

**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
APRIL 13, 1995**

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah for the purposes and at the times as described below on Thursday, April 13, 1995.

A G E N D A

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III MINUTES OF MEETING OF MARCH 30, 1995

IV NEW BUSINESS

Appeal of denial of 1995 Business License to Marguerite and Max Johnson, Coalition
Condos

V REPORTS FROM COMMISSIONS AND BOARDS

VI COMMUNICATIONS FROM COUNCIL AND STAFF

VII ADJOURNMENT

Posted: 4/7/95 noon

**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
APRIL 13, 1995**

I ROLL CALL

Mayor Brad Olch called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, April 13, 1995. Members in attendance were Brad Olch, Ruth Gezelius, Roger Harlan, Lou Hudson, and Leslie Miller. Shauna Kerr was excused. Staff present were Toby Ross, City Manager; Rick Lewis, Community Development Director; Mark Harrington, Assistant City Attorney; and Jodi Hoffman, City Attorney.

II PUBLIC INPUT

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

III MINUTES OF MEETING OF MARCH 30, 1995

Ruth Gezelius, "I move approval of the Minutes as presented". Leslie Miller seconded. Roger Harlan abstained as he was not in attendance. Motion carried.

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

IV NEW BUSINESS

Appeal of denial of 1995 Business License to Marguerite and Max Johnson.
Coalition Condos - Assistant City Attorney Mark Harrington explained that this appeal stems from a January 23, 1995 letter sent from the Finance Department denying business license renewal for Coalition Condos. Mr. Harrington reminded Council that this is a quasi-adjudicative matter, therefore it is ordered not to take testimony outside of the hearing process. This appeal is pursuant to Section 4-7-3 of the Municipal Code which is specific with regard to the procedure to be followed. Accordingly, Council must appoint a presiding officer to direct the hearing.

Ruth Gezelius, "I move that Mayor Olch is elected to the position of presiding officer on this appeal". Roger Harlan seconded. Motion carried.

Ruth Gezelius	Aye
Roger Harlan	Aye

Lou Hudson	Aye
Shauna Kerr	Absent
Leslie Miller	Aye

Mr. Harrington explained that all non-attorney witnesses are required to be sworn in before testimony. The standard of review which the appellants must meet is preponderance of evidence and must prove that staff was in error. Council may deliberate this matter in closed session and ask staff to prepare findings in accordance with the decision.

The Assistant City Attorney explained that staff's position was based on application of the Municipal Code for the following reasons (1) pending criminal felony charge for criminal homicide murder; (2) violation of several Park city and Summit County regulations and ordinances; (3) the failure to have a licensed real estate broker; (4) several complaints which demonstrate that the appellants have failed to properly manage the property; and (5) that the business has been subject to a sufficient number of complaints that has the effect of tarnishing the reputation of other businesses in Park City. Staff is recommending that the appellants be allowed to reapply for the license upon meeting the following conditions: (1) Mr. Johnson is no longer the responsible party; (2) the local representative has a valid Utah State Broker's License; (3) Mrs. Johnson agrees to sign a two year probationary agreement; and (4) that the Council recommend attendance to a customer relations course.

Ruth Wagner, counsel for appellants, explained that their only objection is the two year probationary period, or probation at all. She stressed that Mr. Johnson will be leaving the area shortly and he will not be managing the condos on a nightly basis. She added that nightly rental use is important financially and that legions of guests did not complain about the accommodations. She pointed out the poor condition of properties in this area of Park Avenue and noted that Mr. Johnson has painted the exterior and at least two of the condominiums have been totally remodeled. Ms. Wagner mentioned that she became familiar with the property when she represented Mr. Johnson in court over a deposit dispute and Mr. Johnson refunded the deposit. The Health and Building Departments were involved and neither at time of testimony in November 1994 stated that the "place was not up to specs". She further explained that Mr. Johnson had been asked by the Health Department and volunteered to close one condominium and within a few days had it in shape so that the Health Department let him open it again. Ms. Wagner stated that perhaps Mr. Johnson does not have the best of personalities, but that is not a reason to deny a business license. She continued that there may be testimony from management companies who don't want to work with him, but had pictures of the properties that indicate that the management companies did not exactly manage the outside. Ms. Wagner reminded Council that a receiver was appointed who was responsible for the management company who would handle the common area of the condominiums. Mrs. Johnson owns six of the seven condos; not all six are rented and the home owners association consists of that one owner and Mrs. Johnson. She has asked Judge Livingston to relieve the receiver but he cannot do that because there has

been a special assessment placed on the property.

Attorney Wagner emphasized the importance of the license and if Mr. Johnson is not in managerial control, asked if it is necessary for there to be a probationary period. She felt it would be as if new management had come in and the ownership remaining with Mrs. Johnson. She also asked if it is necessary for a real estate broker to be an agent for service of process. Ms. Wagner acknowledged that 1991 was a terrible year as there were many complaints, however, this year to her knowledge there has been only one complaint and in 1994 two complaints. Presiding Officer Olch clarified that the Council is talking only about the license issue and felt that the receiver issue was not being considered. He continued that he understood that everything the City is recommending is acceptable except a probationary period. Ms. Wagner responded that that is her understanding. Mr. Olch asked for specifics for her objection given the track record of the property and felt that a probation could be worked out that would be amenable to both parties. Ruth Wagner stated that the property itself is not the problem, but rather having Mr. Johnson manage the property. Therefore if that is the problem and causing the probation and Mr. Johnson is leaving, then there is no need for a probationary period. She asked if this is common practice with someone who is taking over a business; a one year probation is more reasonable, but this is saying that they are guilty before they start. Mark Harrington explained that the probationary period is viewed by staff as necessary for several reasons. One year didn't seem adequate because it would not reflect one winter season and two years would carry through an entire winter which is the main period for a nightly rental business. Mr. Harrington emphasized that a probation would not require additional or special inspections but rather that they will abide by the law; pay their sales and transient tax which is currently not being paid and there are liens on the property. It requires them to follow all of the City's building codes and Summit County Health Department regulations just as they are required to do now. The only practical effect is that the City does not have to go through a formal appeal process if there is a subsequent problem. Ms. Gezelius asked that in light of Coalition Condo's history, would there be a final inspection in relation to the probationary status. Mr. Harrington responded no. The probation waives the business license appeal hearing process upon a subsequent violation of the law, however, the appellants would have the right to appeal the violation through the Board of Appeals for building code infractions. There is a waiver provision in the probation agreement that allows the City Attorney's Office to recognize insignificant violations as inconsequential, without affecting the whole agreement. Staff would only have the right to revoke the license on a serious violation so that there is flexibility.

Roger Harlan asked Counselor Wagner if it is usual business practice for claimants to take the owners to court to be refunded deposits. Ms. Wagner responded that she is in business as an attorney; Mr. Harlan reiterated that it is an unusual practice for a tourist to take a hotel owner to court to receive a deposit back. Ms. Wagner explained that when a person decides that they don't like the condo upon arrival, leaves and wants the deposit, it is a breach of contract because there is an information packet that indicates that a person can cancel if in excess

of 60 days before the arrival date. At that time a handling deposit will be retained, but the balance will be returned. The people in court canceled the night they arrived and wanted all of their money back. She distributed the brochures to Council. Lou Hudson felt that the complaints included in the packet were minor things, and felt that people had expectations greater than what they got. He felt that from the picture on the brochure that there is some misrepresentation for only some of the condominiums. He is concerned that there be consistency and an image for the area understanding that not all businesses have the same revenue for maintaining properties at the same level. Mr. Hudson is looking for a commitment to be the best in representing Park City as a business. He viewed probation as a commitment to do what is expected of them already. Ms. Wagner responded that the City has that regardless; and argued the misrepresentation issue. She stated that condos range from \$80 a night to \$200 a night. Probation is unfair because the objections deal with Mr. Johnson. Mr. Olch emphasized that if Coalition Condos does its job, it would be like the probation doesn't exist. Ms. Wagner argued that the psychology of having a probation exist as the City can withdraw a license if there is a problem and there would be a business license hearing in any event. Mr. Harrington responded that there is also a difference in psychology for the members of the community that expect the licensees to maintain a certain level of business professionalism and the City has accountability to its residents. Probation is the least minimum method by which the City can assure that there is some corrective action on the premises. Mr. Harrington recognized that the change of management helps and there is an ongoing effort on the premises to update the facilities, but the staff wants something to assure that this effort continues, and that there is also an effort to abide by all the laws including sales tax payments which are not currently being made as this is a loss of revenue to the City. Leslie Miller understood that the probation has to do with the expediency of addressing an issue or a concern that might or might not arise by staff versus the same level or ability to address a concern by staff but maybe going through a little longer process. Mr. Harrington pointed out that business license appeals are staff intensive and that is a consequence. Council needs to determine what is appropriate given the past practices of the management. Ms. Miller felt that to a certain extent probation sounds punitive as there are other business that would not meet her standards and might be eligible for probationary status and is concerned about the government getting into that area. Mr. Olch asked if there are any other like businesses. Mr. Harrington explained that this type of probation agreement was used with one other businesses. It was an automobile service business with similar types of complaints; they agreed to the probationary period and subsequently voluntarily surrendered the license because they did not feel they could meet the terms of the probationary agreement. In response to Leslie Miller, Mr. Harrington explained that the back-tax amount is a privacy issue but back-taxes amount to several thousand dollars. Ruth Gezelius suggested that the discussion focus on the findings of fact. The Assistant City Attorney noted that none of the findings of fact were being contested other than the severity and consequences of Nos. 4 and 5. Because business compatibility and application of the same standards have been raised, Mr. Harrington called Margie Hensley from the Chamber/Bureau to testify.

Ms. Hensley was sworn in and stated that she is the Membership Director for the Park City Chamber/Bureau. In that capacity she takes any and all complaints for businesses whether or not they are members of the Chamber. She relayed that only ten of the 26 complaints have been resolved for the Coalition Condos. She emphasized that disgruntled guests will talk to a lot of people and ten is usually the minimum. Research also shows statistically that only 20% of the people who feel they do have a complaint will actually complain; the other 80% will not contact the Chamber which affects businesses in Park City. Ms. Hensley emphasized that this one business has more complaints than all but one other business. She stated that before the Chamber started receiving a lot of complaints in 1990, she attempted to contact Marguerite Johnson and did not hear back from her. Mrs. Johnson appears several times in the complaints when she was on-site manager and once again the complaints continued even in her presence. Ms. Hensley was not sure that one manager for another manager is going to help all that much which is unfortunate. For the benefit of Ruth Gezelius, Ms. Hensley explained that there are in excess of 2,000 businesses, of which, almost 700 are members of the Chamber/Bureau and the majority of businesses have no complaints. Basically, during the six-year period that she has been dealing with complaints at the Chamber/Bureau there have been a total of 302 complaints for lodging; 26 of those were lodged against the Coalition Condos. Most of these complaints deal with problems of expectations, no keys or services, or cancellations. Ms. Hensley noted that there has been a problem with misrepresentations, early on especially, and she stated that she has had conversations on several occasions about this with Mr. Johnson. She also asked him to inform guests that there are no phones in the units which has not been rectified. She believes that misrepresentation has declined because the property has improved. Ms. Hensley testified that a property she inspected four years ago is "beautiful now". She emphasized that this property is compared in price to the Edelweiss which goes up to three bedroom condos, Mine Camp Inn, Chamonix Lodge, and Star Hotel. Ms. Hensley stressed that the Star Hotel has 40% to 60% repeat business which is an indication of customer satisfaction.

Mr. Harrington characterized the probation agreement as not something hanging over the heads of the appellants, but as something that enables them to have the license. A strict application of the Code would require that they would be denied outright and a probation agreement allows Council to overlook strict application of the denial criteria. Ms. Miller interjected that these remedies would occur anyway. Mr. Harrington stated that the City is not requiring that back-tax be paid as a condition of license issuance although it could, but staff is acknowledging the financial difficulties currently facing the appellants and that coming up with several thousand dollars may not be viable. Again, a probation agreement allows flexibility for Coalition Condos to get into a viable position by making money and complying with law. Discussion ensued regarding confusion with the first settlement draft. Mr. Harrington explained that with regard to the Utah Brokers License, an attorney meets that qualification under state code. The probation language is the same and the terms of revocation which would be based on a violation of the law. This does not interfere with the appellants' right to appeal any initial citation or Code violation. For the benefit of Leslie Miller, Mr. Harrington explained that the tax

issue is in the state's jurisdiction and there are liens on the property. The City would rather see the appellants work something out with the state with a payment program, than having that included in the probation.

Ms. Wagner emphasized that Ms. Hensley stated that what she saw was "beautiful" which means that work is being done on the project. Ms. Miller asked if Ms. Johnson is not only the owner but the current manager and is there an obligation that she will manage the property for a certain amount of time or two year period. Ms. Wagner responded that Marguerite Johnson resides in California and visits Park City periodically; she will not be on-site as a manager per se. The plans at this point, which could change, is that nightly rentals will go through Ms. Wagner's office; people will be hired for maintenance. The receiver will make sure that the common area is kept clean. Mr. Harlan asked for further clarification why the word "probation" is onerous to the appellants. Ms. Wagner stated that "probation" means that an offense has been committed and the appellants would have to be perfect. She doesn't want to feel that at the slightest infraction, the license will be pulled. Mr. Harlan stated that the license would not be revoked unless there were very legitimate violations and the fact is that the claimant is already "under a cloud" in consideration of back-taxes. He continued that probation in some instances can be a terrific word if, for instance, you have a drunk driving situation and a person is on probation, at least the drivers license would not necessary be revoked. He felt there is nothing onerous about the word as it stands in his opinion.

Ms. Wagner explained that essentially she will be the nightly rental manager for the premises. The Mayor suggested that Ms. Wagner make the application as the managing agent. Ms. Wagner stated that it is very difficult for her to accept that and she will hire someone to be the on-site manager. Reservations and complaints will come to Ms. Wagner.

The Mayor noted that the Council has several options: (1) to continue if a decision cannot be made; (2) convene in closed session to discuss; or (3) ask for a motion to either approve with conditions, deny with conditions, or accept staff's recommendation.

Ruth Gezelius stated that she supports staff recommendation and feels that Council is being extremely lenient and accommodating to the applicant in terms of being able to offer probation. If there was strict interpretation of the law, this business license would not be renewed. Ms. Gezelius felt that the Council owes it to the public and other business license holders who follow the rules to enforce them. Without that accountability, the whole licensing structure is endangered. Probation, in view of the serious history of past violations, is not at all onerous but very generous. Ms. Gezelius felt probation is the appropriate course to take and probation is an opportunity to make amends and go forward.

Lou Hudson stated that he was leaning toward probation but under the circumstances of Ms. Wagner taking over the management and the Chamber/Bureau

acknowledging the improvements, he has changed his mind. If a business is meeting the minimum standards and there is a promise of good faith, he felt they should "be given a shot at it". Ms. Gezelius reiterated her feelings about probation. Mr. Hudson responded that probation to him means that someone did something wrong. He felt that being behind on taxes and violating the Code is not committing a crime. "Not paying taxes" is a crime but he has a problem with the word "probation" as it applies to this situation. He associates probation with breaking the law and being behind on taxes and violating the Code is not the same as breaking the law. Ms. Hoffman stated that it is breaking the law. Mr. Hudson argued that at the current time they meet the Code. Ms. Hoffman responded that they don't meet Municipal Code Section 4-2-9(A) for four reasons. The first reason is that Mr. Johnson has a pending felony and he was the original applicant. Section 4-2-9(C) relates to failure to pay personal property taxes and (D) has violated the laws of the state of Utah which includes not paying taxes. Ms. Hoffman continued that this is not a matter of "being behind" on taxes, but a question of not paying taxes. Under Sections (C) and (D), they are currently in violation of the law. What the probationary period allows is for the City to overlook Section 4-2-9 (C) and (D) and provide them a grace. These sections provide the City a right to not issue a business license. Mr. Hudson felt that everyone should be given a chance and it should be fair. Mr. Gezelius asked if it is fair to the 10,000 properties that are licensed rentals who follow the rules; building codes are standard for all properties.

Ms. Hoffman stated that there may be a semantics problem and the agreement can be called a "business license renewal agreement", as opposed to a probation agreement, and have the same terms as written. Ms. Miller felt that is a good point as probation carries a certain stigma and can support renewing the license with the conditions that are outlined if the term for probation can be redefined. She would like Ms. Wagner described as the applicant and the responsible party. There has been effort to remedy these issues and the back-tax situation is being handled by a different jurisdiction. Ms. Wagner should be committed as an applicant for a two year period of time.

Discussion ensued framing a motion that would include revised language regarding the wording of probation but would have the same terms. Ms. Gezelius suggested that whoever is managing the property attend Lodging Association meetings. With regard to Ms. Miller's concerns, Ms. Hoffman stated that there will be accountability for the owners as well as the manager in the operation of the property in the agreement.

Mr. Harlan strongly felt that there is nothing onerous about a probation given the history of this operation. This appeal is before Council for substantial reasons and he feels that staff time has been allocated to this an issue that should have been resolved through responsible business procedures. The Council needs to be responsible for staff time and supports staff's recommendation as it stands.

Roger Harlan, "I move that we accept the business license probation agreement as it is written on Page 56 of the packet (see attached staff report) concerning the appeal that has been presented to us this evening". Roger Harlan, "I will alter my motion to include Alternative No. 1 as it appears on Page 21 of our packet, as well as Exhibit E (Probation Agreement)". Ruth Gezelius seconded the motion and suggested that the motion be amended to add language to clarify that whoever is going to be the property management company be specified and that under (4) add the language "... Chamber's customer relation course and attempt to attend the Lodging Association's meetings". Roger Harlan accepted the amendments. It was clarified for Leslie Miller that the word probation would not be redefined. Motion carried.

Ruth Gezelius	Aye
Roger Harlan	Aye
Lou Hudson	Aye
Shauna Kerr	Absent
Leslie Miller	Nay

V REPORTS FROM COMMISSIONS AND BOARDS

The Mayor changed the order of discussion of this item, but it appears here in the Minutes for ease of reference. Rick Lewis reported on the Planning Commission meeting held on Wednesday, minutes of which are available in the Planning Department. Through illustration of a map, he described the Town Lift construction projects underway and those planned for the summer.

VI COMMUNICATIONS FROM COUNCIL AND STAFF

Leslie Miller discussed the Presbyterian Church lawsuit and discussed the press release as she felt that the parties could not dismiss a lawsuit, but rather that a judge "dismisses" lawsuits. Ms. Hoffman discussed that the action by the parties was a Stipulation to Dismiss. Ms. Miller felt that there should have been a City Council meeting to discuss the situation and the City Attorney explained that there wasn't sufficient time to call a meeting and staff felt it in the best interest of the community to offer the banner space to the church. It was pointed out that the banner site will be scheduled for work session to discuss scope of events, discontinuing the banner site altogether, and/or clarifying the code. With regard to separation of church and state brought up by Ms. Gezelius, Ms. Hoffman pointed out that rental space must be open to all applicants. She emphasized that after meeting, church representatives agreed with the City's analysis of banner criteria and felt that there was a misunderstanding.

Roger Harlan publicly thanked the snow removal crews for their efforts during the season.

VII ADJOURNMENT

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

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

Prepared by Janet M. Scott



Janet M. Scott
Deputy City Recorder



COUNCIL AGENDA REPORT

DATE: 4/6/95
DEPARTMENT: Legal
AUTHOR: Mark Harrington
TITLE: Coalition Condos Business License Appeal
TYPE OF ITEM: Adjudicative

SUMMARY RECOMMENDATIONS: Uphold staff's denial of the business license renewal application of Marguerite and Max Johnson, Coalition Condos.

DESCRIPTION:**A. Topic.**

Business license renewal ("Exhibit A") for Coalition Condos, a ten-unit nightly rental located at 1300 Park Avenue, owned by Marguerite Johnson and operated by her son Max.

B. Background.

On January 23rd, 1995, the Finance Department denied the business license renewal application of Coalition Condos per recommendation of the Legal Department. (See Letter from Kent Parker attached hereto as "Exhibit B".) This is an appeal pursuant to the Municipal Code of Park City ("MCPC") § 4-2-11 of the Finance Department's denial of Coalition Condos' business license renewal application. The appeal was submitted on February 6th, but the hearing was delayed at the request of the appellants because their attorney was out of town.

Section 4-7-3 of the Municipal Code of Park City ("Exhibit C") sets forth the hearing procedure to be followed during the appeal. In hearing the appeal, the council is acting in an adjudicative manner as opposed to legislative. Accordingly, Council is reminded not to discuss or accept information outside of the hearing process. The Council will select a presiding officer at the work session preceding the hearing. The standard of review shall be that of proof by a preponderance of the evidence. The appellants have submitted their argument. Of course, additional material may be submitted at the hearing by either party. The Council may schedule the matter for the

next meeting to enable the Council sufficient time to consider all the evidence submitted at the hearing, or it may deliberate the matter Thursday and direct staff to prepare findings in accordance with its decision. Council may deliberate the matter in closed session.

C. Analysis.

The denial was based upon the following reasons (**any one of which is sufficient for denial**):

- 1) In violation of Municipal Code § 4-2-9(A), Max Johnson currently has a criminal proceeding pending against him in Salt Lake County for a felony- criminal homicide murder (Circuit Court #94-1009583FF); and
- 2) In violation of Municipal Code § 4-2-9(D), Coalition Condos has violated the ordinances of Park City and Summit County at least six times in the past five years, including but not limited to doing work beyond the scope of a building permit (12/21/94), multiple Summit County Health Department regulations (4/1/94), failure to comply with an order to vacate (1991), conducting nightly rental without a license (1991), failure to maintain the property (1991), and revising two units not shown on the condo plat without a permit (1991) (See Building Department File available for review in the Legal Department); and
- 3) In violation of Municipal Code § 4-2-18(C), Max Johnson has failed to provide evidence that he holds a valid Utah real estate broker's license or is affiliated with such a broker; and
- 4) In violation of Municipal Code § 4-2-18(C)(4), several complaints filed with the City demonstrate that Coalition Condos has failed to "properly manage" the property including failure to adequately remove snow and ice, failure to do routine maintenance and upkeep consistent with adjoining or nearby properties, and inadequate housekeeping; and
- 5) In violation of Municipal Code § 4-7-1(A)(4), Coalition Condos has been the subject of a sufficient number (at least 26 in the past five years) of complaints that it has had the effect of tarnishing the reputation of other businesses within Park City. (The complaint file is available for review in the Legal Department.)

The relevant Code sections are part of "Exhibit C". All five of these reasons were included in the January 23rd letter denying the business license. Council should also be aware of the following:

- a) The Park City Chamber Bureau has received 33 complaints against Coalition Condos in the past five years. That figure represents 11% of the total complaints (302) the Chamber received for lodging in the past five years, yet Coalition Condos has only 1/4 of 1% of the total number of lodging units in the City (3,598). Another way of looking at it is Coalition has had 3.3 complaints per unit over the last five years. If the same complaint-to-unit ratio was the standard in Park City, the Chamber would have received 11,873 complaints over the past five years for lodging, instead of the 302.

- b) Only 7 of the 33 complaints were satisfactorily resolved. This is one of, if not the lowest, resolution percentage for the Chamber.

Appellants' Argument

"Exhibit D" was submitted by Ruth Wagner, Esq. on behalf of the appellants. It appears that Marguerite is willing to remove Max from the management, but is unwilling to agree to a probationary license. The materials submitted do not challenge any of the facts utilized by staff in the denial. The appellants merely disagree with the significance of the complaints. The appellants admit the past "problems" but want an opportunity to start over. The appellants also generally state that the provision of the Code prohibiting the licensing of someone with a pending felony trial "may" be unconstitutional, but do not articulate any argument regarding the alleged unconstitutionality of the provision, nor did they submit any authority for such a position. Ms. Johnson is requesting that she be allowed a license with her attorney's office acting as the responsible party.

It should be clarified that even if the Council accepts this position, it must still deny the appeal and specify the conditions under which Ms. Johnson may re-apply. The ONLY application currently before the Council is that with Max as the local responsible party and is attached as "Exhibit A."

D. Department Review.

The Building, Finance and Legal Departments have reviewed this matter.

ALTERNATIVES: Pursuant to MCPC § 4-7-3, the Council may:

1. Deny the appeal. Allow Ms. Johnson to re-apply for a license only upon meeting the following conditions: 1) Max is not the local responsible party; 2) the local representative has a valid Utah real estate broker's license or is affiliated with such a broker; 3) Ms. Johnson agrees to sign a two-year probation agreement approved by the City Attorney and substantially in the same form as "Exhibit E"; and 4) the Council strongly recommends a representative of Coalition Condos attend the Chambers customers relations course.

This is the recommended action.

2. Grant the appeal.
3. Suspend the license for a definite period.
4. Place the appellants on probation with conditions as specified by Council.
5. Permanently revoke the business license.
6. Any combination of the above.

7. Continue the hearing until the next meeting to receive additional testimony.

SIGNIFICANT IMPACTS:

The impacts of the license denial are uncertain. Marguerite Johnson may employ a properly-managed management company to run the facility.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

Staff and the Chamber believe that allowing the business to go on "as is" would result in a continuation of complaints, unhappy tourists and staff time as necessary to respond to the complaints. Accordingly, Council risks tarnishing the reputations of other businesses within the City if the business is continued to operate without mitigating the past problems.

RECOMMENDATION: Deny the appeal with the conditions for a new license as recommended by staff.

NIGHTLY RENTAL BUSINESS LICENSE RENEWAL NOTICE - 1995

ACCOUNT NUMBER 2950	STATE SALES TAX NUMBER D57241	STATE BROKER'S NUMBER	
BUSINESS NAME, "DOING BUSINESS AS" & PHYSICAL ADDRESS COALITION CONDOS 1300 PARK AVE Park City UT 84060		MAILING ADDRESS P.O. BOX 75 Park City UT 84060	
GENERAL DESCRIPTION OF BUSINESS ACTIVITY:		TELEPHONE (Business) 801-645-0895	TELEPHONE (Nighttime) Same
		# OF EMPLOYEES 1	
RESPONSIBLE PARTY (Local) NAME JOHNSON MAX	ADDRESS (Home) 1300 Park ave	CITY, STATE & ZIP-CODE Park City ut 84060	TELEPHONE (Home) 645 0895
OWNER'S NAME JOHNSON MARGUERITE	ADDRESS (Home) 9051 Hamelton	CITY, STATE & ZIP-CODE alta loma ca 91701	TELEPHONE (Home) 909 980 0153

I certify under penalty of perjury and license revocation that I am the authorized representative of the property owner; that I have read, know, and fully understand the information and provisions of this license and the accompanying ordinance section governing nightly rentals; that as the legal representative of the property for which application for a business license is made and acting as agent of the owner of said property, I recognize, and understand that residential buildings, which may be used as nightly rentals, including all single family homes, may not have been constructed in a manner to meet building code requirements for commercial buildings; I do herein agree and represent to Park City Municipal Corporation that said residential units will not be used for any purpose other than the intended single family residential use; I certify that the information provided and representations made are complete and correct to the best of my knowledge and my application is in accordance with Park City ordinances. I further certify that if I am obtaining a license to rent property within zones which do not allow rentals for periods less than 30 days that said property was previously licensed, before December 31, 1986, for nightly rental use and that said license has been kept current for each successive calendar year after December 31, 1986. I further understand that after December 31, 1989 it shall be unlawful to rent such property for periods less than 30 days in zones which so prohibit. I am not claiming, and do knowingly waive, any right to rent property for periods less than 30 days where it may be prohibited after December 31, 1989. This license shall be VOID if information or representations provided by licensee is incorrect or later changes and I fail to update such information within ten business days of the change of information. The ordinance indicates that a \$15.00 inspection fee shall be paid at the time of application, for all new businesses and businesses who have changed location.

Manager
POSITION

Max Blum 1-19-95
SIGNATURE DATE

Total Nightly Rental Business License Fee (All Units):

RATE PER BEDROOM

15.00

DENIED

Total Number of Licenses: **50**

Total Number of Bedrooms: **100**
150.00

TOTAL FEE

\$ 150.00

DETAIL INFORMATION MUST BE PROVIDED FOR EACH LOCATION WHERE A LICENSE IS REQUIRED TO BE POSTED.



EXHIBIT B

COPY

January 23, 1995

Mr. Max Johnson
Coalition Condos
P.O. Box 75
Park City, UT 84060

RE: Business License Renewal DENIAL

Dear Mr. Johnson:

This letter is to inform you pursuant to the Municipal Code of Park City § 4-2-10 that your application for renewal of your business license for Coalition Condos has been denied for the following reasons (any one of which is sufficient for denial):

- 1) In violation of Municipal Code § 4-2-9(A), you currently have a criminal proceeding pending against you in Salt Lake County for a felony- criminal homicide murder (Circuit Court #94-1009583FF); and
- 2) In violation of Municipal Code § 4-2-9(D), you have violated the ordinances of Park City and Summit County at least six times in the past five years, including but not limited to doing work beyond the scope of a building permit (12/21/94), multiple Summit County Health Department regulations (4/1/94), failure to comply with an order to vacate (1991), conducting nightly rental without a license (1991), failure to maintain the property (1991), and revising two units not shown on the condo plat without a permit (1991); and
- 3) In violation of Municipal Code § 4-2-18(C), you have failed to provide evidence that you hold a valid Utah real estate broker's license or are affiliated with such a broker; and
- 4) In violation of Municipal Code § 4-2-18(C)(4), several complaints filed with the City demonstrate that you have failed to "properly manage" the property including failure to adequately remove snow and ice, failure to do routine maintenance and upkeep consistent with adjoining or nearby properties, and inadequate housekeeping; and
- 5) In violation of Municipal Code § 4-7-1(A)(4), the business has been the subject of a sufficient number (at least 26 in the past five years) of complaints that it has had the effect of tarnishing the reputation of other businesses within Park City.

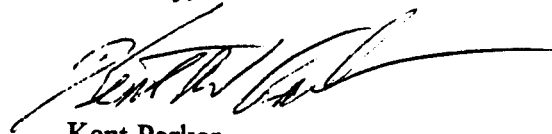
1 of 2

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Pursuant to Municipal Code § 4-2-11, this denial may be appealed to the City Council by filing a written notice of appeal with the City Recorder, Anita Sheldon, within ten (10) days of receipt of this letter. The City Recorder's office is located at City Hall, 455 Marsac, on the third floor.

Please direct any other correspondence regarding this matter to Mark Harrington, Asst. City Attorney, P.O. Box 1480, Park City, UT 84060; phone: 645-5008.

Sincerely,



Kent Parker
Finance Director

cc: Frank Bell, Police Chief
Shauna Carpenter, Business License Administrator
Mark Harrington, Asst. City Attorney
Ron Ivie, Chief Building Official

EXHIBIT C

PARK CITY MUNICIPAL CODE

(QQ) **SPONSOR**. A person, group, or business which has contracted to provide financial or logistical support to any special event of Public Festival. Such agreement may provide for advertising rights, product promotion, logo promotion, exclusivity of rights, products, or logos.

(RR) **SQUARE FOOTAGE**. The aggregate number of square feet of area within a place of business that is used by a licensee in engaging in its business.

(SS) **UNIT**. Any separately rented portion of a hotel, motel, condominium, apartment building, single family residence, duplex, triplex, or other residential dwelling without limitation.

(TT) **UNSOLICITED DELIVERY**. The delivery of any unsolicited newspaper or publication, sample product or advertising material. Unsolicited newspapers or publications, sample products or advertising material shall include, but not be limited to, handbills describing or offering goods or services for sale, any goods or products that were not previously ordered by the home owner or occupant, any newspaper or publication delivered without a subscription by the owner or occupant, and any coupons or rebate offers for goods and services.

(UU) **VENUE**. The location or locations upon which a Special Event or Public Festival is held, as well as the ingress and egress route when included in the festival license.

(VV) **WHOLESALE**. Any person other than a licensed manufacturer engaged in importation for sale or in the sale of beer, malt liquor, or malted beverages in wholesale or jobbing quantities to retailers.

CHAPTER 2 - BUSINESS LICENSING IN GENERAL

4-2-1. UNLAWFUL TO OPERATE WITHOUT A LICENSE. Unless exempted by state or federal law or by this Title, it shall be unlawful for any person to engage in business within Park City, whether on a temporary or permanent basis, without first procuring the license required by this chapter. All licenses issued under the provisions of this Title are non-transferrable and expire on December 31st of each year.

4-2-2. DOUBLE FEE FOR FAILURE TO OBTAIN REQUIRED LICENSE. Unless exempted by state or federal law or by this Chapter, any person who engages in business prior to submitting a completed application and payment of all fees shall pay double the specified fee for said license. The payment of such double fee shall not relieve any person from fully complying with all the requirements of this Code, nor from any other prescribed penalties.

TITLE 4 - LICENSING

4- 2- 3. NO TEMPORARY LICENSES. Any person engaging in business on a temporary basis within Park City shall be required to obtain the license required by this Chapter in the same manner and shall be subject to the same fees as a person engaging in business on a permanent basis within Park City.

4- 2- 4. LICENSE APPLICATION. Applications for business licenses shall be made in writing to the Director. Each application shall state the name of the applicant, the location of the business, if any, the fee and tax to be paid, the name and address of the business agent residing in Park City who is authorized to receive service of process and any communication regarding applicant's license, state sales tax reporting number, state contractor's license number, if applicable, and state real estate broker's license number, if applicable, and shall contain such additional information as may be needed for the purpose of guidance of the Director in issuing the license. Any change in the above information furnished by the applicant shall be forwarded in writing, within ten (10) days of the change, to the Director. License application forms shall be prepared and kept on file by the Director.

4- 2- 5. APPLICATION FEE. Each license application shall be accompanied by the revenue license tax required to be paid for the issuance of the license desired.

4- 2- 6. REFUND OF FEE AND TAX. Unless otherwise provided herein, no revenue license tax is refundable for any reason whatsoever, once the license has been issued by the City, except when the license was issued in error. If a license is denied, applicant shall be entitled to a refund of the amount paid in excess of twenty-five dollars (\$25.00). The sum of twenty-five dollars (\$25.00) shall be retained to offset application processing costs.

4- 2- 7. INVESTIGATION. Within five (5) days after receipt by the Director of a license application, the Director has the discretion to refer the application for investigation to the Police Department.

4- 2- 8. INSPECTIONS FOR CODE COMPLIANCE/NOTICE OF INFRACTION/LICENSE REVOCATION/COMPLAINT FILED BY CITY ATTORNEY. Prior to the issuance of a license to engage in a new business not previously licensed at that location, or an existing business with a change of location, the applicant shall be required to permit inspections to be made of the prospective place of business of the applicant by the appropriate departments of the City or other governmental agency to ensure compliance with building, fire, and health codes. No license shall be granted unless any required inspections reveal that the prospective place of business is in substantial compliance with the building, fire, and health codes. In addition to the business license fees, all new businesses or business locations shall pay an inspection fee as set forth in the rate tables in effect at the time of application.

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Existing places of business licensed within the City may be inspected periodically by departments of the City for compliance with building, fire, and health codes. Written notice shall be given by the Director to a licensee upon the finding of any code infractions which notice shall provide for a reasonable period not to exceed sixty (60) days in which to correct such infractions, the failure of which shall result in the revocation of the license by the Director.

The Director may request the City Attorney to file a complaint against any applicant or any licensee who continues to conduct business beyond the time limits provided in this section for non-compliance with the required standards.

4-2-9. LICENSE DENIAL. The Director may deny a license if the applicant:

(A) Has been convicted of a fraud or felony by any state or federal court within the past five (5) years or now has criminal proceedings pending against him in any state or federal court for fraud or a felony;

(B) Has obtained a license by fraud or deceit;

(C) Has failed to pay personal property taxes or other required taxes or fees imposed by the City; or

(D) Has violated the laws of the State of Utah, the United States Government, or the ordinances of Park City governing operation of the business for which the applicant is applying for the license.

4-2-10. LICENSE ISSUANCE OR DENIAL. Upon receipt by the Director of a completed license application and full payment of the fees, the City will not prosecute under Section 4-2-1 of this chapter for doing business without a license during the review and inspection process. The Director shall notify the applicant of 1) the denial of a license and the reason for such denial; or 2) the issuance of the license. Any applicant doing business during the review period proceeds at their own risk and no legal or equitable rights exist prior to the issuance of the actual license certificate.

4-2-11. APPEALS OF LICENSE DENIAL. A license denial by the Director may be appealed within ten (10) days to the Park City Council by written notice of appeal. The request is to be filed with the Recorder. The Park City Council shall hear the appeal within thirty (30) days of notice of appeal.

4-2-12. ISSUANCE OF LICENSE CERTIFICATE. All license certificates shall be signed by the Director, under the seal of the City (signature may be placed mechanically), and contain the following information:

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- (A) The name of the person to whom such certificate has been issued;
- (B) The name of the business, if applicable;
- (C) The type of license; and
- (D) The term of the license with commencement and expiration dates.

4-2-13. LICENSE PERIOD. Renewed license certificates shall be valid through December 31, of the year of renewal unless revoked pursuant to this Title. New license certificates issued between January 1 and September 30 shall be valid through December 31 of the year of issuance unless revoked. New license certificates issued between October 1 and December 31 may be valid through December 31 of the year following the year of issuance, unless revoked. An applicant applying for a license between October 1 and December 31st may, at the option of the applicant, pay 125% of the amount otherwise imposed for new licenses issued and the license shall be valid through December 31 of the year following the year of issuance, unless revoked. However, an applicant may elect to pay the fee of 100% on new applications between October 1 and December 31 if the applicant does not intend to do business in Park City the following year.

4-2-14. DUTY TO DISPLAY LICENSE. Every licensee licensed pursuant to the provisions of this chapter shall keep his license displayed and exhibited while the same is in force in some conspicuous part of the place of business. Every licensee not having a fixed place of business shall carry such license with him at all times while carrying on the business for which the license is issued and shall produce the license for inspection when requested to do so by any person.

4-2-15. BRANCH ESTABLISHMENTS. A separate license must be obtained for each branch establishment or separate location in which business is engaged in, within the City, as if such branch establishment or location were a separate business, and each license shall authorize the licensee to engage only in the business licensed thereby at the location or in the manner designated in such license, provided, that warehouses and distributing places used in connection with or incident to a business licensed under this chapter shall not be deemed to be separate places of business or branch establishments.

4-2-16. SEPARATE BUSINESSES, LICENSED PREMISES. Where two or more persons conduct separate businesses at the same location, each such person shall obtain a separate license for each such business and pay the required license tax for such business. Where a person is a licensee pursuant to provisions in the Beer and Liquor Licensing chapter of this Title, that person shall obtain a separate business license for each licensed premises.

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4-2-17. REVENUE TAX IMPOSED. There is hereby imposed and levied an annual business license revenue tax on the types of businesses described below. The rate of tax, if not otherwise stated, shall be the product achieved by multiplying the square footage of the place of business by the rate stated. The tax rates set forth in the Table appended to the fee resolution are incorporated herein.

4-2-18. REGULATION OF SPECIFIC BUSINESSES The minimum fee assessed for each business shall be as set forth in the rate tables as adopted by resolution unless set forth specifically in the sections below.

(A) **Vending Machines/Mechanical Devices** It shall be unlawful to install or permit to be installed, any kind of mechanical device operated by coin, token, or currency, which sells goods, merchandise, food, beverages, candy, or entertainment services without first having paid the applicable tax on that mechanical device. Further, it shall be unlawful for any person to permit an untaxed machine to be placed on his premises or within his place of business any such mechanical device on which the tax has not been paid. The license for such a mechanical device, and the receipt showing payment of the license fee, shall take the form of a sticker to be placed in a visible location on the machine or device. The placement of a current sticker shall be prima facie evidence of payment of the license fees as far as the owner of the premises in which the machine is installed is concerned, and the owner of such premises or place of business shall be entitled to rely on the display of a current sticker as proof that the machine has been properly licensed. It is the duty of the owner of the machine to pay the tax, place the license sticker on the machine, and see that it is continuously displayed.

License certificate stickers on vending machines and electronic game machines shall be marked with the description of the machine, and designed so that the license sticker is not removable without destroying the sticker. There shall be a sticker on each machine. In the event a machine is replaced by another machine of a similar nature, the sticker on the machine to be replaced may be surrendered to the Division, and a new sticker issued for the replacement machine without additional charge.

A business which operates a fleet of food and/or beverage vending machines may purchase a fleet license for all machines operated by that business at the rate established by the Rate Table per year in lieu of individually licensing all machines. A license sticker shall be issued for each machine in the fleet regardless of number. This fleet license shall not apply to video games, electronic entertainment devices, billiards or other similar devices. (ORD 92-21, 12/92)

(B) **Contractors and Builders** All general contractors and subcontractors, including but not limited to, builders, electricians, plumbers and back flow device technicians, with their principal place of business within Park City shall be assessed a regulatory license fee

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each year as set forth in the rate tables. Said fee must be paid and a business license issued prior to engaging in any construction within the City unless exempted from licensure under U.C.A. § 58-55-6(7) or Section 4-2-20 of this chapter.

No contractor shall be issued a business license under this section unless and until he has provided a certified statement that he is currently licensed with the State of Utah Department of Business Regulation, including the state license number(s) and date of expiration. If said state license expires prior to December 31st of the year, each contractor must provide proof of renewal within ten (10) days of renewal or shall forfeit the City license for the balance of the year.

Contractors with their principal place of business within Park City engaged in excavating, hauling or concrete delivery are also assessed an additional fee under Section 4-2-18(H) based on the size and number of trucks.

Contractors with their principal place of business within Park City are required to obtain a separate office business license (Code C1521-10).

(C) **Nightly Rental** All nightly rental units must be licensed before being offered for rent. Any persons offering to rent night rental units on behalf of an owner must hold a valid Utah real estate broker's license pursuant to § 61-2-1 of the Utah Code, or must be affiliated with a licensed broker. Owners may offer to rent only units in which they hold an ownership interest.

(1) **License Issuance**. The business license for rental of units under this section will be issued by the City upon payment of necessary fees and upon a finding by the staff that the review criteria established below have been satisfied.

(2) **Licensee**. The licensee for rentals under this section shall be both the local representative and the owner. The local representative shall be deemed the responsible party.

(3) **Application Procedure**. All new and renewal applications must contain the property manager's name, a sales tax collection and accounting number, the street address of each unit, the name and address of a local responsible party who is available by telephone 24 hours per day and all other information requested on the application forms. The application includes a cover form which contains information common to all units managed, and unit forms which contain information on each unit managed. It is the licensee's duty to supplement both forms as information changes or as units change from one manager to another.

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(4) **Management Standards.** The lodging authorized under Section 4-1-17(D) must be properly managed. As a condition to holding a valid license, the licensee agrees to provide or arrange for adequate property management services. In the event an owner's association exists, it shall be responsible for property maintenance. In the event an owner agrees to be responsible for property maintenance, the licensee must present a statement to that effect signed by the owner. The minimum services required include:

- (a) Snow removal during winter months to a level that allows safe access to the building over the normal pedestrian access to the unit.
- (b) Snow removal service to off-street parking facilities associated with the rental property so that off-street parking is at all times available for use of the occupants.
- (c) Summer yard maintenance, including landscaping, weed control, and irrigation to a level that is consistent with the level of landscaping and maintenance on adjoining and nearby properties.
- (d) Structural maintenance to preserve substantial code compliance as described above is required.
- (e) Routine upkeep, including painting and repair to a level that is consistent with the level of maintenance on adjoining or nearby properties.
- (f) Trash collection which insures that trash cans are not left at the curb for any period in excess of 24 hours and the property must be kept free from accumulated garbage and refuse.
- (g) Housekeeping service as a part of hotel or property management company: included in property management license.

(5) **Noise and Occupancy Control.** The licensee and the owner of rentals under this section are responsible for regulating the occupancy of the unit and noise created by the occupants of the unit. Unreasonable noise levels, or unreasonable occupancy loads, failure to use designated off-street parking, toleration of illegal conduct or other abuses which rise to the level of public or private nuisance is a violation of the license and considered grounds for revocation under ****Section 15. Failure to collect and deposit sales tax is also a violation of the license and grounds for revocation under Section ****15.

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(6) **Review Criteria.** In determining whether or not a business license for rental authorized under this Section shall be issued, the application shall be reviewed to see if, in addition to standards and conditions applicable to issuance of all business licenses, the following conditions and standards are met:

- (a) The unit is located within a zone and subzone designated as allowing rentals for the period which the license is applied for.
- (b) The Park City Building Department has reviewed the business license application for compliance with the Code for Abatement of Dangerous Buildings. Inspection of the unit may be required under Section 4-2-8. The applicant shall bear the cost of any such inspection and any reinspection which may be required. The cost shall be determined by the prevailing hourly rate of the Park City Building Department.
- (c) The access to the rental unit and the layout of the unit is such that noise and physical trespass from the proposed rental unit is not likely to be a substantial intrusion to the adjoining properties. If the proposed rental units is a single family home or duplex and shares an access, hallway, common wall, or driveway with another dwelling, written consent of the owner of the other dwelling is required.
- (d) The applicant must designate a responsible party. The responsible party must be a property management company, realtor, lawyer, owner, or other individual who resides within Summit County, or, in the case of a company, has offices in Summit County. The responsible party is personally liable for the failure to properly manage the rental. The responsible party must be available by telephone, or otherwise, 24 hours per day, and must be able to respond to telephone inquiries within twenty (20) minutes of receipt of such inquiries by that party's answering machine, paging device or answering service. The responsible party is also designated as the agent for receiving all official communications under this Title from Park City. If the licensee is a property management company or individual other than the owner, such company or individual must comply with applicable state law, including UCA 61-2-2, 1953, as amended, which requires those who receive valuable consideration to lease property to have a state license.
- (e) The application must bear a sales tax collection and accounting number for the rental operation. This number may be the sales tax accounting number used by the property management company

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responsible for that unit, or may be specific to the unit, but no license will be effective until the sales tax number is provided.

(D) Restaurants, Food Service, Taverns, Etc.

(1) Outdoor dining areas connected with any food service establishment shall be assessed at a rate lower than the rest of the establishment.

(2) Catering services shall be licensed at the rate established in the Rate Tables per year unless part of a full service restaurant or part of a restaurant operation, in which case catering is included in that license.

(3) Mobile vending trucks, serving construction sites only shall be assessed at the rate established in Rate Tables. The license certificate shall be issued in the manner described in Section ***18.08.

(E) **Building Material, Hardware, Lumber.** Lumber stores shall be assessed by square foot of space under roof, including retail areas, lumber storage, and shop space, but shall not be assessed for uncovered yard space.

(F) **Automotive Services.** Car rental businesses shall be assessed at a rate per car based in Park City for rental purposes as of January 1 of each license year, but not less than the minimum dollar amount per rental agency, as established in the rate tables.

(G) **Transportation Service, Passenger and Freight, Service and Delivery Trucks.** License certificates shall take the form of a sticker to be placed on each licensed vehicle. The Division shall design stickers that are suitable for this use, and non-removable without the sticker being destroyed. Various kinds of stickers may be used to show the term of a license if issued for less than one year. The sticker shall be displayed on all service, freight delivery, passenger service, and taxis at all times. If no sticker is displayed, it is prima facie evidence that no license was issued. Delivery and service vehicles with a business location in Park City, on which a license fee is issued on a square footage basis shall be exempt.

(1) Ready-mix concrete trucks, ore hauling trucks, dump trucks, drilling apparatus trucks, cranes, concrete pumping trucks, and other truck-based construction or excavation equipment shall be assessed on the gross vehicle weight of the truck in question, up to a total charge as set forth in the rate tables per business engaged in such business.

(2) Notwithstanding the provisions of the foregoing Section 18.08(B), businesses which operate a fleet of trucks and trailers may purchase a fleet license for all

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determined by the City Council or its designee. No person under the age of twenty-one years shall sell or serve liquor under this license.

4-6-6. SINGLE EVENT LIQUOR LICENSE A single event liquor license shall authorize for a period not to exceed 72 consecutive hours the storage, sale, service and consumption of liquor at an event sponsored by a bona fide association, corporation, church or political organization or a recognized lodge, chapter or other local unit that is conducting a convention, civic or community enterprise. The City may not issue more than two single-event liquor permits in any one calendar year to the same association, church, or political organization, chapter, lodge or unit thereof.

4-6-7. REGULATORY LIQUOR LICENSE FEE The regulatory liquor license fee shall be set by resolution for all liquor licenses. The regulatory license fees shall be used by the City to defray, in part, the costs of alcohol related enforcement and responding to alcohol related offenses within Park City. This fee may be waived by the City Council or its designee for temporary licenses issued to persons participating in community sponsored events, or in events sponsored by or for the benefit of non-profit, civic, religious, or charitable organizations. This fee may be waived by the City Council or its designee for Special Event Temporary licenses issued to persons participating in community sponsored events, or in events sponsored by or for the benefit of non-profit, civic, religious, or charitable organizations.

CHAPTER 7 - SUSPENSION AND REVOCATION OF CITY-ISSUED LICENSES.

4-7-1. GROUNDS FOR REVOCATION OR SUSPENSION Licenses issued under this Title may be suspended or revoked by the City Council for the following reasons:

(A) **Business License**. The following are grounds for revocation or suspension of business licenses:

- (1) Licensee has filed false or fraudulent license tax returns;
- (2) Licensee has been convicted of or plead guilty to or paid fines or settlements in criminal or civil actions brought by the State Tax Commission for the collection of, or arising from the non-payment of, taxes imposed by or collected by the state of Utah;
- (3) Licensee has permitted its employees, agents or patrons, to engage in illegal activities on the business premises;

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(4) The business has been the subject of a sufficient number of consumer complaints that it has the effect of tarnishing the reputation of other businesses within Park City.

(B) **Peddlers and Solicitors' License**. The following are grounds for revocation or suspension of peddlers' or solicitors' licenses:

(1) Violation of any specific provisions or limitations on the license imposed by this Title or by the City Council in issuing the license;

(2) Complaints from the public concerning misrepresentation of the goods or merchandise sold;

(3) Unfair or dishonest business practices;

(4) Any other circumstances which endanger the health or safety of the residents of Park City.

(C) **Beer and Liquor** The following are grounds for revocation or suspension of beer or liquor related licenses:

(1) The licensee has failed to comply with the requirements of the Alcohol Beverage Control Act as currently in force or amended in the future, or the requirements of this Title;

(2) The licensee or employees of the licensee have been convicted or plead guilty to violations occurring under Section 4-4-15 of this Title or any city, county, state or federal law or ordinance and said violations occurred on the licensed premise, not including violations by patrons;

(3) The licensee has attempted to transfer the license to another in violation of this Title;

(4) The licensee has become ineligible to hold a license by failing to meet the standards for licensees listed in this Title;

(5) The licensee or his agents or employees, with the knowledge of the license holder, have been engaged in the sale, distribution or delivery of controlled substances, as defined by state statute, on or from the licensed premises.

TITLE 4 - LICENSING

(6) The licensee has been denied a license by the state of Utah under the Alcoholic beverage Control act as required by this Title or has had said state license revoked or suspended.

4- 7- 2. ACTION OF CITY MANAGER OR DESIGNEE. Upon receiving a written complaint from any person alleging a violation of any provision of this Title the licensee or an agent of the licensee, the City or anyone designated by the City Manager with the assistance of such other departments of the City as the City Manager may direct, shall conduct an investigation of the allegations of the complaint. The City shall not investigate consumer or product liability complaints. Upon completion of the investigation, the City Manager may dismiss the matter as being without merit, settle the matter based upon the negotiations the City Manager or his or her designee may have undertaken with the licensee, or cause an Order to Show Cause to be issued to the licensee requiring the licensee to come forward and answer the allegations of the Order to Show Cause.

The Order to Show Cause may be based upon an affidavit filed by the City Manager, City Attorney, or anyone else the City Manager has designated to file such action, and said Order to Show Cause shall specifically set forth the ordinance sections alleged to have been violated and generally describe the acts in violation.

In the event an Order to Show Cause is issued to the licensee, the City Council shall determine whether to refer the matter to a licensed hearing examiner (LHE), or to hear the matter directly itself. The Order to Show Cause shall be issued at least fourteen calendar days prior to the date set for the administrative hearing, but the hearing shall be commenced in any event, within one year of the service of the Order to Show Cause upon the licensee unless otherwise agreed by the parties. Within ten days from the date of the service of the Order to Show Cause, the licensee shall file with the City a written response to the allegations contained therein.

If the matter is to be heard by the City Council, the City Council may elect one of its members to act as presiding officer for the hearing. The presiding officer shall rule on all matters of controversy which arise during the hearing. The City Council may designate one or more of its members to act as a hearing panel, in which event the hearing panel shall follow the same procedural requirements as the LHE is required by this Chapter to follow.

4- 7- 3. REVOCATION OR SUSPENSION HEARING. In all administrative license revocation or suspension proceedings, a hearing shall be conducted as follows:

The presiding officer or LHE shall regulate the course of the hearing to obtain full disclosure of relevant facts and afford all parties the reasonable opportunity to present their positions. The presiding officer or LHE may determine the length of the hearing and may

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prevent the calling of witnesses or admission of documentary evidence where such witnesses or evidence are irrelevant, immaterial, unduly repetitious, or unnecessary due to the receipt of other evidence.

Technical rules of evidence required in court proceedings shall not apply, and the presiding officer or LHE shall not exclude evidence solely because it is hearsay. The presiding officer or LHE may afford to all parties the opportunity to present evidence, argue, respond, conduct cross-examination, and submit rebuttal evidence within the time frame of the hearing established by said officer.

All testimony presented at the hearing shall be given under oath administered by a person duly authorized to administer oaths. The hearing shall be recorded by electronic means or by means of a Certified Shorthand Reporter. The record thus created shall be preserved by the City Council until such time as it is clear that no court proceedings or further administrative proceedings will be held concerning the matters which are the subject of the hearing; but a minimum of one year. The recording may be transcribed at the request of any party, at the expense of the requesting party.

The licensee shall have the right to appear at the hearing in person or by counsel, or both. Subpoenas and other orders to secure the attendance of witnesses or the production of evidence shall be issued by the City Council when requested by any party, or may be issued by the presiding officer or hearing examiner on his or her own motion. The mere issuance of subpoenas shall not operate to require the admissibility of evidence or testimony subpoenaed.

Upon request, both the City and the licensee shall be entitled to discovery of the other's list of witnesses to be called at the hearing, including the names and addresses of such witnesses. The parties shall be entitled to have copies of, or have access to any documents to be used by either side during the course of the hearing. No other formal discovery shall be required. The standard of proof required for any action adverse to the licensee shall be that of proof by a preponderance of the evidence.

The presiding officer, if the City Council hear the matter itself, or the LHE, shall prepare written Findings of Fact. In the case of an LHE, the LHE shall submit said Findings, to the City Council. The City Council shall either accept or reject the Findings of Fact, or enter its own Findings, and shall state the basis from the record upon which the divergence from the LHE's recommended Findings. The City Council shall prepare written Conclusions of Law and an Order.

The Order formally entered by the City Council may be to (1) dismiss the action against the licensee; (2) suspend the license for a specified period; (3) place the licensee on

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probation upon such conditions as the City Council may order; (4) permanently revoke the license in question; or (5) any combination of the above.

Any licensee aggrieved by an Order of the City Council entered pursuant to this section may maintain an action for relief therefrom in any court of competent jurisdiction, where said court deems itself the appropriate forum for the appeal from the City Council's action. The licensee shall be required to follow orders and procedures of the appropriate court with regard to time for filing.

Nothing herein shall be construed to require a showing that the licensee shall have been first convicted in a court of laws of any violation of any law, rule or regulation. All notices required by this section may be made by personal service or by certified mail, mailed to the licensee's address as it appears in the business regulation records of the City, postage prepaid, certified, return receipt requested.

CHAPTER 8 - MASTER FESTIVAL LICENSE

4- 8- 1. DEFINITIONS. For the purpose of this Chapter the following terms shall have the meanings herein prescribed.

(A) **APPLICANT.** The person, or group of people, who is or are the organizer(s) and with whom the responsibility for conduct of the event lies. The applicant signs the festival license application and all other documents relevant to the event. The applicant must be a natural person or persons, and not a corporation, corporate sponsor, or business, or any other entity which is not a natural person (see sponsor).

(B) **BUSINESS LICENSE** - As defined in Chapter 2 of this Title. A Business license may be temporarily replaced or altered for the purpose of a special event or public festival within the specific guidelines of the festival license.

(C) **CONCESSION.** A privilege to sell food, beverages, souvenirs, or copyrighted or logoed event memorabilia at a licensed event. Concessions are provided for within this Chapter in lieu of City business license regulations.

(D) **FEES.** Charges assessed by Park City for licensing, staffing, equipment use/rental, property use/rental, clean up, inspections involving the use of public property, public employees, or public equipment assessed to an event or festival and established within the festival licensing process.

EXHIBIT D

TO: PARK CITY COUNCIL

TO: MARK HARRINGTON, PARK CITY DEPUTY ATTORNEY

FROM: RUTH WAGNER, ATTORNEY FOR MAX & MARGUERITE JOHNSON
OF COALITION CONDOS.

RE: APPEAL OF REFUSAL TO LICENSE FOR NIGHTLY RENTALS.

AS A PREFACE PLEASE BE ADVISED THAT MAX JOHNSON IS LEAVING THE PREMISES WITHIN A FEW MONTHS. PRESENTLY HE NO LONGER TAKES RESERVATIONS BUT REFERS THEM TO THIS OFFICE. THEY ARE NO LONGER ON A NIGHTLY RENTAL BASIS BUT A MONTHLY BASIS. THAT IS NOT TO SAY THAT NEXT SKI SEASON THEY WILL NOT BE RETURNING TO NIGHTLY RENTALS HOWEVER, AT THAT TIME MAX JOHNSON WILL NOT BE INVOLVED.

PRESENTLY WE ARE SEEKING TO HAVE A LICENSE WITH THE NAME OF MARGUERITE JOHNSON AS OWNER AND MANAGER, WITH THIS OFFICE AS THE RESERVATION RECEIPT OFFICE.

APPEAL

There is no denial of problems that have existed in the past regarding the rental of certain units of the Coalition Condos on Park Avenue in Park City. The complaints go back to at least 1989 with the greater portion probably in 1991.

This is 1995 and to date for the season of 94-95 there have been two complaints, both lodged with the Circuit Court.

The first complaint by Bellin & Inglesby brought this attorney into the picture. Circuit Court Judge, Roger Livingston, upon a motion to dismiss the default judgment filed by this attorney granted the motion in part (returned the deposit to the plaintiffs) and continued the balance of the case to trial. At trial, subsequent to the plaintiffs presenting their case, at the request of this attorney, the case was dismissed. The plaintiffs could not prove their case.

The point of bringing this forward is that the witnesses produced by the plaintiffs consisted of the building inspector and the health inspector; the former stating that the defendant volunteered to abstain from renting a particular unit until the requirements were met and they were within days; the latter could not find a health problem. (A copy of the Findings of Fact, Conclusions of Law and Judgment are attached hereto as Exhibit "1" and incorporated herein)

The second complaint is presently in the court with an answer and a cross complaint against the receiver.

The two mentioned are the sole complaints for this season. Hardly an avalanche of problems.

The receiver was placed by Circuit Court Judge, Roger Livingston in late 91 or early 92. Said receiver was to manage the common areas and pay bills of the common areas. His responsibility seemed to have centered on hiring service providers to maintain the outside of the building. Sometimes that was accomplished and sometimes it wasn't as indicated by the attached photographs. One thing was certain, the Receiver did not come to Park City and investigate as to the proficiency of said providers.

If one were to read the complaints lodged with the Chamber of Commerce it would be discovered that the majority of complaints had to do with the return of monies deposited. The requests were as a result of non satisfaction with the conditions of the units.

The renters were more than willing to accept the "cheap" priced accommodations but wanted the luxury of the higher priced motels or inns. 1991 was perhaps the worse year with many complaints lodged. One person stated that they had to walk down 6-8 steps and felt as though they

" . . .were in a basement with views of the lower portions of abandoned and parked vehicles outside the building and whatever else was on the ground." they went on to state:

" . . .the neighborhood was very poor and run down.

A doberman was running loose next door."

" . . .there bugs in the bathroom; no firewood in the condo; the thermostate cover was on the floor and not in place; there was a VCR but the TV received only one channel; there was no telephone in the condo; the hot tub was nothing to write home about and it was outside in the

parking lot; one bedroom was very small; the ski lift was more than 350 yards away and the bus stop was down several blocks." (A copy of the complaint is attached hereto as Exhibit "2" and incorporated herein)

Another complaint of someone in a lower level unit which they called a "basement" was that it was a "dump" and that the shower was cold.

However, Susan Foley, a visitor twas tranferred to another unit and stated ". . .it was great. Everyone was so nice, we loved it."

Margie of the Chamber Bureau visted the place on March 4 of the same year and stated. . . "No major health/safety concerns. Spent 3 & 1/2 hours and 6 pages. They are habitable. The door was kicked in & will be fixed this week."

In 1992 there were two complaints. Arlene Bellas stated she had cancelled her reservation on Feb. 2 or 3 for a stay in March. However, telephone records of the calls that came into the 800 number reflect no calls from her. The statement from the Chamber Bureau stated " 4-28 Max gave themm a good deal. \$100/nite for a 2 bedroom. Max called her on March 11 to confirm and that was the first time he had heard of the "cancellation." A copy is attached hereto as Exhibit "3" and incorporated herein.

Susan Porter didn't like the unit and though she was offered another she refused to even see it. She stated there was no telephone, no cable TV, no dining table and the heating units didn't have covers.

In 1993 there were two complaints.

In 1994 we have already stated the present conditions.

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Some of the complaints had to do with the outside of the units, i.e. the common areas. Those common areas were to have been maintained by the receiver though Max did manage to have to perform just to prevent accidents. Such as removal of snow and ice.

The receiver permitted the insurance policy to lapse; the sewer improvement district bill to collect until it was over One Thousand Dollars all at a time when there was monies in the account.

There is no denial that there were times when the Johnsons could not pay the homeowners' dues and the "special assessments". Those special assessments frequently went to pay James Kennecott's attorney fees as he represented the HOA.

Please be advised that Marguerite Johnson owns six of the seven units yet she is subjected to having Kennecott as the attorney for the HOA.

In conclusion, what we have were a selection of people who were disappointed in the "cheap" accommodations. The legions of vacationers both winter and summer who were perfectly comfortable are not visioned in the complaints. Out of the hundreds of people who have stayed in the units in all seasons there are a handful of unhappy campers.

The complainants were perfectly willing to accept the lower prices for the accommodations but required Triple A situations. The gravament of the cases seemed to be based on dissatisfaction with the accommodations, expectations of more than that which was received, seemingly having preconceived notions of what a ski resort should profer and the dissappointments therein. Disgruntlement is hardly a reason for denial of a license to

operate. The location of the Coalition Lodge is Park Avenue, the houses surrounding the lodge are old, the neighborhood rundown, the house next door a "poor boy's pad", immediately across the street a little old house that looks as though it would fall down in a good storm. By some these are attributes to the "quaintness" of the territory. It surely isn't Deer Valley. But again, these are hardly reasons for refusal of licensing.

Upon inspection one can see that the "Hot Tub" is not in the parking lot. The trash from next door is a downer. Please note further that no summer monthly resident has ever filed a complaint; they use the lovely city park behind the Lodge and have the amenities of being "In Town".

As a more pleasant exhibit "4" I have a few notes of appreciation.

The bottom line in objection is to the Municipality's Code §4-2-9(A) regarding a criminal proceeding. Prevention of licensing before proven guilty of any crime may be in violation of not only the Utah Constitution but the Constitution of the United States.

Marguerite Johnson states unequivocally that improvements have been made to all of the condos and improvements continue to be made inside and outside. If an inspection were to be done today all of the condos that are for public occupation would pass muster.

Mrs. Johnson further requests that the license be renewed, WITHOUT PROBATION, she as the owner and manager and with this office temporarily as the reservations confirmation office.

Thank you for your consideration.

Respectfully submitted this 7th day of April, 1995

45

RUTH WAGNER, Attorney for
Marguerite and Max Johnson

EXHIBIT 1

COPY

RECEIVED

FEB 10 1995

RUTH WAGNER (5031)
1492 WEST MEADOWLOOP RD.
PARK CITY, UT 84060

3rd CIRCUIT COURT
PARK CITY DEPT.

(801) 649-1492
(801) 649-2983 FAX

IN THE THIRD CIRCUIT COURT IN AND FOR THE COUNTY OF SUMMIT
STATE OF UTAH, PARK CITY DEPARTMENT

CHERYL BELLER and THOMAS INGLESBY,	)	FINDINGS OF FACT
Plaintiffs,	)	CONCLUSIONS OF LAW
	)	
VS.	)	JUDGMENT
	)	CASE NO. 943000127CV
MARGUERITE JOHNSON, MAX JOHNSON and	)	
MARGUERITE JOHNSON AND MAX JOHNSON	)	
dba COALITION CONDOS,	)	
Defendants.	)	SHEILA K. Mc CLEVE, JUDGE

The parties appeared before the Honorable Sheila K. McCleve on February 3, 1995. Plaintiffs were represented by James Kennecott and defendants by Ruth Wagner. Upon conclusion of the plaintiffs' case in chief the defendants' attorney made a motion for dismissal on the theory that the plaintiffs did not prove their case.

FINDINGS OF FACTS

1. Jurisdiction of this court was appropriate.
2. The plaintiffs stayed in defendants' condominium pursuant to their reservations in February of 1994.
3. The plaintiffs during the first night's stay suffered headaches and nausea.
4. The witnesses from the city building department and the county health department found a smell emanating from the heater system when the heat was turn high and received headaches when the

smell was inhaled by them.

5. The plaintiffs did not show what a "reasonable inspection" consisted of.

6. The plaintiffs did not show what duty the defendants had that was breached nor what a "reasonable" inspection consisted of.

7. The plaintiffs did not show the causation relating back to the defendants acts or non performance.

8. The plaintiffs used the theory of Res Ipsa Loquitur.

9. The plaintiffs showed no evidence of damages.

CONCLUSION OF LAW

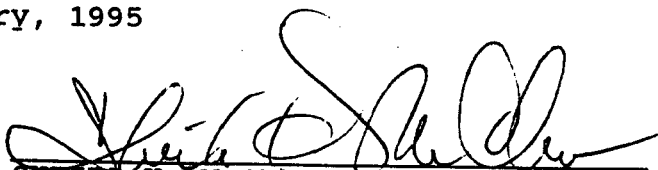
10. There was no evidence of a duty owed by the defendants to the plaintiffs.

11. There was no breach of any duty.

12. The theory of Res Ipsa Loquitur has a very narrow parameter with no cases in Utah or any other mountain state substantiating that theory for causation.

13. No damages existed.

Dated this 13 day of February, 1995


SHEILA K. MCCLEVE, JUDGE

Accepted as to form and content:


James W. Kennecott
Attorney for Plaintiffs

RECEIVED

FEB 10 1995

3rd CIRCUIT COURT
PARK CITY DEPT.

RUTH WAGNER (5031)
1492 WEST MEADOWLOOP RD.
PARK CITY, UT 84060

(801) 649-1492
(801) 649-2983 FAX

Court

IN THE THIRD CIRCUIT COURT IN AND FOR THE COUNTY OF SUMMIT
STATE OF UTAH, PARK CITY DEPARTMENT

CHERYL BELLER and THOMAS INGLESBY,)

Plaintiffs,)

VS.)

MARGUERITE JOHNSON, MAX JOHNSON and)
MARGUERITE JOHNSON AND MAX JOHNSON)
dba COALITION CONDOS,)

Defendants.)

JUDGMENT

CASE NO. 943000127CV

SHEILA K. Mc CLEVE, JUDGE

Based on the Findings of Facts and Conclusions of Law attached
hereto it is the

ORDER OF THIS COURT:

The Judgment of the Honorable Roger A. Livingston on the first
two causes of action in this case will stand.

The Third Cause of Action for Negligence is Dismissed.

Dated this 13 day of February, 1995.

Sheila K. McCleve
SHEILA K. McCLEVE,
Judge Third Circuit Court

Accepted as to form and content:

James W. Kennecott
James W. Kennecott
Attorney for Plaintiffs

EXHIBIT 2

124 Montgomery Dr.
Spartanburg, SC 29302
April 2, 1991

Ms. Cindy Garren, CTC
General Travel
645 E. Main St.
Spartanburg, SC 29302

Dear Cindy,

This is the letter you requested that I write after our conversation yesterday concerning our experience in Park City, UT.

The nightmare began as we drove out to Park City in a van with 2 other couples. During the conversation with these people we realized that we were the only ones with no "check in" destination at which the other passengers picked up keys, were given maps, booklets, etc. and given instructions as to where they were to go. We had no "check in" spot so Chap got out at the last stop and tried to call and find out what we were to do. The 1st number he called was "no longer in service", so he had to call a long distance number to find out that we were in Unit #1, the door was open and the keys were on the table. We all had uneasy feelings and uneasy expressions. Even our driver and other passengers looked questioningly.

So off we go to Parr Ave. Coalition Condos:

- 1) We requested a 1 bedroom and studio sofa bed.
- 2) We walked down 6-8 steps to the "condo" - we were in a basement with views of the lower portions of abandoned and parked vehicles outside the building and whatever else was on the ground.
- 3) The neighborhood was very poor and rundown. A doberman was running loose next door.
- 4) There were bugs inside, especially in the bath.
- 5) There was no firewood inside or anywhere outside as stated by their booking agents.
- 6) The thermostat cover was missing. Ben found it on the floor by the T.V.
- 7) There was a VCR but the TV only picked up one station.
- 8) There was no telephone. I don't ski so I was to stay in the condo and read. I didn't feel safe at all about staying there alone or even with our family there at night with no telephone. With children and my husband's business we needed a telephone and have never stayed in a place that was without a phone.
- 9) The door was almost impossible to unlock. It took Chap 5-8 minutes to get it unlocked. We thought we were left the wrong keys. I couldn't have managed it by myself much less the boys. We later found out after talking to Sean that the door had been "busted" in - I guess he meant someone had tried to break in or something.
- 10) The hot tub wasn't anything to write home about. It was

outside in the parking lot, no instructions as to how to use it or if it was usable. The water did not look clean and smelled of urine.

- 11) One bedroom was so small that it would have been a trick to get the dresser drawers opened with out moving the bed each time.
- 12) We were more than 350 yards to the ski slopes and the bustop was down several blocks, again unlike their literature stated.

Discouraged, we left to get the skis and lift tickets. While the boys and I waited for 3PM to arrive to pick up the skis, etc. Chap went to Shadow Ridge and rented another condo - 1 bedroom studio with kitchen.

After the manager of Shadow Ridge used his pickup truck to get our luggage from Coalition, Chap called Sean at Resnet who booked us in Coalition Condos. Chap told Sean that we had moved out of Coalition and of all the problems and disappointments we encountered there. At this time he informs us that we are the last people they had rented a Coalition Condo to and that his agency was not representing them anymore because everyone that went there moved out and went elsewhere. He said that his agency would not help us try to get our money back and that his agency would not return the money they made thru the booking. He gave us the owners name, Max Johnson. We tried to call him and received a recorded message and never got a return call from him. Sean, we think, made no attempt to contact Max Johnson and present our problems to him. I don't think that Sean really cared about our problems. His attitude was poor to say the least.

After talking with Sean, Chap called the Chamber of Commerce and spoke with Margie. It seems that they are very familiar with Coalition Condos and Max Johnson. It seems Park City has been trying to revoke his business license and that the #1 unit was not to be rented to anyone. It seems that our main source of help will be from the City Attorney of Park City.

Sincerely,



Ann Johnston

AJ/cg

EXHIBIT 3



Chamber of Commerce/Convention & Visitors Bureau

AFFIDAVIT OF COMPLAINT

Date taken: 4/23/92 Person taking information: IKH

Complaint against: Coalition

Person registering complaint:

Arlene Bellas
20600 Coarwood
Riverview MI 48192
313-479-1801

address

phone numbers

NATURE OF COMPLAINT - INCLUDING YOUR SUGGESTED REMEDY:

She has to go to Bank & write a letter to CC company.
They will credit her account.

④ April 6 she charges the visit \$700 +

② She called in Jan ③ Cancelled Feb 2 or 3
stay in March 21. She gave her number (VISA)
to him but he did not mention the deposit.

25
21
46

Would have stayed there when she drove by the
place looked nice but not now.

She will mail to Bett-Business Bureau & to me a copy
of contract & the letter to VISA - (BBB-Bill Beattie.)

④ 28 - Max gave them a good deal. 100/night for a 2 bedroom.
Max called her on March 11 to confirm & that
was the first time she had heard of the cancellation.

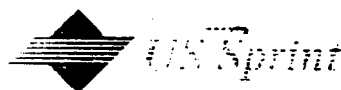
Thank you for helping us by taking the time and the interest to
complete this form. We pledge to follow up on your concern. The
Chamber/Bureau is working to make Summit County the best that it
can be! Mail or return to: Margie Hensley, P.O. Box 1630,
Park City, UT 84060.

4/25 - CC did credit her account. She will consider us for a
summer vacation. Sent her Calendar of Events.

CALL DETAIL ----- PAGE 1 CUSTOMER: 200295372
 1-800-829-9191 0118356057 INVOICE # 16 0202 0504
 TERM. CITY: SALT LAKE FONLINE 800 MAR. 05, 1992

NO	DATE	TIME	*	ORIG. CITY ST	A/C NUMBER	BD	MIN	COST
1	01/31/92	03:22 PM	D	NEW YORK NY	212 421-1874	5	.7	.17
2	02/01/92	07:37 AM	N	WINCHESTER TN	615 967-1834	4	.2	.03
3	02/01/92	07:51 AM	N	WINCHESTER TN	615 967-1834	4	.1	.01
4	02/01/92	10:37 AM	N	SALEM SC	803 944-2838	4	.4	.06
5	02/01/92	10:41 AM	N	JACKSONVL NC	919 000-0000	4	.7	.10
6	02/01/92	11:34 AM	N	LAWRENCE MA	508 683-9221	5	.1	.02
7	02/01/92	12:17 PM	N	JACKSONVL NC	919 000-0000	4	3.7	.55
8	02/01/92	01:27 PM	N	HOTSPRINGS AR	501 262-2069	4	.8	.12
9	02/02/92	12:03 PM	N	PARK CITY UT	801 649-8928	11	1.4	.28
0	02/02/92	12:39 PM	N	OLON OH	216 349-4749	4	2.4	.36
1	02/02/92	02:59 PM	N	PARK CITY UT	801 649-8029	11	2.7	.54
2	02/02/92	03:37 PM	N	RALEIGH NC	919 859-0670	4	.1	.01
3	02/02/92	03:37 PM	N	RALEIGH NC	919 859-0670	4	.4	.06
4	02/02/92	03:44 PM	N	HUNTINGTON NY	516 424-5239	5	1.4	.21
5	02/02/92	04:53 PM	N	NORWALK CA	310 925-9678	3	.6	.09
6	02/03/92	08:43 AM	D	DALLAS TX	214 969-0155	4	1.5	.35
7	02/03/92	09:33 AM	D	DOVER NH	603 742-0627	5	.9	.22
8	02/03/92	09:38 AM	D	WINCHESTER TN	615 967-1471	4	.7	.16
9	02/03/92	04:25 PM	D	OLON OH	216 349-4749	4	2.4	.56
0	02/03/92	05:00 PM	E	KALAMAZOO MI	616 375-7874	4	1.3	.24
1	02/03/92	05:16 PM	E	MEMPHIS TN	901 756-0028	4	1.9	.36
2	02/03/92	05:22 PM	E	MEMPHIS TN	901 756-0028	4	10.0	1.87

- THE RATES IN EFFECT AT THE BEGINNING OF THE CALL
 D : DAY RATE E : EVENING RATE N : NIGHT RATE



PLEASE SEE REVERSE SIDE
 FOR TERMS AND CONDITIONS

CALL DETAIL ----- PAGE 2 CUSTOMER: 200295372
 1-800-829-9191 0118356057 INVOICE # 16 0202 0504
 TERM. CITY: SALT LAKE FONLINE 800 MAR. 05, 1992

DATE	TIME	*	ORIG. CITY ST	A/C NUMBER	BD	MIN	COST
02/03/92	05:40 PM	E	BILLINGS MT	406 248-3421	2	1.1	.20
02/03/92	06:23 PM	E	ARLINGTON CA	714 359-9266	5	.1	.02
02/03/92	08:01 PM	E	WYANDANCH NY	516 491-5454	5	7.7	1.48
02/03/92	08:10 PM	E	WYANDANCH NY	516 491-5454	5	3.7	.71
02/03/92	08:22 PM	E	SAN FRAN CA	415 750-0740	3	.4	.07
02/04/92	09:57 AM	D	ST PAUL MN	612 481-7245	4	6.1	1.43
02/04/92	11:48 AM	D	QUEENS NY	718 358-8316	5	10.7	2.56
02/04/92	01:07 PM	D	ROME GA	404 234-1528	4	.3	.07
02/04/92	04:09 PM	D	PARK CITY UT	801 649-8928	11	.9	.18
02/04/92	04:24 PM	D	INDIANAPLS IN	317 872-1321	4	1.0	.23
02/04/92	06:12 PM	E	COLORADO SPG CO	719 574-7075	2	.6	.11
02/04/92	06:14 PM	E	DAYTON OH	513 293-6235	4	.5	.09
02/04/92	06:27 PM	E	MARIETTA GA	404 514-9223	4	3.7	.69
02/04/92	07:03 PM	E	DAYTON OH	513 293-6235	4	2.1	.39
02/05/92	09:25 AM	D	NEW YORK NY	212 683-7111	5	3.4	.81
02/05/92	09:34 AM	D	MESA AZ	602 641-0906	2	1.9	.43
02/05/92	12:33 PM	D	DENVER PA	215 267-4926	5	4.1	.98
02/05/92	12:50 PM	D	PASCO WA	509 545-3969	3	.5	.11
02/05/92	02:38 PM	D	FLAGSTAFF AZ	602 523-4900	2	.3	.07
02/05/92	02:49 PM	D	HUNTSVILLE AL	205 837-5256	4	3.6	.84
02/05/92	03:58 PM	D	DENVER PA	215 267-6001	5	20.4	4.88
02/05/92	05:01 PM	E	PARK CITY UT	801 649-8928	11	.4	.08

EXHIBIT 4

3-17-95

Michelle,



Thanks for a clean apartment! We enjoyed our stay here.

We told Max we spilled some spaghetti sauce by the bar stools. We cleaned it up, sort of, as best we could.

God Bless.

Mike, Rainie, & Rich

PS - Our towels are in the Sauna for use after skiing. We'll leave them there when we're done.

Max -

We had a great time - your place is perfect. If we return to Utah, we'll be staying here.

Thanks for letting us stay last today. We appreciate it.

Please return ^(or destroy) Linda Webb's check for the transportation. Since you didn't get it on time, we paid Lewis Brother's directly.

Thanks again -
Jena

EXHIBIT E

BUSINESS LICENSE PROBATION AGREEMENT

This Probation Agreement ("Agreement") is entered into this ____ day of April, 1995, between Park City Municipal Corporation ("City") and Marguerite Johnson, a.k.a. Coalition Condos, ("Licensee") to set forth the terms and conditions of the business license of the Licensee.

Whereas, the City has previously prosecuted Licensee for several violations of the Park City Municipal Code ("Code"); and

Whereas, the City is entitled to deny or revoke business licenses pursuant to the Code violations; and

Whereas, the City has agreed to issue a probationary business license to the Licensee on the condition that it designate an acceptable responsible party pursuant to Code § 4-2-18(C)(6)(d) and to remove Max Johnson as the current responsible party; and

Whereas, the Licensee has agreed to waive formal hearing procedures and to surrender its business license upon violating any provision of the Code or Land Management Code, or any other state or federal law in the course of its business;

Now, therefore, based upon the mutual consideration stated herein, the sufficiency of which is hereby acknowledged, the City and Licensee agree as follows:

I. LICENSE. The City hereby agrees to issue a business license to the Licensee subject to the terms and conditions herein.

II. PROBATION. The Licensee hereby agrees to a two (2) year probation. If, at any time during the probationary period, the Licensee violates any provision of the Code or Land Management Code, or any other county, state or federal law in the course of its business, the Licensee agrees to surrender its business license within three (3) days of receiving a written request to do so from the City. Nothing herein shall require a violation to be established by judicial process- a citation from the City's compliance officer shall be sufficient so long as the Licensee does not successfully appeal the citation pursuant to the Uniform Building Code, or any other administrative remedy.

III. NO WAIVER. Any failure by the City to request surrender of the business license upon violation of the terms herein shall not constitute a waiver of the City's rights herein upon any subsequent violation by Licensee.

Entered into this ____ day of April, 1995.

LICENSEE

Marguerite Johnson

STATE OF UTAH)
 : ss.
COUNTY OF SUMMIT)

On this ____ day of April, 1995, personally appeared before me _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding Agreement, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

NOTARY PUBLIC

PARK CITY MUNICIPAL CORPORATION

BY: MARK D. HARRINGTON
ITS: ASST. CITY ATTORNEY

ATTEST:

ANITA SHELDON, CITY RECORDER

