 3, 2006, all 100 plots have been sold as specified; Resolution No. 27-06 legislated the removal of all non-resident plot sales.

The Memorial Wall project was created to provide an alternative to burial for the citizens. The sales of plaque sites potentially provide revenue to expand the wall project in the future.

(b) Purpose. The purpose of this policy is to provide a general outline for the operations of the cemetery including the Memorial Walls; it should not be construed as a rigid rule that binds City staff, the Mayor, or the Park City Council.

(c) Philosophy. It is the intent of the City to offer cemetery services to residents of Park City. Fees will be charged for the sale of property and services associated with interments to help offset the costs of cemetery operations and services.

(d) Eligibility. Anyone born in Park City, owning property, currently residing, or having resided within the City limits of Park City for a period of at least ten years consecutively, is eligible to purchase cemetery property, Memorial Wall plaque sites, or may be buried in the Park City Cemetery. The number of plots designated for sale to non-city residents has been filled. There are no plots available for sale to unqualified non-residents. To protect and provide for the welfare of Park City residents as the highest priority of the Mayor and City Council, the remaining available plots (approximately 250) remain available to persons who meet the criteria above. An allowance of 67 Memorial Wall plaque spaces may be sold to non-residents. Once these sites are sold, only eligible residents may purchase sites until the Memorial Wall site is expanded.

(e) Proof of Eligibility. Anyone wishing to purchase property in the Park City Cemetery, including plots and plaque sites, must show proof of eligibility, which may include presentation of a (1) current Summit County property tax assessment; (2) current utility bill showing a Park City (proper) service address; (3) Park City birth certificate; or (4) written testimony from a long-time Park City resident verifying applicant's eligibility or (5) recommendation from Park City Historical Society.

(f) Terms and Conditions of Cemetery Property Ownership:

1. Owner or owner's representative may determine who may or may not be buried in his/her property; they may also determine the verbiage on a plaque site located on a Memorial Wall.

2. Cemetery and Memorial Wall property deeds are non-transferable. If owner wishes to sell his/her property, the City may buy it back at the original purchase price. Owners may not sell plots or plaque sites to others.

3. Purchase price includes the perpetual care of the property at the City's expense. The City will assume responsibility for care of the property and any

monument or marker placed on the grave prior to May 27, 1993. See Subsection 7. Monuments placed after 1993 are to be maintained by the owner and must remain in a safe condition. The perpetual care also covers the area around the Memorial Walls, the walls themselves and installation of plaques, however does not include care of the plaques.

4. The City assumes no responsibility for damage to coping, fences, plaques in ground or on walls, or plant materials installed without the permission of the City.

5. The City requires a concrete vault for all burials with the exception of cremated remains.

6. Stacked burials will be allowed only on approval of the Cemetery Sexton. Up to 3 Cremations are allowed above a full casket burial. Up to four cremations may be allowed in one plot (with no casket burial).

7. Grave markers flush with the ground are recommended because of related maintenance costs. All parties requesting monument markers will pay an additional one-time fee and are required to sign a hold harmless agreement releasing the City from any liability due to damage resulting from maintenance activities. All monuments must contain pins placed between separate stones for safety. Owners who purchase plaque space on a Memorial Wall are responsible for correct layout and design, correct sizing of the plaque prior to delivery to Cemetery staff for installation. No pets may be buried in the cemetery nor memorialized on a Memorial Wall plaque.

8. No other items (hanging bric-a-brac, fake flowers, etc) may be placed on walls, surrounding areas, benches or ground around Memorial Walls.

(g) Fee Waivers. Any or all of the fees associated with the operation of the Park City Cemetery may be waived by the Cemetery Sexton, however such consideration is focused on persons who provided exceptional community service or residents with proven financial hardship. Grave sites, located in the "veterans section" for Park City veterans, firemen and police officers will be provided free of charge as well as fees for cemetery services. Memorial Wall plaque sites are also available to veterans, free of charge. Family members wishing to be buried in this section of the cemetery will be charged for plots, services and plaque sites.

(h) Fee and Policy Changes. Fees are set forth in the Park City Fee Resolution. The fees, charges, and policy regarding the cemetery operation will be reviewed every three years and presented to the City Council for formal adoption. The Park City Council reserves the right to amend the policies and fees set forth without notice.

(i) State and Federal Regulations. The Park City Cemetery shall abide by all state and federal rules, regulations, and laws governing the operations of cemeteries.

SECTION 2. EFFECTIVE DATE. This Resolution shall become effective upon adoption.

PASSED AND ADOPTED this 23 day of January, 2014.

PARK CITY MUNICIPAL CORPORATION

Jack Thomas

Mayor Jack Thomas

Attest:

Marci Heil

Marci S. Heil, City Recorder

PARK CITY SUMMIT COUNTY UTAH
CORPORATE
Seal
MARCH 1, 1884

Approved to form:

Mark D. Harrington, City Attorney

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Francisco Astorga
Submitting Department: Planning
Item Type: Staff Report
Agenda Section: NEW BUSINESS

Subject:
Consideration to Approve Ordinance 2018-15, an Ordinance amending the Land Management Code of Park City, Utah, Chapter 15-2.24 Transfer of Development Rights (TDR) Overlay Zone Sections 15-2.24-2(B), 15-2.24-4(A)(1), and 15-2.24-5(A)(7) Related to the Sending Treasure Hill Overlay Zone
(A) Public Hearing (B) Action

Suggested Action:
Staff recommends that the City Council review the proposed Land Management Code (LMC) Amendments removing the Transfer of Development Rights - Sending Treasure Hill (TDR-STH) language from LMC Chapter 15-2.24 TDR Overlay Zone, subject to Park City Municipal Corporation acquiring the Treasure Hill Hillside Properties (Creole-Gulch and Mid-station Sites) of the Sweeney Properties Master Plan by April 1, 2019, as described in this staff report. Staff recommends that the City Council open a public hearing and consider approving the proposed Ordinance.

Attachments:
LMC Amendment TDR Staff Report and Ordinance

City Council
Staff Report

PLANNING DEPARTMENT

Subject:	**Land Management Code Amendments**
Author:	**Francisco Astorga, AICP, Senior Planner**
Application No.	**PL-18-03816**
Date:	**19 April 2018**
Type of Item:	**Legislative – Land Management Code Amendments Removing the Transfer of Development Rights - Sending Treasure Hill Designation**

Recommendation / Executive Summary

Staff recommends that the City Council review the proposed Land Management Code (LMC) Amendments removing the Transfer of Development Rights - Sending Treasure Hill (TDR-STH) language from LMC Chapter 15-2.24 TDR Overlay Zone, subject to Park City Municipal Corporation acquiring the Treasure Hill Hillside Properties (Creole-Gulch and Mid-station Sites) of the Sweeney Properties Master Plan by April 1, 2019, as described in this staff report. Staff recommends that the City Council open a public hearing and consider approving the proposed Ordinance.

Description

Proposal:	Removing the TDR-STH language from the LMC
Applicant:	Planning Department, directed by City Council
Location:	Hillside Properties (Creole-Gulch and Mid-station Sites) Sweeney Properties Master Plan
Reason for Review:	LMC Amendments require Planning Commission review, public hearing, and recommendation plus City Council review, public hearing, and final action

Acronyms within this Report

CUP	Conditional Use Permit
E	Estate (District)
LMC	Land Management Code
MPD	Master Planned Development
ROS	Recreation and Open Space (District)
STH	Sending Treasure Hill (Overlay Zone)
TDR	Transfer of Development Rights

Background

On February 15, 2018, the City Council approved an agreement to purchase Treasure Hill Hillside Properties (Creole-Gulch and Mid-Station sites) of the Sweeney Properties Master Plan, See Exhibit B – February 15, 2018 City Council Staff Report and Exhibit C – February 15, 2018 City Council Meeting Minutes. On February 14, 2018, the Planning Commission passed and adopted Planning Commission Resolution No. 01-2018 supporting continuing the Treasure Hill Conditional Use Permit (CUP) application to a date uncertain and supporting the City Council and Mayor in their consideration of purchasing the Treasure Hill property, see Exhibit D – Planning Commission Resolution No. 01-2018.

During the February 15, 2018 City Council meeting, the Council publicly deliberated removing the TDR-STH section in the LMC that provides the ability to transfer density from the Treasure Hill site to other sites in town. Although the TDR-STH section could allow the City an ability to recoup some of the cost of purchasing the site, the Council directed staff to remove the TDR-STH language from the code. The LMC includes the following language related to the transfer of development rights. Staff proposes to amend the language as redlined below:

15-2.24-2 Establishment Of Sending And Receiving Districts

A. The City Council may amend Sending Sites and Receiving Sites as TDR Zoning Districts within the Official Zoning Map by ordinance in the manner of amending the Official Zoning Map pursuant to Section 15-1-7 of this Code. The designations "TDR-S" shall be the prefix title for the overlay Zoning District for Sending Sites, the designation "TDR-R" shall be the prefix title of the overlay Zoning District for Receiving Sites.

B. All vacant lots within the Park City Historic Districts (except for those lots included in SOT1, SOT2, and SOT3~~, and STH~~) and all Sites listed on the Park City Historic Sites Inventory shall be eligible as Sending Sites and shall be an overlay Zoning District referred to as TDR-Sending Historic District (TDR-SHD).

C. Sending Sites and Receiving Sites shall be consistent with the General Plan and the purpose statements of Chapter 2.24.

15-2.24-4 Development Credit Determination Letter

A. The total number of Development Credits available to a Sending Site shall be determined as follows:
   1. ~~*TDR – Sending Treasure Hill (TDR-STH). For properties within TDR-STH, one (1) Development Credit per existing MPD Unit Equivalent may be calculated. A maximum of twenty-two (22) MPD Unit Equivalents may be sent from the TDR-STH Sending Site.*~~
   2. *TDR – Sending Old Town1 (TDR-SOT1), Sending Old Town 2 (TDR-SOT2), and Sending Old Town 3 (TDR-SOT3). For Properties within TDR-SOT1, TDR-SOT2, and TDR-SOT3, one (1) Development Credit may be calculated per existing minimum lot area within the underlying Zoning District.*
   3. *TDR – Sending Historic District (TDR-SHD).*
      a. *For vacant Lots of record in the Historic Districts, one (1) Development Credit per existing Lot of record may be calculated.*
      b. *For Sites listed on the Historic Sites Inventory, one (1) Development Credit per 2,000 square feet of unused development potential.*

B. If requested, this calculation will be made by the Park City Planning Director or his or her designee in the form of a determination letter. If the calculation results *in a fraction it shall be rounded to the nearest hundredth. Such letter will indicate the Development Credits at the time the request is made. The letter is an indication of possible Development Credits that may Transfer. The Development Credits are not Base Zone Density. The number of Development Credits may change if an MPD is amended or expires, or if the LMC is amended. A determination letter is not a binding document and does not grant a vested right.*

15-2.24-5 Sending Site Procedure

A. *The following is the Sending Site procedure that must be followed to send Development Credits:*

1. *TDR-S Property Owners may choose to develop their property under Base Zoning, or they may choose to sell, Transfer, or joint venture their Development Rights.*
2. *TDR-S fee Property Owners may request a Development Credit determination letter from the Park City Planning Director.*
3. *A TDR-S Property Owner is eligible to negotiate the sale, Transfer, or joint venture of their Property's Development Credits.*
4. *A Development Credit may only be sold, conveyed, or otherwise transferred by the Owner(s) or their legal representative.*
5. *The sale, conveyance, or Transfer shall occur upon surrender of the Development Credits which authorizes the Park City Planning Director, or designee to Transfer the Development Credits to the stated transferee by reissuing the Development Credits in the transferee's name, and recording a Development Credit Certificate in the real Property records of Summit County.*
6. *With each Transfer or sale, a Conservation Easement and/or deed restriction shall be recorded covering the entire Site, or if only a portion of the available Development Credits are sold then the Conservation Easement and/or deed restriction shall cover a proportional amount of the Site to be determined by the Park City Planning Director or a designee.*
7. ~~*Within TDR-STH, portions of Development Rights may be sent to a Receiving Site. Within the TDR-STH portions of Development Rights up to the maximum of twenty-two (22) MPD Unit Equivalents may be sent to a Receiving Site overlay Zoning District. Twenty-two (22) MPD Unit Equivalents in the TDR-STH zone equates to twenty-two (22) Development Credits in a Receiving Site overlay Zoning District.*~~
8. *Within the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District, Property Owners must sell, Transfer, or joint venture all of the Development Rights within the overlay zone. Portions of the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District shall not be developed if any portion of the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District has been sent to a Receiving Site. An Owner of land within the TDR-SOT overlay Zoning District will not be eligible to Transfer Development Credit if they chose to sell or develop any portion of the TDR-SOT1, TDR-SOT2 and TDR-SOT3 overlay Zoning District. The TDR-*

SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning Districts must be transferred in whole.

9. *When all available Development Credits on a Sending Site have been purchased, no Uses other than those enumerated in the Conservation Easement are allowed. Responsibility for any required maintenance or abatement remains with the fee title Owner.*
10. *The final Transfer of Development Credits will be completed upon Development Approval on a Receiving Site and the Recording of a deed restriction and/or Conservation Easement against the Sending Site or if the Owner of the Development Credits chooses to forfeit Development Rights and records a deed restriction and/or Conservation Easement to do so.*
11. *TDR-S Property Owners shall notify any lien or mortgage holders of the sale of the Development Credits, and such notification shall be demonstrated by written approval submitted to the City prior to Transfer.*
12. *TDR-S Property Owners shall be responsible for notification of the county tax assessor regarding possible changes in Property value.*

During the March 28, 2018 Planning Commission meeting, the Commission reviewed the proposed LMC Amendment, opened a public hearing, and forwarded a positive recommendation to the City Council, as amended. During this meeting City Staff clarified and amended the proposed language of section 2 Effective Date as drafted on the attached ordinance to be adopted by the City Council. The Planning Commission unanimously supported the proposed LMC Amendment (6-0 vote). See Exhibit E – March 28, 2018 Planning Commission Staff Report and Exhibit F – March 28, 2018 Planning Commission Meeting Minutes.

District Purpose

The purposes of the TDR Overlay Zone are to:

A. promote the general health, safety, and welfare of the present and future inhabitants, businesses, and visitors of Park City;
B. preserve Open Space, scenic views, environmental areas, Steep Slopes and Sensitive Lands;
C. conserve Agriculture, and forest areas;
D. protect lands and structures of aesthetic, architectural, and Historic significance;
E. retain Open Space in which healthful outdoor recreation can occur;
F. improve upon Park City's well-established park and trail system;
G. ensure the owners of preserved, conserved, or protected land may make reasonable use of their Property rights by transferring their right to develop to eligible zones;
H. provide a mechanism whereby Development rights may be reliably Transferred;
I. ensure Development Rights are transferred to properties in Areas or districts that have adequate community facilities and infrastructure, including transportation, to accommodate additional Development; and
J. locate receiving zones to improve future traffic circulation.

Analysis
The proposed amendments remove the ability to transfer any density from the Treasure Hill site to other locations, subject to Park City Municipal Corporation acquiring the subject property. Currently the LMC designates the Treasure Hill Hillside Properties as a TDR-Sending zone allowing the transfer of up to the maximum of twenty-two (22) MPD Unit Equivalents that may be sent to a Receiving Site overlay Zoning District, subject to applicable review process and approval. Staff recommends that the LMC Amendment take effect if the Treasure Hill Hillside Properties (Creole-Gulch and Mid-station Sites) of the Sweeney Properties are indeed acquired by Park City in accordance with the Settlement Agreement (and other relevant documents) by April 1, 2019.

In addition, the official Zoning Map will also need to be amended pursuant to LMC § 15-1-5 and 15-1-7 to remove the TDR-STH Zone Overlay designation and to change the zoning designation of the site from the current Estate District / Master Planned Development (E-MPD) to the Recreation and Open Space (ROS) zoning district. Staff requests to follow up on this Zoning Map Amendment after the results of the November 2018 Bond measure.

Process
Amendments to the Land Management Code require Planning Commission recommendation and City Council adoption. City Council action may be appealed to a court of competent jurisdiction per LMC § 15-1-18.

Notice
On March 14, 2018, legal notice of a public hearing was posted in the required public spaces and published in the Park Record.

Public Input
Public hearings are required to be conducted by the Planning Commission and City Council prior to adoption of LMC amendments. The public hearing for these amendments was properly and legally noticed as required by the LMC. No public input has been received as of the date of this report.

Significant Impacts
The proposed LMC amendments remove the ability to transfer any density from the Treasure Hill site to other sites, subject to City acquisition of the site.

Recommendation
Staff recommends that the City Council review the proposed LMC Amendments removing the Transfer of Development Rights - Sending Treasure Hill language from LMC Chapter 15-2.24 TDR Overlay Zone, subject to Park City Municipal Corporation acquiring the Treasure Hill Hillside Properties (Creole-Gulch and Mid-station Sites) of the Sweeney Properties Master Plan by April 1, 2019, as described in this staff report. Staff recommends that the City Council open a public hearing and consider approving the proposed Ordinance.

Exhibits
Exhibit A – Proposed Ordinance

Hyperlinked Exhibits
Exhibit B – February 15, 2018 City Council Staff Report
Exhibit C – February 15, 2018 City Council Meeting Minutes
Exhibit D – Planning Commission Resolution No. 01-2018
Exhibit E – March 28, 2018 Planning Commission Staff Report
Exhibit F – March 28, 2018 Planning Commission Meeting Minutes

Exhibit A – Proposed Ordinance

Draft Ordinance 2018-15

AN ORDINANCE AMENDING THE LAND MANAGEMENT CODE OF PARK CITY, UTAH, CHAPTER 15-2.24 TRANSFER OF DEVELOPMENT RIGHTS (TDR) OVERLAY ZONE SECTIONS 15-2.24-2(B), 15-2.24-4(A)(1), AND 15-2.24-5(A)(7) RELATED TO THE SENDING TREASURE HILL OVERLAY ZONE.

WHEREAS, the Land Management Code was adopted by the City Council of Park City, Utah to promote the health, safety and welfare of the residents, visitors, and property owners of Park City; and

WHEREAS, the Land Management Code implements the goals, objectives and policies of the Park City General Plan to maintain the quality of life and experiences for its residents and visitors; and to preserve the community's unique character and values; and

WHEREAS, the City reviews the Land Management Code and identifies necessary amendments to address planning and zoning issues that have come up in the past, and to address specific Land Management Code issues raised by the public, Staff, and the Commission, and to align the Code with the Council's goals and implementation of the General Plan; and

WHEREAS, the City's goals include preservation of Park City's character regarding Old Town improvements, historic preservation, sustainability, affordable housing, and protecting Park City's residential neighborhoods and commercial districts; and

WHEREAS, on February 15, 2018, the City Council approved an agreement to purchase Treasure Hill Hillside Properties (Creole-Gulch and Mid-Station sites) of the Sweeney Properties Master Plan subject to a bond approval by Park City voters in November 2018, and City Council determined that if the purchase occurred, City Council did not want to ability to transfer density from the Treasure Hill site to other sites in town; and

WHEREAS, Chapter 2.24 Transfer of Development Rights (TDR) Overlay Zone provides a description of requirements, provisions and procedures specific to this overlay zone that the City desires to revise; and

WHEREAS, by removing the TDR sending overlay zoning from the Treasure Hill site, it removes the ability to transfer any density from the Treasure Hill site to other sites, subject to City acquisition of the site; and

WHEREAS, the Land Management Code amendments shall not take effect if the Treasure Hill Hillside Properties (Creole-Gulch and Mid-station Sites) of the Sweeney

Properties are not acquired by Park City in accordance with the Settlement Agreement (and other relevant documents) by April 1, 2019; and

WHEREAS, March 14, 2018, legal notice was published in the Park Record as required by the Land Management Code; and

WHEREAS, the Planning Commission conducted a public hearing at the regularly scheduled meeting on March 28, 2018, and forwarded a positive recommendation to the City Council; and

WHEREAS, the City Council conducted a public hearing at its regularly scheduled meeting on April 19, 2018; and

WHEREAS, it is in the best interest of the residents of Park City, Utah to amend the Land Management Code to be consistent with the Park City General Plan and to be consistent with the values and identified goals of the Park City community and City Council to protect health and safety, maintain the quality of life for its residents, preserve and protect the residential neighborhoods, and preserve the community's unique character.

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

<u>SECTION 1. AMENDMENTS TO TITLE 15 - Land Management Code Chapter 2.24 Section 15-2.24-2(B), 15-2.24-4(A)(1), AND 15-2.24-5(A)(7)</u>. The recitals above are incorporated herein as findings of fact. Section 15-2.24 of the Land Management Code of Park City is hereby amended as redlined (see Attachment 1).

<u>SECTION 2. EFFECTIVE DATE.</u> This Ordinance shall be effective on December 1, 2018, only if the Treasure Hill Open Space Bond passes. If the Bond fails or if the Treasure Hill Hillside Properties (Creole-Gulch and Mid-Station Sites) of the Sweeney Properties Master Plan are not acquired by Park City Municipal Corporation in accordance with the Settlement Agreement (and other relevant documents) by April 1, 2019, this ordinance shall be null and void.

PASSED AND ADOPTED this 19th day of April, 2018

PARK CITY MUNICIPAL CORPORATION

____

Andy Beerman, Mayor

Attest:

____
Michelle Kellogg, City Recorder

Approved as to form:

____
Mark Harrington, City Attorney

Attachment 1

15-2.24 Transfer Of Development Rights (TDR) Overlay Zone

15-2.24-1 Purpose

The purposes of the Transfer of Development Rights Overlay Zone are to:

A. promote the general health, safety, and welfare of the present and future inhabitants, businesses, and visitors of Park City;
B. preserve Open Space, scenic views, environmental areas, Steep Slopes and Sensitive Lands;
C. conserve Agriculture, and forest areas;
D. protect lands and structures of aesthetic, architectural, and Historic significance;
E. retain Open Space in which healthful outdoor recreation can occur;
F. improve upon Park City's well-established park and trail system;
G. ensure the owners of preserved, conserved, or protected land may make reasonable use of their Property rights by transferring their right to develop to eligible zones;
H. provide a mechanism whereby Development rights may be reliably Transferred;
I. ensure Development Rights are transferred to properties in Areas or districts that have adequate community facilities and infrastructure, including transportation, to accommodate additional Development; and
J. locate receiving zones to improve future traffic circulation.

15-2.24-2 Establishment Of Sending And Receiving Districts

A. The City Council may amend Sending Sites and Receiving Sites as TDR Zoning Districts within the Official Zoning Map by ordinance in the manner of amending the Official Zoning Map pursuant to Section 15-1-7 of this Code. The designations "TDR-S" shall be the prefix title for the overlay Zoning District for Sending Sites, the designation "TDR-R" shall be the prefix title of the overlay Zoning District for Receiving Sites.
B. All vacant lots within the Park City Historic Districts (except for those lots included in SOT1, SOT2, and SOT3~~, and STH~~) and all Sites listed on the Park City Historic Sites Inventory shall be eligible as Sending Sites and shall be an overlay Zoning District referred to as TDR-Sending Historic District (TDR-SHD).
C. Sending Sites and Receiving Sites shall be consistent with the General Plan and the purpose statements of Chapter 2.24.

15-2.24-3 Sending Site Eligibility

All Properties located within the TDR-S overlay zone are eligible to Transfer Development Credits.

<u>15-2.24-4 Development Credit Determination Letter</u>

A. The total number of Development Credits available to a Sending Site shall be determined as follows:

~~1.~~ ~~TDR – Sending Treasure Hill (TDR-STH). For properties within TDR-STH, one (1) Development Credit per existing MPD Unit Equivalent may be calculated. A maximum of twenty-two (22) MPD Unit Equivalents may be sent from the TDR-STH Sending Site.~~

~~2.~~ 1. TDR – Sending Old Town1 (TDR-SOT1), Sending Old Town 2 (TDR-SOT2), and Sending Old Town 3 (TDR-SOT3). For Properties within TDR-SOT1, TDR-SOT2, and TDR-SOT3, one (1) Development Credit may be calculated per existing minimum lot area within the underlying Zoning District.

~~3.~~ 2. TDR – Sending Historic District (TDR-SHD).

a. For vacant Lots of record in the Historic Districts, one (1) Development Credit per existing Lot of record may be calculated. For Sites listed on the Historic Sites Inventory, one (1) Development Credit per 2,000 square feet of unused development potential.

B. If requested, this calculation will be made by the Park City Planning Director or his or her designee in the form of a determination letter. If the calculation results in a fraction it shall be rounded to the nearest hundredth. Such letter will indicate the Development Credits at the time the request is made. The letter is an indication of possible Development Credits that may Transfer. The Development Credits are not Base Zone Density. The number of Development Credits may change if an MPD is amended or expires, or if the LMC is amended. A determination letter is not a binding document and does not grant a vested right.

<u>15-2.24-5 Sending Site Procedure</u>

A. The following is the Sending Site procedure that must be followed to send Development Credits:

1. TDR-S Property Owners may choose to develop their property under Base Zoning, or they may choose to sell, Transfer, or joint venture their Development Rights.
2. TDR-S fee Property Owners may request a Development Credit determination letter from the Park City Planning Director.
3. A TDR-S Property Owner is eligible to negotiate the sale, Transfer, or joint venture of their Property's Development Credits.
4. A Development Credit may only be sold, conveyed, or otherwise transferred by the Owner(s) or their legal representative.
5. The sale, conveyance, or Transfer shall occur upon surrender of the Development Credits which authorizes the Park City Planning Director, or designee to Transfer the Development Credits to the stated transferee by reissuing the Development Credits in the

transferee's name, and recording a Development Credit Certificate in the real Property records of Summit County.

6. With each Transfer or sale, a Conservation Easement and/or deed restriction shall be recorded covering the entire Site, or if only a portion of the available Development Credits are sold then the Conservation Easement and/or deed restriction shall cover a proportional amount of the Site to be determined by the Park City Planning Director or a designee.

~~7. Within TDR-STH, portions of Development Rights may be sent to a Receiving Site. Within the TDR-STH portions of Development Rights up to the maximum of twenty-two (22) MPD Unit Equivalents may be sent to a Receiving Site overlay Zoning District. Twenty-two (22) MPD Unit Equivalents in the TDR-STH zone equates to twenty-two (22) Development Credits in a Receiving Site overlay Zoning District.~~

~~8.~~ 7. Within the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District, Property Owners must sell, Transfer, or joint venture all of the Development Rights within the overlay zone. Portions of the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District shall not be developed if any portion of the TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning District has been sent to a Receiving Site. An Owner of land within the TDR-SOT overlay Zoning District will not be eligible to Transfer Development Credit if they chose to sell or develop any portion of the TDR-SOT1, TDR-SOT2 and TDR-SOT3 overlay Zoning District. The TDR-SOT1, TDR-SOT2, and TDR-SOT3 overlay Zoning Districts must be transferred in whole.

~~9.~~ 8. When all available Development Credits on a Sending Site have been purchased, no Uses other than those enumerated in the Conservation Easement are allowed. Responsibility for any required maintenance or abatement remains with the fee title Owner.

~~10~~. 9. The final Transfer of Development Credits will be completed upon Development Approval on a Receiving Site and the Recording of a deed restriction and/or Conservation Easement against the Sending Site or if the Owner of the Development Credits chooses to forfeit Development Rights and records a deed restriction and/or Conservation Easement to do so.

~~11.~~ 10. TDR-S Property Owners shall notify any lien or mortgage holders of the sale of the Development Credits, and such notification shall be demonstrated by written approval submitted to the City prior to Transfer.

~~12.~~ 11. TDR-S Property Owners shall be responsible for notification of the county tax assessor regarding possible changes in Property value.

15-2.24-6 Receiving Site Eligibility

All Properties located within the TDR-R overlay zone are eligible to receive Transfer Development Credits within the procedures outlined in 15-2.24.7.

15-2.24-7 Receiving Site Procedures

A. The following is the Receiving Site procedure that must be followed to receive Transfer Development Credits.
    1. All regulations governing zoning, subdividing, and approval processes remain as currently adopted and amended. If any Development within the TDR-R overlay requests a Density greater than permitted by the Base Zoning, the increased Density shall be realized through Development Credits.
    2. Any Development requesting higher density than the Base Zoning must be reviewed by the Planning Commission as a Master Planned Development. The Planning Commission shall consider all factors set forth in LMC Chapter 15-6.
    3. Any Development requesting the higher densities shall bring evidence of Development Credits in the form of options to purchase, ownership or joint ventures at the time of Master Planned Development approval and evidence of ownership at time of Development Agreement approval.
    4. Areas may develop at the underlying Base Zoning without purchasing Development Credits. If these Properties desire to increase their Densities beyond the existing zone, then Development Credits shall be required and the height limitation for the Site may be increased from the Base Zoning limits through an approved MPD.
    5. Any Development Approval process, using Development Credits, shall adhere to the Base Zoning requirements including the Master Planned Development requirements.

15-2.24-8 Unit Equivalents Of Development Credits

A. The following is the value of a Development Credit that may be applied to a receiving overlay zone:
    1. One (1) Development Credit is equivalent to one thousand (1,000) square feet of Gross Commercial Floor Area or two thousand (2,000) square feet of Gross Residential Floor Area in the Receiving Site overlay Zoning District.

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 19, 2018
Submitted by: Rhoda Stauffer
Submitting Department: Community Development
Item Type: RDA
Agenda Section: NEW BUSINESS

Subject:
Consideration to Approve the Purchase of 1995 Cooke Drive, Amend the Deed Restrictions to Align with Current Program Guidelines and Goals and Determine the Best Use for the Property
(A) Public Input (B) Action

Suggested Action:
Review and approve staff recommendation to exercise City's option to purchase a deed restricted property in order to update the deed restrictions.

Attachments:
1995 Cooke Drive Staff Report

Exhibit A-Valuation 1995 Cooke Dr.

Redevelopment Agency
Staff Report

Subject:	**Purchase of Silver Meadows (Cooke Drive) Deed Restricted Property**
Author:	**Rhoda Stauffer, Affordable Housing Program**
Department:	**Community Development**
Date:	**April 19, 2018**
Type of Item:	**Purchase of Real Property**

Summary Recommendation
Staff recommends that City Council direct staff to exercise the City's option (as per deed restrictions) to purchase 1995 Cooke Drive, amend the deed restrictions to align with current program guidelines and goals and hold for the immediate future to assist in meeting City employee housing needs.
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Executive Summary/Background
Since the first deed restricted properties were put in place in 1996, the basic deed restriction template has been amended a number of times, replacing older versions that can be less restrictive, and tougher to enforce. Deed restrictions can only be amended by current owners. The Silver Meadows Deed Restrictions stipulate that the City has a first option for purchase of any unit being sold. This provides an opportunity for the City to exercise its option to buy units, update/amend deed restrictions and then sell the units to qualified individuals. The City was notified of the owner's intent to sell on March 7, 2018. Once a property inspection was completed, the owner agreed to a timeline for repairs and completion of settlement. The City has 30 days from March 29 (when repairs were completed) to complete the sale. This opportunity is to purchase a two bedroom, two and 1/2 bathroom unit at 1995 Cooke Drive with a Maximum Resale Value (MRV) of $238,388.

Staff would also like City Council to discuss highest and best use for this particular property: sell to qualified buyer or hold for city employee transitional housing needs.

Acronyms
MRV	Maximum Resale Value
RDA	Redevelopment Agency

The Problem/Opportunity
The Silver Meadows deed restrictions were first put in place in November of 1995. These were among the first deed restrictions recorded in Park City. Much has been learned over the years about best practices for ensuring that the units fulfill program guidelines and goals.

The amendments to this particular document would include:

- Not allowing units to be rented (only if sold to a qualified buyer);
- Adding to the definition of a Qualified Buyer: income limited to 80% of AMI ($74,448)**; net worth limits of no more than five times 80% of AMI for a family of three; no ownership of other property; and income qualified retired persons only qualify if they have a history of employment in Park City prior to retirement.
- Additions to limitations on ownership: prohibition from purchasing any portion or interest in other property while owning the deed restricted unit; limits on rent that can be charged to a roommate; definition of "primary residence"; prohibition on deeding unit to family or friends nor inclusion in a trust of any kind; and consequences for noncompliance.

**If not sold within a reasonable amount of time and effort, the unit may be sold to a household at 80 to 100% of AMI (up to $93,060 for a household of 3).

Analysis:
In order to reduce the number of units that do not have the most updated version of the deed restrictions in place, staff is recommending that the City utilize its right of first refusal to purchase, amend (tighten) deed restrictions and then either resell the following unit to a qualified household or hold for the immediate future to assist in meeting City employee housing needs.

- A two bedroom, two and 1/2 bathroom Silver Star condominium at 1995 Cooke Drive is for sale and subject to counsel from the City Attorney's office, staff would like to add language about the following:
  - Income of a qualified buyer limited to no more than 80% of AMI;
  - Net worth of qualified buyer must be less than five times annual income of a household at 80% of AMI for a family of three;
  - Qualified households may not own other property, nor may they take an ownership interest in full or a portion of any other property while owning the unit.
  - If sold to a qualified buyer, the property may not be rented and must be utilized as their primary residence;
  - Unit may not be deeded to family or friends, passed as inheritance nor incorporated into a Trust.
  - Rent charged to a roommate will be limited for affordability.
  - Specific consequences will be set out for non-compliance with the deed restrictions.

The purchase price for the unit is $238,388 plus closing costs. Exhibit A provides the calculation of MRV for this Silver Meadows unit.

The City Employee Housing Assistance program allows for ownership of up to six units for lease to city employees experiencing transitional housing needs. The units assist in employee recruitment and retention (find the Employee Housing Policy at this link, Page 308). This unit would bring the total owned by the City to six and could be added to that pool for recruitment and retention of full-time-regular employees. There is , currently a high demand for these units.

Alternatives for City Council to Consider

1. **Recommended Alternative:** City should exercise its option to purchase the deed restricted condo at 1995 Cooke Drive and add it to the rental inventory for transitional housing needs of full-time-regular employees.

   Pros
   a. Addresses current housing needs of city employees.
   b. Can be sold at a later date when units in pipeline become available for all qualified households including city employees.
   c. There is little net cost and all but $1,000-$2,000 dollars will be reimbursed to the housing fund when the unit is eventually sold.

   Cons
   a. Staff time.
   b. Won't recoup funding for affordable housing pipeline in the immediate future.

   Consequences of Selecting This Alternative
   This alternative will help to alleviate current city employee housing crunch for full-time-regular employees . It also doesn't prohibit the city from selling the unit at a future date to a qualified buyer, virtually benefiting both the city as well as the community.

2. **Alternative 2:** The City could exercise its option to purchase, update the deed restrictions and sell the unit to a qualified buyer.

   Pros
   a. Ensures that the community's target households are being served.
   b. Increases the sustainability and affordability of the City's affordable housing program further into the future.
   c. There is little net cost and all but $1,000-$2,000 dollars will be reimbursed to the housing fund.

   Cons
   c. Staff time.
   d. May lose money per transaction in closing costs up to $2,000.
   e. Doesn't help meet the current need for temporary housing for the City's full-time regular employees.

3. **Null Alternative:** The City could choose to not exercise the right of first refusal and leave current deed restrictions as is.

   Pros
   a. Does not require staff action or use of housing funds.

Cons

a. Allows future sellers to skirt the intent of the affordable housing program by renting units that are intended for owner-occupancy as well as future issues where deed restrictions do not directly address situations that are currently being incorporated into the template.
b. Fewer units are serving the housing needs of the Council's target households.

Department Review

This report has been reviewed by the Budget, Community Development, and Executive departments and the City Attorney's Office.

Funding Source

Purchase of the unit will be allowable through funding from the Lower Park Avenue RDA Capital Asset Fund (033). Funding for affordable housing may occur outside the boundaries of the RDA. The total for the Silver Meadows unit is $238,388.

1995 Cooke Dr. Denise Carey 2 bedroom

DATE OF TRANSACTION	AMOUNT	SEWER NOTE PAYOFF	RATE	APPRECIATION AMOUNT
2-4-2005 Purchase Price	160,596			
Less: Improvements-fully depreciated	-1,152			
Net	159,444			
APPRECIATION 2-4-2005 TO 2-3-2006	159,444	1,154.40	3%	4,818
APPRECIATION 2-4-2006 TO 2-3-2007	165,416	377.86	3%	4,974
APPRECIATION 2-4-2007 TO 2-3-2008	170,768	402.31	3%	5,135
APPRECIATION 2-4-2008 TO 2-3-2009	176,305	134.44	3%	5,293
APPRECIATION 2-4-2009 TO 2-3-2010	181,733	134.44	3%	5,456
APPRECIATION 2-4-2010 TO 2-3-2011	187,324	-	3%	5,620
APPRECIATION 2-4-2011 TO 2-3-2012	192,943	-	3%	5,788
APPRECIATION 2-4-2012 TO 2-3-2013	198,732	-	3%	5,962
APPRECIATION 2-4-2013 TO 2-3-2014	204,694	-	3%	6,141
APPRECIATION 2-4-2014 TO 2-3-2015	210,834	-	3%	6,325
APPRECIATION 2-4-2015 TO 2-3-2016	217,159	-	3%	6,515
APPRECIATION 2-4-2016 TO 2-3-2017	223,674	-	3%	6,710
APPRECIATION 2-4-2017 TO 2-3-2018	230,384	-	3%	6,912
APPRECIATION 2-4-2018 TO 4-1-2018 TOTAL OF 56/365 DAYS=.1534	237,296	-	0.46%	1,092
APPRECIATED VALUE AS OF APRIL 1, 2018	**238,388**			