PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
April 1, 2021

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regular City Council meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah 84060 for the purposes and at the times as described below on Thursday, April 1, 2021.

NOTICE OF ELECTRONIC MEETING & HOW TO COMMENT VIRTUALLY:

On March 4, 2021, the Mayor issued a written determination that because of the public health emergency, conducting a meeting with an anchor location presents a substantial risk to the health and safety of those who may attend in person. For these reasons, this meeting will be an electronic meeting without an anchor location.

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

WORK SESSION

3:30 p.m. - Special Service Contracts Update
Special Service Contracts Staff Report
Exhibit A: SSC Overview
Exhibit B: Current Contracts

4:00 p.m. - January 2021 Sales Tax Update
Sales Tax Presentation

4:15 p.m. - Park City Arts and Culture District - Follow Up Discussion
Arts and Culture District Staff Report
Exhibit A: March 31, 2021 Arts and Culture District Staff Report

PARK CITY HOUSING AUTHORITY MEETING - 5:00 p.m.

ROLL CALL

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

WORK SESSION

1. Discuss Park City Mountain Base Area Development - Affordable Housing Mitigation Plan
PEG Staff Report
Exhibit A: Housing Mitigation Plan 3.8.21

ADJOURNMENT

REGULAR MEETING - 6:00 p.m.

I. ROLL CALL

II. SWEARING IN CEREMONY

1. Police Swearing-In Ceremony for Officer Brandon Smalling, Sergeant Danielle Snelson and Lieutenant Robert McKinney, & Accreditation Presentation by Utah Chiefs of Police Association
Swearing-In and Accreditation Staff Report
Exhibit A: Oaths of Office

III. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments

Staff Communications Reports

1. Electric Mountain Bike Courtesy Tag Update
E-Mountain Bike Tag Program Staff Report

2. Monthly Budget Report - February 2021
Budget Monitoring Memo - February 2021
Exhibit A: Expense and Revenue Report - February 2021

3. 2021 Utah Legislative Bill Tracker Report
2021 Legislative Tracker Staff Report
Exhibit A: 2021 Bill Tracker

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

V. CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from March 11 and 18, 2021
March 11, 2021 Minutes
March 18, 2021 Minutes

VI. CONSENT AGENDA

1. Request to Authorize the City Manager to Execute a Three-Year Contract Agreement for Brainier Learning Management Software, in an Amount Not to Exceed $83,556.00, in a Form Approved by the City Attorney
Brainier Software Contract Staff Report

Exhibit A: Brainier Solutions Cyber PSA - Draft

VII. NEW BUSINESS

1. Consideration to Amend the Phasing Plan for Quinn's Junction Partnership Annexation Master Plan Development, Located at 4001 Kearns Boulevard
   (A) Public Hearing (B) Action
   4001 Kearns MPD Phasing Amendment Staff Report
   Exhibit A: MPD Development Agreement
   Exhibit B: 2013 Final Action Letter and Phasing Plan
   Exhibit C: Proposed Phasing Plan
   Exhibit D: Summary of Regulatory Documents
   Exhibit E: Draft Final Action Letter 2021 Phasing Plan Amendment

2. Consideration of a Fee Waiver Request by the National Ability Center (NAC) in the Amount of $296,955.50
   (A) Public Hearing (B) Action
   NAC Fee Waiver Staff Report
   Exhibit A: NAC Fee Adjustment Application-Recreation Center
   Exhibit B: NAC Fee Adjustment Application-Equestrian
   Exhibit C: Breakdown of Calculated Fees

3. Consideration to Extend the Main Street Dining Deck Program in 2021, and Authorize the Mayor Execute Updated Leases of City Property/Rights-of-Way with Ten Main Street Restaurants, in a Form Approved by the City Attorney
   (A) Public Hearing (B) Action
   Dining Deck Lease Approval 2021 Staff Report
   Exhibit A: Street Dining Deck 2021 Operational Restrictions
   Exhibit B: Dining Deck 2021 Lease Draft
   Exhibit C: 2021 Dining Deck Map

4. Consideration to Adopt Resolution 04-2021, a Resolution Authorizing the Issuance and Sale of Not More than $16,500,000 Aggregate Principal Amount of the City's Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association-USSA) to Refund Certain Outstanding Bonds of the City which were Issued to Refinance the Costs of the Acquisition, Construction, Furnishing, Equipping and Improvement of Land and a Building for Use as a Training and Office Facility for the USSA; and Related Matters
   (A) Public Hearing (B) Action
   USSA Center of Excellence - Conduit Financing Refunding Staff Report
   Exhibit A: Authorizing Resolution
   Exhibit B: USSA Term Sheet

5. Consideration to Adopt Resolution 05-2021, a Resolution to Adopt Affordable Housing Guidelines and Standards for Park City, Utah, and to Repeal and Replace Resolution 25-2020 in its Entirety
   (A) Public Hearing (B) Action

HOA Fees Staff Report
Exhibit A: Amended Housing Resolution

VIII. ADJOURNMENT

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

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

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Josh Miller
Submitting Department: Budget, Debt & Grants
Item Type: Staff Report
Agenda Section:

Subject:
3:30 p.m. - Special Service Contracts Update

Suggested Action:

Attachments:
Special Service Contracts Staff Report

Exhibit A: SSC Overview

Exhibit B: Current Contracts

City Council
Staff Report

Subject: FY22 SSC Social Equity Contracts
Author: Josh Miller & Jed Briggs
Department: Budget
Date: April 1, 2021
Type of Item: Administrative

Recommendation
The Special Service Contract Committee recommends City Council provide direction on the proposed RFP process for FY22 Special Service Contracts (SSC).

Background
Staff anticipated budgeting $250K for Special Service Contracts related to social equity in FY22. The SSC Committee suggests potentially delaying the RFP to provide non-profit organizations more time to recover from the Covid pandemic and avoid fundraising fatigue. The Committee felt that going back to 'business as usual' might be premature at this point since non-profits haven't yet returned to normal operations.

Analysis
Over the last two years, the SSC process was revised to align with the Council and community's needs. As part of the revision, Council and the SSC Committee decided to separate regular services and special services. Regular service contracts are handled by the appropriate department where possible and special services remain in the Budget department. Special services also include social equity contracts that have been provided in recent years to address the critical priority according to the FY20 Social Equity Strategic Plan.

In FY21, the City signed a majority of the regular and special service contracts to four-year terms. However, social equity contracts were paused, allowing the Committee to assess needs and provide immediate relief to organizations affected by the Covid pandemic. Typically, the SSC RFP is released in the spring, and awards are distributed in July along with the adopted budget. In this case, the Committee recommends a further delay until the fall so that our community may be closer to returning to pre-pandemic norms.

The Covid health crisis has been especially hard on the non-profit sector. Our community groups have been dealing with closures and uncertain futures. Although state and federal relief programs have supported many non-profits, some have expressed feeling overwhelmed by funding applications during the pandemic. A delay in our social equity RFP process will give these groups time to recover and plan. A September or October RFP would help non-profits determine what programming or events they could produce with the potential funding.

The SSC committee set budget amounts for special services in FY21, earmarking approximately $250k for social equity in FY22. As a reference, the RFP for FY20 included the following categories:

Category	Description
Housing	Facilitate a range of affordable and quality housing opportunities that meet the life cycle needs of persons at all economic levels.
Education	Provide students with learning and enrichment opportunities outside of the regular school day to help overcome disparities
Inclusion	Strive for cultivating a community that engages diverse perspectives, differing ideas, and individuals from different backgrounds to help define policy and practice and help shape culture
WorkForce Development	Innovative programs that focus on augmenting education, language, job skills, job finding, and resume building needs for those from lower to middle economic backgrounds.
Community Arts & Culture	Support for the investment in arts and culture to sustain and develop this segment of the City's economy through cultural tourism.

If Council decided they wanted to proceed with the RFP this spring, the SSC committee would release an RFP similar to the categories above.

The budget team is also attaching the monthly the State Compliance Monthly Budget Reporting for February 2021.

Exhibits:

Exhibit A: Special Service Contract Overview
Exhibit B: List of Current Contracts

Special Service Contract Overview

Special Service Contract History

- FY03-FY18 – Two-year contracts (various service categories)
- FY19 – One-year contracts (various service categories)
- FY20 – Two rounds of one-year contracts (broken up into regular services & social equity services)
- FY21 – REVAMP

Revamp Goals

- Work to ensure more alignment with resource allocation and Council's current goals/priorities
- Be more dynamic, proactive, deliberate, flexible
- Define services that Council feels are essential to fund in the foreseeable future
- Alignment with Social Equity strategic plan and resource allocation

SSC Revamp

	Dept. Service Contracts	Special Service Contracts	
Purpose	Additional services that enhance or amplify a department service	Regular services that Council wants to fund in the foreseeable future	Social equity services as defined by Council
Process Cycle	4 Years	4 Years	2 Years
Administered by:	Departments	SSC Subcommittee	SSC Subcommittee
FY22 Budget Amt	$130k	$250k	$250k
Contracted out through FY24	Yes	Yes	No

Department Specific Service Contracts

Service	Organization	City Department	Contact	Annual Budget
Trails Management	Mountain Trails	Trails/Open Space	Heinrich Deters	$25K
Waste/Recycling	Recycle Utah	Sustainability	Celia Peterson	$50K
Sister City Admin	Park City Sister City	Executive	Minda Stockdale	$8.5K
Legal Mediation	Mountain Mediation	City Attorney	Mark Harrington	$15K
History and Visitor Services	Park City Museum	Economic Development	Jonathan Weidenhamer	$25K

***RFP administered by respective departments. Budget Dept provides guidance and is used as a resource.**

SSC (Regular)

Service	Organization	Annual Budget
Safe Haven	Peace House	$40K
Medical Treatment	People's Health Clinic	$40K
Medical Treatment	Jewish Family Service	$10K
Food Pantry	Christian Center	$10K
Emergency Assistance	Christian Center	$30K
Emergency Assistance	Jewish Family Service	$10K
Emergency Assistance	Holy Cross Ministries	$10K
Education	PC Tots	$50K
Education	PC Education Foundation	$50K

SSC (Social Equity) Potential Categories

Category	Description
Housing	Facilitate a range of affordable and quality housing opportunities that meet the life cycle needs of persons at all economic levels.
Education (**already covered in special service contracts)*	Provide students with learning and enrichment opportunities outside of the regular school day to help overcome disparities
Inclusion	Strive for cultivating a community that engages diverse perspectives, differing ideas, and individuals from different backgrounds to help define policy and practice and help shape culture
Workforce Development	Innovative programs that focus on augmenting education, language, job skills, job finding, and resume building needs for those from lower to middle economic backgrounds.
Community Art & Culture	Support for the investment in arts and culture to sustain and develop this segment of the City's economy through cultural tourism.

***This list is based on categories used in the FY20 RFP**

PARK CITY
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Typical Timeline

March - Issue RFP

April - Submission Deadline

May - SSC subcommittee reviews, scores, and makes funding recommendations on proposals

June - SSC subcommittee makes recommendation to Council

Next Steps

- SSC Subcommittee is currently deliberating social equity funding
- FY22 RFP distributed in the spring or fall depending on council discussion
- FY24 – Regular service contracts expire, up for renewal FY25-FY28

(Regular) Special Services within the Budget Department

Category	Vendor	Description of Service
Food Pantry & Emergency Assistance	Christian Center	Serving the emergency needs of low-income individuals and families, as well as food to community
Emergency Assistance	Holy Cross Ministries	Serving the emergency needs of low-income individuals and families,
Emergency Assistance & Medical Treatment	Jewish Family Service	Serving the emergency needs of low-income individuals and families,
Education	PC Ed Foundation	Afterschool program serving 90-100 elementary students
Social Equity - Childcare & Development	PC Tots	Support affordable daycare services for the City's workforce families.
Safe Haven	Peace House, Inc.	Provide a safe haven for individuals and families seeking shelter.
Medical Treatment	People's Health Clinic	Support the medical and mental health needs of those in Park City who are uninsured

Department Specific Services

Category	Vendor	Description of Service
Legal Mediation Services	Mountain Mediation	Provide Park City community members with the support and skills needed to prevent and resolve disputes.
Trails Management	Mountain Trails	Support for the preparation and grooming of trails
Sister City Admin	PC Sister City Association	Support for administering and facilitating programs with our Sister City, Courchevel, France
Park City History & Visitor Services	PC Museum	Support continual operation of Historical Museum on Main Street
Waste/Recycling Management	Recycle Utah	Supplement the county's recycling program

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Erik Daenitz
Submitting Department: Budget, Debt & Grants
Item Type: Work Session
Agenda Section:

Subject:
4:00 p.m. - January 2021 Sales Tax Update

Suggested Action:

Attachments:
Sales Tax Presentation

January 2021 Sales Tax Update

General Fund

Sales Tax Summary – General Fund

General Fund - Sales Tax Summary - Monthly				
Month	FY19 Actual	FY20 Actual	FY21 Adj. Budget (Adopted Oct. 2020)	FY21 Actual
July	$812,668	$890,546	$592,130	$767,523
August	$730,497	$839,320	$569,130	$777,490
September	$754,343	$912,173	$587,277	$991,597
October	$533,991	$715,887	$396,792	$735,086
November	$805,462	$820,365	$667,118	$995,487
December	$1,644,270	$1,877,541	$951,823	$1,709,314
January	$1,915,943	$2,167,578	$1,155,948	$1,587,302
February	$1,795,614	$1,936,051	$1,093,269	
March	$2,160,171	$1,318,256	$1,090,252	
April	$509,306	$374,250	$478,608	
May	$591,398	$439,622	$513,445	
June	$771,332	$603,136	$632,274	
Total	**$13,024,993**	**$12,894,725**	**$8,728,066**	

Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

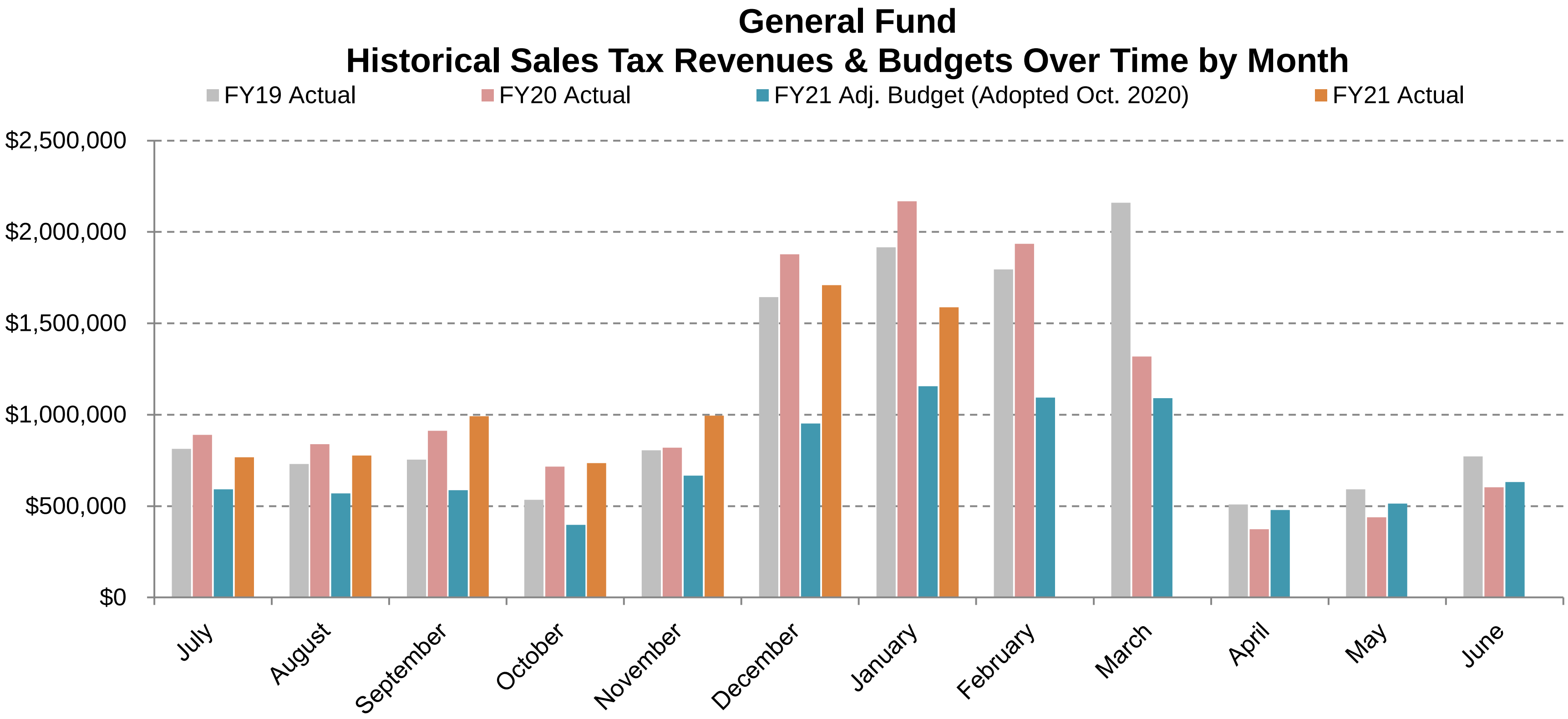
Sales Tax Summary – General Fund

General Fund - Sales Tax Summary - $ Change				
Month	**FY20 Actual vs. FY19 Actual**	**FY20 Actual vs. FY20 Original Budget**	**FY21 Actual vs. FY20 Actual**	**FY21 Actual vs. FY21 Budget (Adopted Oct. 2020)**
July	$77,879	$52,194	($123,023)	$175,394
August	$108,823	($2,041)	($61,829)	$208,361
September	$157,830	($38,870)	$79,424	$404,320
October	$181,897	$40,169	$19,198	$338,294
November	$14,903	$44,454	$175,122	$328,369
December	$233,271	($222,037)	($168,227)	$757,491
January	$251,635	$73,377	($580,276)	$431,353
February	$140,438	($116,856)		
March	($841,914)	($1,051,782)		
April	($135,056)	($570,080)		
May	($151,776)	($172,163)		
June	($168,196)	($372,764)		
Total	**($130,267)**	**($2,336,399)**	**($659,612)**	**$2,643,581**

General Fund - Sales Tax Summary - % Change				
Month	**FY20 Actual vs. FY19 Actual**	**FY20 Actual vs. FY20 Original Budget**	**FY21 Actual vs. FY20 Actual**	**FY21 Actual vs. FY21 Budget (Adopted Oct. 2020)**
July	10%	6%	-14%	30%
August	15%	0%	-7%	37%
September	21%	-4%	9%	69%
October	34%	6%	3%	85%
November	2%	6%	21%	49%
December	14%	-11%	-9%	80%
January	13%	4%	-27%	37%
February	8%	-6%		
March	-39%	-44%		
April	-27%	-60%		
May	-26%	-28%		
June	-22%	-38%		
Total	**-1%**	**-15%**		

Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Sales Tax Summary – General Fund



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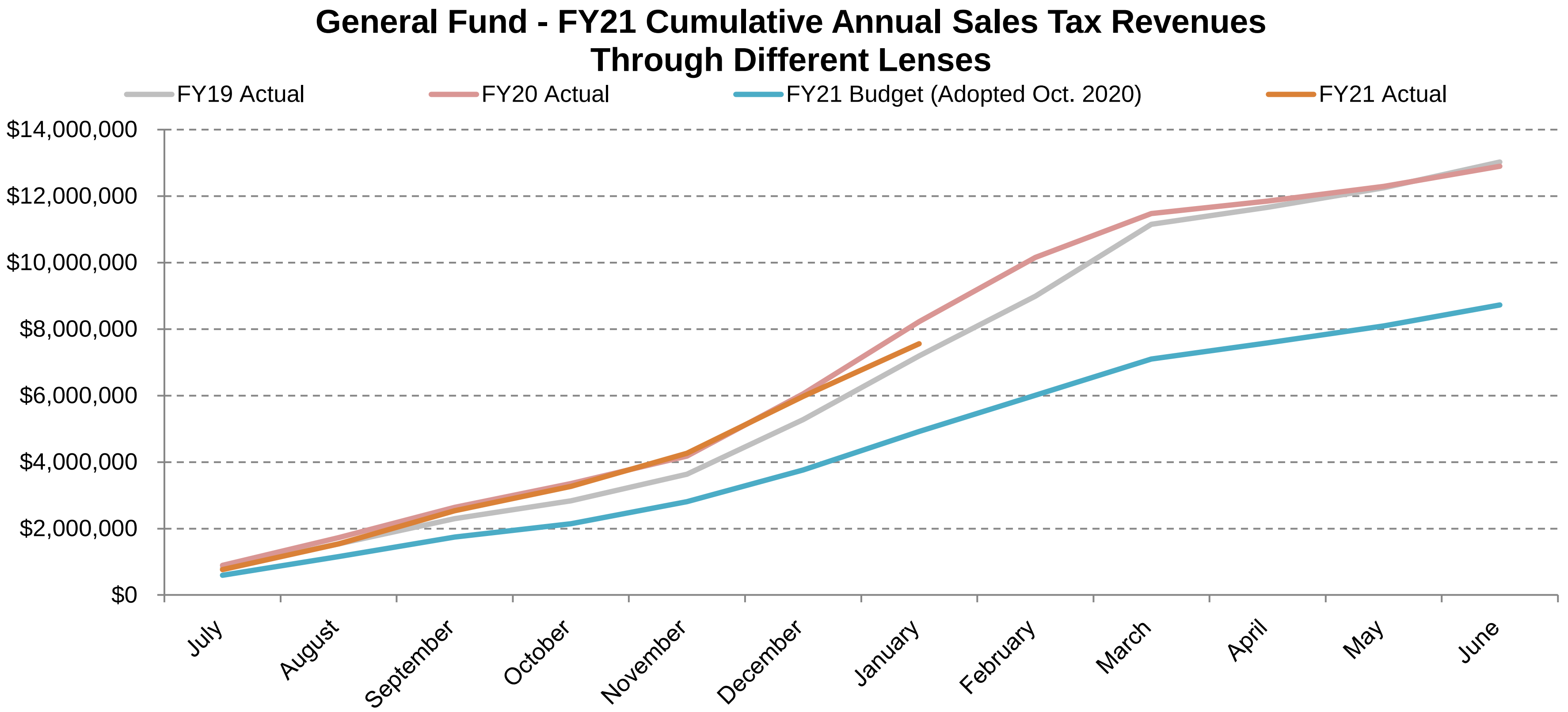

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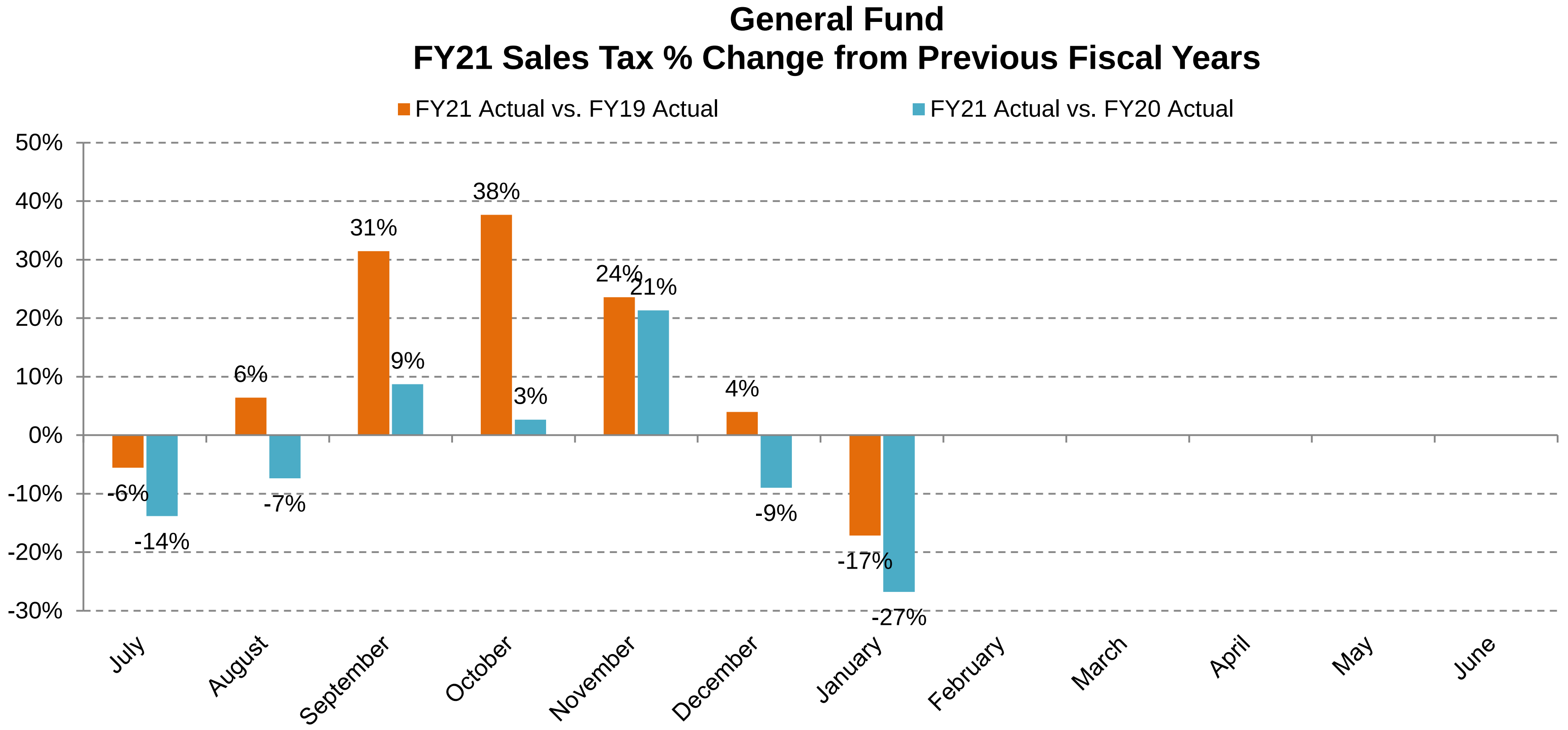

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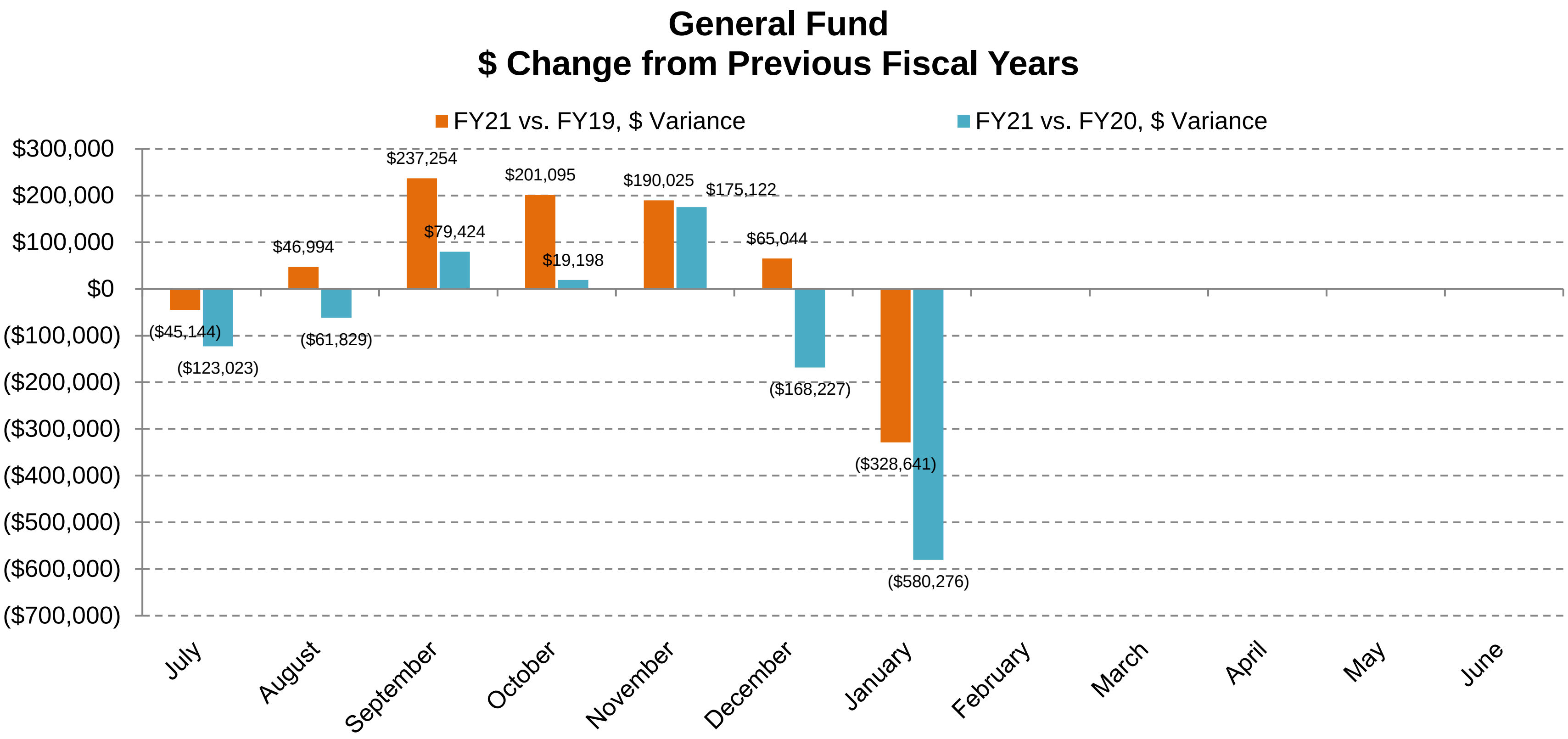

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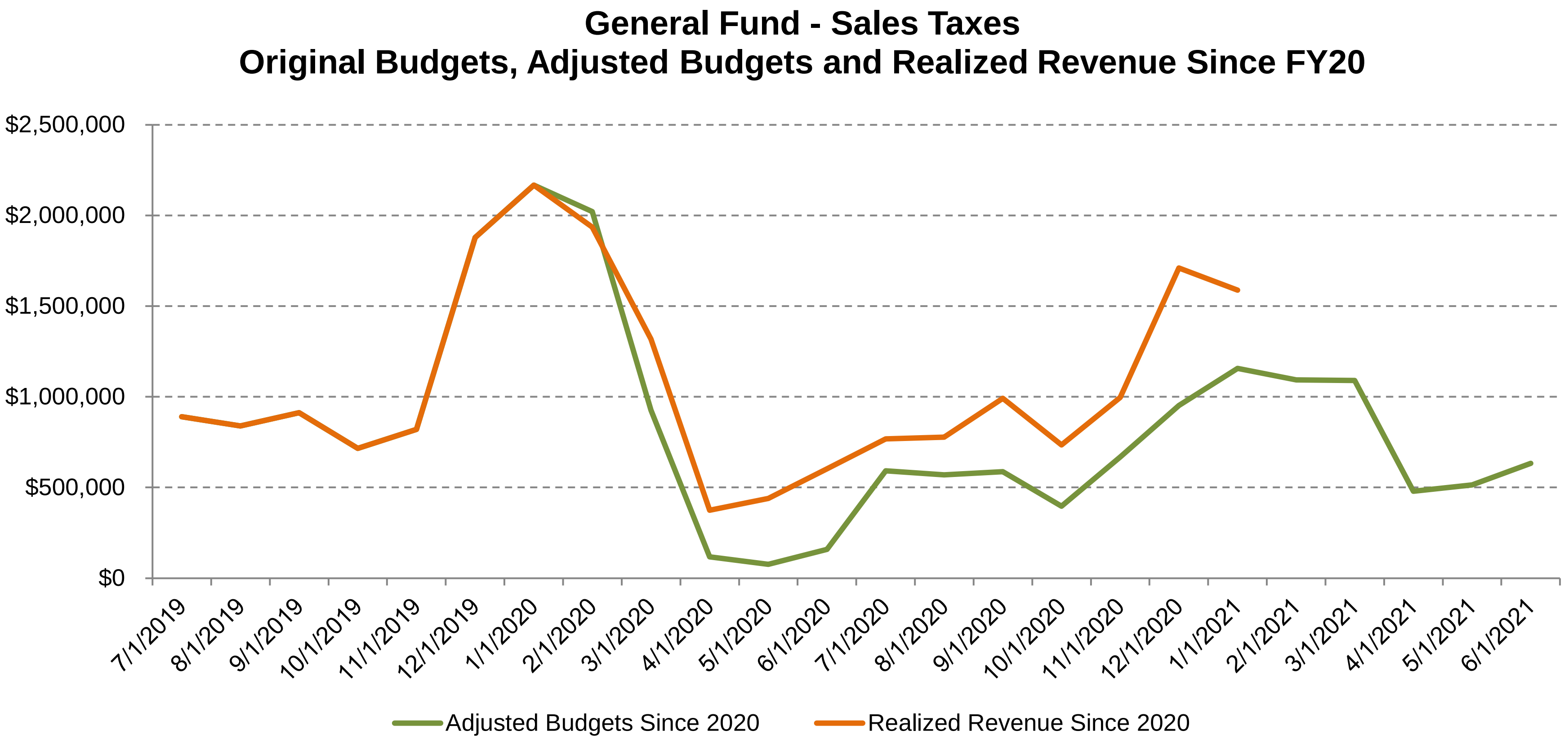
Sales Tax Summary – General Fund



Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi[illegible] numbers.

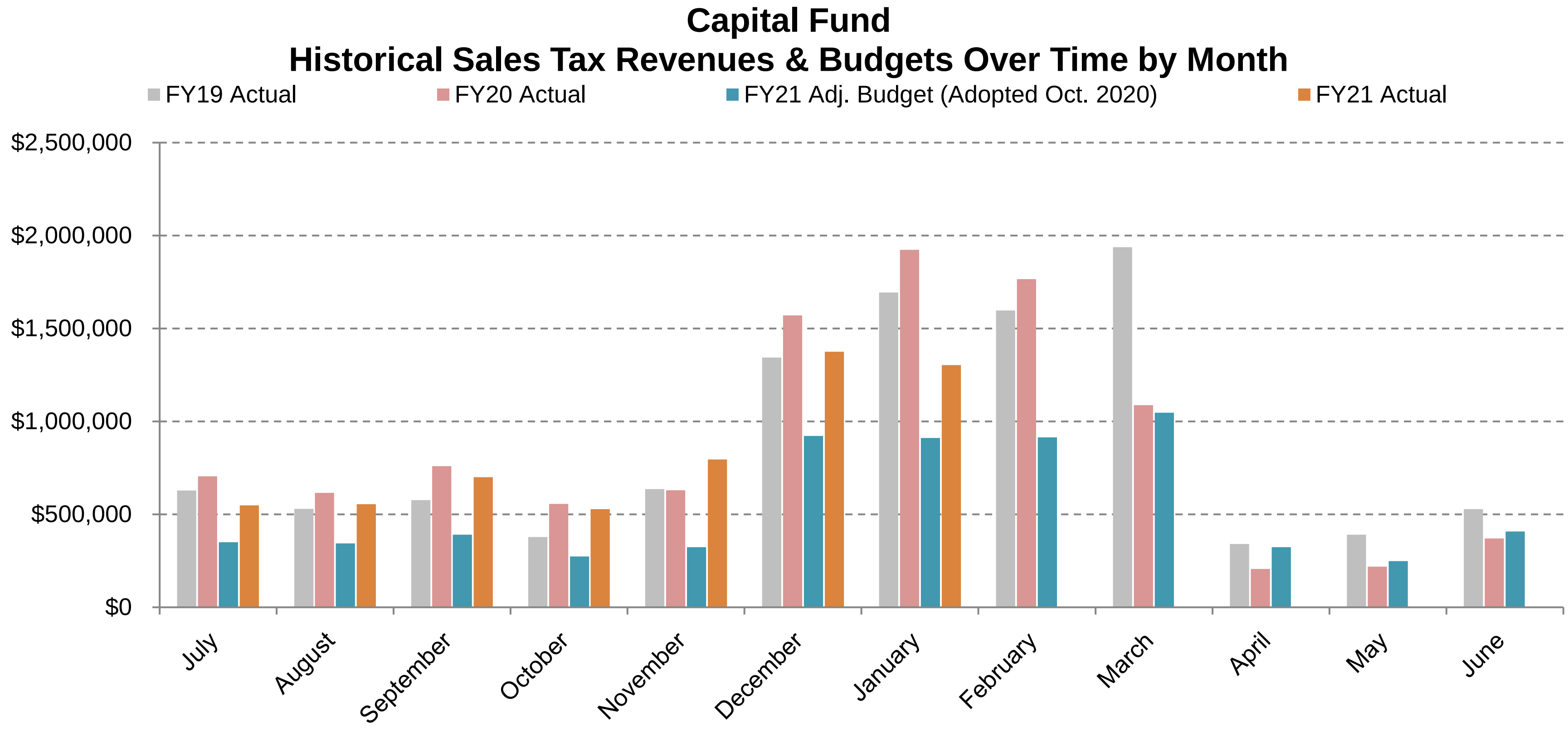
Capital Fund

Sales Tax Summary – Capital Fund

Capital Fund - Sales Tax Summary - Monthly				
Month	FY19 Actual	FY20 Actual	FY21 Adj. Budget (Adopted Oct. 2020)	FY21 Actual
July	$627,203	$704,479	$349,121	$548,052
August	$529,229	$616,238	$343,560	$555,028
September	$577,009	$759,286	$390,073	$699,815
October	$378,251	$555,393	$273,572	$527,415
November	$635,932	$629,796	$323,013	$794,579
December	$1,344,356	$1,570,492	$921,876	$1,374,419
January	$1,693,495	$1,923,089	$911,358	$1,303,767
February	$1,596,315	$1,765,073	$913,518	
March	$1,938,349	$1,087,888	$1,046,362	
April	$340,118	$206,191	$323,282	
May	$390,732	$218,762	$248,089	
June	$528,340	$369,764	$407,603	
Total	**$10,579,328**	**$10,406,450**	**$6,451,427**	

Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Sales Tax Summary – Capital Fund



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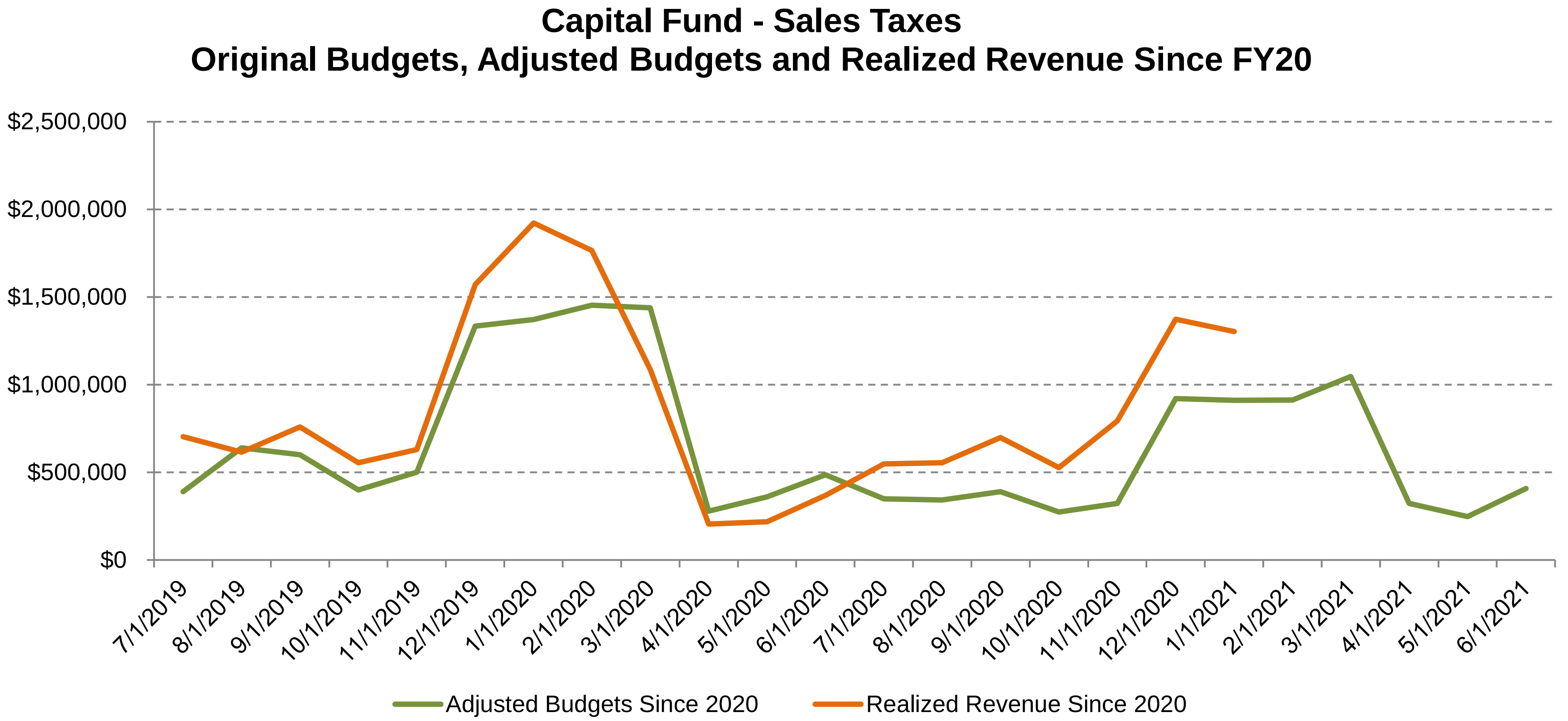
Sales Tax Summary – Capital Fund



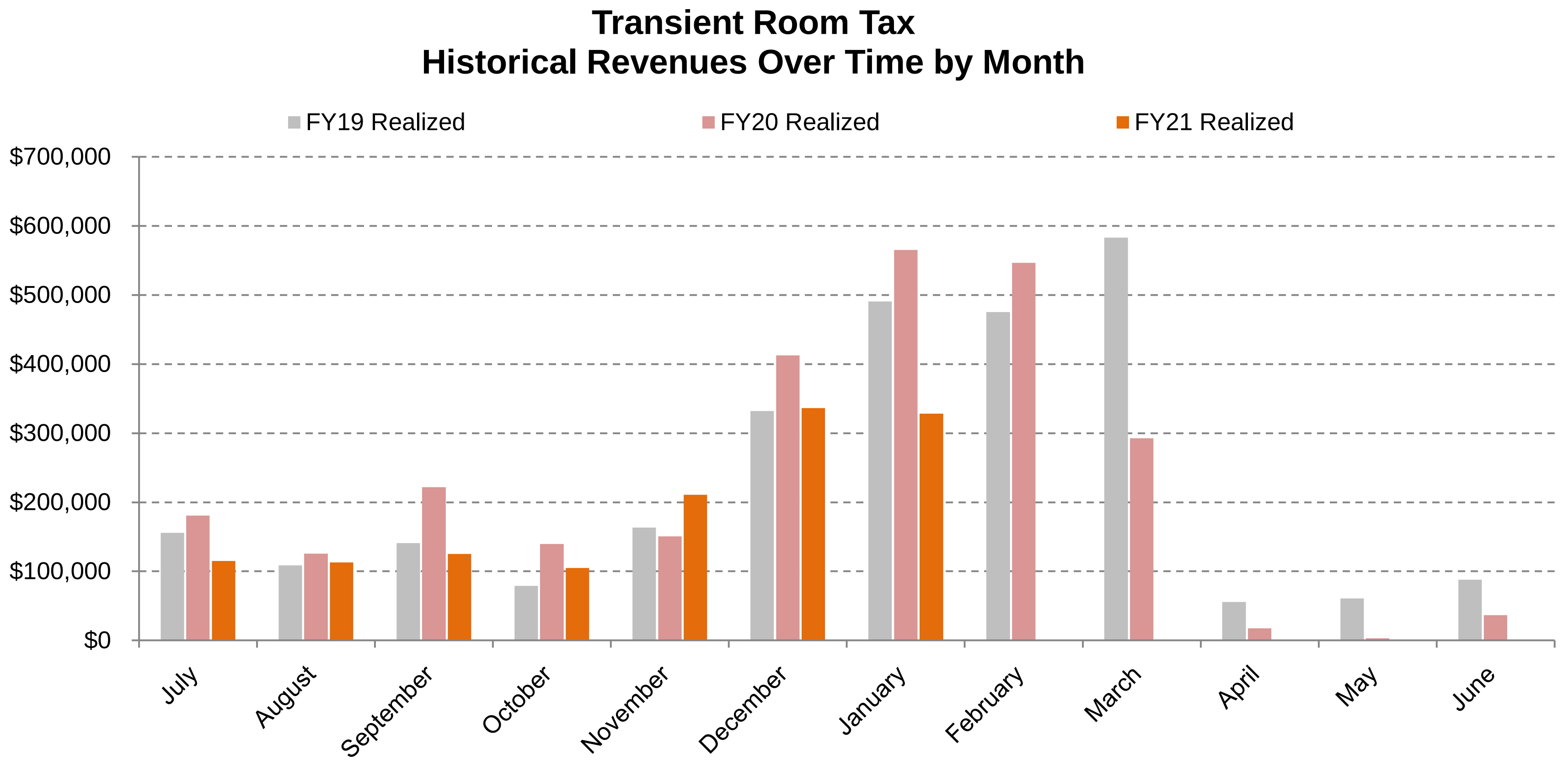
Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Sales Tax Summary – Transient Room Tax

Transient Room Tax							
Monthly	FY19 Realized	FY20 Realized	FY21 Realized	FY21 vs. FY19, $ Variance	FY21 vs. FY20, $ Variance	FY21 vs. FY19, % Variance	FY21 vs. FY20, % Variance
July	$155,919	$180,669	$114,918	($41,001)	($65,751)	-26%	-36%
August	$108,460	$125,677	$112,872	$4,412	($12,804)	4%	-10%
September	$140,971	$221,639	$125,348	($15,623)	($96,290)	-11%	-43%
October	$78,769	$139,424	$104,921	$26,153	($34,503)	33%	-25%
November	$163,248	$150,563	$210,795	$47,548	$60,232	29%	40%
December	$332,107	$412,832	$336,374	$4,267	($76,458)	1%	-19%
January	$490,668	$565,442	$328,467	($162,201)	($236,975)	-33%	-42%
February	$475,570	$546,738					
March	$582,847	$292,669					
April	$55,730	$17,479					
May	$60,892	$3,114					
June	$87,903	$36,423					
Total	**$2,733,084**	**$2,692,669**	**$1,333,697**	**($136,445)**	**($462,549)**		

Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Sales Tax Summary – Transient Room Tax



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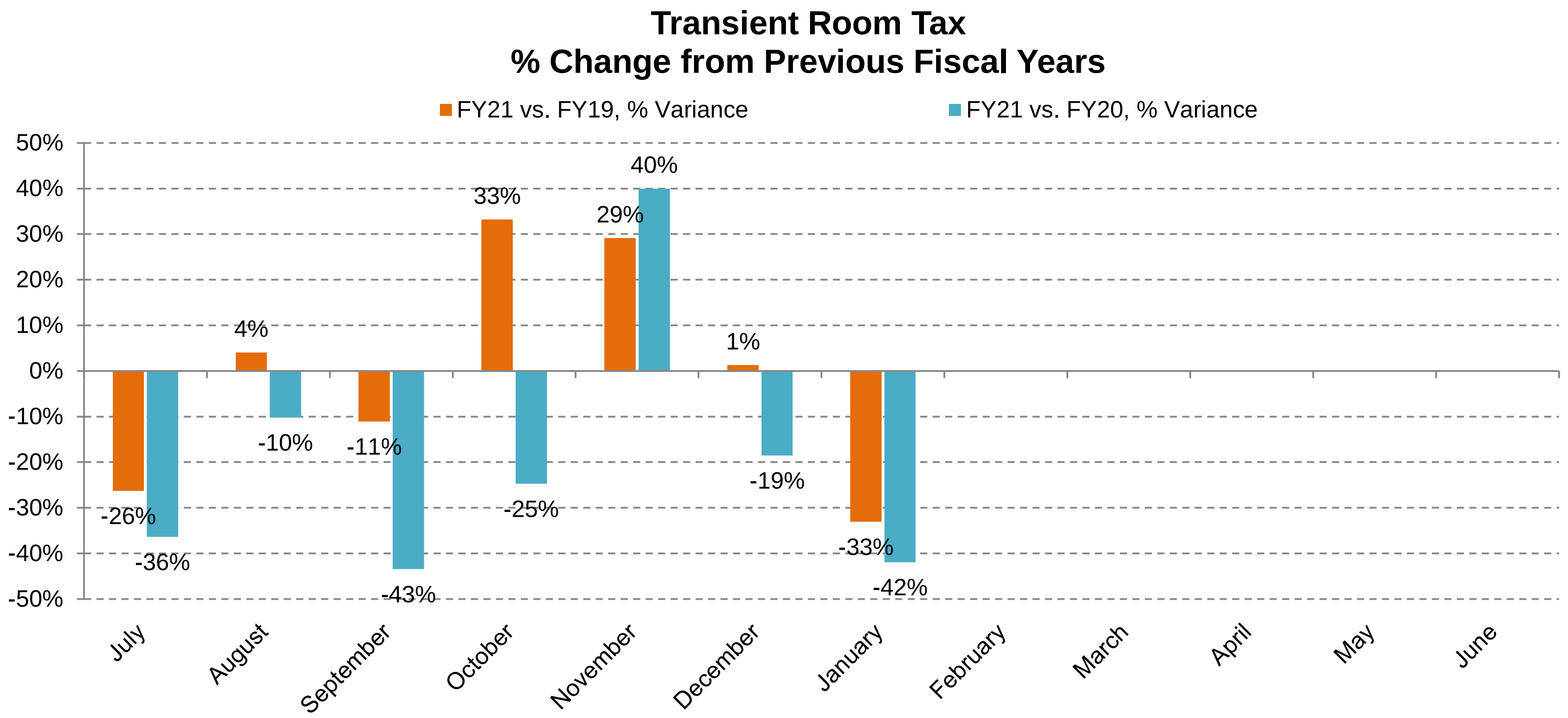
Sales Tax Summary – Transient Room Tax



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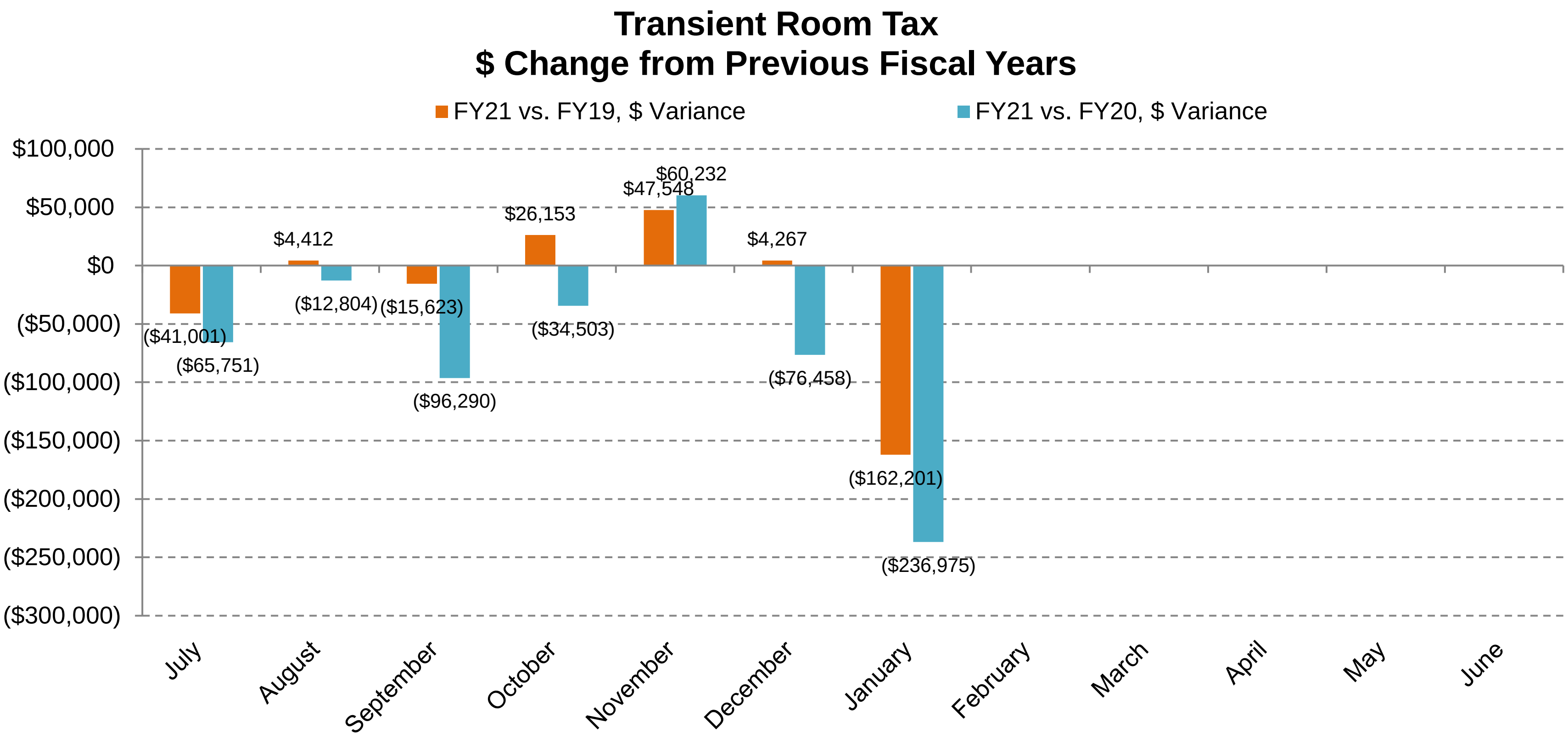
Sales Tax Summary – Transient Room Tax



Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

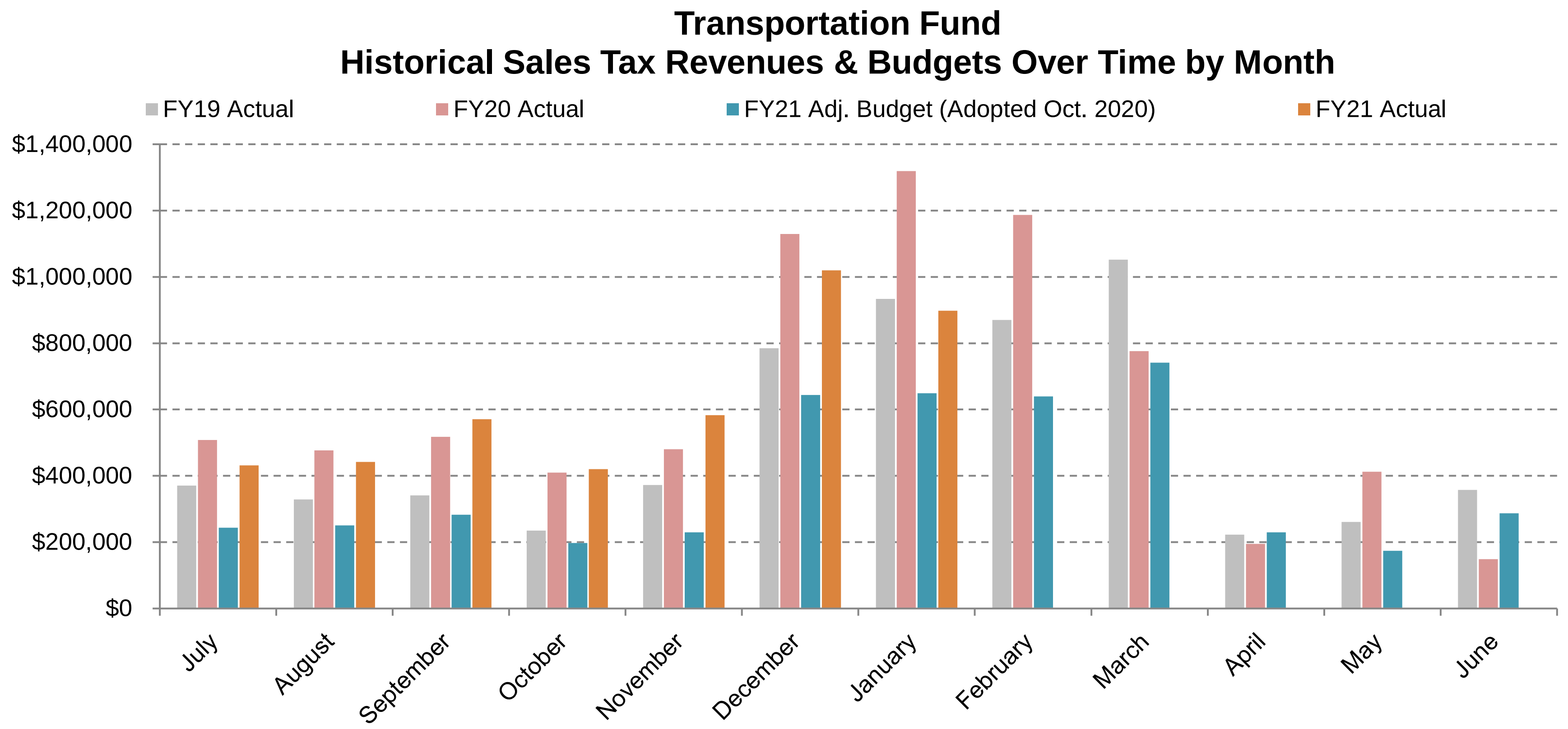
Transportation Fund

Sales Tax Summary – Transportation Fund

Transportation Fund - Sales Tax Summary - Monthly				
Month	FY19 Actual	FY20 Actual	FY21 Adj. Budget (Adopted Oct. 2020)	FY21 Actual
July	$370,330	$507,735	$243,153	$431,048
August	$328,650	$476,867	$250,505	$441,580
September	$340,448	$517,995	$282,223	$570,321
October	$234,717	$409,895	$197,601	$419,670
November	$372,095	$480,163	$229,840	$583,067
December	$785,302	$1,129,662	$644,181	$1,019,746
January	$933,912	$1,319,546	$648,768	$898,120
February	$869,901	$1,187,380	$639,892	
March	$1,052,427	$775,863	$741,053	
April	$222,826	$194,288	$229,233	
May	$260,629	$412,635	$173,692	
June	$357,095	$148,275	$286,553	
Total	**$6,128,331**	**$7,560,305**	**$4,566,695**	

Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Sales Tax Summary – Transportation Fund



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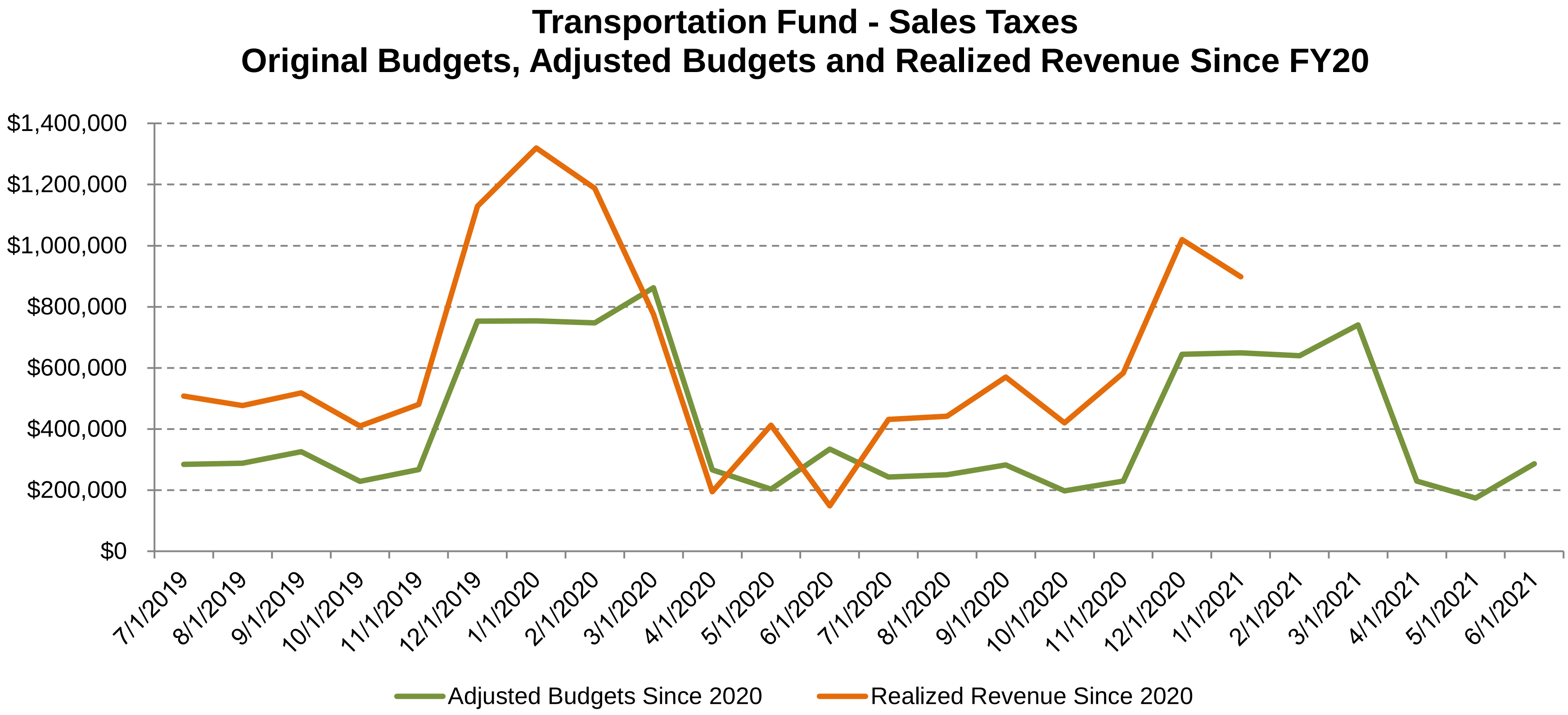
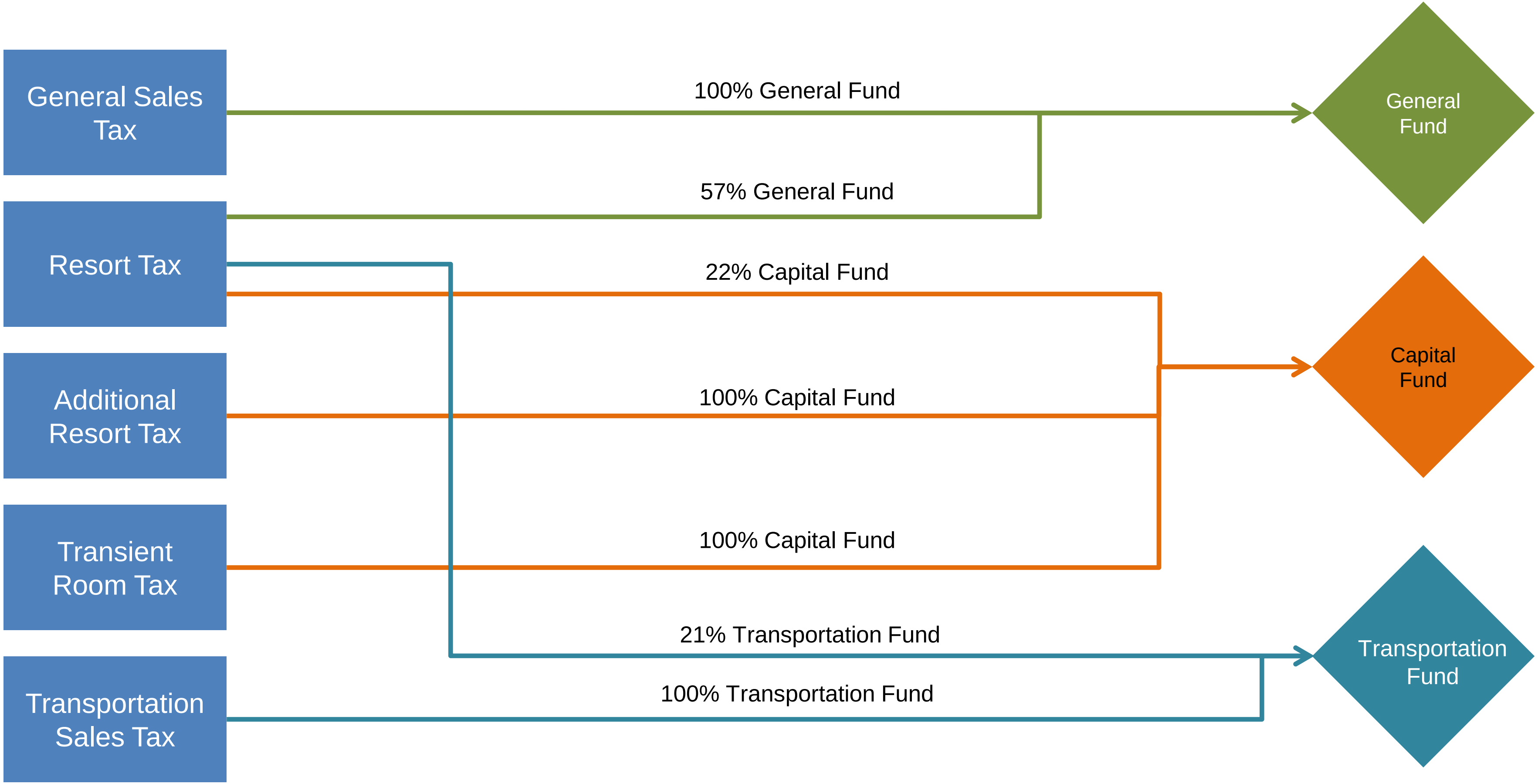
Sales Tax Summary – Transportation Fund



Source: Park City Municipal Corporation. As of March 24, 2021. Note, FY21 January distribution numbers are estimated from State of Utah raw distributi numbers.

Appendix

Where Do Our Sales Taxes Go?



Agenda Item No:

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: David Everitt
Submitting Department: Executive
Item Type: Work Session
Agenda Section:

Subject:
4:15 p.m. - Park City Arts and Culture District - Follow Up Discussion

Suggested Action:

Attachments:
Arts and Culture District Staff Report

Exhibit A: March 31, 2021 Arts and Culture District Staff Report

City Council Staff Report

Subject: Park City Arts and Culture District – Follow Up Discussion
Author: David Everitt
Department: Executive
Date: April 1, 2021
Type of Item: Work Session

Recommendation

Discuss the March 31 public hearing and consider next steps.

Summary

In anticipation of the need for clarifying direction subsequent to the March 31 public hearing, this work session block of time is available for the Council to provide additional input on the scope and plan of finance for the proposed Arts and Culture District.

Exhibits

A. March 31, 2021 Staff Report

City Council Staff Report

Subject: Park City Arts and Culture District – Public Hearing
Author: David Everitt
Department: Executive
Date: March 31, 2021
Type of Item: Work Session

Recommendation

Review the Project Summary, receive a brief presentation, and take public comment on the future of the Park City Arts and Culture District.

Project Summary

History and Vision

In 2017, Park City (City), Kimball Art Center (Kimball), and Sundance Institute (Sundance) (collectively District Partners or Partners) agreed to work together to create the Park City Arts and Culture District (District) after a set of unique circumstances collided. The City had identified an opportunity to prevent more high-end, mixed-use development in Bonanza Park and potentially resolve the longstanding uncertainty for a major piece of land linking residential neighborhoods and commercial areas. At the same time, Kimball recently moved from its Main Street facilities and was looking for a place to build a new headquarters, and Sundance, long a world-renowned film festival and global draw in and of itself, was exploring new ideas for creating a permanent public-facing home for the Festival and Institute.

Knowing that the District would be a complex and expensive endeavor, the Partners embarked on an extensive effort to answer fundamental questions of purpose and meaning, which included a series of roundtables, workshops, stakeholder outreach and collaboration along with formal Planning Commission and Council meetings. Visioning exercises and public comments revealed a desire to create a District geared more towards locals than tourists, improve access to creative spaces for visual, media and performing arts, education programming, culinary experiences, affordable and workforce housing, and community gathering spaces. (See Exhibit A: Cultural Facilities and District Feasibility Study.) Residents and businesses made it clear that the project should be complimentary to existing amenities and business districts, collaborate with other public and private organizations, and provide an authentic location to reinvest the rewards of the tourism economy into an area for locals to deepen their sense of community and connectivity.

The Partners then spent over a year developing a master plan and preliminary building designs to ensure compatibility within District. The resulting plan co-locates affordable housing and artist/maker studio and retail spaces with headquarters for Kimball and Sundance. It includes a food hall, short-term artist-in-residence housing, and transit and walkability infrastructure connected by public spaces sited on top of a two-story underground parking structure. (See Exhibit B: Site Plan and Building Visuals.)

Scope and Plan of Finance Changes

As District site planning neared completion, COVID-19 took hold across the world and disrupted the project's timeline and finances. The City and its Partners faced soaring construction costs, negative impacts to a significant source of municipal revenue pledged to the District (Transient Room Tax, or TRT), and an overwhelming sense of uncertainty. Despite the challenges, pre-construction and planning, and public engagement activities continued in anticipation of construction in 2021. Throughout the summer and fall, the City re-engaged stakeholders and the public with a renewed public process.

During a series of public presentations, stakeholder workshops, and City Council meetings, efforts were undertaken to update District plans, evaluate overall municipal finances, evaluate the options and costs for affordable and workforce housing, and consider the financial plans and commitment to pursue the entire project or a phasing plan. (See Exhibit C: Public Engagement Report.) Since July, the Council has received a series of briefings and held in-depth discussions about the future of the District.

Highlights include:

- July 9, 2020 - The first Council meeting about the District after the March COVID-19 shutdown was July 2020 (Staff report link) and included preliminary construction cost estimates along with a cash flow model that reflected COVID-related tax revenue impacts. Council directed staff to continue pre-construction work and return with updated cost estimates, and additional analysis on the affordable housing component.
- December 15, 2020 - The Council reviewed cost estimates and a proposed phasing plan for City-owned District elements that focused on historically identified funding sources (Staff report link). At that time, Council directed staff to prepare a plan to fund the entire District buildout and facilitate additional work sessions on transportation and housing. This was followed by a public hearing on December 17.
- January 7, 2021 – Follow up discussion on housing, transportation, and costs - Staff report and minutes
- January 21, 2021 – Focused on transportation – Staff Report and minutes
- February 4, 2021 – Focused on housing – Staff Report and minutes
- February 25, 2021 – Focused on the latest plan of finance and project scope. Staff report link

See Exhibit D: Reference List of Council Work Sessions for a complete list of council meetings.

While Councilmembers have expressed support for the District, concerns have been raised about using the City's additional resort city sales tax revenues (ARST) to supplement funding for District construction as presented at the February 25 work session. When enacted, ARST was expected to fund primarily Main Street improvements, open space acquisitions, and other capital projects. Staff recognizes that including the District as an eligible expense for ARST funds is a departure from the historically-understood sources of funds for the project and acknowledges the concerns expressed by the Historic Park City Alliance in particular regarding the future use of these funds.

Construction costs for the full buildout of the City's portion of the District are $88.4 million. As discussed previously, full buildout of the District may be phased with logical stopping points to provide comfort that the City is proceeding deliberatively and within identified constraints. Depending on construction timing, a phased approach may incur additional costs; if there are gaps between phases, mobilization would add expense and materials and labor costs may increase as time passes.

Despite the rise in overall project costs and uncertainty created by COVID-19, Staff continues to believe the District is a transformational investment in the future of Park City. It short, the District:

- Continues to repurpose and reinvest revenues derived from the resort and tourism economy to improve the quality of life for residents;
- Invests heavily in our arts and cultural economy and supports two of our most important cultural institutions within town for the foreseeable future; and
- Also provides meaningful investments in two Critical Community Priorities – affordable housing and innovative transportation infrastructure.

For the March 31 Public Hearing, Staff will describe the District and review different plans of finance previously presented to Council, acknowledging that no decision or particular outcome is being sought other than providing another opportunity to listen and hear from the public.

Following the public hearing, Staff will return to Council in April to review additional scope and plan of finance options.

Exhibits

A. Cultural Facilities and District Feasibility Study
B. Site Plan and Building Visuals
C. Public Engagement Report
D. Reference List of Council Work Sessions

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Jason Glidden
Submitting Department: Community Development
Item Type: Staff Report
Agenda Section:

Subject:
Discuss Park City Mountain Base Area Development - Affordable Housing Mitigation Plan

Suggested Action:
Review and provide feedback on PEG Development’s proposed affordable housing mitigation plan for the development planned for the Park City Mountain Base Area.

Attachments:
PEG Staff Report

Exhibit A: Housing Mitigation Plan 3.8.21

Housing Authority Staff Report

Subject:	**Park City Mountain Base Area Development - Affordable Housing Mitigation Plan**
Author:	**Jason Glidden, Affordable Housing Program**
Department:	**Affordable Housing**
Date:	**April 1, 2021**
Type of Item:	**Administrative**

Recommendation

Review and provide feedback on PEG Development's proposed affordable housing mitigation plan for the Park City Mountain Base Area development plan.

Background

<u>The Park City Base Resort</u>

On June 25, 1997, the Planning Commission approved the PCMR Large Scale Master Plan (1997 MPD). On August 21, 1997, the City Council approved height variations for amended Conditions of Approval and modified Concept Master Plan's specific volumetric. Please see the following link for prior approvals: Park City Mountain Resort Prior Approvals.

These two approvals, along with the PCMR Base Area Master Plan Study, resulted in the 1998 Development Agreement between PCMC and Powder Corp for the development of the Park City Mountain Resort Base (1998 DA), recorded July 1998, and as amended in 2015.

The 1998 DA contains important considerations for employee housing requirements. Specifically, it requires the Developer (originally Powdr Corporation and now PEG) to construct or provide deed-restricted off-site housing for 80 PCMR employees (roughly 10% of total employees) on or before October 1, 2003. The 80 bed requirement is referenced in the Notice of Commission Action (Planning Commission Approval of the MPD) dated June 25, 1997 (Minutes), Finding 12, and reads:

> The Park City Mountain Resort Master Plan will result in a significant demand for new employees as detailed in employee generation studies conducted by both the applicant and the City. The City Council has stated that employee generation should be addressed in resort expansion. The Park City Mountain Resort has agreed to provide seasonal housing for 80 employees, which constitutes 10% of the employees generated. In addition, the Park City Mountain Resort provides an employee shuttle from Salt Lake City, Provo, and Heber and will commit to continue this service.

Currently, only Parcel A has been developed, consisting of the Marriott Mountainside Resort, a 182-unit timeshare project, a skier services building called Legacy Lodge, and 193 parking spaces 177 are in an enclosed structure. The partial buildout of the approved MPD triggered an incremental housing requirement of 23 employee beds (out of the overall 80); however, the developer never fulfilled the obligation. The housing requirement remains outstanding.

On March 25, 2015, Planning Commission approved (Staff Report, Minutes) amendments to the 1998 MPD and DA, (specifically Exhibit L, known as the Mountain Upgrade Plan) and issued a new CUP for both the Interconnect Gondola (now the Quicksilver Gondola) and the expansion of the Snow Hut on-mountain restaurant (now Miners Camp). Condition of Approval #3 of the March 25, 2015, MPD amendment states:

> 3. Employee Housing
> Unless Section 2.2 of the Development Agreement is previously satisfied by the Developer in an off-site location, which shall include employee housing required by the development of Parcel A (the "Required Employee Housing"), or an updated housing plan is approved by the Housing Authority, the Developer shall include as part of the next application for a Small Scale MPD/CUP approved after March 25, 2015, under the Development Agreement for Parcels A-E (the "next Small Scale MPD Application") an affordable housing plan subject to Park City Housing Authority approval per the Housing Resolution in effect at the time of application for the Required Employee Housing and the employee housing required for the Next Small Scale MPD/CUP Application as determined by such resolution. Unless otherwise approved in the housing plan or previously satisfied, a completion bond or letter of credit in a form approved by the City Attorney will be required for the Required Housing as a condition of building permit issues for the Next Small Scale MPD. *Nothing in this condition shall be deemed to relieve any owner or prior Developer of Parcel A from any liability that may exist to the City, the Developer, or any future developers in the MPD for failure to comply with Section 2.2 of the Development Agreement.*

PEG Development (PEG) has proposed to amend the 1998 DA by replacing the 1997 Master Plan (Exhibit D of the 1998 DA) with a new Master Plan. The proposed plan seeks to develop the existing surface parking lots and construct a mixed-use resort development consisting of for-sale condominiums, affordable and employee housing, day skier parking, hotel, retail and restaurants, ski club, public ski lockers, skier services, wayfinding, and public plazas. As part of the proposed amendment to the 1998 DA, PEG has created a new housing mitigation plan that includes satisfying the outstanding obligation of 23 beds and meeting the requirements current Housing Resolution in place at the time of their application (Resolution 03-17).

Staff brought the first draft of PEG's Housing Mitigation Plan to the Housing Authority in a work session on October 13, 2020 (Staff Report, Minutes). At that time, the Housing Authority provided the following feedback.

- **Off-site vs. On-site Housing** – Even though the original housing plan called for the housing requirement to be satisfied off-site, the Housing Authority was not opposed to having the housing requirement satisfied on-site.
- **Dorm Style Housing** – The Housing Authority expressed concerns regarding the size and layout of the dorm style housing and requested site plans for further evaluation.
- **Independent Calculation** – The Housing Authority agreed that an independent calculation would be needed to justify the conference space and ski club's proposed calculation.
- **Phasing** – The Housing Authority wanted further review regarding the outstanding obligation of 23 beds and how they could be satisfied before any additional development within the MPD.
- **Bond** – Housing Authorityindicated interested in PEG addressing the bond requirement in the 2015 CUP approval.

Since the October 13th meeting, staff has worked with PEG to refine their Housing Mitigation Plan. PEG proposes to fulfill the outstanding obligation for 23 employees in three, 8-bed dormitories located within Parcel B. The proposed Housing Mitigation Plan replaces the 57 remaining beds required by 1998 DA with current Park City Affordable Housing Guidelines, including 20% employee generation created by the new commercial uses and 15% of market-rate housing units.

Summary of new proposed Housing Obligation according to PEG (Exhibit B):

- 23 beds outstanding from the 1998 DA;
- 65.97 AUE's required by new commercial development; and
- 20.85 AUE's required by new residential development.

Staff has reviewed the calculation presented by PEG and finds that they meet the requirements outlined in the 03-17 Housing Resolution.

Summary of PEG's proposal to meet the Housing Obligation:

- Three dormitories of 8 rooms each, totaling 24 beds; and
- Eighty-five 1, 2, and 3 bedroom condominiums ranging from 575 to 1,832 sq ft.

In addition, PEG seeks to reserve the residential housing portion of their housing obligation as for-sale units, and the commercial development housing obligation for rent.

Analysis

Based on the feedback received at the October 13th work session, PEG provided additional information:

Dorm Style Housing

To satisfy the outstanding housing obligation of 23 beds, PEG proposes to construct three dorm style housing. The units are designed to house eight employees per unit. The Housing Authority expressed concerns with these types of units and requested more information on what they may look like. While detailed drawings of the base resort have not yet been completed, PEG provided two samples from other projects. The plans are included in the proposed Housing Mitigation Plan (Exhibit B). Staff believes the units are appropriate and will be in demand for resort employees.

Eligibility and Selection Process

PEG has included an outline of the prioritization system for unit eligibility. The three dorm style units will be reserved for seasonal employees working at the new base development to rent. The rental and for-sale units will be offered to the new base development employees first, then offered to the rest of the Resort employees. If units remain un-rented, they will be offered to employees of other commercial businesses located at the Resort base. Staff believes the selection process meets the intent of the Housing Resolution by prioritizing housing opportunities for employees that are generated by the development and working there, thus reducing additional employee traffic.

Independent Calculations

Staff identified an issue within the calculations for the proposed housing obligation. The Developer used an independent calculation of employee generation (1.3 employees per 1,000 square feet) to measure the housing requirement for two ballroom spaces. Staff seeks a justification for using an Independent Calculation of the two ballrooms instead of the required formula in Housing Resolution 03-2017.

The Resolution states the following for acceptance of an Independent Calculation: “The independent calculation shall be accepted by the City Council if the Council determines the calculation constitutes compelling evidence of a more accurate calculation of employee generation than Table 1: Employee Generation Table.”

Staff requested the Developer provide a written justification to merit the independent calculation. PEG offered additional information and analysis in their plan to justify the independent calculation. Staff believes that because the Housing Resolution does not have a category for a ski club, the information provided, including employee generation from similar operations in other resort towns, the independent calculation is acceptable.

Phasing

PEG proposes to construct all affordable units (including the outstanding obligation of 23 beds) on-site in the first phase after “occupancy” of the proposed parking structure. The affordable units will be built concurrently with market-rate units in lot B, but PEG is proposing that none of the market rate units receive Certificates of Occupancy prior to affordable unit completion. If the Housing Authority approves the on-site housing request instead of off-site, staff recommends the phasing proposed by PEG.

Employee Generation Calculation

While the original plans note that the commercial development would generate between 727 to 823 employees, based on 03-17 Housing Resolution, a total of 577.4 employees will be generated through the commercial development proposed. PEG will be required to provide housing to mitigate 20% of the total number of employees or 115.6 employees. This is in addition to the 23 employee beds, bringing the total number of employees mitigated to 138.6 employees. Staff believes this metric is consistent with (exceeds) the original approvals and meets the Housing Resolution.

<u>Bond/Letter of Credit</u>
As part of the approval of the March 2015 MPD amendment, Condition of Approval #3 states that "[u]nless otherwise approved in the housing plan or previously satisfied, a completion bond or letter of credit in a form approved by the City Attorney will be required for the required housing as a condition of the building permit issued for the Next Small Scale MPD." PEG proposes providing a letter of credit for $2,598,000. This amount is calculated based on the square footage of the three dorm style units necessary to satisfy the outstanding obligation of 23 beds (see calculation below).

Proposed Square Footage for 23 beds = 6,000
Number of Affordable Unit Equivalents (6,000/900) = 6.667
Current Fee In-lieu per unit = $389,700
Letter of Credit Amount (6.667 X $389,700) = $2,598,000

Staff supports the PEG Housing Mitigation Plan and additional financial guarantee. Staff does not find cause for the letter of credit to include the current housing resolution obligation generated from the new resort base pursuant to this application. Staff is confident that the entire housing requirement will be built based on the financial guarantee proposed and the phasing plan that outlines all the affordable housing being built in the first phase of construction.

Attachments
Exhibit A PEG Housing Mitigation Plan Proposal

PEG Development is pleased to be able to incorporate the housing mitigation plan as a part of the proposed Master Site Plan, maximizing the base area parcels for workforce housing that is within walking distance of employment, and integrating for-sale attainable housing into the redeveloped area, creating a vibrant, year-round neighborhood compatible with surrounding residents, reducing daily traffic, enhancing the quality of life for our valued workforce and local resident, and helping to meet community environmental and housing goals. The housing mitigation plan is in response to the March 25, 2015 Master Planned Development, Development Agreement, and Mountain Upgrade Plan Amendments and Conditional Use Permit, whereby MPD Condition of Approval #3 requires that unless section 2.2 of the Development Agreement is satisfied an updated housing plan shall be presented to the Housing Authority, either independently or in conjunction with a Small Scale MPD/CUP.

Background

The 1998 Development Agreement requires the construction of 80 beds. (DA Section 2.2 Employee Housing). The Marriott Mountainside on Parcel A was constructed in 2001 without providing any beds.

The March 25, 2015 action identified the 23 beds are outstanding from the Marriott Mountainside per a pro-rata allocation based on square footage for the project (findings of fact #116) and that Vail Resorts, as the now owner of the base area parcels, would be responsible for those beds. PEG, as the developer of the base area parcels, has agreed to assume that obligation within the updated housing mitigation plan and new proposal for the base area.

Proposed Plan

PEG, in conjunction with the Master Site Plan, proposes that the 57 remaining bed requirements of the DA be replaced instead by the current 2017 Park City Affordable Housing Guidelines, as allowed by Condition of Approval #3 in the 2015 action. What this means is PEG, in meeting its obligations, will be able to deliver more housing than the other option of 80 beds. As stated in Section 14 (A) of the 03-2017 Affordable Housing Plan, PEG is also committing to delivering all of the housing in Phase 1 of construction on Parcel B and within a very dynamic plan to construct structured day-skier parking, on-site housing and innovative pedestrian connectivity through the redevelopment, before any market rate for sale condos receives Certificate of Occupancy.

The 2017 Park City Affordable Housing Resolution calls for a total affordable housing square footage for commercial uses based on an employee mitigation calculation.

The 2017 Park City Affordable Housing Resolution regarding for sale condominium mitigation calls for 15% of units to be affordable units. Each affordable unit is calculated as 900 SF per the Resolution.

Per the Resolutions methodology and PEG's classification of the square footages by use in the proposed Master Site Plan, the required affordable housing square footage is determined as shown on the attached calculations in Table 1. The square footage and number of units provided under the 2017 Resolution is significantly more than the remaining 57 beds. While a direct comparison between the DA requirement of 57 beds and the current resolution (i.e. beds vs square footage), is a little like apples and oranges, the proposed plan based on the Master Site Plan provides 77,065 sf of net affordable housing which results in approximately 86 units in a mix of 1, 2 and 3 bedroom configurations with a total of 137 bedrooms; this calculation excludes the Parcel A requirement of 23 beds which would further increase the total affordable beds included in the proposed project to approximately 161 beds. The 23-bed requirement would be fulfilled by building three dorm style units with 8 beds per unit totaling to 24 beds. These units will be designed with no more than two beds per bedroom and follow the 03-2017 Affordable Housing Guidelines Section C. See Exhibit A of current dorm style units in other PEG properties. The final count of units/bedrooms may adjust slightly with final preparations of plans and to address City input, however the required square footage will be provided per the Resolution. Calculations for the affordable housing are shown on Table 1.

Table 1

PEG Companies

AH Calculcation Updated 2/10/2021

Employee Generation Calculation

	Square Footage			AH	AH Calculation				
Category	Gross	Net	Parcel	Classification	FTE	Mitigation Rate	Workers per Household	Total Units	Total Net SF
Retail		2,100	B	Commercial/Retail	3.3	20%	1.5	0.9	832
Day Skier Lockers		1,675	B	Professions Services	1.3	20%	1.5	0.3	261
Day Skier Lockers		1,600	B	Professions Services	1.3	20%	1.5	0.3	250
Parcel B Total	**0**	**5,375**						**1.5**	**1,343**
Skier Services		10,775	C	Commercial/Retail	3.3	20%	1.5	4.7	4,267
Retail		2,691	C	Commercial/Retail	3.3	20%	1.5	1.2	1,066
Ticketing		1,500	C	Commercial/Retail	3.3	20%	1.5	0.7	594
Retail		1,334	C	Commercial/Retail	3.3	20%	1.5	0.6	528
Hotel		250 Rooms	C	Lodging/Hotel	0.6/room	20%	1.5	20.0	18,000
Ballroom		5,594	C	Independent Calculation	1.3	20%	1.5	1.0	873
Jr. Ballroom		1,819	C	Independent Calculation	1.3	20%	1.5	0.3	284
Spa		3,087	C	Other Professional Services	3.7	20%	1.5	1.5	1,371
Fitness Center		1,778	C	Professions Services	1.3	20%	1.5	0.3	277
Meeting		1,237	C	Professions Services	1.3	20%	1.5	0.2	193
Meeting		1,221	C	Professions Services	1.3	20%	1.5	0.2	190
Meeting		1,221	C	Professions Services	1.3	20%	1.5	0.2	190
Meeting		1,221	C	Professions Services	1.3	20%	1.5	0.2	190
Meeting		1,877	C	Professions Services	1.3	20%	1.5	0.3	293
Retail		2,232	C	Restaurant/Bar	6.5	20%	1.5	1.9	1,741
Hotel Bar/Lounge/Restaurant		5,450	C	Restaurant/Bar	6.5	20%	1.5	4.7	4,251
Kitchen		3,307	C	Restaurant/Bar	6.5	20%	1.5	2.9	2,579
Parcel C Total	**0**	**46,344**						**41.0**	**36,888**
Retail		2,354	E	Commercial/Retail	3.3	20%	1.5	1.0	932
Retail		4,307	E	Commercial/Retail	3.3	20%	1.5	1.9	1,706
Ski Club		14,242	E	Independent Calculation	1.7	20%	1.5	3.3	2,974
Medical Clinic		2,300	E	Medical Profession	2.9	20%	1.5	0.9	800
Ski Patrol		890	E	Other Professional Services	3.7	20%	1.5	0.4	395
Retail		2,825	E	Restaurant/Bar	6.5	20%	1.5	2.4	2,204
Parcel E Total	**0**	**26,918**						**10.0**	**9,011**
Retail		13,007	D	Commercial/Retail	3.3	20%	1.5	5.7	5,151
Retail		1,740	D	Commercial/Retail	3.3	20%	1.5	0.8	689
Dock		992	D	Commercial/Retail	3.3	20%	1.5	0.4	393
Retail		4,757	D	Commercial/Retail	3.3	20%	1.5	2.1	1,884
Parcel D Total	**0**	**20,496**						**9.0**	**8,116**
Project Total	**0**	**99,133**						**61.5**	**55,357**

Residential Generation Calculation

		Square Footage			AH	AH Calculation		
Category	Units	Gross	Net	Parcel	Classification	Mitigation Rate	Total Units	Total Net SF
Condo	48	114,710		B	Residential	15%	7.2	6,480
Condo	42	77,566		E	Residential	15%	6.3	5,670
Condo	37	71,332		D	Residential	15%	5.6	4,995
Condo	12	10,264		C	Residential	15%	1.8	1,620
Total	**139**	**273,872**					**19.1**	**18,765**

DEVELOPMENT EMPLOYEE (COMMERCIAL) AND AFFORDABLE (RESIDENTIAL) HOUSING CALCULATION

Commercial/Retail

20% AUE

Use	Workers	SF/Rooms	Total Workers	Mitigation Rate	Workers per Houshold
Restaurant/Bar	6.5	13814	89.8	18.0	12.0
Education	2.3	0	0.0	0.0	0.0
Finance/Banking	3.3	0	0.0	0.0	0.0
Medical Profession	2.9	2300	6.7	1.3	0.9
Other Professional services	3.7	3977	14.7	2.9	2.0
Personal Services	1.3	11830	15.4	3.1	2.1
Real Estate/Property Management	5.9	0	0.0	0.0	0.0
Commercial/Retail Use	3.3	45557	157.4	31.5	21.0
Recreation/Amusement	5.3	0	0.0	0.0	0.0
Utilities	2.9	0	0.0	0.0	0.0
Lodging/Hotel (per room)	0.6	250	150.0	30	20.0
Condominium Hotel (per unit)	0.6	139	83.4	16.7	Less than Residential
Overall/General	4.4	0	0.0	0.0	0.0
Independent Calculation/Ballroom	4.86	7413	36.0	7.2	4.8
Independent Calculation/Ski Club	1.74	14242	24.8	5.0	3.3
Totals				**115.6**	**66.0**

Commercial Totals	65.97	Resultant number of Units
Residential Totals	20.85	Resultant number of Units

Total Employee SF	59,372 SF	(65.97 Units * 900 sf)
Total Affordable SF	18,765 SF	(20.85 Units * 900 sf)
Total SF	78,137 SF	

Parcel A Requirement	23 Beds
Total Parcel A Beds	24.0

Residential

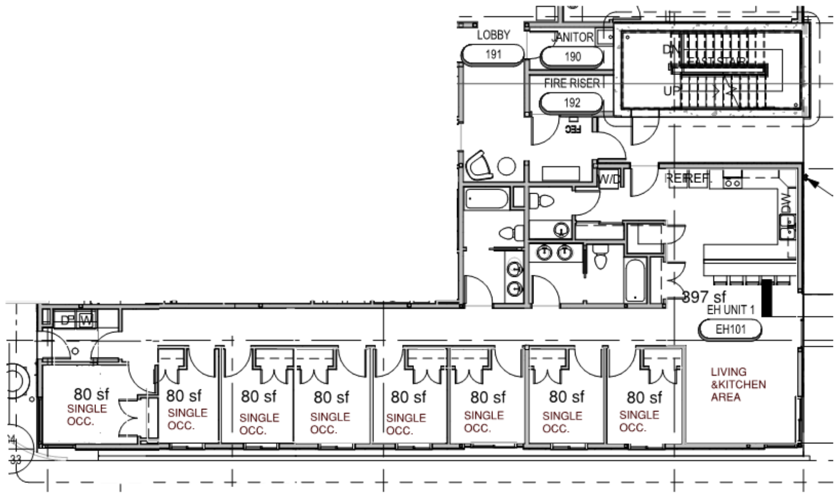
Condos

	15%
Units	Mitigation Rate
139	20.85

All affordable housing would be deed restricted and subject to Park City affordable housing guidelines including very affordable rent and sales restrictions.

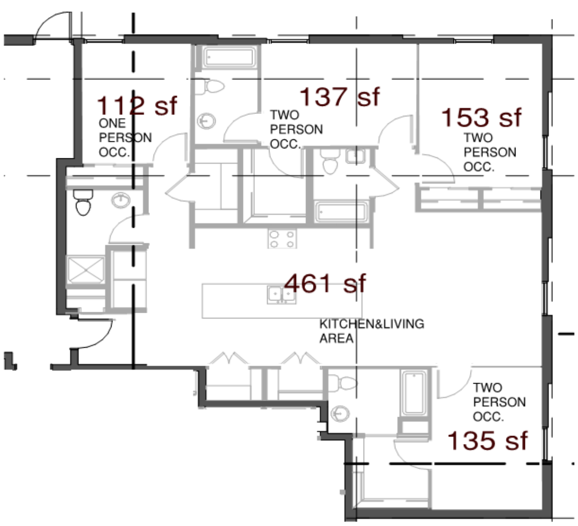
All the affordable housing will be built in the first phase, on Parcel B. A certificate of occupancy for the affordable housing will be obtained before or concurrent with any market rate for sale condos. A site plan and floor plans for Parcel B, including the parking, market rate condos and affordable housing are attached as Exhibit A and B.

Exhibit A

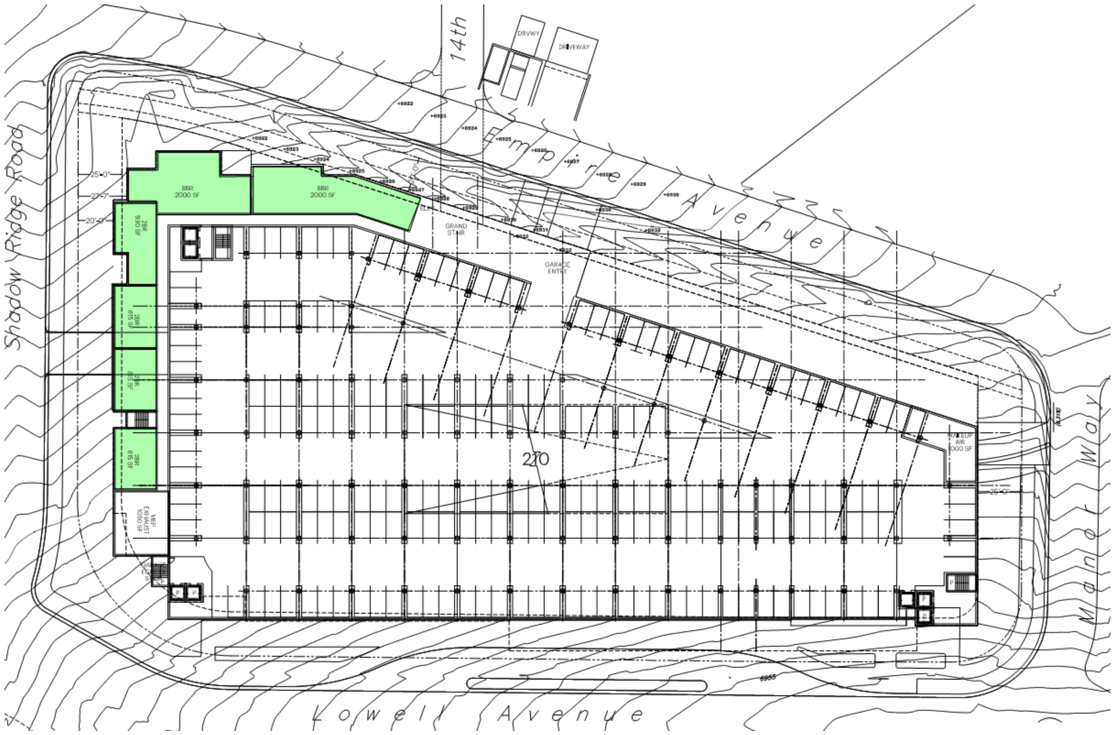


EMPLOYEE UNIT LAYOUT EXAMPLE / 8 UNIT 1698 TOTAL S.F.

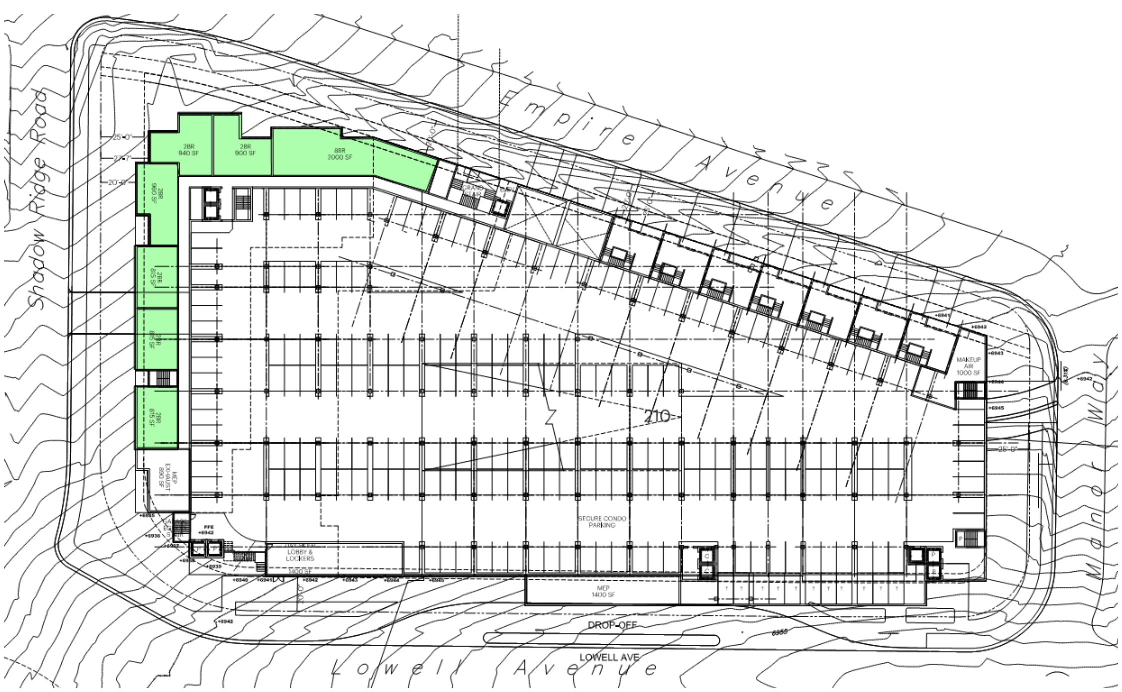
Exhibit B



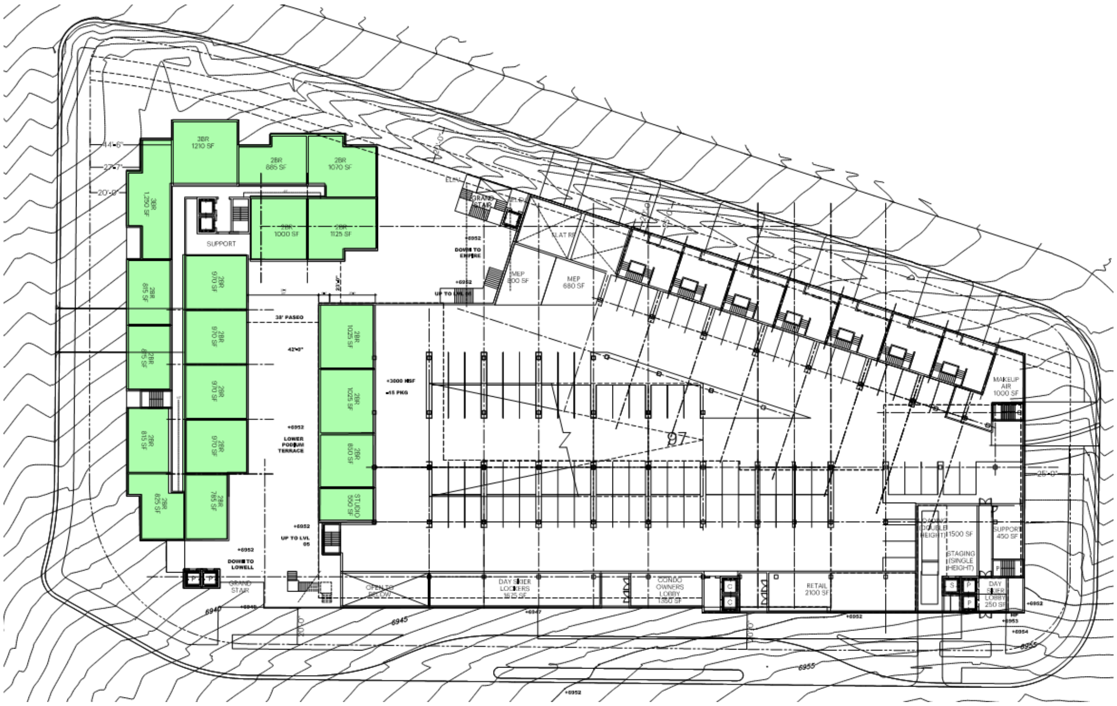
EMPLOYEE UNIT LAYOUT EXAMPLE 7 BEDS / 1656 TOTAL SF



Level B2

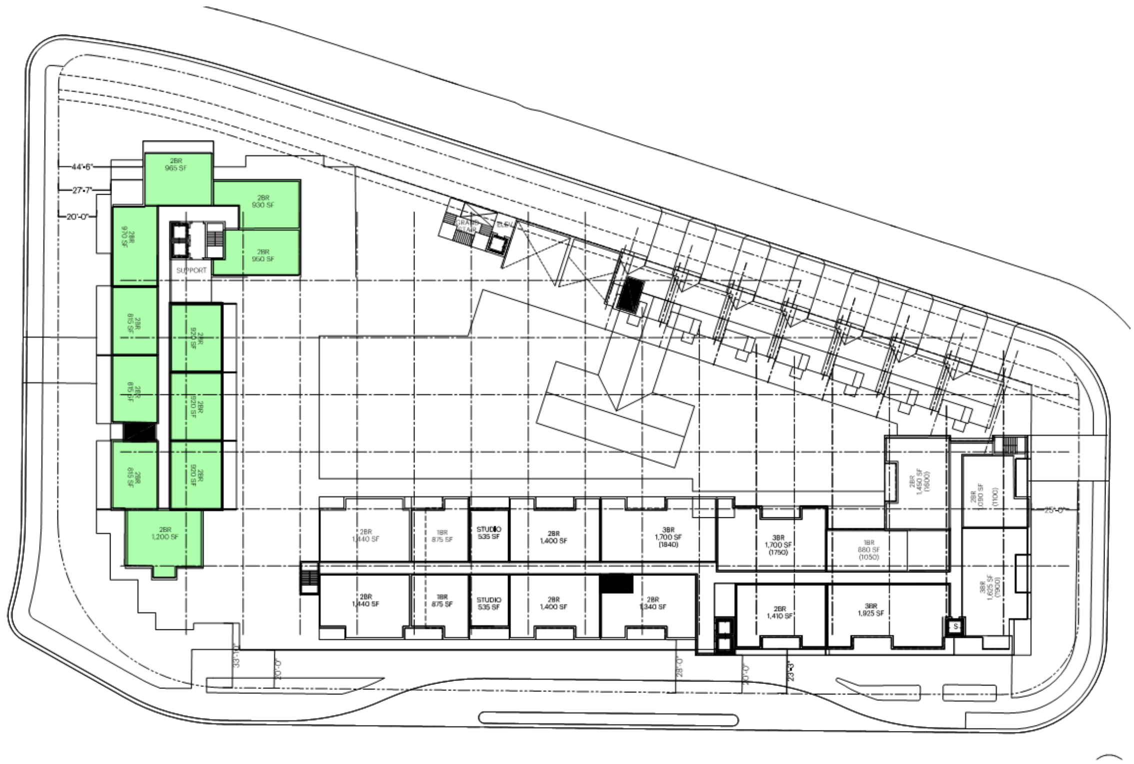


Level B1



Level 1

Level 2



Level 3

The following tables shows how we did the independent calculation of the proposed membership-only Ski Club and for the associated positions to support the ski club. As modeled after successful club operations at Deer Valley and Vail, the ski club will have valet parking, designated lockers with private locker rooms, year-round ski storage, year-round roof top pool and hot tubs. A few of the benefits will be complimentary daily continental breakfast, refreshments served daily in the club great room, special member spa and dining discounts, first tracks and club ski days in the winter, weekly club ski days with an Instructor, winter snowshoe hikes, hiking and biking in the summer and week long summer kids camps and après ski activities.

Ski Club			
Job Description	Hrs/Yr	# of Employees	Annual Emp Hours
Club Director	2080	1	2080
Club Managers	2080	2	4160
Ski/Car Valet (FT)	2080	2	4160
Ski/Car Valet (Seasonal PT)	477	10	4767
Ski/Car Valet (Seasonal FT)	953	12	11440
F&B (FT)	2080	1	2080
F&B (Seasonal PT)	477	3	1430
F&B (Seasonal FT)	953	4	3813
Front Desk	2080	2	4160
Front Desk (Seasonal PT)	477	1	477
Children's Coordinator (FT)	2080	1	2080
Summer PT Help	433	5	2167
		44	42813
FT Equivalents			21
Total Club SF			14242 excludes parking SF
# Employees/1000 SF			1.45

The independent calculation of the hotel meeting space is found below. The calculations show the staff support, the total work hours each year and the total number of employees per 1000 square feet. We have confirmed this with other resorts in the area, these numbers are shown pre- Covid-19.

Conference Center Employee Generation			
Job Description	Hrs/Yr	# of Employees	Annual Emp Hours
Banquet Hourly	1647	15	24700
Banquet Hourly (PT)	797	20	15947
Banquet Salaried	2080	1.5	3120
CSM Hourly	2080	1	2080
CSM Salaried	2080	5	10400
Culinary Hourly	1647	5	8233
Culinary Salaried	2080	1	2080
Conference Sales Salariec	2080	4	8320
		53	74880
FT Equivalents			36
Total Conf SF			7413
# Employees/1000 SF			4.86

Eligibility and Pricing

Units will be divided among affordable for rent units and affordable for sale units as defined in Resolution 03-2017. Given that the project is built as a multi-family structure with condos for sale, the required affordable housing units derived from the market rate condos will be for-sale. The affordable housing units derived from the commercial portion of the project will be for rent. The 24 proposed beds to cover the 23-bed outstanding obligation from Parcel A will be Winter Seasonal Units as defined by the Resolution in Section 9.B.

Eligibility and selection of units will be determined and administered by the City's Affordable Housing Office, in accordance with current Housing Selection Process, with priority given first to employees of the new uses of the Base Area Development (i.e. from uses on Parcel B, C, D and E), then to employees of Park City Mountain Resort, then to employees of commercial uses currently at the base, then to Senior Citizens and persons who are physically and/or mentally challenged per Section 16 of the Resolution. All sales will be in accordance with the Utah Fair Housing and will be handled by the owner.

Pricing of for-sale units will be based on the Park City Affordable Housing Resolution 03-2017 Section 17.C. For Sale Units. *"In general, the initial sale price for an affordable unit in any one development shall average a price affordable to a household earning 80 percent of Summit county AMI "Target Household Income Sale Price shall be calculated according to the following guidelines: mortgage payment for the Owner Occupied Unit, including principal, interest, taxes and insurance ("PITI"), shall not exceed 30% of the Target Household Income. The assumptions used to calculate the sales price shall be: (i) a 5% down payment; (ii) a 30-year term; and (iii) an interest rate equal to the prevailing FirstHome rate, or its program equivalent, of the Utah Housing Corporation (www.utahousingcorp.org) at the time of the offer."*

Appreciation of the for-sale units will be limited to the lesser of the CPI, or the value of the unit by calculating the sales price in accordance with the then current Affordable Housing Resolution See Exhibit.

(For Sale)

Bedrooms	Occupants	AMI (80%)	Percent of Income	Yearly Mortage	Monthly Mortage
1	1.5	$ 68,340.00	30%	$ 20,502.00	$ 1,708.50
2	2.5	$ 77,452.00	30%	$ 23,235.60	$ 1,936.30
3	4	$ 91,120.00	30%	$ 27,336.00	$ 2,278.00

*AMI is based on 2020 Summit County AMI. Affordable housing is defined as not consuming more than 30% of the household income. $91,120.00 (80% AMI) x .30 (30%) = $27,336.00 (Yearly Mortgage); $27,336.00 (Yearly Mortgage) /12 = $2,278 (Monthly Mortgage)

For rent housing will be managed by a professional property management company. Eligibility for the affordable for-rent housing will be based on the AMI standards of for-rent affordable housing with priority given first to employees of the new uses of the Base Area Development (i.e. form uses on Parcel B, C, D, and E), then to employees of Park City Mountain Resort, then to employees of commercial uses currently at the base. All rentals will be conducted in accordance with the Utah Fair Housing Act.

Rents for the for-rent affordable housing will be established in accordance with the Park City Affordable Housing Resolution 03-2017 Section 17.B "*In general, inclusionary rental units in any one development shall be rented at a price, which, on average, is affordable to a household with an annual income of 45 percent of Summit County AMI."* Renters will need to qualify based on these criteria.

Eligibility for the 24-bed dorm style units will be based on employment at the new hotel on Parcel C, or employment at Park City Mountain Resort. Should there remain vacancies the next priority would be for employees of existing commercial uses at the base.

Rents for the 24-bed dorm style unit will be based on 03-2017 Section 9.C, and set by Special Review of the Housing Authority. See Exhibit B.

(For rent)

Bedrooms	Occupants	AMI (45%)	Percent of Income	Yearly Rent	Monthly Gross Rent	Utilites	Net Rent
1	2	$ 41,004.00	30%	$ 12,301.20	$ 1,025.10	$ 125.00	$ 900.10
2	3	$ 46,129.50	30%	$ 13,838.85	$ 1,153.24	$ 125.00	$ 1,028.24
3	4	$ 51,255.00	30%	$ 15,376.50	$ 1,281.38	$ 125.00	$ 1,156.38

*AMI is based on 2020 Summit County AMI. Affordable housing is defined as not consuming more than 30% of the household income. $46,129.50 (45% AMI) x .30 (30%) = $13,838.85 (Yearly Rent); $13,838.85 (Yearly Rent) /12 = $1,153.24 (Monthly Gross Rent); $1,153.24 (Monthly Gross Rent) – $125 (Utilities) = $1,028.24 (Net Rent).

Bedrooms	Occupants	Yearly Income	Percent of Income	Yearly Rent	Monthly Gross Rent (per room) includes utilites	Total Unit Rent Amount
8	each occupant	$ 24,960.00	30%	$ 7,488.00	$ 624.00	$ 4,992.00

**Per section of 9 (c) of the 03-2017 Affordable Housing Plan, Rents for dormitory units will be set by special review and on a case-by-case basis, given the unique and varying characteristics of dormitory units, with affordability as the key issue. In this example we have taken the hourly wage ($12/hr) x yearly hours worked (2080) = $24,960 (Yearly Income); $24,960 (Yearly Income) x percent of income (30%) = $7,488 (Yearly Rent); $7,488 (Yearly Rent)/12 (months of the year) = $624 (Monthly Gross Rent per person including utilities); $624 (Monthly Gross Rent per person including utilities) x 8 (number of occupants in the unit) = $4,992 (Total Unit Rent Amount.)

Letter of Credit

PEG will get a letter of credit in place for the 23 beds that are required to be built per the 2017 agreement. These units will be first to receive Certificate of Occupancy. The credit will be in the amount of $2,598,000. This was calculated by the square footage of the total 23 bed units (6000 SF) divided by 900, the sq footage used to calculate an Affordable Unit equivalent (AUE), and multiply by the fee in lieu amount ($389,700). This equals $2,598,000.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Malena Stevens
Submitting Department: Police
Item Type: Staff Report
Agenda Section:

Subject:
Police Swearing-In Ceremony for Officer Brandon Smalling, Sergeant Danielle Snelson and Lieutenant Robert McKinney, & Accreditation Presentation by Utah Chiefs of Police Association

Suggested Action:

Attachments:
Swearing-In and Accreditation Staff Report

Exhibit A: Oaths of Office

City Council
Staff Report

PARK CITY 1884

Subject:	**Police Promotional Swearing-In Ceremony & Accreditation Presentation by Utah Chiefs of Police Association**
Author:	**Wade Carpenter**
Department:	**Police**
Date:	**April 1, 2021**
Type of Item:	**Informational**

Recommendation

This is an informational report regarding recent changes in the Park City Police Department.

Background

Park City Police Department has recently hired and promoted officers to fill the vacancy set by Captain Andrew Leatham's retirement. The department conducted an extensive testing process for all positions and determined to use this retirement as an opportunity to reorganize some of the department structure. It was decided that the captain position vacated by Captain Leatham should be underfilled with the successful candidate of the lieutenant testing process, creating one captain and three lieutenants within the department. This allowed for additional distribution of Captain Leatham's responsibilities among the lieutenants, who have all been promoted from within the department over the past several years. Because the new lieutenant was hired from the current Sergeants Team, Captain Leatham's retirement also created opportunity for a promotion to sergeant and hiring a new police officer.

The sergeant and lieutenant testing process included policy and procedure testing, mock council presentations, panel interviews, demonstrated physical fitness, peer and supervisor reviews, and final interviews with Chief Carpenter and Manager Dias. There were many qualified and dedicated candidates who completed this testing process. Sergeant Danielle Snelson and Lieutenant Robert McKinney were the successful candidates of this extensive process. Officer Brandon Smalling, previously a part-time officer with Park City Police Department was the successful candidate of the officer testing process. All successful candidates were hired from within, allowing for a smoother transition and necessary knowledge of Park City's topography, citizenry, and expectations. All promotions need to be sworn-in by Mayor Beerman to their new positions.

Park City Police Department has also completed a multi-year accreditation process and will be presented with the final accreditation by the Utah Chiefs of Police Association (UCOPA). This process required extensive review, revision, and additional development of department policy and procedure and involved multiple employees and hundreds of work hours. Park City Police Department is one of fewer than twenty agencies in the state who have completed this process; the department underwent the accreditation process to understand where the department could improve to be in line with best practices. Improvements included generating a multi-year strategic plan, reorganizing department directives for consistency and employee access, and software upgrades allowing for additional use of force tracking.

Analysis

As successful candidates from an extensive testing process, Officer Brandon Smalling, Sergeant Danielle Snelson, and Lieutenant Robert McKinney request to be sworn-in by Mayor Beerman.

Park City Police Department has long sought ways to improve service levels to the community and ensure residents, visitors and officers are safe. The accreditation process has allowed the department to implement additional best practices through this extensive review. The work done through this review (and subsequent required reviews to maintain the certification) will increase our department's service level, decrease department liability, and improve department processes for years to come.

Exhibit A – Oaths of Office

OATH OF OFFICE

STATE OF UTAH

I, Robert McKinney, having been appointed to

Print Name

the office of Lieutenant at Park City Municipal

do solemnly swear (or affirm) that I will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and that I will discharge the duties of my office with fidelity.

____

Signature

State of Utah,
County of Summit

Subscribed and sworn to before me this first day of April, 2021

____

*Person Administering Oath

____

Title

*Utah Code § 78B-1-142: "Every court, every judge, clerk and deputy clerk of any court, every justice, every notary public, and every officer or person authorized to take testimony in any action or proceeding, or to decide upon evidence, has the power to administer oaths or affirmations."

File oath by sending to: Oath of Office, Utah State Archives, 346 Rio Grande, Salt Lake City, UT, 84101

OATH OF OFFICE

STATE OF UTAH

I, Brandon Smalling*, having been appointed to*

Print Name

the office of Police Officer at Park City Municipal

do solemnly swear (or affirm) that I will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and that I will discharge the duties of my office with fidelity.

____

Signature

State of Utah,
County of Summit

Subscribed and sworn to before me this first *day of* April*, 2021*

____

*Person Administering Oath

____

Title

*Utah Code § 78B-1-142: "Every court, every judge, clerk and deputy clerk of any court, every justice, every notary public, and every officer or person authorized to take testimony in any action or proceeding, or to decide upon evidence, has the power to administer oaths or affirmations."

File oath by sending to: Oath of Office, Utah State Archives, 346 Rio Grande, Salt Lake City, UT, 84101

OATH OF OFFICE

STATE OF UTAH

I, Danielle Snelson, having been appointed to

Print Name

the office of Sergeant at Park City Municipal

do solemnly swear (or affirm) that I will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and that I will discharge the duties of my office with fidelity.

____

Signature

State of Utah,
County of Summit

Subscribed and sworn to before me this first day of April, 2021

____

*Person Administering Oath

____

Title

*Utah Code § 78B-1-142: "Every court, every judge, clerk and deputy clerk of any court, every justice, every notary public, and every officer or person authorized to take testimony in any action or proceeding, or to decide upon evidence, has the power to administer oaths or affirmations."

File oath by sending to: Oath of Office, Utah State Archives, 346 Rio Grande, Salt Lake City, UT, 84101

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Heinrich Deters
Submitting Department: Sustainability
Item Type: Staff Report
Agenda Section:

Subject:
Electric Mountain Bike Courtesy Tag Update

Suggested Action:

Attachments:
E-Mountain Bike Tag Program Staff Report

City Council Staff Communication

Subject: **Electric Mountain Bike- Courtesy Tag Program**
Author: **Heinrich Deters**
Department: **Sustainability**
Date: **April 1, 2021**
Type of Item: **Staff Communication**

On August 29, 2019, City Council approved amendments to the Park City Municipal Code Section 10-1-4.5 Non- Motorized Trail Use. Council also discussed policy aspects associated with electric-assisted mountain bikes (E-MTBs) on natural surface trails within City limits. See August 29, 2019, Staff Report E-Bike Ordinance and Policy and August 29, 2019 Minutes Page 8 E-Bike Discussion.

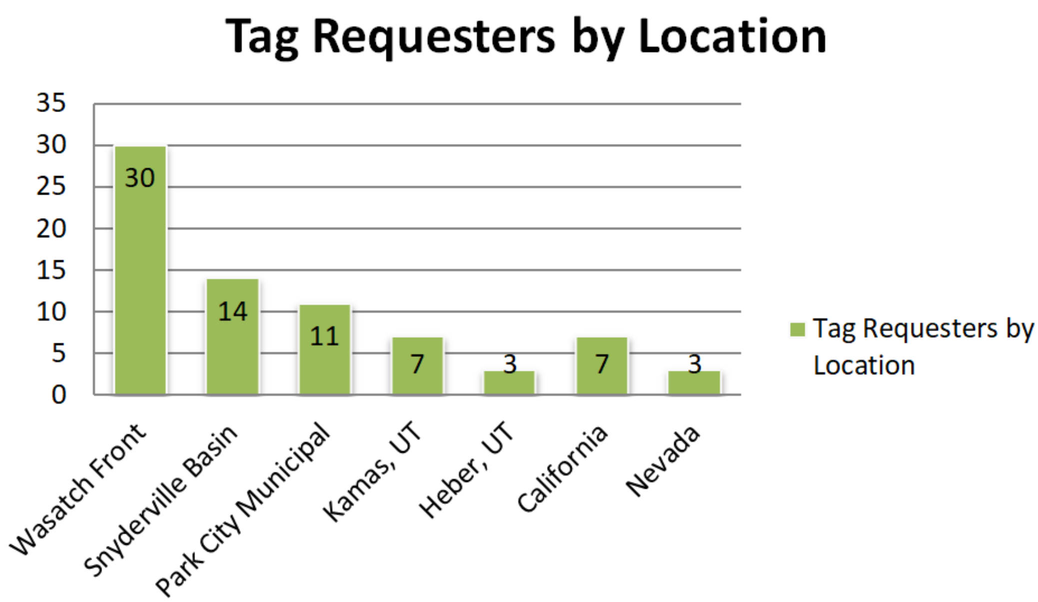
On March 19, 2020, Staff provided Council with an update of the E-MTB community survey results (March 19, 2020, Council Report). Later, on July 30, 2020, a staff communication report detailed the E-MTB Courtesy Tag Program's roll-out. (July 30, 2020, E-MTB Staff Communication, July 30, 2020, Council Minutes)

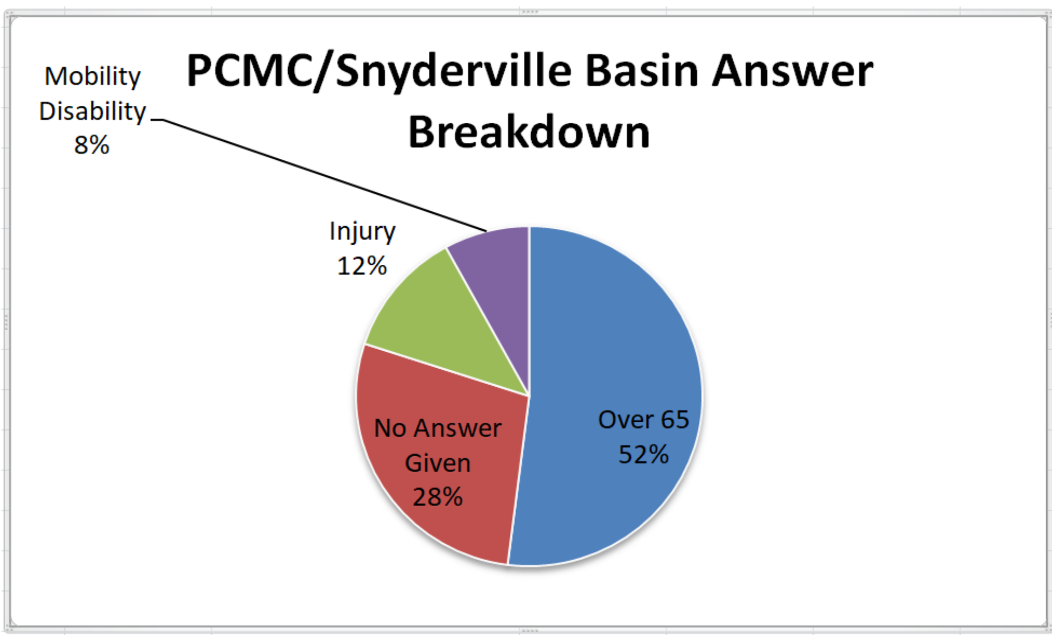
Program Summary
The tag program, which originated through public discussions and surveys, is an opt-in program where E-MTB users can choose to display a tag to visually notify trail users that the E-MTB user qualifies to use the bike on the trail. Qualifications include being over 65 or have a mobility disability. Before the tag program, compliant users complained of being stopped or harassed by other trail users due to the E-MTB.

The program is free and for courtesy purposes only.
Application is online: Electric Assist Mountain Bike Policies and Uses.
-Applicants provide name and contact information.
-Optional 'Qualification' question included for tag request; age, disability, both.
-Applicants provide their digital signature noting compliance with the ordinance.
-Tags are mailed to applicants once the submittal is reviewed and approved by staff.

Analysis
Since the program's inception, staff has received several new courtesy tag requests weekly and expect that number to increase with trails opening in Spring 2021. Staff has provided the following tag-holder data:

- <u>Applicant Address:</u> (66% of requesters live outside of Park City School District Boundary)
- <u>Reason for Applying</u>: (31% do not provide an answer as this question is optional)





Staff will continue to collect data associated with the program to evaluate its success or if being abused to circumvent the ordinance. Depending on resources, this evaluation will include trailhead surveys and input gathered by trail ambassadors. Staff plans to return to Council with another update at the end of summer.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Josh Miller
Submitting Department: Budget, Debt & Grants
Item Type: Work Session
Agenda Section:

Subject:
Monthly Budget Report - February 2021

Suggested Action:

Attachments:
Budget Monitoring Memo - February 2021

Exhibit A: Expense and Revenue Report - February 2021

Staff Communication

Subject: Monthly Budget Reporting for February 2021
Author: Budget Team
Department: Budget, Debt, & Grants
Date: April 1, 2021
Type of Item: Informational

State Compliance Monthly Budget Reporting for February 2021

The attachments within this report consist of monthly revenue and expenditure reports detailed by Fund and Major Object Type. The format of these reports follows the audit procedure from the State Compliance Audit Guide, the Utah statute, and sample summary reports found in the Utah Uniform Accounting Manual. These summary reports should be reviewed monthly by Council for all funds.

Notable Observations:

Expenditures

- Overall, operating expenditures for FY21 are in line with expectations and down slightly compared to FY19 and FY20, once the CARES Act Funding ($2M) is accounted for.

Revenues

- Sales tax revenues in January weren't quite as strong as the past few months as we're seeing the economic recovery play out. January numbers were down (-27.4%) from last year. Overall, regular sales taxes for the year (Jul-Jan) are down (-8.8%) from last fiscal year.
- In the Capital Improvement Fund, Transient Room Taxes (TRT) are tracking considerably lower than previous fiscal years (-25%). This is due to less lodging business during this time.
- Property taxes came in above budget and are tracking higher than FY19 and FY20.
- BPE fees are down significantly because of less building activity stemming from the COVID-19 pandemic. However, these are in-line with budget projections.
- 'Transit Charges for Services' shows a large decrease due the new method in which we credit county transit revenue.

Exhibit A: Expenditure & Revenue Summary by Object and Type

Expenditures by Object Type- 8th Month of FY21 (February 2021)

March 11, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
011 GENERAL FUND					
PERSONNEL SERVICES	14,017,043	14,829,035	14,381,161	21,961,047	65.5%
MATERIALS, SUPPLIES AND SERVICES	773,638	686,724	491,254	1,072,776	45.8%
UTILITIES	481,088	493,689	426,888	1,551,940	27.5%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	1,832,802	2,213,987	2,313,103	4,382,104	52.8%
PARTS/MAINTENANCE SUPPLIES	768,708	710,057	476,310	1,046,665	45.5%
SPECIAL SERV CONTRACT/MISC CHARGES	582,664	566,645	2,527,598	3,830,464	66.0%
CAPITAL OUTLAY	140,496	178,050	142,183	335,320	42.4%
INTERFUND TRANSFER	3,267,608	1,982,112	1,889,368	2,834,061	66.7%
Total 011 GENERAL FUND	21,864,046	21,660,299	22,647,865	37,014,378	61.2%
012 QUINNS RECREATION COMPLEX					
PERSONNEL SERVICES	579,178	480,697	515,084	909,979	56.6%
MATERIALS, SUPPLIES AND SERVICES	35,429	24,971	30,524	63,345	48.2%
UTILITIES	79,738	79,164	76,229	157,200	48.5%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	32,995	45,502	30,653	70,740	43.3%
PARTS/MAINTENANCE SUPPLIES	35,409	29,298	26,411	43,200	61.1%
SPECIAL SERV CONTRACT/MISC CHARGES	15,649	19,188	13,010	21,000	62.0%
CAPITAL OUTLAY				1,000	0.0%
Total 012 QUINNS RECREATION COMPLEX	778,398	678,820	691,911	1,266,464	54.6%
023 LOWER PARK AVE RDA SPECIAL REVENUE FUND					
PERSONNEL SERVICES	15,380	15,177	4,294	31,958	13.4%
MATERIALS, SUPPLIES AND SERVICES	9,900	9,007	16,273	20,000	81.4%
UTILITIES	22,494	27,785	1,268	34,300	3.7%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC		2,915	11,069	70,000	15.8%
SPECIAL SERV CONTRACT/MISC CHARGES				568,000	0.0%
INTERFUND TRANSFER	1,086,247	1,395,024	2,061,688	3,092,532	66.7%
Total 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND	1,134,021	1,449,909	2,094,591	3,816,790	54.9%
024 MAIN STREET RDA SPECIAL REVENUE FUND					
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	921	722	10,903	50,000	21.8%
SPECIAL SERV CONTRACT/MISC CHARGES				405,000	0.0%
INTERFUND TRANSFER	501,336	460,000	466,664	700,000	66.7%
Total 024 MAIN STREET RDA SPECIAL REVENUE FUND	502,257	460,722	477,567	1,155,000	41.3%
031 CAPITAL IMPROVEMENT FUND					
CAPITAL OUTLAY	7,508,106	11,110,677	4,215,668	37,536,158	11.2%

**represents Actuals from July 1st to December 31st of the specified FY*

Expenditures by Object Type- 8th Month of FY21 (February 2021)

March 11, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
INTERFUND TRANSFER	2,180,870	3,830,080	2,386,880	3,580,329	66.7%
Total 031 CAPITAL IMPROVEMENT FUND	9,688,976	14,940,757	6,602,548	41,116,487	16.1%
033 REDEVELOPMENT AGENCY-LOWER PRK					
CAPITAL OUTLAY	89,746	16,342	199,006	255,000	78.0%
INTERFUND TRANSFER	472,144	471,144	1,855,224	2,782,840	66.7%
Total 033 REDEVELOPMENT AGENCY-LOWER PRK	561,890	487,486	2,054,230	3,037,840	67.6%
034 REDEVELOPMENT AGENCY-MAIN ST					
INTERFUND TRANSFER	536,776	536,672	697,848	1,046,777	66.7%
Total 034 REDEVELOPMENT AGENCY-MAIN ST	536,776	536,672	697,848	1,046,777	66.7%
038 EQUIPMENT REPLACEMENT CIP					
CAPITAL OUTLAY	1,011,122	1,324,514	179,337	1,460,138	12.3%
Total 038 EQUIPMENT REPLACEMENT CIP	1,011,122	1,324,514	179,337	1,460,138	12.3%
051 WATER FUND					
PERSONNEL SERVICES	1,807,994	2,059,793	1,957,541	3,258,424	60.1%
MATERIALS, SUPPLIES AND SERVICES	154,196	212,391	276,571	305,962	90.4%
UTILITIES	514,432	591,307	555,242	1,224,066	45.4%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	655,663	876,840	933,684	1,115,183	83.7%
PARTS/MAINTENANCE SUPPLIES	507,361	849,431	807,201	891,927	90.5%
SPECIAL SERV CONTRACT/MISC CHARGES	58,131	62,621	83,509	52,000	160.6%
CAPITAL OUTLAY	2,818,387	12,277,091	22,152,582	40,896,797	54.2%
DEBT SERVICE	1,770,253	1,752,014	3,760,235	1,028,266	365.7%
INTERFUND TRANSFER	670,780	701,000	705,384	1,773,085	39.8%
Total 051 WATER FUND	8,957,195	19,382,488	31,231,950	50,545,710	61.8%
052 STORM WATER FUND					
PERSONNEL SERVICES	532,281	574,545	412,800	607,137	68.0%
MATERIALS, SUPPLIES AND SERVICES	12,240	12,600	14,027	63,000	22.3%
UTILITIES	37,243	25,535	22,530	37,200	60.6%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	23,141	54,451	70,085	149,625	46.8%
PARTS/MAINTENANCE SUPPLIES	9,502	35,112	18,568	40,200	46.2%
CAPITAL OUTLAY	6,414	2,492	40,669	1,221,500	3.3%
INTERFUND TRANSFER	69,336	75,336	84,952	127,425	66.7%
Total 052 STORM WATER FUND	690,158	780,072	663,631	2,246,087	29.5%
055 GOLF COURSE FUND					
PERSONNEL SERVICES	525,782	520,806	494,730	899,687	55.0%

**represents Actuals from July 1st to December 31st of the specified FY*

Expenditures by Object Type- 8th Month of FY21 (February 2021)

March 11, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
MATERIALS, SUPPLIES AND SERVICES	54,023	40,431	45,371	66,200	68.5%
UTILITIES	23,494	19,966	45,262	68,400	66.2%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	28,836	47,975	41,692	85,535	48.7%
PARTS/MAINTENANCE SUPPLIES	130,961	107,405	133,723	235,800	56.7%
SPECIAL SERV CONTRACT/MISC CHARGES	25,234	25,673	31,318	30,500	102.7%
CAPITAL OUTLAY	-8,507	117,967	49,107	114,565	42.9%
DEBT SERVICE				24,283	0.0%
INTERFUND TRANSFER	93,950	94,064	89,936	134,913	66.7%
Total 055 GOLF COURSE FUND	873,773	974,286	931,139	1,659,883	56.1%
057 TRANSPORTATION & PARKING FUND					
PERSONNEL SERVICES	6,466,894	6,596,649	5,065,039	8,909,323	56.9%
MATERIALS, SUPPLIES AND SERVICES	542,549	178,522	205,327	290,822	70.6%
UTILITIES	195,090	254,905	213,421	360,100	59.3%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	546,869	485,246	534,253	1,572,750	34.0%
PARTS/MAINTENANCE SUPPLIES	46,573	8,816	16,024	25,000	64.1%
SPECIAL SERV CONTRACT/MISC CHARGES	106,564	16,961	16,195	20,000	81.0%
CAPITAL OUTLAY	3,891,698	906,261	1,589,796	8,281,094	19.2%
INTERFUND TRANSFER	2,019,289	2,284,008	2,223,008	3,334,501	66.7%
Total 057 TRANSPORTATION & PARKING FUND	13,815,527	10,731,369	9,863,064	22,793,590	43.3%
058 PARKING FUND					
PERSONNEL SERVICES		569,729	490,311	849,924	57.7%
MATERIALS, SUPPLIES AND SERVICES		268,692	138,571	430,500	32.2%
UTILITIES		4,201	3,822	10,400	36.7%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC		13,266	48,344	148,000	32.7%
PARTS/MAINTENANCE SUPPLIES		21,239	11,761	54,000	21.8%
SPECIAL SERV CONTRACT/MISC CHARGES		85,549	14,233	65,000	21.9%
CAPITAL OUTLAY				125,000	0.0%
INTERFUND TRANSFER		4,000	5,336	8,000	66.7%
Total 058 PARKING FUND		966,676	712,377	1,690,824	42.1%
062 FLEET SERVICES FUND					
PERSONNEL SERVICES	664,429	658,964	603,715	995,989	60.6%
MATERIALS, SUPPLIES AND SERVICES	51,468	47,828	41,672	77,355	53.9%
UTILITIES	683,056	656,207	353,307	1,001,800	35.3%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	251	3,738	4,411	3,800	116.1%

**represents Actuals from July 1st to December 31st of the specified FY*

Expenditures by Object Type- 8th Month of FY21 (February 2021)

March 11, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
PARTS/MAINTENANCE SUPPLIES	431,439	505,131	421,740	770,200	54.8%
Total 062 FLEET SERVICES FUND	1,830,644	1,871,868	1,424,845	2,849,144	50.0%
064 SELF INSURANCE FUND					
MATERIALS, SUPPLIES AND SERVICES	20,604	26,503	24,923	50,500	49.4%
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	313,537	555,016	411,122	872,560	47.1%
SPECIAL SERV CONTRACT/MISC CHARGES	573,075	630,995	706,937	810,000	87.3%
Total 064 SELF INSURANCE FUND	907,216	1,212,514	1,142,982	1,733,060	66.0%
070 SALES TAX REV BOND - DEBT SVS FUND					
DEBT SERVICE	895,104	2,667,695	2,635,952	5,040,066	52.3%
Total 070 SALES TAX REV BOND - DEBT SVS FUND	895,104	2,667,695	2,635,952	5,040,066	52.3%
071 DEBT SERVICE FUND					
DEBT SERVICE	2,594,550	7,339,252	7,381,616	7,699,000	95.9%
Total 071 DEBT SERVICE FUND	2,594,550	7,339,252	7,381,616	7,699,000	95.9%
TOTAL	66,641,654	87,465,399	91,433,455	186,171,239	49.1%

**represents Actuals from July 1st to December 31st of the specified FY*

GLOSSARY OF FUNDS

1) General Fund

The General Fund is the principal fund of the City. The General Fund accounts for the normal recurring activities of the City (i.e., police, public works, community development, library, recreation, and general government). These activities are funded principally by user fees, and property, sales, and franchise taxes. Accounting records and budgets for governmental fund types are prepared and maintained on a modified accrual basis. Revenues are recorded when available and measurable. Expenditures are prepared and recorded when services or goods are received and the liabilities are incurred. Funds included are the following:

- **General Fund**
- **Quinn's Recreation Complex Fund**

2) Special Revenue Funds

The Special Revenue Funds are used to account for specific revenue sources that are restricted, committed or assigned to expenditures for particular purposes. These special revenue funds account for the agencies' redevelopment activities which are supported by property tax increment revenue.

- **Lower Park Avenue RDA Special Revenue Fund**
- **Main Street RDA Special Revenue Fund**
- *Police Special Revenue Fund*
- *Drug Confiscations (Criminal Forfeiture Restricted Account)*

3) Capital Project Funds

Accounting records and budgets for all capital project funds are prepared and maintained on a modified accrual basis. The capital project funds are used to account for the construction of major capital projects not included in the proprietary funds. The City has undertaken a major prioritization process for its CIP projects. This budget reflects that prioritization.

- **Capital Improvement Fund -** is used to account for capital projects of the City's general government.
- **Redevelopment Agency- Lower Park Fund -** Accounts for the acquisition or construction of capital projects in the Lower Park Avenue RDA area.
- **Redevelopment Agency- Main Street Fund -** Accounts for capital projects in the Main Street RDA area.

**represents Actuals from July 1st to December 31st of the specified FY*

- **Equipment Replacement CIP Fund -** Accounts for the accumulation of resources for the future replacement of fixed assets such as computers, vehicles, heavy equipment.
- *Building Authority*
- *Park City Housing Authority*

4) Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private businesses. Accounting records for proprietary fund types are maintained on an accrual basis. Budgets for all enterprise funds are prepared on a modified accrual basis. Depreciation is not budgeted for in the City's enterprise funds. Included are the following:

- **Water Fund -** Accounts for the operation of the City's water utilities, including debt service on associated water revenue bonds.
- **Transportation Fund -** Accounts for the operation of the City's public transportation (bus and trolley) system.
- **Parking Fund -** Accounts for the operation of the City's parking programs.
- **Golf Course Fund -** Accounts for the operation of the City's golf course.
- **Storm Water Fund –** Accounts for the operations and capital of the City's storm water utilities, including debt service on associated storm water revenue bonds.
- *Recreation Fund*

5) Debt Service Funds

Accounting records and budgets for all debt service funds are prepared on a modified accrual basis.

- **Park City General Long-Term Debt Service Fund -** The fund accounts for the accumulation of money for the repayment of the 1988, 1993 and 1999 A, 2000, 2005, and 2008 General Obligation Bonds and the 1992 Excise Tax Revenue Bond (Class "C"). The sources of revenue are property and fuel tax.
- **Sales Tax Revenue Debt Service Fund -** This fund accounts for the accumulation of money for the repayment of the 2005 Series A & B Sales Tax Revenue Bonds. The sources of revenue are sales tax, some RDA proceeds, and Parks and Public Safety impact fees.

6) Internal Service Funds

**represents Actuals from July 1st to December 31st of the specified FY*

The internal service funds are used to account for the financing and operation of services provided to various City departments and other governments on a cost-reimbursement basis. Accounting records for all internal service funds are prepared on an accrual basis. Budgets for all internal service funds are prepared on a modified accrual basis. Depreciation is not budgeted for in the City's internal service funds. Included are the following:

- **Fleet Fund -** Accounts for the cost of storage, repair, and maintenance of City-owned vehicles.
- **Self-Insurance Fund -** Accounts for the establishment of self-insured programs including Workers' Compensation, Unemployment Compensation, and liability insurance.
- *Equipment Replacement Fund*
- *Circuit Court Fund*

GLOSSARY OF OBJECT TYPES

An **object type** is used to classify types of expenditures within a fund.

Personnel Services: associated with personnel costs such as full-time positions, part-time positions, contract positions, benefits, overtime, and vacancy factor.

Materials, Supplies, & Services: associated with various department costs such as meetings, conference travel, recruitment & training, office supplies, uniforms & clothing, and printing.

Utilities: associated with utility costs such as electricity, natural gas, telephone, cellular, waste collection, water, sewer, gasoline, and other fuels.

Contract Services/Consulting/Software Licenses: associated with third-party contract, consulting, and software license costs.

Parts/Maintenance Supplies: associated with parts and supplies to maintain the City's assets, such as buildings, equipment, and vehicles.

Special Service Contract/Miscellaneous Charges: As part of the budget process, the City Council allocates funds to contract with nonprofit organizations offering services consistent with the needs and goals of the City. Miscellaneous charges include but are not limited to bank charges and insurance/surety bonds.

**represents Actuals from July 1st to December 31st of the specified FY*

Capital Outlay: Major equipment and facilities that have a useful life of more than one year, and a cost in excess of $1,000.

Debt Service: The annual payments *(principal & interest)* made by the City against its outstanding debt.

Inter-fund Transfer: Financial transactions between City funds.

**represents Actuals from July 1st to December 31st of the specified FY*

Revenues by Object Type- 8th Month of FY21 (February 2021)

April 1, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
011 GENERAL FUND					
Property Taxes	10,682,040	10,566,778	12,025,842	10,412,892	115.5%
Sales Tax	6,115,527	7,020,853	6,912,775	8,728,066	79.2%
Franchise Tax	1,725,254	1,754,776	1,363,636	3,229,380	42.2%
Licenses	414,470	362,947	278,868	323,501	86.2%
Planning Building & Engineering Fees	2,424,215	2,748,301	1,268,059	2,107,887	60.2%
Special Event Fees	49,359	112,188	8,081	127,595	6.3%
Federal Revenue	3,125	7,226	4,500	56,953	7.9%
State Revenue	82,399	56,026	57,285	80,182	71.4%
County/SP District Revenue	5,000		24,635	25,705	95.8%
Cemetery Charges for Services	11,865	16,972	14,764	95,465	15.5%
Recreation	1,128,759	1,286,731	1,263,274	1,415,701	89.2%
Other Service Revenue	25,758	41,972	27,325	151,702	18.0%
Library Fees	13,810	12,981	8,459	18,645	45.4%
Misc. Revenues	640,494	579,067	198,361	717,185	27.7%
Interfund Transactions (Admin)	1,305,776	1,339,896	1,339,896	2,724,847	49.2%
Special Revenues & Resources	60,451	72,254	3,202,353	2,938,857	109.0%
Total 011 GENERAL FUND	24,688,301	25,978,966	27,998,111	33,154,563	84.4%
012 QUINNS RECREATION COMPLEX					
County/SP District Revenue			10,300	10,300	100.0%
Recreation	5,004	1,360	409	3,359	12.2%
Ice	596,675	605,770	356,632	612,867	58.2%
Misc. Revenues	-60	3,629	98	847	11.6%
Total 012 QUINNS RECREATION COMPLEX	601,619	610,759	367,440	627,373	58.6%
023 LOWER PARK AVE RDA SPECIAL REVENUE FUND					
Property Taxes	2,834,265	4,123,584	3,572,977	4,252,000	84.0%
Total 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND	2,834,265	4,123,584	3,572,977	4,252,000	84.0%
024 MAIN STREET RDA SPECIAL REVENUE FUND					
Property Taxes	1,097,202	1,158,935	1,254,689	1,195,000	105.0%
Total 024 MAIN STREET RDA SPECIAL REVENUE FUND	1,097,202	1,158,935	1,254,689	1,195,000	105.0%
031 CAPITAL IMPROVEMENT FUND					
Sales Tax	3,075,315	3,659,720	3,358,370	6,569,128	51.1%
Planning Building & Engineering Fees	492,821	288,715	205,423	355,000	57.9%
State Revenue	233,802	326,158	236,731	421,005	56.2%

Revenues by Object Type- 8th Month of FY21 (February 2021)

April 1, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
County/SP District Revenue	11,252	2,754,127	504,520	2,030,000	24.9%
Transit Charges for Services				3,500,000	0.0%
Misc. Revenues	390,744	5,397,402	1,650,231	14,420,502	11.4%
Special Revenues & Resources	144,991	160,715	219,302	231,125	94.9%
Bond Proceeds				9,000,000	0.0%
Total 031 CAPITAL IMPROVEMENT FUND	4,348,926	12,586,836	6,174,578	36,526,760	16.9%
033 REDEVELOPMENT AGENCY-LOWER PRK					
Interfund Transactions (CIP/Debt)	1,086,247	1,395,024	2,061,688	3,092,532	66.7%
Total 033 REDEVELOPMENT AGENCY-LOWER PRK	1,086,247	1,395,024	2,061,688	3,092,532	66.7%
034 REDEVELOPMENT AGENCY-MAIN ST					
Interfund Transactions (CIP/Debt)	501,336	460,000	466,664	700,000	66.7%
Total 034 REDEVELOPMENT AGENCY-MAIN ST	501,336	460,000	466,664	700,000	66.7%
038 EQUIPMENT REPLACEMENT CIP					
Interfund Transactions (CIP/Debt)	715,800	857,064	877,064	1,315,600	66.7%
Total 038 EQUIPMENT REPLACEMENT CIP	715,800	857,064	877,064	1,315,600	66.7%
051 WATER FUND					
Planning Building & Engineering Fees	1,464,607	1,285,847	834,396	1,183,938	70.5%
Water Charges for Services	12,248,910	11,651,318	13,748,712	19,889,201	69.1%
Total 051 WATER FUND	13,713,518	12,937,165	14,583,108	21,073,139	38.5%
052 STORM WATER FUND					
Water Charges for Services	913,601	955,694	769,444	2,000,000	38.5%
Total 052 STORM WATER FUND	913,601	955,694	769,444	2,000,000	38.5%
055 GOLF COURSE FUND					
Recreation	1,039,880	1,031,597	1,297,571	1,337,137	97.0%
Misc. Revenues	7,246	11,485	13,304	40,748	32.7%
Interfund Transactions (CIP/Debt)	16,664	16,664	16,664	25,000	66.7%
Total 055 GOLF COURSE FUND	1,063,790	1,059,746	1,327,540	1,402,885	94.6%
057 TRANSPORTATION & PARKING FUND					
Sales Tax	2,431,541	3,522,318	3,465,433	4,566,595	75.9%
Licenses	930,781	942,994	895,019	656,289	136.4%
Federal Revenue		88,436	4,811,261	3,585,800	134.2%
Transit Charges for Services	3,657,254	3,809,790	786,483	5,866,000	13.4%
Misc. Revenues	66,152	84,194	122,960	288,410	42.6%
Special Revenues & Resources	238,785	210,046	241,971	402,002	60.2%

Revenues by Object Type- 8th Month of FY21 (February 2021)

April 1, 2021

	Actuals FY 2019	Actuals FY 2020	Actuals FY 2021	Budget FY 2021	% of Budget FY 2021
Total 057 TRANSPORTATION & PARKING FUND	7,324,513	8,657,777	10,323,126	15,365,096	67.2%
058 PARKING FUND					
Fines & Forfeitures		1,814,793	449,353	2,603,364	17.3%
Total 058 PARKING FUND		1,814,793	449,353	2,603,364	17.3%
062 FLEET SERVICES FUND					
Interfund Transactions (Admin)	1,710,010	1,966,000	1,816,664	2,725,000	66.7%
Total 062 FLEET SERVICES FUND	1,710,010	1,966,000	1,816,664	2,725,000	66.7%
064 SELF INSURANCE FUND					
Interfund Transactions (Admin)	693,553	852,576	932,696	1,399,043	66.7%
Total 064 SELF INSURANCE FUND	693,553	852,576	932,696	1,399,043	66.7%
070 SALES TAX REV BOND - DEBT SVS FUND					
Interfund Transactions (Admin)	107,800	108,320	15,000	22,495	66.7%
Interfund Transactions (CIP/Debt)	3,189,790	4,837,896	4,939,952	7,409,946	66.7%
Total 070 SALES TAX REV BOND - DEBT SVS FUND	3,297,590	4,946,216	4,954,952	7,432,441	66.7%
071 DEBT SERVICE FUND					
Property Taxes	6,036,374	9,281,384	9,506,281	9,518,281	99.9%
Misc. Revenues	25,831	24,287	768	39,366	2.0%
Total 071 DEBT SERVICE FUND	6,062,205	9,305,671	9,507,049	9,557,647	99.5%
TOTAL	70,652,476	89,666,807	87,437,143	144,422,443	60.5%

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Leah Langan
Submitting Department: Executive
Item Type: Staff Report
Agenda Section:

Subject:
2021 Utah Legislative Bill Tracker Report

Suggested Action:

Attachments:
2021 Legislative Tracker Staff Report

Exhibit A: 2021 Bill Tracker

City Council
Staff Communications Report

Subject:	**2021 Utah Legislative Session**
Author:	**Matthew Dias**
Department:	**Executive Department**
Date:	**March 16, 2021**
Type of Item:	**Informational & Legislative**

Summary
The 2021 Utah State Legislative session concluded on March 12, 2021. Multiple bills were introduced during the session that impact Park City in important policy areas, including housing, sustainability, community development, and public safety.

In an effort to monitor legislations that progressed through the legislative process, a small team of managers and two Council Liaisons (Beerman and Doilney) met regularly to assess, provide interim feedback and direction, and work with fellow cities and towns with the Utah League of Cities and Towns (ULCT).

Included as Exhibit A, the working document was updated daily throughout the 45-day session and includes the City's official position and final status of various bills and amendments. The City's positions were informed from feedback received from staff, City Council, Utah League of Cities and Towns, and two City-contracted lobbyists.

Exhibits
Exhibit A – 2021 Legislative Bill Tracker

2021 LEGISLATIVE BILLS TO WATCH								
Subject	**Bill #**	**Elec**	**Bill Sponsor**	**Floor Sponsor**	**Bill Summary**	**Status if Known**	**Final**	**Stance**
Housing	HB 82S04	**Single-Family Housing Modifications**	Rep. Ray Ward		Modifies provisions to single-family housing: ADUs must be permitted use if allowed, may not establish restrictions re: use, including size parking, frontage. Prohibits HOAs from prohibiting ADUs & creates a loan program for ADU creation.	Passed House; Passed Senate. 3/9: signed by speaker.	**Passed**	**Oppose**
Building	HB 98S02	**Local Government Building Regulation Amendments**	Rep. Paul Ray		Amends provisions related to local government building regulations; opt out of inspections & use independent inspector-can be the builder & issue COO, opt out of plan review, prohibits building design elements	Passed House; Passed Senate. 3/5: signed by speaker.	**Passed**	**Oppose**
Planning	HB 107S01	**Subdivision Plat Amendments**	Rep. Joel Ferry		Specify easements & ROW for water conveyance in the plat, facilities within 100 ft of plat, written notice of the facility. Cities have to mail written notice to facility owner & requires a survey to verify some water conveyance facility info	Passed House. Passed Senate; 3/10: enrolled.	**Passed**	**TBD**
	SB 65S01	**Community Reinvestment Agency Amendments**	Rep. Wayne Harper		Interlocal agreement for the purpose of transferring incremental revenue; new tool-agency can levy a property tax on property in boundaries; agency cannot extend scope; Allows agency to use property tax revenue for agency-wide projects; prohibits agency from new CRA unless	Passed Senate; Passed House; 3/9: enrolled.	**Passed**	**No position (discretionary)**
Sustainability	HB17S01	**Utility Permitting Amendments**	Rep. Stephen Handy		Preemption of municipalities ability to restrict utility hookups.	Passed House; Passed Senate. 2/25: Gov signed	**Passed**	**Oppose**
Finance	HB 94S01	**Microenterprise Home Kitchen Amendments**	Rep. Christine Watkins		Health Dept approval will allow home catering, bypassing commercial kitchen	Passed House; Passed Senate. 3/9: enrolled	**Passed**	**Opposes**
Police	HB 154S03	**Use of Force Revisions**	Rep. Kera Birkeland		Defines terms of force by peace officers. Thet act of committing a death must occur before an officer is justified in using deadly force, on behalf of a third party, or in order to protect themselves.	Passed House; 3/5: 2nd Senate reading, failed.	**Failed**	**Oppose**
Police	HB 66	**Sheriffs Amendments**	Rep. Casey Snider		During a riot situation, it allows the sheriffs office to have primary authority. Was drafted to address the SLC issue. It removes local authority over our jurisdiction if we disagree on how it should be handled.	1/19: 1st House reading; failed.	**Failed**	**Oppose**
Sustainability	HB 209S03	**Vehicle Registration Fee Revisions**	Rep. Kay Christofferson		Increases registration fees on electric, hybrid, plug-in hybrid, & other vehicles.	2/8: 3rd House reading; failed.	**Failed**	**Oppose**
Sustainability	HCR 5	**Concurrent Resolution Encouraging Statewide Emission Reduction Goals**	Rep. Stephen Handy		Encourages the adoption of emissions reduction goals.	1/19: 1st House reading; failed.	**Failed**	**Support**
Sustainability	HB 89S01	**Hydrogen Tax Credit Amendments**	Rep. Douglas Sagers		Creates tax credit provisions related to hydrogen energy.	1/19: 1st House reading; failed.	**Failed**	**Support**
Sustainability	HB 145	**Clean and Renewable Energy Requirement Amendments**	Rep. Raymond Ward		Modifies provisions relating to clean energy requirements for a large-scale electric utility. Sets 50% reduction goal by 2030 for Rocky Mountain Power.	1/19: 1st House reading; failed.	**Failed**	**Support**

Agenda Item No:

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Michelle Kellogg
Submitting Department: Executive
Item Type: Minutes
Agenda Section:

Subject:
Consideration to Approve the City Council Meeting Minutes from March 11 and 18, 2021

Suggested Action:

Attachments:
March 11, 2021 Minutes

March 18, 2021 Minutes

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

March 11, 2021

The Council of Park City, Summit County, Utah, met in open meeting on March 11, 2021, at 3:30 p.m. The meeting was a remote, electronic meeting due to the declared public health emergency.

Mayor Beerman read the Determination of Substantial Health and Safety Risk.

Council Member Henney moved to close the meeting to discuss property and litigation at 3:32 p.m. Council Member Doilney seconded the motion.

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

CLOSED SESSION

Council Member Joyce moved to adjourn from Closed Meeting at 5:00 p.m. Council Member Worel seconded the motion.

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

WORK SESSION

Special Event Update:
Mayor Beerman was excused at 5:15 p.m. and indicated Council Member Doilney would be the Mayor Pro Tem in his absence. Jenny Diersen, Special Events Manager, and Phil Bondurant, Summit County Health Director, presented this item. Bondurant updated the Council on the current pandemic situation. He indicated Summit County was still in the high-risk category, but the numbers were trending downward. He and Diersen were cautiously optimistic about summer events in Park City. Council Member Worel asked if a mitigation efforts checklist would be required from organizations that applied for events. Bondurant stated that checklist was issued by the Governor and was still in effect, but he didn't know if it would be used moving forward. He noted local entities had the authority to have guidelines with regard to special events.

Council Member Joyce asked what Bondurant would recommend as far as event planning since new legislation limited what restrictions could be placed on special events. Bondurant stated there could still be social distancing, hand washing, and those kinds of guidelines on a local level, but he wasn't sure what events would look like in tourism-based areas. Council Member Gerber asked if the virus variants would affect case rates and the ability to have summer activities. Bondurant stated there were 70 known United Kingdom variants in Utah, and he noted Dr. Dunn had indicated the vaccines were effective at minimizing hospitalizations and death. Diersen stated businesses could enforce their own restrictions and events might do that as well. She anticipated more events this year than last year. There were several contracts up for renewal and those would be looked at for uniformity with City priorities.

Council Member Worel asked what the difference was between waived fees and hard costs. Diersen stated hard costs were residential mitigations such as security. These costs were not in the fee schedule, but staff was beginning to budget for these events. Council Member Gerber asked what ability the City had to scale back events. Diersen indicated staff told the organizers to fill out the event protocol sheets and plan on scaling back. She stated many events were fundraisers for nonprofits and scaling back was a concern for them. Council Member Gerber asked if all events scheduled for Fiscal Year 2020-21 were set, and expressed concern that there were many events layered on the same weekends. Diersen understood that concern, especially with the pandemic, and stated she would take Council's feedback to the event organizers. Council Member Gerber asked if the City had scaled back its Fourth of July event. Diersen stated the July 4th event plan would be brought to Council for discussion and approval.

Council Member Joyce stated the City was busy even with no events. He didn't know how the City would limit visitors at the events. Bondurant stated ticketed events could control admission, but acknowledged it was difficult to limit attendees to non-ticketed events. Council Member Doilney noted many businesses on Main Street did well during this past year, but others didn't do well at all. He stated there were weekends this summer that didn't have events, and he thought those weekends could be monitored for visitors. Council Member Worel indicated many people were looking forward to being outside and connecting with others, and she thought there would be many who would support safe outdoor events.

Council Member Gerber asked if events on Main Street could require masks when attendance exceeded a certain number. Diersen thought the City would have to request an exemption from the State. Bondurant indicated masks were currently required at events over 50 people, but that could change beginning in May. Council Member Gerber asked if masks could be required at an event held on City-owned property. Bondurant didn't think that would be allowed generally, but there would be some provisions to municipalities based on the circumstance.

Mayor Beerman joined the meeting at 5:56 p.m. and asked if Council was interested in limiting events while it eased back into events. Diersen stated staff needed to see the organizations' scaled back plan, COVID protocols, and how to incorporate masks. She would return to discuss long-term negotiations with events at a future date.

REGULAR MEETING

I) ROLL CALL

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

II) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communications Report:

1. Ice Arena Update:

Council Member Joyce went to an activity at the ice rink and he saw what staff had to go through with the COVID protocols in place. He was hopeful when the community started to open, that the ice rink could start allowing more people on the ice. Council Member Doilney stated the City's ice rink enforced the protocols more than other ice rinks. Dias stated the ice rink and library both took the protocols from the CDC and used their judgment to keep the public and employees safe. Council Member Doilney asked if the work planned for the end of the summer could have been done when attendance was limited. Dias reviewed the Ice Department couldn't predict when things would open up when they planned their maintenance.

Council Questions and Comments:

Council Member Gerber stated she was vaccinated and appreciated Summit County Health Department for their work to get people through the lines. Council Member Doilney asked the community to look to the future, be engaged and make changes. Council Member Joyce indicated he was vaccinated and he was happy to see the

COVID numbers decline. Council Member Worel shared notes from Janna Young Summit County Assistant Manager regarding COVID restrictions now that the State was opening. Council Member Worel indicated it was the 6th year since PC Tots opened.

Council Member Henney stated he attended a Coffee with Council and there was discussion that the City formerly created critical priorities in response to perceived threats. Now, the visioning was in response to what the City wanted to become. He attended a Fire District meeting and the fire chief thought the district was well prepared to control a fire that might come in the future. He also attended the Mountainlands Community Housing meeting and noted the leadership was changing. This entity was building affordable housing in the area and doing a great job. Council Member Henney noted the City should still be actively engaged in forest management to prevent wildfires.

Mayor Beerman indicated he received the COVID vaccine today and noted the Health Department staff was amazing. March 8th was International Women's Day and Mayor Beerman recognized two Park City women: Maren Mullin made the “40 Under 40” honorees by Utah Business Magazine, and Laurie Weston, CEO of Park City Hospital, was recognized as one of the top 20 CEOs in Utah. Mayor Beerman announced there would be a public hearing for the proposed Arts and Culture District on March 31st. There would also be a roundtable Monday, March 29th, which would feature Jack Thomas, former mayor and conceiver of the Arts and Culture District. He noted the American Rescue Plan passed today and he asked how that would impact the City. Dias stated up to $900,000 could be given to the City to be used in a similar way as the previous relief funds. He noted tomorrow was the one-year anniversary of the City’s emergency proclamation and stated the community had been very proactive in protecting the visitors, residents, and employees.

IV) CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from February 11 and 25, 2021:

Council Member Gerber referred to the February 11th meeting, Page Five, Line 31, and noted she did not say full time residents should be considered part of the workforce because she realized there were many retired individuals that were part of the community as well. Council Member Henney referred to the February 25th meeting, Page Two, Line 17, and clarified the district would be repurposed for community benefit, not tourism.

Council Member Worel moved to approve the City Council meeting minutes from February 11 and 25, 2021 as amended. Council Member Joyce seconded the motion.

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

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

Mayor Beerman opened the meeting for anyone who wished to comment or submit comments to the Council on items not included on the agenda.

Peter Tomai via Zoom, stated the demolition contract was premature since the public hearing hadn't been held. He thought the buildings could be used for interim purposes and short-term leases until a decision was made. Mayor Beerman stated two months ago, Council decided the land would have new uses whether the Arts and Culture District was built or not. For that reason, the contract was on this agenda.

Rich Ford via eComments: “Please, Please, Please do not spend any more money on this project until there is a clear cut and definitive direction. The developer (whomever this ends up being and hopefully not Park City) should bear the cost of demolition work. I also sent a letter to the PC Record Editor a couple of weeks back on this same subject.”

Mayor Beerman closed the public input portion of the meeting.

V) CONSENT AGENDA

1. Request to Authorize the City Manager to Execute a Construction Agreement for Demolition Services at the Arts and Culture District Site between Park City and MKP Enterprises in an Amount Not to Exceed $218,600.00:

Council Member Joyce moved to remove Item One from the Consent Agenda for further discussion. Council Member Worel seconded the motion.

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

Council Member Joyce stated the report was unclear and it appeared the demolition was not put out for bid. David Everitt, Deputy City Manager, indicated the demolition project was put out for bid and three responses were received. MKP Enterprises submitted the lowest bid. Council Member Joyce asked that the RFP responses be submitted in the staff reports going forward. He also indicated some of the buildings were part of the soil cap and asked about the soil haul off timeline since the cap would be off. Everitt stated the soil removal was not part of this project, but if there was a long gap between demolition and excavation, the surface would be secured. Council Member Joyce asked for a timeframe for capping the soil. Everitt stated staff would be vigilant in securing loose dust. Council Member Worel asked if any of the materials would be recycled. Everitt indicated the contractor was committed to recycling 50% of the materials that would be removed.

Council Member Henney moved to authorize the City Manager to execute a construction agreement for demolition services at the Arts and Culture District site between Park City and MKP Enterprises in an amount not to exceed $218,600.00. Council Member Gerber seconded the motion.

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

VI) OLD BUSINESS

1. 2021 Legislative Update:

Matt Dias, City Manager, stated the City won more than it lost during this session. Cities were under scrutiny this year regarding local control. The billboard bill, nightly rental bill, special event bill, permitting bill, and sales tax allocation bill were defeated. The City was unsuccessful in defeating the design guidelines bill, but the guidelines were preserved in the Historic District. Also, the accessory dwelling unit bill passed, which allowed these units in every zone. There was disappointment that the bill which would have allowed Dreamers to become Police Officers did not pass.

Council Member Henney indicated Representative Kohler and Senator Winterton had stated they were advocates of local control, and he asked if they were outliers. Dias stated they had both been county commissioners and they felt strongly about local control, but they were lobbied by many different entities and were faced with making the right decision based on all the facts. Mayor Beerman stated he spoke with Representative Kohler and Senator Winterton many times and they were both very responsive and accountable.

2. Consideration to Approve Ordinance 2021-07, an Ordinance Amending Title 11, Building and Building Regulations, Chapter 16 Flood Damage, of the Municipal Code of Park City, Implementing New Mapping and Regulations for Flood Damage Prevention in the Areas of Special Flood Hazard:

John Robertson, City Engineer, stated this code amendment was to update the flood insurance program and FIRM maps to meet current FEMA requirements. He reviewed the history of the project to update the flood maps. He noted there were two changes in the City limits: Daly Avenue and Upper Swede Avenue were removed from the flood plain in their entirety. The Cochise Court area, which was in the floodplain, was prone to more regular floods and it was moved to a floodway status. He noted the floodplain insurance for homeowners in that area would not change. The challenge was that new development in a floodway area would have more restrictions.

Council Member Doilney appreciated the outreach staff had with homeowners in that area. Robertson noted the impact was only on the lot footprint for new development and would not affect interior remodels.

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

Council Member Doilney moved to approve Ordinance 2021-07, an ordinance amending Title 11, Building and Building Regulations, Chapter 16 Flood Damage, of the Municipal Code of Park City, implementing new mapping and regulations for flood damage prevention in the areas of special flood hazard. Council Member Worel seconded the motion.

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

VII) NEW BUSINESS

1. Consideration to Approve Ordinance No. 2021-12, an Ordinance Adopting an Adjusted Budget for FY 2021 for Park City Municipal Corporation:
Josh Miller, Jed Briggs, and Penny Frates, Budget Department, presented this item. Miller reviewed the budget needed to be amended for Public Works, Golf and Fleet Departments. The City needed to purchase a large golf cart fleet in the amount of $355,000, but the trade in value form the City's used carts would reduce the expense to $216,250. Council Member Worel asked if the old carts went to auction. Vaughn Robinson, Golf Manager, stated the old carts would be traded to the company that sold the new carts to the City. Council Member Gerber asked if there would be a delay due to COVID, to which Robinson stated the carts should arrive late April.

Frates indicated there were staffing vacancies. It was proposed to restructure some departments, which would require a $17,853 budget adjustment in the Golf Fund, a $371 budget adjustment in the Public Works, and a budget reduction of $414 in Fleet. Miller also stated some grants were received and they would be added to the FY21 budget.

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

Dias stated the organization restructure would allow greater efficiencies. He noted this structure now allowed upward mobility for future leaders within the City.

Council Member Joyce moved to approve Ordinance No. 2021-12, an ordinance adopting an Adjusted Budget for FY 2021 for Park City Municipal Corporation. Council Member Doilney seconded the motion.

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

2. Consideration to Approve Ordinance 2021-13, an Ordinance Amending Title 6, Chapter 3 - Noise, of the Municipal Code of Park City, Utah:
Michelle Downard, Resident Advocate, and Dave Thacker, Building Official, presented this item. Downard reviewed they studied other resort communities and came up with a baseline for noise. Tricia Lake, Assistant City Attorney, reviewed a code amendment eliminating outdoor music plazas was passed in 2019 and this amendment eliminating the noise exemption for music was necessary to comply with the ordinance passed in 2019. Council Member Gerber asked if the Miner's stage was still there. Downard stated the stage was removed along with three others around town. The elevated platform there now did not have shielding around it.

Mayor Beerman opened the public hearing.

Sean Kelleher via Zoom, stated there were a lot of cars touring around and it was troubling when the engines were revving. He requested the Council clarify that decibel levels associated with car noise get added to the code.

Mayor Beerman closed the public hearing.

Lake stated there were two codes that addressed motor vehicle noise and the noise ordinance was equipped to deal with that. The State Code also addressed that as well. Captain Phil Kirk indicated there were several complaints regarding exhaust noises on Main Street and in the Park Meadows area. He stated he would step up enforcement in the Old Town area. Council Member Henney asked if Captain Kirk had statistics on enforcement to date. Captain Kirk stated it was lower than a couple per month and noted that oftentimes the vehicles were gone by the time the police officers arrived.

Council Member Henney agreed with Kelleher that there was engine revving more frequently and he hoped it could be addressed. Captain Kirk indicated there was a motorcycle squad that could focus on that issue. Mayor Beerman asserted this problem was steadily growing and was getting worse as modified mufflers became trendy.

Thacker discussed the mechanical equipment amendment. He knew there was some equipment that didn't meet the decibel standard, but there was equipment that did meet the standard, so he recommended approving the elimination of the mechanical equipment exemption.

Council Member Henney asked if a homeowner could shield the equipment to reduce the noise. Thacker indicated a wall could be built around the equipment, but the noise would go up. Blankets could be put over the units, but it would reduce the life of the equipment. Council Member Worel asked if the existing equipment would be grandfathered in, to which Thacker affirmed. Council Member Doilney asked if incentives to change equipment would be put in place. Thacker stated he didn't think there was a need for incentives.

Mayor Beerman read a comment from Peter Tomai who stated the higher efficiency units were quieter and the City might want to consider incentives. Council asked that Cartin come to Council to discuss incentive possibilities.

Council Member Henney moved to approve Ordinance 2021-13, an ordinance amending Title 6, Chapter 3 - Noise, of the Municipal Code of Park City, Utah. Council Member Doilney seconded the motion.

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

3. Housing Department Update:
Jason Glidden, Affordable Housing Manager, presented this item. He reviewed a month ago Council requested that staff compile information on the Park City workforce to help determine what group to target for housing. He displayed a chart of types of jobs, hourly income and corresponding Area Median Income (AMI) percentages. The average AMI ranged from 29%-61%, depending on house size.

Council Member Gerber asked what the lowest and highest AMIs for the City's for-sale affordable housing projects were, to which Glidden responded 60%-120% depending on the housing development. Council Member Joyce stated there were four units at 60%, which wasn't including any of the workforce listed on the chart. Glidden asserted the workforce listed would be a better fit for an affordable rental unit.

Council Member Worel stated Council wanted the first responders and teachers included. Glidden stated they were included and were in the 50%-60% range for a family of four. Glidden addressed the concern of high construction costs in Park City, and attributed it to travel from the Salt Lake Valley, difficult staging, high sustainability features, materials, and strict design standards. He estimated the total construction cost increase was 35%-60% higher than construction costs in Salt Lake Valley. Council Member Doilney clarified material cost increases were not specific to Park City, to which Glidden agreed.

Council Member Worel indicated one contractor felt net zero requirements added a lot to the cost and the residents didn't care if the unit had that net zero benefit. Council

Member Doilney stated that was the City policy so it should be a non-issue. Council Member Joyce asserted policies put in place years ago should be reevaluated, especially since solar energy was coming to Park City which would eliminate the need for rooftop solar. Council Member Doilney liked solar panels in case things went wrong. Council Member Gerber thought solar panels could be reviewed, but the windows, insulation, etc. was necessary. Council Member Henney stated rooftop solar was discussed by Council on every project. He asked why developers asserted City projects cost more than private developments being built in the same location and noted he had a hard time believing it. Council Member Worel stated the reasons given were that all the developer floor plans were the same, the City sites were on steep slopes, etc. Mayor Beerman stated the difference would manifest itself in the RFQs.

Glidden reviewed some benefits of having public/private partnerships (PPP), including developers provided a better infrastructure solution, PPPs could result in faster project completion and reduced delays, risks with project feasibility were determined early, the project execution risks were transferred from the City to the private developer, and increased efficiencies resulted in extra funds being moved to other projects. Some cons of having PPPs included PPPs involved risks for the private developer, which would increase City costs, the City would reduce the possibility of profits or potential revenue generated from the project in the future, and the City would need to be flexible in design and other amenities to meet the private sector proforma needs.

Council Member Henney stated many developments owned by landlords were in bad shape because there was no concern for the health and safety of the tenants. He was concerned that private partnerships for rental models would be risky unless it was a partnership with Mountainlands Community Housing or Habitat for Humanity.

Glidden indicated the RFQ process would allow the City to develop a list of developers. The factors in the RFQ included the site was the Homestake location, it would have a 60% targeted AMI, it would be for rentals, the project would have 75-100 units with no more than 20% being market rate units, and other requirements, such as smaller unit sizes. He noted he submitted this proposal to the Housing Taskforce and was awaiting feedback.

Council Member Doilney stated he was comfortable having some market rate units and noted with market rate units, a lower AMI demographic could be reached. Regarding the RFQ, he thought the City should provide a site that was shovel ready. Council Member Gerber stated the goal was to create community with this project, and she felt the affordable and market rate units should be mixed instead of segregated. Council Member Worel indicated there was a segment of the community that thought the City should not build affordable housing. She wanted to show this segment who the recipients of this project would be. Council Member Henney thought the rental model changed the target demographic significantly. Council Member Gerber noted this demographic was needed in the community.

Council Member Joyce stated there were problems with having a mix of market rate and affordable units, such as deed restrictions and HOA fees, and asked how that would work. Glidden stated with this rental development the HOA fees would be included in the rent. Council Member Joyce cautioned against capping the maintenance fee increases because he thought that would create a slum. Glidden stated an HOA plan could be part of the RFQ.

Mayor Beerman stated many housing authorities owned the land and then when the project was obsolete the land would revert back to the entity for more housing or other community needs. He didn’t see it in the RFQ, but thought it was something that should be considered. He agreed with Council Member Doilney that the City should be responsible for the site prep, or at least the soil mitigation of its parcels. Council Member Joyce agreed and thought it should be part of the code. He didn't want the City to have rights that other developers didn't. Glidden assured Council that the City would cover the costs and help with the entitlement process. His concern was having a site that was completely entitled before the City knew what would be built on it. Council Member Joyce suggested language allowing the developer to put the soils in the City's repository. Council Member Worel asked how the RFQs would be evaluated. Glidden indicated there would be an evaluation committee. He would come back to Council to discuss how the RFQs would be scored and who would be on the committee.

Mayor Beerman opened the meeting for public input.

Pat Matheson, via Zoom stated he enjoyed participating in the taskforce and looked forward to seeing the RFQ.

Scott Loomis, Mountainlands Housing Executive Director, via Zoom stated the construction of affordable housing today was much better than 20-30 years ago and everything was Energy Star rated. He stated net zero might be a challenge, but the development would be high efficiency. He thought renters would pay more in rent if they were paying less in utilities. He also indicated affordable units were do-able. His other concern was the site couldn't justify 75-100 units, but would accommodate more like 50-60 units.

John Kenworthy, Planning Commissioner, stated the Commission worked hard to come up with the Affordable Master Planned Development guidelines. He stated his family built affordable units and the things that held the cost down was repetition, critical mass, and year-round employees so there was no need to sub out work. He felt lining up two or three projects for the contractors to work on would help decrease the project cost.

Mayor Beerman closed the public input portion of the meeting.

4. Private/Public Partnerships Discussion:
This item was discussed as part of New Business Item Three.

VIII) ADJOURNMENT

With no further business, the meeting was adjourned.

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Michelle Kellogg, City Recorder

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

March 18, 2021

The Council of Park City, Summit County, Utah, met in open meeting on March 18, 2021, at 3:45 p.m. The meeting was a remote, electronic meeting due to the declared public health emergency.

Mayor Beerman read the Determination of Substantial Health and Safety Risk.

Council Member Henney moved to close the meeting to discuss property, personnel, and litigation at 3:49 p.m. Council Member Worel seconded the motion.

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

CLOSED SESSION

Council Member Doilney moved to adjourn from Closed Meeting at 4:50 p.m. Council Member Worel seconded the motion.

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

WORK SESSION

<u>3Kings Water Treatment Plant (3KWTP) – Year One Construction Summary:</u>
Roger McClain, Public Utilities Manager, presented this item and displayed some slide presentations showing the progress of the current Public Utilities projects. He stated the 3KWTP would be completed by Spring 2023. Council Member Worel referred to the staff report that indicated there were 4,500 lost labor hours from COVID and asked if the project would be delayed. McClain stated the lost hours would not delay the project because different crews could work as others were isolated. Council Member Joyce was pleased that the golf course was minimally disturbed during construction. He thanked Golf and Water for making the adjustments.

McClain indicated there were other projects to support this project, including off-site utilities and SR-248 transmission line improvements that were installed from Wyatt Earp to Homestake and on SR-224 to the 3KWTP. The Spiro Tunnel Rehabilitation project was in progress as well. Council Member Joyce noted there were other issues that would need to be addressed with the tunnel. McClain stated most of the work would be inside the plant beginning next year.

Utah Community Renewable Energy Program Update:

Luke Cartin, Environmental Sustainability Manager, presented this item and gave an overview of the timeline for the City reaching its 100% Net Zero by 2030 goal, which was part of the Utah Community Renewable Energy Program. Currently, participating communities were in the process of signing a governing agreement. He discussed things that the agreement spelled out, including voting. Pre-program voting was based on one community/one vote with a majority passing, but there was an option for a weighted vote based on participation percentage. In post-program implementation, voting needed to be a supermajority of communities to pass, depending if the impact was greater or less than ten percent.

Cartin stated costs of the business program could not be shifted to non-participating rate payers. The communities would pay a combined total of $700,000 over two years. If the community resolution passed, the community would be reimbursed $8,338.41. After the program was adopted, each city would mail two notices to the community. He indicated Park City was designated as an anchor community which meant it would help pay the gap in the case that some communities backed out. Being an anchor community would increase the City’s voting power. He stated the expected cost for Park City was $38,000, but that amount was likely to be less.

Council Member Joyce stated $38,000 was fabulous for the value that would be received. Council Member Henney indicated the County felt that way as well. Council Member Worel stated this was another step in reaching the City's goal. Mayor Beerman reviewed a few years ago, Park City was the only community discussing net zero and now there were 20 communities that wanted to participate. He asked if the program would start designing in 2023. Cartin stated once the program was approved, an all-resource RFP could be put out for new renewables. He stated this summer the utilities would come out with a new 20-year plan and he thought they would be trending to cheap electricity that would not be risky.

REGULAR MEETING

I) ROLL CALL

Attendee Name	Status
Mayor Andy Beerman Council Member Max Doilney Council Member Becca Gerber	Present via technology

Council Member Tim Henney Council Member Steve Joyce Council Member Nann Worel Matt Dias, City Manager Mark Harrington, City Attorney Michelle Kellogg, City Recorder	
None	Excused

II) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communication Reports:

1. 2021 Wildfire Season Preparation Update:
Council Member Henney indicated the State declared a drought emergency. He suggested the City partner with the ski resorts for forest management. Mike McComb, Emergency Manager, indicated the community wildfire preparedness plan was reviewed and Deer Valley and Vail were great partners in developing the plan. They were also willing participants in helping reduce the wildfire risk to Park City. They would help determine areas of threat and the measures to be taken. Council Member Henney stated there were many in the community who were afraid of a wildfire that didn't know how Park City was different than other communities that had been destroyed by fires. He thought this was a good opportunity to educate the public. Council Member Worel asked if the planned clearing of Treasure Hill as well as the community fire drill planned for the fall should be pushed up, considering the urgency of the staff report. McComb stated the forest management was planned for fall because a spark from a chainsaw in the summer could cause a fire. The drill could be moved, but he didn't want it to conflict with events. He indicated he would work with the stakeholders on moving the date up.

2. Transportation Operations Update - Spring 2021:
Council Member Gerber noted the spring schedule would be April 11, and she requested it be changed by a day to coincide with resort closures. Sarah Pearce stated Transit would provide augmented service on the 11th to accommodate the workers.

Council Questions and Comments:
Council Member Gerber indicated she attended the Historic Park City Alliance (HPCA) and they discussed the Arts and Culture District. The board voted against using Additional Resort Sales Tax for the Arts and Culture District. Every board member stated they didn't have enough information. They were concerned there wouldn't be money for Main Street and some projects like the Brew Pub Lot Plaza and other Old Town improvements. They indicated they would do some visioning and come back with proposed lists of projects to prioritize. Council Member Gerber didn't think the Arts and

Culture District information was getting to the public. She also indicated she attended a Recycle Utah board meeting where they discussed the new recycle center.

Council Member Henney stated cross departmental collaboration was impressive and it was obvious that this new engagement was positive.

Council Member Doilney encouraged the community to ponder for greater understanding, especially as the community was considering the Arts and Culture District. He noted the Central Wasatch Commission (CWC) would have its summit tomorrow and there would be discussions on transit in the canyons and transportation pilot programs.

Council Member Joyce stated the County moved from high to moderate COVID transmission and Summit County was leading the state in vaccinations. The COVID vaccine would be available to all 18 years and older as of next Wednesday and people could go to any county to get it. He indicated the Joint Transportation Advisory Board (JTAB) met this week. The County was in state of change and their transportation program was starting. He encouraged community participation as the County meets to create transit schedules, etc. He also announced there would be a public hearing on the Arts and Culture District March 31st at 4:30 p.m.

Council Member Worel indicated the library would have a local author's program and she encouraged authors to apply. The library hours were reduced, but they hoped to return to normal hours as the weather improved. She also shared a correspondence from Janna Young, Assistant County Manager, regarding a COVID update.

Council Member Gerber stated another issue at the HPCA meeting was the subsidy of mailboxes for Old Town residents. Since the City had offered the subsidy, the post office began charging businesses for their mailboxes. She asked that staff look into that issue.

Mayor Beerman indicated he and the other Summit County mayors met with Blake Moore, U.S. Congressman representing Summit County. He noted today was National Transit Operations Day and he encouraged all to show these workers appreciation. He and Matt Dias discussed having in-person Council meetings beginning in May. Council Member Joyce stated he liked the hybrid meeting idea in the event that some of Council could not meet in person. Mayor Beerman indicated a policy might need to be changed to accommodate that. Dias affirmed he wanted to maintain flexibility with the meetings. Mayor Beerman indicated a Council retreat was being planned for May and it could be a mix of in-person and hybrid. He also noted the Kimball Arts Center opened in Kimball Junction and it was fantastic.

Dias stated a Community Leadership Lecture with the CEO of Alterra Mountain Company and Jeremy Levitt with Deer Valley Resort would be held at 7:00 p.m. on March 22nd and was open to the community.

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

Mayor Beerman opened the meeting for anyone who wished to comment or submit comments to the Council on items not included on the agenda. No comments were given. Mayor Beerman closed the public input portion of the meeting.

IV) CONSENT AGENDA

1. Request to Authorize the City Manager to Enter into a Five-Year Agricultural Lease with Bill White Farms, LLC, for Agricultural Services on the City-Owned McPolin and Peterson Open Space Parcels, in a Form Approved by the City Attorney:

2. Request to Authorize the City Manager to Enter into a Second Addendum for the Professional Services Agreement with Park Silly Sunday Market (PSSM) for Event Planner Services as Related to the Fourth of July Celebration in a Form Approved by the City Attorney in an Amount Not to Exceed $20,000.00:
Council Member Worel asked that the PSSM contract be flexible enough so if there wasn't a parade, the vendor could work on other activities. Dias indicated the City would only pay for services provided.

3. Request to Approve Rent Abatement for Tenants of City-Owned Properties through June, 2021 in the Amount of $12,122.00:

4. Request to Authorize the City Manager to Execute a Construction Agreement in a Form Approved by the City Attorney's Office with D.R.D. Paving L.L.C. for the Construction of the Lot G & F Stairs and Pathway Improvements in an Amount Not to Exceed $117,852.21:

5. Request to Authorize the City Manager to Execute a Professional Services Agreement in a Form Approved by the City Attorney's Office with Park City Historical Society and Museum, for a Two-Year Term with an Option to Renew for Another Two-Year Term, in an Amount Not to Exceed $25,000.00 per Year:

Council Member Doilney moved to approve the Consent Agenda. Council Member Worel seconded the motion.

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

V) NEW BUSINESS

1. Application was Withdrawn - Land Management Code (LMC) Amendment – Proposal to Amend the LMC to Address Shared Driveways and Common Parking Structures within the Historic Residential Medium Density Zoning District, Amending Chapter 15-2.4, Sections 15-13-2 and 15-13-8, and Chapter 15-15:
Mayor Beerman noted this item was publicly noticed, but the applicant had withdrawn the application, so it would not be discussed.

2. Consideration to Approve Ordinance 2021-14, an Ordinance Approving the 1203 Park Avenue Plat Amendment Located at 1203 Park Avenue, Park City, Utah:
Rebecca Ward, Land Use Planner, presented this item and indicated there was an encroachment on the library property, but the proposed plat amendment would eliminate that encroachment. The structure would be demolished, and a new structure would be built.

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

Council Member Joyce moved to approve Ordinance 2021-14, an ordinance approving the 1203 Park Avenue Plat Amendment located at 1203 Park Avenue, Park City, Utah. Council Member Doilney seconded the motion.

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

3. Consideration to Authorize the City Manager to Execute a Professional Services Agreement with MSW Consultants to Conduct a Safe, Efficient, and Data-Driven Waste Characterization Field Operation for Park City's Downtown Business Improvement District (BID), with an Additional Study to Analyze the Composition of Park City's Residential Waste, in an Amount Not to Exceed $37,000.00:
Luke Cartin and Celia Peterson, Environmental Sustainability Department, presented this item. Cartin indicated the study would cover Main Street businesses as well as residential waste characterization. He noted the County had distributed a waste RFP and Park City would be on the selection committee. There was an opt-in services section of the RFP that notified responders that they could also offer bulky item, green waste, food waste, glass, and other services. He stated a meeting would be set up with the County to discuss the RFP further.

Council Member Joyce asked if the consulting contract was an analysis on the types of waste, or would they also give recommendations. Cartin stated it was more of an analysis that staff could use to make recommendations. Council Member Joyce stated the restaurants on Main Street were concerned because the lack of space on Main Street made it hard to compost or sort waste.

Council Member Worel asked if someone needed to be brought in to help this community, which has many nightly rental guests, figure out how to prevent comingling. Cartin indicated one area that could be looked at in educating guests was through business licensing, and noted staff could make sure each nightly rental had a recycling plan.

Council Member Doilney thought this issue was timely. He stated it was hard to get groups to work together and he hoped Main Street would be an example for other groups as they worked together. Cartin stated both resorts were working on recycling and doing a great job. Council Member Doilney thought the resorts needed to partner with other organizations so all could reach their recycling goals. He thought pilot programs were necessary.

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

Council Member Joyce moved to authorize the City Manager to execute a professional services agreement with MSW Consultants to conduct a safe, efficient, and data-driven waste characterization field operation for Park City's Downtown Business Improvement District (BID), with an additional study to analyze the composition of Park City's residential waste, in an amount not to exceed $37,000.00. Council Member Doilney seconded the motion.

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

VI) ADJOURNMENT

With no further business, the meeting was adjourned.

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Michelle Kellogg, City Recorder

Agenda Item No:1.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Mike McComb
Submitting Department: Executive
Item Type: Staff Report
Agenda Section:

Subject:
Request to Authorize the City Manager to Execute a Three-Year Contract Agreement for Brainier Learning Management Software, in an Amount Not to Exceed $83,556.00, in a Form Approved by the City Attorney

Suggested Action:

Attachments:
Brainier Software Contract Staff Report

Exhibit A: Brainier Solutions Cyber PSA - Draft

City Council
Staff Report

Subject:	**Learning Management System Software Purchase**
Authors:	**Brooke Watters, HR Director, Mike McComb, Emergency Manager, Sarah Yonker, Safety & Training Administrator Transit**
Departments:	**HR & Emergency Management**
Date:	**TBD**
Type of Item:	**Administrative**

Summary Recommendation

Authorize the City Manager to enter into a contract, in a form approved by the City Attorney, for Brainier learning management software for 36 months, at a total cost of $83,556.00, or $25,852 per year, plus $6,000 in initial set-up fees. Brainier management software will offer an online training platform that is flexible, easily tracked, and integrated with our current time, attendance, and wages and benefits software.

Background

In December 2020, the company providing our current training occupational safety and health software, MSDSOnline, conducted a major upgrade. In the process, it disrupted access to City-developed safety training courses, staff training records, and other training resources for over 60 days. As a result, in February 2021, staff conducted an RFP for a new provider and selected Brainier Learning following a review of proposals. Of seven proposals, three were selected for interviews and demonstration of their software's capabilities.

The Brainier platform met all City departments' training needs, including safety, legal, and emergency management compliance. Additionally, the new demand for virtual training offers maximum flexibility for scheduling and completing required training.

Analysis

Park City is a professional organization that strives for safe working conditions in all City areas. Training classes in this software purchase include:

- **HR/Legal Compliance:** Respect in the workplace, legal and contracting ethics, supervisory training, staff onboarding, and miscellaneous HR training.
- **Safety/Safety Compliance:** All required worker safety training mandated by Occupational Safety and Health Administration (OSHA) / Utah Occupational Safety and Health (UOSH) through the Code of Federal Regulations and Utah State legislation, including: Asbestos Awareness, Blood Borne Pathogens, Confined Spaces, First Aid/CPR/AED, Electrical Safety, Spill Prevention and Control (Hazardous Materials), Emergency/Fire Prevention, Fall Protection, Fire Extinguishers, Material Handling, and Storage Procedures (Flammable/Comb Liquids), Emergency Response: Incidental Chemical Releases, Hazardous

Communications - GHS/SDS, Hoisting and Rigging, Lead Awareness, Lock-Out/Tag-Out, Compressed Gas Safety, Personal Protective Equipment (PPE), Powered Platforms (Scissor Lifts & Bucket Trucks), Powered Industrial Trucks (Fork Lifts), Hand and Power Tool Safety, Respiratory Protection, Welding, Cutting & Brazing, Slips, Trips, Falls, Ladder and Scaffolding Safety, Excavations & Trenches, Back, Hand & Eye Injuries, Defensive Driving, and Working in the Right of Way.

- **Emergency Management/NIMS Compliance:** Tracking required and completed training sessions from outside agencies, such as the Emergency Management Institute (EMI), Federal Emergency Management Agency (FEMA), and National Incident Management System (NIMS).
- **Information Technology:** Cybersecurity and information technology-specific training.
- **Other Departments:** Other required professional and mandated training, including regulatory training for Transit and Public Utilities.

Funding

The total cost of the 3-year agreement is $83,556.00. The cost includes a one-time $6,000 set-up fee, plus course content and access at $25,852 per year. These costs will be covered by $11,005 in the existing Self-Insurance fund and $15,000 in the IT budget. Brainier provides a much larger and updated course content library than our previous platform, which expands our professional development opportunities, on-the-job training, safety, and other relevant organizational development topics.

Department Review

The following departments have reviewed this staff report: Emergency Management, HR, Transit, Information Technology, Legal, and Executive.

Exhibits

Exhibit A – Brainier contract

PARK CITY MUNICIPAL CORPORATION
SERVICE PROVIDER/PROFESSIONAL SERVICES AGREEMENT - CYBER

This Service Provider/Professional Services Agreement - Cyber (the "Agreement") is made and entered into as of this ____ day of _____________, 2021, by and between **PARK CITY MUNICIPAL CORPORATION**, a Utah municipal corporation, ("City"), and **BRAINIER SOLUTIONS, INC., a Minnesota corporation,** ("Service Provider"), collectively, the City and the Service Provider are referred to as (the "Parties)."

WITNESSETH:

WHEREAS, the City desires to have certain services and tasks performed as set forth below requiring specialized skills and other supportive capabilities;

WHEREAS, sufficient City resources are not available to provide such services; and

WHEREAS, the Service Provider represents that the Service Provider is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise, where required, to perform the services and/or tasks set forth in this Agreement.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, the Parties hereto agree as follows:

1. SCOPE OF SERVICES.

The Service Provider shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance thereof, as are identified and designated as Service Provider responsibilities throughout this Agreement and as set forth in the "Scope of Services" attached hereto as **"Exhibit A"** and incorporated herein (the "Project"). The total fee for the Project shall not exceed **Eighty-Three Thousand, Five Hundred Fifty-six** Dollars ($83,556.00).

Service Provider shall abide by the requirements in **Exhibit "B" Technology Support, Infrastructure & Security** which is attached hereto and incorporated herein.

The Parties understand and agree that Service Provider's standard subscription agreement is used by Service Provider in the usual and normal course of business. For convenience, Service Provider's standard subscription agreement is attached hereto as **Exhibit "A"** and supplements this Agreement. To the extent any term of **Exhibit "A"** conflicts with any term of this Service Provider/Professional Services Agreement - Cyber, this Service Provider/Professional Services Agreement – Cyber shall control. Specifically, and in addition to all other terms, the Parties agree that this Agreement shall be governed by the State of Utah, as provided in Paragraph 19 below.

The City has designated Brooke Moss and Michael McComb, or his/her designee as City's Representatives, who shall have authority to act on the City's behalf with respect to this Agreement consistent with the budget contract policy.

2. **TERM**.

No work shall occur prior to the issuance of a Notice to Proceed which cannot occur until execution of this Agreement, which execution date shall be commencement of the term and the term shall terminate 36 months from implementation start date or earlier, as provided herein, unless extended by mutual written agreement of the Parties.

3. **COMPENSATION AND METHOD OF PAYMENT**.

A. Payments for services provided hereunder shall be made in accordance with the payment schedule.

B. No payment shall be made for any service rendered by the Service Provider except for services identified and set forth in this Agreement.

C. For all "extra" work the City requires, the City shall pay the Service Provider for work performed under this Agreement according to the schedule attached hereto as **Exhibit "C,"** or if none is attached, as subsequently agreed to by both Parties in writing.

D. The Service Provider shall submit to the City Manager or her designee on forms approved by the City Manager, an invoice for services rendered during the pay period. The City shall make payment to the Service Provider within thirty (30) days thereafter. Requests for more rapid payment will be considered if a discount is offered for early payment. Interest shall accrue at a rate of six percent (6%) per annum for services remaining unpaid for sixty (60) days or more.

E. The Service Provider reserves the right to suspend or terminate work and this Agreement if any unpaid account exceeds sixty (60) days.

F.

4. **RECORDS AND INSPECTIONS**.

A. The Service Provider shall maintain books, records, documents, statements, reports, data, information, and other material with respect to matters covered, directly or indirectly, by this Agreement, including (but not limited to) that which is necessary to sufficiently and properly reflect all direct and indirect costs related to the performance of this Agreement, and shall maintain such accounting procedures and practices as may be necessary to assure proper accounting of all funds paid pursuant to this Agreement.

B. The Service Provider shall retain all such books, records, documents, statements, reports, data, information, and other material with respect to matters covered, directly or indirectly, by this Agreement for six (6) years after expiration of the Agreement.

C. The Service Provider shall, at such times and in such form as the City may require, make available for examination by the City, its authorized representatives, the State Auditor, or other governmental officials authorized by law to monitor this Agreement all such books, records, documents, statements, reports, data, information, and other material with respect to matters covered, directly or indirectly, by this Agreement. The Service Provider shall permit the City or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The City may, at its discretion, conduct an audit at its expense, using its own or outside auditors, of the Service Provider's activities, which relate directly or indirectly to this Agreement.

D**.** The City is subject to the requirements of the Government Records Access and Management Act, Chapter 2, Title 63G, Utah Code, 1953, as amended and Park City Municipal Code Title 5 ("GRAMA"). All materials submitted by Service Provider pursuant to this Agreement are subject to disclosure unless such materials are exempt from disclosure pursuant to GRAMA. The burden of claiming an exemption from disclosure rests solely with Service Provider. Any materials for which Service Provider claims a privilege from disclosure based on business confidentiality shall be submitted marked as "confidential - business confidentiality" and accompanied by a concise statement from Service Provider of reasons supporting its claim of business confidentiality. Generally, GRAMA only protects against the disclosure of trade secrets or commercial information that could reasonably be expected to result in unfair competitive injury. The City will make reasonable efforts to notify Service Provider of any requests made for disclosure of documents submitted under a claim of confidentiality. Service Provider specifically waives any claims against the City related to any disclosure of materials pursuant to GRAMA.

5. INDEPENDENT CONTRACTOR RELATIONSHIP.

A. The Parties intend that an independent Service Provider/City relationship will be created by this Agreement. No agent, employee, or representative of the Service Provider shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the Service Provider are not entitled to any of the benefits the City provides for its employees. The Service Provider will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.

B. In the performance of the services herein contemplated, the Service Provider is an independent contractor with the authority to control and direct the performance of the details of the work, however, the results of the work contemplated herein must meet the approval of the City and shall be subject to the City's general rights of inspection and review to secure the satisfactory completion thereof.

6. SERVICE PROVIDER EMPLOYEE/AGENTS.

The City may at its sole discretion require the Service Provider to remove an employee(s), agent(s), or representative(s) from employment on this Project. The Service Provider may, however, employ that (those) individuals(s) on other non-City related projects.

7. **HOLD HARMLESS INDEMNIFICATION**.

A. The Service Provider shall indemnify and hold the City and its agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, in connection with, or incident to the execution of this Agreement and/or the Service Provider's negligent performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Service Provider; and provided further, that nothing herein shall require the Service Provider to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence of the City, its agents, employees, and/or officers. The Service Provider expressly agrees that the indemnification provided herein constitutes the Service Provider's limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of Service Provider claims or recovers compensation from the City for a loss or injury that Service Provider would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the Parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

B. No liability shall attach to the City by reason of entering into this Agreement except as expressly provided herein.

8. **INSURANCE**.

The Service Provider shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, their agents, representatives, employees, or subcontractors. The Service Provider shall provide a Certificate of Insurance evidencing:

A. General Liability insurance written on an occurrence basis with limits no less than One Million Dollars ($1,000,000) per occurrence and Three Million Dollars ($3,000,000) aggregate for personal injury, bodily injury and property damage.

The Service Provider shall increase the limits of such insurance to at least the amount of the Limitation of Judgments described in Section 63G-7-604 of the Governmental Immunity Act of Utah, as calculated by the state risk manager every two years and stated in Utah Admin. Code R37-4-3.

B. Automobile Liability insurance with a combined single limit of not less than Two Million Dollars ($2,000,000) each accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance, and use of owned, hired, and non-owned motor vehicles. This policy must not contain any exclusion or limitation with respect to loading or unloading of a covered vehicle.

C. Professional Liability (Errors and Omissions) insurance (if applicable) with annual limits no less than One Million Dollars ($1,000,000) per occurrence. Service Provider agrees to continue to procure and maintain professional liability insurance coverage meeting these requirements for the applicable period of statutory limitation of claims (or statute of repose, if applicable) after the project completion or termination of this Agreement.

If written on a claims-made basis, the Service Provider warrants that the retroactive date applicable to coverage precedes the effective date of this agreement; and that continuous coverage will be maintained for an extended reporting period endorsement (tail coverage) will be purchased for a period of at least three (3) years beginning from the time that work under this agreement is complete.

D. Workers Compensation insurance and Employers Liability coverage with Workers Compensation limits complying with statutory requirements, and Employer's Liability Insurance limits of at least One Million Dollars ($1,000,000) each accident, One Million Dollars ($1,000,000) for bodily injury by accident, and One Million Dollars ($1,000,000) each employee for injury by disease.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Park City Municipal Corporation for all work performed by the Service Provider, its employees, agents and subcontractors.

E. Data Breach and Privacy/Cyber Liability Insurance including coverage for failure to protect confidential information and failure of the security of the Service Provider's computer systems or the City's systems due to the actions of the Service Provider which results in unauthorized access to the City's data. The limit applicable to this policy shall be no less than Five Million Dollars ($5,000,000) per occurrence, and must apply to incidents related to the Cyber Theft of the City's property, including but not limited to money and securities.

F. Technology Errors and Omissions Insurance with a limit of no less than Five Million Dollars ($5,000,000) for damages arising from computer related services including but not limited to the following:

- Consulting;
- Data Processing;
- Programming;
- System Integration;
- Hardware or Software Development;

- Installation;
- Distribution or Maintenance;
- Systems Analysis Or Design;
- Training; and
- Staffing or Other Support Services.

The policy shall include coverage for third party fidelity including cyber theft. It is acceptable that the Data Breach and Privacy / Cyber Liability Insurance and Technology Errors and Omissions insurance be provided on the same policy. All policies must include a waiver of subrogation in favor of the City.

G. Park City Municipal Corporation, its officers, officials, employees, and volunteers are to be covered as additional insureds on general liability and auto liability insurance policies, with respect to work performed by or on behalf of the Service Provider including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Service Provider and a copy of the endorsement naming the City as an additional insured shall be attached to the Certificate of Insurance.

Should any of the above described policies be cancelled before the expiration date thereof, Service Provider shall deliver notice to the City within thirty (30) days of cancellation. The City reserves the right to request certified copies of any required policies.

H. The Service Provider's insurance shall contain a clause stating that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

I. For any claims related to this Service Provider/Professional Services Agreement, the Service Provider's insurance coverage shall be primary insurance coverage with respect to Park City Municipal Corporation, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by Park City Municipal Corporation, its officers, officials, employees, or volunteers shall be excess of the Service Provider's insurance and shall not contribute with it.

9. <u>TREATMENT OF ASSETS</u>.

Title to all property furnished by the City shall remain in the name of the City and the City shall become the owner of the work product and other documents, if any, prepared by the Service Provider pursuant to this Agreement (contingent on City's performance hereunder).

10. <u>COMPLIANCE WITH LAWS AND WARRANTIES</u>.

A. The Service Provider, in the performance of this Agreement, shall comply with all applicable federal, state, and local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

B. Unless otherwise exempt, the Service Provider is required to have a valid Park City business license.

C. The Service Provider specifically agrees to pay any applicable fees or charges which may be due on account of this Agreement.

D. If this Agreement is entered into for the physical performance of services within Utah, the Service Provider shall register and participate in E-Verify, or an equivalent program. The Service Provider agrees to verify employment eligibility through E-Verify, or an equivalent program, for each new employee that is employed within Utah, unless exempted by Utah Code § 63G-12-302.

E. Service Provider shall be solely responsible to the City for the quality of all services performed by its employees or sub-contractors under this Agreement. Service Provider hereby warrants that the services performed by its employees or sub-contractors will be performed substantially in conformance with the standard of care observed by similarly situated companies providing services under similar conditions.

11. NONDISCRIMINATION.

A. The City is an equal opportunity employer.

B. In the performance of this Agreement, Service Provider will not discriminate against any qualified person in matters of compensation and other terms, privileges, and conditions of employment because of: race, color, religion, sex (including pregnancy, childbirth, pregnancy-related conditions, breastfeeding, or medical conditions related to breastfeeding), national origin, age (40 or older), disability, genetic information, sexual orientation, gender identity, or protected expressions. Service Provider shall take such action with respect to this Agreement as may be required to ensure full compliance with local, State and federal laws prohibiting discrimination in employment.

C. Service Provider will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, color, religion, sex (including pregnancy, childbirth, pregnancy-related conditions, breastfeeding, or medical conditions related to breastfeeding), national origin, age (40 or older), disability, genetic information, sexual orientation, gender identity, or protected expressions.

D. If any assignment or subcontracting has been authorized by the City, said assignment or subcontract shall include appropriate safeguards against discrimination. The Service Provider shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

12. ASSIGNMENTS/SUBCONTRACTING.

A. The Service Provider shall not assign its performance under this Agreement or any portion of this Agreement without the written consent of the City, and it is further agreed that said consent must be sought in writing by the Service Provider not less than thirty (30) days prior to the date of any proposed assignment. The City reserves the right to reject without cause any such assignment. Any assignment made without the prior express written consent of the City, as required by this paragraph, shall be deemed null and void.

B. Any work or services assigned hereunder shall be subject to each provision of this Agreement and proper bidding procedures where applicable as set forth in local, state or federal statutes, ordinance and guidelines.

C. Any technical/professional service subcontract not listed in this Agreement, must have express advance approval by the City.

D. Each subcontractor that physically performs services within Utah shall submit an affidavit to the Service Provider stating that the subcontractor has used E-Verify, or an equivalent program, to verify the employment status of each new employee, unless exempted by Utah Code § 63G-12-302.

13. CHANGES.

Either party may request changes to the scope of services and performance to be provided hereunder, however, no change or addition to this Agreement shall be valid or binding upon either party unless such change or addition be in writing and signed by both Parties. Such amendments shall be attached to and made part of this Agreement.

14. PROHIBITED INTEREST, NO THIRD PARTY RIGHTS AND NO GRATUITY TO CITY EMPLOYEES.

A. No member, officer, or employee of the City shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

B. Nothing herein is intended to confer rights of any kind in any third party.

C. No City employee who has procurement decision making authority and is engaged in the procurement process, or the process of administering a contract may knowingly receive anything of value including but not limited to gifts, meals, lodging or travel from anyone that is seeking or has a contract with the City.

15. MODIFICATIONS TO TASKS AND MISCELLANEOUS PROVISIONS.

A. All work proposed by the Service Provider is based on current government ordinances and fees in effect as of the date of this Agreement.

B. Any changes to current government ordinances and fees which affect the scope or cost of the services proposed may be billed as an "extra" pursuant to Paragraph 3(C), or deleted from the scope, at the option of the City.

C. The City shall make provision for access to the property and/or project and adjacent properties, if necessary for performing the services herein.

16. TERMINATION.

A. If the Service Provider fails to perform in the manner called for in this Agreement, or if the Service Provider fails to comply with any other provisions of the Agreement and fails to correct such noncompliance within three (3) days' written notice thereof, the City may immediately terminate this Agreement for cause. Termination shall be effected by serving a notice of termination on the Service Provider setting forth the manner in which the Service Provider is in default. The Service Provider will only be paid for services performed in accordance with the manner of performance set forth in this Agreement.

17. NOTICE.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the Parties below. Notice is effective upon the date it was sent, except that a notice of termination pursuant to Paragraph 16 is effective upon receipt. All reference to "days" in this Agreement shall mean calendar days.

18. ATTORNEYS FEES AND COSTS.

If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney's fees and other costs incurred in connection with that action or proceeding.

19. JURISDICTION AND VENUE.

A. This Agreement has been and shall be construed as having been made and delivered within the State of Utah, and it is agreed by each party hereto that this Agreement shall be governed by the laws of the State of Utah, both as to interpretation and performance.

B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement, or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Summit County, Utah.

20. SEVERABILITY AND NON-WAIVER.

A. If, for any reason, any part, term, or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If it should appear that any provision hereof is in conflict with any statutory provision of the State of Utah, said provision which may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform in such statutory provisions.

C. It is agreed by the Parties that the forgiveness of the non-performance of any provision of this Agreement does not constitute a subsequent waiver of the provisions of this Agreement. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

21. ENTIRE AGREEMENT.

The Parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both Parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both Parties recognize time is of the essence in the performance of the provisions of this Agreement.

22. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

23. ELECTRONIC SIGNATURES.

Each party agrees that the signatures of the parties included in this Agreement, whether affixed on an original document manually and later electronically transmitted or whether affixed by an electronic signature through an electronic signature system such as DocuSign, are intended to authenticate this writing and to create a legal and enforceable agreement between the parties hereto.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

PARK CITY MUNICIPAL CORPORATION, a
Utah municipal corporation
445 Marsac Avenue
Post Office Box 1480
Park City, UT 84060-1480

____
Matt Dias, City Manager

Attest:

____
City Recorder's Office

Approved as to form:

____
City Attorney's Office

BRAINIER SOLUTIONS, INC., a Minnesota corporation
7801 E Bush Lake Rd
Edina, MN 55439

Tax ID#: ____________________

PC Business License# BL______________

____
Signature

____
Printed name

____
Title

THE CITY REQUIRES THE SERVICE PROVIDER TO COMPLETE EITHER THE NOTARY BLOCK OR THE UNSWORN DECLARATION, WHICH ARE BELOW.

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ____ day of ________________, 2021, personally appeared before me ______________________________, whose identity is personally known to me/or proved to me on the basis of satisfactory evidence and who by me duly sworn/affirmed, did say that he/she is the __________________________ (*title or office*) of BRAINIER SOLUTIONS, INC., a Minnesota limited liability company), by authority of its Operating Agreement/Member Resolution, and acknowledged that he/she signed it voluntarily for its stated purpose as ________________________ (title) for BRAINIER SOLUTIONS, INC., a Minnesota limited liability company.

____
Notary Public

I declare under criminal penalty under the law of Utah that the foregoing is true and correct.
Signed on the ___ day of ________________, 2021, at
____ (insert State and County here).

Printed name ____

Signature: ____

EXHIBIT "A"

SCOPE OF SERVICES

The Brainier LMS will include access to the following courses:

Asbestos Awareness, PCMC - Blood Borne Pathogens, PCMC - Confined Spaces, First Aid/CPR/AED, Electrical Safety, Spill Prevention and Control (Hazardous Materials), PCMC - Emergency/Fire Prevention, Fall Protection, PCMC - Fire Extinguishers, Material Handling and Storage Procedures (Flammable/Comb Liquids), Emergency Response: Incidental Chemical Releases, PCMC - Hazardous Communications - GHS/SDS, Hoisting and Rigging, Lead Awareness, PCMC - Lock-Out/Tag-Out, Compressed Gas Safety, PCMC - Personal Protective Equipment (PPE), PCMC - Powered Platforms (Scissor Lifts & Bucket Trucks), Powered Industrial Trucks (Fork Lifts), Hand and Power Tool Safety, Respiratory Protection, Welding, Cutting & Brazing, PCMC - Slips, Trips, Falls, Ladder and Scaffolding Safety, PCMC - Excavations & Trenches, PCMC - Back, Hand & Eye Injuries, PCMC - Defensive Driving, Working in the Right of Way (ROW)

EXHIBIT "A-1"

ADDITIONAL SCOPE OF SERVICES

Brainier Subscription Agreement

This Brainier Subscription Agreement ("Agreement") is dated _______________, ("Effective Date"), and is by and between Brainier Solutions Inc. with principal offices at 7801 E. Bush Lake Road, Minneapolis, Minnesota 55439 and Park City Municipal Corporation, with principal offices at 445 Marsac Avenue, Park City, UT 840 ("Customer") and detailed as follows:

BRAINIER LMS – SUBSCRIPTION INCLUSIONS

- ☑ *LICENSE TO USE BRAINIER LMS.* The Subscription includes an enterprise license for up to six hundred (600) learners to have access to the *BRAINIER* Learning Management System ("LMS")
- ☑ *UPDATES & ENHANCEMENTS.* An enterprise license includes all feature enhancements, updates & patches to the LMS.
- ☑ *COURSE CREATION.* Provides Customer the flexibility to create course curricula by importing SCORM content, embedding videos, uploading files, and tailoring course set-up; *plus* the LMS permits the creation of live classroom events and job succession plans.
- ☑ *INTERACTIVE SOCIAL LEARNING.* Allows all learners interactive communication through private messaging, forums and streams for real-time learner course subject matter collaboration through tagging, commenting, rating, sharing, following and recommending.
- ☑ *CUSTOMIZABLE USER INTERFACE.* Permits Users to customize their home page for personalization.
- ☑ *REPORTING PACKAGE.* The enterprise license to the LMS includes a comprehensive reporting package.
- ☑ *LEARNER SUPPORT.* Learner course support and technical assistance support, including: implementation support, train-the-trainer sessions, course recommendations, competency and course mapping for all administrators and learners.
- ☑ *ADMINISTRATION.* Ability to create, track and assign courses to all users and groups.
- ☑ *DATA STORAGE.* Enterprise license includes unlimited cloud storage space.
- ☑ *LOOK & FEEL.* LMS look and feel can be uniformly customized throughout the LMS system in all areas such as navigation, fonts & icons
- ☑ *LEARNER CONFERENCE.* Free entry for one (1) Customer administrator to discover the latest trends in on-line learning. Optimize use of the LMS by collaborating with other Brainier clients and power learners in other industries to discuss best practices and to engage learners with new ideas and solutions.

By signing below, the parties agree to the terms of this BRAINIER SUBSCRIPTION AGREEMENT, Subscription Inclusions, and Subscription Terms & Optional Content Packages included with this Subscription Agreement as set forth above in addition to the following Terms & Conditions.

Brainier Solutions, Inc.:

Customer:

Signature: ______________________ Signature: ______________________

Name: ______________________ Name: ______________________

Title: ______________________ Title: ______________________

Date: ______________________ Date: ______________________

Subscription Terms & Optional Content Purchase Terms			
Enterprise Subscription Terms		**Content Package Terms**	
Subscription Term:	36 Months	Content License Term:	3 Months
Implementation Fee:	$6,000	Content Provider:	Prositions
Active Users :	600	Content Description:	Leadership, Management & Support Library
LMS User Access per Year	$15,852	Total Content Investment	Included
TOTAL 36 Mos. LMS User Access:	$47,556	Content License Terms:	3 Months
Total LMS Investment:	$53,556	Content Provider:	Skillsoft
		Content Description:	11 Course HR Bundle
		Total Content Investment	Included
		Content License Term:	12 Months
		Content Provider:	hsi-Martech
		Content Description:	Workplace Safety Essentials
		Total Content Investment	$10,000

Terms & Conditions

1. Definitions. The following terms have the following meanings:

1.1 "Brainier LMS" or "Licensor" means the cloud-based Learning Management System and all included hosted software modules and included content, as applicable, made available by Licensor for access by Customer through the Subscription Service, whether owned by or licensed to Licensor.

1.2 "Confidential Information" means any non-public information disclosed by one party to the other party that is: (a) at the time of disclosure identified or marked as confidential or proprietary information; or (b) by its nature and the circumstances should be considered, or is reasonably obvious to be confidential information, in all cases including, but not limited to, information regarding either party's technology, strategy, operations, finances, sales, supply chain, transactions and customers.

1.3 "Content" means any and all courseware licensed for use to Customer, the ownership of which is retained by Brainier or its licensors.

1.4 "Courseware" means only the specific subject matter created by Licensor or its licensors that is the subject of a mutually agreed upon Statement of Work, proposal or investment summary. (Collectively "Course(s)")

1.5 "Customer Supplied Content" means any information, data, user information, training materials and all other customer supplied information processed through, uploaded, or submitted by Customer to the LMS. Any Intellectual Property Rights in connection with Content provided by Customer shall be and remain the exclusive property of Customer.

1.6 "Active User" means any user authorized by the terms of the Subscription to use the LMS and eligible for log-in during the quarter or other term specified in this agreement. The number of authorized Active users is set forth in the Subscription Inclusions and will be billed according to the payment schedule.

1.7 "Intellectual Property Rights" means common law or statutory: (a) patents, patent applications, and patent rights; (b) rights associated with original works, authorship, moral rights, copyrights and all their exclusive rights; (c) rights relating to the protection of trade secrets and Confidential Information; and (d) now existing or hereafter filed, issued or acquired intellectual property rights.

1.8 "Proposal" means a document including a Statement of Work and investment summary mutually executed by the parties that by its terms is incorporated into this Agreement and describes the Services to be provided by Licensor.

1.9 "Proprietary Tools" means technology that Licensor makes, creates, conceives, invents or develops at any time for any reason including Licensor's or its licensor's products, services, technologies, original works, documents, information, designs, designations, discoveries, inventions, data whether in computer readable form or otherwise, methods, formulae, tools, computer programs (including source code) and other items that are possessed, used, made, created, authored, conceived, invented, disclosed or developed by Licensor.

1.10 "Services" means the services including the Subscription Service provided pursuant to this Agreement and, if applicable, a Statement of Work.

1.11 "Subscription" or "Subscription Service" means the Learning Management System or LMS and all online or web-based services included with the LMS that is hosted, served, or managed by Licensor or a third-party service provider on behalf of Licensor and provided to Customer.

2. Scope of Subscription; Term License; Restrictions. Licensor grants Customer a non-exclusive, non-transferable, worldwide, term license on a hosted basis to use and access the LMS, all included functionality of the LMS, and any purchased Optional Courses for Customer's Active Users; all of which is subject to the terms of this Subscription Agreement.

This license grant does not grant Customer (a) the right to allow third party vendors, outsourcers or any other third party to use or access the LMS, except for Active Users or with Licensor's written consent, (b) to modify or reverse engineer the LMS; or (c) any right, title, or interest in the LMS, any functionality or any Courses except for the license grant for the Subscription Service and any updates, upgrades or modifications that are included in this Agreement and which shall remain Licensor Proprietary Tools. Customer will not lease, loan, resell, distribute, transfer or otherwise grant any rights in the Subscription Service or Licensor's Proprietary Tools in any form to any other party who is not an authorized Active user.

3. Content. Customer retains all right and title in all content provided to Licensor by or on behalf of Customer for Course(s) including but not limited to text and media files, all Customer Supplied Content including text and media files, and all Content specifically and solely created solely for Customer except that if Content includes stock images or Content licensed from third parties then third party licensing

rights to use such Content will be transferred to Customer but only to the extent applicable.

4. HOSTING. During the term of the Subscription Service, Licensor shall host, operate, and maintain the Subscription Service in the AWS S3 Global Cloud Hosting. The Subscription Service will be made available to Customer twenty-four (24) hours a day, seven (7) days a week excluding: (a) down time for scheduled network, hardware or service maintenance and/or upgrades, or (b) down time caused by internet failures or delays involving hardware or software not within Licensor's reasonable control. In no event will scheduled maintenance or upgrades occur Monday through Friday, between the hours of 8:00 am and 7:00 pm Central Standard Time.

5. DATA SECURITY. Licensor will maintain, implement and enforce safety and security procedures in operating the Subscription Service that are equal to or better than industry standards for such networks but in any case in accordance with a reasonable standard of care. Licensor must continually implement and keep current such security and safety procedures for the Subscription Service.

6. BACK-UP. Licensor shall perform routine backups of the Subscription Service, including Customer Supplied Content. In the event any Customer Supplied Content is corrupted, lost, or deleted from the Subscription Service, Licensor shall use all reasonable efforts to restore any Customer Supplied Content from backup media as soon as commercially practicable.

7. BUSINESS CONTINUITY PLAN. Licensor warrants that it has developed and will at all times during the term of this Agreement maintain a Business Continuity Plan. Such BCP plan ensures that the Subscription Service continues unaffected and in accordance with the Agreement.

8. SUPPORT. Licensor will furnish Customer with standard Active User and technical telephone and e-mail support from Monday thru Friday, 7:00am to 6:00pm CST except generally recognized holidays unless otherwise agreed upon in writing.

9. PAYMENT TERMS. Licensor shall invoice Customer and Customer agrees to pay Licensor based on the fees and expenses set forth in this Agreement within thirty (30) days of the date of each invoice. Active Users in excess of the number specified in this agreement as specified in the Subscription Terms shall be billed at the rate of $2.20 per Active user per month.

10. CUSTOMER CONFIDENTIAL INFORMATION. Customer's Content shall be and remain the confidential information of Customer. Licensor shall keep all Customer Content in strict confidence and shall not without Customer's prior written consent, disclose, publish, or disseminate any Customer confidential information except for purposes relating to Licensor's operation and maintenance of the Subscription and except for Content accessed by Active Users.

11. TERM; TERMINATION & RENEWAL. The Term of this Agreement shall commence on the Effective Date and shall continue in effect for thirty six (36) months from the Effective Date ("Initial Term"). After the expiration of the Initial Term (or a Renewal Term), this Agreement and the Subscription Service shall automatically renew for additional one (1) year terms ("Renewal Term(s)") unless terminated by either party on written notice three (3) months prior to the end of the Initial Term or Renewal Term, as applicable.

Unless Customer enters into a new Subscription Service Agreement with Licensor, the Subscription Service fee may, at Licensor's option, increase by three percent (3%) for Renewal Term(s). After the expiration of the Initial Term, either party may terminate this Agreement for any reason upon ninety (90) day's written notice. Either party may terminate this Agreement for cause upon thirty (30) day's written notice specifying the basis for the termination if the other party breaches any provision of this Agreement.

12. LIMITATION OF LIABILITY. NEITHER PARTY WILL BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, OR INCIDENTAL DAMAGES OF ANY KIND. IN NO EVENT SHALL EITHER PARTY'S LIABILITY FOR ANY OTHER REASON WHATSOEVER EXCEED IN THE AGGREGATE THE SUM OF ONE MILLION DOLLARS ($1,000,000.00).

13. FORCE MAJEURE. The duties and obligations of the parties hereto shall be excused upon, and neither party shall be liable to the other for, any failure to fully or partially perform resulting from the occurrence of an "Event of Force Majeure". An "Event of Force Majeure" shall mean any act, cause, contingency or circumstance beyond the reasonable control of the party invoking this clause, including, without limitation, acts of God, labor strike, labor dispute, lockout, civil disorder, terrorism or perceived terrorist threat, disaster, interruption of communication services, governmental actions or regulation, or other emergency making it inadvisable, unsafe, impossible, or illegal to perform under the Agreement.

14. GOVERNING LAW. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed under the laws of the states of Utah and Minnesota without reference to its principles of choice of law. Licensor and Customer hereby irrevocably submit to the exclusive personal jurisdiction and venue of the District Court for the County of Hennepin, State of Minnesota over any such action, suit, or proceeding unless such matter is removed to Federal Court in the State of Minnesota; and then in such event, Licensor and Customer hereby irrevocably submit to the exclusive personal jurisdiction and

venue of the United States District Court for the District of Minnesota.

15. <u>Off-the-Shelf Content Usage</u>. If at any time during this agreement, the Customer chooses to purchase off-the-shelf content, the Customer agrees to restrict access to said content for use by Customer and its affiliates only, for the users specified above or in subsequent amendments to the agreement for the agreed upon term. Customer will use reasonable efforts to monitor usage and report usage over the specified number to Brainier on a quarterly basis through the term of this agreement. At the end of the term, Customer will remove access to content or the content agreement will automatically renew for an additional year from the date courses are available.

PAYMENT SCHEDULE: For contracts beginning (Month, Day Year)		
DATE	DESCRIPTION	AMOUNT
	Onetime Implementation Fee	$6,000.00
	Year 1 LMS Access Fee	$15,852.00
	Year 1 hsi-Martech Safety Content Fee	$10,000.00
	Year 2 LMS Access Fee	$15,852.00
	Year 2 hsi-Martech Safety Content Fee	$10,000.00
	Year 3 LMS Access Fee	$15,852.00
	Year 3 hsi-Martech Safety Content Fee	$10,000.00

EXHIBIT "B"
Technology Support, Infrastructure & Security

1. Definitions

"City Data" / "information" is any data provided, shared, created or managed by the City.

"Service Provider" Is the contract holder that manages employees, contractors or affiliates having access to Park City Municipal Corporation infrastructure or data for specific defined purpose.

"Process, Processed, or Processing" means any operation or set of operations performed upon City Data, whether or not by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying the data.

"Data Masking" The process of modifying records to conceal City Data, especially when such records are copied from a production environment to a non-production environment.

"The Information Technology Department" is responsible for the administration of this policy. If you have any questions regarding this policy, please contact the Information Technology Department 435-615-5123, 5123@parkcity.org.

"Service Provider's Third Party Security Auditor" is defined as a third party organization which provides security audits of Service Provider's Information Processing Systems.

"Provider" is defined as any company supplying a service for Service Provider's Information Processing System (such as a Data Center, Managed Service, or Data Circuit).

"Security Breach" is defined as an unauthorized access to Service Provider's software or Data Center facilities, Information Processing Systems or networks used to service, store, or access City Data.

"Sensitive Information" is defined as any Personally Identifiable Information or any information not publicly available (i.e. – clients, passwords, financial information, employee information, schedules, technology infrastructure, closed reports, draft notes, etc.).

"Written Request of the City" is defined as a request received by Service Provider by a City on official letter head signed by an officer of the City.

2. Information Classification

Classification is used to promote proper controls for safeguarding the confidentiality of information. Regardless of classification the integrity and accuracy of all classifications of information must be protected. The classification assigned and the related controls applied are dependent on the sensitivity of the information. Information must be classified according to the most sensitive detail it includes. Information recorded in several formats (e.g., source document, electronic record, report) must have the same classification regardless of format. The following levels are to be used when classifying information:

3. Internal Information

Internal Information is intended for unrestricted use within PCMC, and in somecases within affiliated organizations such as Service Provider business partners for non-sales purposes. This type of information is already widely-distributed within PCMC, or it could be so distributed within the organization without advance permission from the information owner. Examples of Internal Information may include: personnel directories, internal policies and procedures, most internal electronic mail messages.

Any information not explicitly classified as Sensitive Information, PII or Public will, by default, be classified as Internal Information.

Unauthorized disclosure of this information is not permitted.

4. Public Information

Public Information has been specifically approved for public release by a designated authority within each entity of Service Provider. Examples of Public Information may include material posted to approved public internet web pages.

This information may be disclosed outside of Service Provider.

5. Security Policy

Formal Security Policy. Consistent with the requirement of this Document, Service Provider will create and provide to City an information security policy that is approved by Service Provider's management, published and communicated and agreed to be adhered to by all Service Provider's employees, contractors and affiliates.

Security Policy Review. Service Provider will review the information security policy at planned intervals or if significant changes occur to ensure its continuing suitability, adequacy, and effectiveness and may revise such policy, from time to time. Changes resulting in a lower standard of security or service must be agreed to by PCMC prior to adoption.

6. Asset Management.

Acceptable Use. Service Provider will implement policies and procedures for the acceptable use of information and assets which is no less restrictive than industry best practice for the classification of such Information and consistent with the requirements of this Document.

Equipment Use While on City Premises. While on City's premises, Service Provider will not connect hardware (physically or via a wireless connection) to City internal systems or networks unless necessary for Service Provider to perform Processing under this Document. This hardware is subject to be inspected and, or, scanned by PCMC IT Department directly or by automated means before use.

Personally-owned Equipment: Sensitive Information, with the exception of Business Contact Information, may not be stored on any employee owned equipment.

7. Human Resources Security

Removal of Access Rights. The access rights of all Service Provider employees to Service Provider Information Processing Systems or media containing Sensitive Information will be removed immediately upon termination of their employment, contract or agreement, or adjusted upon change.

8. Physical and Environmental Security.

Secure Areas. Service Provider will secure all areas, including loading docks, holding areas, telecommunications areas, cabling areas and off-site areas that contain Information Processing Systems or media containing information by the use of appropriate security controls in order to ensure that only authorized personnel are allowed access and to prevent damage and interference. The following controls will be implemented:

Visitors to secure areas will be supervised.

9. Geographic Data Centers

Service Provider's data centers are geographically distributed and employ a variety of physical security measures. The technology and security mechanisms used in these facilities may vary depending on local conditions such as building location and regional risks. The standard physical security controls implemented at each Service Provider data center include the following: custom designed electronic card access control systems, alarm systems, interior and exterior cameras, and security guards. Access to areas where systems, or system components, are installed or stored are segregated from general office and public areas such as lobbies. The areas are centrally monitored for suspicious activity, and the facilities are routinely patrolled by security guards.

10. Environmental Security

Service Provider will protect equipment from power failures and other disruptions caused by failures in supporting utilities. To minimize service interruption due to hardware failure, natural disaster, or other catastrophe, Service Provider implements a disaster recovery program at all of its data centers. This program includes multiple components to minimize the risk of any single point of failure.

11. Role Based Access

Service Provider restricts access to its data centers based on role, not position. As a result, most senior executives at Service Provider do not have access to Service Provider data centers

12. Communications and Operations Management.

Protections Against Malicious Code. Service Provider will implement detection, prevention, and recovery controls to protect against malicious software, which is no less than current industry best practice and perform appropriate employee training on the prevention and detection of malicious software.

Back-ups. Service Provider will perform appropriate back-ups of Service Provider Information Processing Systems and media containing City Data every business day with end-of-month copy stored for 1-year in order ensuring services and service levels described in this Document. Service Provider maintains a plan for responding to a system emergency or other occurrence (for example, fire, vandalism, system failure and natural disaster) that damages systems that contain Sensitive Information and Internal Information.

Media Handling. Service Provider will protect against unauthorized access or misuse of City Data contained on media.

Media and Information Disposal. Service Provider will securely and safely dispose of media containing Sensitive Information:

Maintaining a secured disposal log that provides an audit trail of disposal activities.

13. Exchange of Information
To protect confidentiality and integrity of Sensitive Information in transit, Service Provider will:

Perform an inventory, analysis, and risk assessment of all data exchange channels (including, but not limited to , SFTP, HTTP, HTTPS, SMTP, modem and fax) to identify and mitigate risks to Sensitive Information from these channels.

Monitor and inspect all data exchange channels to detect unauthorized information releases.

Ensure that appropriate security controls using approved data exchange channels are employed when exchanging Sensitive Information.

14. Monitoring
To protect against unauthorized access or misuse of Sensitive Information residing on Service Provider Information Processing Systems, Service Provider will:

Employ current industry best practice security controls and tools to monitor Information Processing Systems and log user activities, exceptions, unauthorized information processing activities, suspicious activities and information security events. Logging facilities and log information will be protected against tampering and unauthorized access. Logs will be kept for at least 180 days.

Perform frequent reviews of logs and take necessary actions to protect against unauthorized access and implement policy and infrastructure as needed.

At Written Request of the City, make logs available to City to assist in investigations.

Ensure that the time clocks of all relevant Information Processing Systems are synchronized using a national or international time source.

Ensure common configuration and patch management information is maintained.

Based on the periodic assessment, measures will be implemented that reduce the impact of the threats by reducing the amount and scope of the vulnerabilities.

15. Access Control
User Access Management. To protect against unauthorized access or misuse of Sensitive Information a formal user registration and de-registration procedure for granting and revoking access and access rights to all Service Provider Information Processing Systems.

Employ a formal password management process using authentication and authorization controls that are designed to protect against unauthorized access.

Perform recurring reviews of Service Provider employees' access and access rights to ensure that they are appropriate for the users' role.

16. User Responsibilities
To protect against unauthorized access or misuse of Sensitive Information residing on Service Provider Information Processing Systems, Service Provider will:

Ensure that Service Provider Information Processing Systems users follow current security practices in the selection and use of sufficiently strong passwords.

Ensure that unattended equipment has appropriate protection to prohibit access and use by unauthorized individuals.

Ensure that Sensitive Information contained at employee workstations, including but not limited to paper and media display screens, is protected from unauthorized access and/or utilizes Data Masking.

17. Network Access Control
Access to internal, external and public network services that allow access to Service Provider Information Processing Systems shall be controlled. Service Provider will:

Ensure that current industry best practice standard authentication mechanisms for network users and equipment are in place and updated as necessary.

Ensure electronic perimeter controls are in place to protect Service Provider Information Processing Systems from unauthorized access.

Ensure sufficient authentication methods are used to control access by remote users.

Ensure physical and logical access to diagnostic and configuration ports is controlled.

18. Operating System Access Control
To protect against unauthorized access or misuse of Sensitive Information residing on Service Provider Information Processing Systems, Service Provider will:

Ensure that access to operating systems is controlled by a secure log-on procedure and limited to role based necessity.

Ensure that Service Provider Information Processing System users have a unique identifier (user ID). This account is used to identify each person's activity on Service Provider's Information Processing Systems network, including any access to employee or City data.

Ensure that the use of utility programs that are capable of overriding system and application controls are highly restricted and tightly controlled, with access limited to those employees whose specific job function requires such access.

Ensure that inactive sessions are automatically terminated when technically possible after a defined period of inactivity.

Employ idle time-based restrictions on connection times when technically possible to provide additional security for high risk applications.

Ensure that current industry best practice standard authentication mechanisms for wireless network users and equipment are in place and updated as necessary.

Ensure authentication methods are used to control access by remote users, with unique User Identifiers.

19. Information Systems Acquisition, Development and Maintenance
Security of System Files. To protect City Information Processing Systems and system files containing information, Service Provider will ensure that access to source code is restricted to authorized users whose specific job function necessitates such access.

Security in Development and Support Processes. To protect City information Processing Systems and system files containing Sensitive Information, Service Provider will:

Employ industry best practice security controls to minimize information dissemination.

Employ oversight quality controls and security management of outsourced software development.

Employ regular code reviews covering security vulnerabilities, including but not limited to buffer overflow, SQL injection, input validation, and commonly used vector attacks.

20. Information Security Incident Management
Reporting Information Security Events and Weaknesses. To protect City Information Processing Systems and system files containing information, Service Provider will:

Implement a process to ensure that Information Security Events and Security Breaches are reported through appropriate management channels as quickly as possible.

Train all employees, contractors, users of information systems and services regarding the report of any observed or suspected Information Security Events and Security Breaches.

Notify City by email or phone as soon as possible of all Information Security Events and Security Breaches. Following any such event or breach, Service Provider will promptly notify City whether or not Sensitive Information was compromised or released to unauthorized parties, the data affected and/or the details of the event or breach.

21. Business Continuity Management

Business Continuity Management Program. To ensure services and service levels described in this Document, Service Provider will:

Develop and maintain a process for business continuity throughout the organization that addresses the information security requirements needed for Service Provider's and its Providers' business continuity so that the provision of products and/or services provided is uninterrupted.

Maintain efforts to identify events that may cause interruptions to business processes, along with the probability and impact of such interruptions and the consequences for information security.

Develop and implement plans to maintain or restore operations and ensure availability of information at the required level and in the required time scales following interruption to, or failure of, critical business processes and provide City a copy of the same upon Written Request of the City.

Disaster Recovery. Service Provider has appropriate and reasonable disaster recovery measures in place designed to prevent any interruptions in Service to the City. Service Provider has established disaster contingency plans governing processes following a breach incident, which in particular address the following issues: (i) safety of personnel and third parties, (ii) losses of communications capability (e.g., voice, fax, data), (iii) loss of computer processing capabilities, and (iv) loss of access to physical office facilities.

22. Security Assessments

Initial and Recurring Security Assessments. Service Provider's Third-Party Security Auditor shall perform weekly static scans, monthly dynamic scans, and annual penetration testing. The results of these audits are available to Service Provider and the City with execution a Confidentiality Agreement with Service Provider.

EXHIBIT “C”

PAYMENT SCHEDULE FOR “EXTRA” WORK

Any “extra” work shall be approved in advance in writing by the City.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Alexandra Ananth
Submitting Department: Planning
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Amend the Phasing Plan for Quinn's Junction Partnership Annexation Master Plan Development, Located at 4001 Kearns Boulevard
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
4001 Kearns MPD Phasing Amendment Staff Report

Exhibit A: MPD Development Agreement

Exhibit B: 2013 Final Action Letter and Phasing Plan

Exhibit C: Proposed Phasing Plan

Exhibit D: Summary of Regulatory Documents

Exhibit E: Draft Final Action Letter 2021 Phasing Plan Amendment

City Council Staff Report

Subject:	**Request to Amend the Phasing Plan for the Quinn's Junction Partnership Annexation Master Plan Development, 4001 Kearns Blvd.**
Application:	**PL-21-04790**
Author:	**Alexandra Ananth, Senior Planner**
Date:	**April 1, 2021**

PARK CITY 1884
PLANNING DEPARTMENT

Recommendation
Staff recommends the Council: 1) review the requested Phasing Plan Amendment; 2) conduct a public hearing; and 3) consider approving the amendment to the Phasing Plan.

Description

Applicant	Quinn Capital Partners, LLC
Location	4001 Kearns Boulevard
Zoning District	Community Transition (CT), with Regional Commercial Overlay (RCO), and an MPD for a Film and Media Campus
Adjacent Land Uses	Residential, Open Space and Institutional
Reason for Review	Modifications to the approved Phasing Plan must be reviewed and approved by the City Council

Summary
The Park City Film Studios, also known as the Quinn's Junction Partnership Annexation Master Planned Development Agreement (Exhibit A), was annexed into Park City in 2012. The MPD includes a Phasing Plan for the development of the site (Exhibit G of the MPD), and Section 4.1 of the MPD, Project Phasing, notes that any modification to the approved Phasing Plan must be approved by the City Council.

The original Phasing Plan is not described in the MPD, but buildings and parking areas are labeled. The plan looks to include 9 discreet buildings/phases. This Phasing Plan was amended on December 5, 2013, by City Council Action. This amendment allowed for a larger first phase, with three sub-phases, as depicted in Exhibit B Notice of City Council Action and Amended Phasing Plan. The amended Phasing Plan included construction of the Sound Stages, the Workshop and Production Support/Offices (Buildings 7, 7A and 7B), as well as associated parking, the main entrance, landscaping and berming, all as Phase 1. It is this phasing plan that the applicant is now proposing to amend, in order to construct the allowed hotel building in proposed Phase 2 (Buildings 1A and 1F), and move the rest of the buildings to later phases, Phases 3-5 (Exhibit C).

Background
The Film Studios property is located at 4001 Kearns Blvd, and its annexation into Park City was the result of extensive litigation between the applicant and Summit County for development of the parcel. The litigation resulted in a settlement which provided Park City with an option to consider the annexation prior to development in the County. As a result, Park City approved its own Settlement Agreement and MPD, for the purpose of constructing a 374,000 square foot Film Campus on the 29.55-acre parcel. The MPD is limited to a movie studio and media campus, including a 100 room hotel, amphitheater, and associated uses.

Documents that govern the site include the following:

- The January 17, 2012 Annexation Agreement and simultaneous Zoning Map Amendment (Annexation Agreement).
- The January 18, 2012 County Settlement Agreement for Film and Media Campus (Settlement Agreement).
- The May 24, 2012 Development Agreement for the Quinn's Junction Partnership Annexation Master Planned Development (Development Agreement), including Conditions of Approval.
- The December 5, 2013 Phasing Plan Amendment (beginning on page 95).

A summary of these documents is attached (Exhibit D).

The zoning of the site is Community Transition (CT), with Regional Commercial Overlay (RCO), and an MPD for a Film and Media Campus. The applicant is not proposing any changes to the zoning or the allowed uses at the present time. If the proposed amendment to the Phasing Plan is approved, the applicant will require an Administrative Conditional Use Permit (ACUP) to construct the hotel, as well as each additional phase. The applicant has also stated their future intentions to subdivide the property into three parts: 1) the film studio property; 2) the hotel; 3) the remaining property; which will require a Plat Amendment. These Administrative CUP and Subdivision applications have not been submitted to date.

Analysis

The purpose of phasing plans in MPDs is to document the intended project schedule if there is more than one phase. Of primary concern with regards to this project was ensuring that the early phases for the film campus were self-sufficient and "behind the fence" for operational and security reasons associated with closed film productions. The Planning Commission also expressed concern that parking construction mirror parking required for each phase of buildout only, as they did not want all of the parking built in Phase 1.

To date, only Phase 1 has been constructed, which includes the Sound Stages, the Workshop and Production Support/Offices (Buildings 7, 7A and 7B), as well as associated parking, the main entrance, landscaping and berming. This totals 91,425 square feet of development. Currently there are 283,000 square feet of remaining density to be built at the Property, for uses consistent with the Annexation Agreement.

The proposed phasing plan amendment is to allow the applicant to move forward with construction of the hotel portion of the site only as Phase 2, and to defer the remaining buildings to later phases, Phases 3-5.

The 2021 Proposal

Staff notes the following, which are incorporated as Findings and Conditions of Approval in the attached Draft Final Action Letter (Exhibit E):

1. Phase 1 of the applicant's proposed Phasing Plan has been completed and consists of approximately 91,000 square feet of film studio sound stages, associated parking and the main entrance.
2. Phase 2 will consist of a 100-key hotel, which is an allowed Use in the Annexation Agreement and MPD.

3. All other remaining buildings will be relegated to Phases 3-5.
4. All Conditions of Approval of the MPD shall remain in full force and effect with the exception of the 2013 approved phasing plan.
5. Administrative CUP applications will be required for each subsequent phase, including the hotel.
6. Parking, landscaping, berms along State Road 248, and fencing are required to be phased consistent with the original construction phasing plans, with final details to be provided with the Administrative CUP applications. No changes are requested.
7. The applicant is required to minimize the visual impact of parking, as addressed in the approved Design Guidelines. The hotel design must be compatible with early phases of construction, neighboring projects and the approved Design Guidelines.
8. The applicant is required to construct the bus loop and bus shelter prior to the issuance of a Certificate of Occupancy for the proposed Phase 2 hotel.
9. Consistent with the MPD, the hotel must provide a shuttle service for guests to and from Park City.
10. Much of the installed landscaping appears to be dead, and the applicant will be required to submit a revised landscaping plan for the entire site with the next ACUP application.
11. COA #14 of the MPD approval requires a parking phasing plan to be submitted with the Administrative CUP applications for approval by the Planning Department, and requires further parking analysis for each phase of construction to ensure that only essential paving/parking is provided for each phase.
12. The applicant shall provide evidence that they have secured sufficient water capacity rights for the hotel Use prior to filling for the next Administrative CUP application (Phase 2).

Council should consider #1-12 above, provide feedback to Staff and the applicant if the proposed Findings and Conditions of Approval are consistent with the Annexation Agreement and MPD, and consider approving the proposed Phasing Plan Amendment in accordance with the Draft Final Action Letter attached as Exhibit E.

Department Review
The Planning, Engineering, Building and Legal Departments reviewed this application.

Notice
Staff published notice on the City's website and the Utah Public Notice website. Staff mailed courtesy notice to property owners within 300 feet on March 18, 2021.

Public Input
No public input was received prior to publication of this Staff Report.

Exhibits
Exhibit A – Quinn's Junction Partnership Annexation Master Planned Development Agreement
Exhibit B – 2013 Phasing Plan Amendment
Exhibit C – 2021 Proposed Phasing Plan
Exhibit D – Summary of the Regulatory Documents that Govern the Quinn's Junction MPD
Exhibit E – Draft Final Action Letter

ORIGINAL

DEVELOPMENT AGREEMENT
FOR THE
QUINN'S JUNCTION PARTNERSHIP ANNEXATION
MASTER PLANNED DEVELOPMENT
PARK CITY, SUMMIT COUNTY, UTAH

This Development Agreement is entered into as of this 24th day of May, 2012, by and between QUINNS JUNCTION PARTNERSHIP ("Developer"), as the owner and developer of certain real property located in Park City, Summit County, Utah, on which Developer proposes the development of a project known as the Quinn's Junction Partnership Annexation Master Planned Development, and PARK CITY MUNICIPAL CORPORATION, a municipality and political subdivision of the State of Utah ("Park City"), by and through its City Council.

RECITALS

A. Developer is the owner of approximately 29 acres of real property located in Park City, Summit County, Utah, which real property is more particularly described on Exhibit A attached hereto and incorporated herein by reference, and which real property is depicted on the site plan attached hereto as Exhibit D and incorporated herein by reference (the "Property").

B. As a compromise of claims and in settlement of litigation, Summit County recognized that the property in question has a vested development right to commercial uses.

C. Developer obtained these vested rights for a commercial project now known as "Quinn's Junction Partnership Annexation Planned Development" wherein, the parties agreed to settle long standing differences in return for recognition for a commercial use of the property in question. The Settlement Agreement is attached hereto as Exhibit B.

D. Developer and Park City also entered into an Annexation Agreement wherein Park City recognized the property has vested development rights to the commercial uses, densities, and configuration as part of a motion picture studio and media campus as stated in the Settlement Agreement described in Recital B. A copy of the Annexation Agreement is attached hereto as Exhibit C.

E. Based on a further agreement between developer and Park City with the consent of the County, Developer applied to build a mixed use development on the Property consisting of a Motion Picture Studio and Media Campus, ancillary and support commercial and lodging (the "Film Studio").

F. Developer obtained Park City approval for the development on the Property of a mixed use hotel and commercial project known as the Quinn's Junction Partnership Annexation Master Planned Development (the "Master Planned Development Approval"), as more fully described in the incorporated Approval Documents (hereinafter defined) and as set forth below (the "Project").

G. Park City requires development agreements under its Park City Land Management Code ("LMC") for all Master Planned Developments.

H. Park City determined that, subject to the terms and conditions of this Development Agreement,

ENTRY NO. 00949721
07/20/2012 11:54:22 AM B: 2138 P: 0576
Agreement PAGE 1/162
ALAN SPRIGGS, SUMMIT COUNTY RECORDER
FEE 0.00 BY PARK CITY MUNICIPAL CORP

Developer complied with the applicable provisions the Land Management Code ("LMC") as provided in the Settlement Agreement and Annexation Agreement, and has found that the Project is consistent with the purpose and intent of the relevant provisions of the LMC, as limited by the Annexation Agreement.

I. Following a lawfully advertized public hearing, Park City, acting pursuant to its authority under Utah Code Ann., Section 10-9-101, *et seq.*, and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations made certain determinations with respect to the proposed Project, and, in the exercise of its legislative discretion, elected to approve this Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and considerations as more fully set forth below, Developer and Park City hereby agree as follows:

1. <u>Project Conditions</u>:

1.1. The (i) Findings of Fact, Conclusions of Law and Conditions of Approval dated May 24, 2012, attached hereto as Exhibit E, and (ii) Film Studio Master Planned Development, prepared by IBI, dated May 24, 2012, attached hereto as Exhibit F, together with related documents attached thereto, are hereby incorporated herein by reference (the "Approval Documents") and shall govern the development of Project, subject to the provisions of the January 17th, 2012 Annexation agreement including the vested rights of 374,000 gross sq. ft of development of Motion Picture and Media Campus and any modifications specifically set forth in this Development Agreement. The Project is located in the Community Transition (CT) Zoning District, with a Regional Commercial Overlay (RCO). Development Application for an Administrative Conditional Use Permit and a Park City Building Department building permit are required prior to the commencement of any construction in connection with the Project and shall be processed and granted as set forth in this Development Agreement.

1.2. Developer agrees to pay the then-current impact fees lawfully imposed and as uniformly established by the Park City Municipal Code at the time of permit application, whether or not state statutes regarding such fees are amended in the future, unless otherwise made unlawful.

1.3. Developer and its successors agree that the following are required to be entered into and approved by Park City prior to the issuance of a Building Permit: (a) a construction mitigation plan; (b) a utility plan; (c) a storm water plan; (d) a grading plan; and (e) a landscape plan in compliance with condition of approval #5 of the MPD approval and the Annexation agreement. Approvals by Park City shall not be unreasonably withheld.

1.4 **Development Applications.**

1.4.1 Development applications shall be approved by the City within a reasonable time if they comply with the January 17, 2012 Annexation Agreement, City's vested rights laws and conform to this Development Agreement.

1.4.2 **City's Denial of a Development Application. Assuming Annexation is approved,** if the City denies any Development Application, the City shall provide a written determination advising the Applicant of the reasons for denial including specifying the reasons the City believes that the Development application is not consistent with this MPD and/or the City's vested rights laws.

1.4.3 **Meet and Confer regarding Development Application Denials.** The City and Applicant shall meet within fifteen (15) business days of a denial to resolve the issues specified in the denial of a Development Application.

1.4.4 **City Denials of Development Applications Based on Denials from Non-City Agencies.** If the City's denial of a Development Application is based on the denial of the Development Application by a non-city agency, Developer shall appeal any such denial through the appropriate procedures for such a decision and not through the processes specified below.

1.4.5 **Mediation of Development Application Denials.**

1.4.5.1 Issues Subject to Mediation. Issues resulting from the City's denial of a Development Application shall be mediated.

1.4.5.2 Mediation Process. If the City and Applicant are unable to resolve a disagreement subject to mediation, the parties shall attempt within ten (10) business days to appoint a mutually acceptable mediator with knowledge of the issue in dispute. If the parties are unable to agree on a single acceptable mediator, they shall each, within ten (10) business days, appoint their own representative. These two representatives shall, between them, choose the single mediator. Applicant shall pay the fees of the chosen mediator. The chosen mediator shall within fifteen (15) business days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding of the parties.

1.4.6 **Parcel Sales.** The City acknowledges that the precise location and details of the public improvements, lot layout and design and any other similar item regarding the development of a particular parcel may not be known at the time of the sale of a parcel. Developer may obtain approval of a subdivision that does not create any individually developable lots in the parcel without being subject to any requirement in the City's vested laws to complete or provide security for any public infrastructure at the time of such subdivision. The responsibility for completing and proving security for completion of any public infrastructure in the parcel shall be that of the developer or subdeveloper upon a subsequent re-subdivision of the parcel that creates individually development lots, or any building permit application, whichever occurs first.

1.5 Developer is responsible for compliance with all local, state and federal regulations regarding the soils and environmental conditions on the Property. Furthermore, Developer is responsible for receiving any required Army Corp of Engineer Permits related to the riparian zone of Silver Creek if it is required.

2. Master Plan Approval and Reserved Legislative Powers

2.1 MPD. Subject to the provisions of this Development Agreement, Developer is hereby granted the right **by Park City**, to develop and construct the Project in accordance with the general uses, densities, massing, intensities, and general configuration of development approved in the January 17, 2012 Annexation Agreement, this Development Agreement, in accordance with, and subject to the terms and conditions of the Approval Documents, and subject to compliance with the other applicable ordinances and regulations of Park City. Both parties acknowledge the Site Plan attached as Exhibit D and the Approval Documents supersede and replace the Site Plan attached as Attachment A to the Annexation Agreement.

2.2 If the Developer acquires any additional property contiguous to the Property and located within the bounds of Park City or the City Annexation Declaration area, then Developer may petition to annex or apply to add such future property within this Development Agreement . Park City will reasonably process and consider such petition or application in accordance with applicable state law and the Land Management Code in effect at that time.

2.3 Reserved Legislative Powers. Developer acknowledges that the City is restricted in its authority to limit its police power by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to the City all of its police power that cannot be so limited. Notwithstanding the power of the City to enact legislation under the police powers vested in a city such exercise of power through legislation shall only be applied to modify land use and zoning regulations which are applicable to the Project in conflict with the terms of this Development Agreement based upon policies, facts and circumstances meeting the compelling, countervailing public interest exception to the vested rights doctrine in the State of Utah. Any such proposed legislative changes affecting the Project and terms and conditions of this Development Agreement under the above specific limitations and applicable to the Project shall be of general application to all development activity in the City of Park City; and, unless Park City declares an emergency, Developer shall be entitled to the required notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project under the compelling, countervailing public interest exception to the vested rights doctrine. Nothing in this section shall limit the future legislative amendment of more specific ordinances or codes for which the Developer does not yet have a vested right, and except as otherwise provided in this agreement, will not vest until such time as a complete application is filed in conformance with the applicable code(s), including but not limited to: building and energy, lighting, sign and subdivision codes.

2.4 Application Under City's Future Laws. Without waiving any rights granted by the January 17, 2012 Annexation Agreement, or this Development Agreement, Developer may at any time choose to submit a Development Application for some or all of the Project under the City's Future Laws in effect at the time of the Development Application. Any Development Application filed for consideration under the City's Future Laws shall be governed by all portions of the City's Future Laws related to the Development Application so applied for. The election by the Developer at any time to submit a Development Application under the City's Future Laws shall not be construed to prevent Developer from relying on prior Development Applications or the City's Vested right Law as they pertain thereto.

3. General Terms and Conditions.

3.1 Term of Agreement. The Master Planned Development is subject to Section 15-6-4 (H) of the Land Management Code. Unless a delay is a result of delay of process by the City for a complete, pending application, a building permit for the first phase of the Project must be approved within two years of the execution of this Development Agreement.

3.2 Binding Effect; Agreement to Run With the Land. This Development Agreement shall be recorded against the Property as described on Exhibit A hereto, and shall be deemed to run with the land provided it remains effective and shall be binding on all successors and assigns of Developer in the ownership or development of any portion of the Property.

3.3 Provision of Municipal Services. Except as otherwise provided in the Annexation Agreement, Park City shall provide all City services to the Project that it provides from time-to-time to other residents and properties within the City including but not limited to police and other emergency services. The services shall be provided to the Project at the same level of services, on the same terms, and at the same rates as provided to other residents and properties in the City or applicable service district.

3.4 Assignment. Neither this Development Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Development Agreement and without the prior written consent of the City directed to the City Recorder, which consent shall not unreasonably withheld. Any such request for assignment may be made by letter addressed to the City and the prior written consent of the City may also be evidenced by letter from the City to Developer or its successors or assigns. If no response is given by the City within 14 calendar days following Developer's delivery of a request for consent, the City consent will deemed to have been granted. This restriction on assignment shall not prohibit or impede the sale of parcels of fully or partially improved or unimproved land by Developer prior to construction of buildings or improvements on the parcels, with Developer retaining all rights and responsibilities under this Development Agreement.

3.5 No Joint Venture, Partnership or Third Party Rights. This Development Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to third parties.

3.6 Integration. Except vested rights granted by Summit County to developer in consideration of the dismissal of litigation against the County and recognized by the City in the Annexation Agreement, this Development Agreement and the Approval Documents collectively contain the entire agreement with respect to the subject matter hereof and integrates all prior conversations, discussions or understandings of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

3.7 Severability. If any part or provision of this Development Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Development Agreement except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Development Agreement shall be deemed invalid due its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

3.8 Attorney's Fees. If either party commences litigation regarding this Development Agreement, any of the Exhibits hereto or the Approval Documents, the prevailing party, as determined by a court of competent jurisdiction, shall be entitled to reasonable attorney's fees and all costs paid by the other party.

3.9 Minor Administrative Modification. Minor, immaterial administrative modification may occur to the approvals contemplated and referenced herein without revision of this Development Agreement. These include but are not limited to changes in building configuration to accommodate tenants so long as the square footage, general location and uses are consistent with what is vested herein.

3.10 No Waiver. Failure to enforce any rights under this Development Agreement or applicable laws shall not be deemed to constitute a waiver of such right.

3.11 Default.

3.11.1 **Notice**. If Developer or the City fails to perform their respective obligations hereunder or to comply with the terms hereof, the party believing that a Default has occurred shall provide Notice to the other party. If the City believes that the Default has been committed by a subdeveloper, then the City shall also provide a courtesy copy of the Notice to Developer.

3.11.2 **Contents of the Notice of Default**. The Notice of Default shall:

3.11.2.1 Specific Claim. Specify the claimed event of Default;

3.11.2.2 Applicable Provisions. Identify with particularity the provisions of any applicable law, rule, regulation, or provision of this Development Agreement (including exhibits) that is claimed to be in Default;

3.11.2.3 Materiality. Identify why the Default is claimed to be materials; and

3.11.2.4 Optional Cure. If the City chooses, in its discretion, propose a method and time for curing the Default which shall be of no less than sixty (60) days duration.

3.11.3 **Meet and Confer; Mediation**. Upon the issuance of a Notice of Default the parties shall engage in the "Meet and Confer" and "Mediation" processes specified in Sections 1.4.3- 1.4.5.

3.11.4 **Remedies.** If the parties are not able to resolve the Default by "Meet and Confer" or by Mediation, then the parties may have the following remedies:

3.11.4.1 Law and Equity. All rights and remedies available at law and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.

3.11.4.2 Security. The right to draw on any security posted or provided in connection with the Project and relating to remedying of the particular Default.

3.11.4.3 Future Approvals. The right to withhold all further reviews, approvals, licenses, building permits and/or other permits for development of the Project in the case of a default by the Developer, or in the case of a default by a subdeveloper, development of those Parcels owned by the subdeveloper until the Default has been cured.

3.11.5 **Public Meeting,**. Before any remedy in Section 3.11.4 may be imposed by the City, the party allegedly in Default shall be afforded the right to attend a public meeting before the City Council and address the City Council regarding the Claimed Default.

3.11.6 **Emergency Defaults**. Anything in this Development Agreement notwithstanding, if the City Council finds on the record that a default materially impairs a compelling, countervailing interest of the City and that any delays in imposing such a default would also impair a compelling, countervailing interest of the City, then the City may impose the remedies of Section 3.11.4 without the requirements of Section 3.11.5. The City shall give Notice to the Developer and/or any applicable subdeveloper of any public meeting at which an emergency default is to be considered and the Developer and/or any applicable subdeveloper shall be allowed to address the City Counsel at that meeting regarding the claimed emergency Default.

3.11.7 **Extended Cure Period**. If any Default cannot be reasonably cured within sixty (60) days, then such cure period shall be extended so long as the defaulting party is pursuing a cure with reasonable diligence.

3.11.8 **Cumulative Rights**. The rights and remedies set forth herein shall be cumulative.

3.11.9 **Default of Assignee**. A default of any obligations assumed by an assignee shall not be deemed a default of Developer.

4. Phasing; Access.

4.1 Project Phasing. The Project shall be constructed in phases in accordance with the phasing plan approved together with this Development Agreement (the "Phasing Plan") (attached hereto as Exhibit G), and in accordance with the LMC. Developer may proceed by constructing the Project all at one time or by phase within this approved project Phasing Plan. In the event of such phasing, the issuance of a building permit on the first such phase shall be deemed to satisfy the requirement of issuance of a building permit in Section 3.1 above. Any major modifications or elaborations to the approved Phasing Plan must be approved by the City Council prior to the commencement of construction of the applicable phase. If such proposed major modifications or elaborations are substantial as determined by the Chief Building Official and the Planning Director, such modifications or elaborations will come before the City Council for approval.

4.2 Construction of Access. Developer may commence grading access to the Project as approved by the City Engineer according to generally accepted engineering practices and standards, and pursuant to permit requirements of the LMC, the International Building Code (or if such Code is no longer then in effect, according to the code that is, in fact, then in effect), the Uniform Fire Code, and the Army Corps of Engineers. Developer shall be responsible for maintenance of any such accesses until they are completed according to City standards and accepted by the City.

4.3 Form of Ownership Anticipated for Project. The Project will consist of a commercial building and related improvements, and a hotel building including 100 units and related improvements. Developer anticipates that the commercial portions and, if applicable, the hotel of the Project will be owned by Developer, or its assigns. Any condominimization of the Project for private ownership, fractional ownership and common ownership of land and common facilities requires additional approvals and shall be in compliance with applicable ordinances and state code.

5. **Affordable Housing.** Pursuant to the Annexation Agreement, no affordable housing is required for this MPD. QJP shall post City affordable housing information in a work place accessible to all its employees.

6. **Open Space.** Pursuant to the Annexation Agreement, no definable open space is required for this MPD within the granted and approved development of 374,000 gross sq ft as defined in the agreement between the parties incorporated as exhibits hereto.

7. **Physical Mine Hazards.** If any, a list and map of all known Physical Mine Hazards on the property as determined through the exercise of reasonable due diligence by the Owner as well as a description and GPS coordinates of those Physical Mine Hazards are hereby attached and incorporated as Exhibit _H_.

8. **Notices.** All notices, requests, demands, and other communications hereunder shall be in writing and shall be given (i) by Federal Express, UPS, or other established express delivery service which maintains delivery records, (ii) by hand delivery, or (iii) by certified or registered mail, postage prepaid, return receipt requested, to the parties at the following addresses, or at such other address as the parties may designate by written notice in the above manner:

To Developer:

c/o Greg Ericksen Esq.
1065 South 500 West
Bountiful, Utah 84010

With a copy to:

Scott M. Lilja
Van Cott, Bagley, Cornwall & McCarthy
36 south State Street, Suite 1900
Salt Lake City, UT 84111-1478

To Park City:

445 Marsac Avenue
P.O. Box 1480
Park City, UT 84060
Attn: City Attorney

Such communications may also be given by facsimile and/or email transmission, provided any such communication is concurrently given by one of the above methods. Notices shall be deemed effective upon receipt, or upon attempted delivery thereof if delivery is refused by the intended recipient or if delivery is impossible because the intended recipient has failed to provide a reasonable means for accomplishing delivery.

8. **List of Exhibits.**

Exhibit A – Legal Description
Exhibit B – Settlement Agreement for film and media campus

Exhibit D – Site Plan
Exhibit C – Annexation Agreement
Exhibit E – Master Planned Development Findings of Fact, Conclusions of Law and Conditions of Approval dated May 24, 2012
Exhibit F - Master Planned Development Plans dated May 24, 2012
Exhibit G - Phasing Plan
Exhibit H - List of all known Physical Mine Hazards on the property (None)

IN WITNESS WHEREOF, this Development Agreement has been executed by Developer by a person duly authorized to execute the same, and by Park City acting by and through its City Council, as of the 24th day of May, 2012.

QUINNS JUNCTION PARTNERSHIP "Developer"

By: [signature] managing member.
MICHAEL MARTIN

Acknowledgment

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this 19 day of June, 2012, before me, the undersigned notary, personally appeared, personally known to me/proved to me through identification document allowed by law, to be the person whose name is signed on the preceding or attached document, and acknowledged that he/she signed it voluntarily for its stated purpose as MANAGING MEMBER *(title)* for QUINNS JUNCTION PARTNERSHIP, a Utah partnership.

Notary Public
SHARON C BAUMAN
Commission #583148
My Commission Expires
July 13, 2014
State of Utah

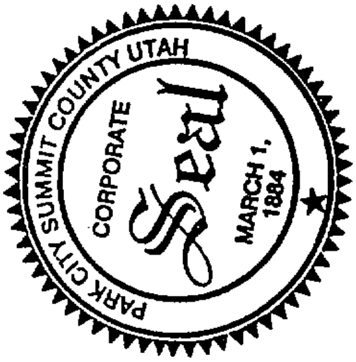
Sharon C Bauman
Notary Public

PARK CITY MUNICIPAL CORPORATION "Park City"

By: ______________________________
Dana Williams, Mayor

ATTEST:

By: ______________________________
Janet M. Scott, City Recorder



APPROVED AS TO FORM:

____
Mark D. Harrington, City Attorney

EXHIBIT A

That certain real property located in Summit County, State of Utah described as follows:

QUINN'S JUNCTION PARCEL

Beginning on the easterly line of State Highway 248 at a point which is S89°53'00"E 1557.19 feet along the Section Line (Basis of Bearing) and S0°00'00"E 1834.09 feet from an aluminum pipe monument at the Northwest Corner of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian from which Section Corner the GLO Stone Monument at the Northeast Corner of said Section 2 bears S89°53'00"E 5320.73 feet);

thence N22°00'40"E 1005.18 feet along the easterly Right-Of- Way Line of said Highway to a UDOT brass cap monument;

thence N34°07'00"E 544.70 feet along said Right-Of-Way Line to a UDOT brass cap monument and the beginning of a 638.50 foot radius curve the center of which bears S55°51'43"E;

thence Northeasterly 338.83 feet along said Right-Of-Way Line and said curve to the right through a central angle of 30°24'19" (chord bearing = N49°20'26"E 334.87 feet) to a UDOT brass cap monument;

thence N64°25'25"E 14.39 feet along said Right-Of-Way Line to a UDOT brass cap monument, said point also being on the westerly Right-Of-Way Line of US Highway 40;

thence S25°33'14"E 223.71 feet along said westerly Right-Of-Way Line to a UDOT brass cap monument and the beginning of a 2664.79 foot radius curve the center of which bears S64°29'22"W:

thence Southeasterly 535.20 feet along said Right-Of-Way Line and said curve to the right through a central angle of 11°30'26"(chord bearing = S19°45'25"E 534.30 feet) to a UDOT brass cap monument;

thence S23°49'09"E 243.42 feet along said Right-Of-Way Line to a UDOT brass cap monument;

thence S7°02'43"E 58.38 feet along said Right-Of-Way to a rebar with aluminum cap at a point that is S89°53'00"E 800.00 feet and S25°20'00"W 1336.80 feet from the PK nail marking the North Quarter Corner of said Section 2;

thence S25°20'00"W 568.97 feet to a rebar with aluminum cap on the North-South Center of Section Line of said Section 2:

thence S0°30'48"W 109.94 feet along said North-South Center of Section Line to a rebar with aluminum cap, said point being S0°30'48"W 1834.13 feet from said North Quarter Corner of Section 2;

thence N89°53'00"W 1087.40 feet to a rebar with aluminum cap and the point of beginning. Contains 29.5530 acres.

EXHIBIT B

WHEN RECORDED RETURN TO

David L. Thomas
Chief Civil Deputy
Summit County Attorney
P.O. Box 128
60 N. Main Street
Coalville, Utah 84017

SETTLEMENT AGREEMENT
FOR FILM AND MEDIA CAMPUS

THIS SETTLEMENT AGREEMENT (the "Agreement") is entered into as of this 18th day of January, 2012, by and among QUINNS JUNCTION PARTNERSHIP (Michael Martin, General Partner), the sole owner of certain undeveloped real property in the Snyderville Basin, including all legal claims belonging to Ralph Merrill (the "QJP"), and SUMMIT COUNTY, a political subdivision of the State of Utah, by and through its County Manager (the "County").

RECITALS:

A. QJP is the owner of approximately 29 acres of land and appurtenant real property rights, located on the southwest corner of Quinn's Junction, which is at the intersection of U.S. 40 and S/R 248 in the Snyderville Basin, Summit County, Utah (the "Property"). QJP desires to build a mixed use development on the Property consisting of a Motion Picture Studio and Media Campus, ancillary and support commercial and lodging (the "Film Studio").

B. The Property is claimed to be within the Annexation Policy Plan of Park City Municipal Corporation (the "City") and its Expansion Area (the "Park City Annexation Declaration Area") in accordance with Utah Code Annotated ("UCA"), §10-2-201.5. The provisions of UCA, §10-2-402 have been satisfied. QJP has filed an Annexation Petition with Park City (the "QJP Annexation Petition" or "Petition") in accordance with UCA, §10-2-403.

C. QJP has asserted claims and commenced litigation against the County in two separate lawsuits and other administrative actions that are currently pending in State and Federal Courts.

D. As a result of this litigation several disputes have arisen between Summit County and QJP.

E. The parties desire to settle all claims, actions, and litigation between them (the "Litigation").

F. This Agreement implements the agreed upon conditions for settlement of the Litigation.

F. This Agreement provides that QJP shall attempt in good faith to annex into the City. In the event of a rejection of the annexation petition by the City, QJP will be vested with certain development rights within unincorporated Summit County.

G. Summit County, acting pursuant to its authority under Utah Code Annotated, Section 17-27a-101, et seq. and the Code, has made certain determinations with respect to the proposed Film Studio, and, in the exercise of the discretion afforded the County Manager in Summit County Code §1-14-10(F)(17) to settle lawsuits, has elected to approve of this Agreement.

SUMMIT COUNTY AND QJP HEREBY AGREE AS FOLLOWS:

ARTICLE I
Vested Rights within Unincorporated Summit County

1.1 Legal Description of Property. The legal description of the Property included with the Film Studio is attached hereto as Exhibit A, which is incorporated into this Agreement by this reference. No other property may be added to the legal description of the Film Studio for purposes of this Agreement, except by written amendment. Except as expressly set forth in this Agreement, this Agreement shall not affect any land other than the Property.

1.2 General Description of Film Studio. The Film Studio covered by this Agreement consists of approximately 29 acres of land located generally nearby and on the southwest corner of U.S. 40 and S.R. 248 in Summit County, Utah.

1.3 Vested Development Right. As a compromise of claims and in settlement of the Litigation, the County hereby recognizes that the Property has a vested development right to the following commercial uses, densities, and configuration as part of a Motion Picture Studio and Media Campus:

1.3.1 Total Density not to exceed a maximum of 355,000 gross square feet.
1.3.2 One Hotel/Lodging facility which shall not exceed 100 keyed rooms within the gross square footage granted herein without further approval by the County.
1.3.3 Heights not to exceed 32 feet except in the cases of sound stages/studios and entry way fire suppression water tank, which shall not exceed 60 feet.
1.3.4 Setback of buildings from the centerline of SR 248 and US 40 shall not be less than 150 feet from any building over 28 feet in height. Setback of all other buildings or structures shall not be less than 100 feet from the centerline of SR 248 and US 40.
1.3.5 All exterior street and other lighting shall be kept to a minimum, directed downward, and ensure that light sources are fully shielded. Only high pressure

sodium, incandescent, LED or other sources appearing to be amber in color consistent with the Code provisions for the protection of the night sky shall be allowed.

1.3.6 Permitted Uses shall be Recreation, International Film School, Commercial Support Retail, Entertainment Center, Hotel/Lodging, Motion Picture Media Campus, Sound Stages/Studios, and Event Center. All other uses are prohibited.

1.3.7 All other provisions of Summit County Code, §§ 10-1 thru 10-11, and all other County ordinances, which are not in conflict with §§1.3.1 – 1.3.6 herein, shall be applicable to the Property.

1.4 Process. §1.3 shall be subject to the approval of an appropriate form of Development Agreement.

ARTICLE II
Annexation to Park City

2.1 Annexation Declaration Area. Utah law favors that development take place within the boundaries of cities and towns where land is located in a city's annexation declaration area. The Property is claimed to be within the Park City Annexation Declaration Area.

2.2 Annexation Agreement. As a condition subsequent to the vesting of uses, densities, and configuration of the Film Studio contained in §1.3, QJP and the City have executed an Annexation Agreement, a copy of which is fully set forth at "Exhibit B" herein.

2.3 Petition. As a further condition subsequent to the vesting of uses, densities, and configuration of the Film Studio contained in §1.3, QJP has filed the QJP Annexation Petition with the City and QJP agrees it will not withdraw the petition prior to the City Council rendering a final decision/vote or the expiration of the time periods set forth in paragraph 2.3 of the Annexation Agreement, whichever occurs first.

2.4 Decision on Petition. The City shall either approve or reject the QJP Annexation Petition within ninety (90) days of the acceptance of the Petition by the City consistent with UCA, §10-2-405(1).

2.5 Effect of Petition Approval. Upon approval of the QJP Annexation Petition, the provisions of §§1.3 and 1.4 as they pertain to the Film Studio shall be vacated. The remainder of this Agreement shall remain in full force and effect.

2.6 Effect of Petition Rejection. Upon rejection of the QJP annexation petition, the provisions of §§1.3 and 1.4 as they pertain to the Film Studio shall be effective and in full force and effect.

ARTICLE III
Releases and Hold Harmless

3.1 Mutual Releases. At the time of, and subject to, the execution of this Agreement, and the acceptance of the QJP Annexation Petition by the City pursuant to UCA, §10-2-405(1), and excepting the parties' respective rights and obligations under this Agreement, QJP, on behalf of itself and QJP's partners, officers, directors, employees, agents, attorneys and consultants, hereby releases the County and the County's board members, council members, officials, employees, agents, attorneys and consultants, and the County, on behalf of itself and the County's board members, officials, employees, agents, attorneys and consultants, hereby releases QJP and QJP's partners, officers, directors, employees, agents, attorneys and consultants, from and against any and all claims, demands, liabilities, costs, expenses of whatever nature, whether known or unknown, and whether liquidated or contingent, arising on or before the date of this Agreement in connection with the Property or the application, processing or approval of applications relating to the Property or the Film Studio, to include any past claims for vested development rights that are not provided for in this Agreement and those lawsuits styled Merrill v. Summit County, Case No. 2:08-cv-723 pending in the U.S. District Court in and for the State of Utah, Central Division, and Merrill v. Summit County, Case No. 050500052 pending in the Third District Court, Summit County, Utah. Said lawsuits shall be dismissed with prejudice within five (5) calendar days of the acceptance by the City of the QJP Annexation Petition in accordance with UCA, §10-2-405(1).

ARTICLE IV
General Terms and Conditions.

4.1 Agreements to Run with the Land. This Agreement and its accompanying Exhibits shall be recorded against the Property described in Exhibit A. The agreements contained herein shall be deemed to run with the land and shall be binding on and shall inure to the benefit of all successors in ownership of the Property. As used herein, QJP shall include the parties signing this Agreement and all successor owners of any part of the Property.

4.2 State and Federal Law. The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect.

4.3 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both parties to this Agreement.

4.4 Notices. All notices hereunder shall be given in writing by certified mail, postage prepaid, at the following addresses:

To the County:

Summit County Manager
Summit County Courthouse
60 N. Main
P.O. Box 128
Coalville, UT 84017

With copies to:

David L. Thomas
Chief Civil Deputy Summit County Attorney
60 N. Main
P.O. Box 128
Coalville, UT 84017

To Developer:

Quinns Junction Partnership
Attn: Greg S. Ericksen
Law Offices of Greg S. Ericksen
1065 South 500 West
Bountiful, UT 84010

With copies to:

Scott M. Lilja
VanCott Bagley Cornwall & McCarthy
36 South State Street, Suite 1900
Salt Lake City, UT 84111

4.5 Applicable Law. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.

4.6 Rights of Third Parties. This Agreement is not intended to affect or create any additional rights or obligations on the part of third parties.

4.7 Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

4.8 Duration. The term of this Agreement shall commence on, and the effective date of this Agreement shall be, the date upon which the last signature appears hereon. The Term of this Agreement shall extend for a period of ten (10) years following the effective date unless the Agreement is earlier terminated, or its term modified by written amendment to this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by Summit County, acting by and through the County Manager, and by a duly authorized representative of QJP as of the above-stated date.

COUNTY: COUNTY MANAGER OF SUMMIT COUNTY, STATE OF UTAH

By: ______________________
Robert Jasper, County Manager

APPROVED AS TO FORM:

____
David L. Thomas
Chief Civil Deputy

STATE OF UTAH)
: ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 18th day of January, 2012, by Robert Jasper, the County Manager of Summit County, State of Utah.

CHRISTA S. HORTIN
Notary Public State of Utah
My Commission Expires on:
January 21, 2013
Comm. Number: 577375

____
NOTARY PUBLIC

Residing at: Wanship, Utah

My Commission Expires: 1- 21- 13

Quinns Junction Partnership:

Quinns Junction Partnership, by its General Manager:

By: Michael Martin, general manager
Michael Martin, Its General Manager

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 12th day of January, 2012, by Michael Martin, General Manager of Quinns Junction Partnership.

JONI E SIMMONS
NOTARY PUBLIC-STATE OF UTAH
COMMISSION# 580730
COMM. EXP. 10-16-2013

Joni E Simmons
NOTARY PUBLIC
Residing at: West Jordan, Utah

My Commission Expires:

10/16/13

EXHIBIT A

EXHIBIT "A"

That certain real property located in Summit County, State of Utah described as follows:

Beginning on the Easterly line of State Highway 248 at a point which is South 89°53' East along the Section line 1557.19 feet and South 00°00'00" East 1834.09 feet from an aluminum pipe monument at the Northwest corner of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian (from which Section corner the Glo Stone Monument at the Northeast corner of said Section 2 bears South 89°53'00" East 5320.725 feet); thence along the Easterly right-of-way line of said Highway North 22°00'40" East 1005.180 feet to a UDOT brass cap monument; thence along said right-of-way line North 34°07'00" East 544.699 feet to a UDOT brass cap monument; thence along said right-of-way line 338.834 feet along the arc of a 638.500 foot radius curve to the right (chord bears North 49°20'26" East 334.872 feet) to a UDOT brass cap monument; thence North 64°25'25" East 14.394 feet to a UDOT brass cap monument; thence along the Westerly right-of-way line of the new U.S. Highway 40 South 25°33'14" East 223.713 feet to a UDOT brass cap monument; thence along said Westerly right-of-way line 535.196 feet along the arc of a 2664.790 foot radius curve to the right (chord bears South 19°45'25" East 534.297 feet) to a UDOT brass cap monument; thence along said right-of-way line South 23°49'09" East 243.421 feet to a UDOT brass cap monument; thence along said right-of-way line South 7°02'43" East 58.383 feet to a rebar with aluminum cap at a point that is South 89°53' East along the Section line 800.00 feet and South 25°20'00" West 1336.802 feet from the PK nail marking the location of the North Quarter corner of said Section 2; thence South 25°20'00" West 568.966 feet to a rebar with aluminum cap on the North-South Quarter-Section line of said Section 2; thence along said Quarter-Section line South 0°30'48" West 109.935 feet to a rebar with aluminum cap at a point that is South 0°30'48" West 1834.13 feet from said North Quarter corner of Section 2; thence North 89°53'00" West 1087.396 feet to a rebar with aluminum cap at the point of beginning.

EXHIBIT C

ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT (the "Agreement") is entered into as of this 17th day of January, 2012, by and among QUINNS JUNCTION PARTNERSHIP (Michael Martin, General Partner), the sole owner of certain undeveloped real property in the Snyderville Basin, including all legal claims belonging to Ralph Merrill (the "QJP"), and PARK CITY MUNICIPAL CORPORATION, a political subdivision of the State of Utah, by and through its City Manager (the "Park City").

RECITALS:

A. QJP is the owner of approximately 29 acres of land and appurtenant real property rights, located on the southwest corner of Quinn's Junction, which is at the intersection of U.S. 40 and S/R 248 in the Snyderville Basin, Summit County, Utah (the "Property"). QJP desires to build a mixed use development on the Property consisting of a Motion Picture Studio and Media Campus, ancillary and support commercial and lodging (the "Film Studio").

B. QJP has asserted claims and commenced litigation against Summit County ("the County") in two separate lawsuits and other administrative actions that are currently pending in State and Federal Courts. QJP anticipates consolidating the cases and adding the Park City as a defendant to the litigation.

C. As a result of this litigation several disputes have arisen between the Park City, the County and QJP.

D. The parties desire to settle all claims, actions, and litigation between them (the "Litigation").

E. This Agreement is part of that certain *Settlement Agreement For Film And Media Campus* (the "Settlement Agreement") which is expected to be entered into by and between the County and QJP. This Agreement and the Settlement Agreement collectively implement the agreed upon conditions for settlement of the Litigation.

F. This Agreement provides that QJP shall attempt in good faith to annex into Park City. In the event of a rejection of the annexation petition, QJP will be vested with certain development rights within unincorporated Summit County as defined in the County Settlement Agreement.

RECEIVED
JAN 20 2012

PARK CITY AND QJP HEREBY AGREE AS FOLLOWS:

ARTICLE I
Property

1.1 Legal Description of Property. The legal description of the Property included with the Film Studio is attached to the County Settlement Agreement as Exhibit A, which is incorporated into this Agreement by this reference. No other property may be added to the legal description of the Film Studio for purposes of this Agreement, except by written amendment. Except as expressly set forth in this Agreement, this Agreement shall not affect any land other than the Property.

1.2 General Description of Film Studio. The Film Studio covered by this Agreement consists of approximately 29 acres of land located generally nearby and on the southwest corner of U.S. 40 and S.R. 248 in Summit County, Utah.

1.3 Vested Development Right. As a compromise of claims and in settlement of the Litigation, Park City hereby recognizes that the Property has a vested development right to the commercial uses, densities, and configuration as part of a Motion Picture Studio and Media Campus as stated in the County Settlement Agreement.

ARTICLE II
Annexation to Park City

2.1 Annexation Declaration Area. Utah law favors that development take place within the boundaries of cities and towns where land is located in a city's annexation declaration area. The Property is within the Park City Annexation Declaration Area.

2.2 Petition. Park City shall expedite its review process to decide whether to annex the Property or not within 90 days of acceptance of the petition. The petition shall include the most recent traffic study and the most recent Environmental report on the QJP property.

2.3 Decision on Petition. Park City shall use all reasonable efforts to either approve or reject the QJP Annexation Petition within ninety (90) days. If reasonable circumstances require additional time (such as QJP failure to provide legally required information, third party protest, or state or local mandated notice provisions), both parties shall continue to cooperate to expedite the review and QJP shall provide at least 14 days written notice after the expiration of 90 days of its intent to withdraw the petition unless the City Council votes to annex. QJP agrees it will not withdraw the petition prior to the City Council rendering a final decision/vote or the expiration of the above time periods, whichever occurs first.

2.4 Zoning. The annexation petition will propose Regional Commercial Overlay- CT (Community Transition) zoning for the Property, which Park City will adopt concurrently if the annexation is approved to enable the Master Plan discussed in Section 2.5.

2.5 Master Plan. The intent of the parties is to include such Master Plan components in a development agreement to be approved by the City Council concurrently with the annexation of the Property. The City Council shall receive the recommendation of the Planning Commission regarding the annexation, zoning and Master Planned Development ("MPD"). Due to the pre-existing vesting in the County and the terms of the County Settlement Agreement, QJP shall be exempt from any conflicting Park City Land Management Code provisions as expressly stated in the MPD. The following shall form the basis of the final MPD:

a. Total Development Activity shall be limited to a Gross Commercial Floor Area of 374,000 square feet. Gross Commercial Floor Area shall include all enclosed areas of a building but shall not include roads, parking lots, or parking structures. Unenclosed porches, balconies, patios and decks, vent shafts, courts and one atrium subject to the restrictions below are not calculated in Gross Commercial Floor Area. As part of the MPD Site Plan in subsection (b), QJP may propose an enclosed atrium which primarily serves as a pedestrian connection between two building pads but which may also be used for studio film/set work provided such atrium is not a stand-alone studio/building and may not be converted to habitable space, is in an area screened from SR 248, and is approved as part of the Annexation, such approval not to be unreasonably withheld.
b. The Site Plan and berming shall materially be the same as Site Plan included as **Attachment A**, unless modified by the City Council and accepted by QJP. Final design approval shall be an administrative conditional use permit reviewed by the Planning Department in compliance with LMC Chapter 5 and the Architectural Standards attached as **Attachment B**. This Annexation Agreement shall govern in the event of any conflict with Attachment B. Green Building design and construction shall meet minimum shadow LEED standards. All signage must comply with generally applicable Park City codes and no icon, water tower, or highway billboard is permitted.
c. No open space, setbacks or affordable housing requirements may be imposed. QJP shall post City affordable housing information in a work place accessible to all its employees.
d. Uses, including the amphitheater, shall be of the type as shown on **Attachment C** and/or consistent with the Film Studio and Campus concept and the gross square footage of those uses shall not exceed the limitation of paragraph 2.5 a. above. The hotel shall limited to 100 rooms and keys. The amphitheater stage may not be oriented toward City open space and shall be reviewed for compliance with Attachment B.
e. Maximum building height 50 feet for sound stages, or a maximum height not to exceed 60 feet in Pad 7 of Attachment A in the event a major, long-term film production contract necessitates the full studio height. Non- Sound Stage Buildings:

- No more than 70% of the remaining buildings on the campus are between 36 - 40 feet in height.
- Remaining building(s) on the campus are not greater than 28 feet in height (the CT Zone height limit).
- No building shall be greater than 28 feet in height unless located more than 150 feet from the centerline of a public roadway.
- Smaller buildings are massed and/or placed strategically to break up the volumes of the Sound Stage Buildings. This "stepping" will mitigate the appearance of the vertical façade of the taller buildings.

f. Park City acknowledges that the Movie Studio portion of the campus shall have perimeter and entry security controls. Otherwise, internal circulation and trails shall otherwise comply with generally required MPD requirements.

g. The City shall request state funding for structured/underground parking andQJP shall support the City's request including the use of lobbyists to coordinate such joint request for the 2012 legislative session. Mitigation of the visual impacts of the parking and its relation to public transit planned for the project are acknowledged to be a material element of this settlement. Both parties must agree in advance on any legislative strategy regarding film studios in Park City or in the County or associated parking as stated above.

h. QJP shall pay all normal and legally imposed fees associated with planning review, permits and subsequent Development Activity, and all generally applicable impact fees, levies and taxes, all of which shall be nonrefundable unless otherwise provided by Park City ordinance. Park City acknowledges prior receipt of the annexation fee and no additional annexation fee is required.

i. QJP is responsible for coordinating water and utility service, which may include a third party provider, in compliance with applicable standards prior to annexation approval.

j. As a result of QJP's rights vesting as a result of County applications prior to the Quinns Junction Area Study (the "QJAS"), Park City hereby finds the terms of this Agreement exempt from the findings of the QJAS.

2.6 Non-compete and Sundance Sponsorship. QJP shall encourage the owner/operator of the Film Studio (currently anticipated to be Raleigh Studios) to consult with and enter into such sponsorship and use agreement with the Sundance Institute regarding the 2012 Sundance Film Festival (and thereafter so long as the studio is operational) . Any agreements reached between Raleigh and Sundance shall be confidential but shall be provided to Park City prior to the approval of annexation of the property. QJP shall create covenants and restrictions (CCRs) applicable to the entire Property, including the Film Studio and all commercial owners and tenants, which prohibit commercial uses of any facility within the MPD which directly ambushes the Sundance Film Festival. Nothing herein shall prevent independent negotiations and agreements between the film studio operator and Park City or any Park City Master Festival License (MFL) holder. If such agreements are reached either prior to or subsequent annexation of the property, QJP shall incorporate such provisions into the CCRS so as to apply to all commercial tenants or owners. Direct ambush commercial uses shall be defined to include but not be limited to event rental or subleasing during the dates of the Sundance Film Festival for the purposes of commercial business activity, marketing or promotional gifting not approved by Sundance which directly and materially competes with existing, official Sundance sponsorship. In the event annexation is not approved, this paragraph 2.6 shall apply to the vested development rights as defined in the County Settlement Agreement.

ARTICLE III
Release

3. Mutual Releases. At the time of, and contingent upon approval or rejection of the completed annexation, and excepting the parties' respective rights and obligations under this Agreement, QJP, on behalf of itself and QJP's partners, officers, directors, employees, agents, attorneys and consultants, hereby releases Park City, council members, officials, employees, agents, attorneys and consultants, and Park City, on behalf of itself and Park City's board members, officials, employees, agents, attorneys and consultants, hereby releases QJP and QJP's partners, officers, directors, employees, agents, attorneys and consultants, from and against any and all claims, demands, liabilities, costs, expenses of whatever nature, whether known or unknown, and whether liquidated or contingent, arising on or before the date of this Annexation Agreement in connection with the Property or the application for annexation, processing or approval of applications relating to annexation of the Property or the Film Studio, to include any past claims for vested development rights, not including those recognized by Summit County, that are not provided for in this Agreement and any claims or potential claims arising out those lawsuits styled Merrill v. Summit County, Case No. 2:08-cv-723 pending in the U.S. District Court in and for the State of Utah, Central Division, and Merrill v. Summit County, Case No. 050500052 pending in the Third District Court, Summit County, Utah Nothing herein shall alter or effect the terms and conditions of the Settlement agreement or subsequent agreements if annexation fails as provided herein between QJP and Summit County.

ARTICLE IV
General Terms and Conditions.

4.1 Agreements to Run with the Land. This Annexation Agreement and its accompanying Exhibits shall be recorded against the Property described in Exhibit A to the County Settlement Agreement. The agreements contained herein shall be deemed to run with the land and shall be binding on and shall inure to the benefit of all successors in ownership of the Property. As used herein, QJP shall include the parties signing this Agreement and all successor owners of any part of the Property.

4.2 State and Federal Law. The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect.

4.3 Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both parties to this Agreement.

4.4 Applicable Law. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.

4.5 Rights of Third Parties. This Agreement is not intended to affect or create any additional rights or obligations on the part of third parties.

4.6 Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

4.7. City Council Approval. This Agreement is subject to the legislative approval of the City Council at an appropriately noticed open and public meeting.

4.8. Notices. Notices pursuant to this Agreement shall be deemed to have been properly given when deposited, postage prepaid, with the U.S. Postal Service, addressed to the parties as follows:

Quinns Junction Partnership
Attn: Greg S. Ericksen
Law Offices of Greg S. Ericksen
1065 South 500 West
Bountiful, UT 84010

With copies to:

Scott M. Lilja
VanCott Bagley Cornwall & McCarthy
36 South State Street, Suite 1900
Salt Lake City, UT 84111

Park City Municipal Corporation
Attention: City Attorney
P. O. Box 1480
Park City, Utah 84060
Tel.: (435) 615-5025
Fax: (435) 615-4901

4.9 Legislative Decision. The parties acknowledge that the decision to annex is purely a legislative decision by the City Council and nothing herein shall limit the City Council's discretion or power to make that legislative decision. While certain staff members of Park City have provided preliminary input to Quinn's and interested purchasers of the Property, and staff will continue to do so, such input is merely advisory as the final authority and decision to annex rests solely with the legislative body of Park City. Nothing herein shall limit the Park City's ability to annex the Property so long as an annexation petition is in conformance with U.C.A. § 10-2-403, and all other applicable requirements of Park City ordinances, the Park City General Plan, and Title 10, Chapter 2, Part 4 of the Utah Code.

4.10 This Agreement is contingent on QJP and Summit County entering into the *Settlement Agreement for Film and Media Campus* referred to in Recital E. above. In the event that *Settlement Agreement* is not entered into within 10 days from the date of this Agreement, this Agreement is null and void.

4.11 In the event Park City does not annex the property into the City jurisdiction in good faith as provided in this agreement, the parties hereby agree that QJP may apply to Summit County for development without protest ("protest" does not include public comment on final site planning and aesthetic design) from Park City provided that the application is consistent with the County Settlement Agreement. Nothing herein shall prevent Park City from public hearing participation or submitting comments on Settlement Agreement amendments or any subsequent development plan amendments.

DATED this 17th day of January, 2012.

QUINN'S JUNCTION PARTNERSHIP

By: [signature], General Partner Q.J.P.

PARK CITY MUNICIPAL CORPORATION

By: ____________________
Thomas Bakaly, City Manager

Attest:

Sharon C Bauman
City Recorder's Office

PARK CITY SUMMIT COUNTY UTAH
CORPORATE
Seal
MARCH 1, 1884

Approved as to Form:

____
City Attorney's Office

LEGAL DESCRIPTION
EXHIBIT A

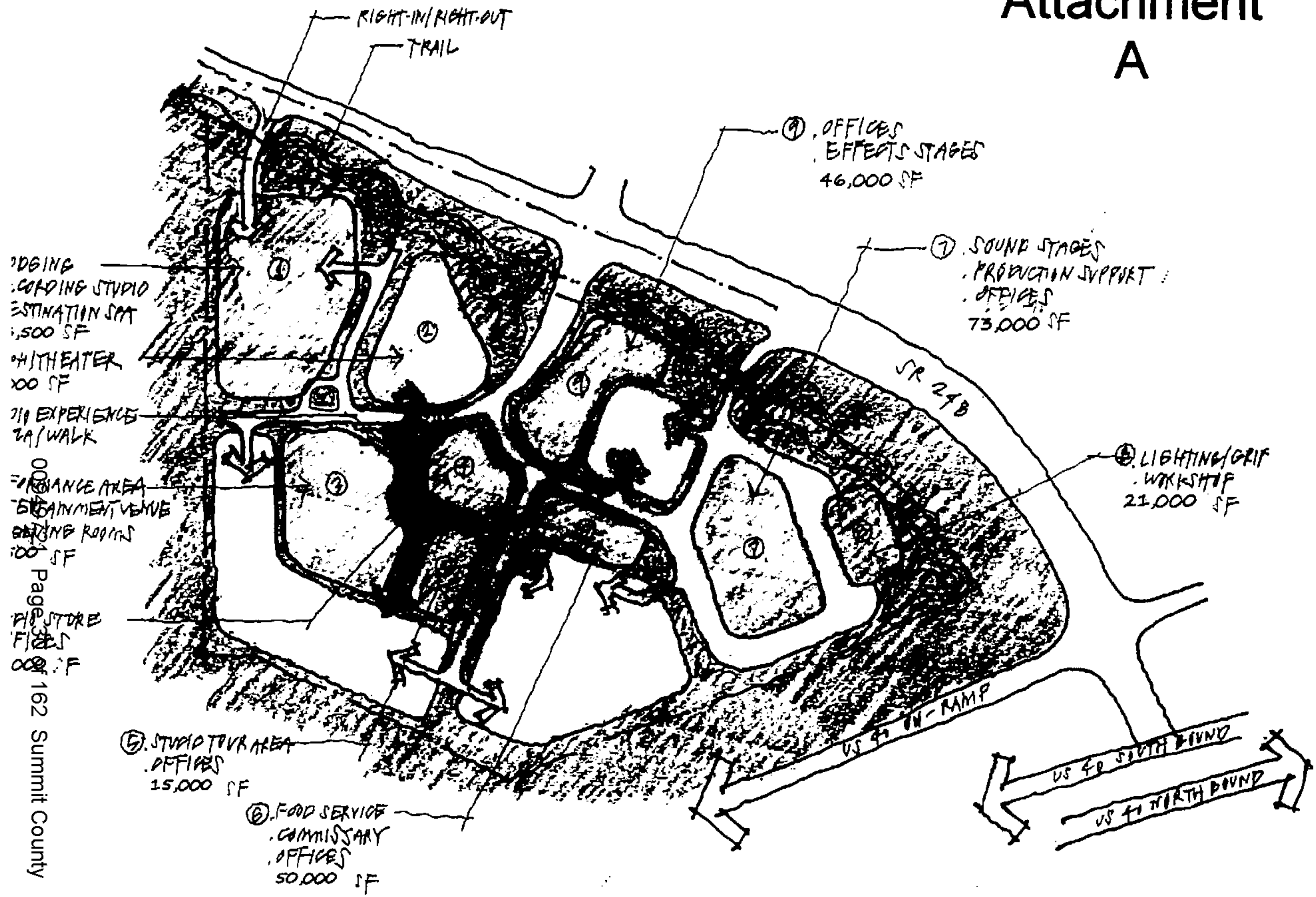
Order No. ***161891***

The land referred to in this exhibit is situated in the county of Summit State of Utah, and is described as follows:

Beginning on the Easterly line of State Highway 248 at a point which is South 89°53' East along the Section line 1557.19 feet and South 00°00'00" East 1834.09 feet from an aluminum pipe monument at the Northwest corner of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian (from which Section corner the Glo Stone Monument at the Northeast corner of said Section 2 bears South 89°53'00" East 5320.725 feet), thence along the Easterly right of way line of said Highway North 22°00'40" East 1005.180 feet to a UDOT brass cap monument, thence along said right of way line North 34°07'00" East 544.699 feet to a UDOT brass cap monument, thence along said right of way line 338.834 feet along the arc of a 638.500 foot radius curve to the right (chord bears North 49°20'26" East 334.872 feet) to a UDOT brass cap monument, thence North 64°25'25" East 14.394 feet to a UDOT brass cap monument, thence along the Westerly right of way line of the new U.S. Highway 40 South 25°33'14" East 223.713 feet to a UDOT brass cap monument, thence along said Westerly right of way line 535.196 feet along the arc of a 2664.790 foot radius curve to the right (chord bears South 19°45'25" East 534.297 feet) to a UDOT brass cap monument, thence along said right of way line South 23°49'09" East 243.421 feet to a UDOT brass cap monument, thence along said right of way line South 7°02'43" East 58.383 feet to a rebar with aluminum cap at a point that is South 89°53' East along the Section line 800.00 feet and South 25°20'00" West 1336.802 feet from the PK nail marking the location of the North Quarter corner of said Section 2, thence South 25°20'00" West 568.966 feet to a rebar with aluminum cap on the North-South Quarter Section line of said Section 2, thence along said Quarter Section line South 0°30'48" West 109.935 feet to a rebar with aluminum cap at a point that is South 0°30'48" West 1834.13 feet from said North Quarter corner of Section 2, thence North 89°53'00" West 1087.396 feet to a rebar with aluminum cap at the point of beginning.

Tax ID No: SS-91-A

Attachment A



Film Studio Campus

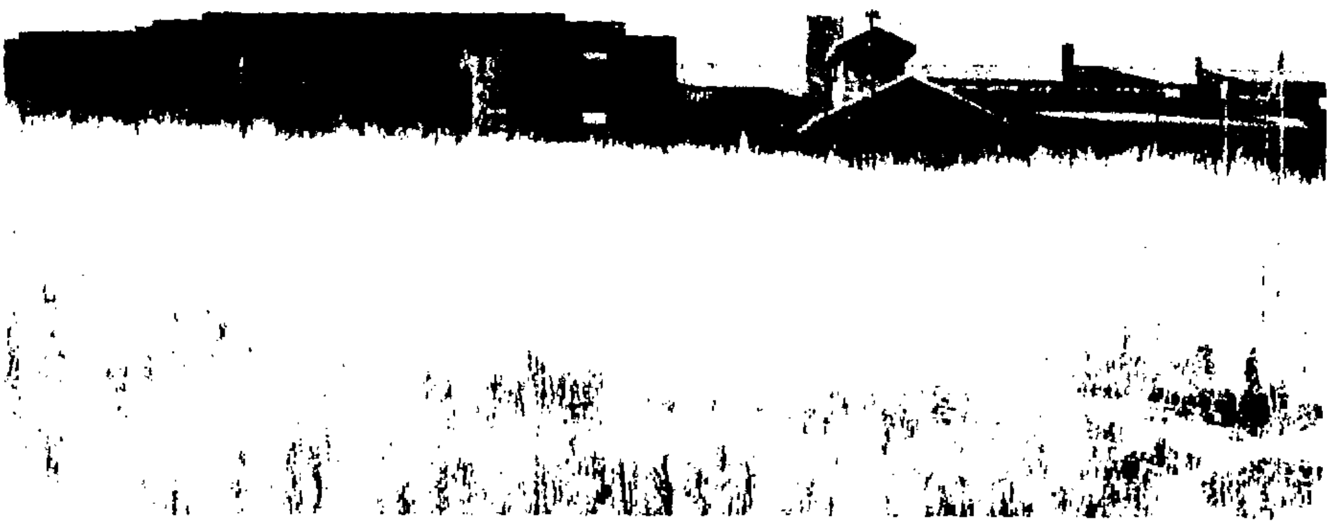
Attachment B

Architectural Design Guidelines

The purpose of the architectural design guidelines is to provide direction for development of the vertical elements of the Film Studio Campus in order to achieve a built environment that is in harmony with the natural setting, existing structures where appropriate, and provides a comfortable, distinctive, and stimulating environment. The buildings currently located west of the US 40 and SR 248 Interchange and also located in the Park City Municipal limits were developed as a gathering of buildings to support sport, recreation and health.

In the design process, the existing buildings were reviewed by the Park City Planning Staff and Planning Commission. As such, the building designs capture the essence of the mountain setting while at the same time honoring the architecture of the era. Varying examples of this style can be found in the IHC Hospital, Summit County Public Health Center and Park City Ice Arena.

The goal of these design guidelines is to synthesize the proposed Film Studio Campus design into an architectural expression that connects to the surrounding structures and respects the importance of the Park City entry corridor.



General Guidelines

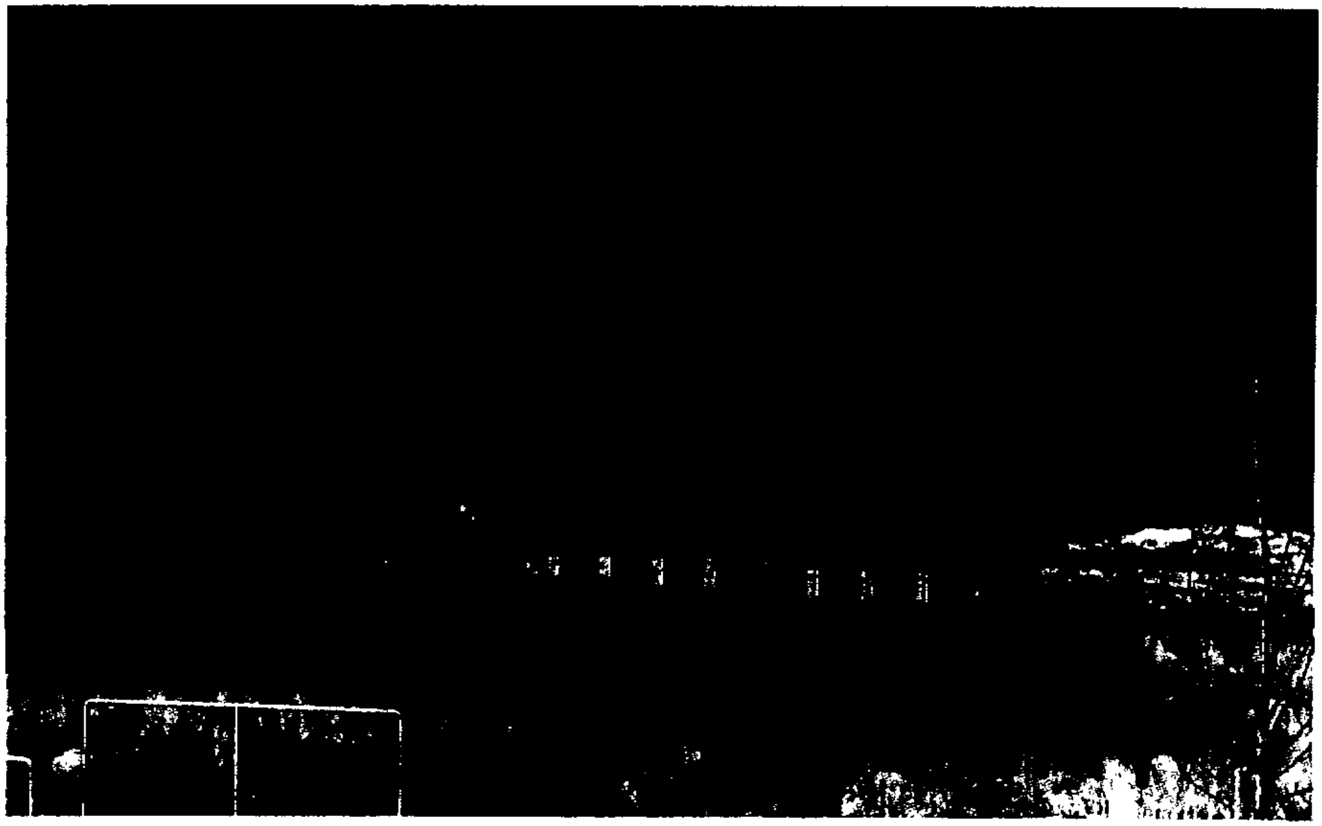
- Each new building should have a distinct architectural concept that is consistent in theme but rich in subtle variation.

- Buildings should be designed to provide a clear, unified, and easily identifiable image. Methods to achieve this include using similar architectural styles and materials, complementary roof forms, signs, colors, and pavement.

- All buildings should relate visually to one another and be compatible with adjacent buildings.

- Encouraged architectural and landscape design qualities and elements for the Film Studio Campus buildings are:

  - Using buildings to screen parking areas, service areas and storage areas;
  - Providing building modulation, entry accentuation and rich architectural details;
  - Incorporation of water conservation site design;
  - Use of shielded exterior lighting,protecting the night sky and creating path illumination; and
  - Natural landscaping to soften building exteriors and buffer between uses.
  - Green Building design and construction to meet minimum LEED Silver Standards.



View of three compatible buildings showing natural landscaping as a buffer between uses.

Height and Mass

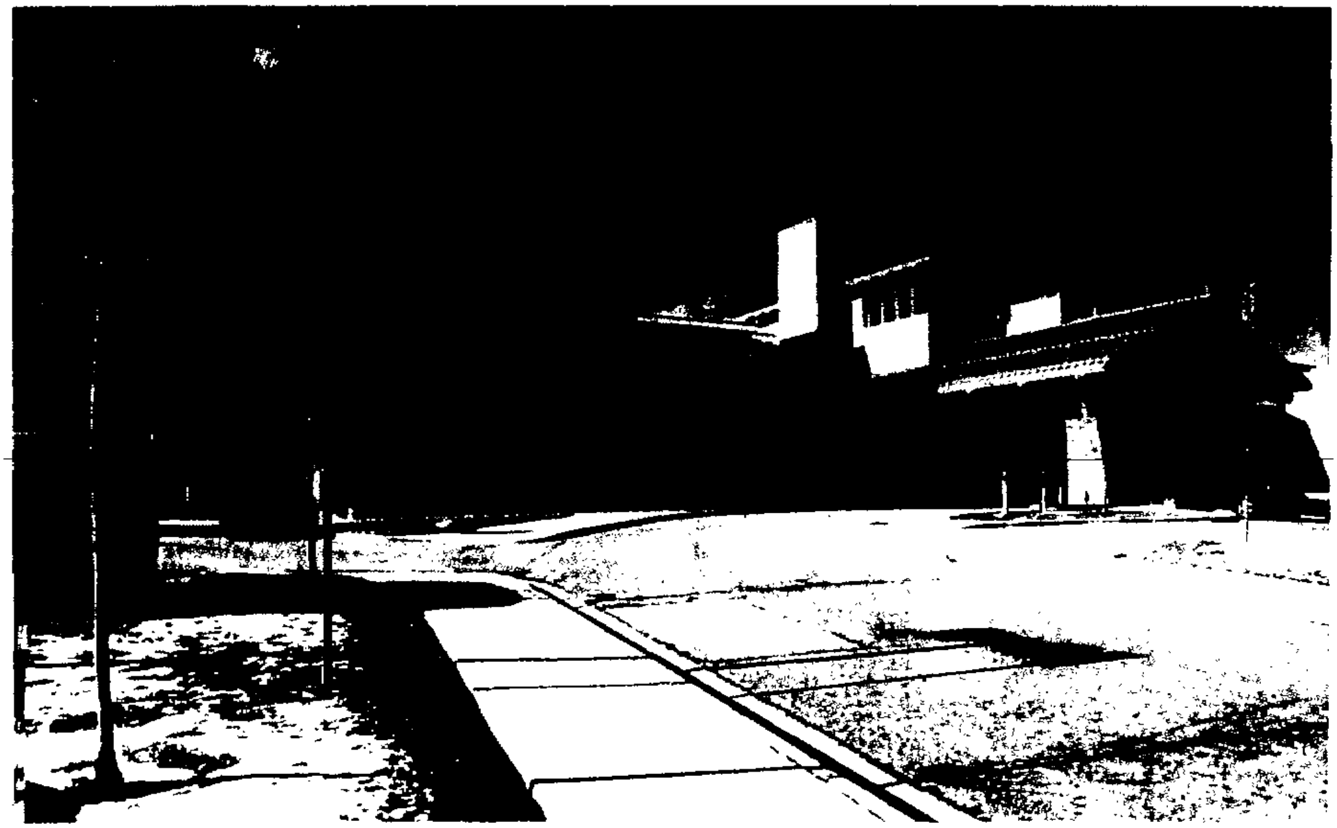
- The height and mass of the Film Studio Campus buildings should consider the visual and physical relationship to adjacent uses. A structure that dominates its environment by its relative size is strongly discouraged.

- The mass of a larger building should be broken down into a group of buildings clustered into traditional building compounds or a campus setting to create a sense of community.

- Building design should employ clean, simple, geometric forms and coordinated massing to produce overall unity, scale, and interest.

- Varying building heights, massing, roof forms and setbacks to define different functions such as offices, residential, hotel, studio and other uses is encouraged.

- Buildings should relate to the terrain and each other in their massing and forms. Larger masses should be located at the centers of building compositions, with smaller forms stepping outwards and down.



IHC Hospital showing variation in building mass and roof form.

ADG3

Building Design

- Variety in building forms should be employed to create visual character and interest.
- Facades with a high level of visual interest from both vehicular and pedestrian viewpoints are encouraged. The exterior character of all buildings should enhance pedestrian activity in their immediate vicinities.
- Long building facades should be broken up with architectural details. Facades with varied setbacks are encouraged to provide visual interest.
- Rear and side wall elevations should provide building offsets and architectural details similar to the front facade.
- Entrances to individual buildings should be readily identifiable to visitors through the use of recesses or pop-outs, roof elements, columns, or other architectural elements.

Park City Ice Arena showing a variety of form and identifiable entry.

Roofs

- Roofs should be integral to the architectural theme of the Film Studio Campus buildings and contribute to the visual continuity. Rooflines of buildings should include variations to avoid long, continuous planes.

- Rooftops should be considered as design elements from various viewpoints: at ground level, from other buildings, and from adjacent perimeter roadways. Mixing roof forms on buildings creates variety in the "roofscape." Roofs should also be interesting when seen from above from upper levels of the mountain terrain.

- Rooftop equipment should be screened from view on all four sides by architectural features integrated with the design of the building.

- Roof design shall allow solar panels to be integrated into the roof design. Building orientation and shading design should minimize solar gain and maximize daylight harvesting.

Summit County Public Health Center showing a roof as a design element.

Materials and Color

- Materials should be chosen to withstand abuse or accidental damage by machinery. False facades and other simulated materials and ornamentation are not allowed.
- Clear or lightly tinted low-e glass (glazing) should be used, particularly at pedestrian levels where transparency between indoor and outdoor spaces is desirable.
- The use of various siding materials (i.e. masonry, concrete, metal, or wood siding to produce effects of texture and relief that provide architectural interest) is required.
- The use of compatible colors in a single facade or composition is required. Compatible colors add interest and variety while reducing building scale and breaking up plain walls.
- A color palette should be used on the Film Studio Campus buildings to help reduce their perceived size. Contrasting design elements and material colors that help break up the vertical monotony of large walls is necessary.

Example of Material Palette.

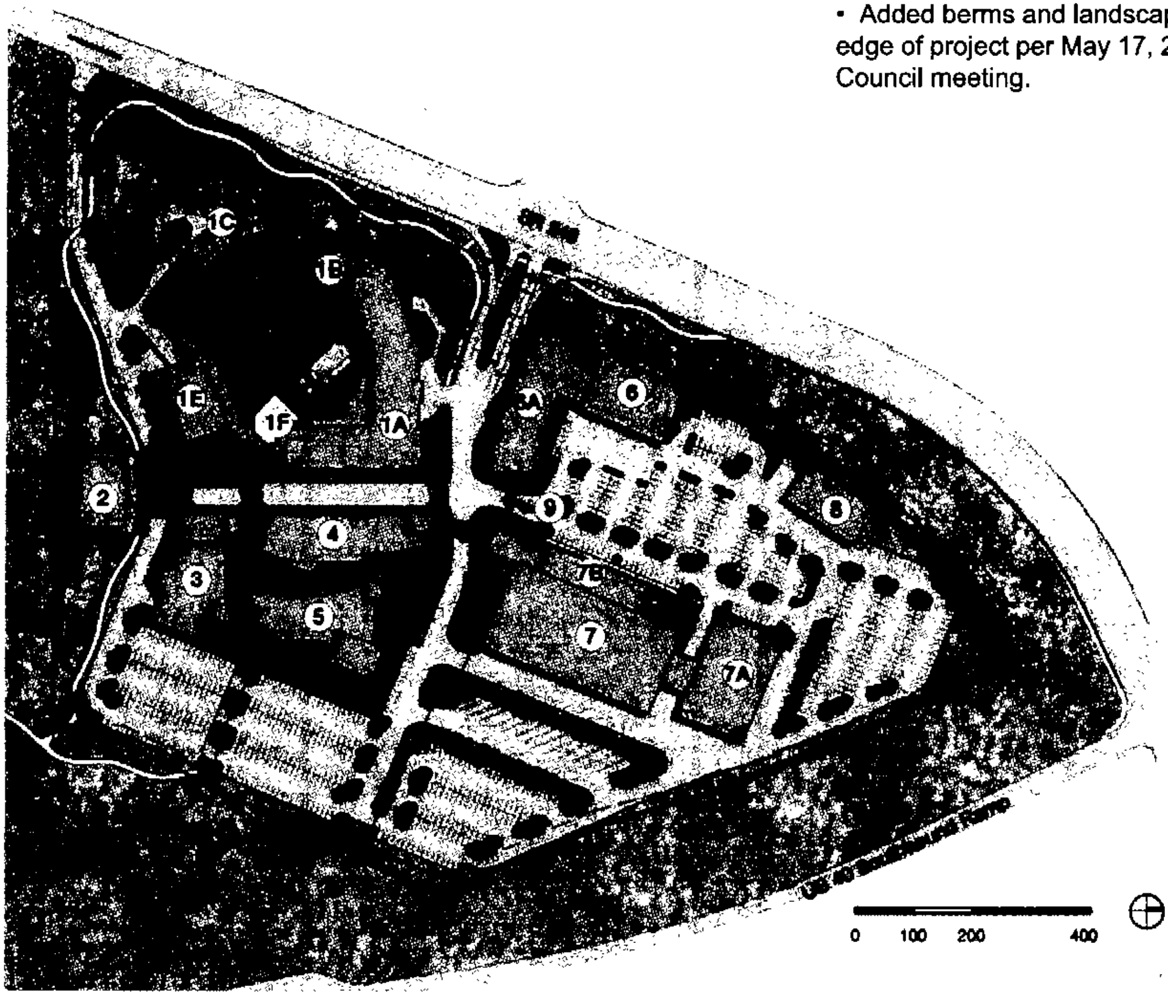
Attachment C

FILM AND TELEVISION/RECORDING STUDIO -PARK CITY

	Squae Footage	Bldg Number	Bldg Total SF
STUDIO LODGING	85,000	1	
RECORDING STUDIO	2,500	1	
DESTINATION SPA	6,000	1	
			93,500
AMPITHEATER	6,000	2	
			6,000
SPECIAL EVENT STAGE	15,000	3	
SCREENING ROOMS	14,000	3	
ENTERTAINMENT VENUE	3,000	3	
PERFORMANCE AREAS/ OTHER VILLAGE VENUES	17,500	3	
			49,500
STUDIO STORE/ OTHER VILLAGE VENUES/OFFICES	20,000	4	
			20,000
STUDIO TOUR AREAS	6,000	5	
OFFICES/ OTHHER VILLAGE VENUES	9,000	5	
			15,000
FOOD SERVICES COMMISSARY/ OFFICES ANCHOR TENANT	50,000	6	
			50,000
SOUNDSTAGES	48,000	7	
PRODUCTION SUPPORT/OFFICES	25,000	7	
			73,000
LIGHTING & GRIP	10,500	8	
WORKSHOP/EQUIPMENT STORAGE	10,500	8	
			21,000
EFFECTS STAGE/ OFFICES	46,000	9	
			46,000
		TOTAL SF	374,000

EXHIBIT D

Raleigh Studios – Conceptual Site Plan



- Added berms and landscaping to south edge of project per May 17, 2012 City Council meeting.

Building Legend

- **1A** Hotel Lodging
- **1B** Recording Studio
- **1C** Stage Venue
- **1D** Residence - omitted
- **1E** Grand Ball Room
- **1F** Atrium
- **2** Screening Rooms/Theater
- **3** Entertainment Venue
- **4** Mixed Use
- **5** Mixed Use
- **6** Sound Effects Stage
- **6A** Office, Effects Stage
- **7** Sound Stages
- **7A** Workshop
- **7B** Production Support/ Offices
- **8** Workshop Office
- **9** Guard House

IBI GROUP

Raleigh Studios
Park City, UT

37

Conceptual Site Plan
May 24, 2012

subject to all City levies and assessments as described in the terms of said Development Agreement.

The Property shall be subject to all City laws, rules and regulations upon the effective date of this Ordinance.

SECTION 2. ANNEXATION DEVELOPMENT AGREEMENT. Council hereby authorizes the Mayor to execute the Development Agreement in substantially the same form as is attached hereto as "Exhibit G" and as approved by the City Attorney.

SECTION 3. COMPLIANCE WITH STATE LAW, GENERAL PLAN, AND ANNEXATION POLICY PLAN. This annexation meets the standards for annexation set forth in Title 10, Chapter 2 of the Utah Code, the Park City General Plan, and The Annexation Policy Plan - Land Management Code Chapter 8, Annexation. The CT zoning designation with Regional Commercial Overlay (RCO) is consistent with the Annexation Agreement approved by the City Council and executed on January 17, 2012.

SECTION 4. OFFICIAL PARK CITY ZONING MAP AMENDMENT. The Official Park City Zoning Map is hereby amended to include said Property in the CT zoning district, with an RCO overlay as shown in "Exhibit E".

SECTION 5. FINDINGS OF FACT, CONCLUSIONS OF LAW, AND CONDITIONS OF APPROVAL.

Findings of Fact

1. The property is subject to the January 17, 2012 Annexation Agreement between Park City and Quinn's Junction Partnership that sets forth certain requirements and waivers for the MPD development. These waivers are due to pre-existing vesting in Summit County and the terms of the January 18, 2012 County Settlement Agreement.
2. Land Uses proposed in the MPD Plans include a 100 room/key hotel and associated lodging uses, a film studio campus with sound stages, and associated uses, including support commercial, recording studio, outdoor stage amphitheater, enclosed atrium area between the hotel and ballroom/meeting space, screening rooms and theater, related mixed use office/retail/entertainment, sound stages, film school and related educational uses, associated offices, workshops, and production support and offices. The Gross Floor Area allowed per the Annexation Agreement is 374,000 square feet. Exceptions to the Floor Area, including porches, balconies, patios and decks, vent shafts, courts, and one atrium subject to further restrictions, are spelled out in the Annexation Agreement.
3. Proposed uses as identified in the MPD Plans (Exhibit F) are consistent with the January 17, 2012 Annexation Agreement.

4. The City Council as the final approving body of the MPD has decreased the number of Off-Street Parking Spaces within MPDs based upon a parking analysis and recommendation from the Planning Department per Section 15-6-5 (E).
5. The City Council hereby incorporates the staff reports dated March 14th, March 28th, April 11th, April 25th, May 17th and May 24th, 2012 as part of the record of decision.

Conclusions of Law

1. Due to the unique circumstances of the terms and conditions of the County Settlement Agreement, the Annexation and Zoning Map amendment are consistent with the Annexation Agreement (Exhibit D), the City's Annexation Policy Plan, Quinn's Junction Study Area, the required findings and conclusions of LMC 15-6-6, and the Park City General Plan (2005).
2. Approval of the Annexation and Zoning Map amendment does not adversely affect the health, safety, and welfare of the citizens of Park City.

Conditions of Approval

1. The Official Zoning Map shall be amended to designate the Quinn's Junction Partnership Annexation property with Community Transition (CT) zoning, with a Regional Commercial Overlay (RCO) limited to the commercial uses provided in the Annexation Agreement dated January 17, 2012 and the MPD concurrently approved herein. To the extent there is any conflict between the MPD and the Annexation Agreement, the terms of the MPD shall govern.
2. The attached Exhibits, including the Development Agreement for the Quinn's Junction Annexation and the Annexation Agreement, shall be fully executed and recorded at Summit County, along with the Annexation Plat.
3. The Master Planned Development Plans hereby approved and all final design, Administrative CUP and building permits shall comply with the Annexation Agreement and all applicable Land Management Code "LMC" provisions that are not contrary to said Annexation Agreement.
4. The required Administrative Conditional Use permit application for final design shall be reviewed for consistency with the Annexation Agreement and the MPD Plans package, these conditions of approval including site design, building massing and height, setbacks, architectural design and vernacular, materials, colors, landscaping, lighting, fencing, grading, berming, trails, circulation for buses and emergency vehicles, parking and phasing, etc. and conditions of the Annexation Development Agreement. Rendered elevations, material and color samples, shall be provided for Planning Department review prior to approval of the Administrative Conditional Use permit. Maximum building height of Building 8 (formerly Pad 7) is limited to 50 feet or maximum height not to exceed 60 feet in the event a major, long term film production contract necessitates the full studio height in compliance with Paragraph 2.5(e) of the Annexation Agreement. Final Architectural Review pursuant to 15-2.23-6 shall be

concurrent with the Administrative CUP. Commissioner Jack Thomas shall participate in the Administrative CUP as a liaison for purpose of further input on final design and architectural elements. Final building footprints shall substantially conform to the MPD Site Plan approved by the City Council. Minor variations in building size and articulation will be considered by the Planning Director at the time of review of the Administrative CUP, provided that there is no increase in the total Gross Floor Area for each of the four main areas, namely: 1) the hotel, 2) office/sound stage support, 3) sound stage, and 4) retail/support. Final building footprints shall be located within the identified building pads.

5. A preliminary landscape plan, provided by a licensed landscape architect, and including landscape site design and materials consistent with those identified in the Annexation Agreement and as further specified in the MPD Plan package is required to be submitted with the Administrative Conditional Use permit application. The landscape plan shall identify grading, heights, and undulation of the perimeter berming to soften the view of the commercial structures. The landscape plan shall include a planting plan and an irrigation plan. Ground cover for green roofs shall also be included in the landscape plan. Perimeter landscaping should be of a substantial size and shall be reviewed and approved by the City Arborist and Landscape Architect. The landscape plan shall indicate how the landscaping will be phased and shall indicate perimeter plantings to be installed prior to vertical construction to provide screening of construction work. Temporary irrigation will be required to ensure these plantings survive. Final landscape plans, consistent with the preliminary landscape plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.
6. Parking lot and all other exterior lighting shall meet requirements of the LMC with additional restrictions on the overall wattage, automatic timers, and lighting designed in zones and shall comply with best lighting practices as recommended by the Dark Skies organization. A lighting plan, provided by a qualified lighting professional, shall be submitted with the Administrative Conditional Use permit application. The plan shall include a requirement to shut off lighting in parking areas used on an intermittent basis, particularly in the secure studio campus.
7. Security fencing on the property perimeter shall not exceed 7' in height and internal gate fencing may be 12' in height in areas limited to as shown on Exhibit F (page42). Fencing shall not include razor wire or other details that read as "high security" fencing. Use of electronic monitoring is allowed. Fencing details shall be provided with the Administrative Conditional Use permit application and shall be consistent with the Final MPD Plan Package (Exhibit F, page 39) in terms of location, design, materials, colors, and extent. Perimeter fencing shall be phased consistent with the phased parking lot construction described in #16 below.
8. All vehicular access points to the development from SR-248 shall comply with any and all existing Corridor Preservation Agreements. Changes to

these Agreements must be approved by the Utah Department of Transportation. The City approves of the two proposed access locations as depicted on the Final MPD Plan Package (Exhibit F- page 9). The Applicant will be responsible for filing application for required access approvals with the Utah Department of Transportation. Without additional UDOT approvals, there will be a single public access to the property at the signalized intersection of Round Valley Drive and SR 248, and emergency access as approved by UDOT, and the Fire and Building departments.

9. In the event that the south secondary access point is approved, this access shall be located in such a way as to not preclude access to the adjacent City open space parcel. Necessary cross access easements shall be provided, on the subdivision plat, through the public area of the MPD to provide access to the signalized intersection for the City parcel.
10. Traffic Management Plans for special events shall be approved by the City's Special Events staff as well as by the City's Police Departments of Transportation and Public Safety. All necessary special event permits and conditional use permits shall be obtained prior to commencing the Special Event or Master Festival. No overcrowding permits may be granted by the Building Department. The Applicant agrees to City use of surplus parking, said "surplus" amount and availability determined by the Applicant, for City-approved special events, primarily for overflow parking for the Park City Sports Complex (ice, fields and hosted trail races). Provided such use is consistent with deed restrictions, the City will provide reciprocal use of surplus parking as determined by the City at the Sports Complex. Fees shall not be charged for the parking unless the host event is charging fees for the parking at other locations.
11. Outdoor activities and noise shall be limited to 7AM to 10 PM and shall not exceed the City's noise ordinance, unless otherwise allowed through a Special Event/Master Festival permit in accordance with the Municipal Code.
12. At the time of the Administrative Conditional Use permit application, the applicant shall identify the square footage of all parking areas and all hard surfaced areas. Interior and perimeter parking lot landscaping shall meet requirements of the LMC Chapter 3. Snow storage areas shall be provided in accordance with the LMC Sections 15-3-3(E) and15-3-4.8(E).
13. At the time of the Administrative Conditional Use permit application, the applicant shall provide a detailed parking analysis to identify specific uses, square footage, employee, hours of operation, shared parking ratios, and other items that will allow the Planning Staff to calculate the parking demands as such relates to the progression of the proposed phasing plan. The parking analysis shall look at the extent to which alternative modes of travel (bus, shuttle, carpool, bike, etc.) and use of the Richardson Park and Ride can reduce the demand for parking at the site, on a day to day basis. The parking analysis shall also provide information about special events and parking demand. With reductions for shared parking as well as support uses which reduce the required parking spaces, parking spaces are hereby approved up to a maximum of 730

surface spaces, and an additional 150 spaces underground at the hotel, for a total of 880 parking spaces. .

14. A phased parking plan shall be provided by the Applicant with the Administrative Conditional Use permit for approval by the Planning Department. The plan shall identify only essential paving with each phase of development, propose measures to reduce parking demand with various programs and incentives, and mitigate employee parking, particularly on the public campus and during construction. Prior to building each phase of parking, the applicant shall provide a parking analysis of existing conditions and needs, including traffic mitigation and use of the Richardson Park and Ride by full-time shift employees and mitigation of construction employee parking (such use the City hereby approves). The Planning Director must approve proceeding to construction for each phase of the parking; however such approval may not be unreasonably withheld. The final phase of parking area on Exhibit F, pg. 33 (farthest north/east lot) and any un-striped temporary parking shall contain a permeable surface area system.
15. The applicant shall pay the City $75,000 to fulfill the proportionate share of the development's construction of public trail connections to the Park City Heights Rail Trail connector. The City shall build the trail. The applicant may install trail head amenities as shown on the MPD Plans at their expense.
16. Bike racks shall be provided for the various uses, as required by LMC Section 15-6, Master Planned Developments (hotel, mixed use, trail head area, sound stage, etc.).
17. Construction of a bus loop/bus shelter shall be provided prior to issuance of a certificate of occupancy for the hotel or mixed use buildings. The shelter shall be located at the bus drop-off located at one location of either option A, or B, as approved by the City Transit Manager. The Transit Manager may approve alternate location(s) as part of the Administrative CUP.
18. A grading plan shall be submitted with the Administrative Conditional Use permit application. Excavated materials shall remain on site to the greatest extent reasonably possible. Final grading plans, consistent with the preliminary grading plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.
19. Grading of the site, including the undulating berms and swales along SR 248 shall meet the sight distance and clear zone requirements of UDOT and be consistent with the grading proposed in the MPD Plans (with additional berm east of Building 2 adjacent to city property as reflected on revised sheets #10 and depicted on revised sheet #20, dated 5/24/12).
20. All landscaping, parking lots, driveways, roads, plazas, sidewalks, trails on the property, and other common areas shall be maintained by the property owner, or an Owner's Association, as the City will not maintain such areas.

21. Recycling centers shall be installed in the hotel, mixed use, and sound stage areas prior to issuance of a certificate of occupancy for the building.
22. The hotel shall provide shuttle service for guests within Park City and encourage guests to utilize shuttles from the airport as well as around town. The shuttle service shall be in place prior to issuance of a final certificate of occupancy for the hotel.
23. In accordance with Paragraph 2.5(h) of the Annexation Agreement, the applicant shall pay all applicable fees, including development, Building and Planning, Business licensing, and all other legally imposed fees and taxes collected by City Departments for services, utilities, etc.
24. A storm water management plan, prepared by a licensed professional, shall be submitted with the Administrative Conditional Use permit application and must meet all applicable code requirements on-site. The plan shall be consistent with best management practices for storm water management, including pre versus post run-off, water oil separators for parking facilities, and 100 year storm event detention on site. Final storm water plans, consistent with the preliminary plan submitted with the Administrative CUP, shall be submitted and must be approved by the City with the building permit plan sets.
25. Roof top mechanical equipment shall be architecturally screened from public view.
26. Trash and recycling enclosures shall be screened with landscaping, fencing, buildings, berms, etc. per the LMC.
27. LEED construction at the certified level without commissioning per the Annexation Agreement is required for the movie studios. The Applicant's architect shall score the construction and submit such to the Park City Building Department for confirmation. Based on the agreement of the anticipated manager of the complex, Raleigh Studios, Raleigh shall use best efforts to determine whether it is in their best interests to seek and obtain official LEED Construction Commissioning at the increased standard of Silver. However, at a minimum, the Hotel shall include a "Green" operational policy within industry standards and a door key activated light shut-off (or similar system) in all the rooms.
28. Areas of plazas, pedestrian walk ways, patios, etc. shall not be heat melted. Solar panels and skylights are allowed on rooftops per the LMC Chapter 5.
29. Acknowledging that the inside areas of the studio campus may be active 24/7, the applicant shall propose specific hours of operation for approval by the Planning Director as part of the Administrative CUP to mitigate traffic of employee loading and unloading. Support commercial uses, such as food service, deli, café, etc. shall be open during filming hours and office hours to mitigate vehicular trips off site for breaks and lunch. Where possible, set shift work will be scheduled in non-peak traffic times.
30. Additional Building articulation as required by LMC Chapter 5 shall be demonstrated on the final building plans prior to issuance of a building permit.

31. Permanent power shall be provided for the trailer parking area and the applicant shall use best effort to utilize solar or other renewable energy resource if technically and economically feasible.
32. A sign plan must be filed with the Administrative CUP in compliance with LMC Title 12. No icon, water tower, or billboards are allowed. Internal "plaza" areas shall be defined on the sign plan.
33. Final Subdivision approval shall contain covenants and restrictions (CCRS) in compliance with Paragraph 2.6 of the Annexation Agreement.
34. Water service is provided by Summit Water. The applicant may be required to construct an emergency connection to the City system if required by state drinking water approval or the project fails the flow and standards required by the International Fire Code (2009), specifically including Section 507, Appendix B and Table B105.1. Should City service be necessary in the future, the project may first be required to annex into the City Water District and the applicant shall pay applicable impact and user fees in effect at such time and make such dedications as required by LMC 15-8-5(C) (1-3).
35. This MPD approval and zoning approved herein are limited to the terms of the Annexation Agreement and due to the unique circumstances regarding a legal settlement of historic claims in the Summit County Settlement Agreement, such approval shall not be considered precedent for future zoning amendments or annexation petition to this or neighboring properties in the Quinn's/CT zone area. All future development applications, changes in commercial use, or rezone requests shall be processed in accordance with the General Plan, zoning and LMC in effect at the time of application. The densities approved herein shall not be considered in terms of neighborhood compatibility in the event of a rezone or CT amendment request by other properties within the CT zone.
36. As part of the required Construction Mitigation Plan, to be submitted prior to issuance of any building permits on the property, the landscape guarantee shall insure phased and adequate berming along SR248 in the event the project is not completed, and the construction guarantee bond shall take into consideration the location of this property on the entry corridor and provide for adequate landscape and site disturbance coverage for each phase of the building construction as proposed in Exhibit G of the Development Agreement to insure visual and physical impacts of any work stoppage are mitigated in the event construction is not completed on this property.
37. No wood burning devices or outdoor gas firepits/fireplaces with the exception of one fire pit (non-wood burning) and permanent BBQ appliances are allowed on the property at the hotel
38. Specific soils test pits shall be reviewed prior to building permit issuance and if environmental issues, such as contaminated soils are present, a mitigation plan shall be required prior to issuance of permits. To satisfy this condition, developer may submit prior tests and studies performed on the property.

39. The secure studio campus shall serve as a public emergency shelter if approved within the City's Emergency Plan.
40. The Planning Staff and the applicant shall complete a review of the Administrative Conditional Use Permit within one year of the first certificate of occupancy, and the staff shall provide a report of the review to the City Council.

SECTION 6. EFFECTIVE DATE. This Ordinance shall take effect upon publication of this Ordinance, recordation of the Annexation Plat and Development Agreement, and compliance with state annexation filing requirements, pursuant to the Utah Code Annotated Section 10-2-425.

PASSED AND ADOPTED this 24th day of May, 2012.

PARK CITY MUNICIPAL CORPORATION

____

Dana Williams, MAYOR

ATTEST:

____

Janet M. Scott, CITY RECORDER

APPROVED AS TO FORM:

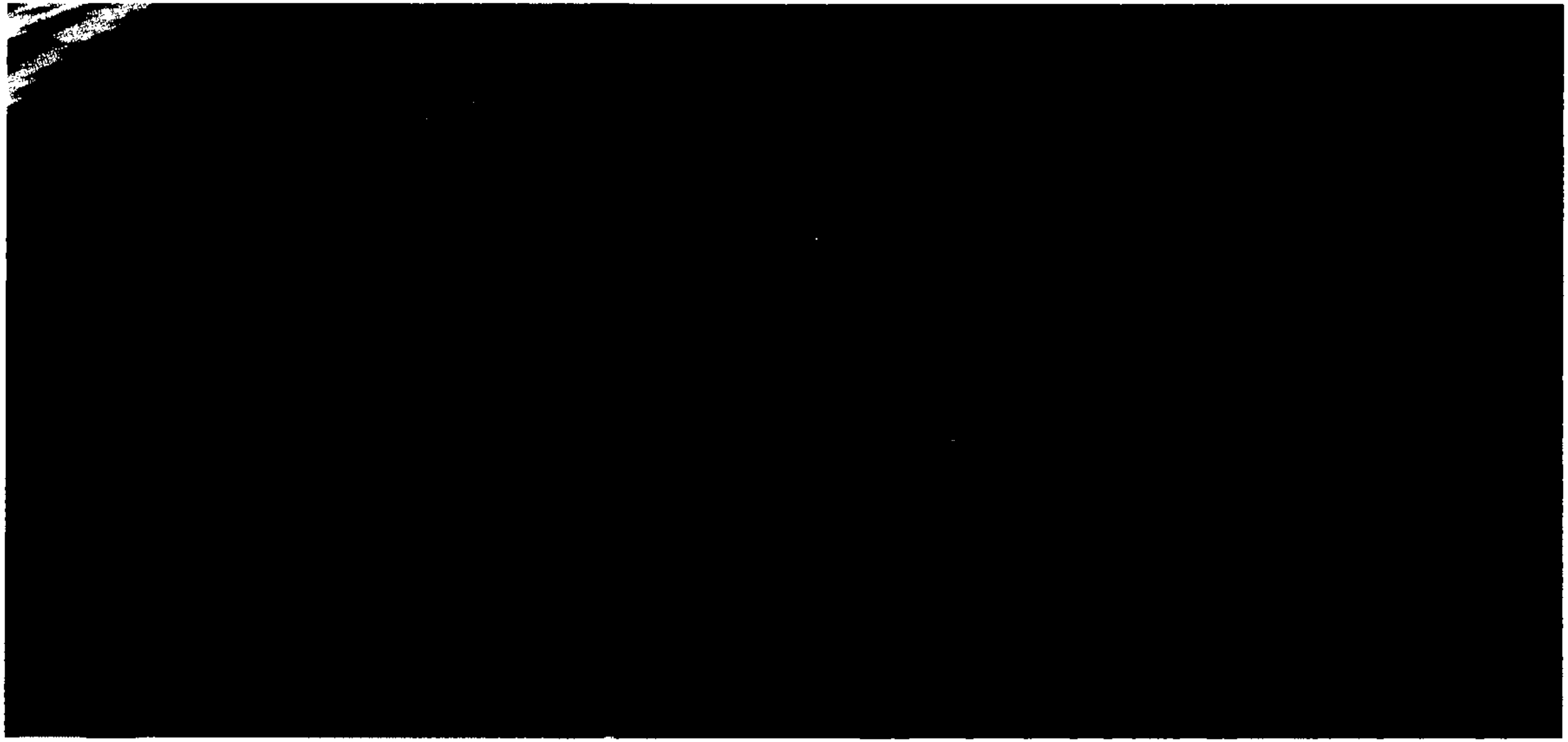
____

Mark D. Harrington, CITY ATTORNEY

Exhibits to the Ordinance
Exhibit A- Annexation plat
Exhibit B- Legal Description
Exhibit C- County Settlement Agreement executed January 18, 2012
Exhibit D- City Annexation Agreement
Exhibit E- Zoning map amendment
Exhibit F- Final MPD Plans packet
Exhibit G- Annexation Development Agreement

EXHIBIT F

Raleigh Studios – Final MPD Submittal



IBI GROUP | **Raleigh Studios**
Park City, UT | **Conceptual Site Plan**
29 May 24, 2012

Raleigh Studios – Context

Raleigh Studios – Connectivity (Roads)

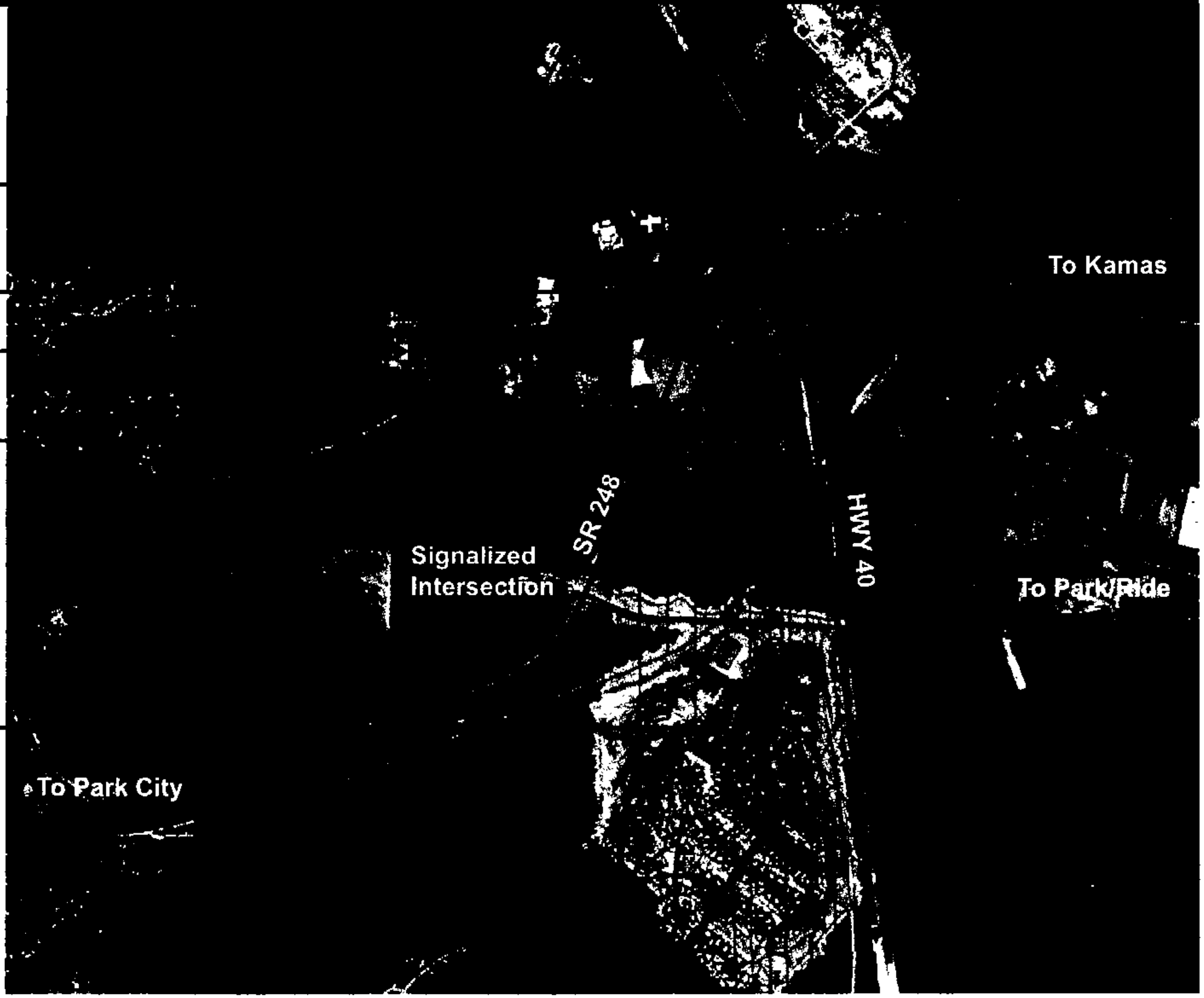
Healthcare Campus

Quinns Rec Complex

National Ability Center

Proposed Film Studio

Park City Heights



Raleigh Studios – Connectivity (Trails)

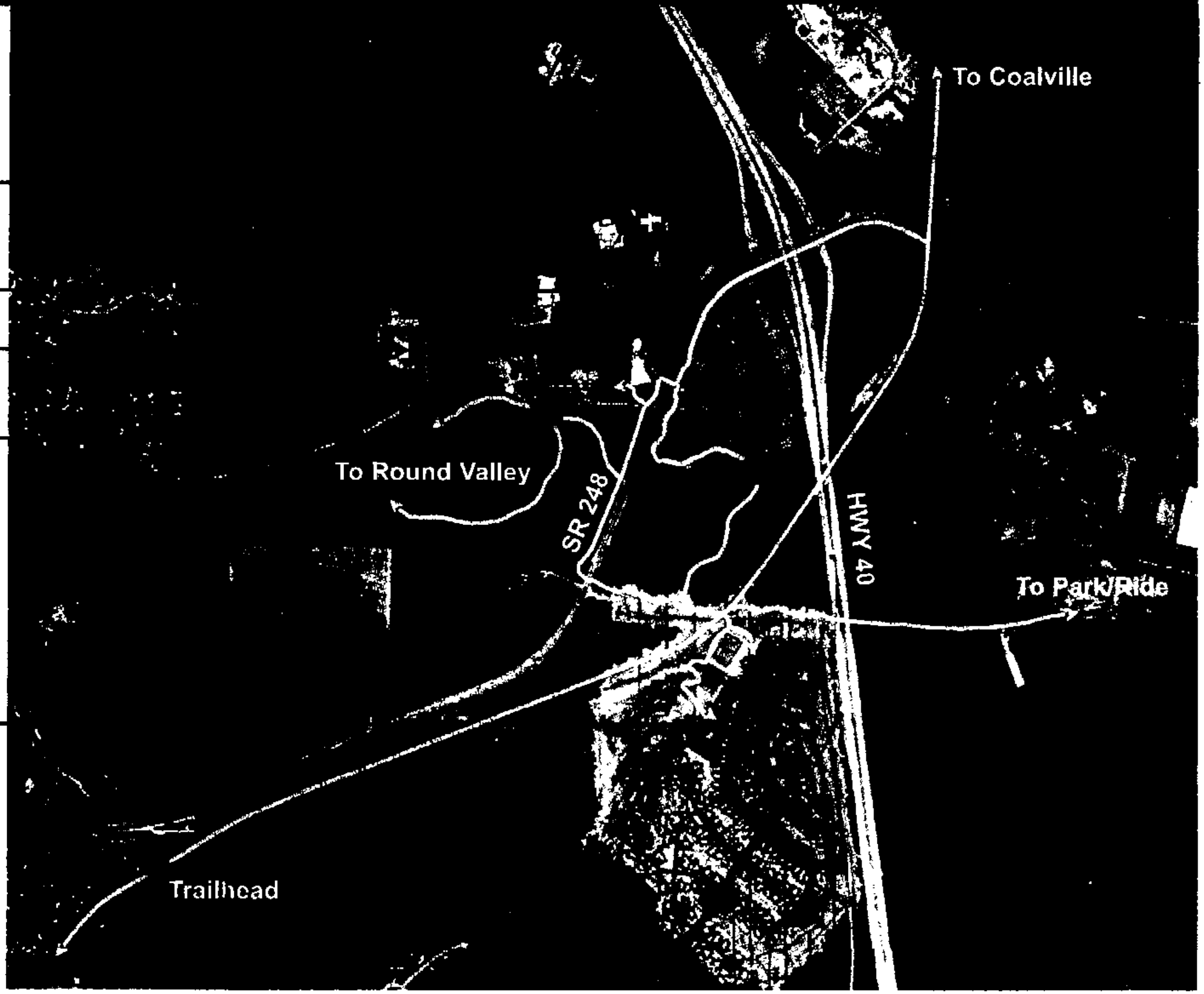
Healthcare Campus

Quinns Rec Complex

National Ability Center

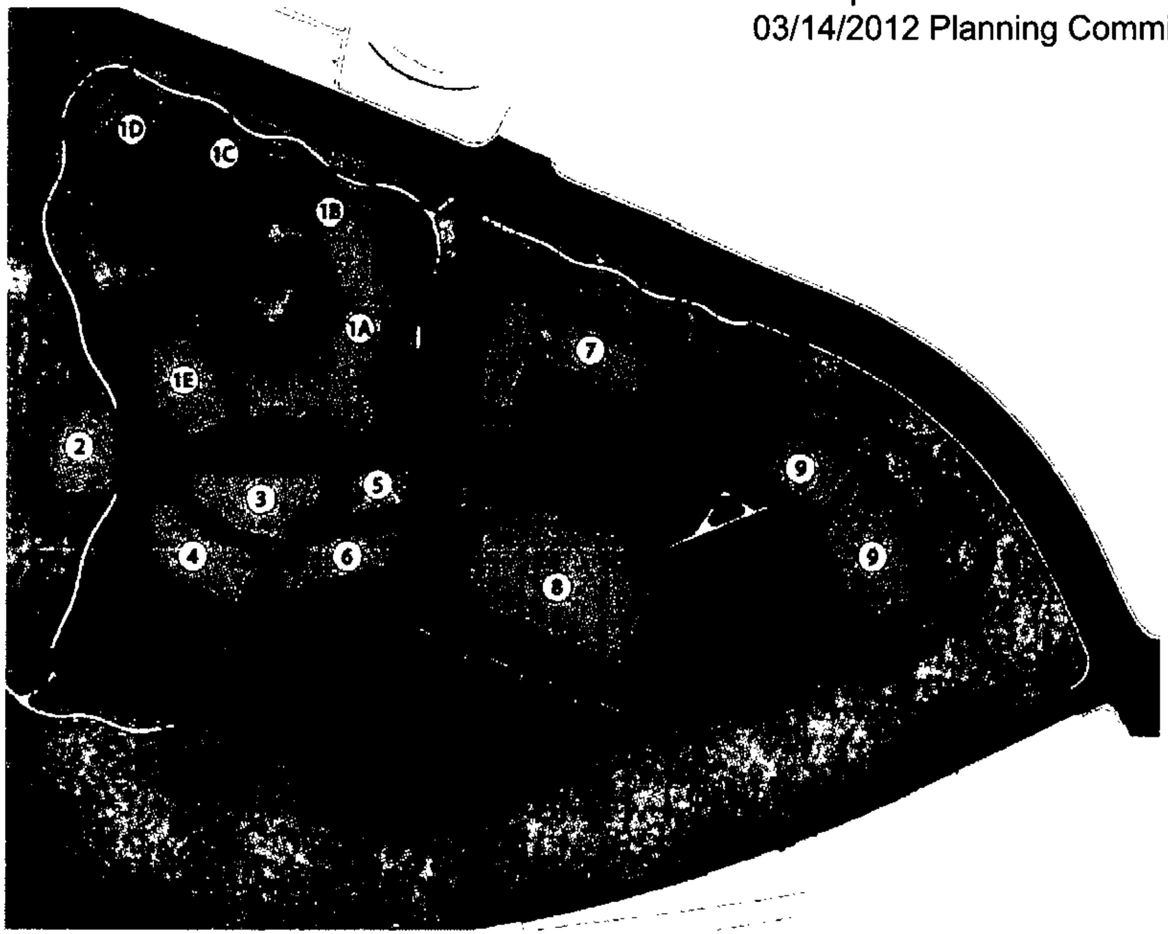
Proposed Film Studio

Park City Heights



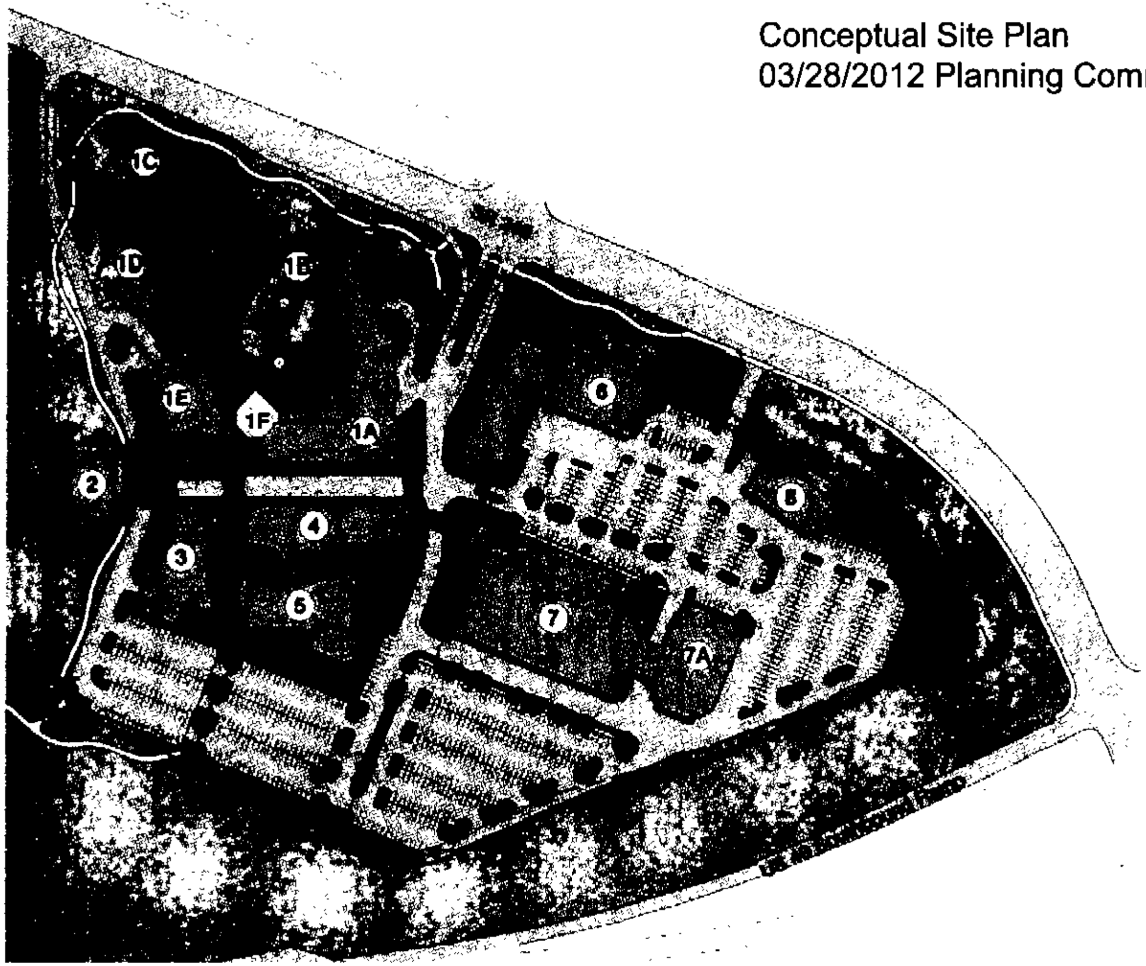
Raleigh Studios – Conceptual Site Plan

Conceptual Site Plan
03/14/2012 Planning Commission

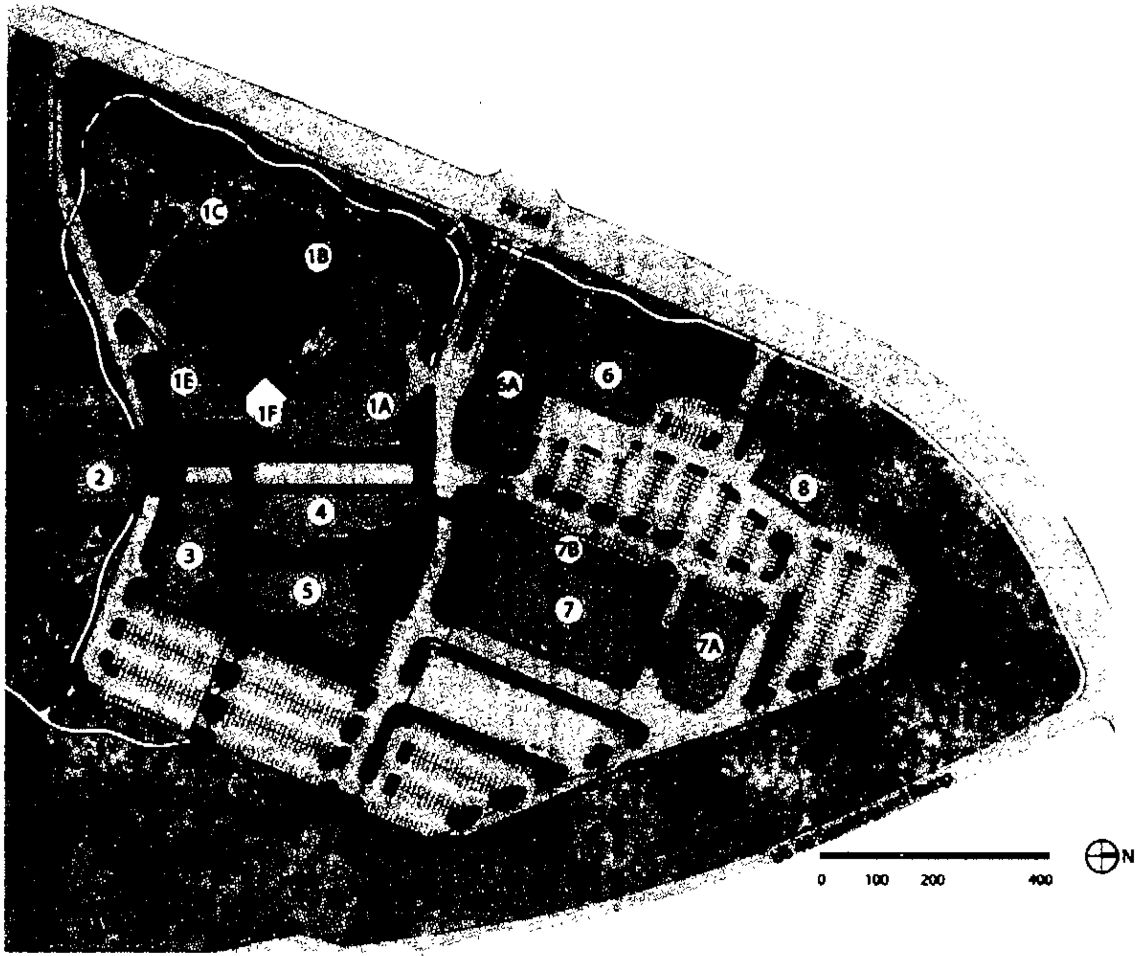


Raleigh Studios – Conceptual Site Plan Revisions

Conceptual Site Plan
03/28/2012 Planning Commission



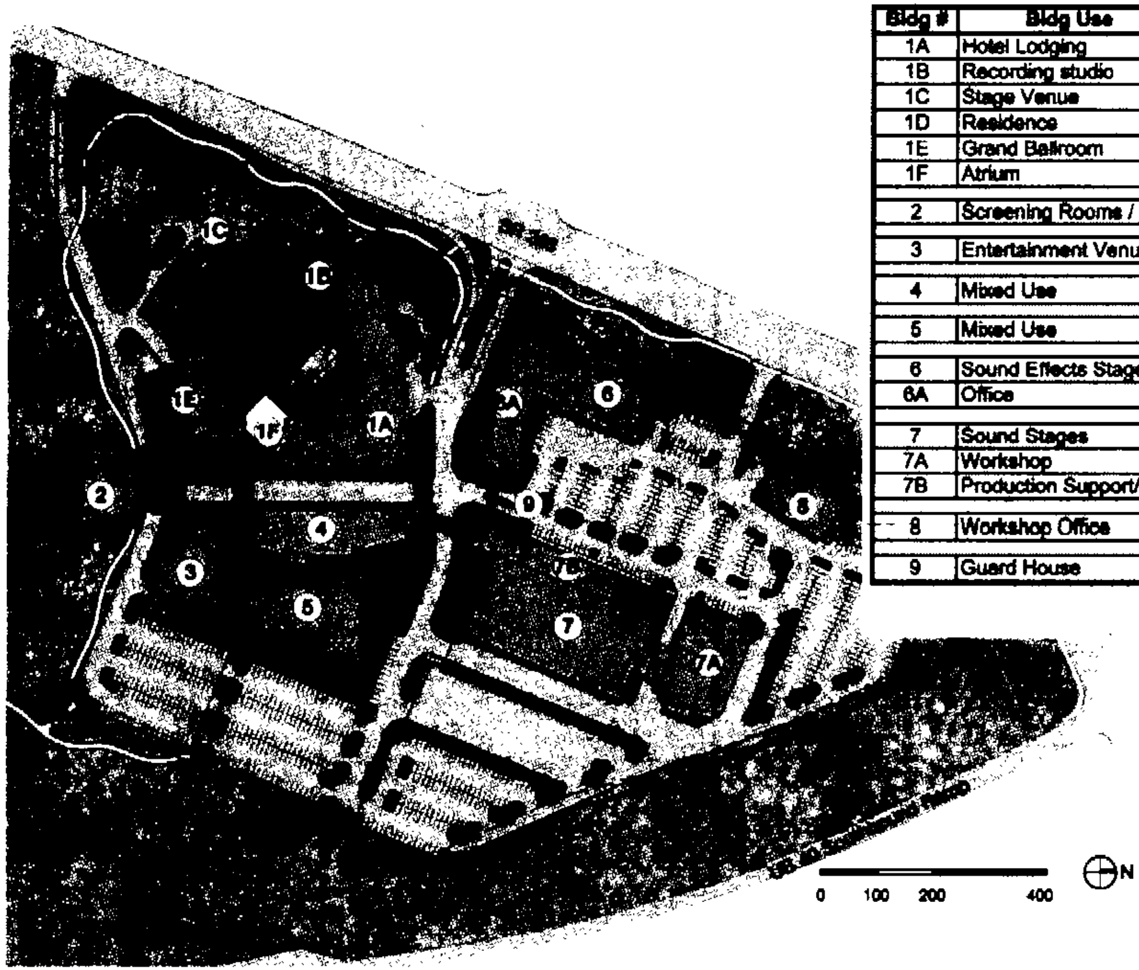
Raleigh Studios – Conceptual Site Plan



Building Legend

- 1A Hotel Lodging
- 1B Recording Studio
- 1C Stage Venue
- 1D Residence - omitted
- 1E Grand Ball Room
- 1F Atrium
- 2 Screening Rooms/Theater
- 3 Entertainment Venue
- 4 Mixed Use
- 5 Mixed Use
- 6 Sound Effects Stage
- 6A Office, Effects Stage
- 7 Sound Stages
- 7A Workshop
- 7B Production Support/ Offices
- 8 Workshop Office

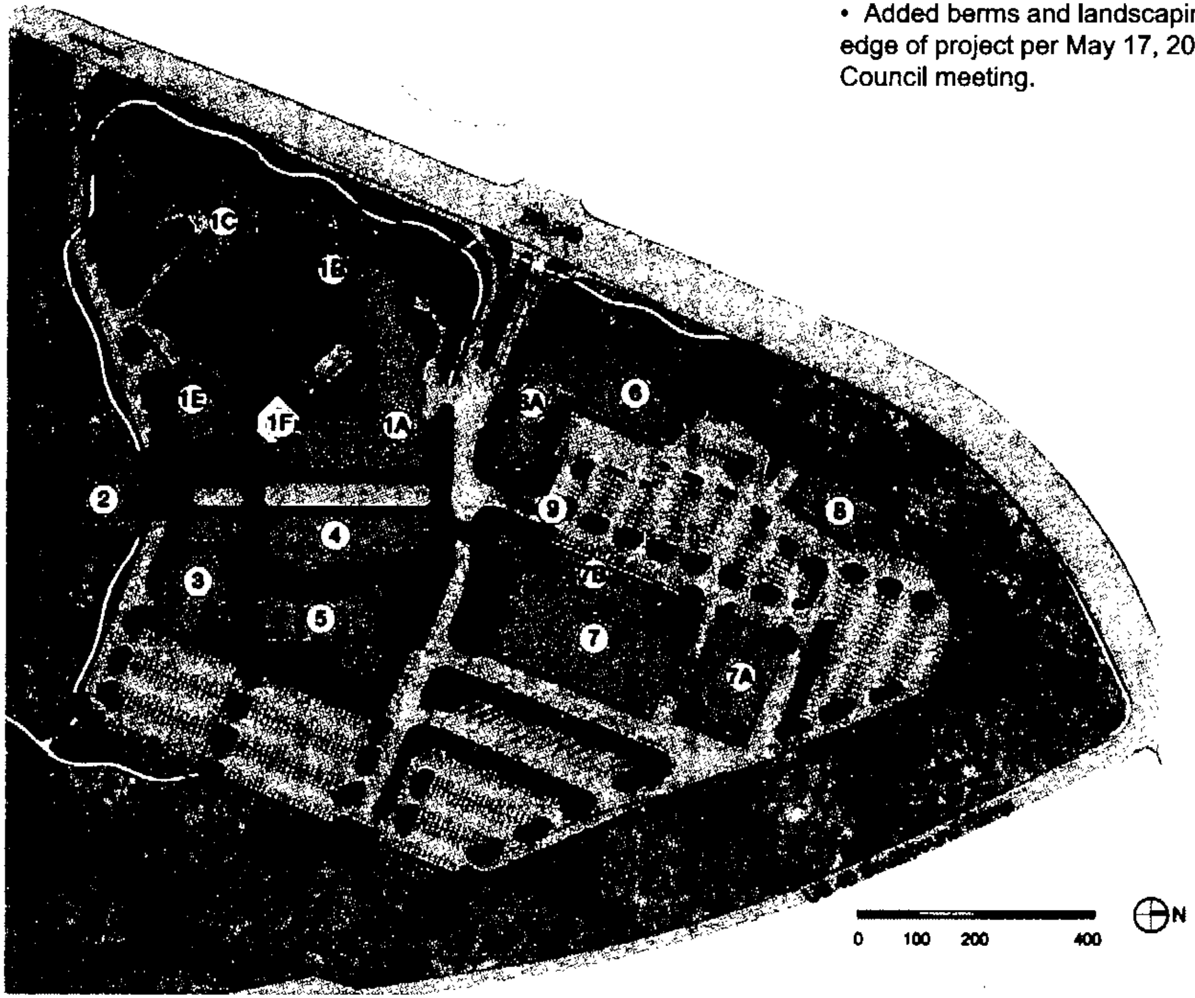
Raleigh Studios – Building Heights/Sizes



Bldg #	Bldg Use	Sqft (Gross)	Building Hts (Ft)
1A	Hotel Lodging (100 Keys)	112,000	40'
1B	Recording studio	2,500	16'
1C	Stage Venue	700	28'
1D	Residence (Omitted)	0	
1E	Grand Ballroom	16,000	28'
1F	Atrium	0	28'
2	Screening Rooms / Theater	15,000	40'
3	Entertainment Venue	14,500	40'
4	Mixed Use	33,350	28'
5	Mixed Use	25,625	28'
6	Sound Effects Stage	15,700	40'
6A	Office	37,200	38'
7	Sound Stages	47,375	60'
7A	Workshop	20,000	28'
7B	Production Support/ Offices	24,000	34'
8	Workshop Office	10000	18'
9	Guard House	50	10'
	Total	374,000	

- Building heights and percentages comply with requirements of the Annexation Agreement
- See 3D massing for building heights

Raleigh Studios – Conceptual Site Plan

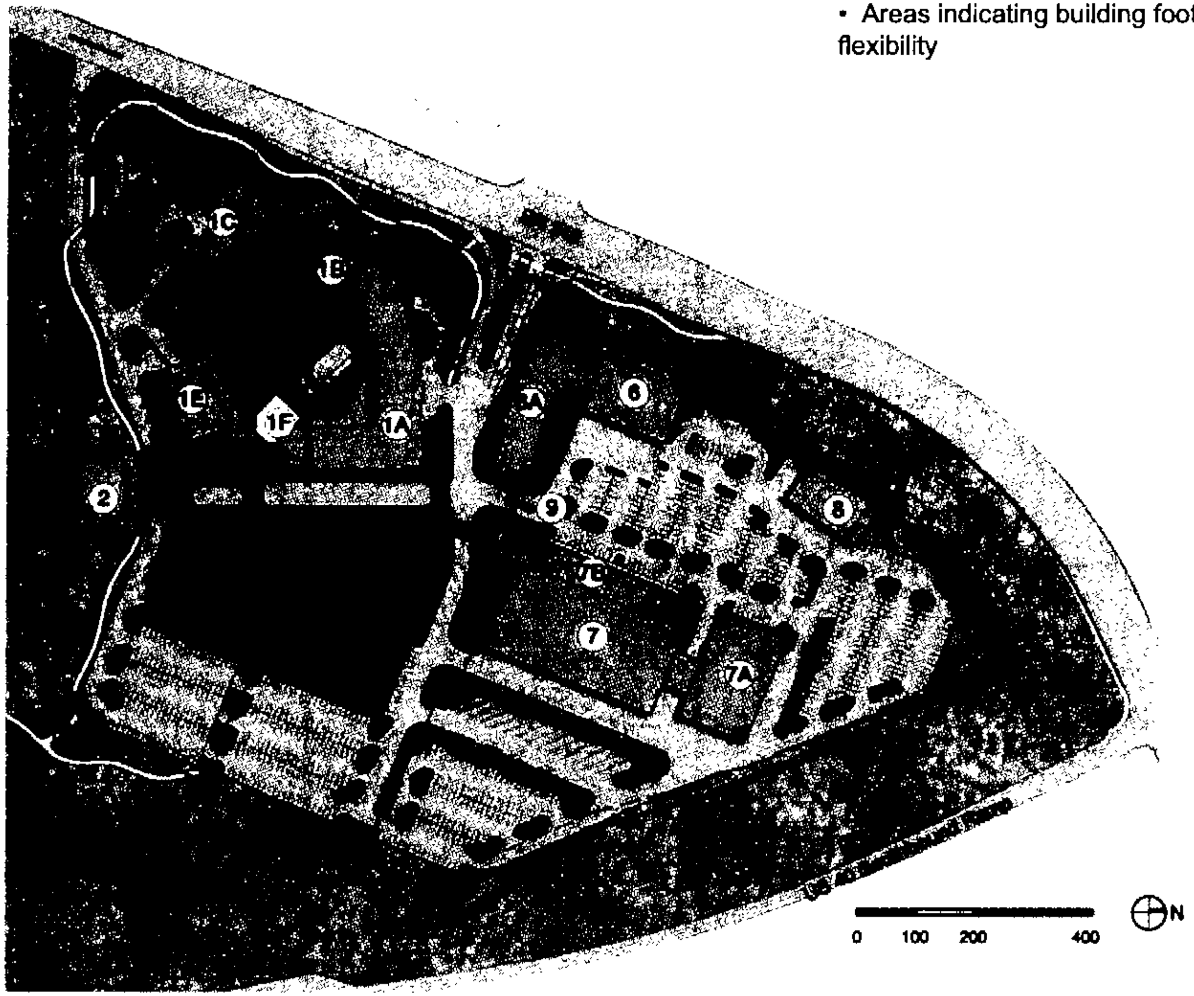


- Added berms and landscaping to south edge of project per May 17, 2012 City Council meeting.

Building Legend

- **1A** Hotel Lodging
- **1B** Recording Studio
- **1C** Stage Venue
- **1D** Residence - omitted
- **1E** Grand Ball Room
- **1F** Atrium
- **2** Screening Rooms/Theater
- **3** Entertainment Venue
- **4** Mixed Use
- **5** Mixed Use
- **6** Sound Effects Stage
- **6A** Office, Effects Stage
- **7** Sound Stages
- **7A** Workshop
- **7B** Production Support/ Offices
- **8** Workshop Office
- **9** Guard House

Raleigh Studios – Building Flexibility Zones



- Areas indicating building footprint flexibility

Building Legend

- 1A Hotel Lodging
- 1B Recording Studio
- 1C Stage Venue
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- 1E Grand Ball Room
- 1F Atrium
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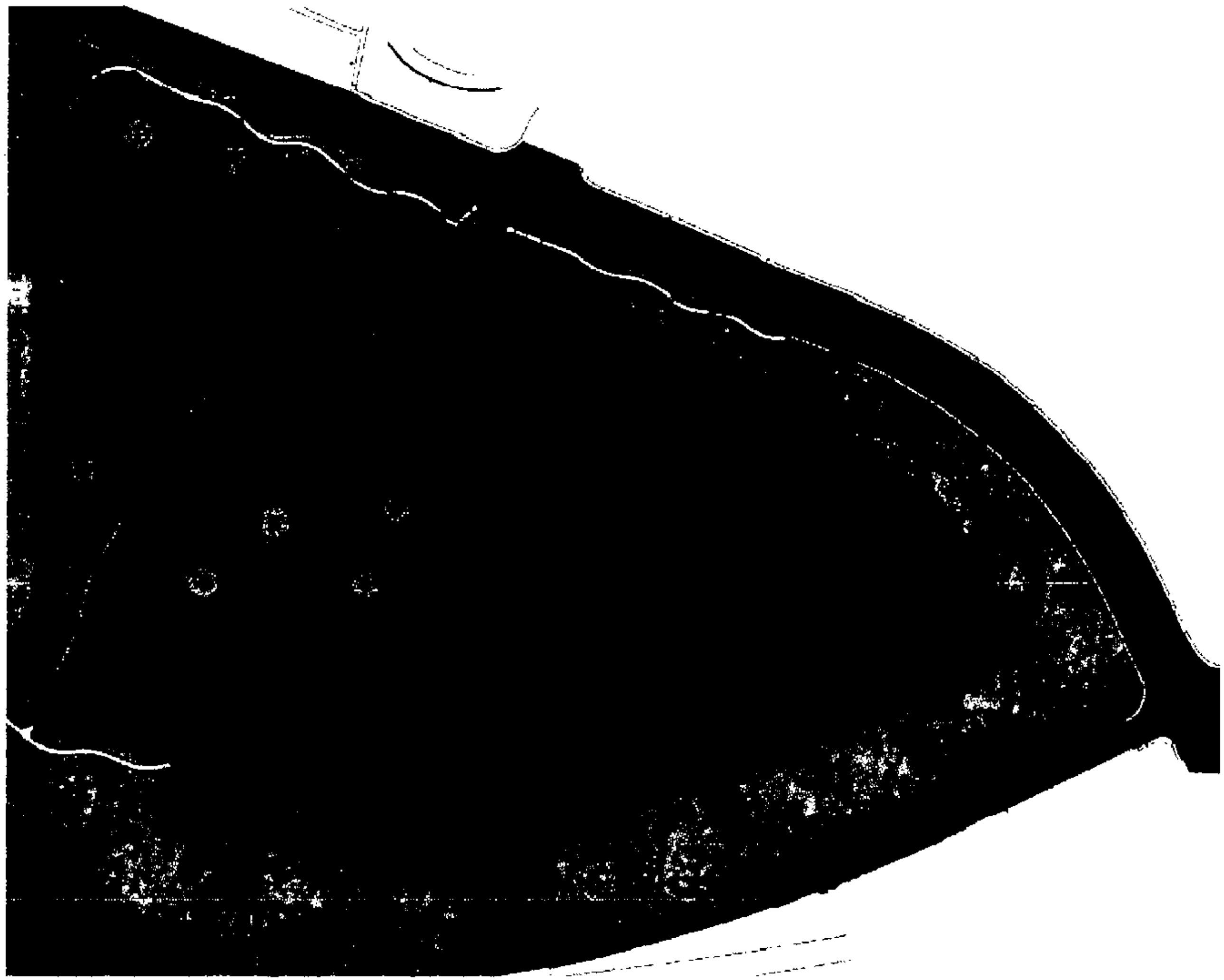
Raleigh Studios – Conceptual Site Plan

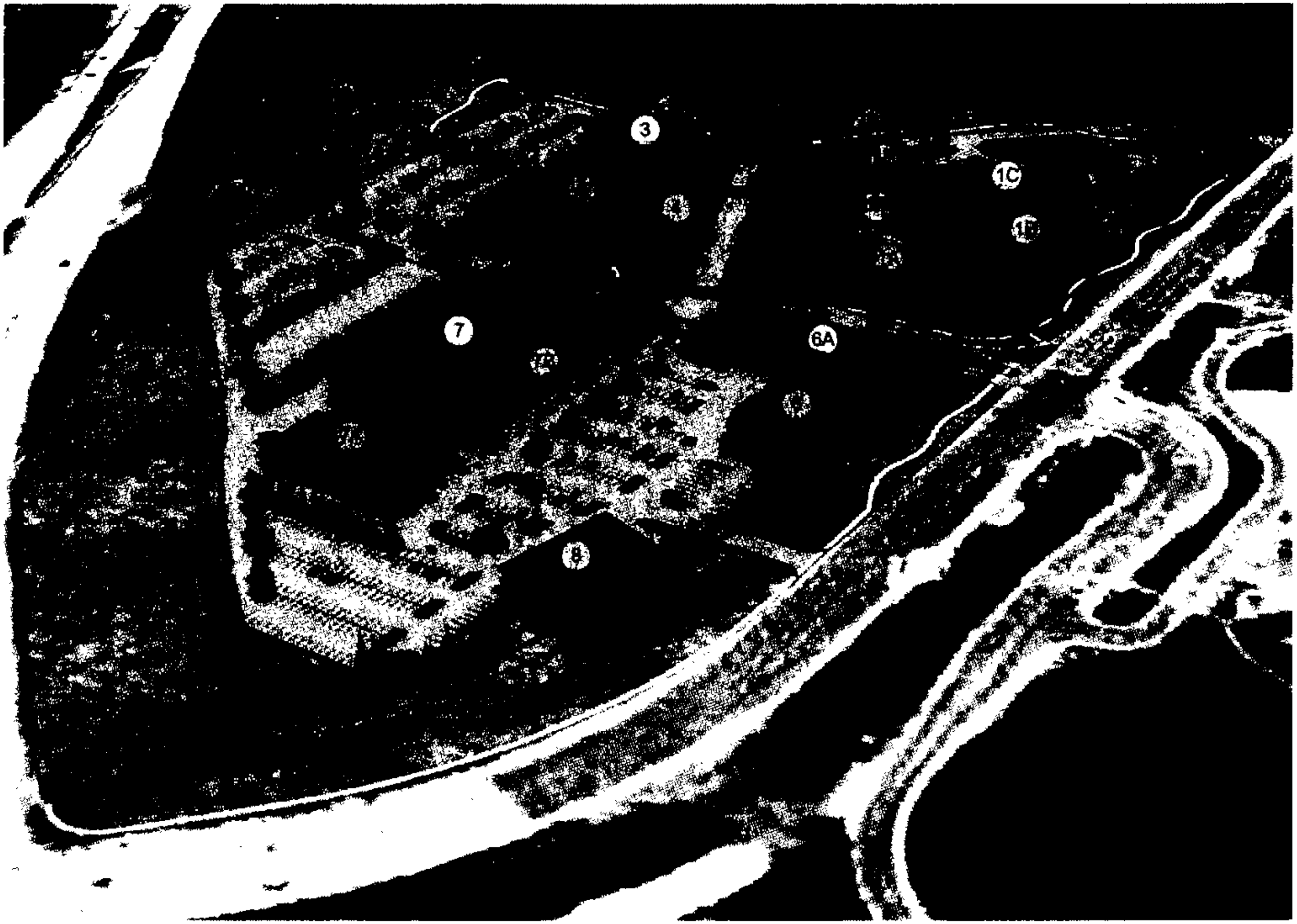


IBI GROUP

Raleigh Studios
Park City, UT

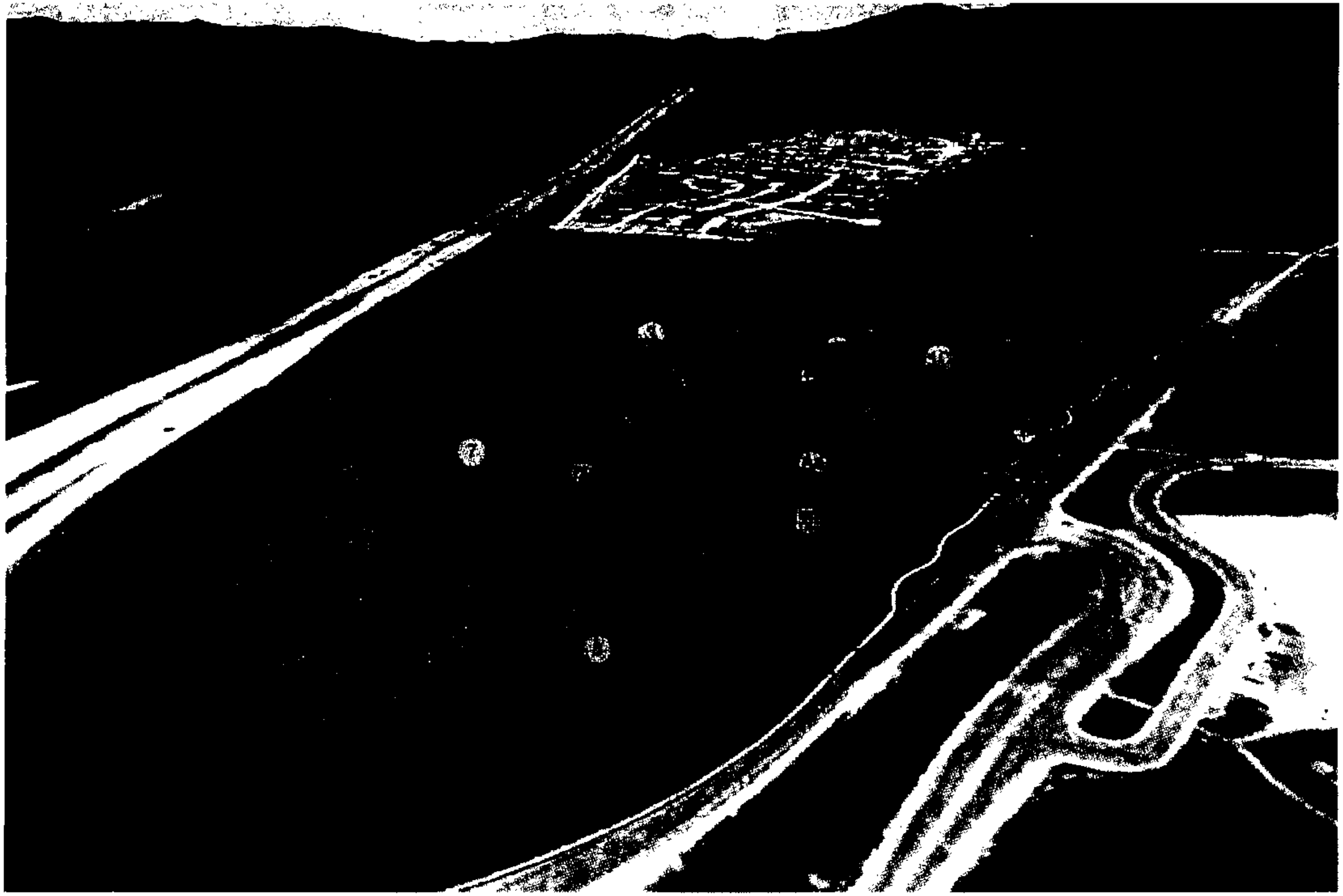
Conceptual Site Plan
39 March 14, 2012

Raleigh Studios – Visual Analysis



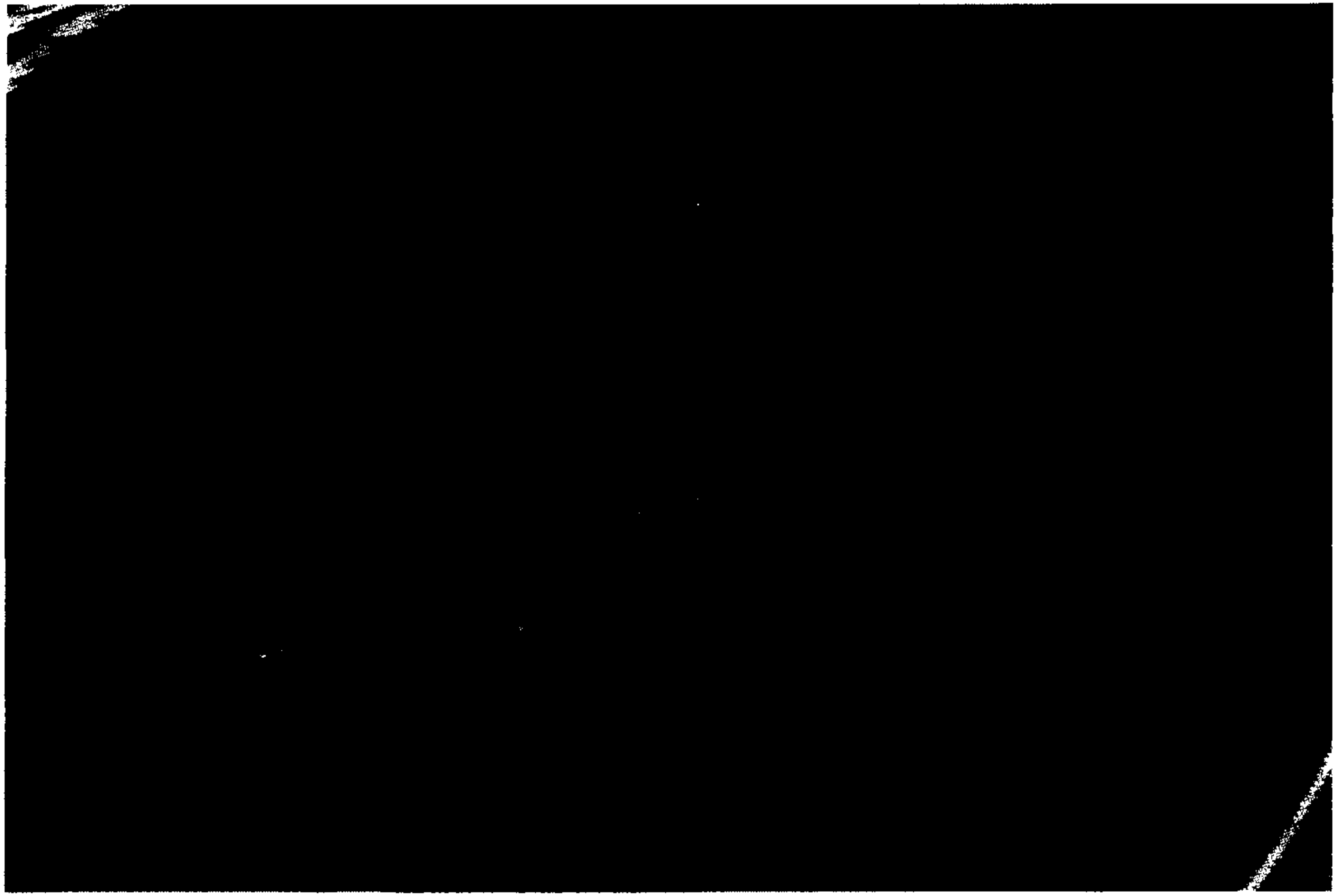
Massing Study Looking South

Raleigh Studios – Visual Analysis



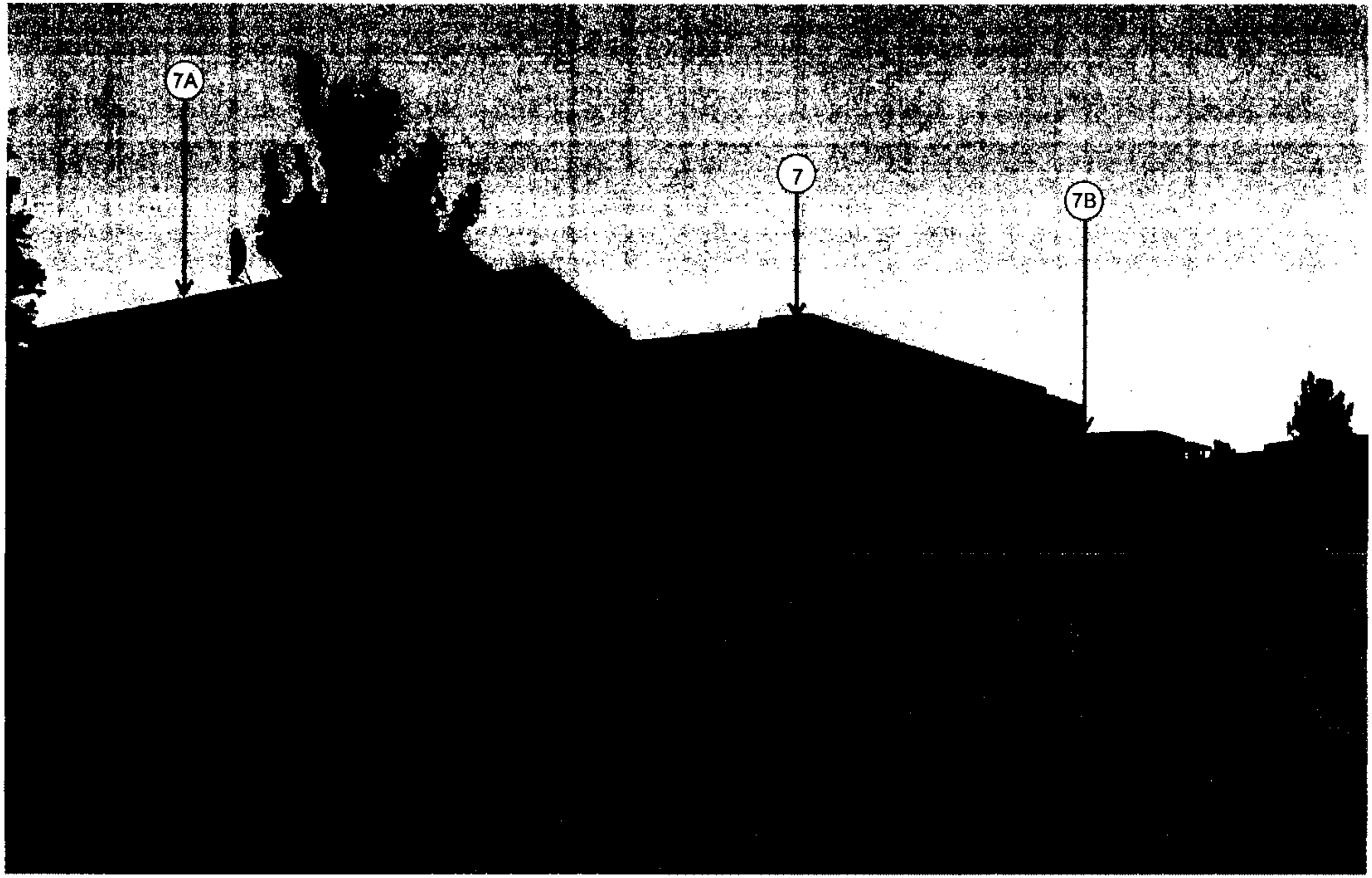
Massing Study Looking South

Raleigh Studios – Visual Analysis



Massing Study Looking SE

Raleigh Studios – Visual Analysis



Buildings 7, 7A and 7B Massing Study Looking S

Raleigh Studios – Visual Analysis

Building 7B and Entry Gate Massing Study Looking NE

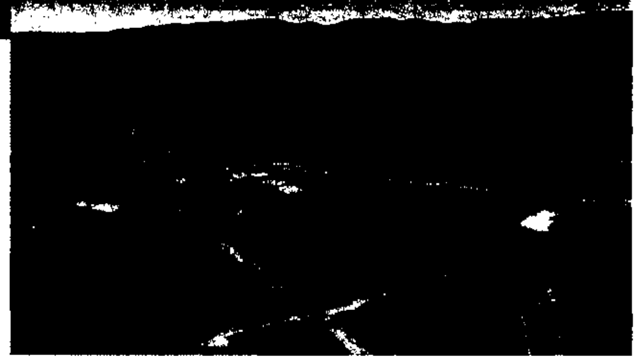
Raleigh Studios – Visual Analysis

Buildings 5 and 7 Massing Study Looking NW

Raleigh Studios – Visual Analysis

View from US40 Northbound

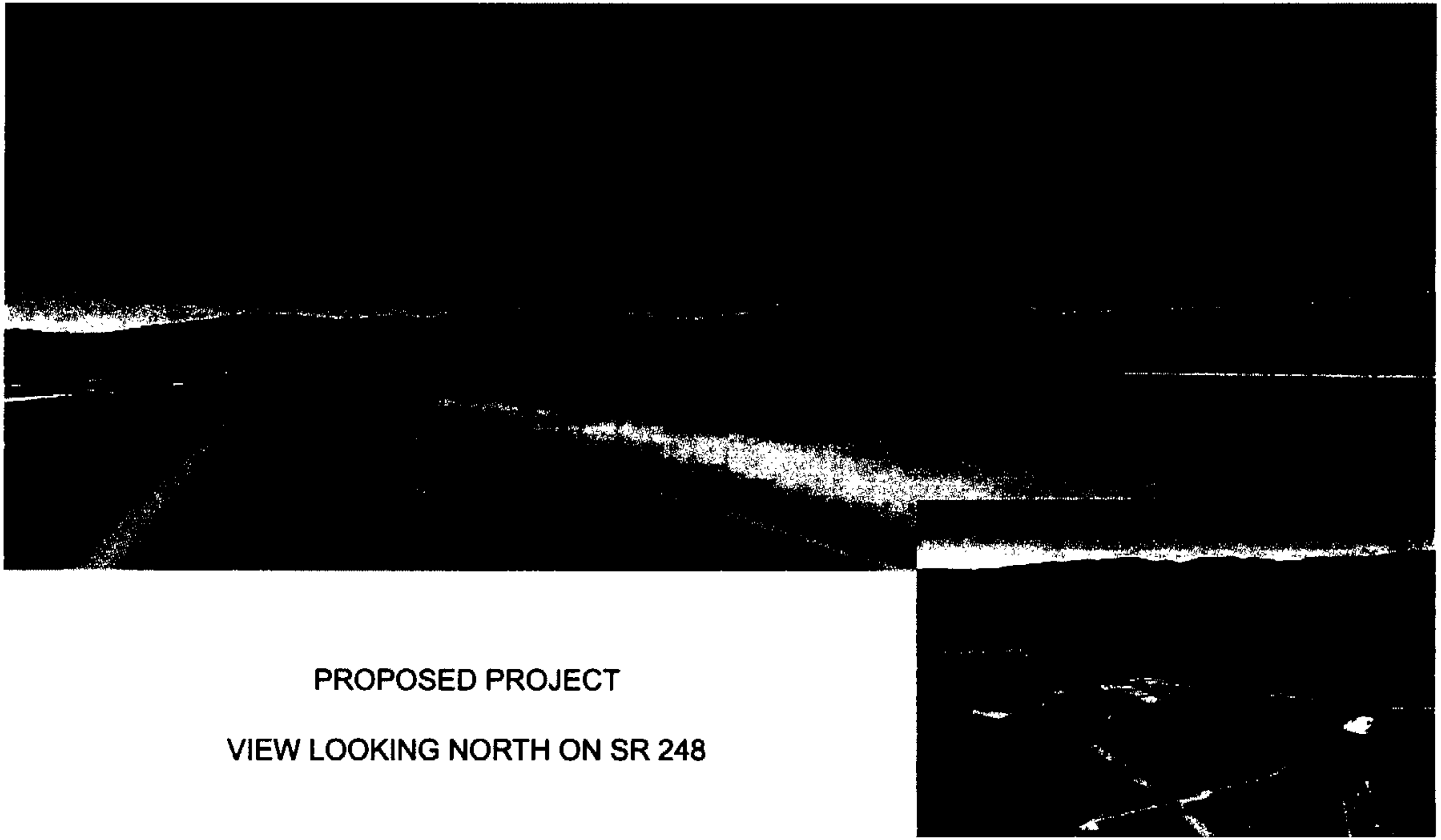
Raleigh Studios – Visual Analysis



EXISTING CONDITION

VIEW LOOKING NORTH ON SR 248

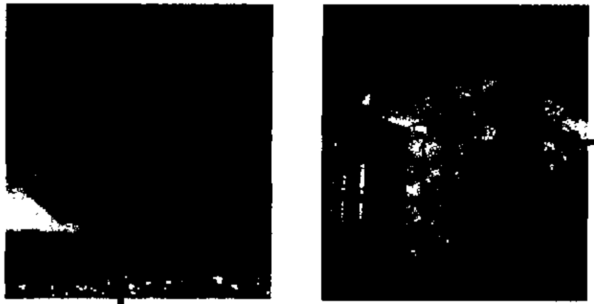
Raleigh Studios – Visual Analysis



PROPOSED PROJECT

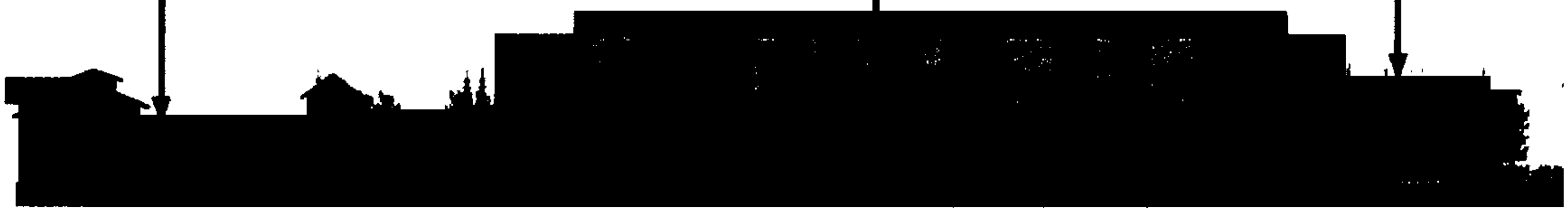
VIEW LOOKING NORTH ON SR 248

Raleigh Studios – Building 7 Wall Section



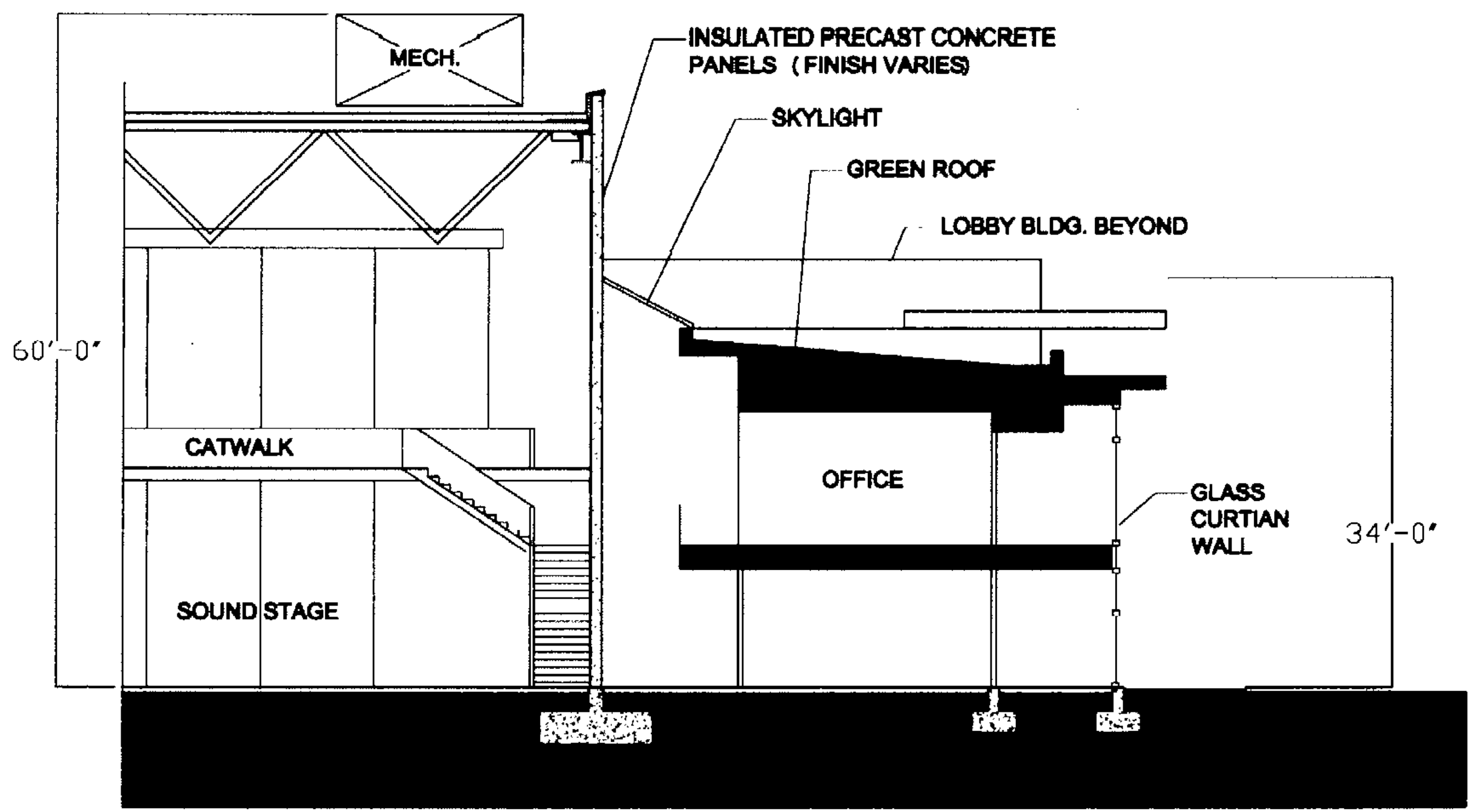
SOUTH ELEVATION - NOT TO SCALE

CONCEPT MATERIALS
1. PRECAST CONCRETE
2. CORTEN STEEL
3. CORRUGATED STEEL
4. WOOD
5. NATURAL STONE
6. ALUMINUM CLAD
   WOOD WINDOWS
7. GLASS CURTIAN WALL
8. METAL PANEL
9. TRANSLUCENT PANELS
10. STUCCO - EFIS

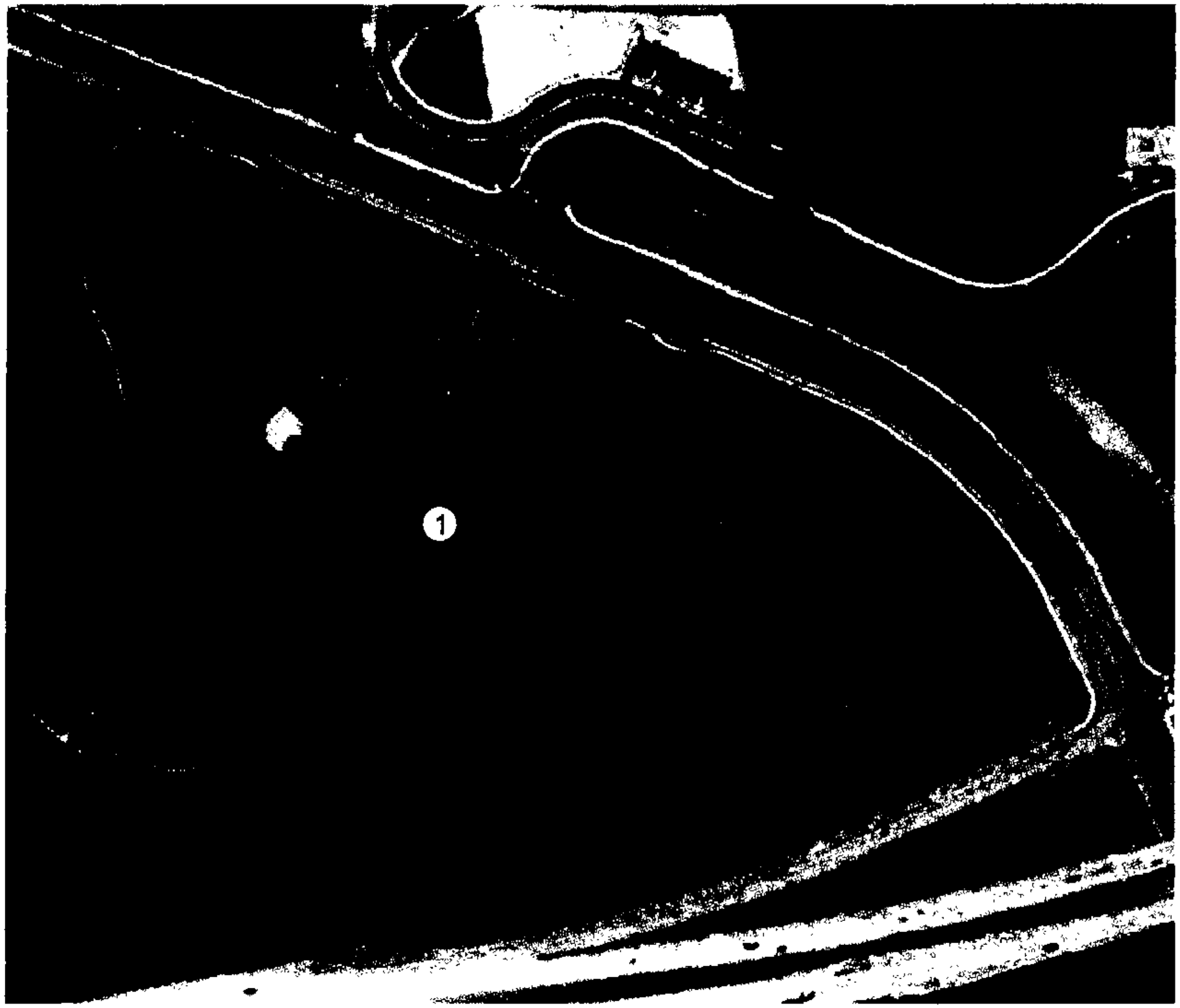


WEST ELEVATION - NOT TO SCALE

Raleigh Studios – Building 7 Wall Section



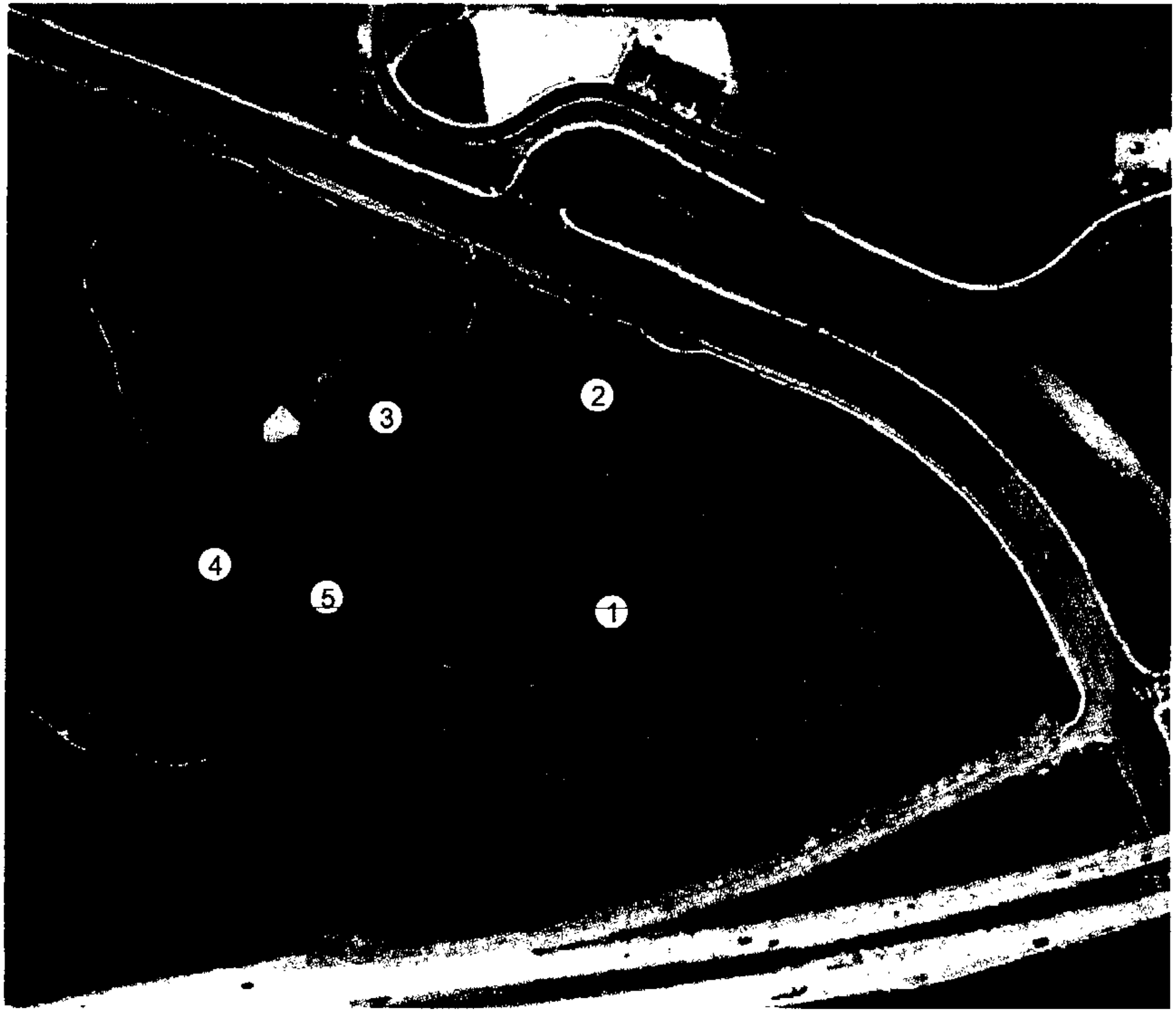
Raleigh Studios – Existing Building Overlay



Existing Buildings

1. Hospital with Surrounding Parking

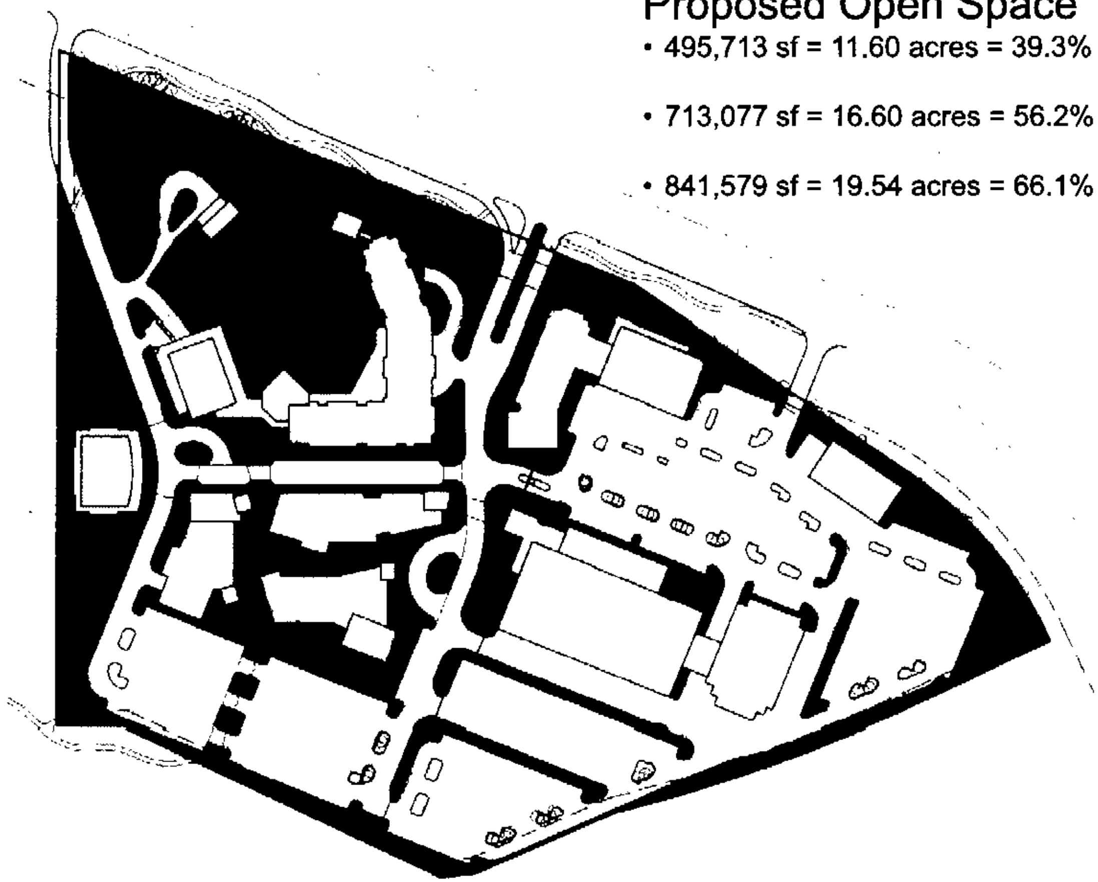
Raleigh Studios – Existing Building Overlay



Existing Buildings

1. Hospital
2. Ice Rink
3. Hotel Park City
4. Summit County Health
5. USSSA

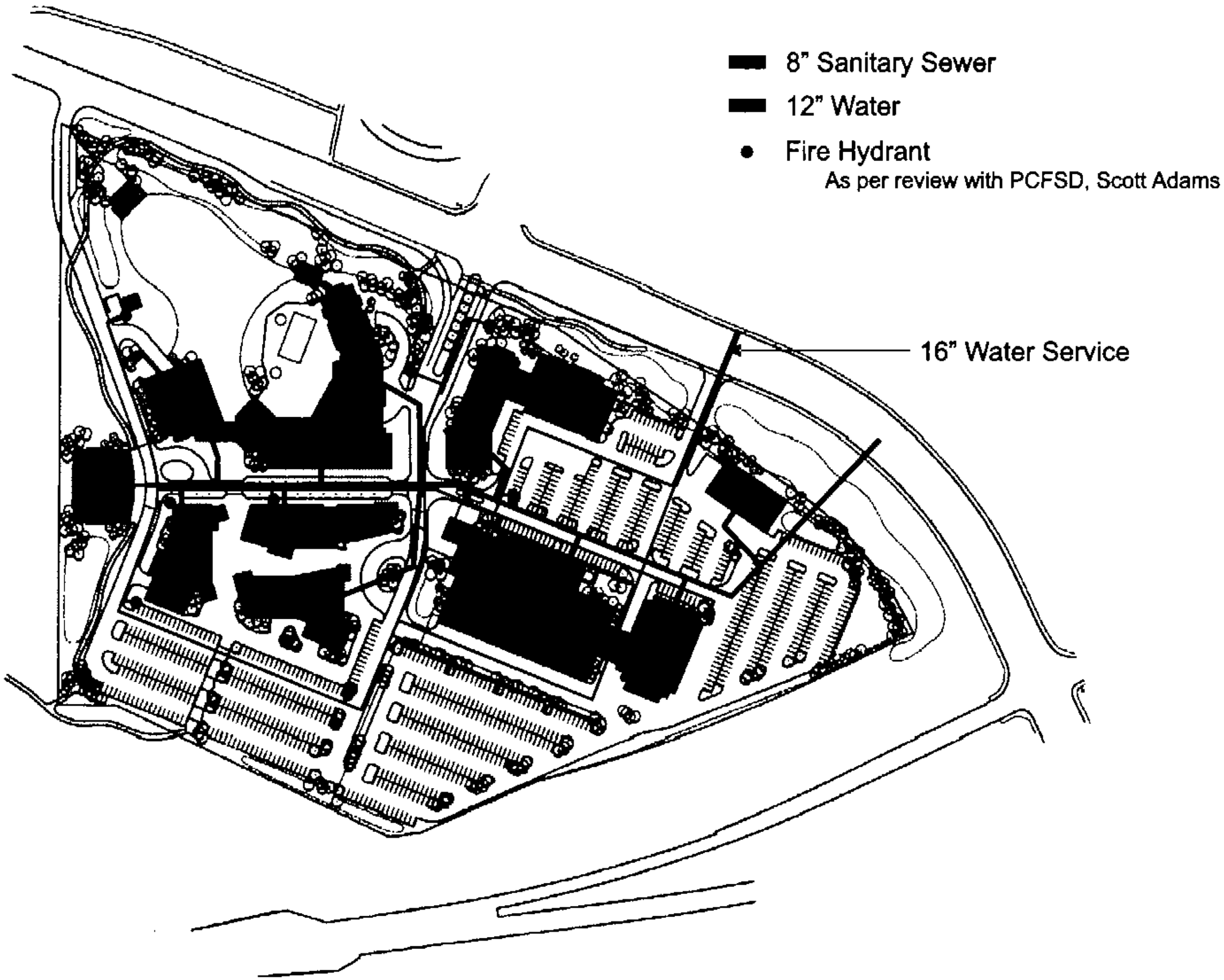
Raleigh Studios – Open Space



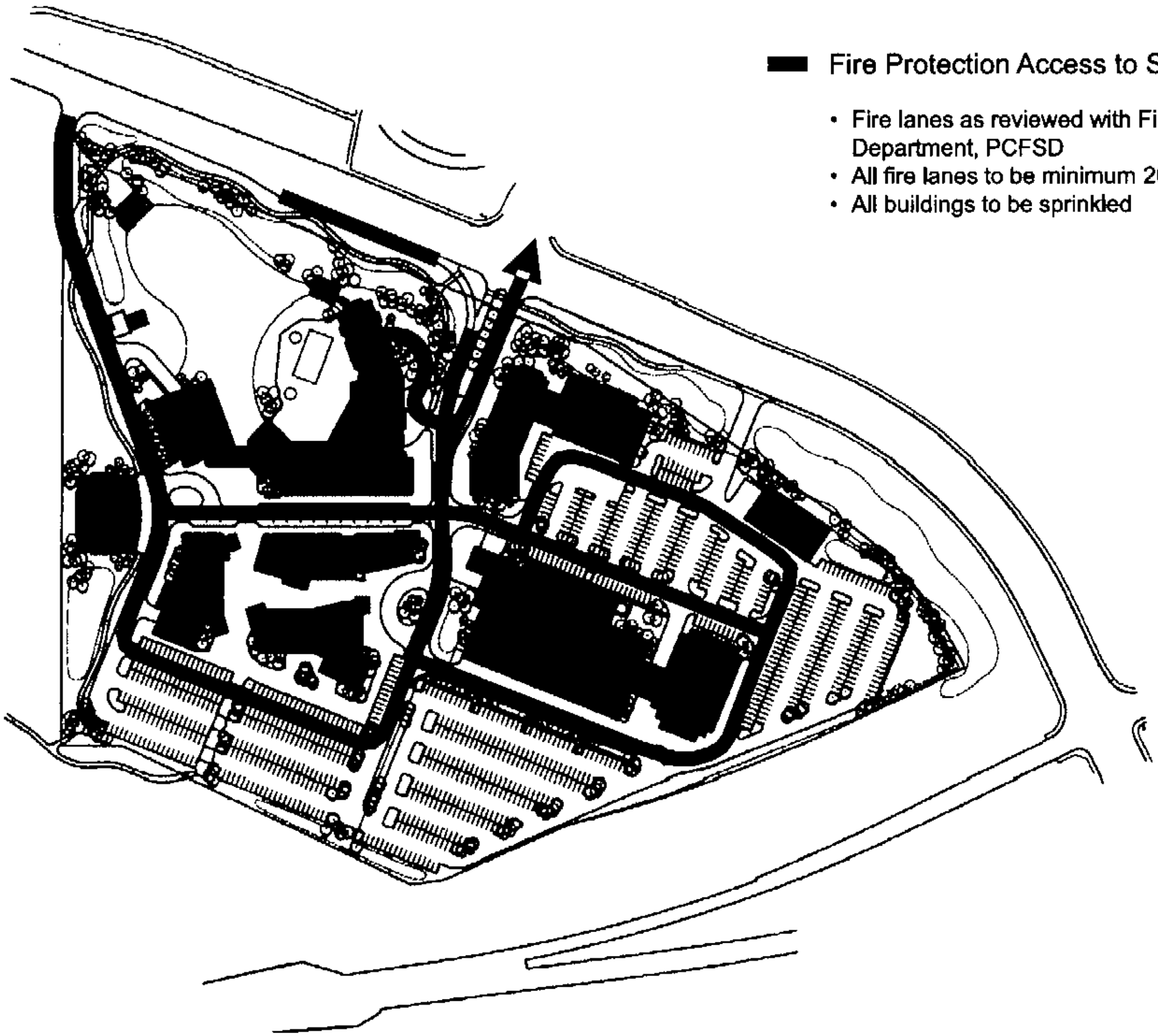
Proposed Open Space

- 495,713 sf = 11.60 acres = 39.3% (On-Site)
- 713,077 sf = 16.60 acres = 56.2% (Top of Cut Slope)
- 841,579 sf = 19.54 acres = 66.1% (Edge of Pavement)

Raleigh Studios – Water/Sewer



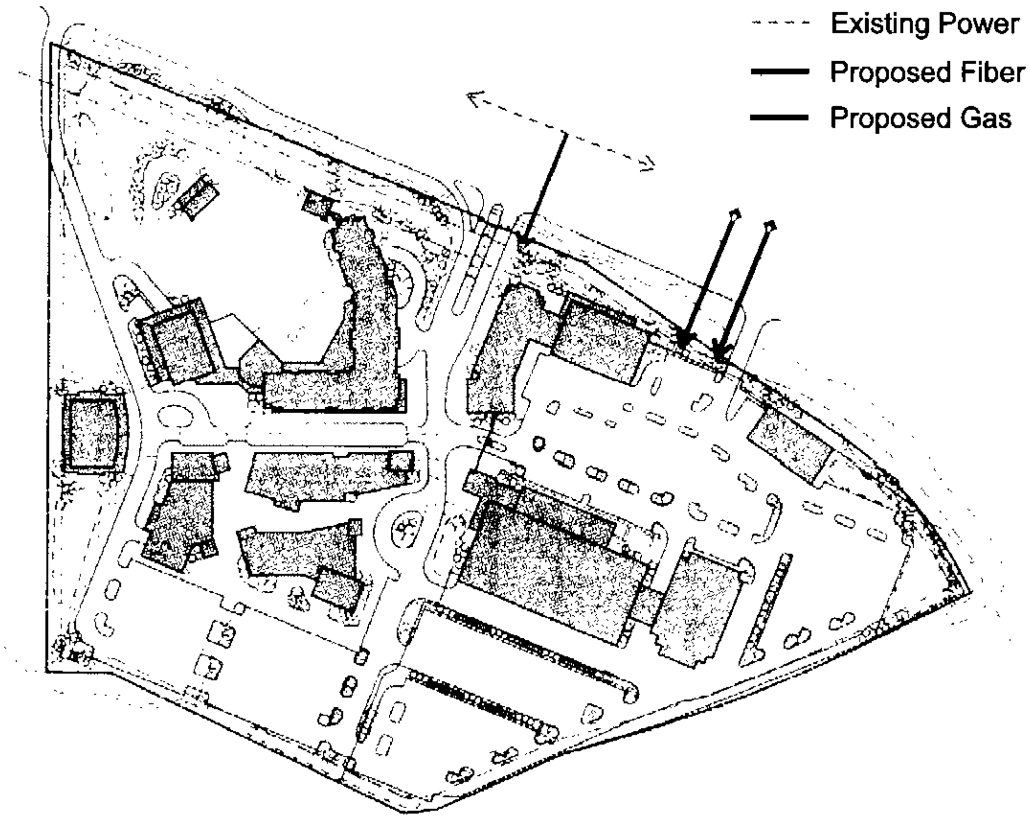
Raleigh Studios – Fire Access Routing Plan



■ Fire Protection Access to Structures

- Fire lanes as reviewed with Fire Department, PCFSD
- All fire lanes to be minimum 20' wide
- All buildings to be sprinkled

Raleigh Studios – Dry Utilities

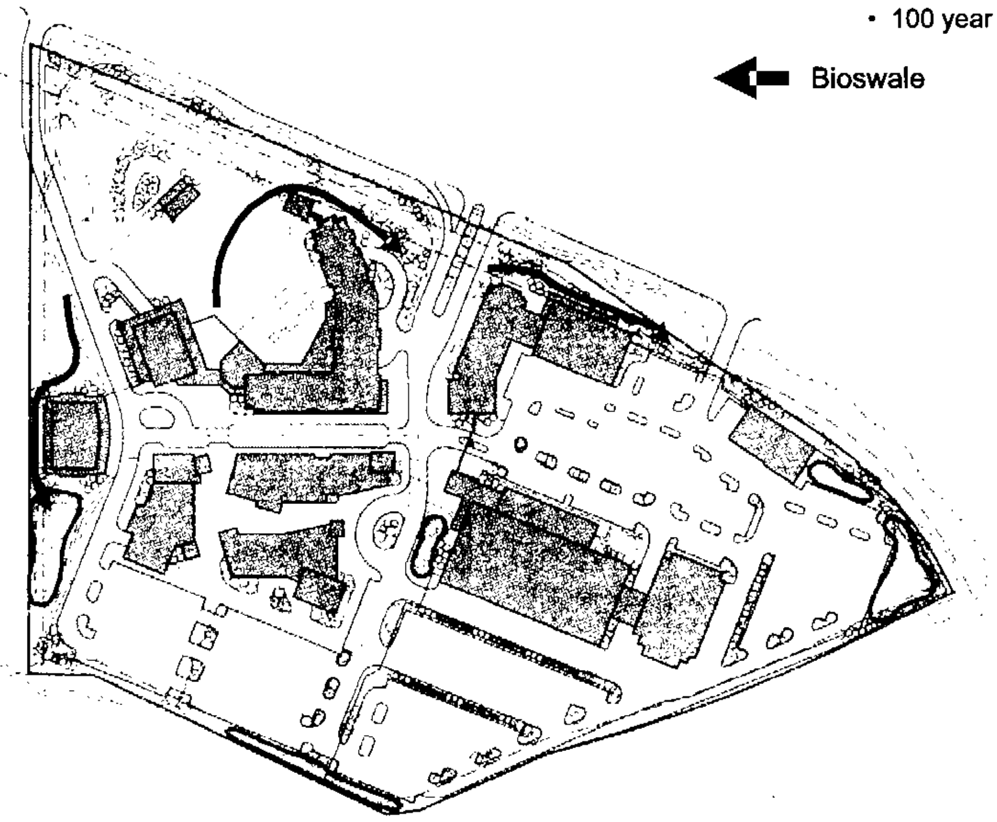


- Proposed Power
- Existing Power
- Proposed Fiber Optic
- Proposed Gas

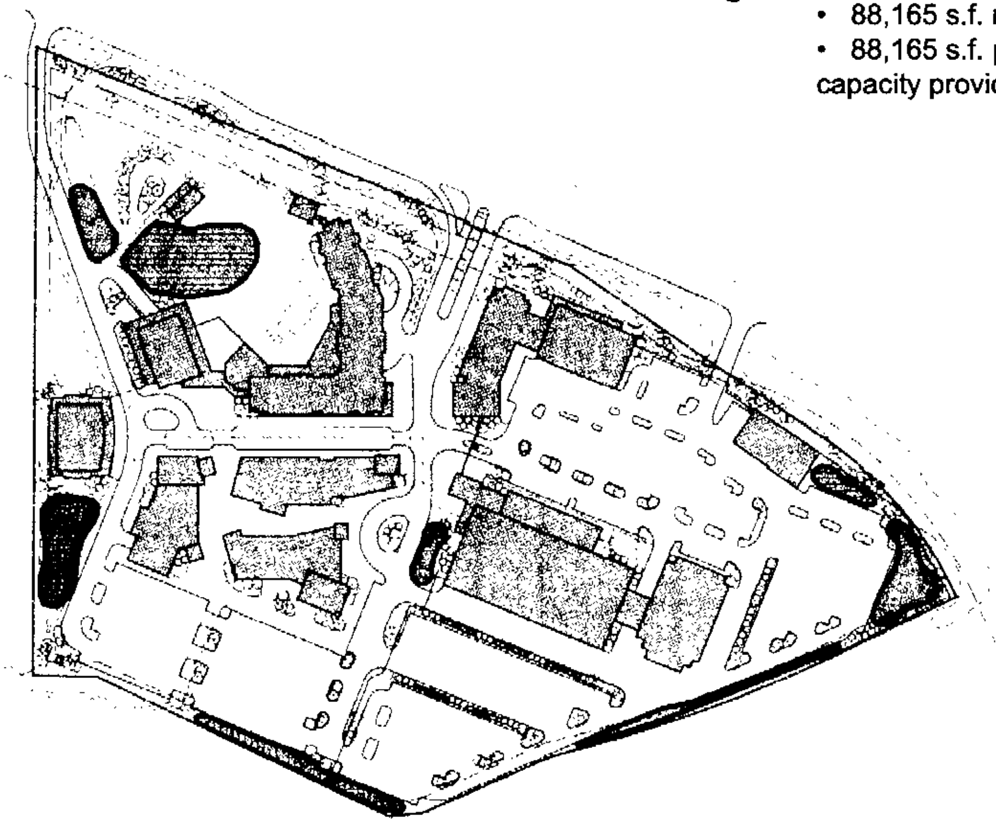
Raleigh Studios – Detention/Bioswales/Drainage

Detention Area
- 100 year flood storage = 46,000 c.f.

Bioswale



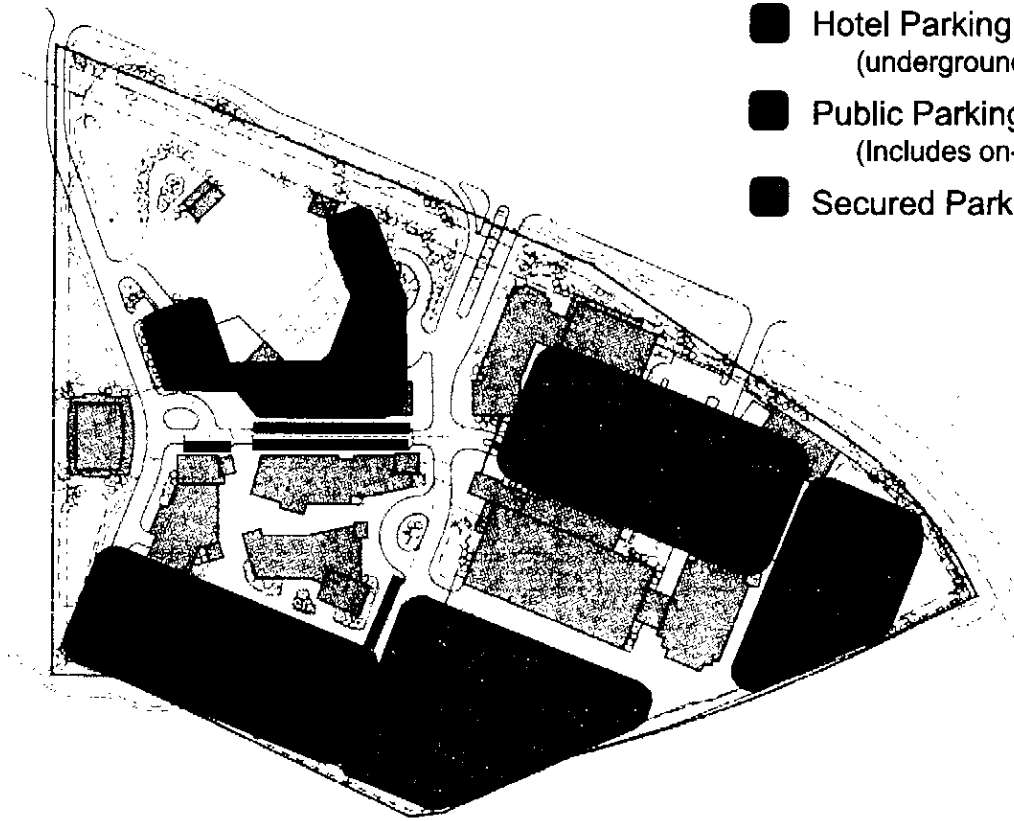
Raleigh Studios – Snow Storage Plan



Snow Storage

- 88,165 s.f. required per ordinance
- 88,165 s.f. provided with additional capacity provided in detention ponds

Raleigh Studios – Parking Plan w/Counts



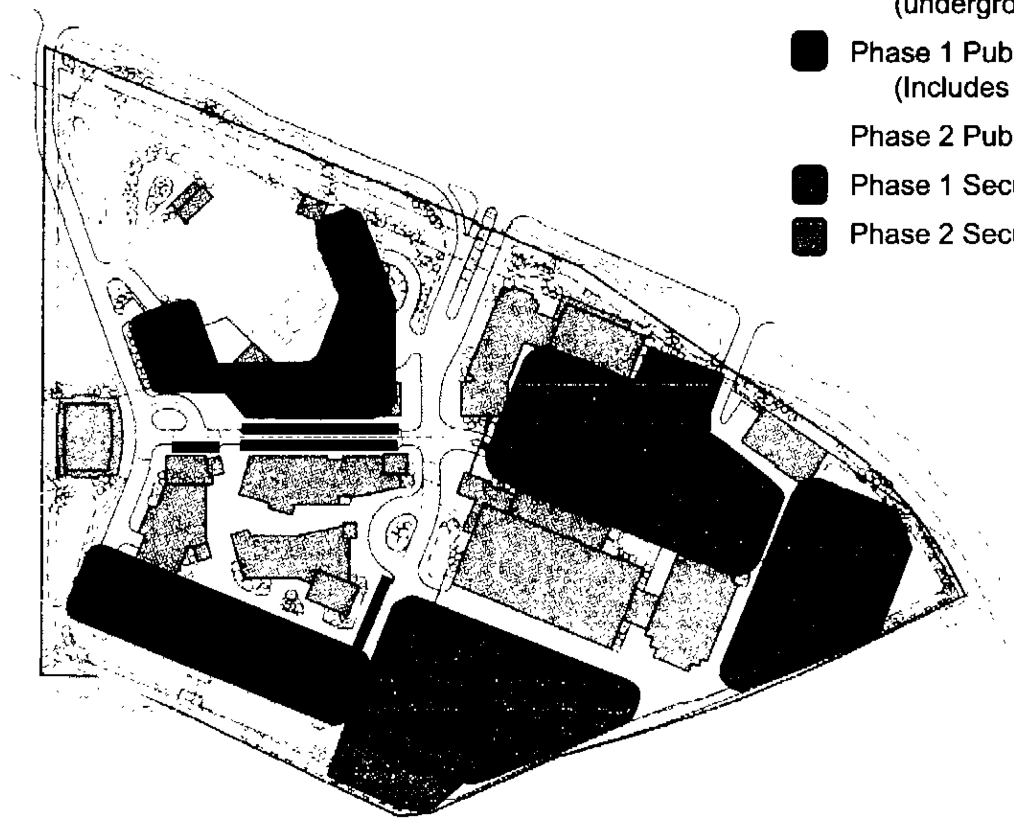
- Hotel Parking – 150 stalls (underground)
- Public Parking – 287 stalls (Includes on-street parking)
- Secured Parking – 606 previous stalls
  - -109 for staging
  - -48 for additional landscaping
  - = 449 stalls

886 total stalls

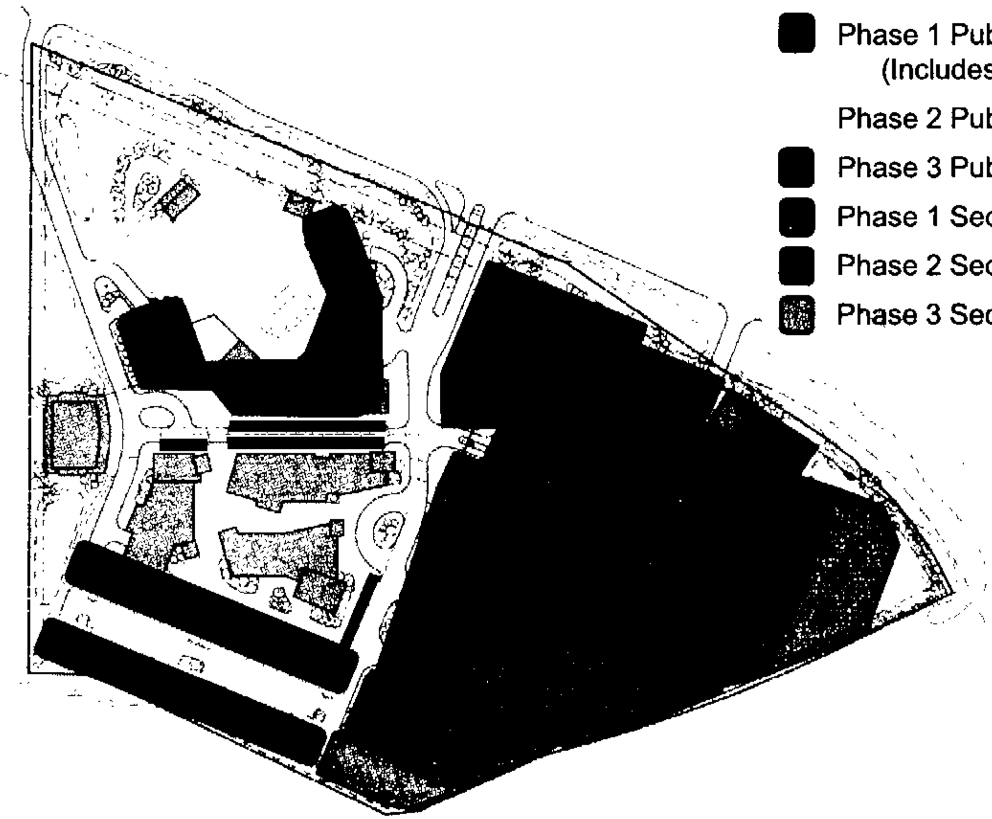
Parking and Staging Areas
362,750 s.f. = 8.33 Acres

Raleigh Studios – Parking Phasing

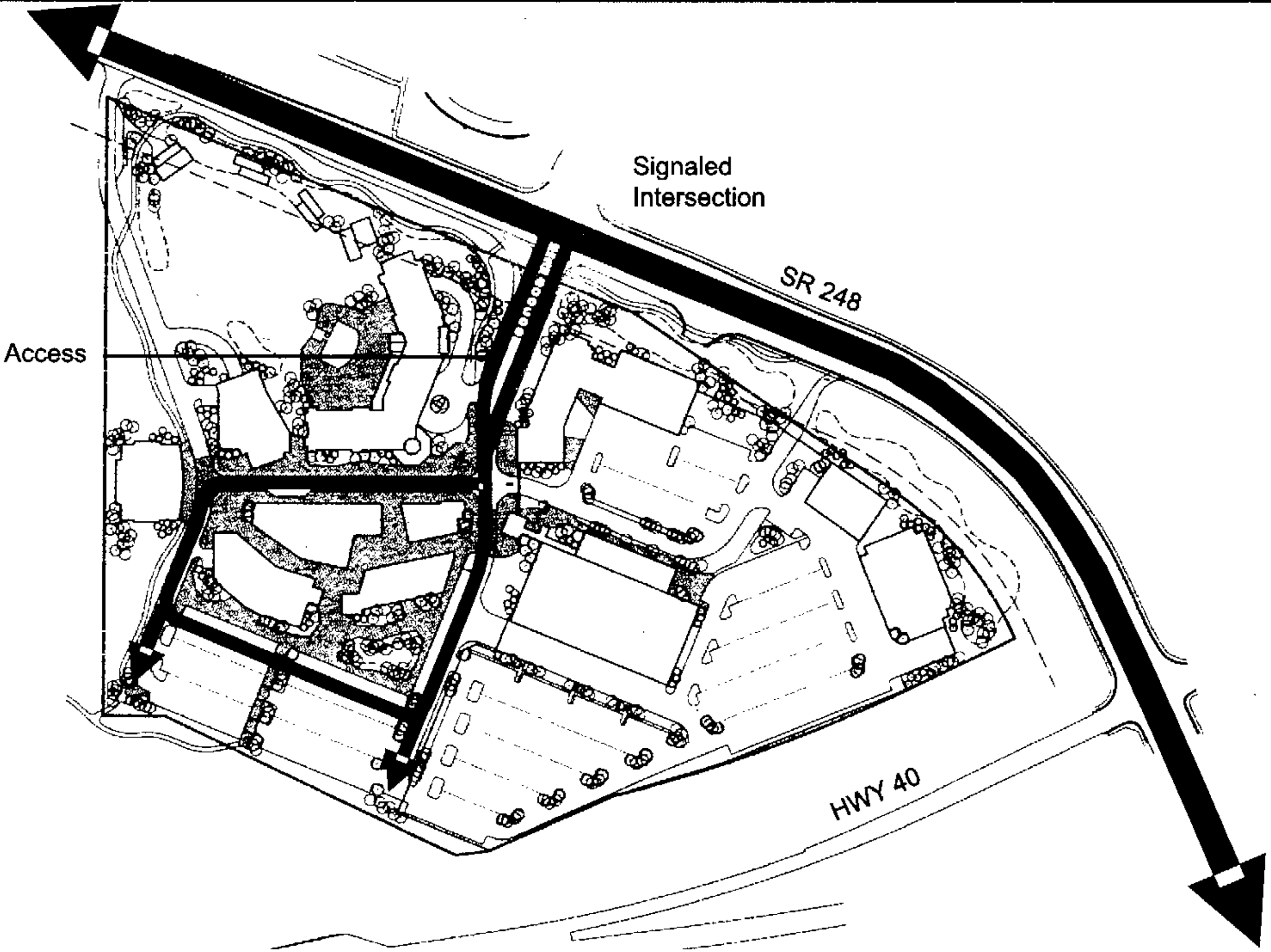
- Hotel Parking – 150 stalls (underground)
- Phase 1 Public Parking – 207 stalls (Includes on-street parking)
- Phase 2 Public Parking – 80 stalls
- Phase 1 Secured Parking – 340 stalls
- Phase 2 Secured Parking – 109 stalls



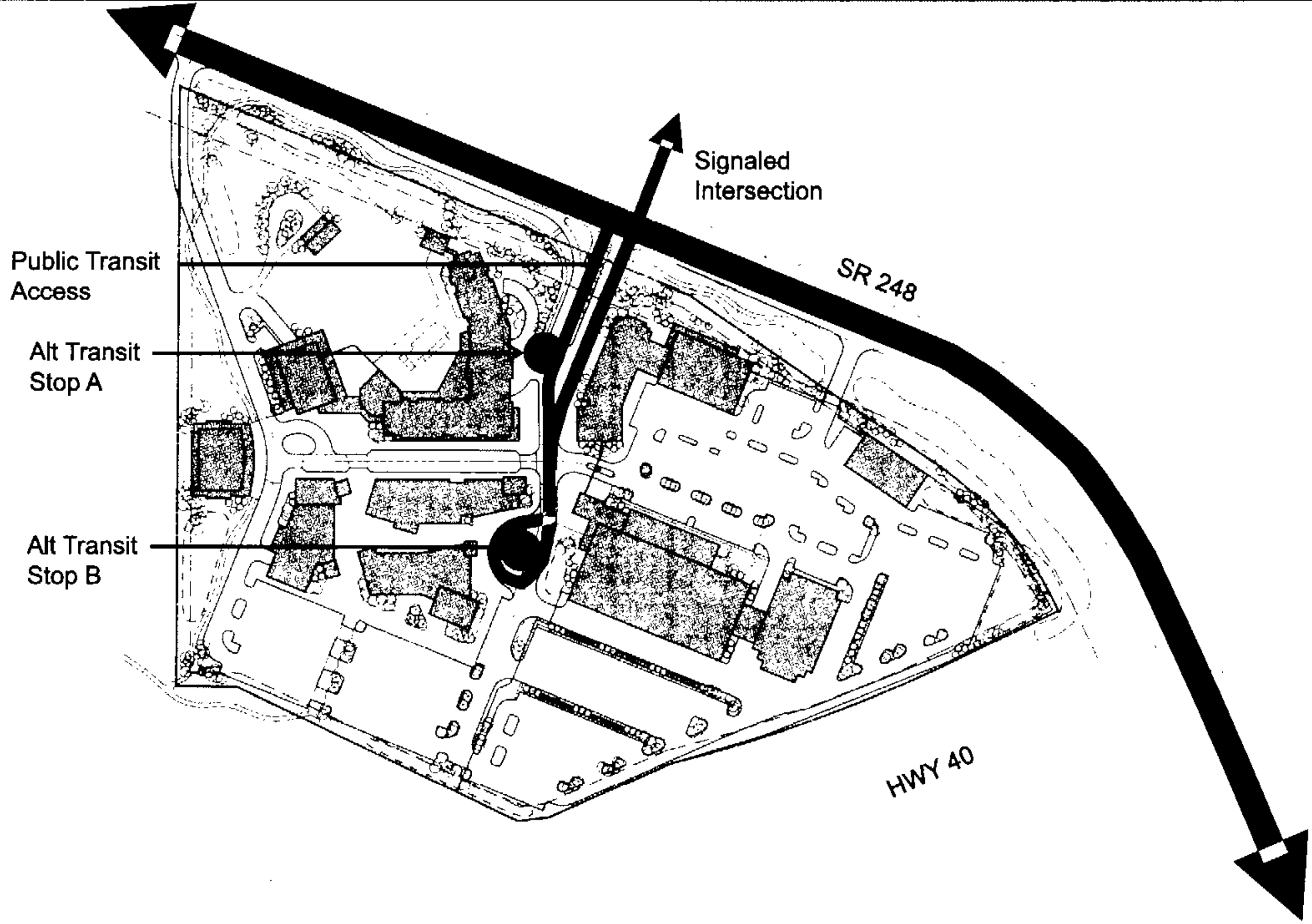
Raleigh Studios – Parking Phasing



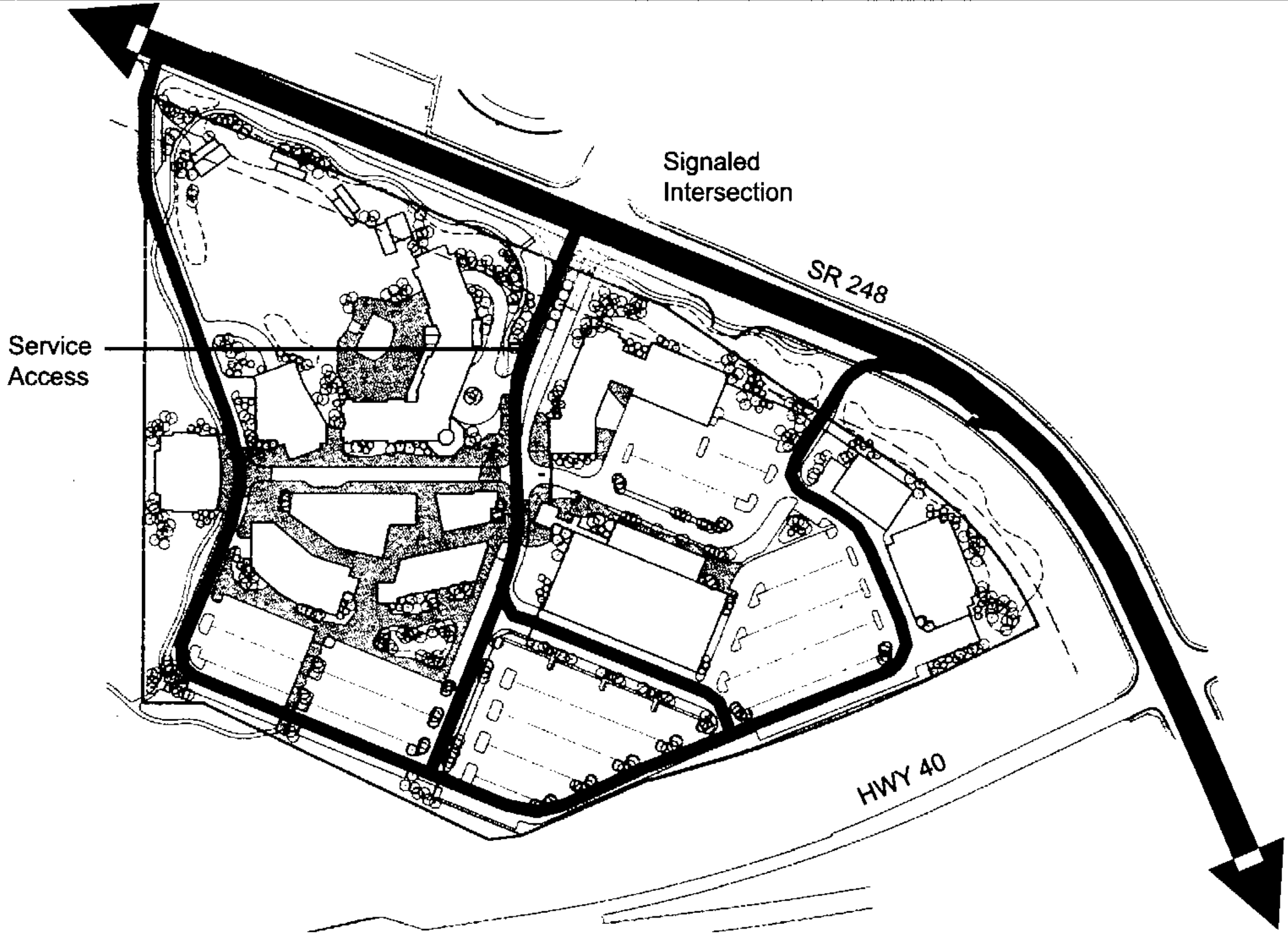
Raleigh Studios – Access/Circulation (Public Access)



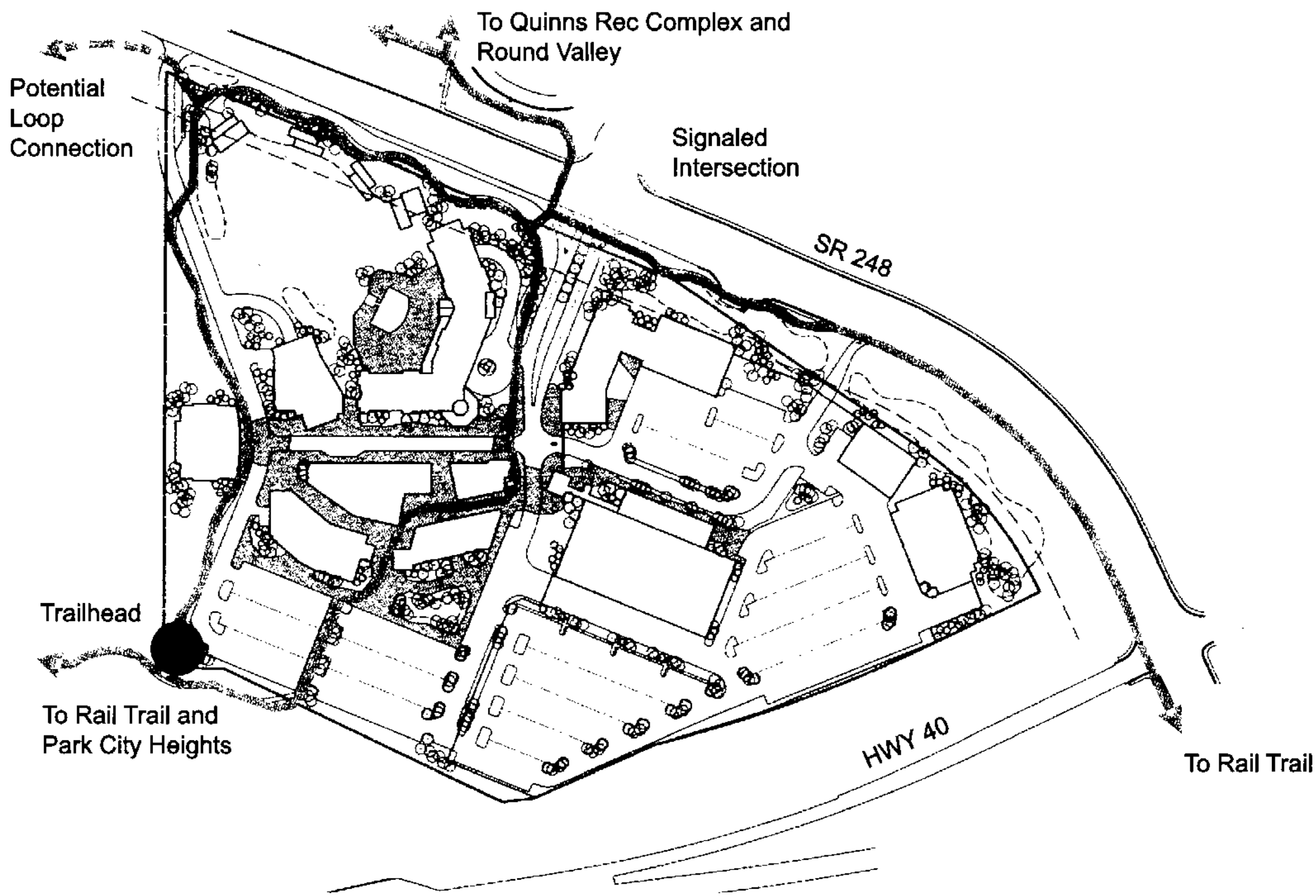
Raleigh Studios – Public Transit Plan



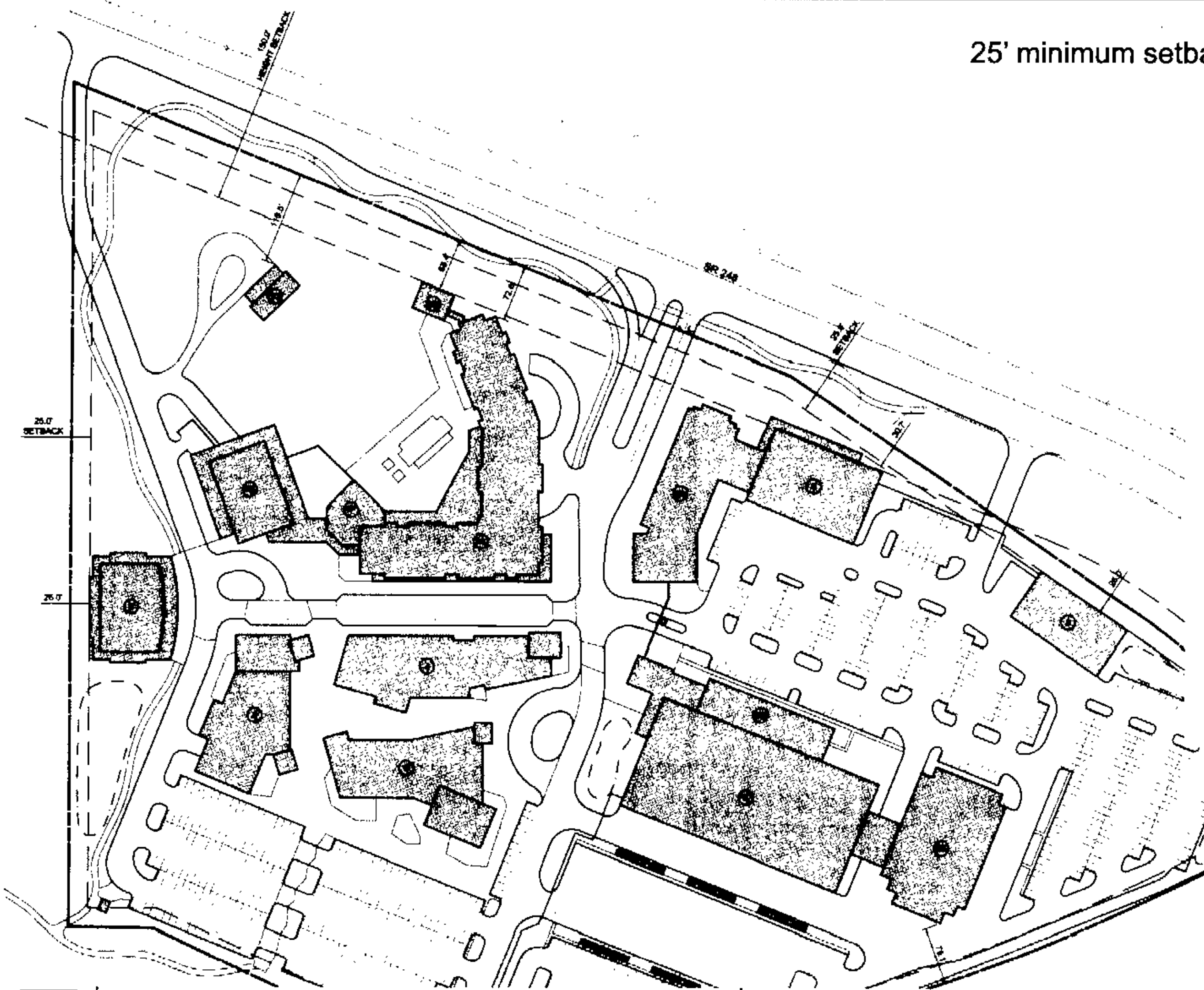
Raleigh Studios – Access/Circulation (Service)



Raleigh Studios – Access/Circulation (Trails)



Raleigh Studios – Setback Distances



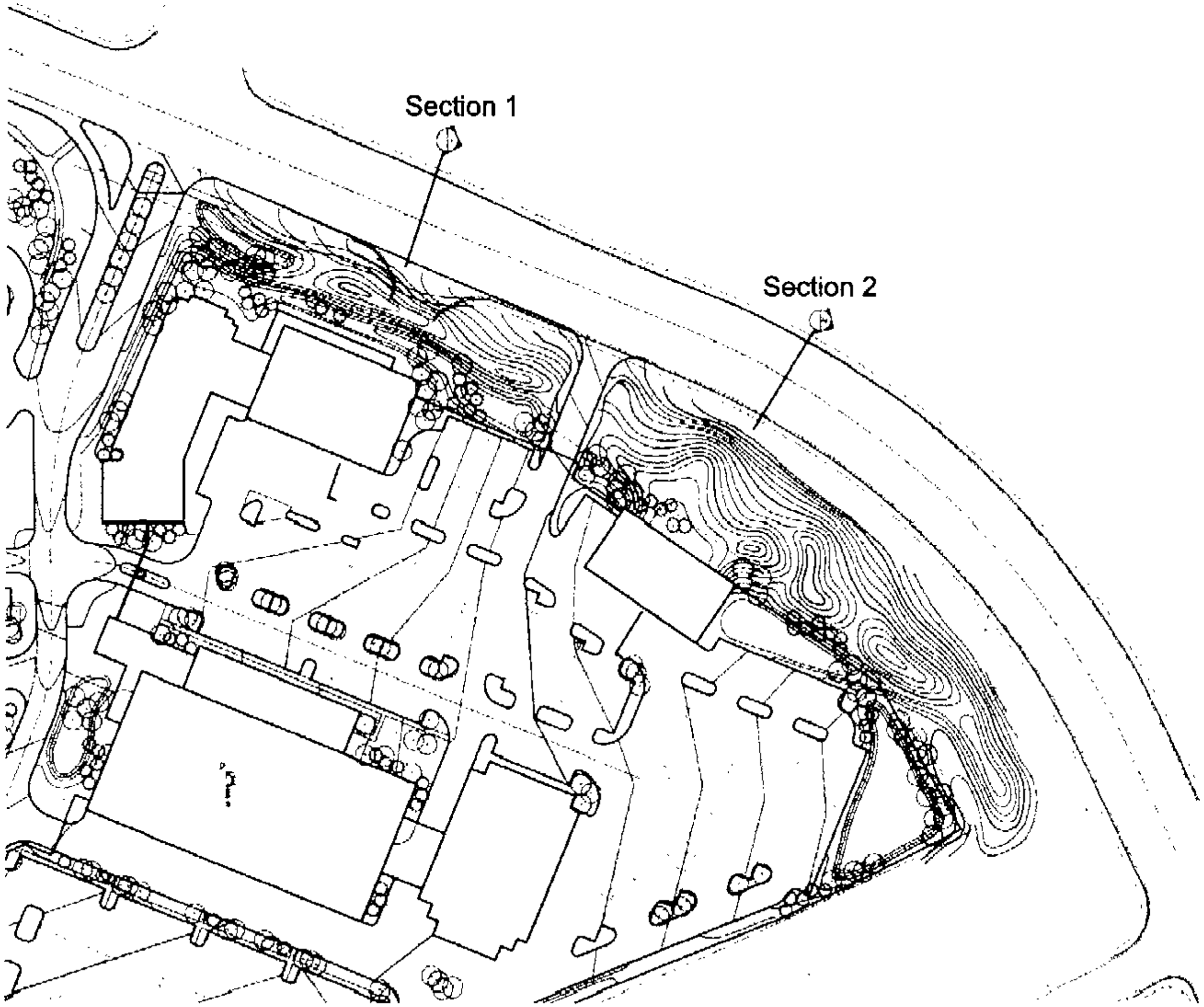
Building Legend

- 1A Hotel Lodging
- 1B Recording Studio
- 1C Stage Venue
- 1D Residence - omitted
- 1E Grand Ball Room
- 1F Atrium
- 2 Screening Rooms/Theater
- 3 Entertainment Venue
- 4 Mixed Use
- 5 Mixed Use
- 6 Sound Effects Stage
- 6A Office, Effects Stage
- 7 Sound Stages
- 7A Workshop
- 7B Production Support/ Offices
- 8 Workshop Office

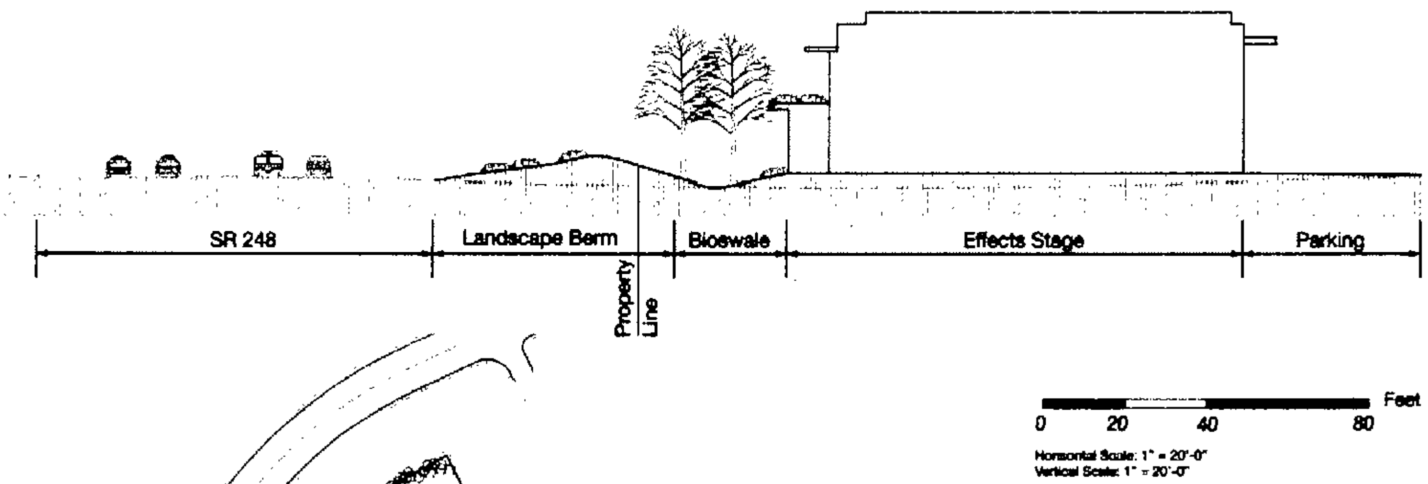
IBI GROUP | **Raleigh Studios**
Park City, UT

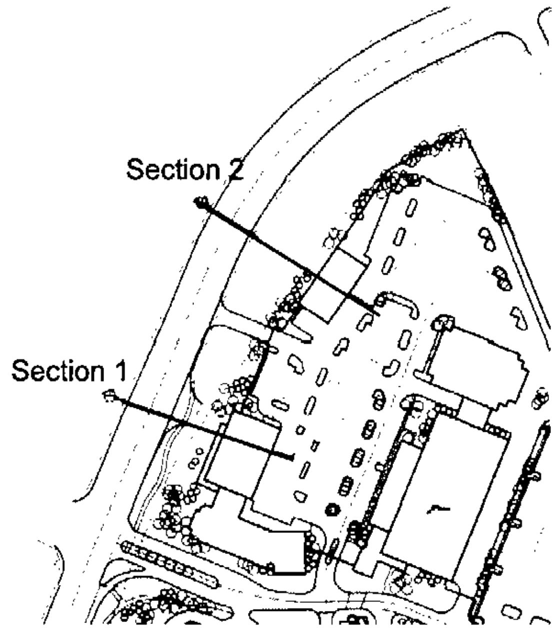
Conceptual Site Plan
April 11, 2012

Raleigh Studios – Conceptual Berm Grading

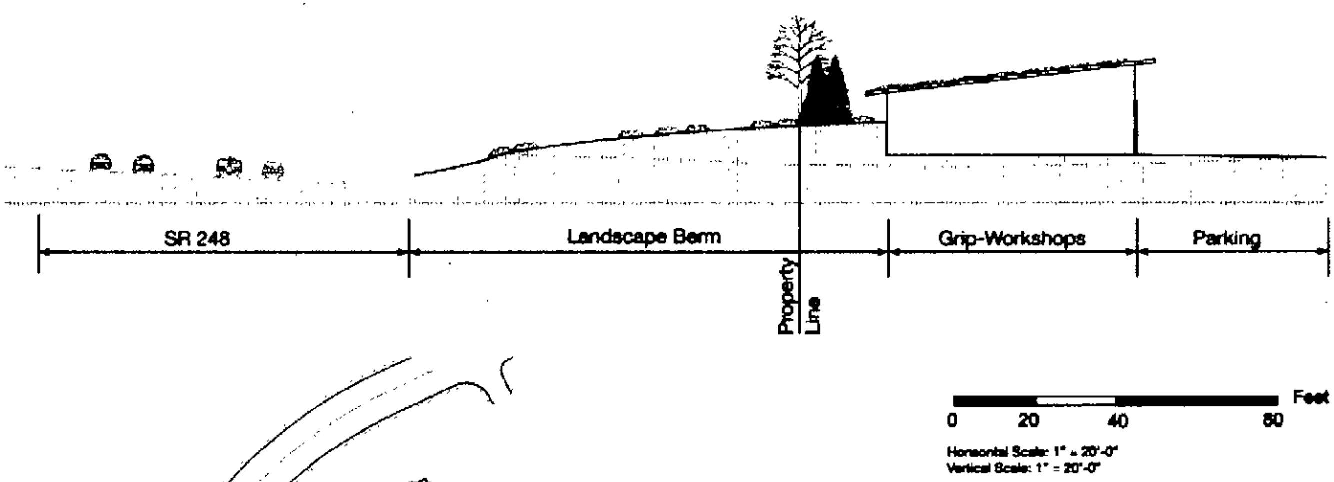


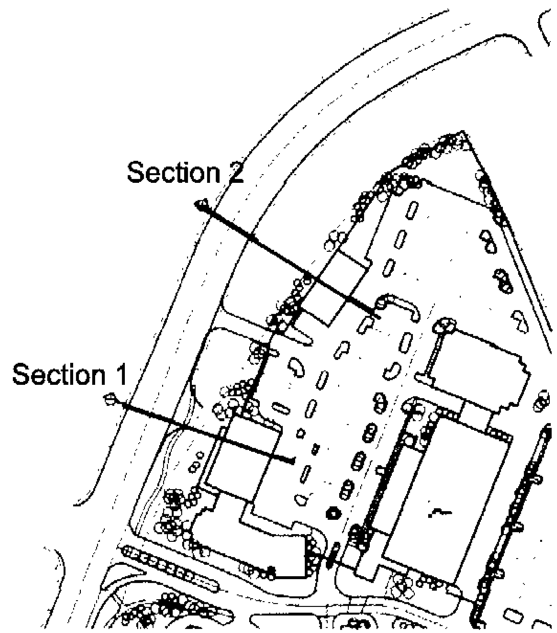
Raleigh Studios – Section 1



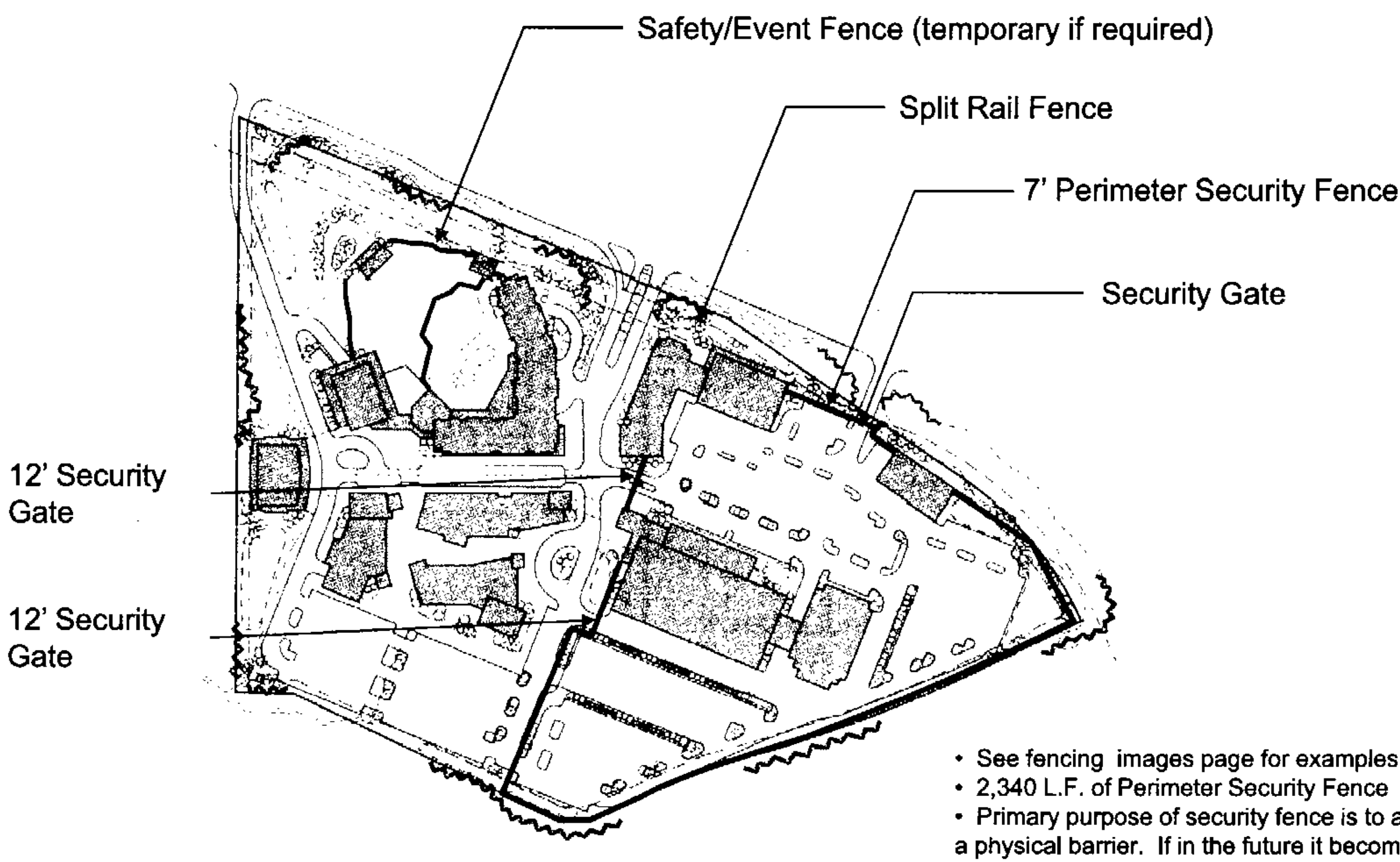


Raleigh Studios – Section 2





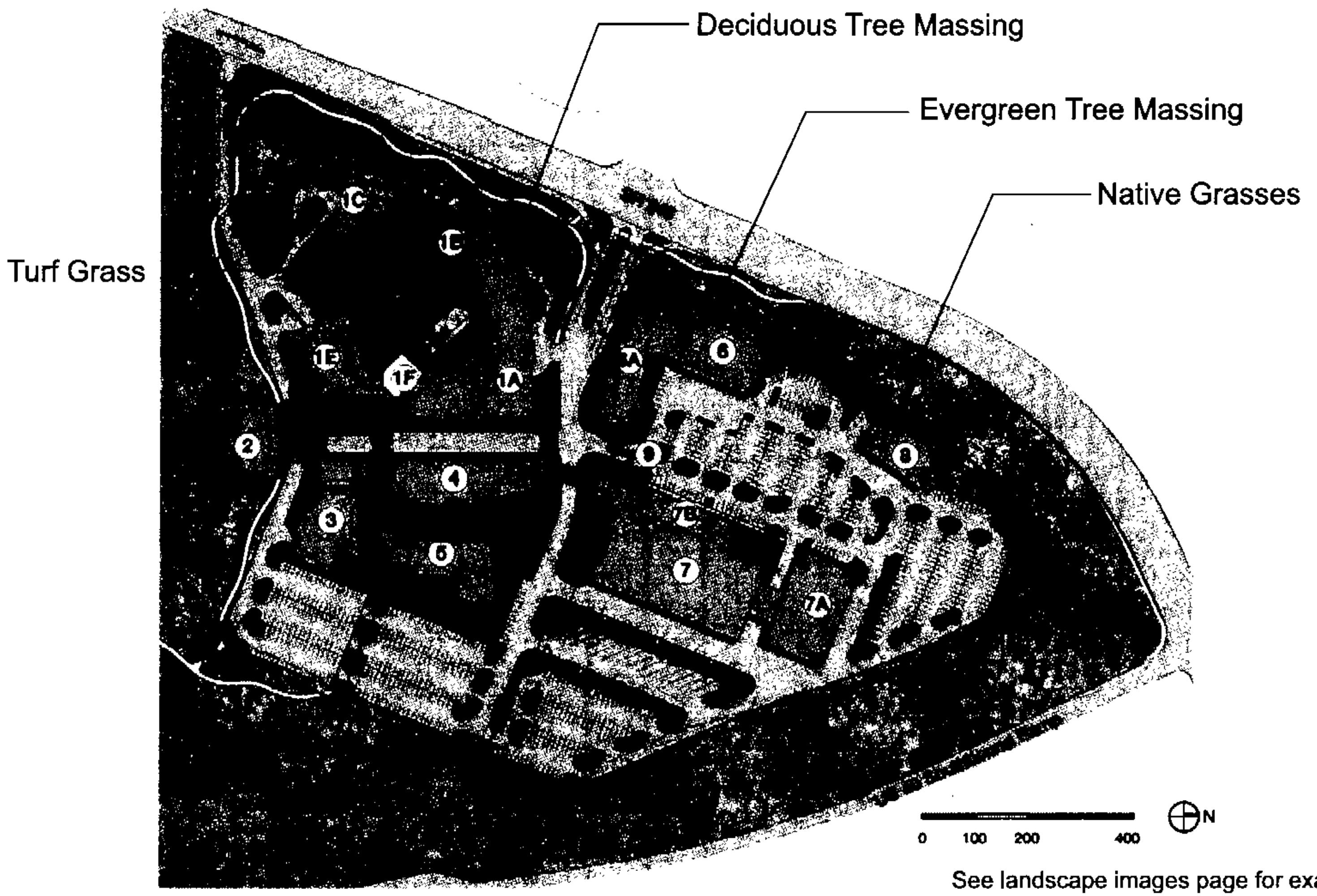
Raleigh Studios – Fencing Plan



- See fencing images page for examples
- 2,340 L.F. of Perimeter Security Fence
- Primary purpose of security fence is to act as a physical barrier. If in the future it becomes necessary to prevent unauthorized filming or photography, a visual barrier may be added to the fence.

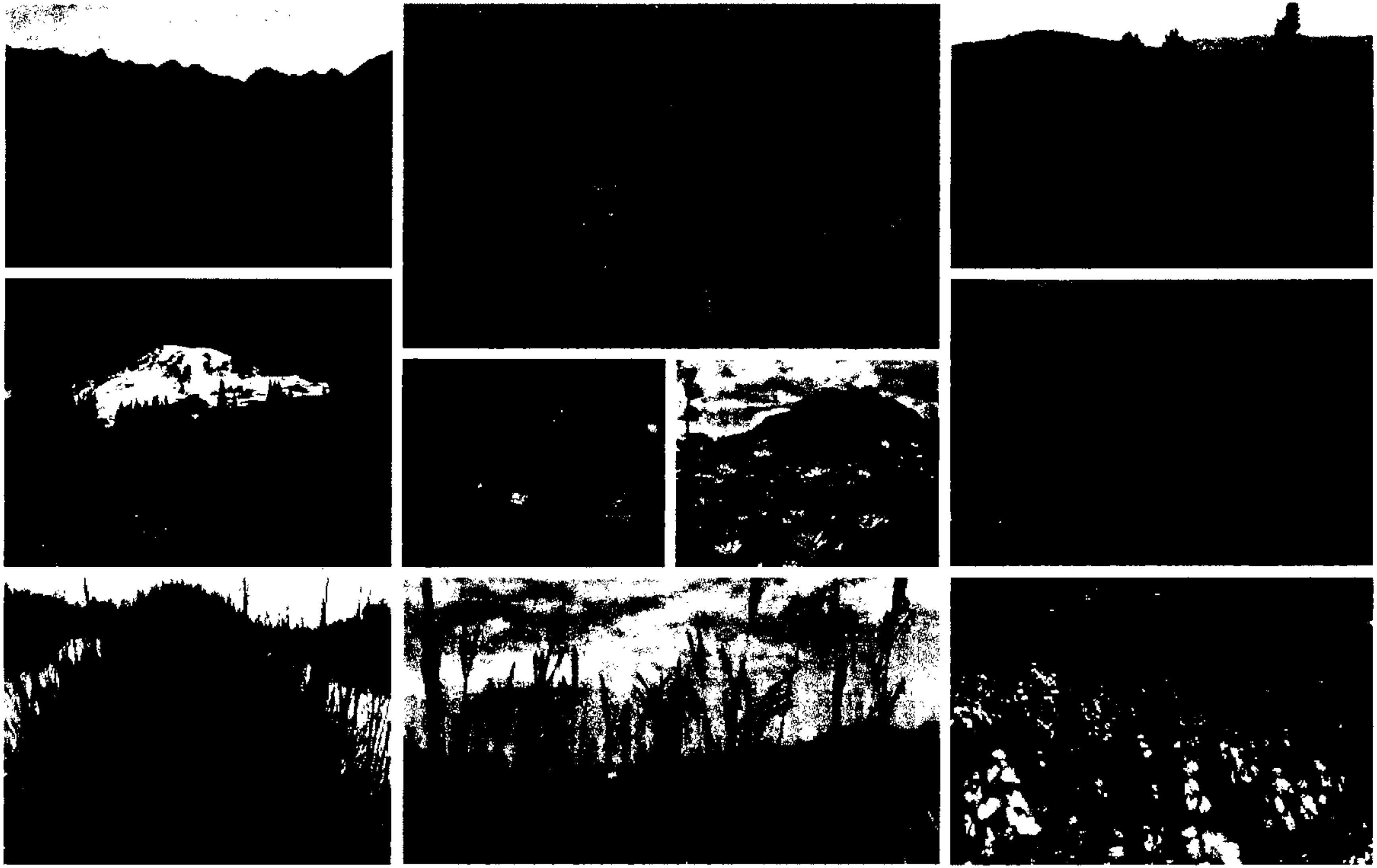
Raleigh Studios – Fencing Images

Raleigh Studios – Landscape Plan

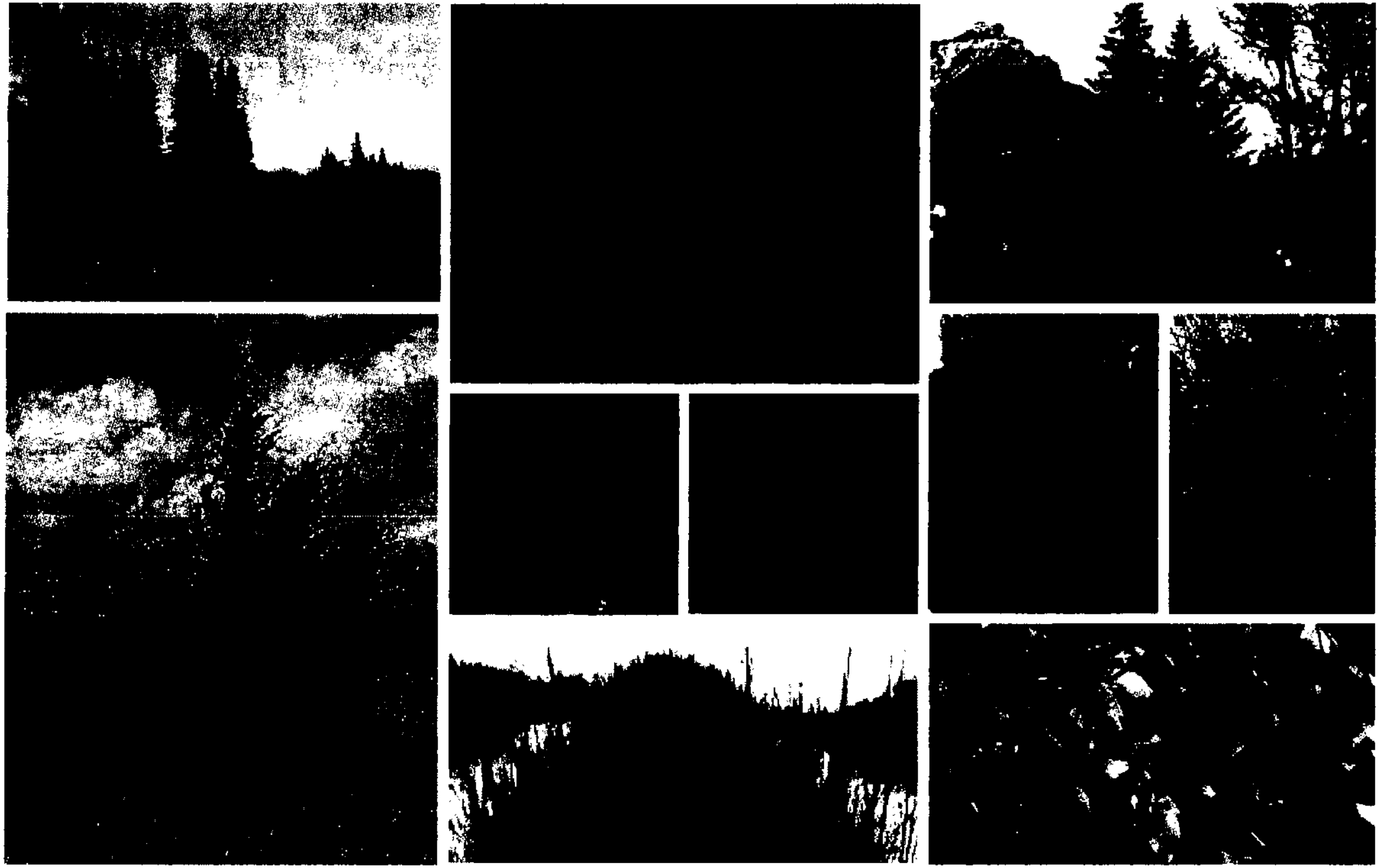


See landscape images page for examples

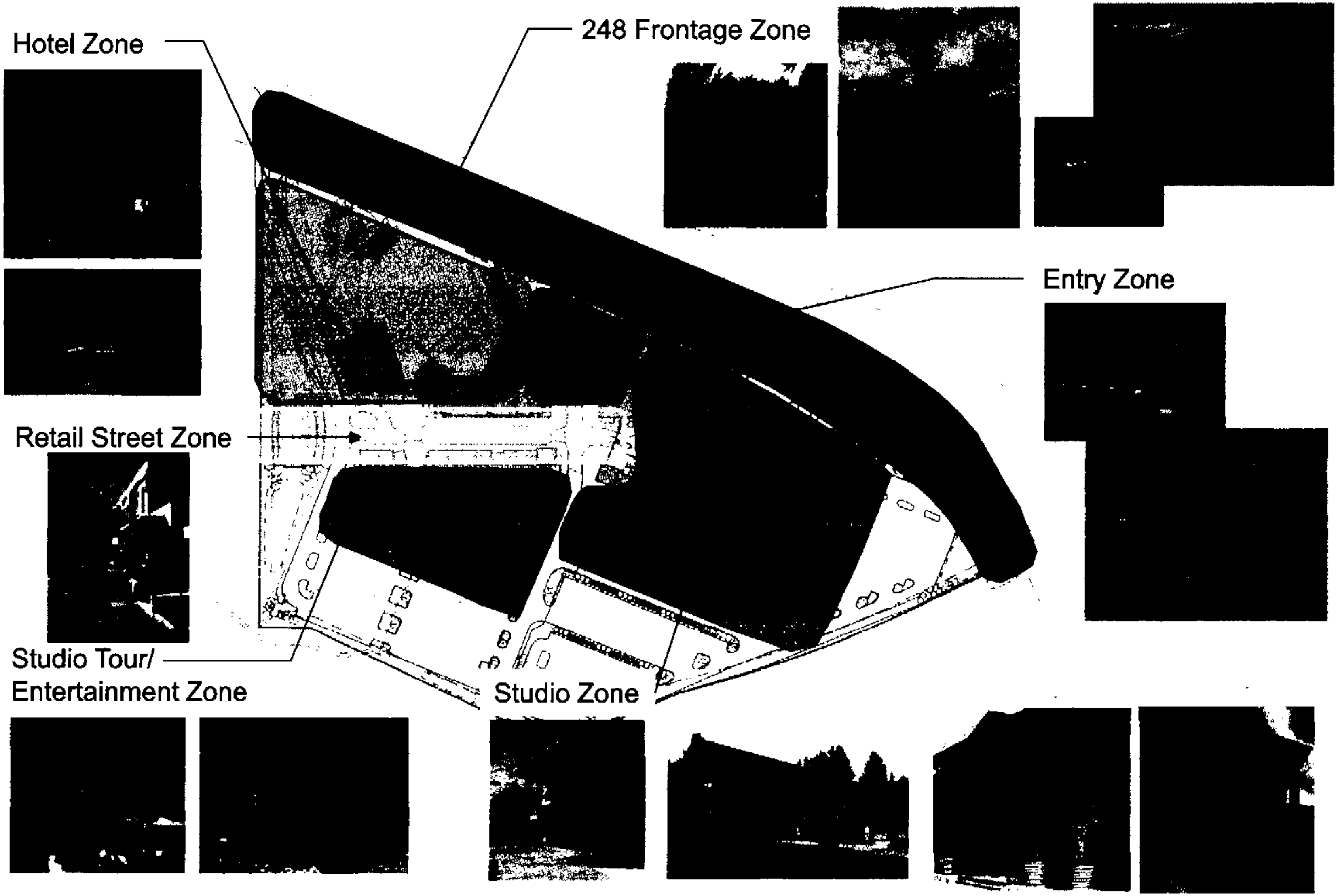
Raleigh Studios – Landscape Images



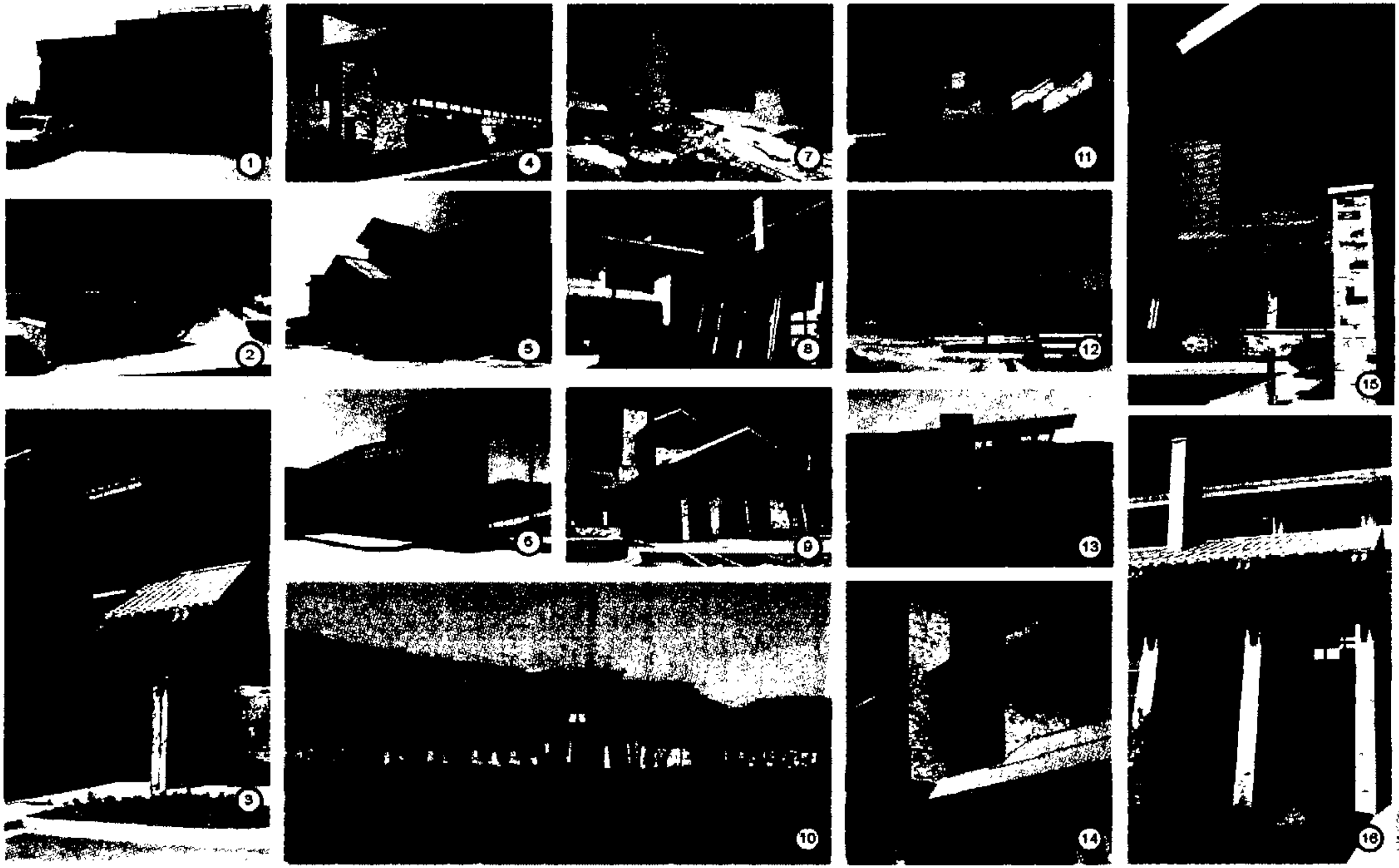
Raleigh Studios – Landscape Images



Raleigh Studios – Architectural Zones



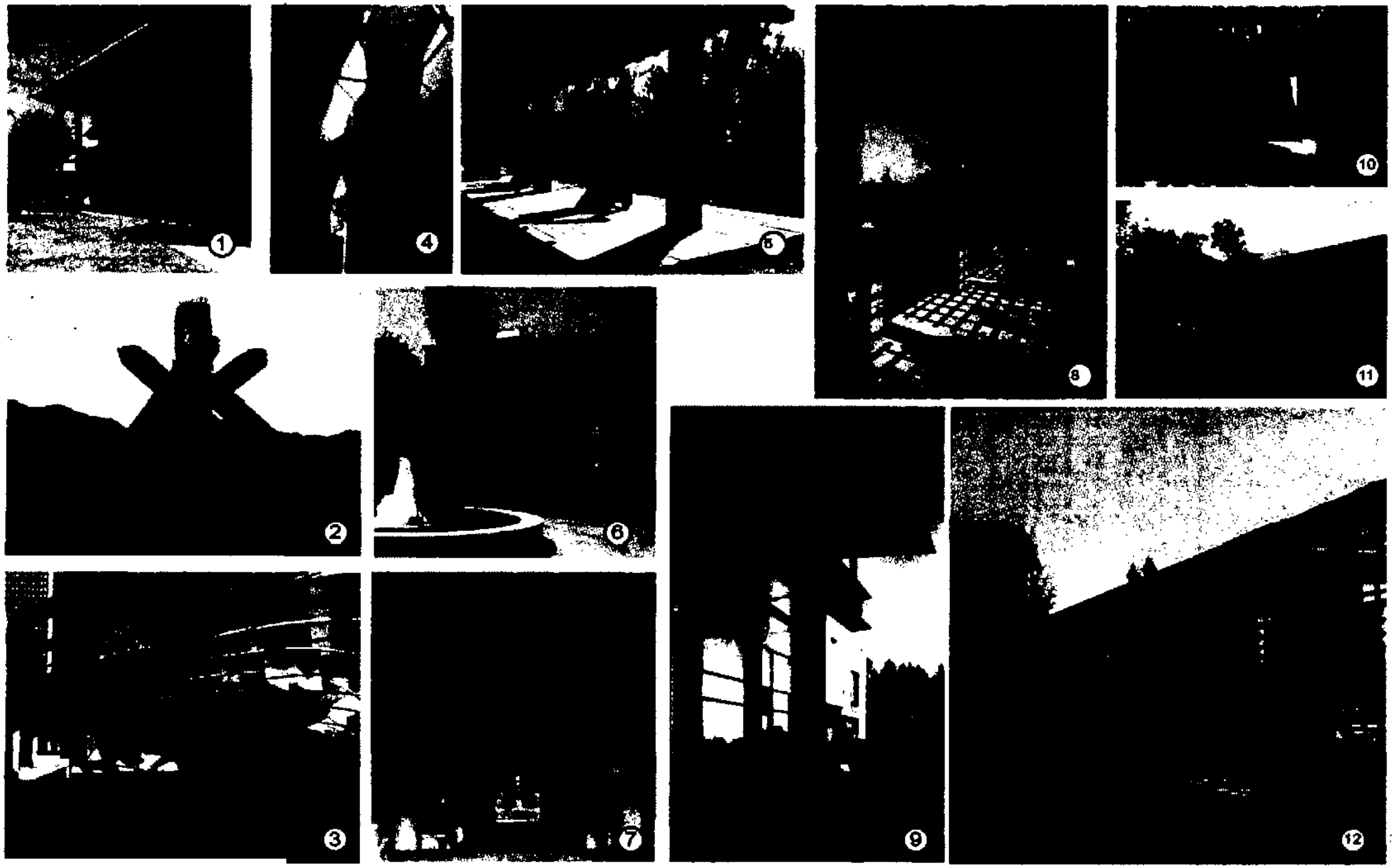
Raleigh Studios – Precedent Image Boards



SURROUNDING AREA BUILDINGS / ARCHITECTURE
PRECEDENT IMAGES

RALEIGH STUDIOS
March, 2012

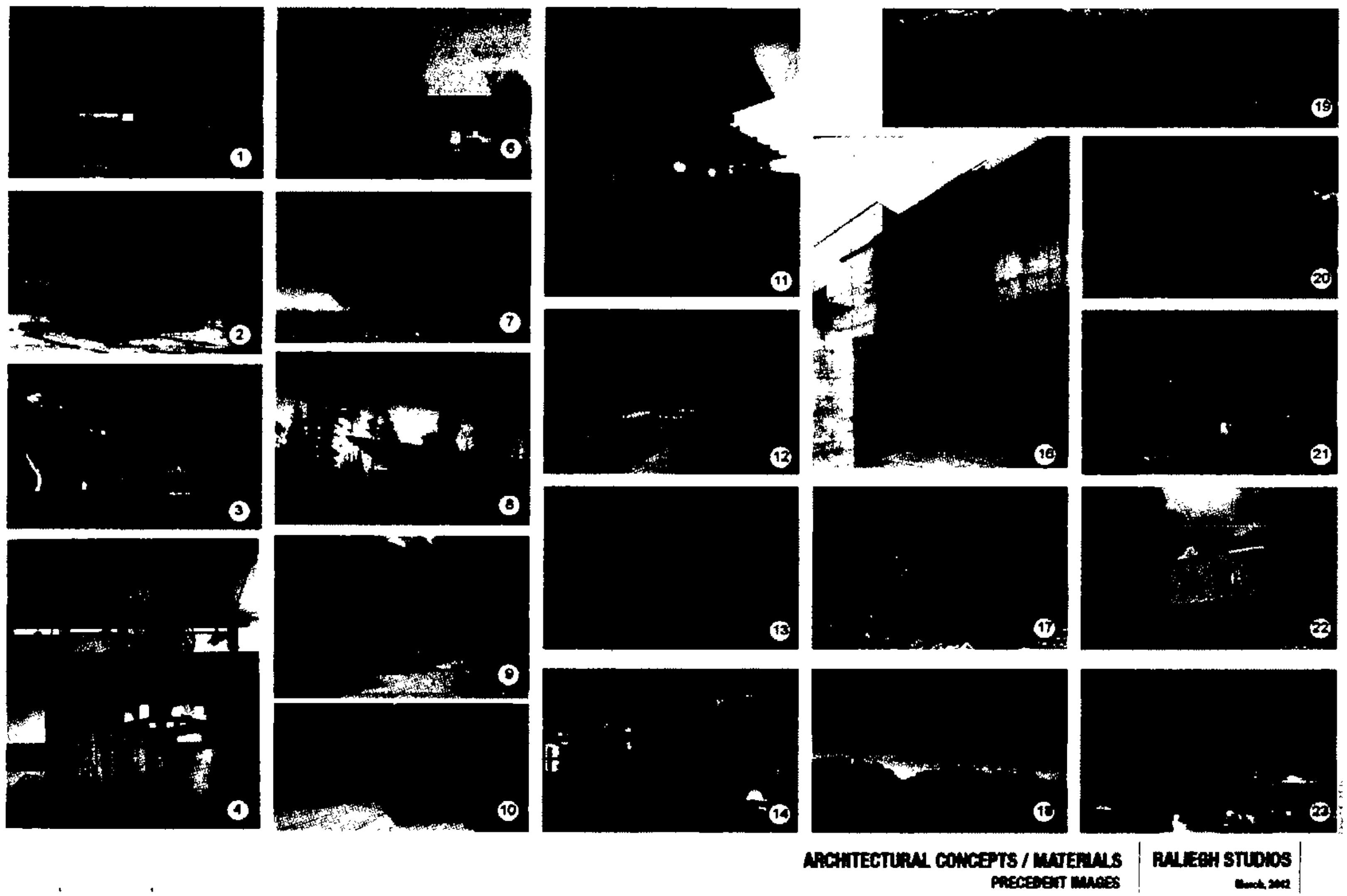
Raleigh Studios – Precedent Image Boards



ENTRY / ARCHWAY CONCEPTS
PRECEDENT IMAGES

RALEIGH STUDIOS
March, 2012

Raleigh Studios – Precedent Image Boards



Raleigh Studios
Park City, UT

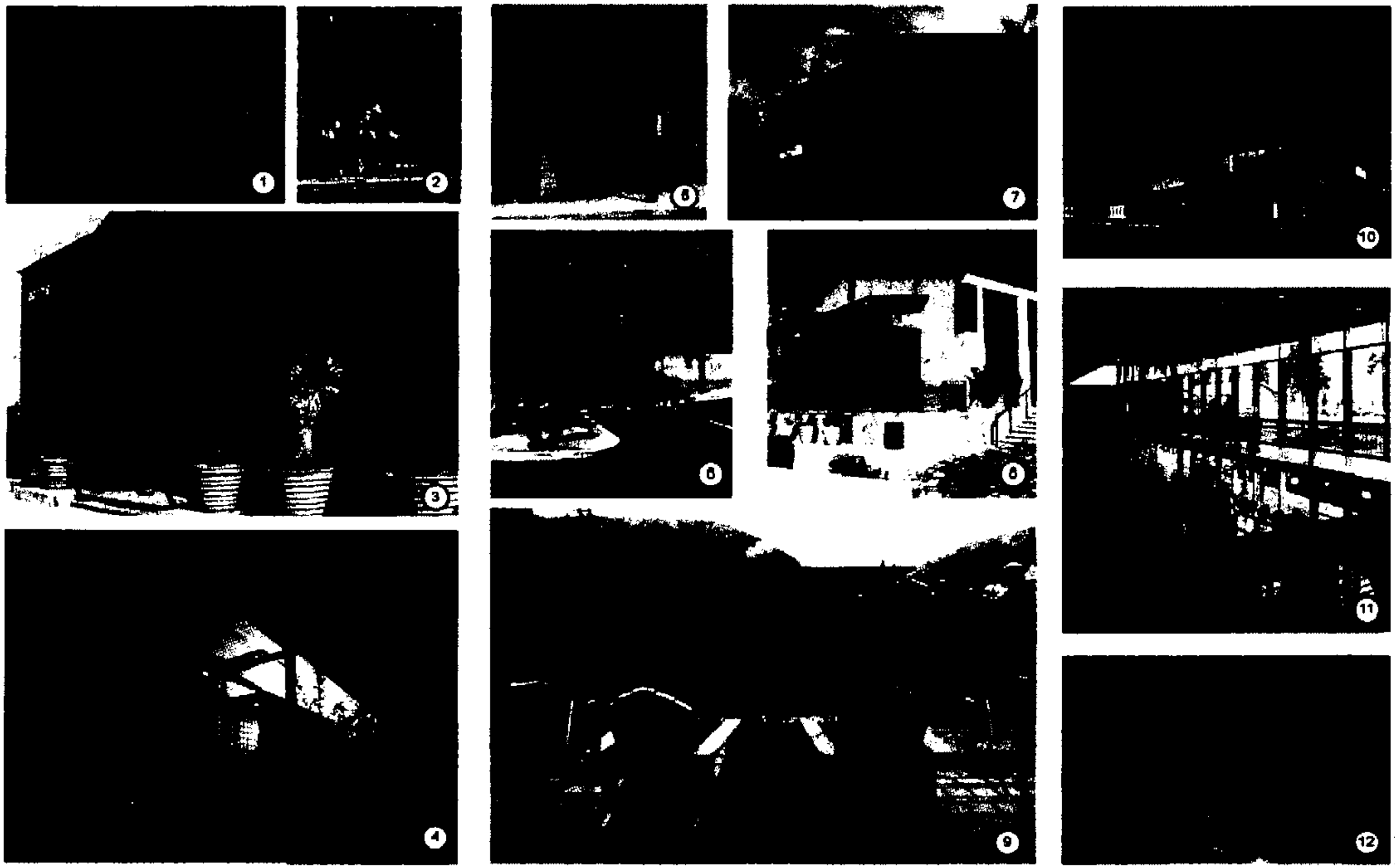
Conceptual Site Plan
April 11, 2012

Raleigh Studios – Precedent Image Boards

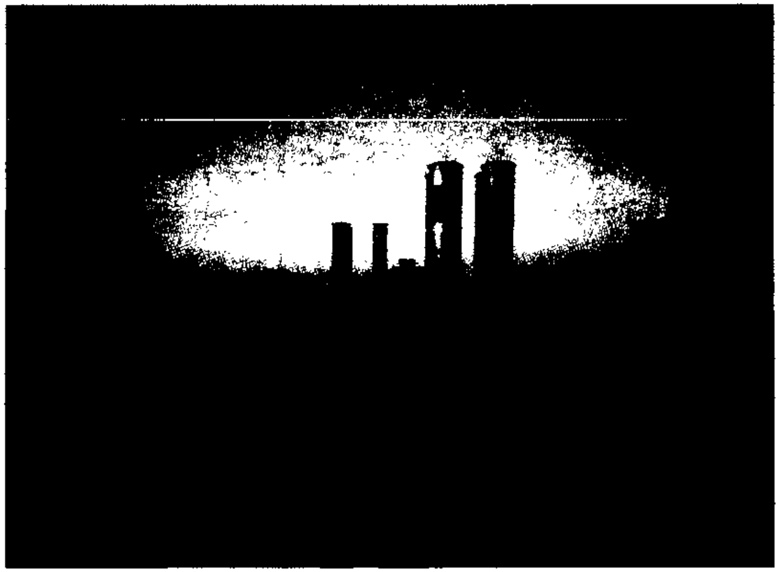
ARCHITECTURAL CONCEPTS / MATERIALS
PRECEDENT IMAGES

RALEIGH STUDIOS
March, 2012

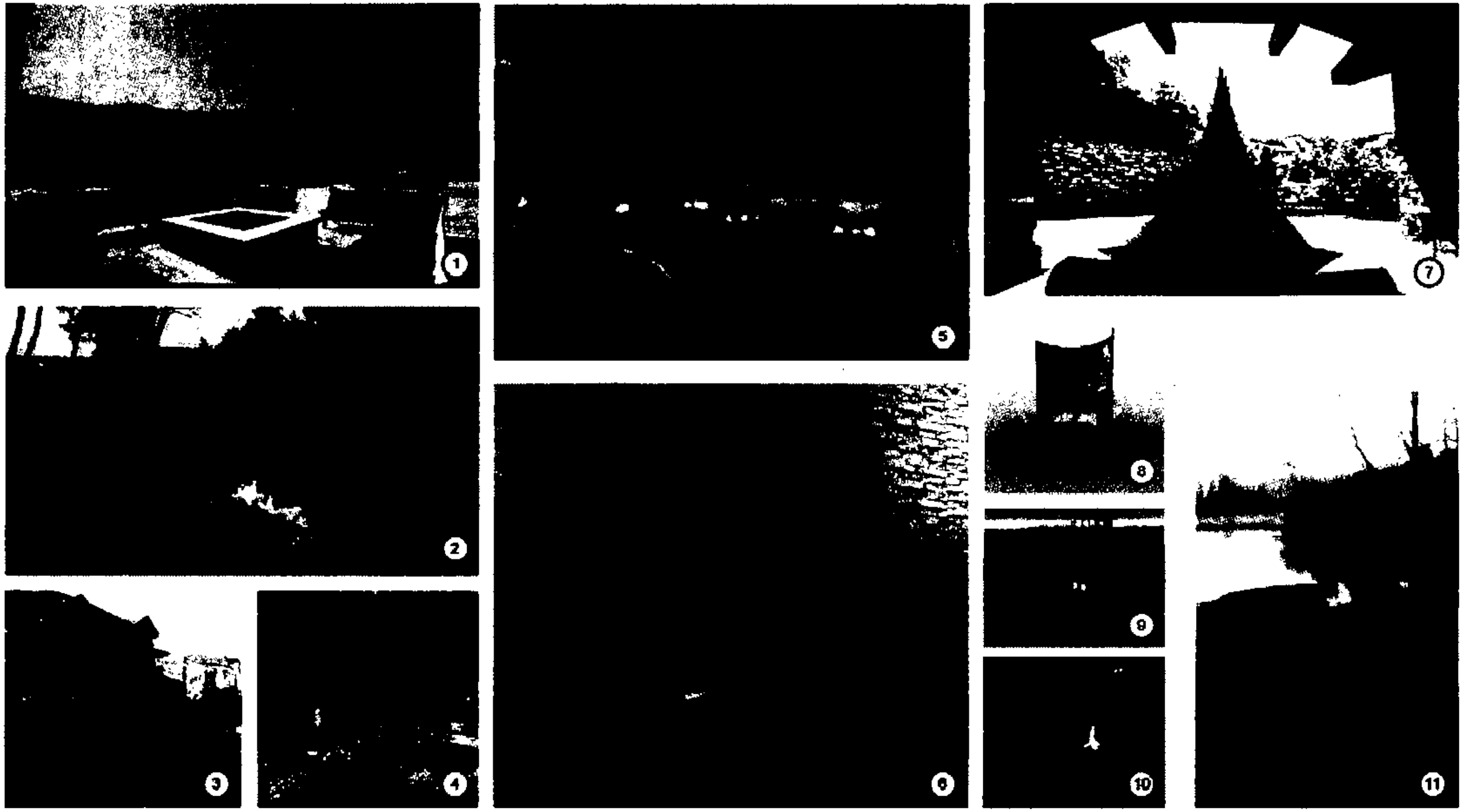
Raleigh Studios – Precedent Image Boards



Raleigh Studios – Precedent Images

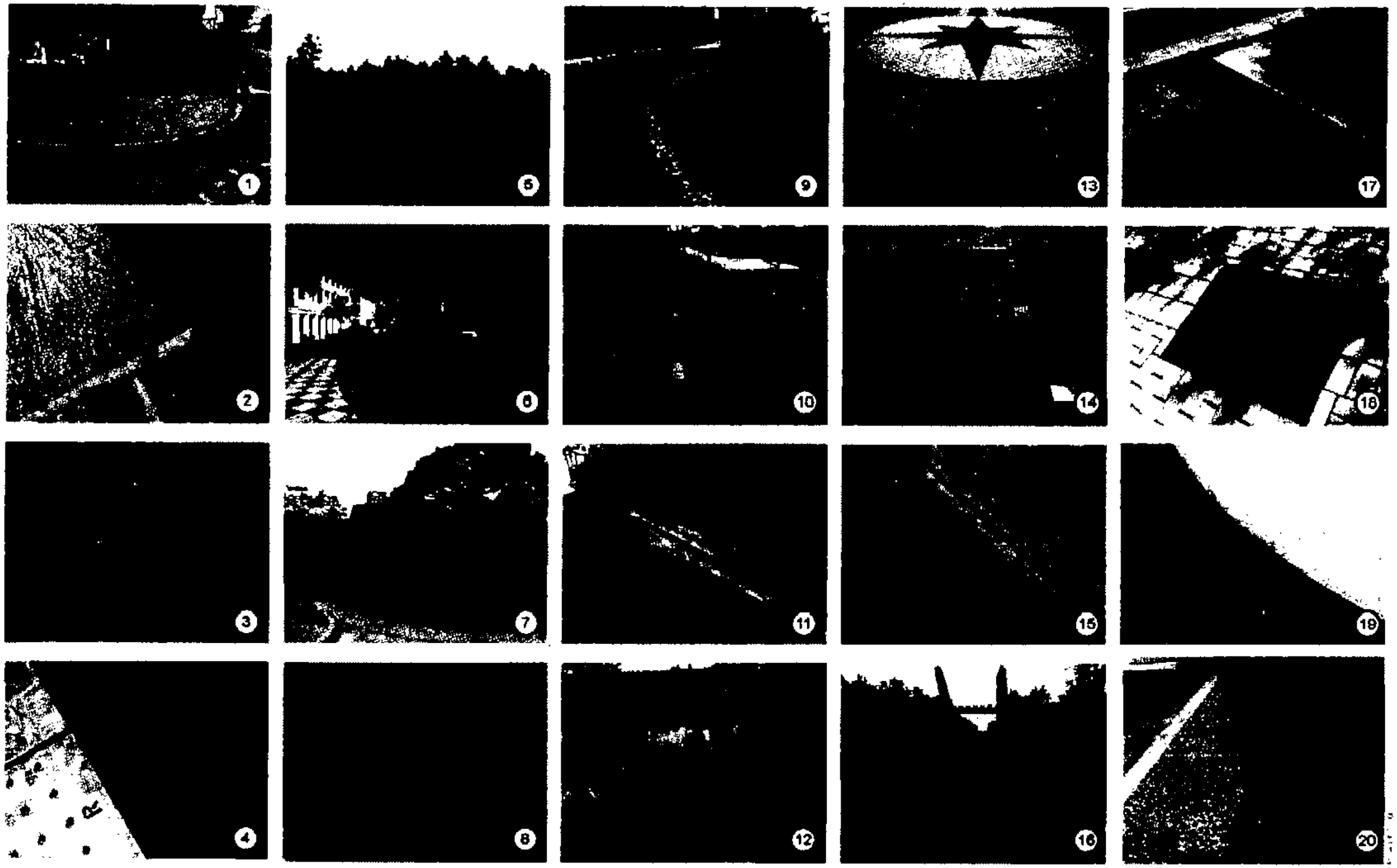


Raleigh Studios – Precedent Image Boards



FIRE FEATURES | RALEIGH STUDIOS
PRECEDENT IMAGES | March, 2012

Raleigh Studios – Precedent Image Boards

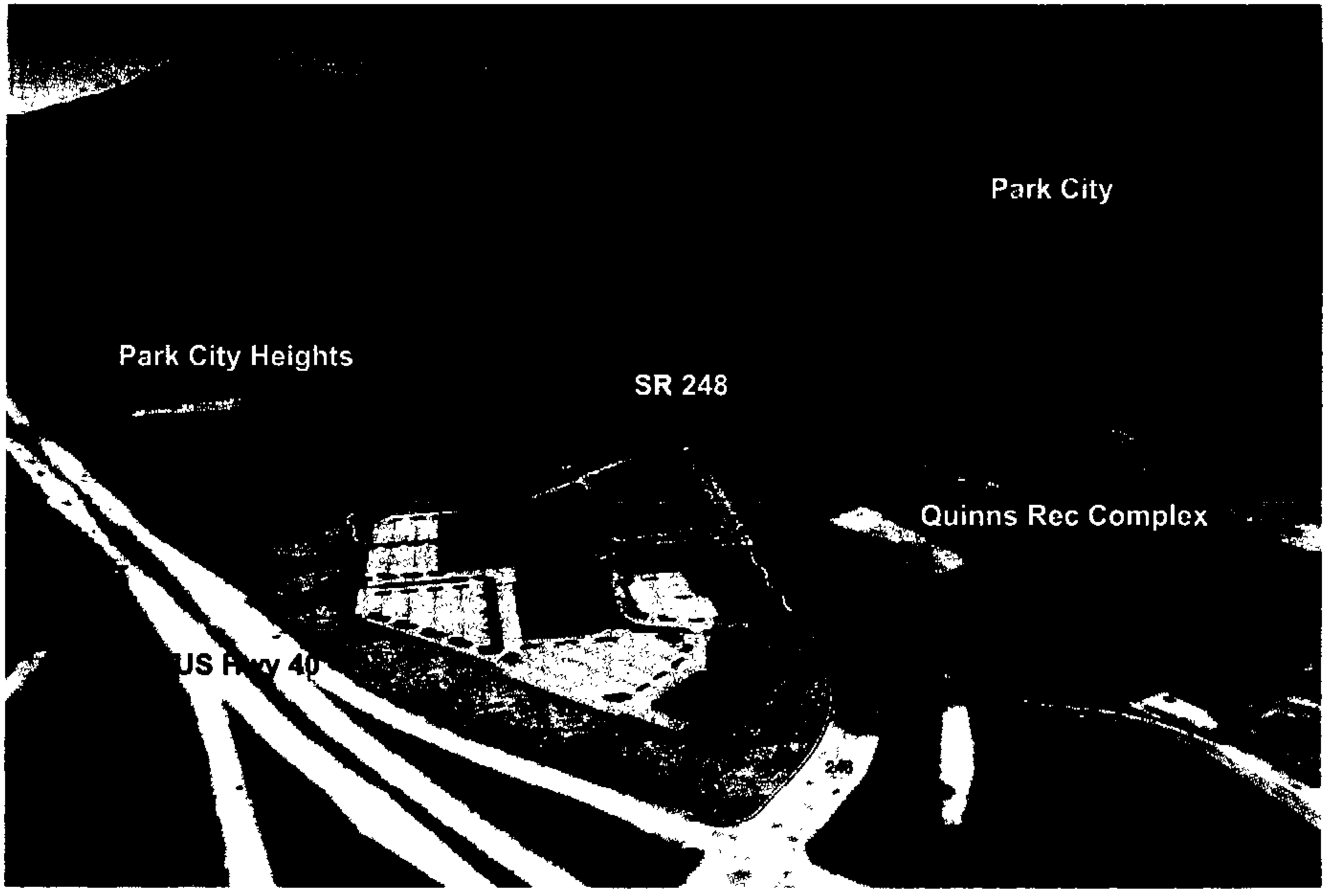


HARDSCAPE / PLAZA PAVING CONCEPTS
PRECEDENT IMAGES

RALIEGH STUDIOS
March, 2012

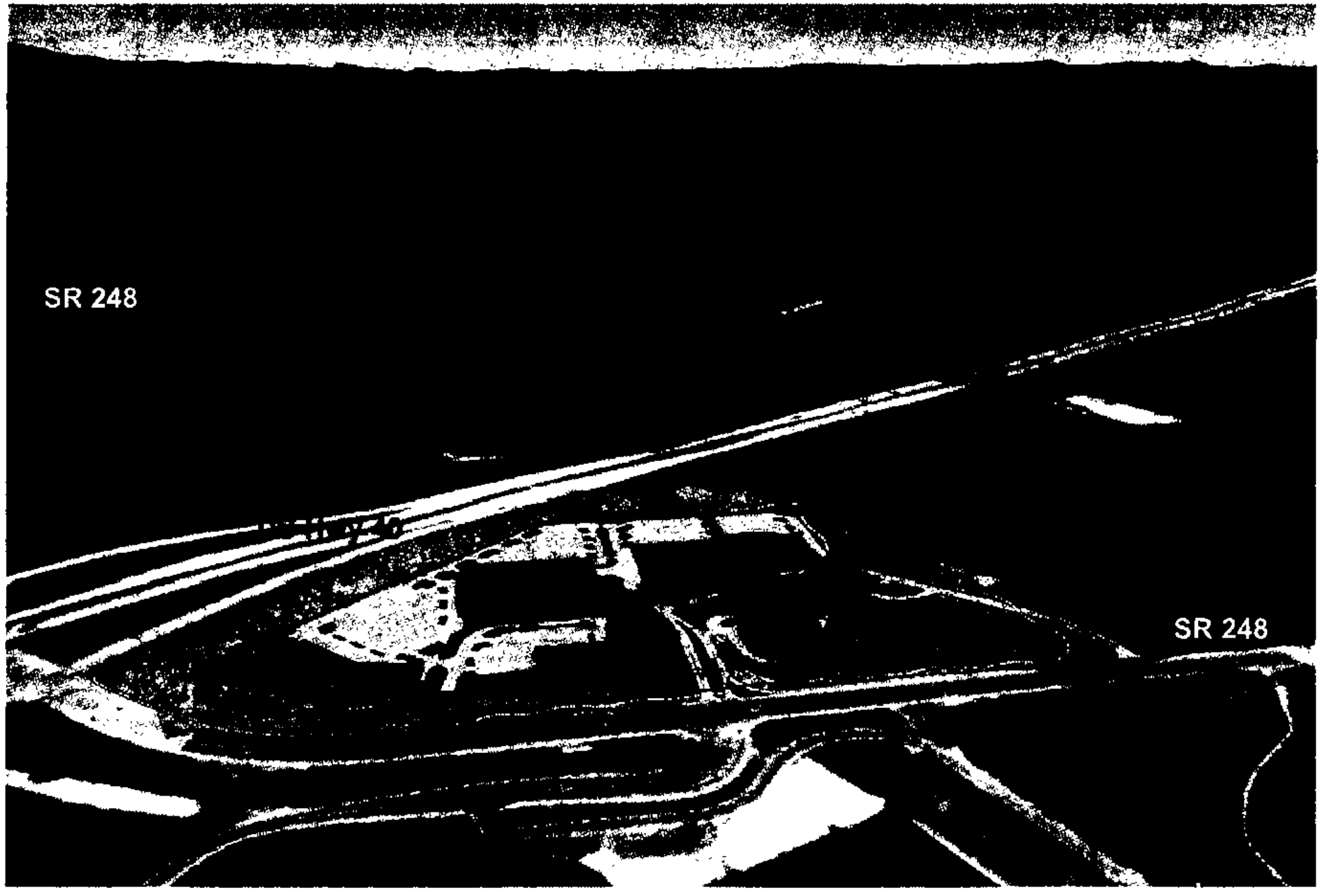
Previous Submittal Information – March 14, 2012

Raleigh Studios – Visual Analysis



View Looking SW

Raleigh Studios – Visual Analysis

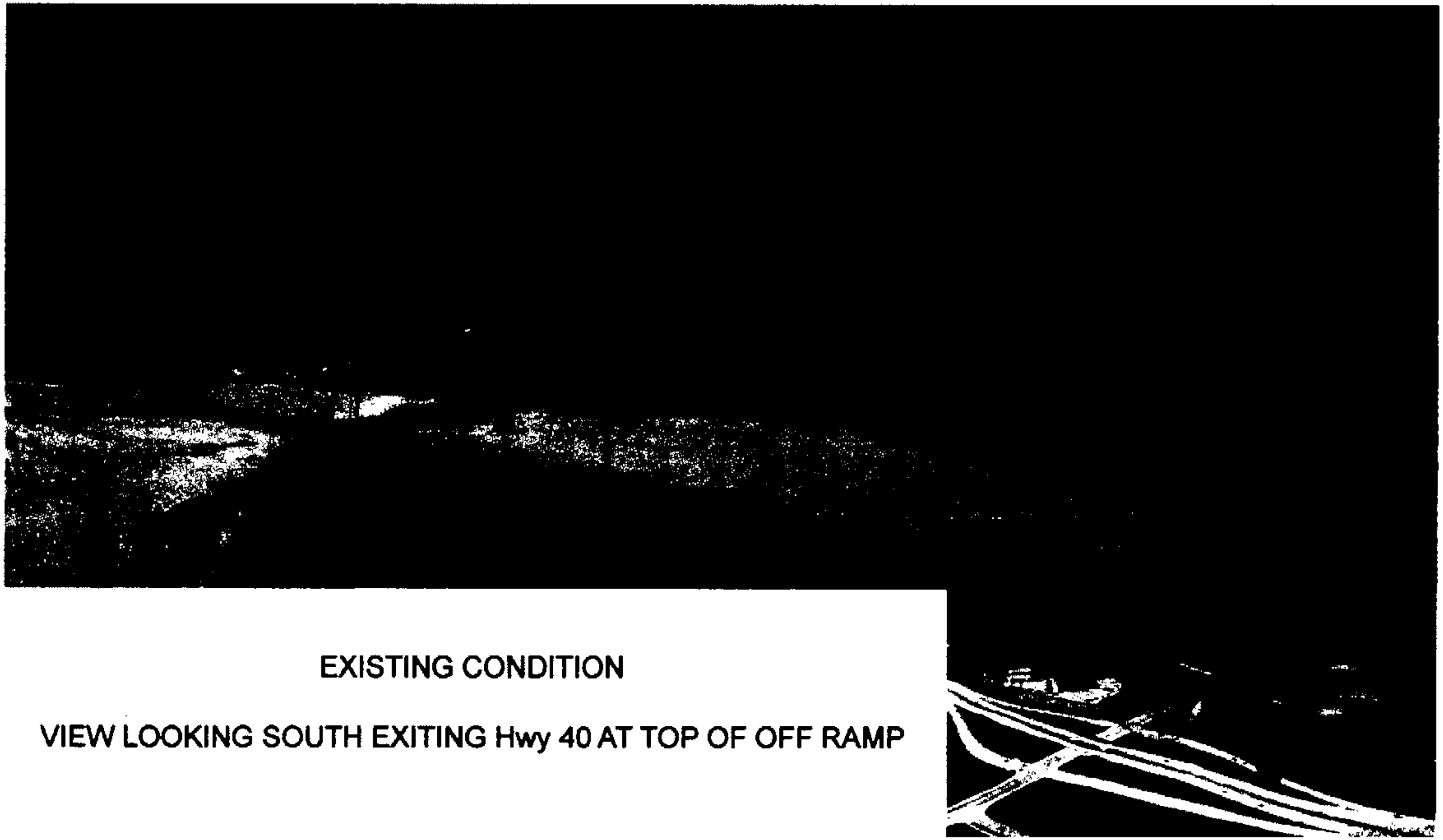


View Looking SE

Raleigh Studios – Visual Analysis

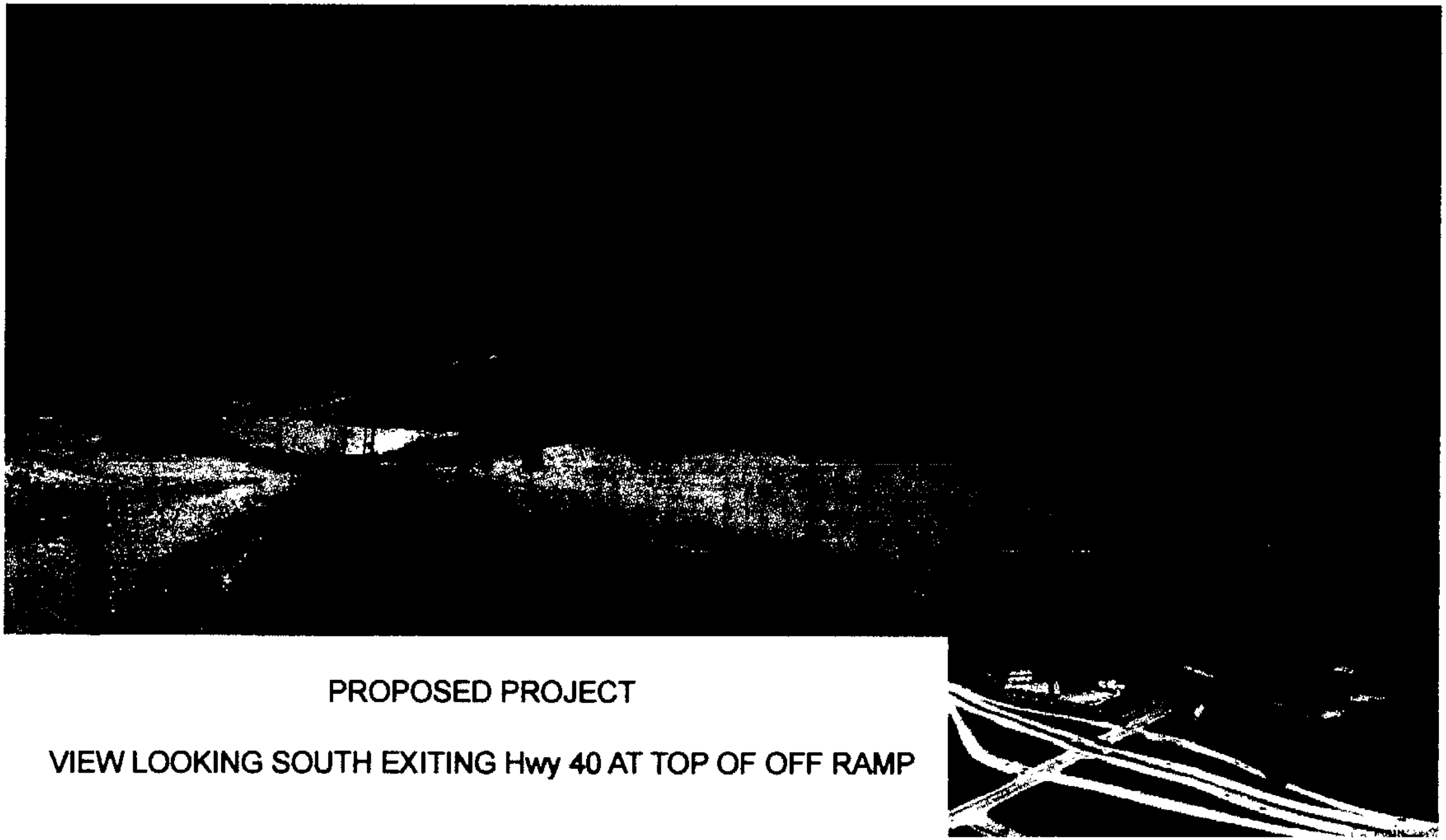
View Looking NE

Raleigh Studios – Visual Analysis



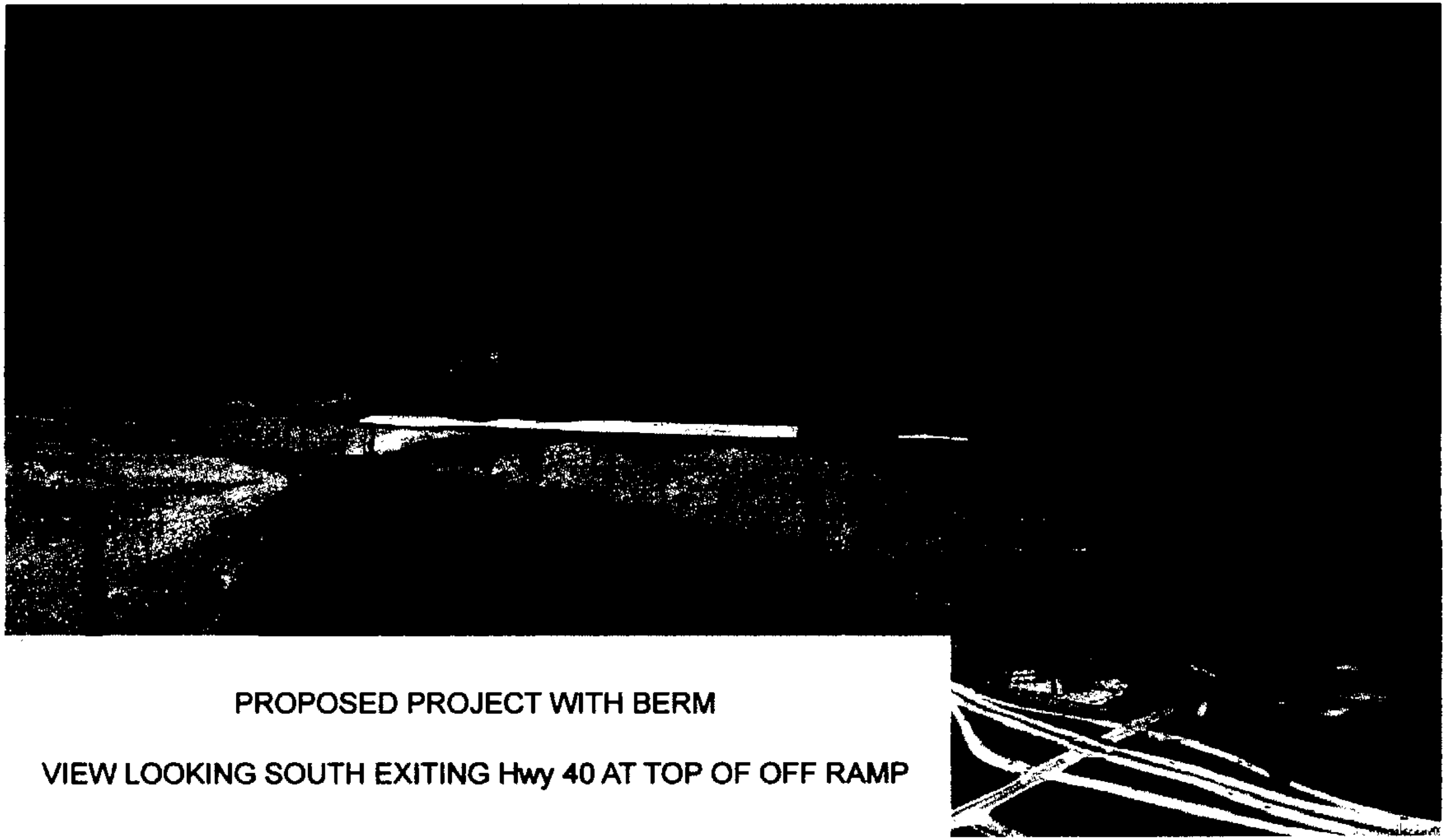
EXISTING CONDITION

VIEW LOOKING SOUTH EXITING Hwy 40 AT TOP OF OFF RAMP



PROPOSED PROJECT

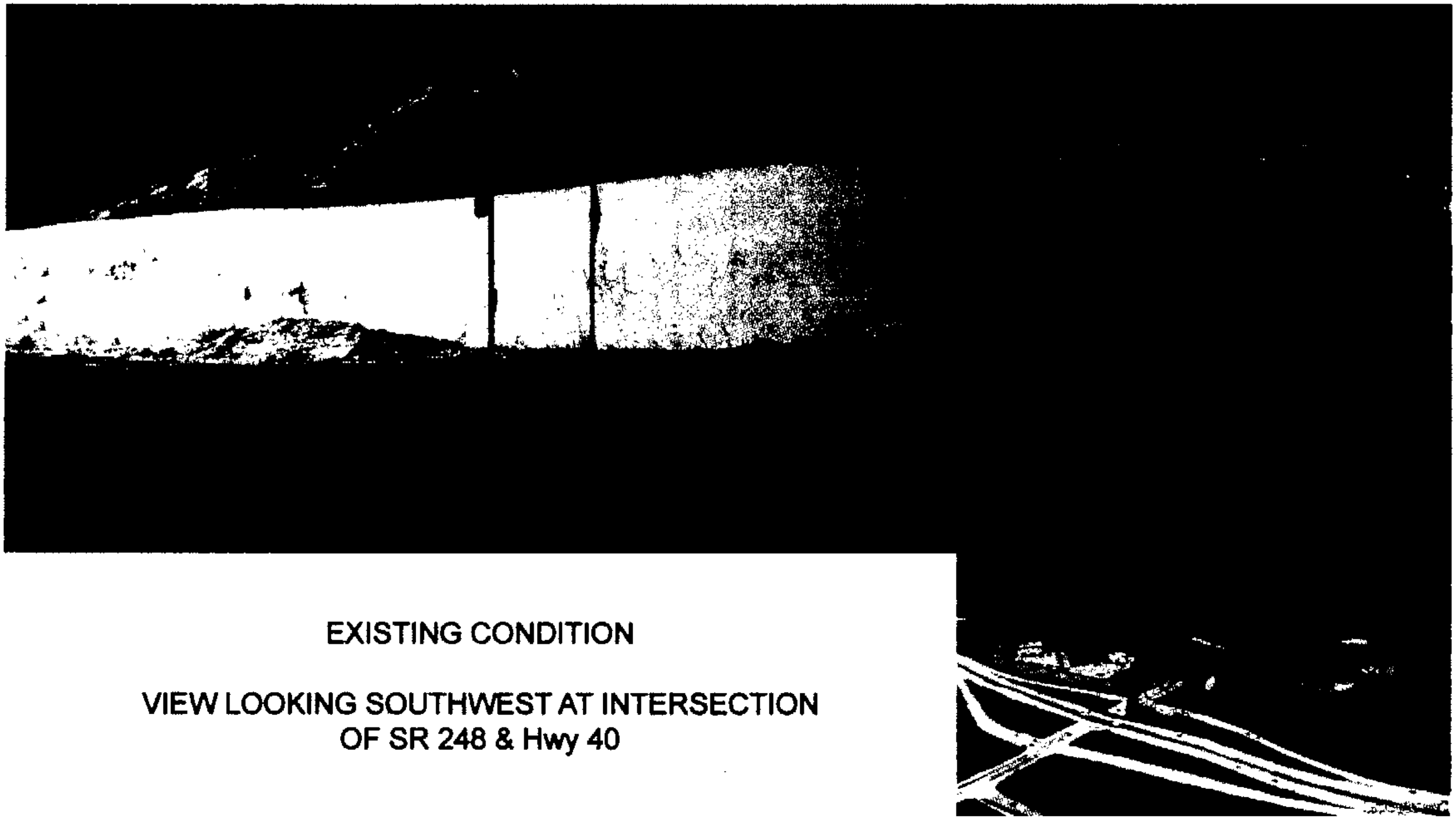
VIEW LOOKING SOUTH EXITING Hwy 40 AT TOP OF OFF RAMP



PROPOSED PROJECT WITH BERM

VIEW LOOKING SOUTH EXITING Hwy 40 AT TOP OF OFF RAMP

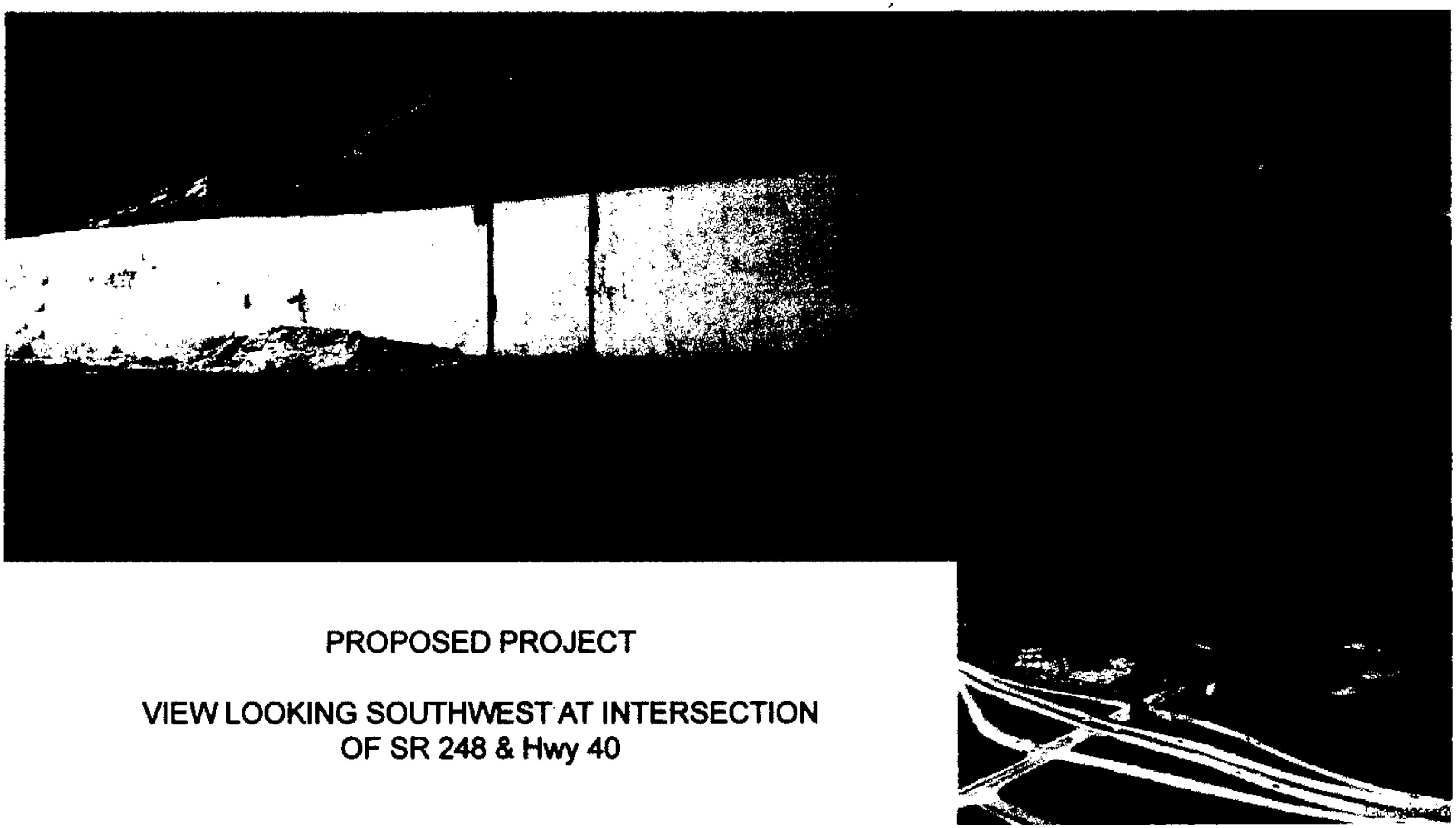
Raleigh Studios – Visual Analysis



EXISTING CONDITION

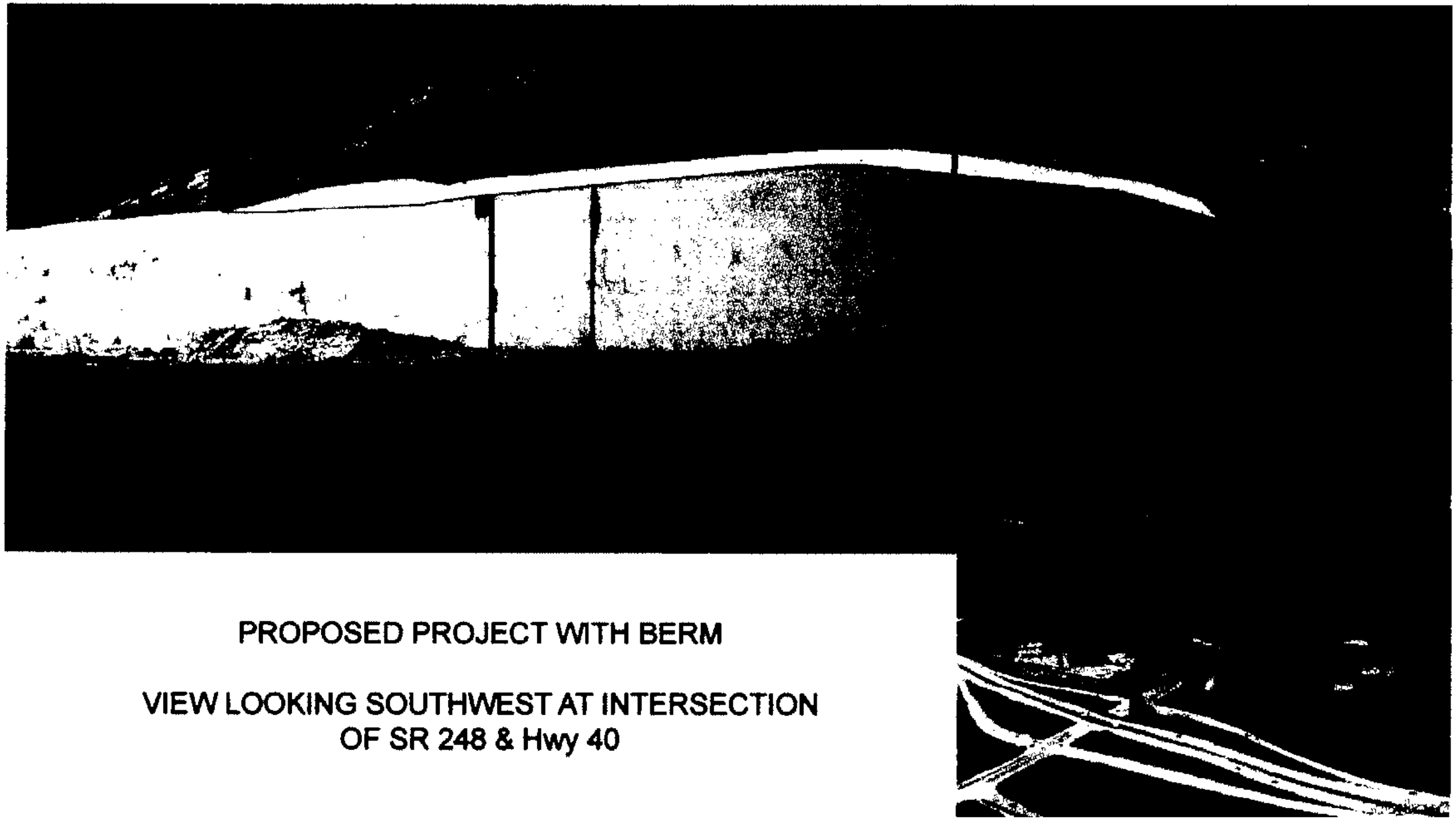
VIEW LOOKING SOUTHWEST AT INTERSECTION
OF SR 248 & Hwy 40

Raleigh Studios – Visual Analysis



PROPOSED PROJECT

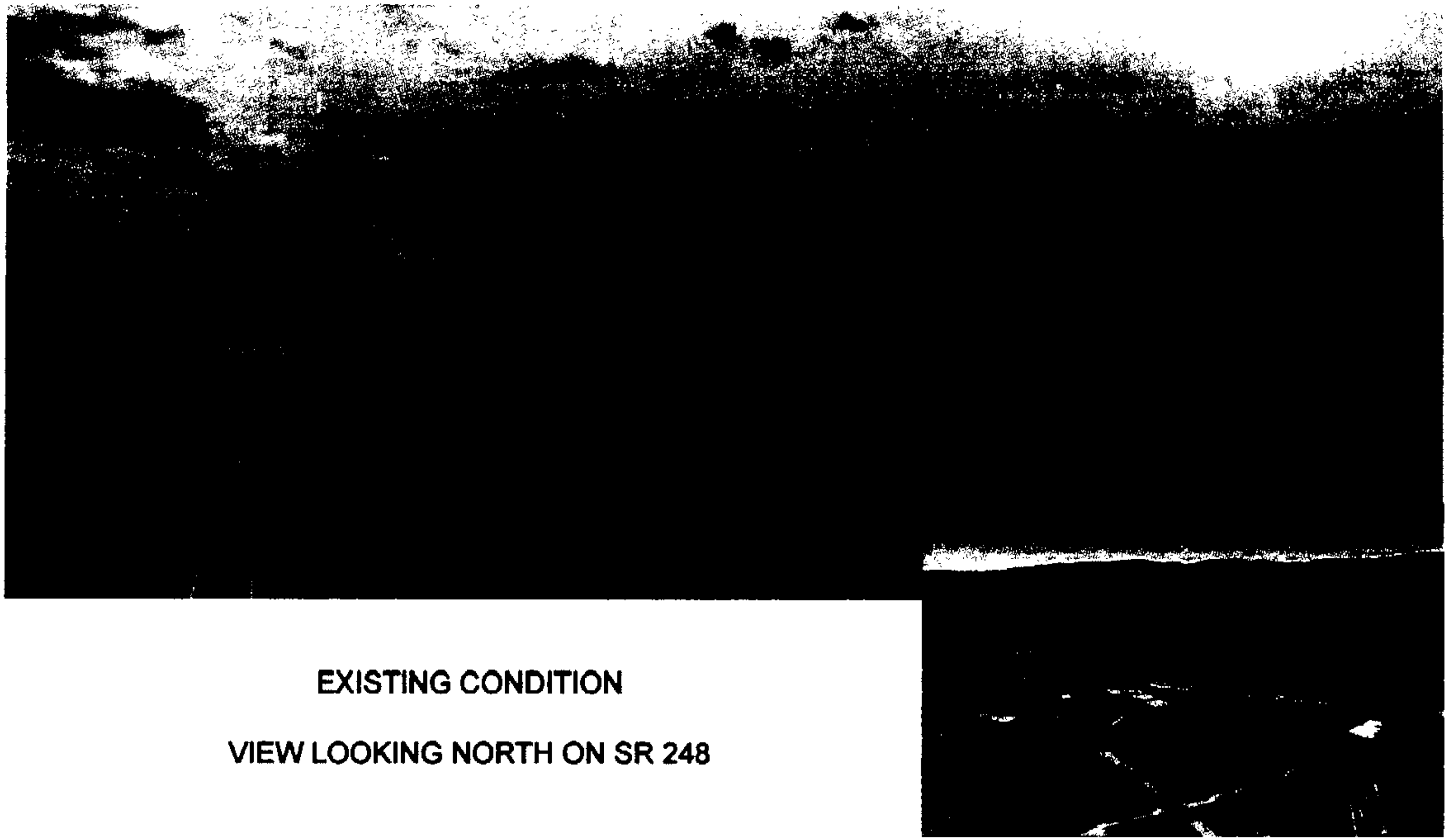
VIEW LOOKING SOUTHWEST AT INTERSECTION
OF SR 248 & Hwy 40



PROPOSED PROJECT WITH BERM

VIEW LOOKING SOUTHWEST AT INTERSECTION
OF SR 248 & Hwy 40

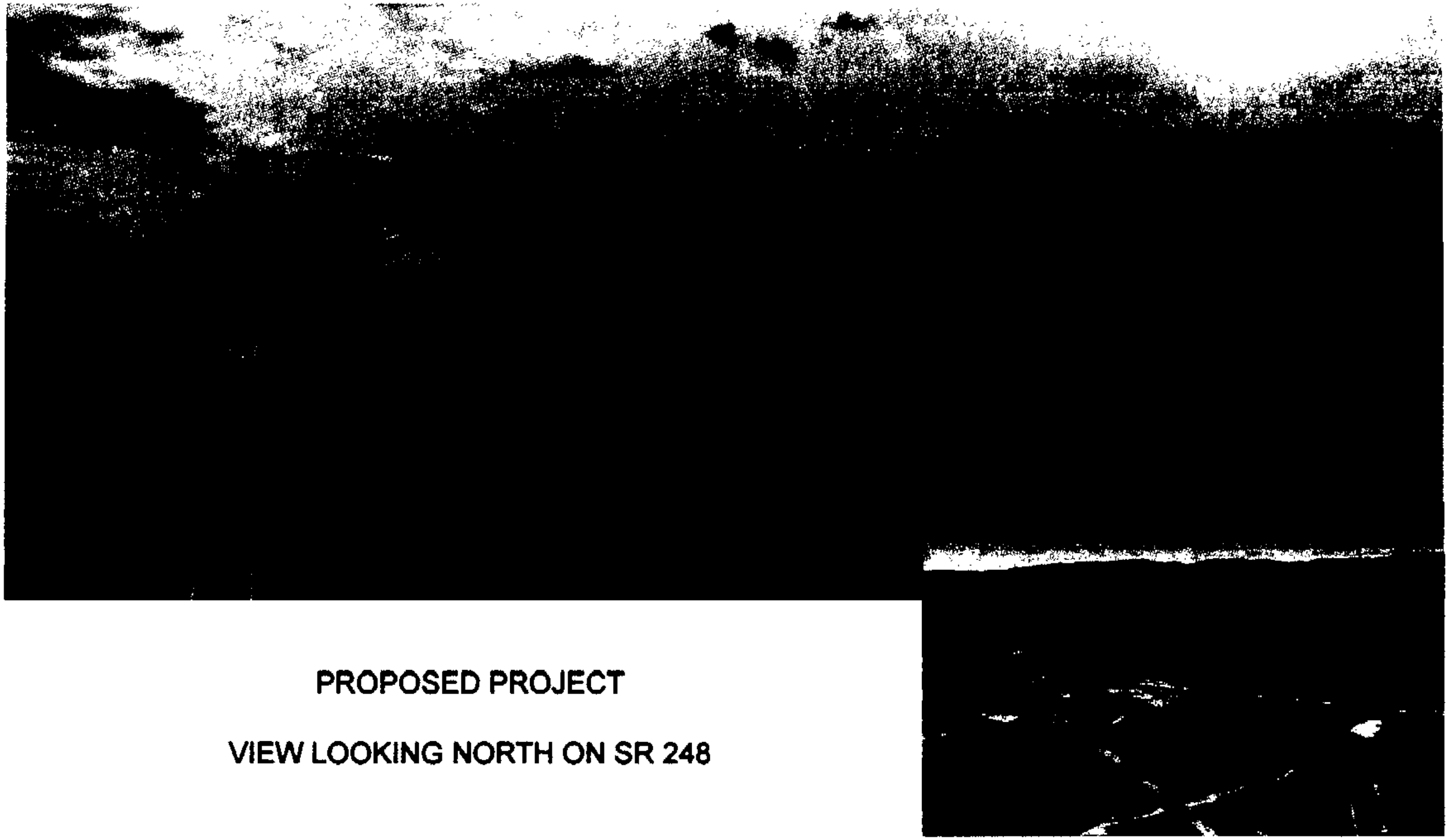
Raleigh Studios – Visual Analysis



EXISTING CONDITION

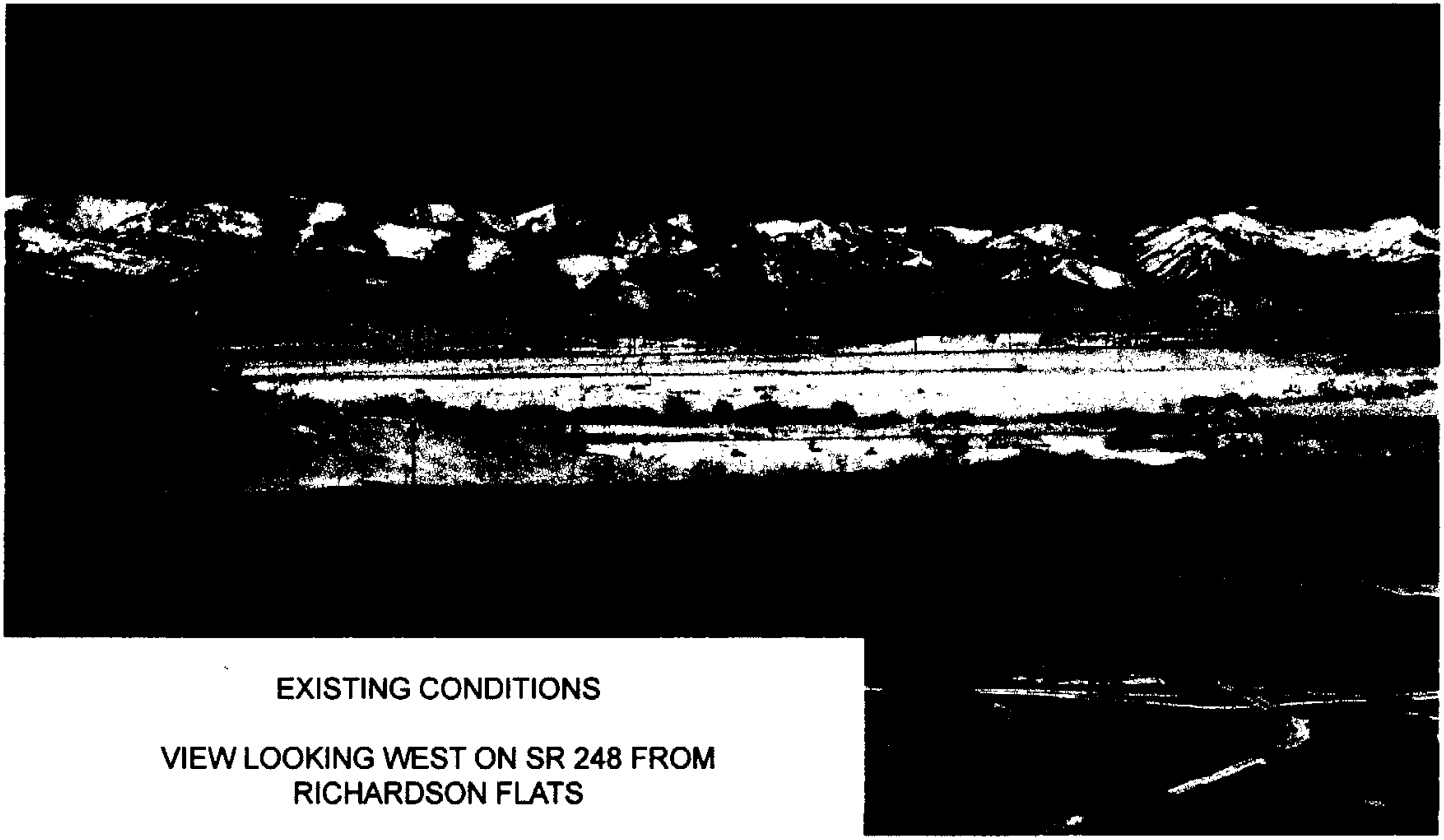
VIEW LOOKING NORTH ON SR 248

Raleigh Studios – Visual Analysis



PROPOSED PROJECT

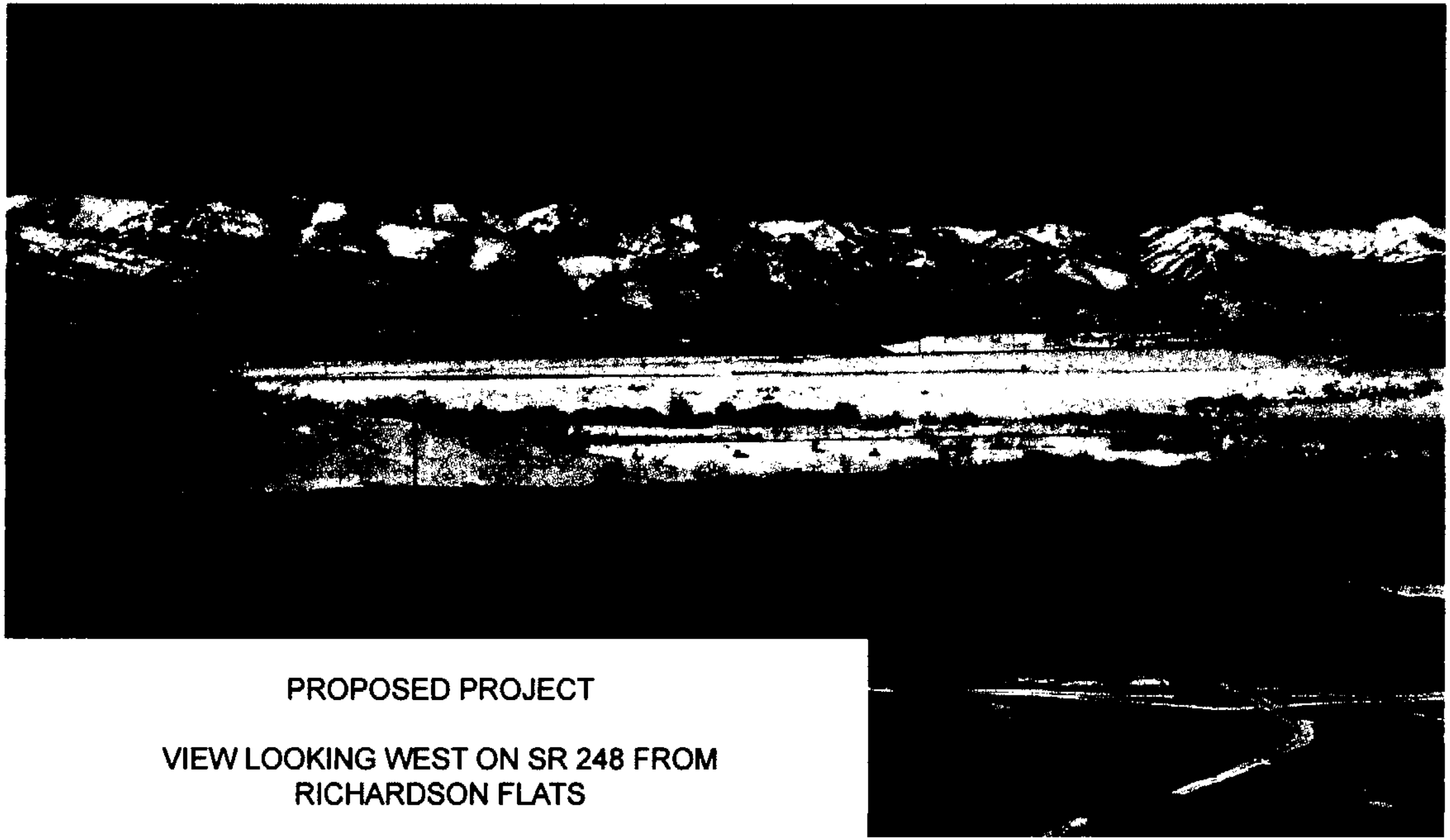
VIEW LOOKING NORTH ON SR 248



EXISTING CONDITIONS

VIEW LOOKING WEST ON SR 248 FROM RICHARDSON FLATS

Raleigh Studios – Visual Analysis



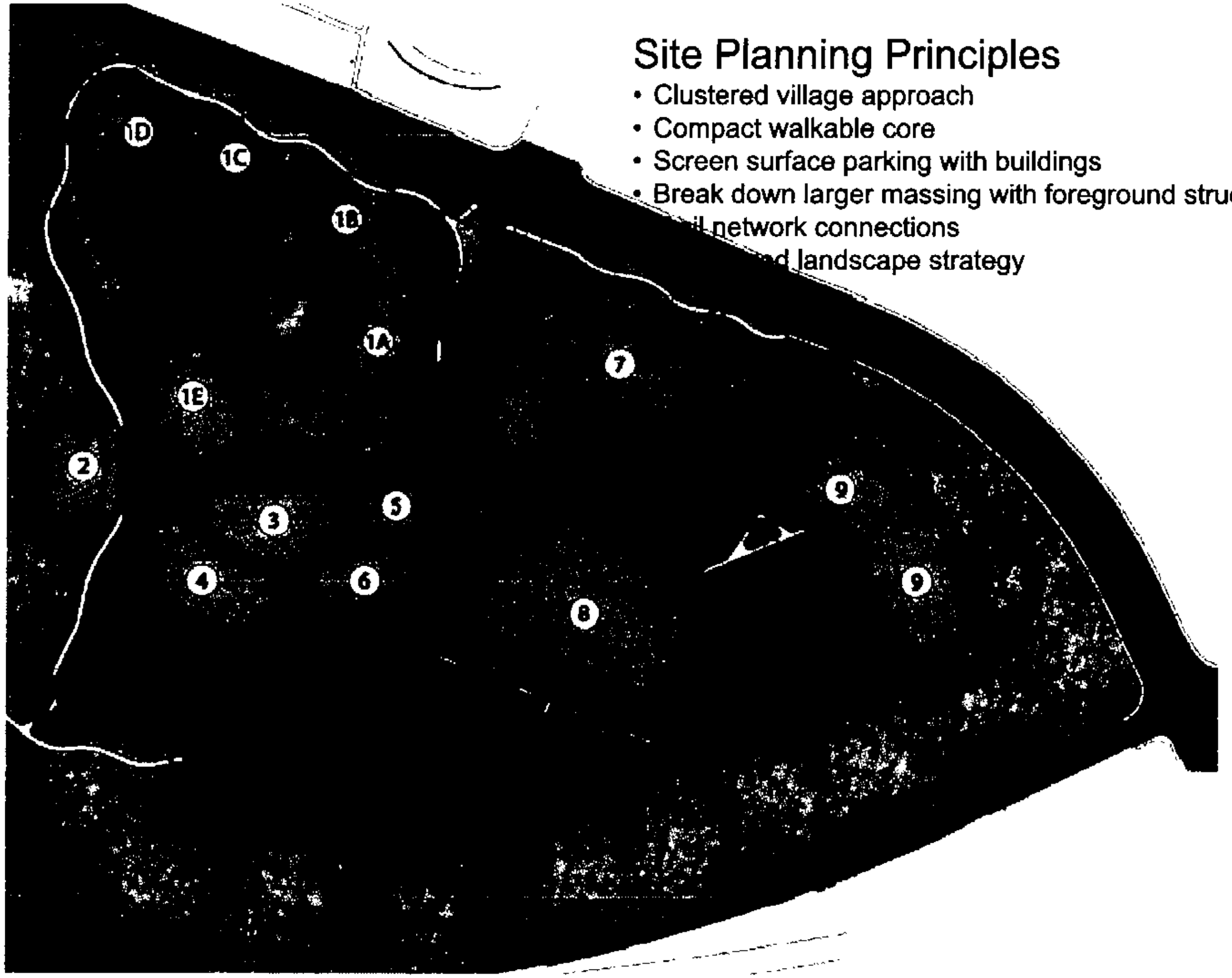
PROPOSED PROJECT

VIEW LOOKING WEST ON SR 248 FROM RICHARDSON FLATS

Raleigh Studios – Conceptual Site Plan

Site Planning Principles

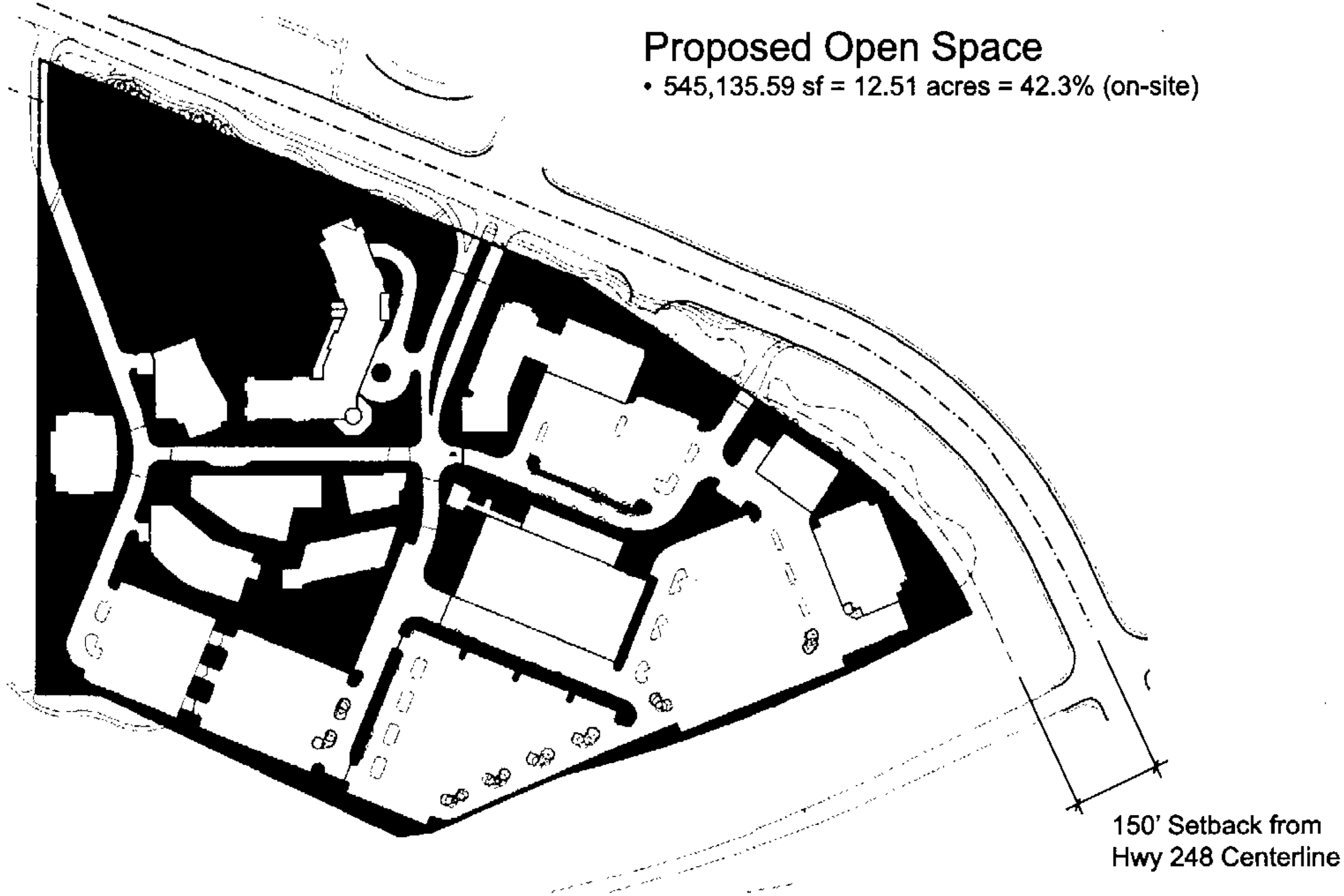
- Clustered village approach
- Compact walkable core
- Screen surface parking with buildings
- Break down larger massing with foreground structures
- ...il network connections
- ...d landscape strategy



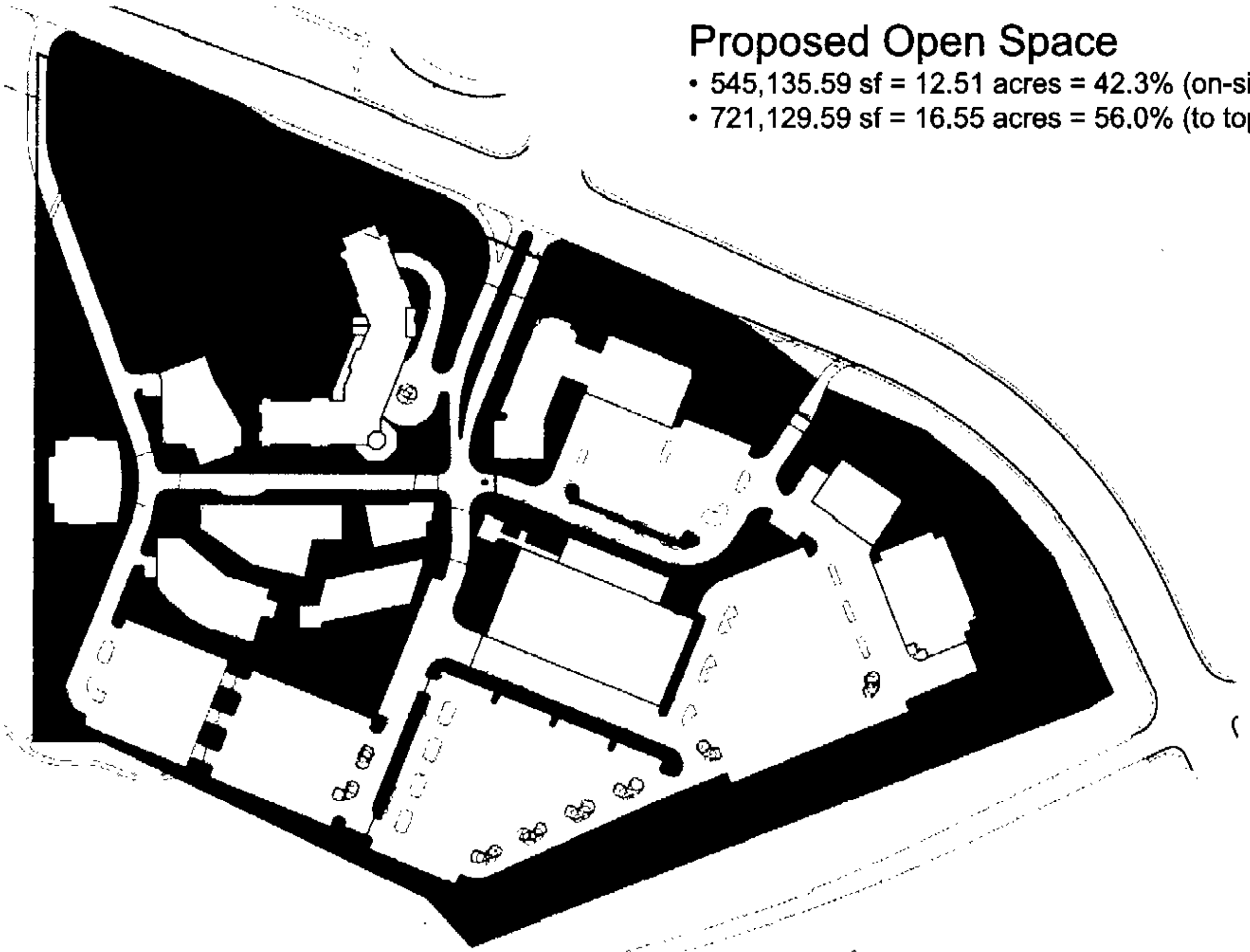
Raleigh Studios – Open Space

Proposed Open Space

- 545,135.59 sf = 12.51 acres = 42.3% (on-site)



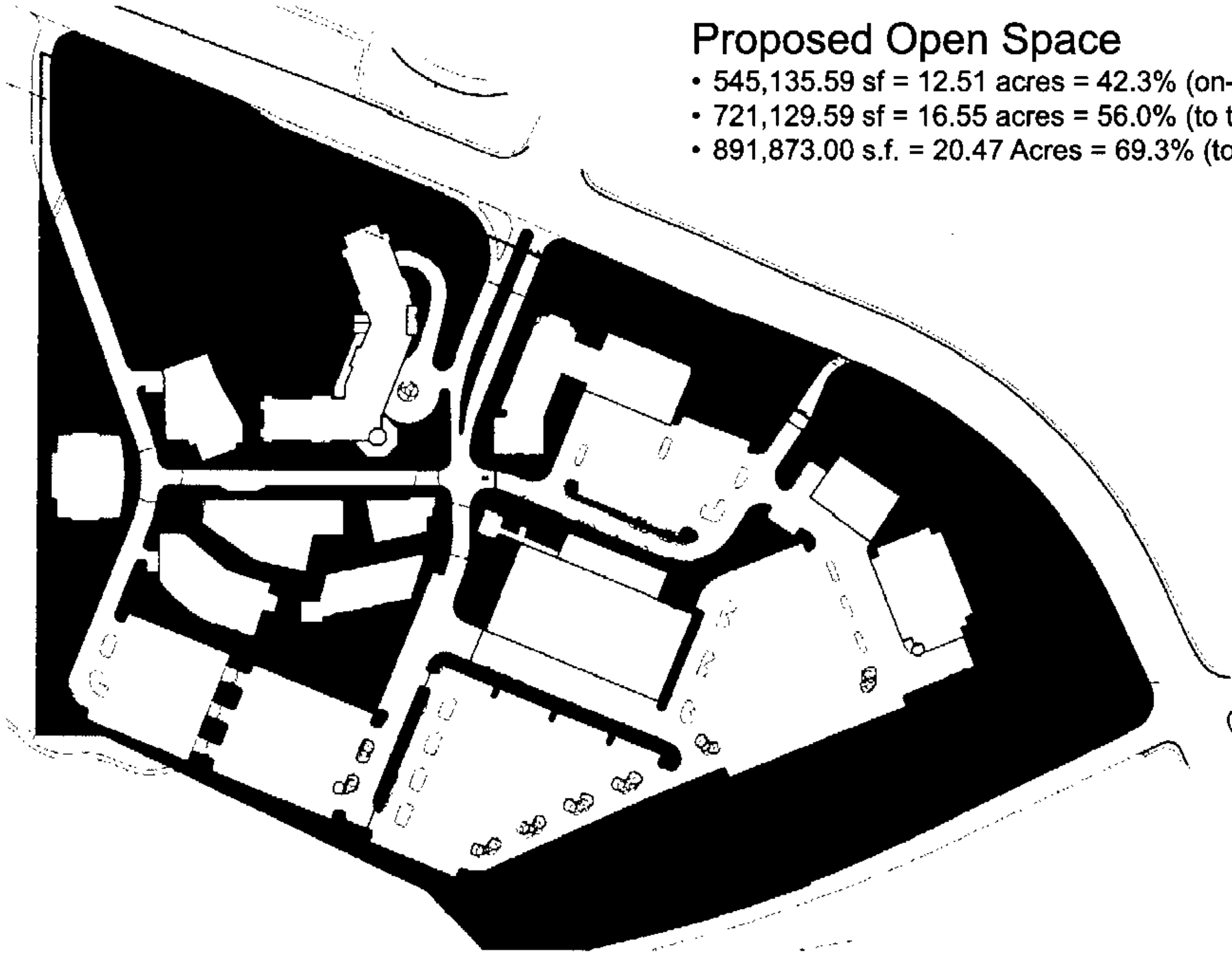
Raleigh Studios – Open Space



Proposed Open Space

- 545,135.59 sf = 12.51 acres = 42.3% (on-site)
- 721,129.59 sf = 16.55 acres = 56.0% (to top of cut bank)

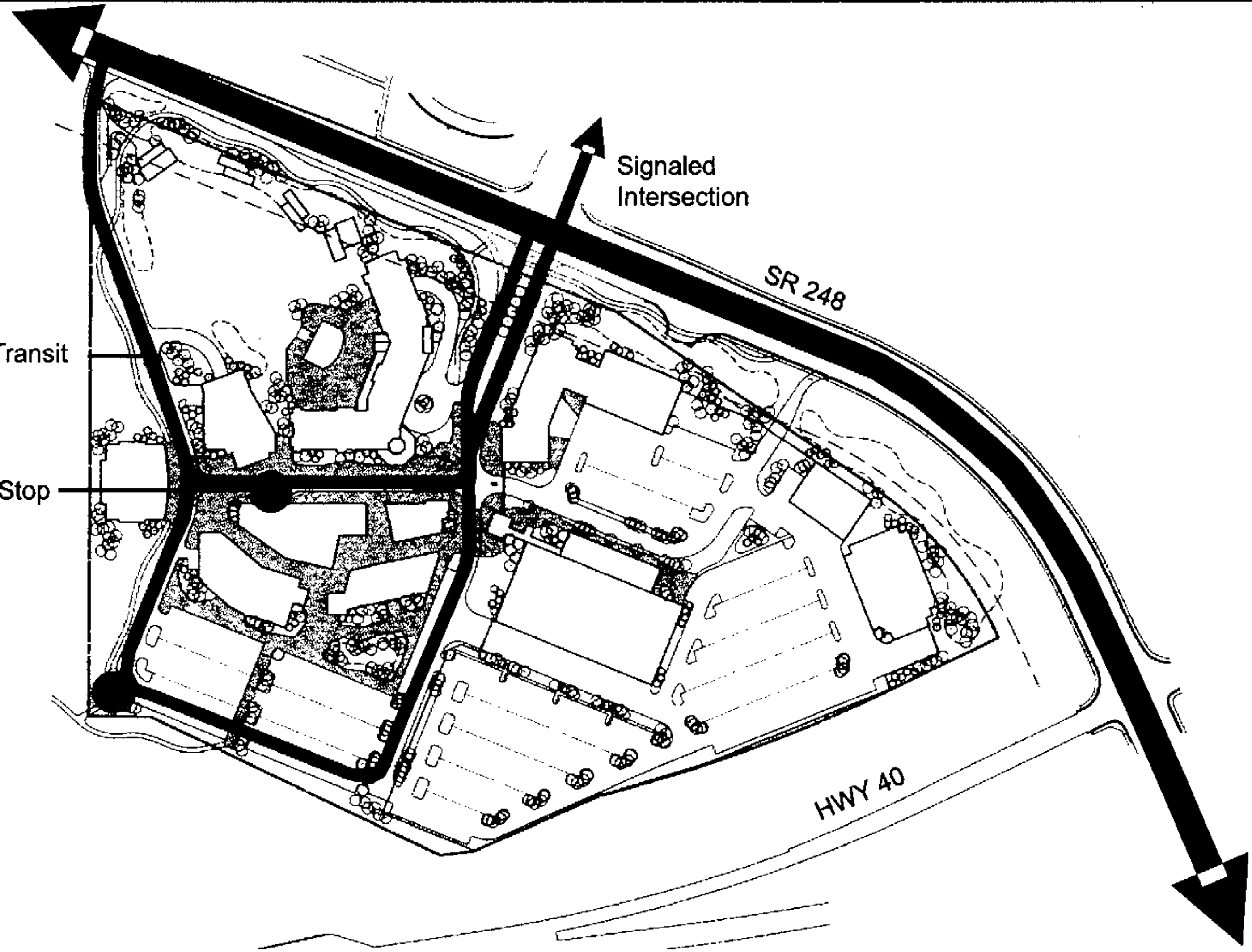
Raleigh Studios – Open Space



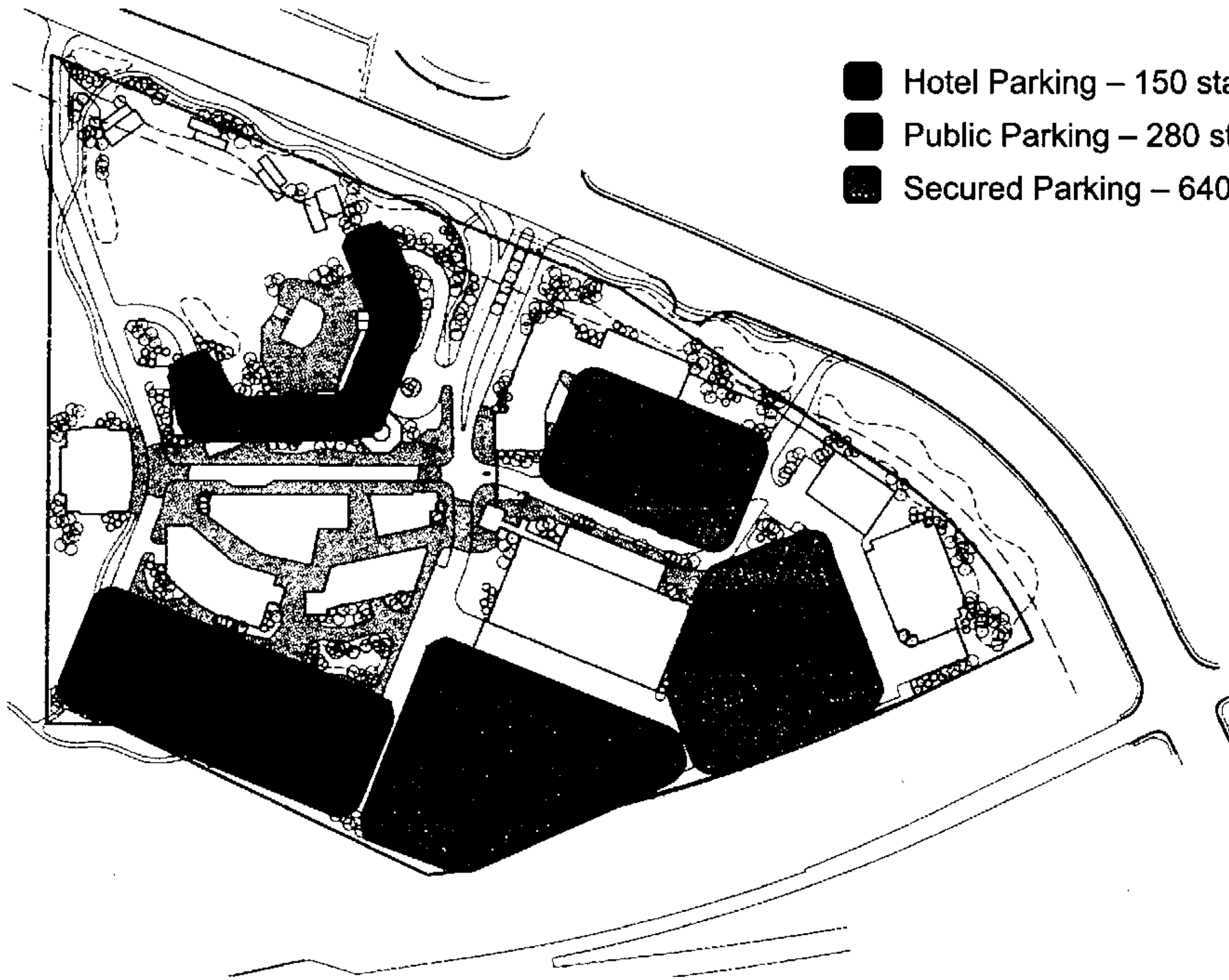
Proposed Open Space

- 545,135.59 sf = 12.51 acres = 42.3% (on-site)
- 721,129.59 sf = 16.55 acres = 56.0% (to top of cut bank)
- 891,873.00 s.f. = 20.47 Acres = 69.3% (to edge of 248/40)

Raleigh Studios – Access/Circulation (Transit)

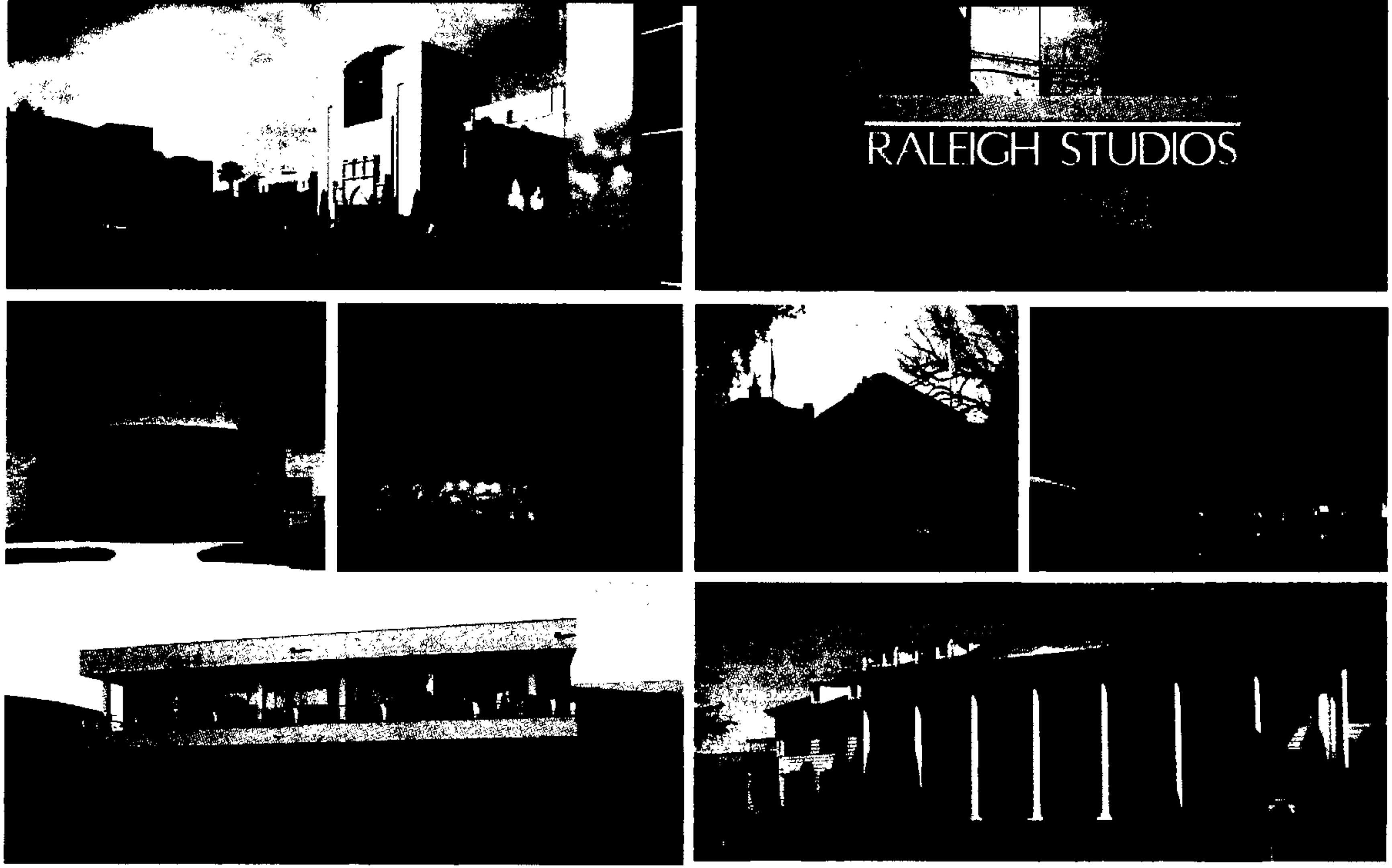


Raleigh Studios – Parking

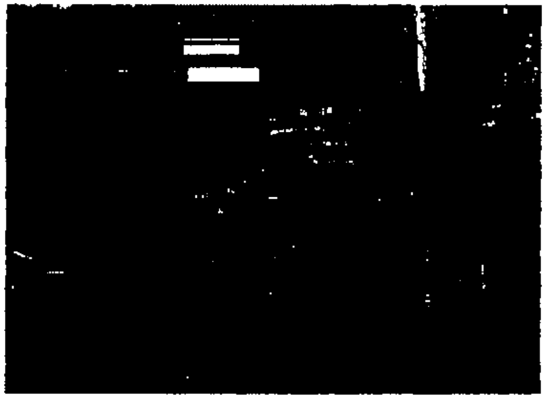


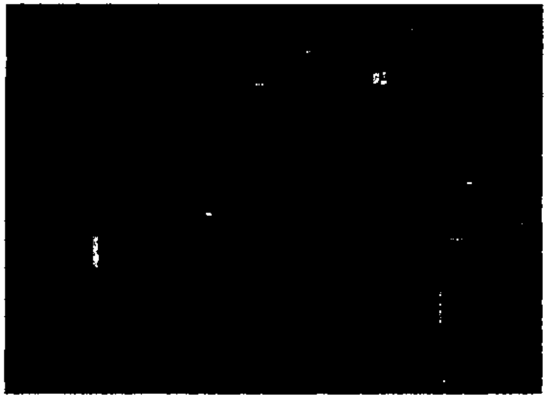
Raleigh Studios – Precedent Images (Studio Retail)

Raleigh Studios – Precedent Images (Architecture/Character)

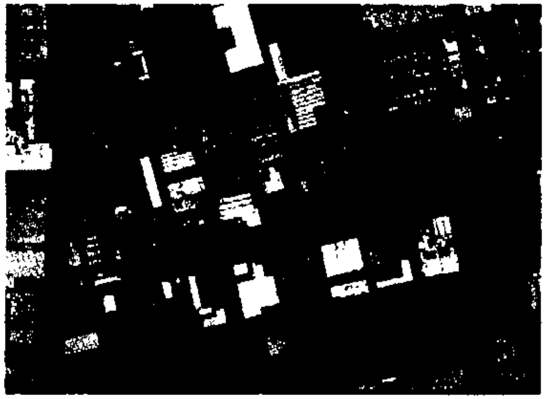


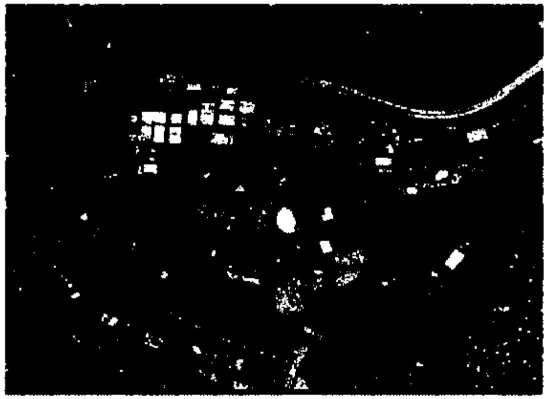
Raleigh Studios – Precedent Images (Site Plans)

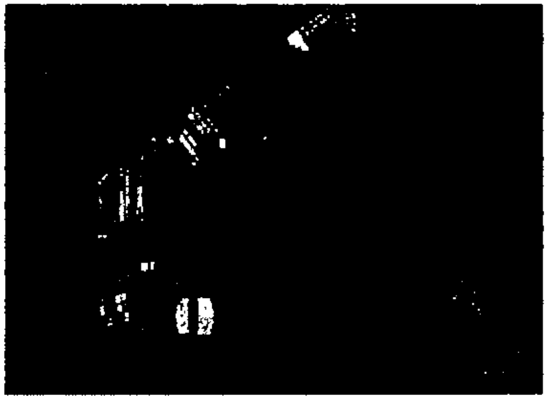

Insight Film Studios – Vancouver, British Columbia


North Shore Studios – Vancouver, British Columbia


Northern Film & Media – Newcastle, England


Pixar Animation Studios – Emeryville, California

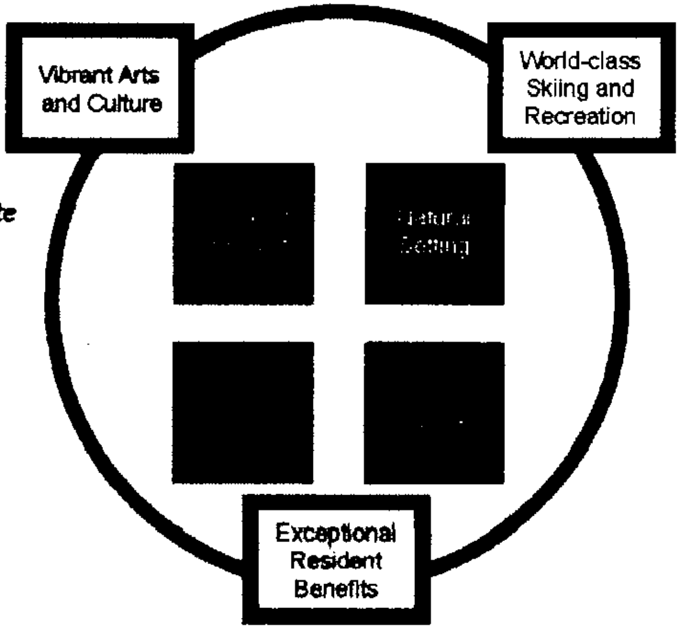

Universal Studios – Hollywood, California


Lions Gate Studio – Vancouver, British Columbia

Raleigh Studios – Community Visioning Filter

Environmental Impact
How will the proposed activity demonstrate responsible environmental stewardship?

Quality of Life Impact
How will the proposed activity contribute to, "keeping Park City, Park City"?



Social Equity Impact
How will the proposed activity foster community and economic diversity?

Economic Impact
How will the proposed activity offset its impacts on the community, contribute to a sustainable economy, and increase our ability to provide public services?

Raleigh Studios – Community Visioning Filter

1 Quality of Life Impact – "keeping Park City, Park City"

- Embrace, showcase and encourage arts and culture
- Contribute to a year-round offering of uses and activities
- Enhance the community trail network
- Attract diverse demographic
- Improve transportation needs of visitors and residents

2 Economic Impact – "contribute to a sustainable economy and provide public services"

- Increased tax base to the resort economy
- Diversify the local economy through art and culture based industry
- Increase national, regional and local employment offerings
- Enhance the tourism economy through unique attractions
- Nurture and grow the success of the Sundance Film Festival
- Promote the film industry within the State of Utah
- Increase the international brand of Park City

3 Social Equity Impact – "foster community diversity"

- Attract the part-time and permanent resident demograhic
- Attract and enhance year-round event and activity offerings
- Enhance community identity and image
- Increase and diversify educational offerings

4 Environmental Impact – "demonstrate responsible environmental stewardship"

- Promote public transit and trail connections to reduce vehicle miles traveled
- Green building design and construction to meet minimum LEED Silver Standards
- Water conservation site design through native, drought tolerant planting strategies
- Stormwater management to minimize and filter runoff

Raleigh Studios – General Plan Compliments

1 Preserve mountain resort and historic character of Park City (GP Goal 1)
- Complement historic and resort qualities through architectural design
- Blend building materials and landscape character with the natural environment
- Enhance the resort bed base and guest experience

2 Preserve environmental quality, open space and outdoor recreation opportunities (GP Goal 2)
- Focus new development at base of hills minimizing impact on ridgelines
- Configured trails to provide outdoor recreational opportunities and connections

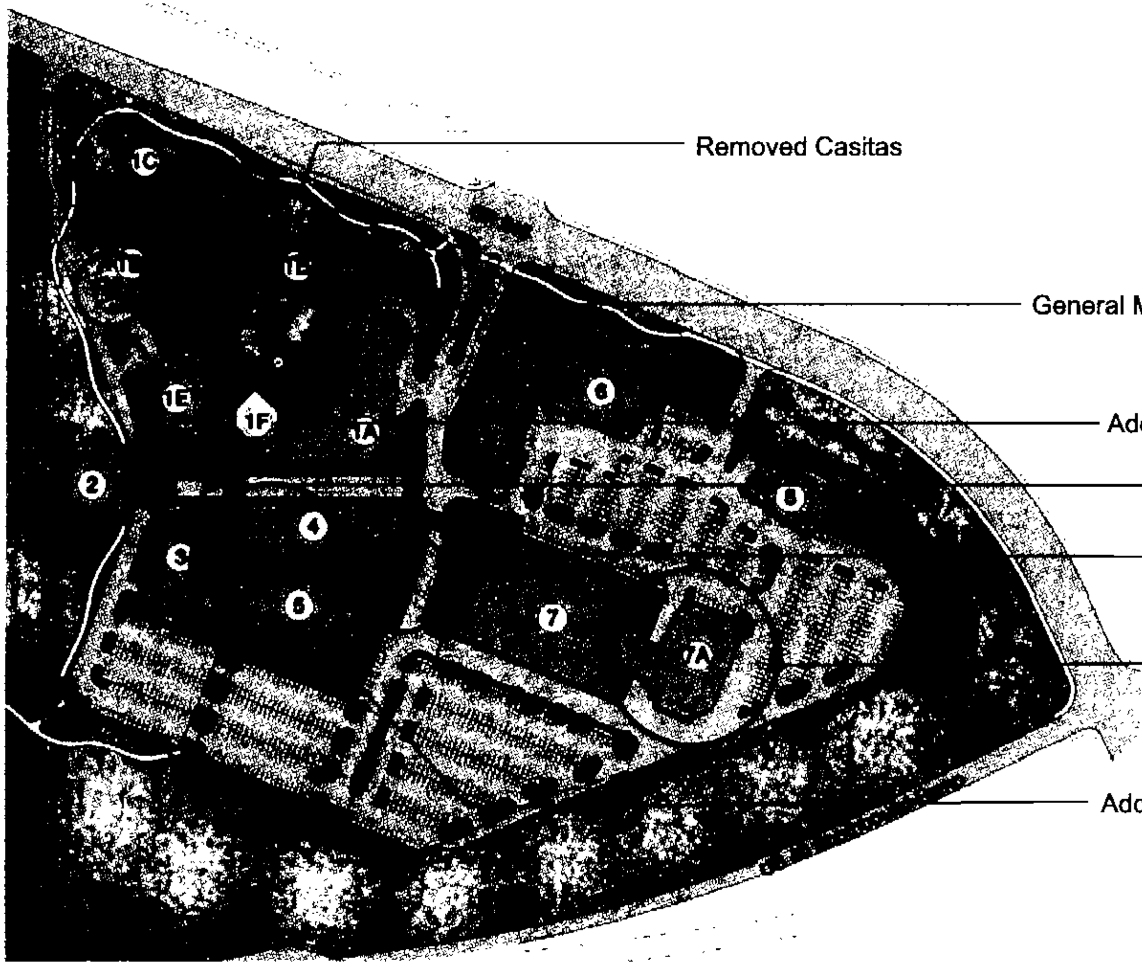
3 Maintain high quality public services and facilities (GP Goal 3)
- Promote public transit and trail linkages
- Increase community facilities to meet the needs and desires of residents and visitors
- Contribute privately to the development of community facilities

4 Work effectively with other governmental agencies to achieve the goals of the General Plan (GP Goal 4)
- Work with the State of Utah to promote the film industry
- Collaborate with the County to benefit the local image and identity
- Be a model community through policy and advocacy to promote a successful community

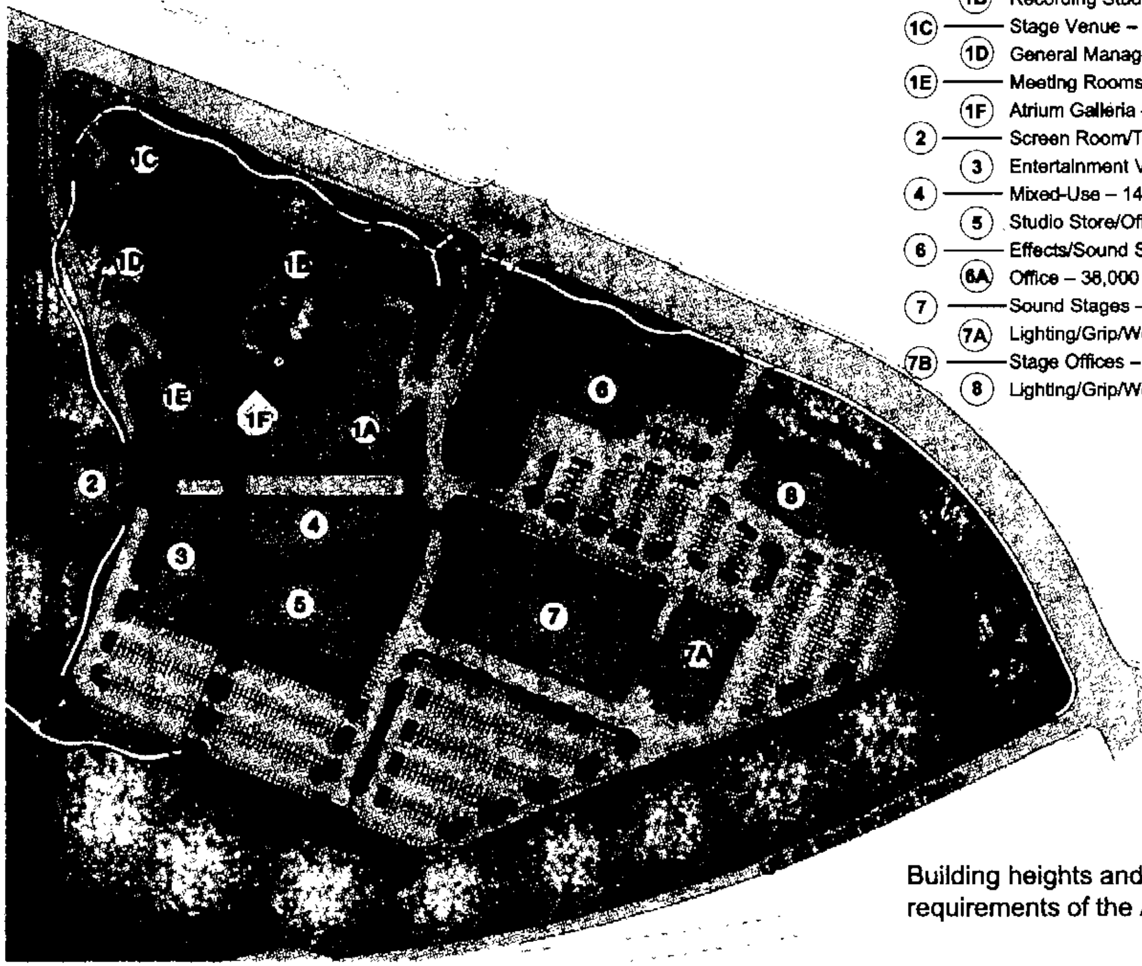
5 Develop an Integrated transportation system to meet the needs of visitors and residents (GP Goal 10)
- Enhanced and expanded transit connections
- Expanded trail network and connectivity

Previous Submittal Information – March 28, 2012

Raleigh Studios – Conceptual Site Plan Revisions



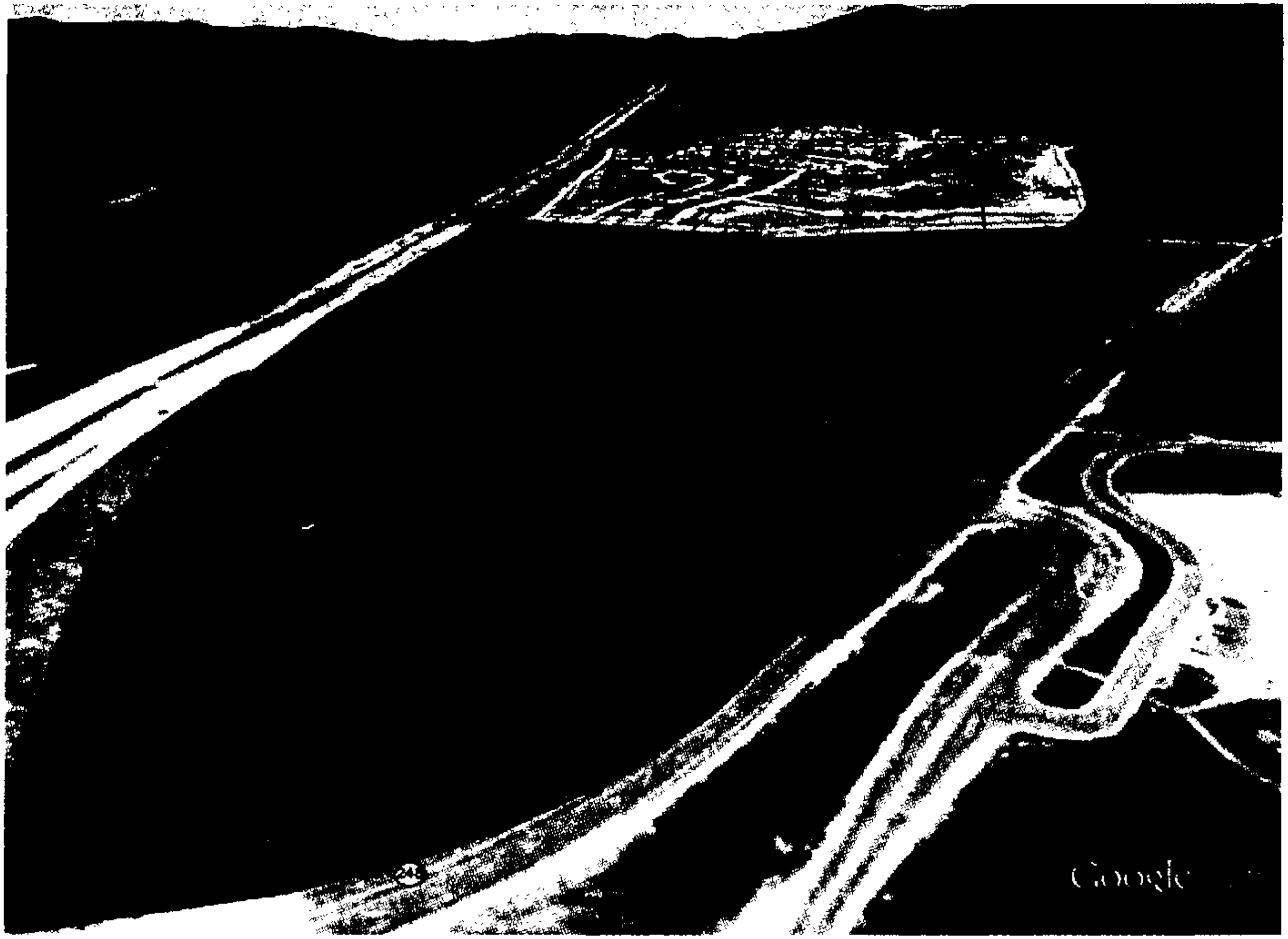
Raleigh Studios – Building Heights/Sizes



- (1A) Hotel – 110,250 sf, 40' height
- (1B) Recording Studio – 2,500 sf, 16' height
- (1C) Stage Venue – 700 sf, 16' height
- (1D) General Manager Residence – 750 sf, 16' height
- (1E) Meeting Rooms – 16,000 sf, 28' height
- (1F) Atrium Galleria – 0 sf, 28' height
- (2) Screen Room/Theater – 15,000 sf, 40' height
- (3) Entertainment Venue – 33,350 sf, 28' height
- (4) Mixed-Use – 14,500 sf, 40' height
- (5) Studio Store/Office/Tour – 25,675 sf, 28' height
- (6) Effects/Sound Stages – 15,900 sf, 40' height
- (6A) Office – 38,000 sf, 30' height
- (7) Sound Stages – 71,375 sf, 60' height
- (7A) Lighting/Grip/Workshop – 20,000 sf, 28' height
- (7B) Stage Offices – 21,000 sf, 28' height
- (8) Lighting/Grip/Workshop/Offices – 10,000 sf, 28' height

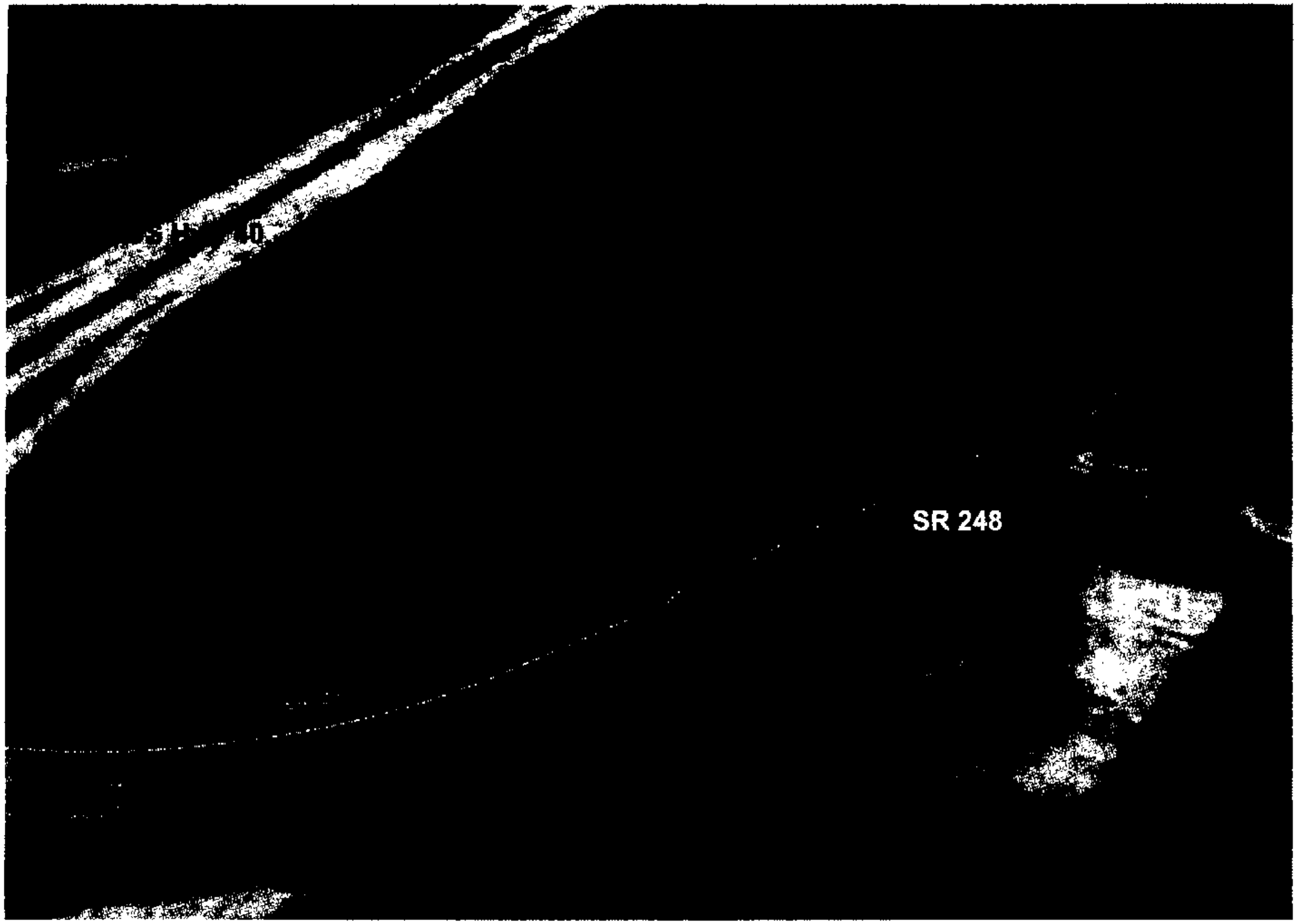
Building heights and percentages comply with requirements of the Annexation Agreement

Raleigh Studios – Visual Analysis



Massing Study Looking South

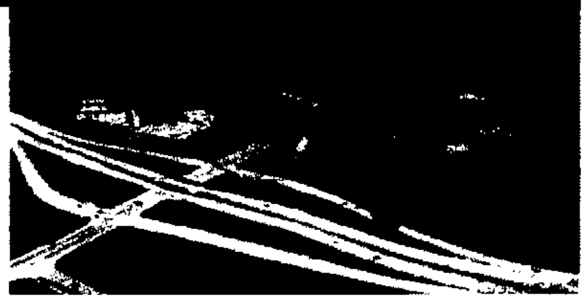
Raleigh Studios – Visual Analysis



Massing Study Looking SE

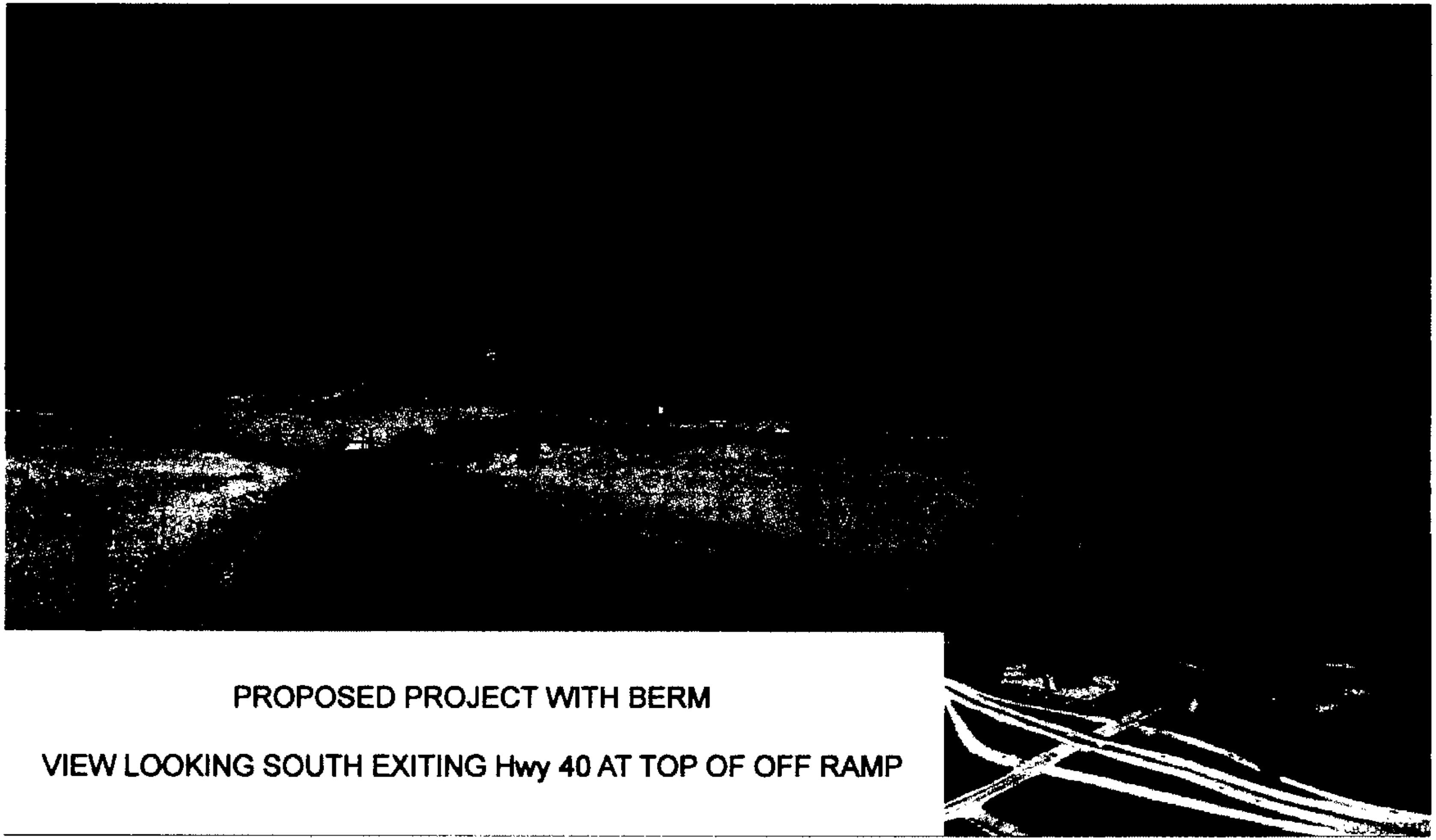
Raleigh Studios – Visual Analysis

Massing Study Looking NE



EXISTING CONDITION

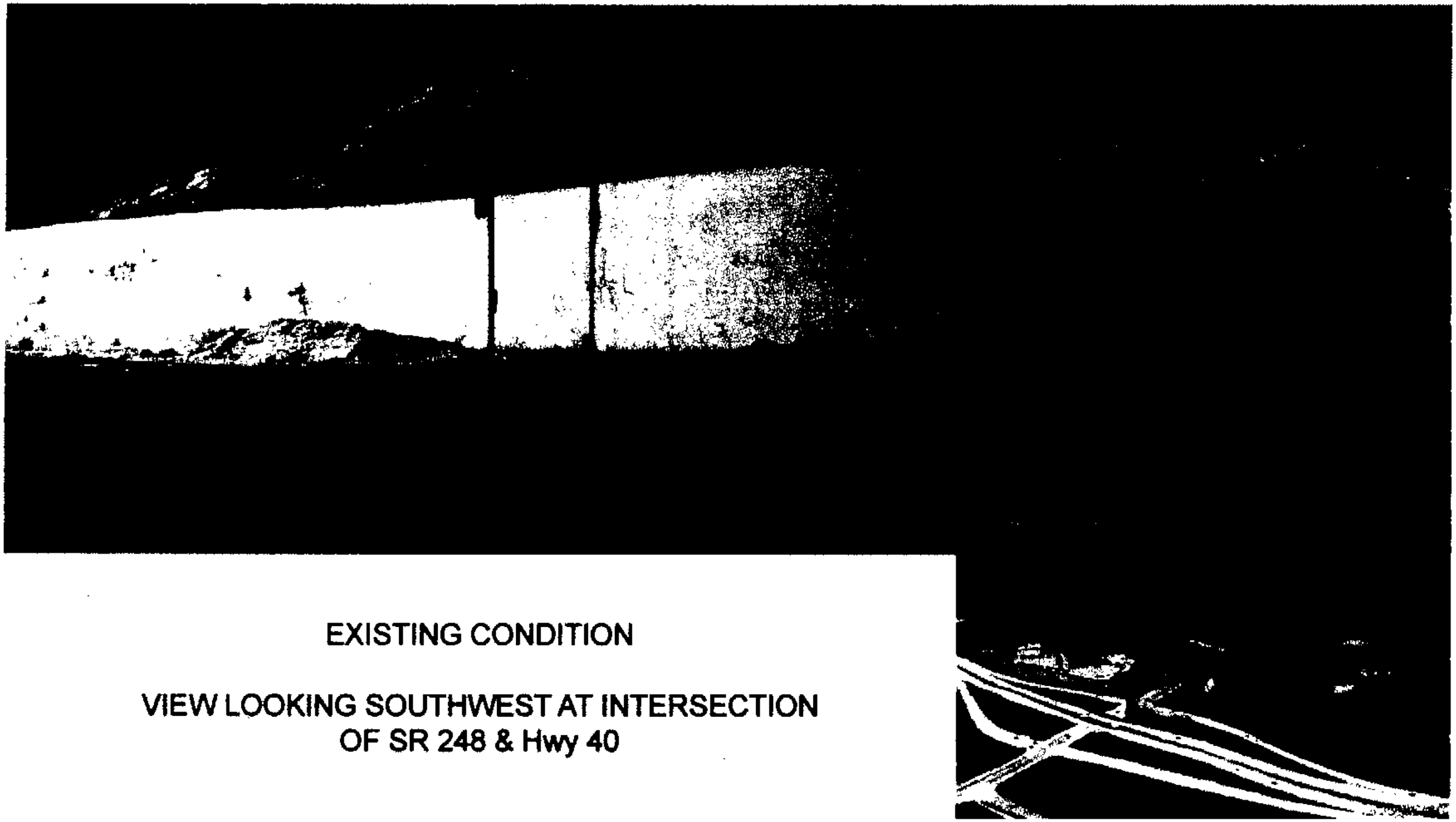
VIEW LOOKING SOUTH EXITING Hwy 40 AT TOP OF OFF RAMP



PROPOSED PROJECT WITH BERM

VIEW LOOKING SOUTH EXITING Hwy 40 AT TOP OF OFF RAMP

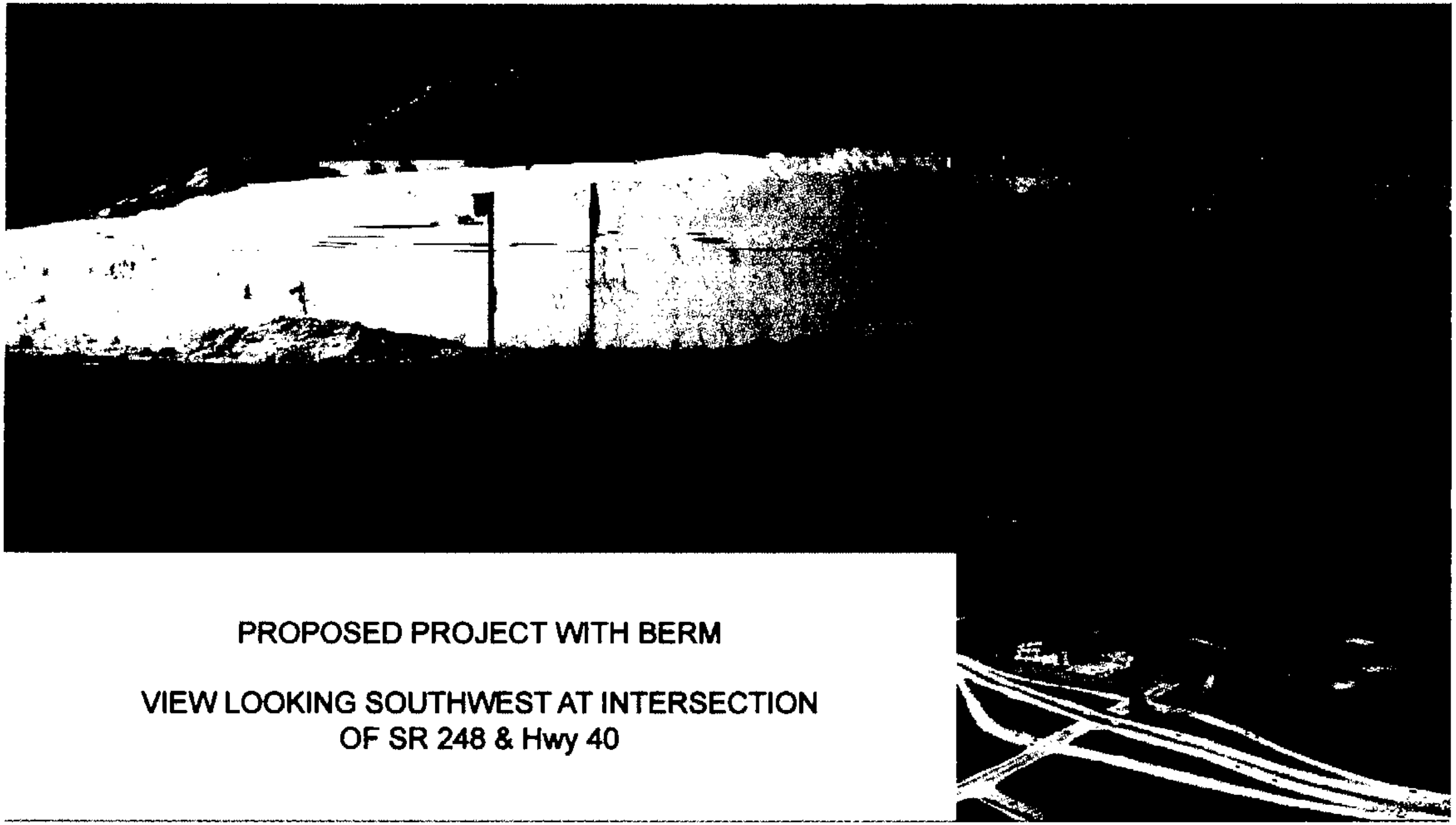
Raleigh Studios – Visual Analysis



EXISTING CONDITION

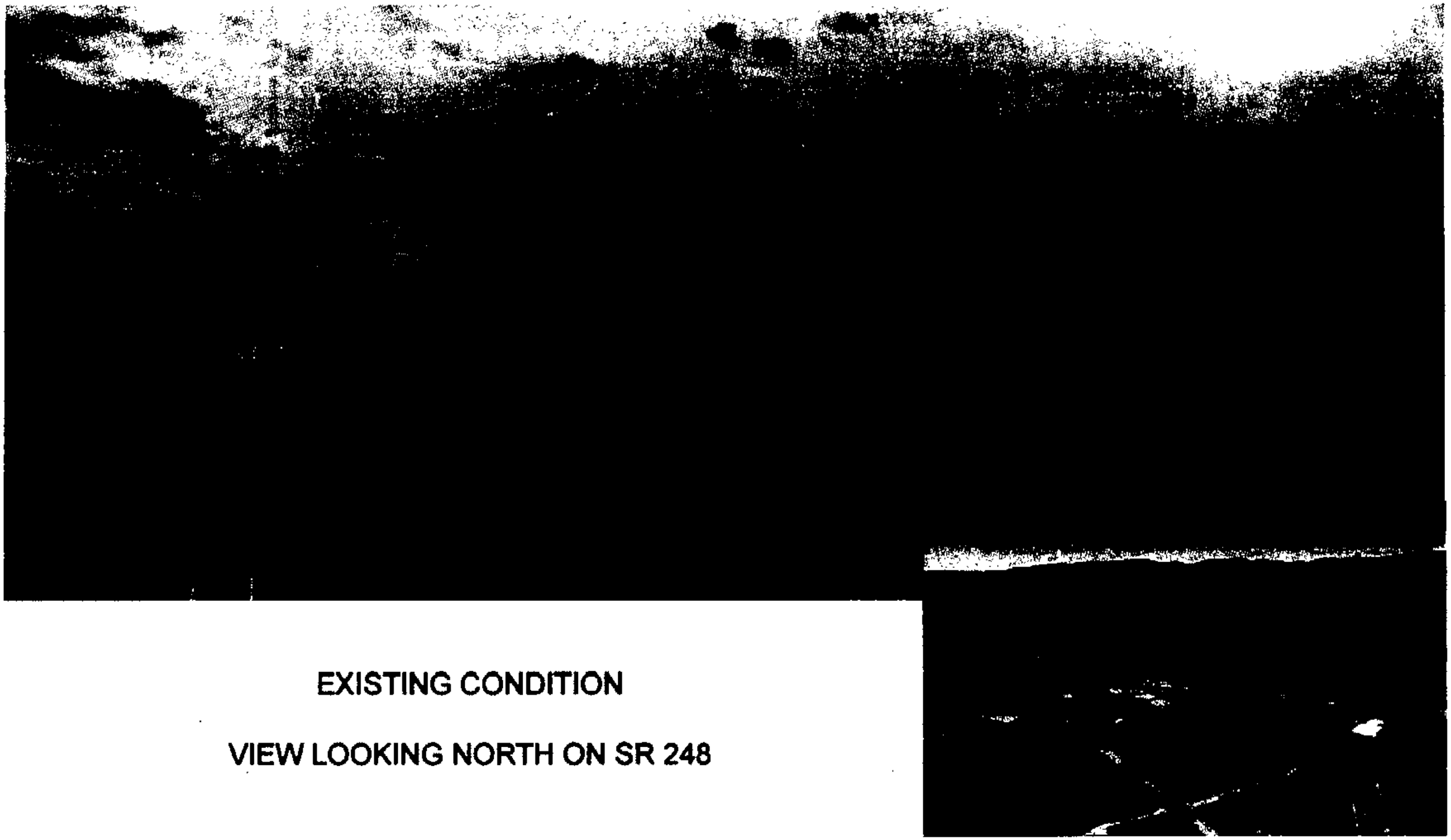
VIEW LOOKING SOUTHWEST AT INTERSECTION
OF SR 248 & Hwy 40

Raleigh Studios – Visual Analysis



PROPOSED PROJECT WITH BERM

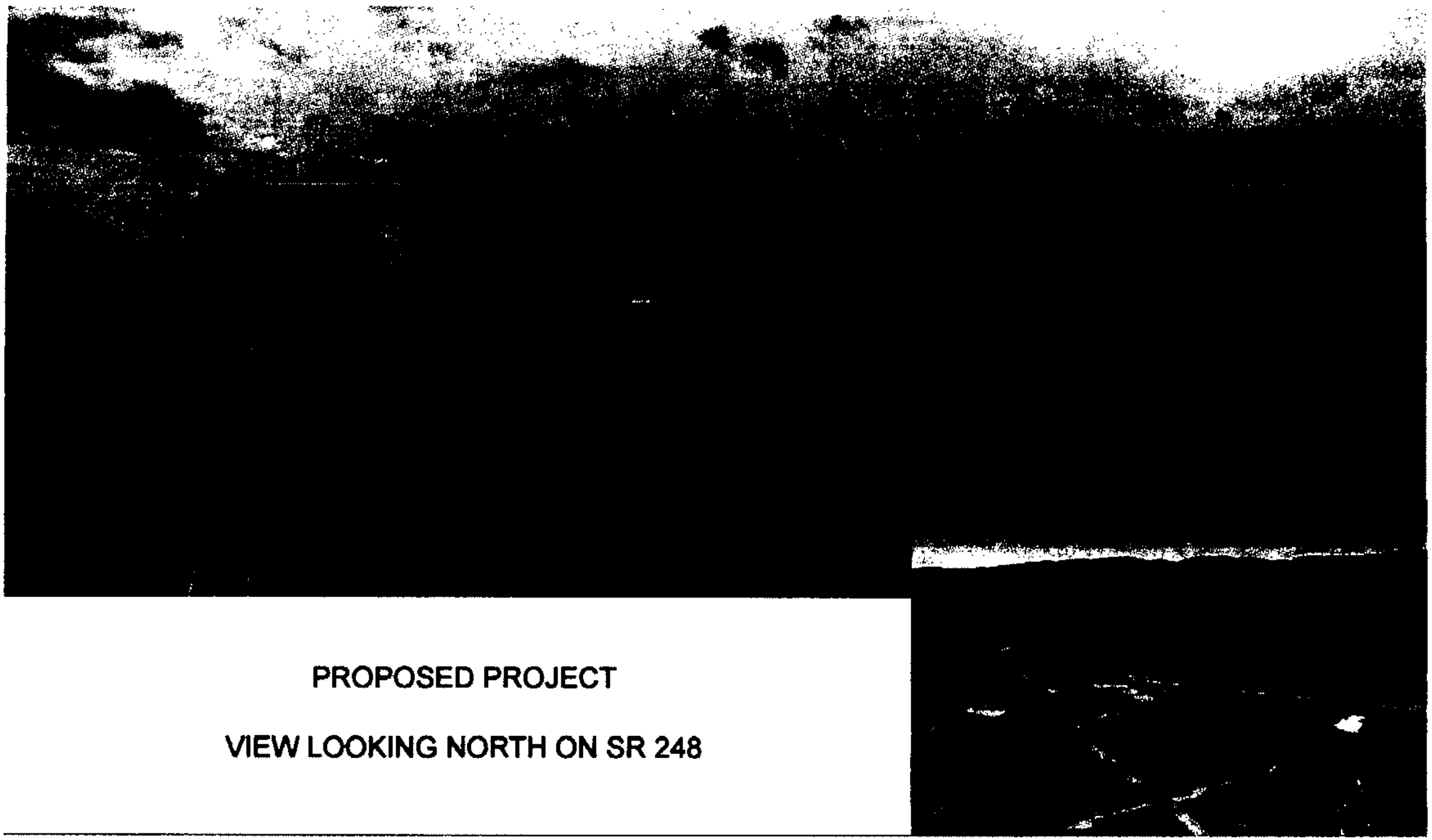
VIEW LOOKING SOUTHWEST AT INTERSECTION
OF SR 248 & Hwy 40



EXISTING CONDITION

VIEW LOOKING NORTH ON SR 248

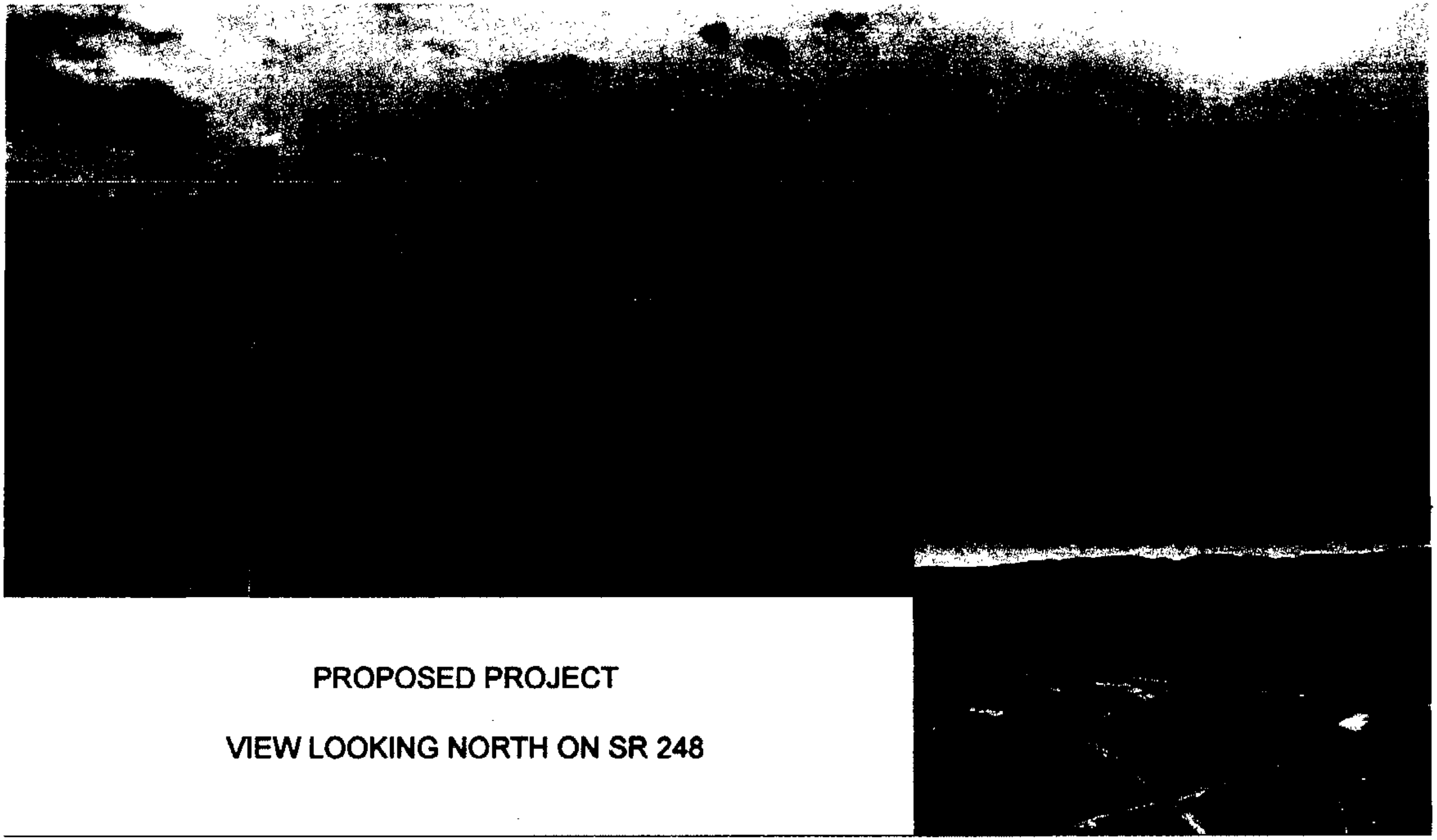
Raleigh Studios – Visual Analysis



PROPOSED PROJECT

VIEW LOOKING NORTH ON SR 248

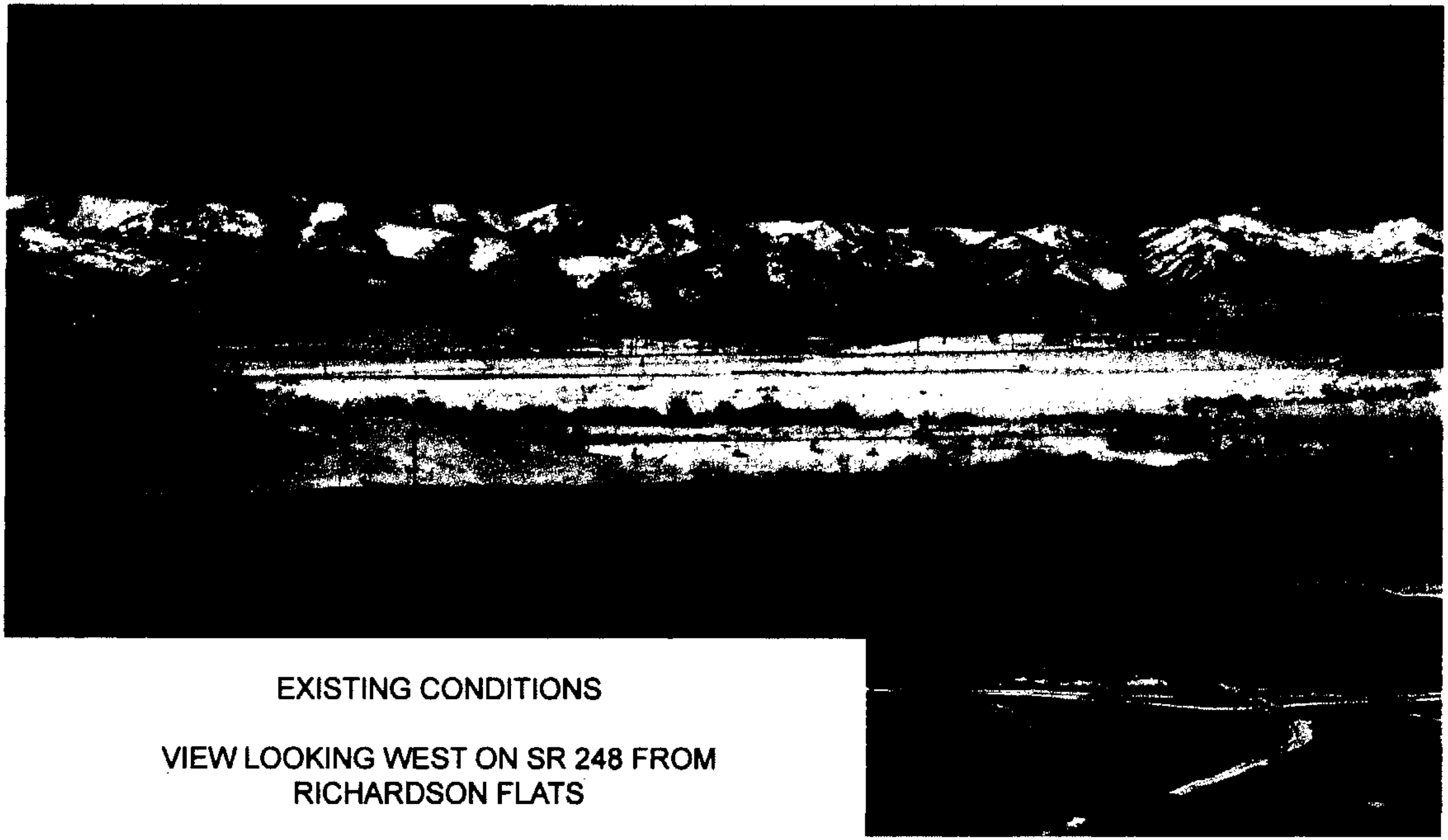
Raleigh Studios – Visual Analysis



PROPOSED PROJECT

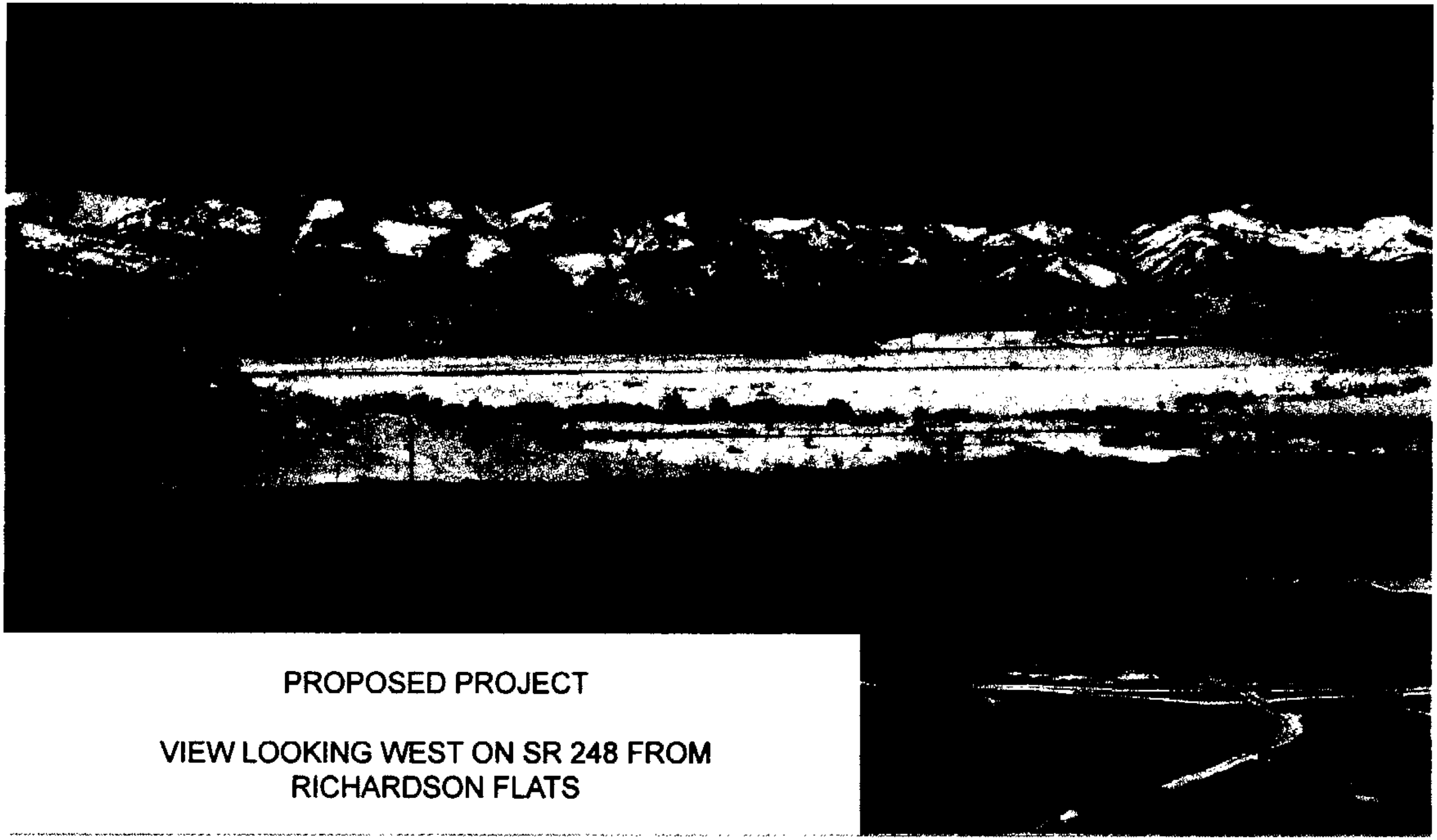
VIEW LOOKING NORTH ON SR 248

Raleigh Studios – Visual Analysis



EXISTING CONDITIONS

VIEW LOOKING WEST ON SR 248 FROM RICHARDSON FLATS



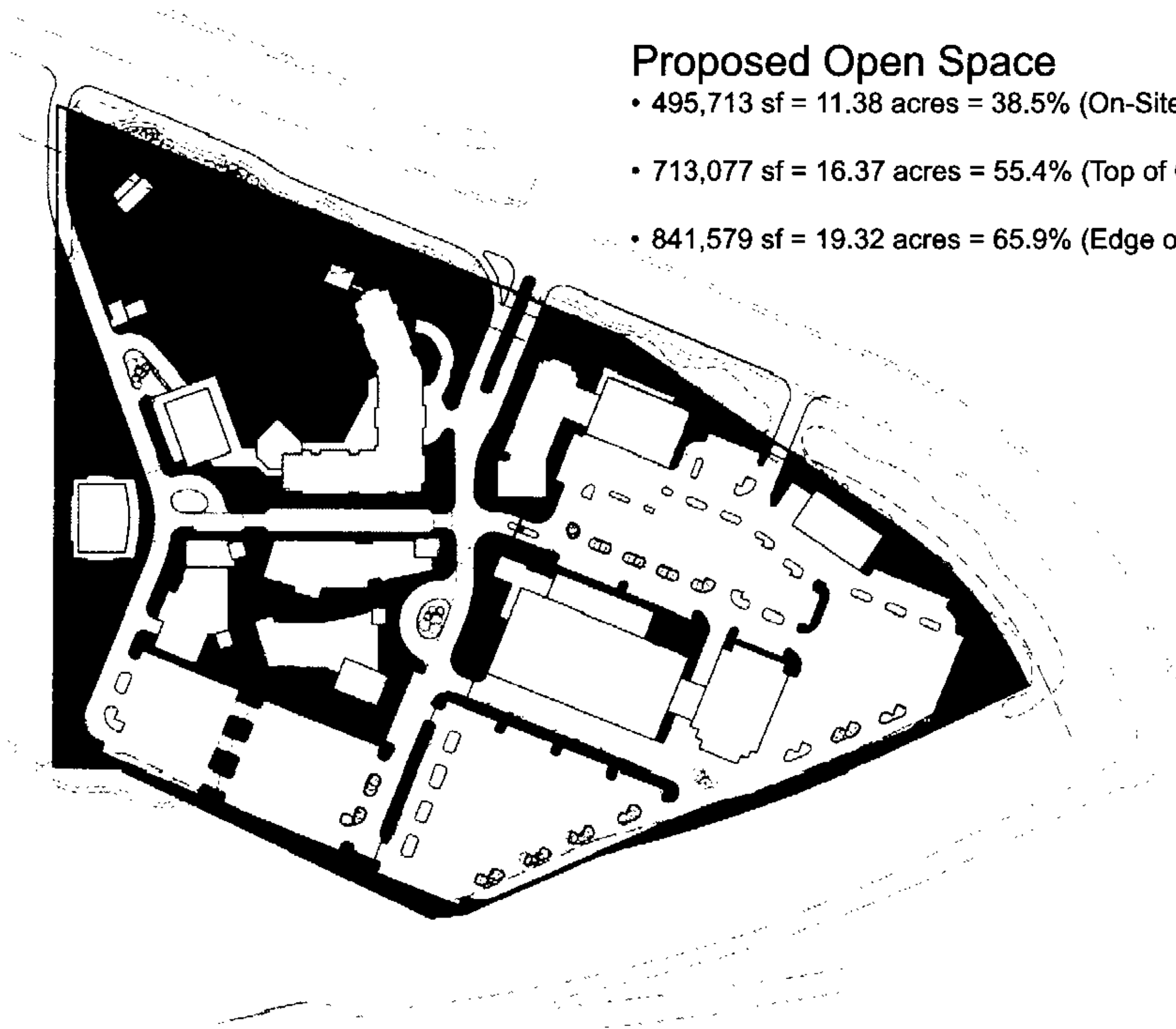
PROPOSED PROJECT

VIEW LOOKING WEST ON SR 248 FROM RICHARDSON FLATS

Raleigh Studios – Visual Analysis

View Looking SW on SR 248

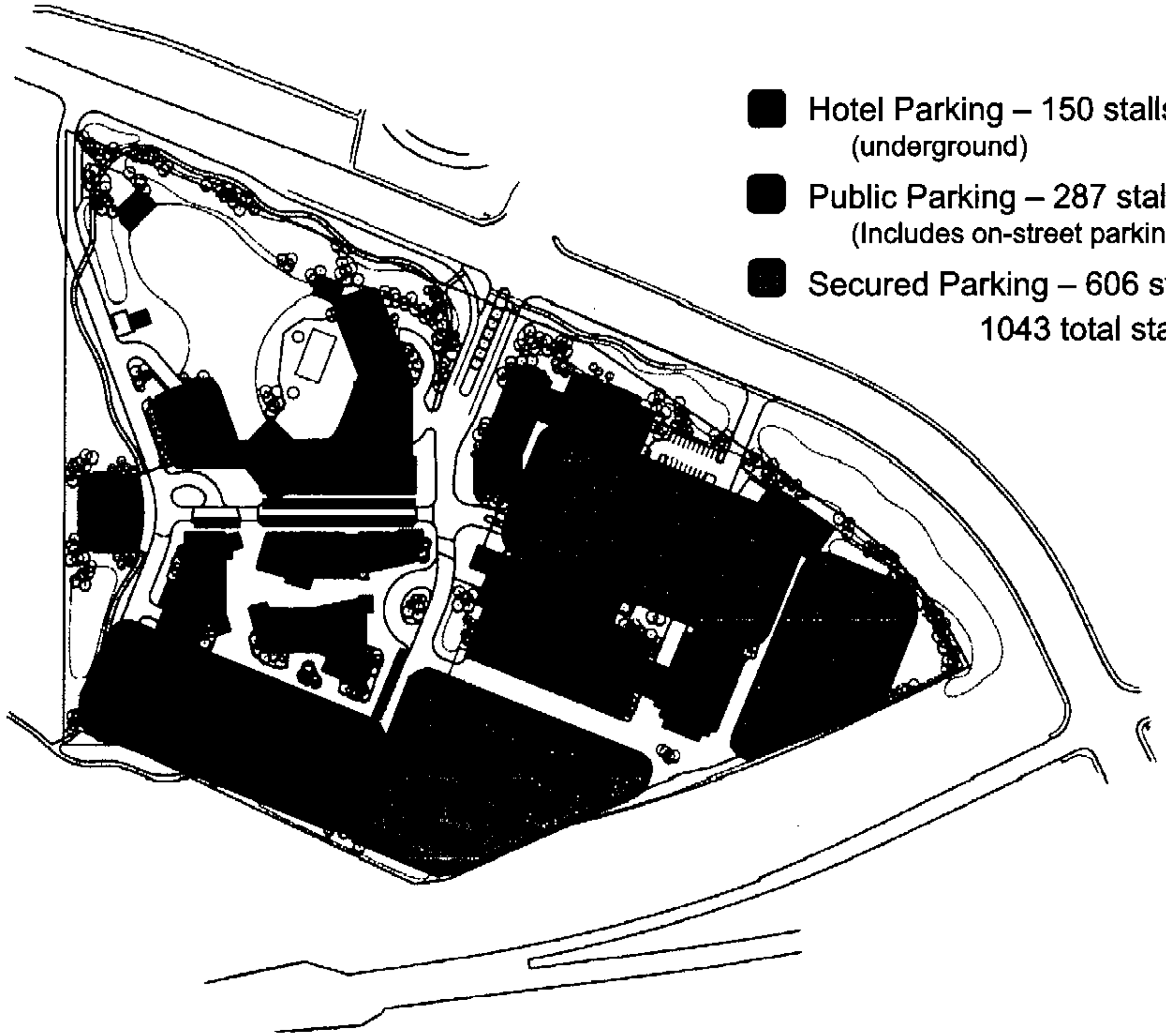
Raleigh Studios – Open Space



Proposed Open Space

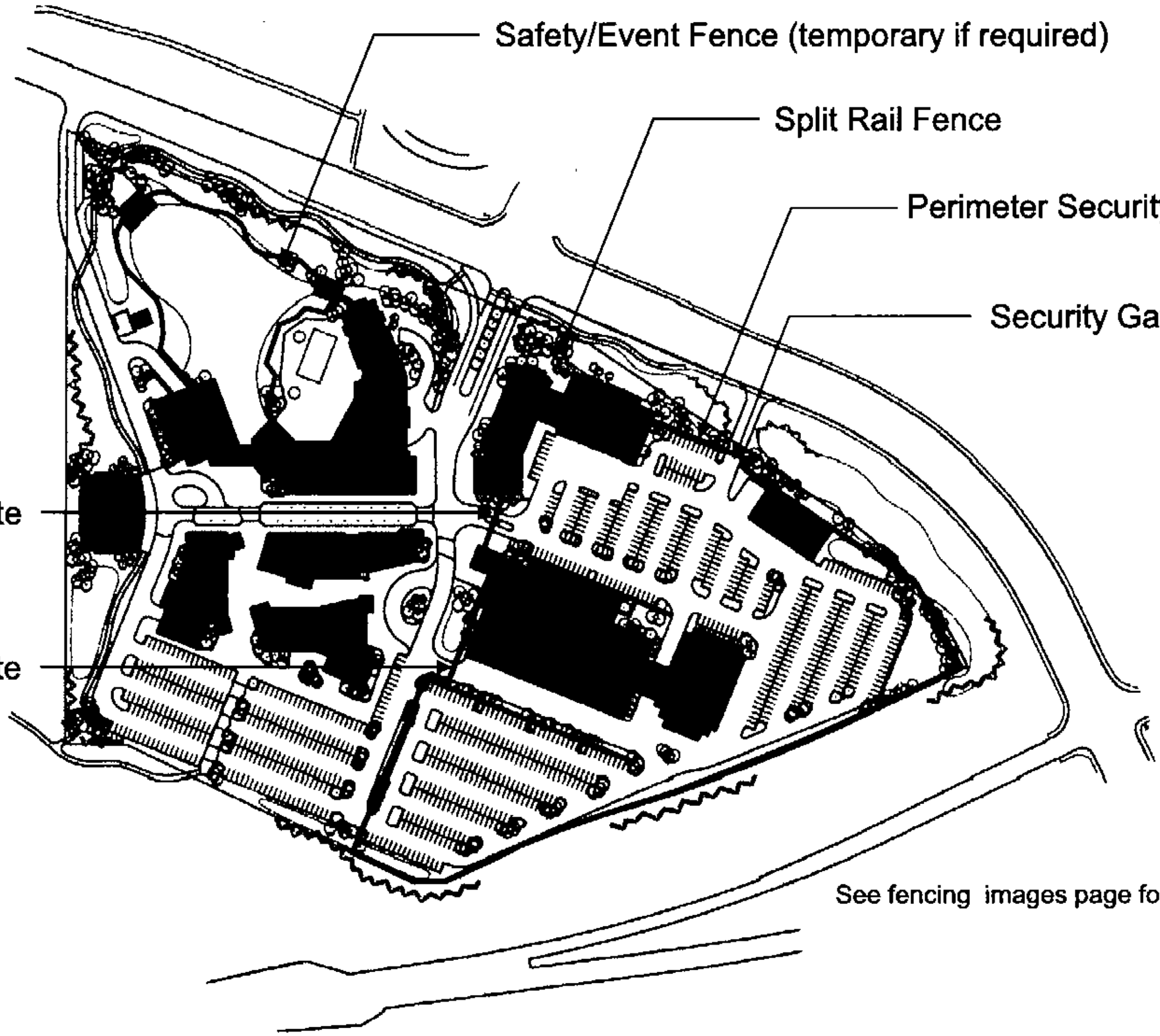
- 495,713 sf = 11.38 acres = 38.5% (On-Site)
- 713,077 sf = 16.37 acres = 55.4% (Top of Cut Slope)
- 841,579 sf = 19.32 acres = 65.9% (Edge of Pavement)

Raleigh Studios – Parking Plan w/Counts



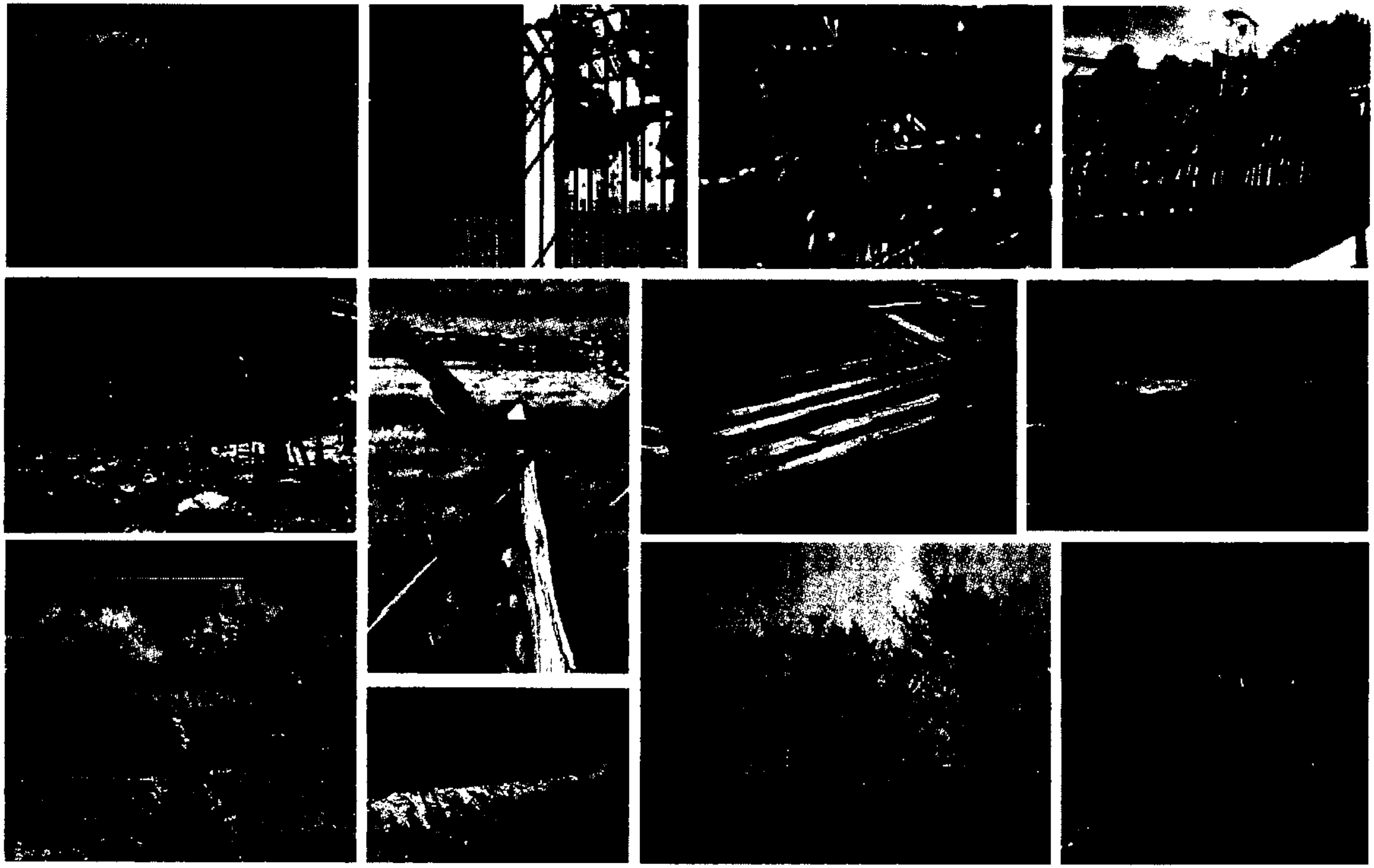
Hotel Parking – 150 stalls
(underground)
Public Parking – 287 stalls
(Includes on-street parking)
Secured Parking – 606 stalls
1043 total stalls

Raleigh Studios – Fencing Plan

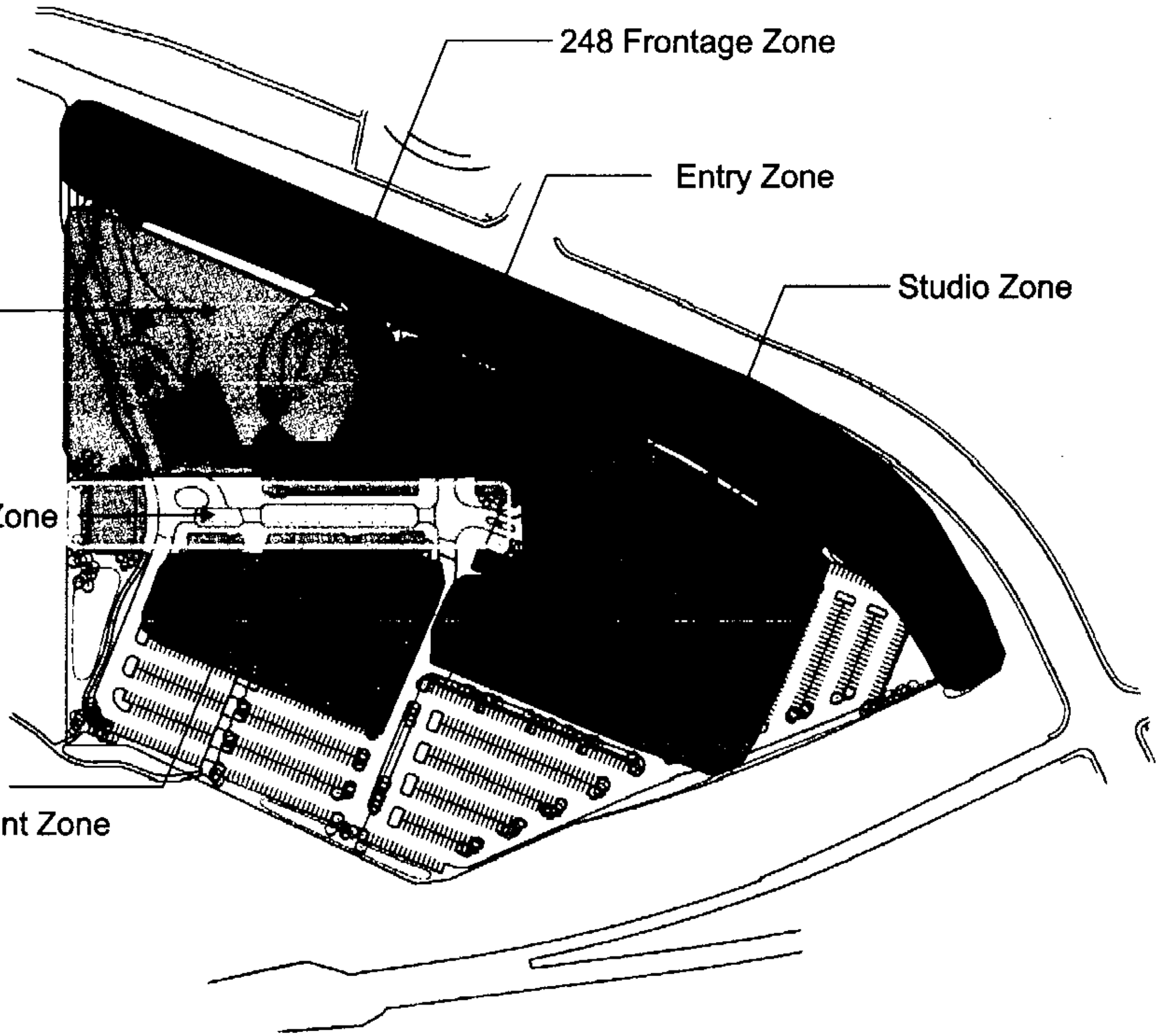


See fencing images page for examples

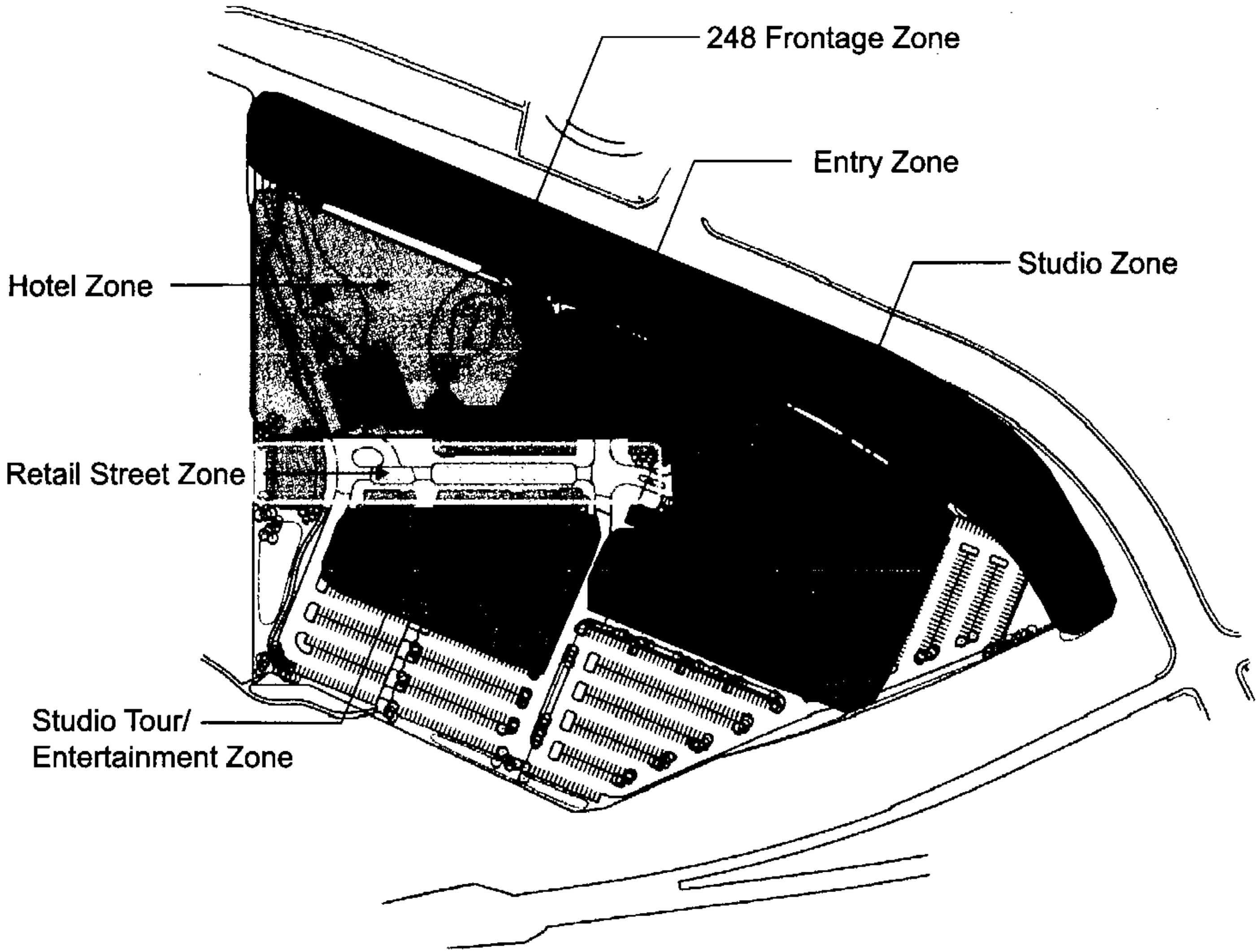
Raleigh Studios – Fencing Images



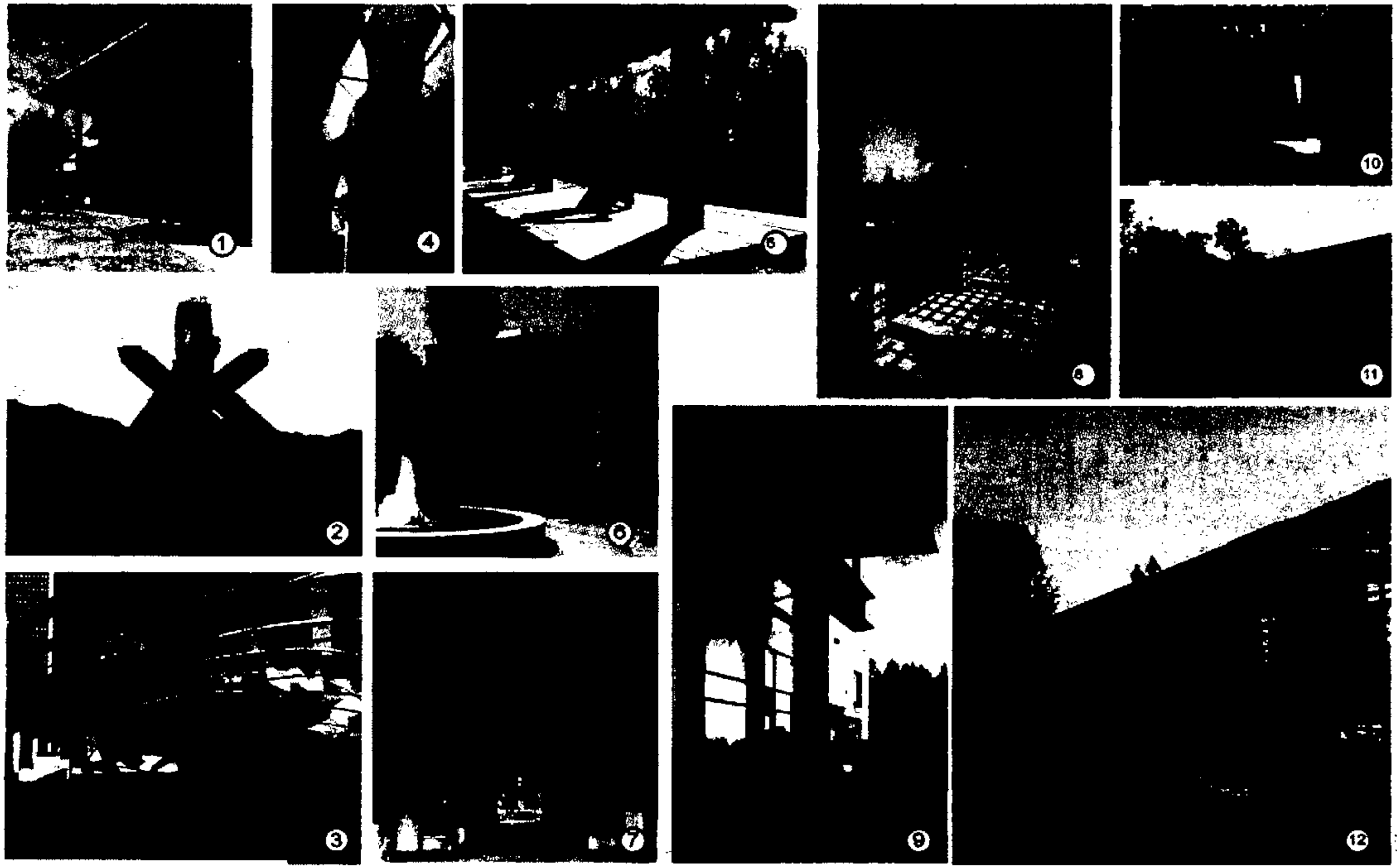
Raleigh Studios – Architectural Zones



Raleigh Studios – Architectural Zones



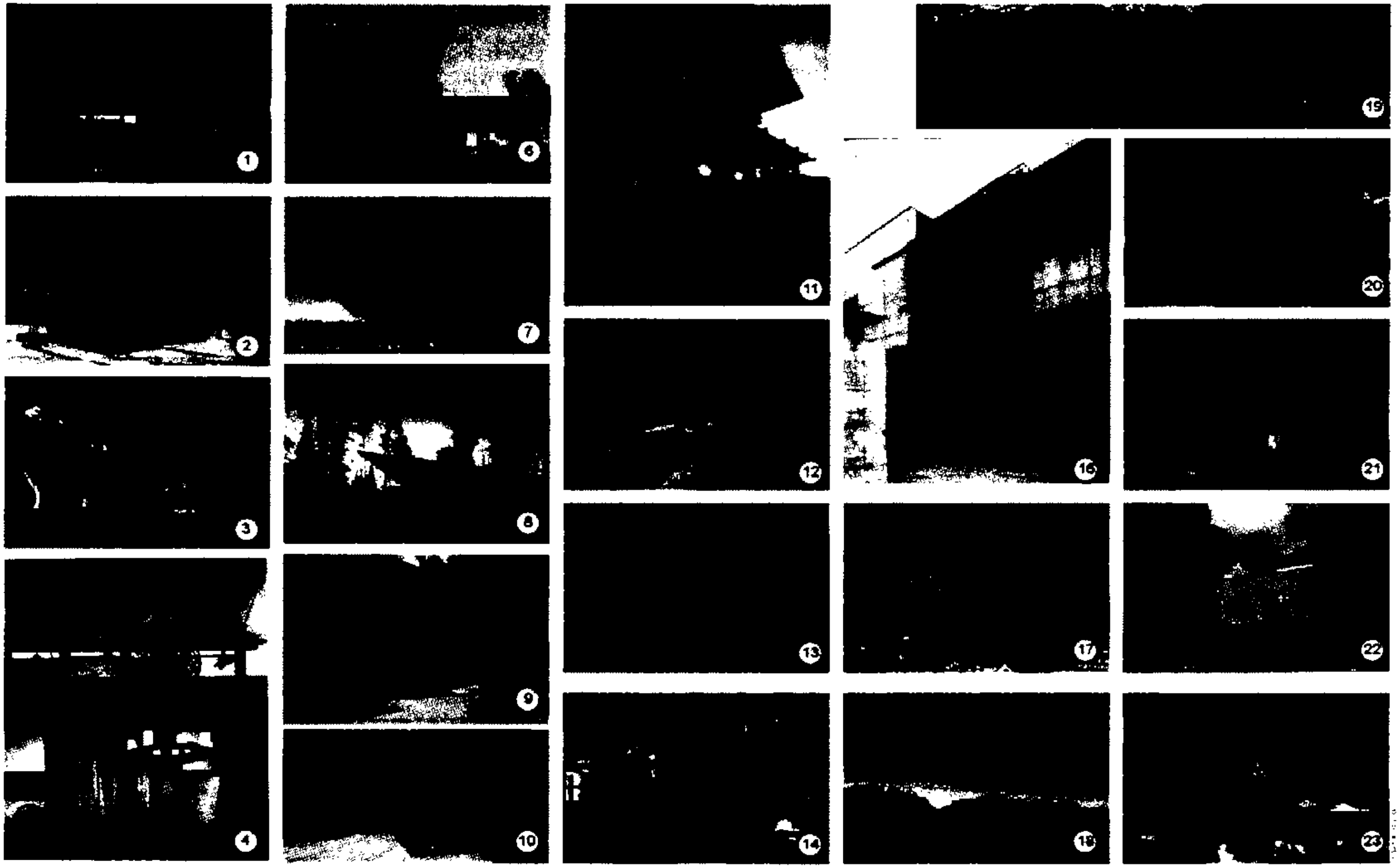
Raleigh Studios – Precedent Image Boards



ENTRY / ARCHWAY CONCEPTS
PRECEDENT IMAGES

RALIEGH STUDIOS
March, 2012

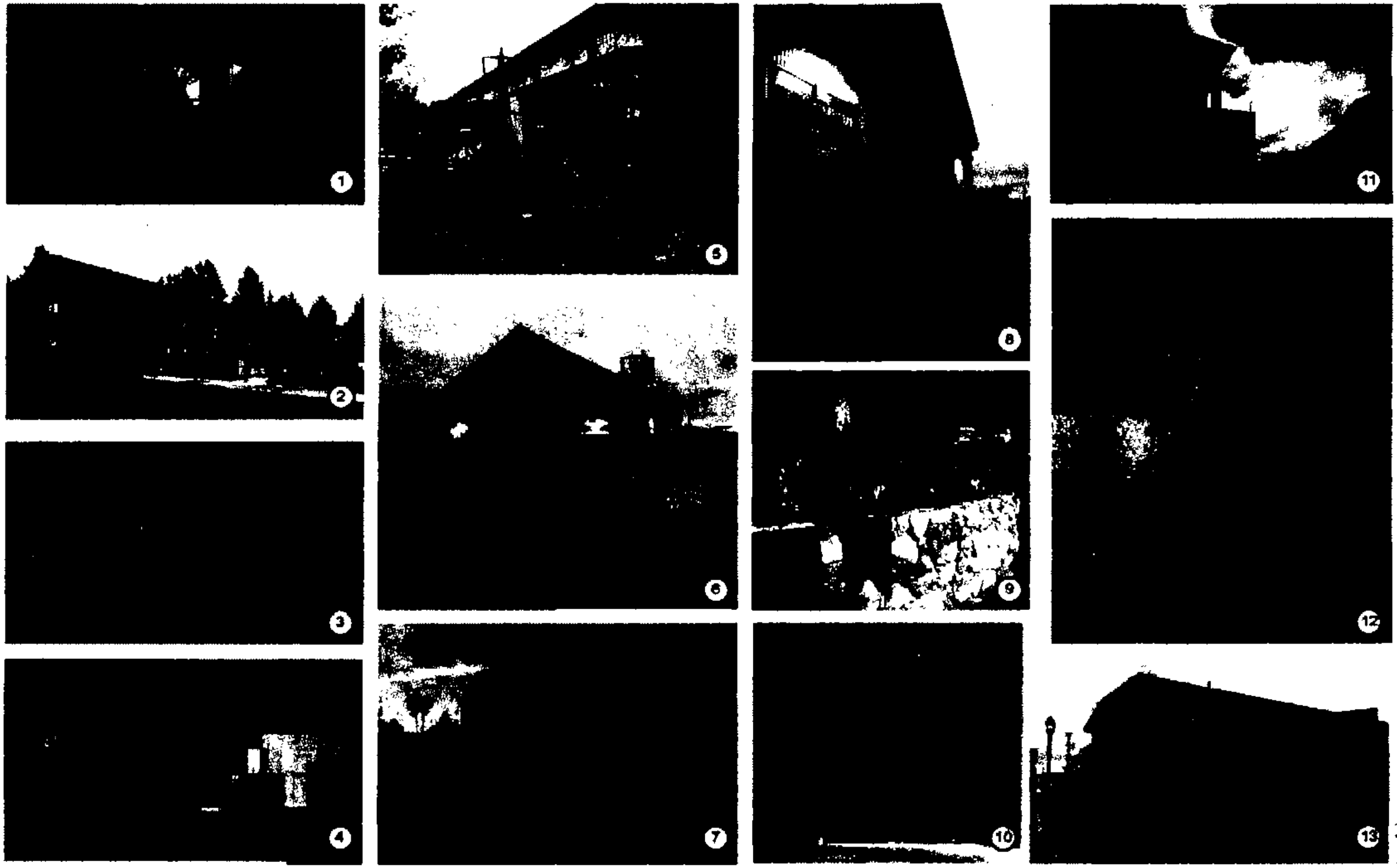
Raleigh Studios – Precedent Image Boards



ARCHITECTURAL CONCEPTS / MATERIALS
PRECEDENT IMAGES

RALEIGH STUDIOS
March, 2012

Raleigh Studios – Precedent Image Boards



ARCHITECTURAL CONCEPTS / MATERIALS
PRECEDENT IMAGES

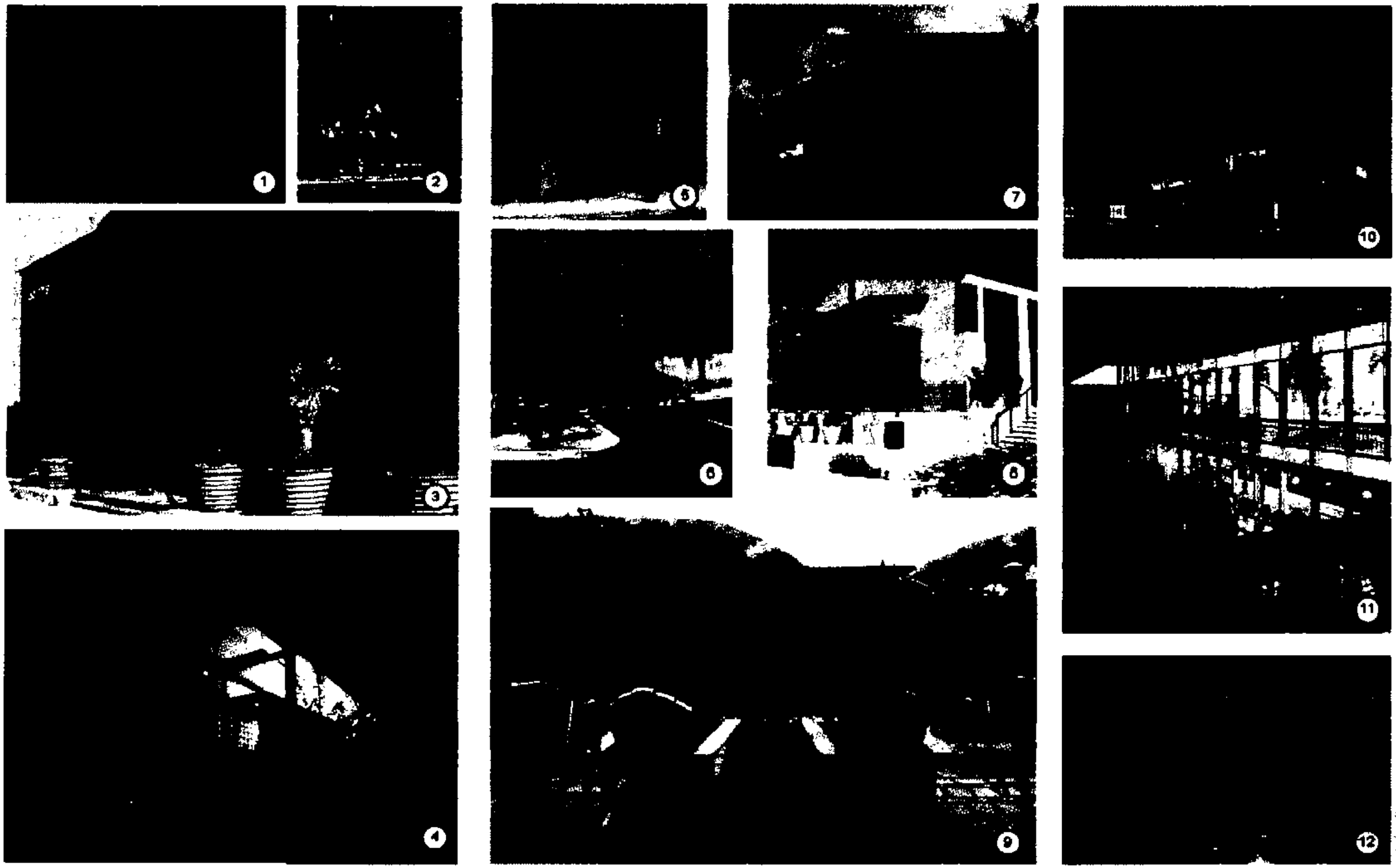
RALIEGH STUDIOS

IBI GROUP

Raleigh Studios
Park City, UT

Conceptual Site Plan
135 March 28, 2012

Raleigh Studios – Precedent Image Boards



ARCHITECTURAL CONCEPTS / MATERIALS
PRECEDENT IMAGES

RALEIGH STUDIOS
March, 2012

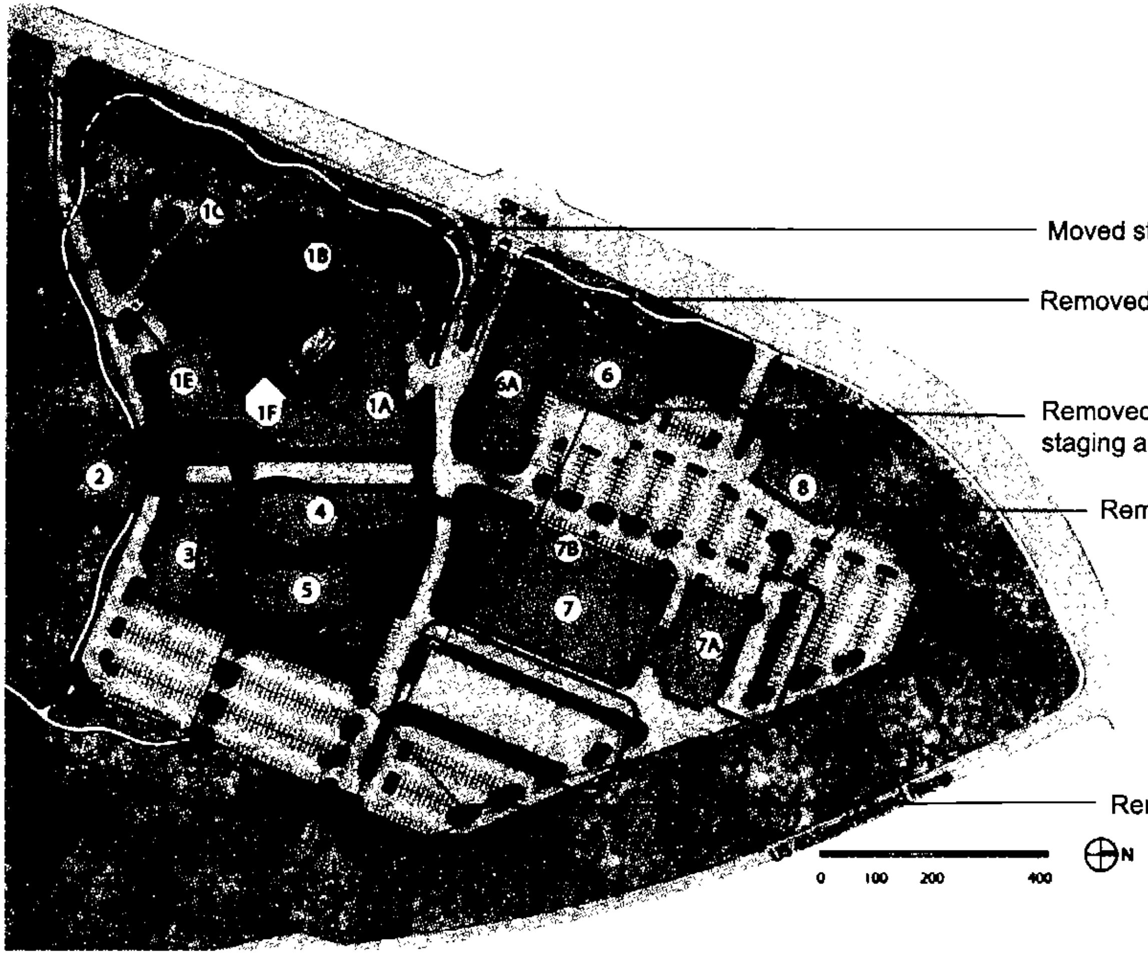
IBI GROUP

Raleigh Studios
Park City, UT

Conceptual Site Plan
136 March 28, 2012

Previous Submittal Information – April 11, 2012

Raleigh Studios – Conceptual Site Plan Revisions



- Moved stage venue away from corner
- Removed General Manager Residence
- Removed parking for landscaping and staging area, added trellis in islands
- Removed parking for landscaping
- Removed Atrium/Galleria

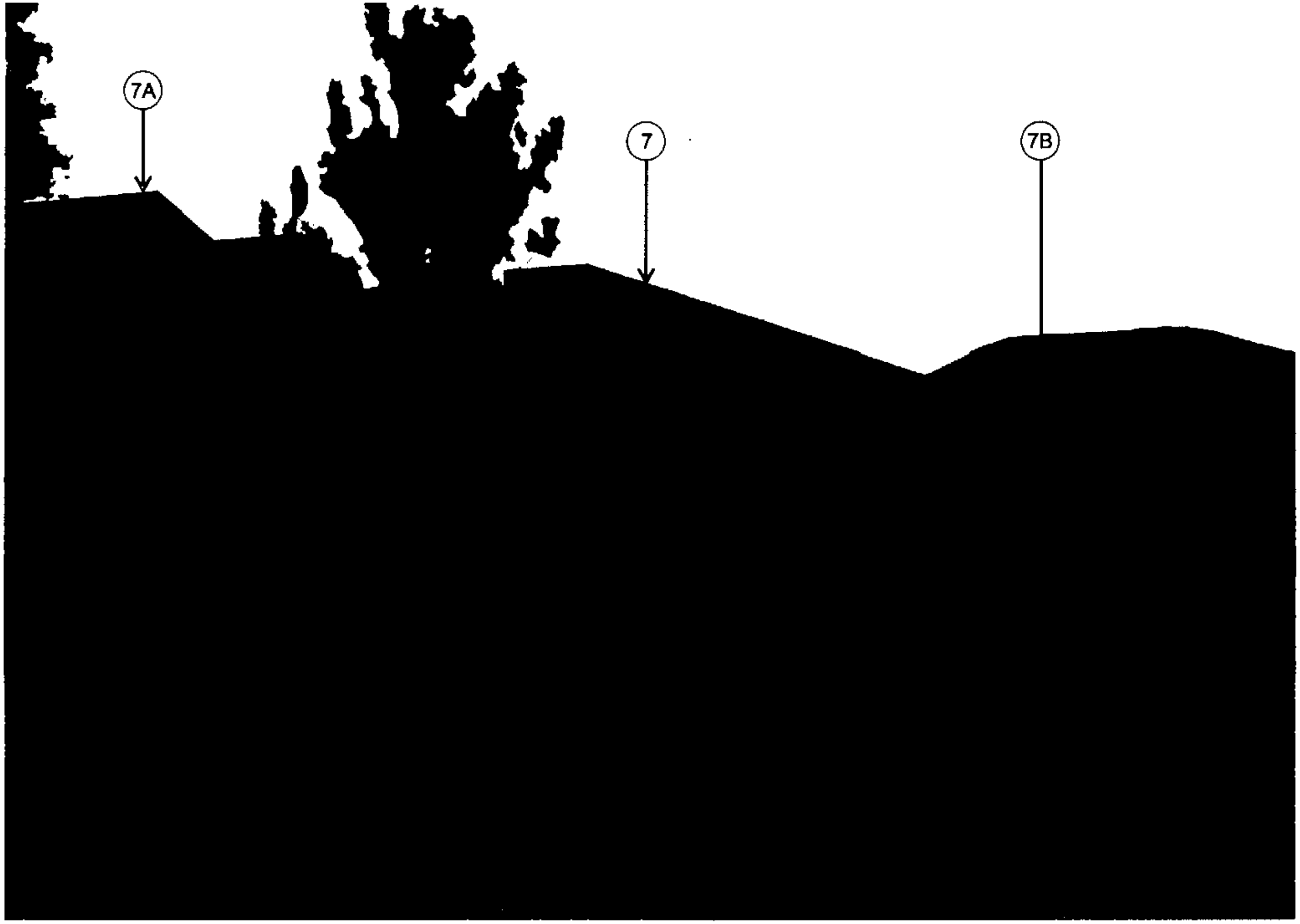
Raleigh Studios – Visual Analysis

View from US40 Northbound

Raleigh Studios – Visual Analysis

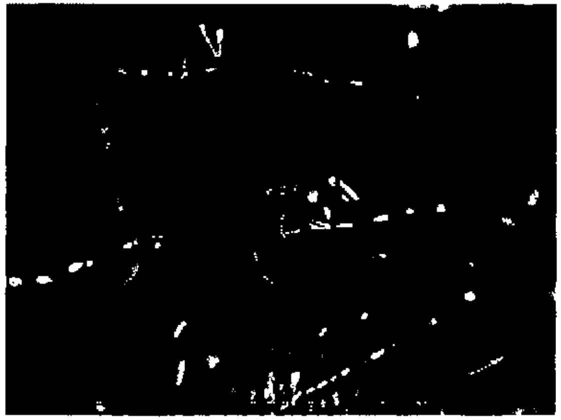
Massing Study Looking SE

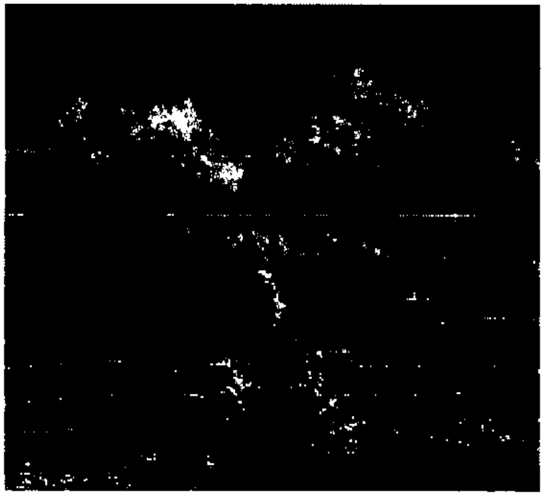
Raleigh Studios – Visual Analysis



Buildings 7, 7A and 7B Massing Study Looking S

Raleigh Studios – Fencing Images





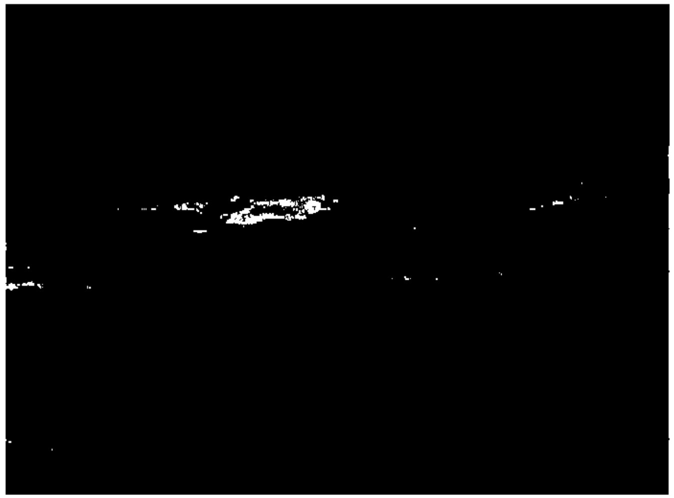
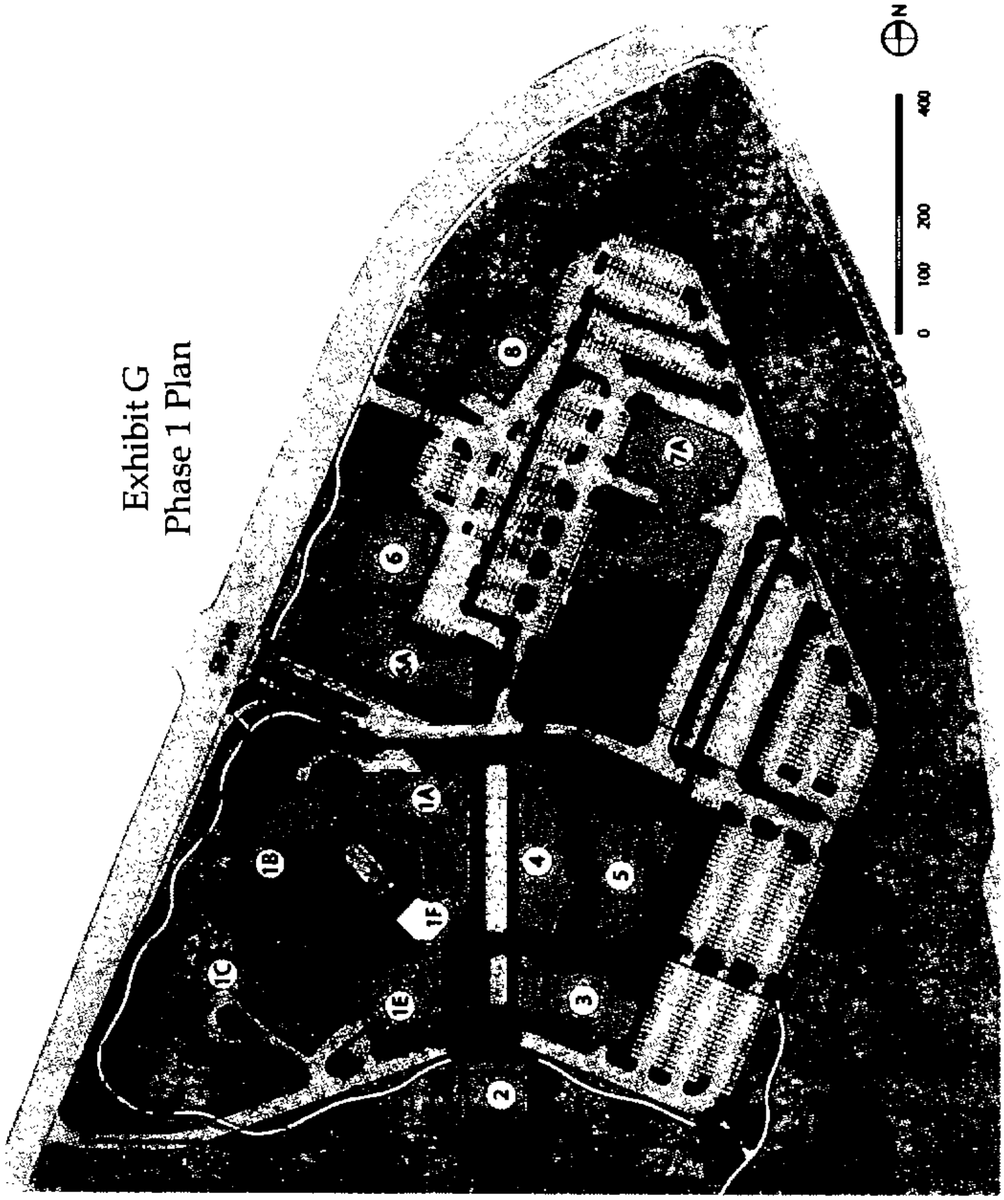


EXHIBIT G

Exhibit G
Phase 1 Plan



<u>EXHIBIT H</u>

LIST OF KNOWN PHYSICAL MINE HAZARDS:

NONE KNOWN

December 13, 2013

Melissa Wallentine
Sahara Construction
801 North 500 West, Suite 300
Bountiful, UT 84010

NOTICE OF CITY COUNCIL ACTION

Project Description:	Park City Film Studio (aka Quinn's Junction Partnership Annexation and MPD) Phasing plan amendment
Project Number:	PL-13-02115
Project Address:	4001 Kearns Blvd
Date of Final Action:	December 5, 2013

Action Taken
On December 5, 2013, the Park City Council reviewed an application for revisions to the Phasing Plan for the Quinn's Junction Partnership Annexation and MPD Development Agreement and approved the request in accordance with the Findings of Fact, Conclusions of Law, and Conditions of Approval as follows:

Findings of Fact
1. On May 12, 2012, the Park City Council adopted Ordinance 12-12 (Exhibit A) annexing the 29 acre Quinn's Junction Partnership (QJP) property into Park City.
2. As part of the Annexation approval, a Development Agreement (Exhibit B) was executed by the Mayor on May 24, 2012, and recorded at Summit County with the final Annexation plat.
3. The Master Planned Development Agreement identifies restrictions and development parameters, including phasing, for construction of the film studio campus, 100 key hotel, and support uses as further defined in the Agreement and consistent with the January 17, 2012 Annexation Agreement, a pre-Annexation Agreement between the City and the property owner.
4. Phasing of this large Film Studio campus was discussed in detail during the Annexation and Master Planned Development review process.
5. A high level of importance was placed on construction of a sound stage as part of the initial phase of construction. It was intended that support buildings for the Sound Stage (such as offices, media, and other technical functions) would be constructed prior to construction of the hotel and support commercial/retail uses.
6. Approved Phase 1 consists of Building 7A (workshop uses), a portion of Building 7 (sound stages), the main entrance, and associated parking, as depicted on the overlay Exhibit E.
7. On October 28, 2013, the owner's representative submitted a request for an amendment to the approved Phasing Plan for construction of the Film Studio campus (Exhibit D). The applicant requests that Exhibit G of the Development Agreement be

amended to “more accurately depict the initial construction phasing”. As noted in the applicant’s explanation, there is a desire to “build a larger first phase, with sub-phases shown to conform to the expected construction progression.”
8. Proposed amended Phase 1 is broken into three sub-phases (1-A, 1-B, and 1-C) as depicted on the proposed phasing plan (Exhibit D). Phase 1-A consists of all of Buildings 7 and 7A (all Sound Stages), associated parking and the main entrance. If amended, the phasing plan would then identify Buildings 8 and Building 6 and 6A to follow, with associated parking.
9. Parking, landscaping, berms along State Road 248, and fencing are required to be phased consistent with construction phasing, with final details to be provided with the Administrative Conditional Use Permit application.
10. Condition of Approval #14 of the Annexation Ordinance requires a parking phasing plan to be submitted with the Administrative Conditional Use permit application for approval by the Planning Department and requires further parking analysis for each phase of construction to ensure that only essential paving/parking is provided for each phase.
11. The last sentence of the Condition of Approval #14 conditions states “The final phase of parking area on Exhibit F (*of the Ordinance*) pg. 33 (farthest north/east lot) and any un-striped temporary parking shall contain a permeable surface area system.”
12. The proposed amended phasing plan includes this farthest north/ease parking area as part of the first phase of construction (Phase 1-A).
13. A storm water detention area is identified to the north of this north/east parking lot, with a portion of the detention area identified on UDOT property to the north of the QJP property.
14. The following timeframe for construction was submitted by the applicant as a tentative timeline for construction:

- Phase 1a – Buildings 7, 7a, 7b, 9 – beginning in April 2014 and ending November 2014
- Phase 1b – Building 8 – beginning June 2014 and ending November 2014
- Phase 1c – Buildings 6, 6a – beginning August 2014 and ending April 2015

<u>Conclusions of Law</u>
1. The revised phasing plan is consistent with the January 17, 2012, Annexation Agreement and the May 24, 2012 Development Agreement.

<u>Conditions of Approval</u>:
1. All conditions of approval of the QJP Annexation and Master Planned Development continue to apply.
2. A subdivision plat shall be recorded at Summit County prior to issuance of any building permits for construction of the Buildings.
3. UDOT approval is required for the off-site storm water detention facility proposed north of the property at the US40/SR 248 intersection.
4. A certificate of occupancy for the first film studio building, which is referred to as Building 7 on the master plan, shall be issued by the Park City Building Department prior to requesting a certificate of occupancy for Building 8.
5. To comply with the intent of the Annexation and Development Agreement regarding minimizing pavement and storm water run-off, the northern 64 parking spaces identified as part of Phase 1-a shall utilize a permeable paving system incorporated with the northern storm water detention area, or an alternative final phase of parking, consisting

of a minimum of 109 parking spaces, shall be identified prior to issuance of building permits for Phase 2 and this parking area shall utilize a permeable paving system.

Exhibits are available at the Planning Department. If you have any questions or concerns regarding this letter, please do not hesitate to call me at 435-615-5066 or email me at kirsten@parkcity.org.

Sincerely,

Kirsten A. Whetstone

Kirsten A. Whetstone, MS, AICP
Senior Planner

File

EXHIBIT G

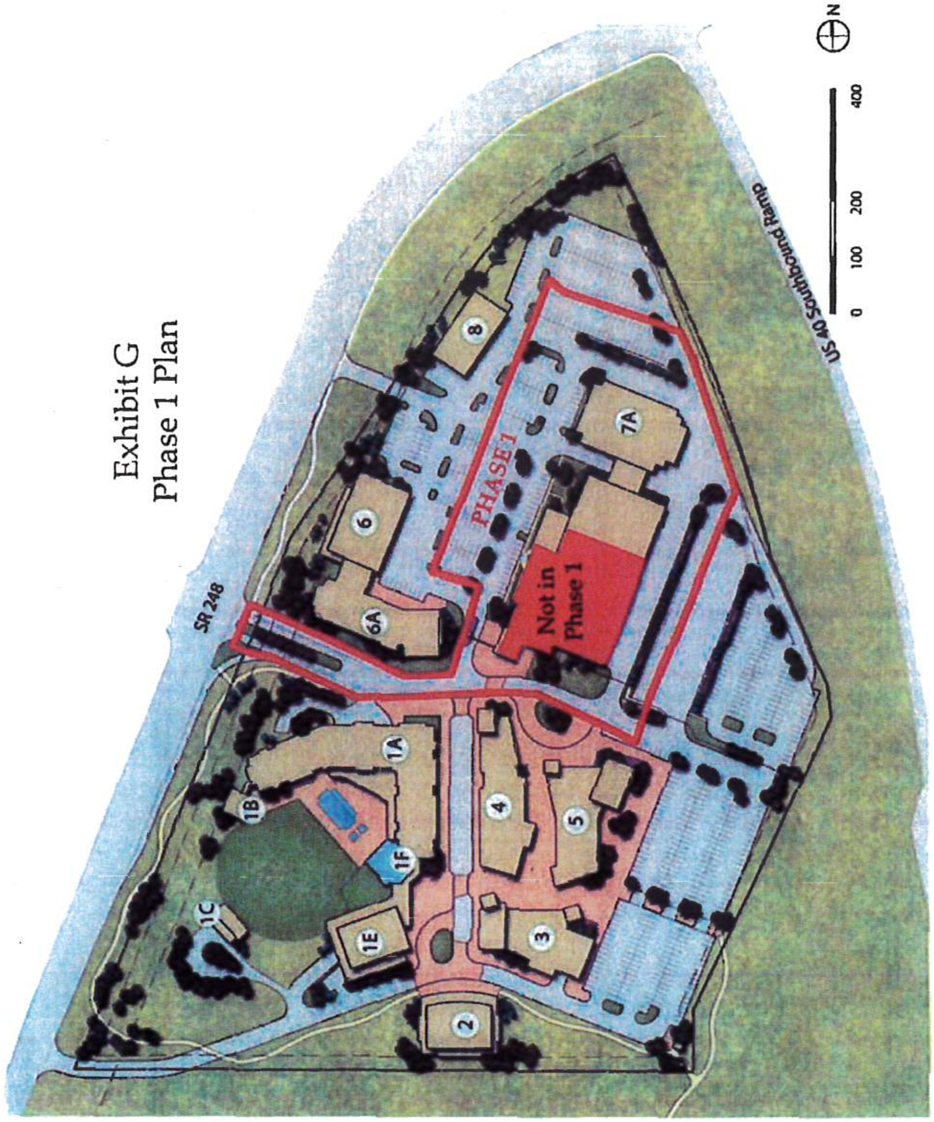


Exhibit G
Phase 1 Plan
SR 248
US 40 Southbound Ramp
PHASE 1
Not in
Phase 1
1A
1B
1C
1E
1F
2
3
4
5
6
6A
7A
8
0 100 200 400
N

Building Legend

- 1A Hotel Lodging
- 1B Recording Studio
- 1C Stage Venue
- 1D Residence - omitted
- 1E Grand Ball Room
- 1F Atrium
- 2 Screening Rooms/Theater
- 3 Entertainment Venue
- 4 Mixed Use
- 5 Mixed Use
- 6 Sound Effects Stage
- 6A Office, Effects Stage
- 7 Sound Stages
- 7A Workshop
- 7B Production Support/ Offices
- 8 Workshop Office
- 9 Guard House

Development Data:

Phase (1)	91,425 sf
Phase (2)	112,000 sf
Phase (3)	73,475 sf
Phase (4)	62,900 sf
Phase (5)	34,200 sf
Total :	374,000 sf

Quinn's Junction Phase Plan

2-10-2(

Exhibit D: Summary of the Regulatory Documents that Govern the Quinn's Junction MPD Site

Annexation Agreement

Relevant provisions of the Annexation Agreement and Simultaneous Zoning Map Amendment (Map Amendment) approved by the City Council include the following:

A. The annexation is for approximately 29 acres of land located at the southwest corner of Quinn's Junction in Summit County.
B. The Annexation Agreement is part of the Settlement Agreement for litigation between the County and Quinn's Junction Partnership (QJP).
C. As a compromise of claims and in settlement of the litigation, Park City recognizes that the Property has a vested development right to the commercial uses, densities, and configuration as part of a Motion Picture Studio and Media Campus as defined in the Settlement Agreement.
D. Park City had 90 days to approve or reject the QJP Annexation Petition, which included a traffic study and environmental report for the property.
E. The annexation proposed Regional Commercial Overlay – Community Transition zoning for the Property, which Park City adopted concurrently with the Annexation Agreement.
F. The following shall form the basis of the MPD:
    i. The Total Development Activity shall be limited to a Gross Commercial Floor Area of 374,000 square feet (not including parking structures and other areas not calculated in Gross Commercial Floor Area).
    ii. The Site Plan and berming shall be materially the same as Site Plan Attachment A. Final design approval shall be an administrative conditional use permit (ACUP). Green Building design and construction shall meet minimum LEED standards.
    iii. No open space, setbacks, or affordable housing req's may be imposed.
    iv. Uses, shall be of the type as shown on Attachment C and/or consistent with the Film Studio and Campus concept and the gross square footage of those uses shall not exceed the limitation above. The hotel is limited to 100 rooms and keys.
    v. This section also sets maximum building heights.
    vi. The City shall request state funding for structured/underground parking. Mitigation of the visual impacts of the parking and its relation to public transit planned for the project are acknowledged to be a material element of the settlement.
    vii. QJP is responsible for coordinating water and utility service.
G. The Annexation Agreement runs with the land.
H. The agreement is contingent on QJP and Summit County entering into the Settlement Agreement for Film and Media Campus.
I. The Annexation Agreement includes one (1) Exhibit and three (3) Attachments:
    - Exhibit A – Legal Description
    - Attachment A – Conceptual Site Plan
    - Attachment B – Film Studio Architectural Design Guidelines
    - Attachment C - Table of Allowed Square Footage

Development Agreement

Relevant provisions of the Development Agreement for the Quinn's Junction Partnership Annexation Master Planned Development include the following:

A. The DA is between QJP and PCMC.
B. The Developer obtained Park City approval for development through the City's MPD approval process. Park City requires development agreements for all MPDs.
C. The Findings of Fact, Conclusion of Law and Conditions of Approval dated May 24, 2012 and the Film Studio Master Planned Development shall govern the development of the Project, subject to the provisions of the 1/17/12 Annexation agreement including the vested rights of 374,000 gross square feet of development of Motion Picture and Media Campus. The project is located in the CT Zoning District, with a RC Overlay. Administrative Conditional Use permits are required prior to the commencement of construction.
D. The applicant must also receive approvals of a construction mitigation plan, a utility plan, a storm water plan, a grading plan, and a landscape plan.
E. Development applications shall be approved by the City within a reasonable time if they comply with the Annexation Agreement.
F. If the City denies a Development Application, the City shall provide a written determination advising the applicant of the reasons for denial including specifying the reasons the City believes that the Development Application is not consistent with the MPD.
G. The City shall meet with the applicant within 15 days business days of a denial. Issues resulting from the City's denial of a Development Application shall be mediated.
H. The Site Plan attached as Exhibit D in the Development Agreement supersedes and replaces the Site Plan attached as Attachment A to the Annexation Agreement.
I. The Development Agreement runs with the land and shall be binding on all successors and assigns of the Developer.
J. Any major modifications to the approved Phasing Plan must be approved by the City Council prior to the commencement of construction.
K. Pursuant to the Annexation Agreement, no affordable housing is required for the currently approved MPD.
L. Pursuant to the Annexation Agreement, no definable open space is required for the currently approved MPD.
M. The Development Agreement includes 8 Exhibits:
    - Exhibit A – Legal Description
    - Exhibit B – Settlement Agreement for Film and Media Campus
    - Exhibit C – Annexation Agreement
    - Exhibit D – Site Plan
    - Exhibit E – MPD Findings of Fact, Conclusion of Law and Conditions of Approval dated May 24, 2012
    - Exhibit F – MPD Plans
    - Exhibit G – Phasing Plan
    - Exhibit H – List of Mine Hazards (None)

MPD Approval

The MPD Findings of Fact, Conclusion of Law and Conditions of Approval dated May 24, 2012 include the following:

A. Specific land Uses and Gross Floor Area allowed for the site, as outlined in the Annexation Agreement.
B. Notes that Staff Reports dated 3/14/12, 3/28/12, 4/11/12, 4/25/12, 5/17/12, and 5/24/12 are considered part of the record of decision (Exhibit's B and C include the final two Annexation and Zoning Map Amendment Staff Reports).
C. COA #1 notes that the Official Zoning Map is amended to designate the property CT zoning, with a RCO limited to the commercial uses provided in the Annexation Agreement dated 1/17/2012, and the MPD concurrently approved herein. If there is a conflict, the MPD shall govern.
D. Other Conditions require Administrative Conditional Use permit applications, a preliminary landscape plan, Traffic Management Plans for special events, a phased parking plan, $75,000 paid to the City from the applicant for public trail connections to the Park City Heights Rail Trail connector (done), bike racks, construction of a bus loop/bus shelter, a grading plan, recycling centers, hotel shuttle service for guests to Park City, A storm water management plan, screening of mechanical and waste equipment, LEED construction, a sign plan, Final Subdivision approval, Construction Mitigation Plan.
E. COA #35 notes that the MPD approval and zoning approval are limited to the terms of the Annexation Agreement, and shall not be considered precedent for future zoning amendments to this property. All future development applications, changes in commercial use, or rezone requests shall be processed in accordance with the General Plan, zoning and LMC in effect at the time of application. The densities herein shall not be considered in terms of neighborhood compatibility in the event of a rezone or CT amendment request by other properties within the CT zone.
F. The studio campus shall serve as a public emergency shelter if approved as part of the City's Emergency Plan.
G. The Ordinance contains 7 Exhibits including:
    - Exhibit A – Annexation Plat
    - Exhibit B – Legal Description
    - Exhibit C – County Settlement Agreement executed January 18, 2012
    - Exhibit D – City Annexation Agreement
    - Exhibit E – Zoning Map Amendment
    - Exhibit F – Final MPD Plans Packet
    - Exhibit G – Annexation Development Agreement

2013 Phasing Plan Amendment

The original Phasing Plan was amended on December 5, 2013, by the City Council. This amendment allowed for a larger first phase, with three sub-phases. The amended Phasing Plan included construction of the Sound Stages, the Workshop and Production Support/Offices (Buildings 7, 7A and 7B), as well as associated parking, the main entrance, landscaping and berming, all as Phase 1.

Exhibit E: Draft Final Action Letter 2021 Phasing Plan Amendment

April 1, 2021

Trent Smith, Architect
Representing Quinn Capital Partners
1776 Park Avenue #145
Park City, UT 84060

NOTICE OF CITY COUNCIL ACTION

Project Description:	Park City Film Studios (aka Quinn's Junction Partnership Annexation and MPD) Phasing Plan Amendment
Project Number:	PL-21-04790
Project Address:	4001 Kearns Blvd
Date of Final Action:	April 1, 2021

Action Taken
On April 1, 2021, the Park City Council reviewed your application to amend the Phasing Plan for the Quinn's Junction Partnership Annexation and MPD Development Agreement, and approved the request in accordance with the Findings of Fact, Conclusions of Law, and Conditions of Approval as follows:

Findings of Fact
1. On May 12, 2012, the Park City Council adopted Ordinance 12-12 annexing the 29 acre Quinn's Junction Partnership (QJP) property into Park City.
2. As part of the Annexation approval, a Development Agreement was executed by the Mayor on May 24, 2012, and recorded at Summit County with the final Annexation plat.
3. The Master Planned Development Agreement identifies restrictions and development parameters, including phasing, for construction of the film studio campus, 100 key hotel, and support uses as further defined in the Agreement and consistent with the January 17, 2012 Annexation Agreement, a pre-Annexation Agreement between the City and the property owner.
4. Phasing of this large Film Studio campus was discussed in detail during the Annexation and Master Planned Development review process.
5. A high level of importance was placed on construction of a sound stage as part of the initial phase of construction. It was intended that support buildings for the Sound Stage (such as offices, media, and other technical functions) would be constructed prior to construction of the hotel and support commercial/retail uses.
6. Phase 1 of the applicant's proposed new phasing plan has been completed and consists of approximately 91,000 square feet of film studio sound stages, associated parking and the main entrance.
7. Phase 2 will consist of a 100-key hotel, which is an allowed Use in the Annexation Agreement and MPD.
8. All other remaining buildings will be relegated to Phases 3-5.

Conclusions of Law
1. The amended phasing plan is consistent with the January 17, 2012, Annexation Agreement and the May 24, 2012 Development Agreement.

Conditions of Approval:
1. All Conditions of Approval of the MPD shall remain in full force and effect with the exception of the 2013 approved phasing plan.
2. Administrative CUP applications will be required for each subsequent phase, including the hotel.
3. Parking, landscaping, berms along State Road 248, and fencing are required to be phased consistent with the original construction phasing plans, with final details to be provided with the Administrative CUP applications. No changes are requested.
4. The applicant is required to minimize the visual impact of parking associated with the hotel as addressed in the approved Design Guidelines. The hotel design must be compatible with early phases of construction, neighboring projects and the approved Design Guidelines.
5. The applicant is required to construct the bus loop and bus shelter prior to the issuance of a Certificate of Occupancy for the proposed phase 2 hotel.
6. Consistent with the MPD, the hotel must provide a shuttle service for guests to and from Park City.
7. Much of the installed landscaping appears to be dead, and the applicant will be required to submit a revised landscaping plan for the entire site with the next ACUP application.
8. COA #14 of the MPD approval requires a parking phasing plan to be submitted with the Administrative CUP applications for approval by the Planning Department, and requires further parking analysis for each phase of construction to ensure that only essential paving/parking is provided for each phase.
9. The applicant shall provide evidence that they have secured sufficient water capacity rights for the hotel Use prior to filling for the next Administrative CUP application (Phase 2).

If you have any questions or concerns regarding this letter, please do not hesitate to call me at 435-615-5066 or email me at alexandra.ananth@parkcity.org.

Sincerely,

Alexandra Ananth,
Senior Planner, Park City Planning Department

Agenda Item No:2.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Dave Thacker
Submitting Department: Building
Item Type: Staff Report
Agenda Section:

Subject:
Consideration of a Fee Waiver Request by the National Ability Center (NAC) in the Amount of $296,955.50 (A) Public Hearing (B) Action

Suggested Action:

Attachments:
NAC Fee Waiver Staff Report

Exhibit A: NAC Fee Adjustment Application-Recreation Center

Exhibit B: NAC Fee Adjustment Application-Equestrian

Exhibit C: Breakdown of Calculated Fees

City Council
Staff Report

Subject:	**National Ability Center - Fee Waiver Request**
Author:	**Brittney Buchanan, Building Inspector Supervisor**
Department:	**Community Development/Building Department**
Date:	**April 1, 2021**
Type of Item:	**Administrative**

Summary Recommendation

Hold a public hearing and make a determination on the request for a fee waiver in the amount of $296,955.50 for the National Ability Center (NAC) in accordance with Municipal Code of Park City (MCPC) 11-12-15.

Staff's recommendation is based upon a fee waiver scoring criteria and in consideration of City Council goals, the project's public benefit, the applicant's need for the waiver, and the other City funding/support already provided. As a result of those considerations, Staff recommends Council authorize a $148,478.27 fee waiver.

Executive Summary

The NAC has applied for a fee waiver of all building, planning, engineering, and impact fees (excluding water impact fees) associated with three projects: 1) equestrian building addition; (BD-18-25848) 2) New recreation center (BD-18-26227/BD-18-26229); and 3) Parking, Emergency Roadway, Archery Range and Camping Areas (20-1254) located at 1000 Ability Way, Park City. Total fees for Building, Planning, Engineering, and Impact Fees are $296,955.50. MCPC 11-12-15 requires City Council to approve fee waivers above $25,000.00 per project.

Consistent with the Administrative Policy for the Adjustment or Waiver of Construction and Development and Impact Fees (Policy), any total waiver of fees in excess of $200,000.00 per fiscal year [all applicants combined] will require any additional requests to obtain City Council approval. This request is anticipated to impact the rest of fiscal year 2021 (as determined by fee waiver request date). Any fee adjustment applications beyond $200,000 within the same fiscal year will require City Council approval, even if the individual request is less than $25,000.00.

Background

The NAC is a non-profit organization that has operated in Park City since the early 1980's and offers a variety of programs and activities that better our community and benefit individuals of all abilities, such as: skiing, biking, climbing, horseback riding, archery, rafting, water sports and even virtual programs that include games, crafts and more.

- The NAC is requesting fee adjustment for three construction permits attached to their approved MPD:
    - Constructing an addition to the existing equestrian building (BD-18-25848).
        - The fee adjustment request for the equestrian building addition (BD-18-25848) was submitted on June 22, 2020, after the project was completed. The certificate of occupancy was issued on July 30, 2019.
    - A new recreation center (BD-18-26227/BD-18-26229).
        - The fee adjustment request for the new recreation center (BD-18-26227/BD-18-26229) was submitted on June 24, 2020, after their project was completed. The temporary certificate of occupancy was issued on February 4, 2020, due to incomplete landscaping.
    - Parking, Emergency Roadways, Archery Range, Camping Areas (20-1254)
        - The fee adjustment request for this permit (20-1254) was submitted on January 21, 2021. This building permit was issued on October 22, 2020, and is currently under construction. The last inspection performed was a foundation inspection on November 25, 2020.
- The fees for building, planning, and engineering are calculated according the adopted fee schedule in an effort to offset the cost of providing the services related to the development. Therefore, any waiver of fees would have to be absorbed by the General Fund.
- The subject fees are an estimate and may vary slightly due to changes in the scope of construction activity or other factors.
- MCPC 11-12-15 allows for fees to be reduced or waived for public or non-profit projects which are deemed to serve a beneficial public purpose, provided that any waiver or reduction in excess of $25,000 must have City Council approval.
- Impact Fees (including public safety and streets) were calculated in association with the new development in accordance with MCPC 11-13-4 and are eligible to be waived if the development activity provides a broad public purpose.
- On April 13, 2017, Council adopted the Administrative Policy for the Adjustment or Waiver of Construction and Development and Impact Fees (Policy) and the creation of the Fee Adjustment Committee (packet, pg 118).
- Park City receives Fee Adjustment Applications on an ongoing basis. Significant projects are anticipated within the near future, include Kings Crown (affordable housing), Water Treatment Plant (City project), IHC expansion, and possibly the Arts and Culture District.
    - Staff's recommended waiver of $148,478.29 would exhaust approximately 74% of the budget policy, or the $200,000 threshold for fiscal year 2021.
    - The NAC's request of $296,955.50 would exhaust approximately 148% of that same threshold and exceed by $96,955.50.
- Park City has provided the following fee waivers to the NAC in the past three years (because they were in total less than $25,000, they were approved by the City Manager, following Policy):

April 21, 2017	BD-17-23852	Ropes Course Expansion	$6,484.68
July 6, 2017	FP-17-00139	Fire Permit- Temporary Trailer	$164.00
August 22, 2017	PL-17-03646	Plat Amendment	$900.00

August 22, 2017	PL-17-03645	CUP- New Mtn Center Facility	$1,140.00
November 6, 2017	GR-17-13488	Grading in Riding Arena	$153.25
May 17, 2018	PL-18-03872	CUP- temporary trailer	$330.00
June 15, 2018	FP-18-00109	Fire Permit- Temporary Trailer	$164.00
February 4, 2021	PL-14-02476	Pre-MPD Application Fee	$1,200.00
February 4, 2021	PL-16-03096	MPD Application	$4,960.00
		TOTAL:	$15,495.93

Analysis

- The total valuation for the developments combined is $5,393,669. Fees were calculated according to the adopted fee schedule. This is a significant construction project that will require a corresponding amount of staff time, primarily from the Building, Planning, and Engineering Departments.
- Both the requested or recommended fee waiver would impact revenue projections for the General Fund. For comparison's sake, the total fee waiver request of $296,955.50 is roughly the equivalent of a year's cost for 3 full-time Building Inspectors (approx. $30/hr. with benefits).
- The NAC provided the attached application describing their contributions to City Council's goals to justify a fee adjustment. Staff concurs with the community benefits provided by the NAC.

Department Review

The Engineering, Planning, Budget, Legal and Executive Department have reviewed this staff report.

Attachments

EXHIBIT A National Ability Center Recreation Center– Fee Adjustment Application
EXHIBIT B National Ability Center Equestrian Expansion – Fee Adjustment Application
EXHIBIT C Breakdown of Calculated Fees

PARK CITY 1884

Construction and Development
Fee Reduction Application
Park City Municipal Corporation

Please provide two **(2)** hard copies and an electronic copy of this application and all other requested information to the Building Office**.**

(1) Applicant Contact Information

Name ___________ National Ability Center ________________________________

Address ____________1000 Ability Way ____________________________________

____________ Park City, Ut 84060__________________________________

Phone ___435-649-3991_____________ Fax ____435-658-3992_________

E-mail __________ jons@discovernac.org ___________________________________

Permit(s) __Recreation Center (#BD-18-26227) ____________________________

(2) Indicate the applicable Criteria for Eligibility:

☐ Affordable Housing Project
X Non-Profit
☐ Project Receiving a Historic District Grant
☐ Youth Group

(3) Indicate the applicable items for which a waiver is being requested (all that apply):

X Building Plan Review
X Engineering Plan Review
X Planning Plan Review
☐ CUP Application Fee
☐ MPD Application Fee
X Building Permit Fee
☐ Annexation Application Fee
☐ Condo Plat Application Fee
☐ Plat Amendment Application Fee
☐ Historic District Design Review
X Water Fees (interior)
X Water Fees (exterior)
X Parks, Trails, Open Space, Police, Roadway Facilities
X Other: Please explain:__Please see included Combo Permit fee sheet for all fees charged and being requested for reimbursements, as applicable. See also additional 10-2-18 Plan/Arch review $2,200 fees paid ________________

(4) Projected total of all fees: __________$ 142,032.59+$2,200= $144,232.59___
(5) Total construction cost of subject project: $1,483,288.00 _______________________

(6) Project Description: Please provide no more than two pages of narrative addressing the following topics.

a) Contributing to a City Council Goals
Traffic Mitigation, Affordable Housing; Green Construction; Decreased Carbon Emissions; Involved Citizenry; Economic Diversity; Thriving

Mountain Community; Arts & Culture; Preserving and Enhancing the Natural Environment

b) Description of the Public Benefit

c) Demonstrated need for a Waiver

(7) Please attached the following documents:

a) Description of the organization, institution or business entity, how long in business, accomplishments to date, key personnel in organizational leadership. (Information may include partner entities that support or share in the mission of the applicant organization.)

b) Organizational governing documents such as business license, by-laws, and/or incorporation documents.

c) Financial information for your organization including current budget, 2 years of financial statements such as Balance Sheet, Income Statement, Statement of Financial Position, Activity Statement, etc. or include Independent Auditors' Reports.

Signed: ______________________ **Date:** _____6/24/20___________

PARK CITY 1884

Construction and Development Fee Reduction Application

Park City Municipal Corporation

Please provide two **(2)** hard copies and an electronic copy of this application and all other requested information to the Building Office**.**

(1) Applicant Contact Information

Name ___________ National Ability Center ________________________________

Address ____________1000 Ability Way ____________________________________

____________ Park City, Ut 84060__________________________________

Phone ___435-649-3991_____________ Fax ____435-658-3992________

E-mail __________ jons@discovernac.org ___________________________________

Permit(s) __Equestrian Expansion (#BD-18-25848) ____________________________

(2) Indicate the applicable Criteria for Eligibility:

☐ Affordable Housing Project
X Non-Profit
☐ Project Receiving a Historic District Grant
☐ Youth Group

(3) Indicate the applicable items for which a waiver is being requested (all that apply):

X Building Plan Review
X Engineering Plan Review
X Planning Plan Review
☐ CUP Application Fee
☐ MPD Application Fee
X Building Permit Fee
☐ Annexation Application Fee
☐ Condo Plat Application Fee
☐ Plat Amendment Application Fee
☐ Historic District Design Review
X Water Fees (interior)
X Water Fees (exterior)
X Parks, Trails, Open Space, Police, Roadway Facilities
X Other: Please explain:__Please see included Combo Permit fee sheet for all fees charged and being requested for reimbursements, as applicable _______________________________

(4) Projected total of all fees: __________$ 82,542.78_________________________
(5) Total construction cost of subject project: $ 1,323,955_________________________

(6) Project Description: Please provide no more than two pages of narrative addressing the following topics.

a) Contributing to a City Council Goals
Traffic Mitigation, Affordable Housing; Green Construction; Decreased Carbon Emissions; Involved Citizenry; Economic Diversity; Thriving

Mountain Community; Arts & Culture; Preserving and Enhancing the Natural Environment

b) Description of the Public Benefit

c) Demonstrated need for a Waiver

(7) Please attached the following documents:

a) Description of the organization, institution or business entity, how long in business, accomplishments to date, key personnel in organizational leadership. (Information may include partner entities that support or share in the mission of the applicant organization.)

b) Organizational governing documents such as business license, by-laws, and/or incorporation documents.

c) Financial information for your organization including current budget, 2 years of financial statements such as Balance Sheet, Income Statement, Statement of Financial Position, Activity Statement, etc. or include Independent Auditors' Reports.

Signed: ______________________ **Date:** ______6/24/20____________

EXHIBIT C

BD-18-25848 Equestrian Building Addition

Building Fees	
$13,239.55	Building Permit
$8,605.71	Plan Check
$700.00	Architectural/Design Fee
$132.40	State Fee
$2,113.75	Electrical Valuation Fee
$1,564.95	Mechanical Valuation Fee
$986.75	Plumbing Valuation Fee
$46.65	Sub Permit Fee
$0.00	Parks, Trails, Open Space
$0.55	Public Safety
$55,152.06	Water Impact Fee
$0.41	Streets Impact Fee
$82,542.78	**Total**

Engineering Fees	
$1,611.48	Inspection Fee – 4%
$1,611.48	**Total**

BD-18-26227/BD-18-26229 Recreation Center

Building Fees	
BD-18-26227 – Combo Permit	
$14,832.88	Building Permit
$9,141.37	Plan Check
$0.00	Architectural/Design Fee
$148.33	State Fee
$1,626.55	Electrical Valuation Fee
$2,360.15	Mechanical Valuation Fee
$790.75	Plumbing Valuation Fee
$47.77	Sub Permit Fee
$0.00	Parks, Trails, Open Space
$3,651.45	Public Safety
$16,653.00	LOD Trust and Agency
$35,481.99	Outdoor Water Impact
$54,576.36	Water Impact Fee
$2,721.99	Streets Impact Fee

BD-18-26229 – Plan Review Permit	
$2,000.00	Building Pan Review Fee
$200.00	Architectural/Design Fee
$144,232.59	**Total**

20-1254 – Continued Projects, Parking, Emergency Roadways, etc.

Building Fees	
$14,149.29	Building Fee
$1,105.75	Electrical Fee
$139.25	Plumbing Fee
$153.94	State Fee
$9,197.04	Plan Check Fee
$842.60	Public Impact Fee
$628.12	Roadway Facilities Fee
$33,203.24	Outdoor Water Impact
$8,819.42	Indoor Water Impact
$68,238.65	**Total**

Planning Fees	
$330.00	Admin. CUP Fee
$330.00	**Total**

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Jenny Diersen
Submitting Department: Sustainability
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Extend the Main Street Dining Deck Program in 2021, and Authorize the Mayor Execute Updated Leases of City Property/Rights-of-Way with Ten Main Street Restaurants, in a Form Approved by the City Attorney
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
Dining Deck Lease Approval 2021 Staff Report

Exhibit A: Street Dining Deck 2021 Operational Restrictions

Exhibit B: Dining Deck 2021 Lease Draft

Exhibit C: 2021 Dining Deck Map

City Council
Staff Report

Subject: 2021 Main Street Dining Deck Lease Approvals
Author: Jenny Diersen, Economic Development
Date: April 1, 2021
Type of Item: Administrative- Lease Approvals

Summary Recommendation

Hold a public hearing and extend the Main Street Dining Deck program in 2021, and authorize the Mayor to sign updated leases of City Property / Right-of-Way with ten Main Street restaurants, in a form approved by the City Attorney including:

- Cost per parking space per business is $2,160;
- Reinstating the requirement that program participants activate the dining decks during for a minimum of two meal services (Exhibit A); and
- Term – May 3 to October 30, 2021.

Executive Summary

Street Dining was implemented in 2010 when three restaurants on Main Street participated. It was determined that up to 12 restaurants could participate in the program, creating the right balance between private activation of public property with other competing needs.

The program, in its eleventh year, is viewed as an overwhelming success. While decks necessitate a substantial investment to meet design standards and construct/remove, they provide a desirable atmosphere. Reinstating the requirement to use their decks seven days a week for two meal services is essential to Main Street's vibrancy (as opposed to empty tables and chairs). For 2021, staff recommends renewing leases (Exhibit B) including:

- Nine restaurants located on Main Street; and
- One additional outdoor dining area located at Bear Bench walkway.

317 Main	Eating Establishment
412 Main	Crystal Park Cantina
438 Main	Flanagan’s
442 Main	Shabu
501 Main	501 on Main
508 Main	The Brick (Old Tupelo/Silver)
509 Main	Pink Elephant
530 Main	Main Street Pizza Noodle
605 Main	Bangkok Thai
562 Main	Fletchers

Background

In 2010, the Planning Department issued Administrative Conditional Use Permits (ACUP) for the restaurants below. The Council approves annual leases for public property use for the Main Street Dining Deck program. A term of the leases notes that "*City Council will conduct an annual review, with staff input will be conducted each year. City Council may terminate or change the terms of this lease at that time*."

Rental fees have varied based on market conditions and parking fee rates (table below). The cost is based on the number of parking spaces for a deck (linear feet of deck/20') and the foregone parking revenue/space. Eight restaurants participated in 2020, while participation has fluctuated annually.

Year	Number of Particpants:	Fee per Parking Space	Note
2010	3	$0	Free
2011	9	$300	Approx. 10% of estimated lost revenue.
2012 - 2014	9	$550	Approx. 20% of estimated lost revenue.
2015	7	$915	60% of $1,525 (2014 estimated lost revenue).
2016	8	$1,067.50	70% of $1,525 (2014 estimated lost revenue).
2017	7	$1,220	80% of $1,525 (2014 estimated lost revenue).
2018	6	$1,678	90% of $1,809 (2017 estimated lost revenue).
2019	7	$2,160	30% of $7,200 (2018 estimated parking revenue).
2020	8	$0	Fees waived one year only due to COVID-19
2021	10	$2,160	30% of $7,200 parking revenue (2019 Standard Fee)

On May 2, 2019 (minutes, p.10), Council approved charging $2,160 per parking space to provide a standard cost to be consistent year over year instead of changing each year. Fees were calculated based on 30% of the maximum lost revenue per parking space (Parking Fee Schedule). However, due to the pandemic, on April 30, 2020/ minutes p 6-7), the dining deck fees were waived to help promote physical distancing.

Analysis

Lease Terms
HPCA and PCMC had discussions at the inception of the program to find balance between private activation of public space that benefits individual business with broader benefits to the downtown. Participating merchants were initially concerned about high start-up costs and lack of financial return. In return, PCMC kept fees low initially and has increased them as the program became more financially dependable.

As the economy begins to recover, staff recommends staying consistent with the 2019 fees to keep cost predictable for merchants, and the parking department. One applicant seeks to start the program earlier. Staff believes the current term (May to October) balances private use of public property when it benefits the overall district as described above. If multiple participants request to start the program earlier, staff is willing to reconsider. HPCA is supportive of staff's recommendation.

Lease Fee
The fees shown below assume decks are operational from May 3 – October 30, 2021 (Exhibit C: Dining Deck Map). Lease amounts are prorated based upon when restaurants secure a permit.

2021 Restaurant / (20') Parking Space	**Recommendation \$2,160/space 30% of maximum revenue**
Eating Establishment / 1.09 spaces	\$2,354.40
Crystal Park Cantina / 1.0 space	\$2,160
Flanagan's on Main / 1.13 spaces	\$2,440.80
Shabu / 1.15 spaces	\$2,484
501 on Main / 1.0 spaces	\$2,160
The Brick / 1.0 spaces	\$2,160
Pink Elephant /1.0 spaces	\$2,160
Main St. Pizza & Noodle / 1.56 spaces	\$3,369.60
Bangkok Thai 1.90 spaces	\$4,104
Fletchers / 0 spaces	\$2,160
Totals: 10.83 spaces	**\$23,392.80**

Department Review & Outreach

Planning, Parking Services, Economic Development, Special Events, Legal, and Executive Departments have reviewed this staff report.

The City holds a contract with the Kimball Art Center (KAC), who is aware of the proposed dining decks. KAC will reach out to deck owners about regarding the removal of decks during Festival.

Exhibits

Exhibit A: Street Dining 2021 Operational Restrictions
Exhibit B: Updated 2021 Draft Lease Agreements
Exhibit C: Proposed 2021 Street Dining on Main Map

Exhibit A – Street Dining Operational Restrictions

Street dining may be allowed by the Planning Department upon issuance of an Outdoor Dining Administrative Conditional Use Permit. Street dining is permitted beginning in May and shall terminate on October 30th of each year. A total of twelve (12) street dining decks may be accommodated on Main Street based on the layout of the proposed decks. The Applicant must submit an application, pay an application fee, and provide all required materials and plans. Ongoing monitoring will be provided to ensure compliance with these parameters. The Administrative Conditional Use Permit or the Lease may be revoked for failure to comply with these restrictions.

Required Submittals:

- Dining Site Plan – This plan shall be to scale and indicate: the Applicant's building as it relates to the exact proximity of the street dining deck. The plan shall include accurate locations of proposed chairs, tables, umbrellas, planters, and any other existing public improvements (light fixtures, fire department connections, parking meters, etc.).

- Details/specifications sheets – Shall be submitted for each piece of equipment proposed with the street dining is application. This will include all tables, chairs, umbrellas, etc.

Design Standards:

1. Size. Street dining area shall be limited to the linear frontage a building has on Main Street and shall not exceed nine feet (9') in width. The encroachment of the proposed decks into street will not exceed seven feet, nine inches (7'-9") in width from the curb, as the encroachment of the proposed decks into the sidewalk will not exceed one foot three inches (1'-3"), unless approved by City Council. With the written permission of the adjacent property owner submitted to the City, they may extend into the neighbor's street frontage. Forty-four inches (44") of clear sidewalk width shall be available at all times where the street dining deck is being constructed. Each outdoor dining deck shall not exceed forty (40') feet in length.

2. Location/Proximity/Spacing. The City reserves the right to reject an application for an outdoor dining deck:

    - If the proposed deck is too close to a previously existing deck and would eliminate needed parallel parking along Main Street thus creating a concentrated parking issue.
    - If the proposed deck is for a restaurant that does not have direct access at street level.
    - If the proposed deck is for a business with existing outdoor dining space and the expansion of such is deemed excessive.

- If the proposed deck creates too much private use of the public right-of-way that may be deemed detrimental to the health, safety, welfare of the area.
- The Building, Planning, and Engineering Departments will review the location, proximity, and spacing of each street dining deck as well as impacts of traffic and public safety concerns. A recommendation will be given to the City Council for final review and approval.

3. Material. Street dining decks may be built of wood platforms and shall have a solid base. The design of the base shall complement the style of the building. The railing shall be painted solid to also complement the building. While outdoor dining deck is not subject to a complete Historic District Design Review (HDDR), the guidelines are applicable to the project.

4. Height. The maximum height of the deck shall not exceed thirty-six inches (36”) measured from existing grade to the base/floor of the deck at any given point. The layout of the deck may include a step to meet the maximum height allowed.

5. Advertising. Additional signing or advertising beyond what is allowed by the Park City Sign Code is prohibited.

6. Furniture. All tables and chairs shall be metal, wood, or other comparable material. Plastic furniture shall not be allowed. All furniture must be approved by the Planning Department per the historic district design review.

7. Umbrellas. Umbrellas must be free standing and are prohibited from extending beyond the dining area. Any umbrellas shall be affixed permanently to the deck as required by the International Building Code requirements (including fire standards) and shall not create any public hazard.

8. Lighting. No additional electric lighting is permitted, including exterior building lighting.

9. Planters. Any proposed landscaping or atmosphere pieces shall be reviewed at the time of initial application, and shall not create any public hazard or unnecessary clutter. All plant material must be maintained in a manner that ensures their viability throughout the summer outdoor dining season.

10. Use. The use of the Premises shall not conflict with any previously existing Master Festival License (“MFL”) recipients on Main Street, specifically the Arts Fest (“Kimball Art Center”). The Kimball Art Center has been leased exclusive use of Main Street from August 6 to August 8, 2021. The Premises must be vacated (i.e., removal of decks) no later than 10:00 a.m. MT on Thursday, August 5, 2021 for the duration of Arts Fest (including set-up and breakdown) unless the Kimball Art Center consents in writing to allow Tenant’s use of the Premises. If the outdoor dining structure is not removed as required, the Landlord will remove the structure at Tenant’s cost. The dates of the 2021 Kimball Arts Festival are subject to change, and as such the vacating of the Premises shall occur at 10:00 a.m. the Thursday prior to the Arts Festival.

11. Licensing. The additional square footage of the dining area must be added to the existing licensed area for the restaurant. The Applicant shall also adhere to other applicable City and State licensing ordinances, including the Department of Alcoholic Beverage Control. It is the responsibility of the Applicant to ensure that all licenses are properly obtained and adhered to.

12. Duration. Street dining is permitted beginning in May and shall terminate on October 30th, each year.

13. Health & Safety. The Use shall not violate the Summit County Health Code, Summit County Health Orders, State of Utah Health Orders, the Fire Code, or International Building Code.

14. Music. The use of outdoor speakers and music is prohibited.

15. Maintenance. The dining area shall be clean and maintained in a neat and orderly fashion.

16. Storage. All equipment and other associated materials must be removed and stored on private property during prohibited times (off season). No material associated with the outdoor dining decks may be stored outdoors on-site during the off-season.

17. Removal. Decks must be completely removed from the Right-of-Way prior to the end of business day October 30. If the outdoor dining structure is not removed as required, the City will remove the structure at cost to compensate for the employees and equipment needed to complete the task.

18. Drainage. Design of the deck and its skirting shall not interfere with the existing street drainage. Deck plans shall be reviewed by the City for drainage and may be modified so as to not interfere with the existing drainage patterns of the street.

19. Utilities. Access to utilities shall not be hindered by the structures. No outdoor dining decks will be approved if located in an area that blocks access to fire hydrants, etc. No new utility lines shall be installed as a result of the proposed outdoor dining.

20. Insurance Requirement. The tenant shall carry a policy of liability insurance in an amount of at least $2 million per combined single limit per occurrence and $3 million per aggregate for personal injury, bodily injury and property damage.

Park City Municipal Corporation shall be named as additional insured by endorsement of each policy.

21. Main Street Improvements. Due to the possible conflicts with scheduled Main Street improvements the City may postpone approving leases until the construction schedule is finalized to be able to determine appropriate dates.

    If at any time the street dining deck needs to be removed the City will give each affected street dining business owner a minimum of seventy two (72) hours to have their decks removed. The City will not be responsible for any associated costs involving deck removal/placement or potential lost revenue.

22. Aesthetics. Due to the Park City environment and storage of the decks over the years, the decks shall be maintained in a safe and high quality manner. Prior to final installation and occupancy of each deck, the applicant shall make sure that the structural members can adequately meet their original design and each deck shall look aesthetically pleasing.

23. Violations. The decks shall be in compliance with all County and State Health Orders in addition to Municipal Code § 11-19-3(H) regarding Prohibition Against Issuance of Municipal Permits. From the time that any Notice of Violation is given, the City may withhold permits for any alteration, repair or construction, which pertains to any existing or new structures or signs on the property or any permits pertaining to the use and development of the real property or the structure where a violation is located. The City may withhold permits until a Notice of Compliance has been issued by the enforcement official. The City may not withhold permits that are necessary to obtain a Notice of Compliance or that are necessary to correct serious health and safety violations.

STREET DINING ON MAIN
OUTDOOR DINING LEASE 2021

This Street Dining on Main Outdoor Dining Lease 2021 (the "Lease" or "Agreement") is made and executed this ____day of ______________, 2021, by and between **PARK CITY MUNICIPAL CORPORATION**, a Utah municipal corporation, (the "City", "Park City", or "Landlord") and ____________________, a Utah corporation, (the "Tenant") located at ___________________, Park City, Utah.

RECITALS

WHEREAS, the City wishes to enable opportunities for restaurants on Main Street to be able to provide additional outdoor dining opportunities; and

WHEREAS, the City's goals include the establishment of new and creative opportunities to facilitate the Main Street experience for residents and visitors alike during the shoulder and summer seasons; and

WHEREAS, the City's goals include the preservation and enhancement of Park City's character regarding Old Town and the desire to strengthen the pedestrian experience along Main Street; and

WHEREAS, the City recognizes the desire of many visitors and residents to dine outdoors along historic Main Street; and

WHEREAS, the City's General Plan recommends utilizing street design techniques to encourage slower traffic speeds and a more intimate pedestrian-oriented scale; and

WHEREAS, the City's goals include maintaining and furthering the resort community's economic opportunities, as well as enhancing the economic viability of Park City's Main Street Business District.

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

TERMS & CONDITIONS OF LEASE

Based upon good and valuable mutual consideration, the Parties agree as follows:

1. PROPERTY. The property affected by this Lease is generally described as the street area and sidewalk directly fronting Tenant's building located at ______________, which has a length of _______________, and more specifically described in site plan **Exhibit A**, attached hereto and incorporated

herein by this reference, (the "Premises"). The length of the outdoor dining deck per restaurant may not exceed forty feet (40').

2. RENT. Annual rent is for the use of the street for the deck is Two Thousand One Hundred and Sixty Dollars ($1,260.00) per parking space of a linear length of 20 feet. This rent is for 2021 only in consideration of unknown operational dates, restrictions, and reduction/no loss in parking revenue as a result of Summit County and Utah health orders. Tenant shall be solely responsible for payment of any and all costs associated with Tenant's performance under this Lease, including but not limited to additional business licensing fees, insurance, sales taxes and other expenses.

3. TERM. Unless otherwise delayed, suspended or terminated by Summit County health order(s), the term of this Agreement shall commence on ________________________, 2021, and shall terminate on October 30, 2021, ("Term") unless terminated earlier as provided herein. The Premises may only be utilized for a six (6) month period commencing on _________________ 2021, and terminating on October 30, 2021, except the Premises may not be used during the 2021 Kimball Arts Festival (August 6, 2021 through August 8, 2021) unless Kimball Art Center consents in writing to allow Tenant to use the Premises. Additional term restrictions are attached hereto and incorporated herein by this reference in **Exhibit B** (Street Dining Operational Restrictions). This Agreement may be terminated by Park City upon a finding of non-compliance of this Agreement or the attached operational restrictions.

   The use of the Premises shall not conflict with any previously existing Master Festival License ("MFL") recipients on Main Street, specifically the Arts Fest ("Kimball Art Center"). The Kimball Art Center has been leased exclusive use of Main Street in August. The Premises must be vacated (i.e., removal of decks) no later than 10:00 a.m. MT on Thursday, August 5, 2021 for the duration of Arts Fest (including set-up and breakdown) unless the Kimball Art Center consents in writing to allow Tenant's use of the Premises. If the outdoor dining structure is not removed as required, the Landlord will remove the structure at Tenant's cost. **The dates of the 2021 Kimball Arts Festival are subject to change, and as such the vacating of the Premises shall occur at 10:00 a.m. the Thursday prior to the Arts Festival**.

4. MAIN STREET IMPROVEMENTS. If at any time the street dining deck needs to be removed due to construction related to Main Street improvements, the City will give each affected street dining business owner a minimum of seventy two (72) hours to have their decks removed. The City will not be responsible for any associated costs involving deck removal/placement or potential lost revenue.

5. USE OF PREMISES. Tenant may use the Premises only for outdoor dining services in a manner consistent with applicable Summit County health orders, Section 15-2.6-12(B)(1) of the Park City Land Management Code and the terms

of this Agreement. Additional operational restrictions which must be complied with as part of the conditions of this Lease are attached hereto and incorporated herein in **Exhibit B**. Park City makes no representations regarding the Premises and Tenant accepts the Premises “AS IS.”

6. IMPROVEMENTS TO THE PREMISES. Tenant shall not make any improvements to the Premises without first obtaining Park City’s written consent. Any improvements approved by Park City shall be completed at Tenant’s sole expense and removed at Tenant’s sole expense upon expiration of this Agreement. No permanent alterations to the City’s property are permitted.

7. SIGNS. No signs shall be permitted on the Premises except as specifically approved by the Park City Municipal Corporation Planning Department pursuant to the Park City Sign Code and/or Tenant’s Master Sign Plan.

8. INSURANCE. Tenant shall, at Tenant’s sole expense, carry a policy of general liability insurance in an amount of at least Two Million Dollars ($2,000,000) per combined single limit per occurrence and Three Million Dollars ($3,000,000) per aggregate for personal injury, bodily injury and property damage. Park City shall be named as an additional insured by endorsement on each policy. Tenant’s insurance is to be primary to Park City’s and Park City’s insurance shall be non-contributory. A certificate of insurance naming Park City as an additional insured shall be provided to Park City on or before the Lease commencement. Insurance shall be maintained continuously during the term of the Lease and should any of the above described policies be cancelled before the expiration date thereof, Tenant shall deliver notice to Park City within thirty (30) days of cancellation. Tenant may carry whatever other insurance Tenant deems appropriate. The parties agree that Tenant’s sole remedy in the event of business interruptions, fire, windstorm, or other loss from hazard shall be its own insurance and Tenant will have no action against Park City. Park City is protected by the Utah Governmental Immunity Act, and nothing herein is intended to waive or limit the protection of the Act on behalf of either entity, but to the extent it is consistent with this intent, it is the purpose of this provision to protect Park City for liability or allegations arising out of the Tenant’s use of the Premises.

9. HOLD HARMLESS. Tenant covenants and agrees to defend, indemnify, and hold Park City harmless from all claims, loss, damage, injury or liability (hereafter “Liability”) resulting from Tenant’ use and occupancy of the Premises to the full extent permitted by law and/or the Utah Governmental Immunity Act, including reasonable attorney’s fees, but excluding any liability resulting from acts or omissions of Park City, its officers, employees or agents. Nothing herein shall be construed as a waiver of any of the rights or defenses under the Utah Governmental Immunity Act (Utah Code Ann. Sections 63-30-1, et seq.), as amended. The obligations hereunder shall be determined under principles of tort law including, but not limited to, the Governmental Immunity Act. In case of an

emergency including but not limited to a flood, storm drain, or utility, the structure may be removed or damaged by response teams at the cost of the Tenant. Tenant shall indemnify, protect and hold the Landlord harmless from and defend (by counsel reasonably acceptable to Landlord) the Landlord against any and all claims, causes of action, liability, damage, loss or expense (including reasonable attorneys' fees and costs and court costs), statutory or otherwise arising out of or incurred in connection with (i) the use, operation, occupancy or existence of the Premises or the presence of visitors, or any other person, at the Premises during the Term, (ii) any activity, work or thing done or permitted or suffered by Tenant in or about the Premises, (iii) any acts, omissions or negligence of Tenant, any person claiming through Tenant, or the contractors, agents, employees, members of the public, invitees, or visitors of Tenant or any other such person ("Tenant Party" or "Tenant Parties"), (iv) any breach, violation or nonperformance by any Tenant Party of any provision of this Lease or of any law of any kind, or (v) except to the extent resulting from any negligence or intentional torts of Landlord.

10. ASSIGNABILITY. Tenant shall not assign or transfer any interest in this Agreement without the prior written consent of Park City. Any assignment or transfer without written approval is void.

11. PROFESSIONAL PERFORMANCE. Tenant agrees to perform services under this Agreement at the highest professional standards, and to the satisfaction of Park City.

12. APPLICABLE LAW. This Agreement shall be governed by the laws of the state of Utah.

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

Executed the day and year first above written.

Tenant:

____

a Utah corporation,
dba

By: ____________________________________
Name Printed:

____
Title: ____________________________________

THE CITY REQUIRES THE TENANT TO COMPLETE EITHER THE NOTARY BLOCK OR THE UNSWORN DECLARATION, WHICH ARE BELOW.

ACKNOWLEDGMENT

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this__________ day of _________________, 2021, personally appeared before me ________________, who being duly sworn, did say that he/she is the ________________ of ____________________________, a Utah corporation, **dba** ____________________, and acknowledged to me that the preceding Agreement was signed on behalf of the company, and he/she acknowledged that the company did execute the same for its stated purpose.

____
Notary Public

PARK CITY MUNICIPAL CORPORATION,
a Utah municipal corporation

By: ___________________________
Andy Beerman, Mayor

Attest:

____
Michelle Kellogg, City Recorder

Approved as to form:

____
City Attorney’s Office

I declare under criminal penalty under the law of Utah that the foregoing is true and correct.
Signed on the ___ day of ______________________, 2021, at
_____________________________________ (insert State and County here).

Printed name ____

Signature: ____

Heber Ave
Deer Valley Dr
Marsac Ave
Ontario Ave
Woodside Ave
5th St
4th St
Main St
605 Main Street
Bangkok Thain on Main
38' long
1.9 parking spaces
562 Main Street
Fletcher's
Swede Alley Side
530 Main Street
Main Street Pizza & Noodle
31'-2" long
1.56 parking spaces
508 Main Street
The Brick
Length TBD
1 parking space est.
509 Main Street
Pink Elephant
Length TBD
1 parking space est.
442 Main Street
Shabu
23' long
1.15 parking spaces
501 Main Street
501 on Main
17' long
1 parking space
438 on Main
Flanagan's on Main
25' long
1.25 parking spaces
412 Main Street
Crystal Park Cantina
24' long
1 parking space
317 Main Street
The Eating Establishment
21'-10.5" long
1.09 parking spaces

Agenda Item No:4.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Mindy Finlinson
Submitting Department: Finance & Accounting
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Adopt Resolution 04-2021, a Resolution Authorizing the Issuance and Sale of Not More than $16,500,000 Aggregate Principal Amount of the City's Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association-USSA) to Refund Certain Outstanding Bonds of the City which were Issued to Refinance the Costs of the Acquisition, Construction, Furnishing, Equipping and Improvement of Land and a Building for Use as a Training and Office Facility for the USSA; and Related Matters
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
USSA Center of Excellence - Conduit Financing Refunding Staff Report

Exhibit A: Authorizing Resolution

Exhibit B: USSA Term Sheet

City Council Staff Report

Subject: USSA Center of Excellence – Conduit Financing Refunding
Author: Mindy Finlinson, Finance Manager
Department: Finance
Date: April 1, 2021
Type of Item: Legislative

Recommendation

Staff recommends that Council approve the attached authorizing bond resolution for the Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association) issuance (the "Series 2021 Bonds" or the "Bonds"), in an amount not to exceed $16,500,000, to refund the Industrial Revenue Refunding Bonds, Series 2015 (United States Ski and Snowboard Association) (the "Series 2015 Bonds"). Issuing bonds on behalf of USSA will not obligate the City financially or impact the City's credit rating, annual certified bond cap, or potential interest rates of future debt.

Background

On December 13, 2007, Council approved a resolution authorizing the issuance of bonds on behalf of the non-profit USSA's Center of Excellence athletic training facility to be located in the northwest quadrant of the intersection of U.S. Highway 40 and State Highway 248 (more commonly known as Quinn's Junction) in Park City. The issuance was approved to be in an amount of $20.12 million. The proceeds from the bond were to be used for expenses related to the Center of Excellence project and related equipment, improvements and furnishings. The IRS reviewed the status and use of the bond proceeds in 2013 and issued a no status change determination (confirming that owners of the bonds did not have to report the income from interest from the bonds as gross income- i.e. why they get a lower interest rate on the market).

On May 7, 2015, Council approved a resolution authorizing the issuance of refunding bonds. The issuance was approved to be in an amount of $19.5 million. The proceeds from the bond were to be used to refund the Multi-Mode Variable Rate Revenue Bonds, Series 2007 (United States Ski and Snowboard Association).

Analysis

The attached bond-authorizing resolution sets the parameters of the Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association) issuance in accordance with the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code, as amended (the "Act"). The resolution initiates the process for the sale of the Series 2021 Bonds, authorizes the publication of a Notice of Bonds to be Issued, and calls for a public hearing with respect to the Series 2021 Bonds. The resolution sets the maximum principal issuance amount at $16,500,000. The resolution lists the purpose for issuing the Series 2021 Bonds as:

> (i) Refund the Industrial Revenue Refunding Bonds, Series 2015 (United States Ski and Snowboard Association) and (ii) pay certain issuance costs relating thereto

United States Ski and Snowboard Association's related entity, Center of Excellence Properties, LLC, a Utah limited liability corporation, the sole member of which is Center of Excellence Properties Fund, a Utah non-profit corporation, will be the borrower under the Loan Agreement with the City, and will be referred to herein collectively as "USSA." As with the Series 2015 Bonds, USSA will have all financial responsibilities related to the Series 2021 Bonds (including repayment and record keeping). The City bears no burden of cost related to this issuance or liability for repayment of the Bonds. The City acts only as a conduit through which a non-profit entity (in this case, USSA) is able to issue tax-exempt bonds for qualified uses.

In the past, Council has consistently supported this project and the proposed financing method. Staff received direction from Council on July 12, 2007, August 2, 2007, and May 7, 2015 to proceed with conduit financing, and this refunding continues that direction. The Act provides:

> 11-17-6. Refunding bonds.
>
> Any bonds issued under this act and at any time outstanding may at any time and from time to time be refunded either in advance or by exchange by a municipality or county by the issuance of its refunding bonds in such amount as the governing body may deem necessary. Any such refunding may be effected whether the bonds to be refunded shall have then matured or shall thereafter mature, either by sale of the refunding bonds and the application of the proceeds from same to the payment of the bonds to be refunded by such refunding bonds or by exchange of the refunding bonds for the bonds to be refunded by such refunding bonds. Any refunding bonds issued under this act shall be subject to the provisions contained in Section 11-17-4 and may be secured in accordance with the provisions of Section 11-17-5.

Section 11-17-5 states that bond principal and interest of the bonds shall be secured as follows:

> 11-17-5. Security for bonds -- Provisions in security agreements -- Limitations -- Liens.
> (1) The principal of and interest on any bonds issued under this chapter:
> (a) shall be secured by a pledge and assignment of the revenues out of which the bonds are made payable or by such other sinking fund or security provision as shall in the judgment of the governing body be reasonably designed to assure payment of the obligations to the purchasers thereof; however, the bond purchasers may not in any event have recourse against the general funds or general credit of the governmental offeror;
> (b) may be secured by a mortgage covering all or any part of the project; and
> (c) may be secured by any other security device deemed most advantageous by the governing body issuing the bonds.

The security for the Bonds is currently anticipated to be in accordance with the term sheet attached hereto as Attachment B – Term Sheet.

The bond authorizing resolution establishes the format for public notice for the Bonds, which should be published in the Park Record not less than 7 days before the public hearing and initiates a 30-day period in which interested parties may contest the legality of the resolution or the Bonds. If authorized by Council, the Public hearing will take place on April 29, 2021. The maturity of the Bonds is expected to be not more than 20 years.

Staff anticipates that if the authorizing resolution is approved, Council will hold a public hearing on April 29, 2021. After the public hearing, the Council will consider a final bond resolution to authorize the final terms and sale of the Bonds. It is anticipated that the closing for the Bonds would occur on or around May 11, 2021. The Bonds are to be sold by private placement sale.

The authorizing resolution is the first step in initiating a bond issuance and refunding. The bond refunding will allow the USSA to realize debt repayment cost savings associated with current market rates.

Issuing bonds on behalf of USSA will not obligate the City financially or impact the City's credit rating, annual certified bond cap, or potential interest rates of future debt; however, it would prohibit the City from issuing any bonds in 2021 as "bank qualified" or "qualified tax-exempt obligations" for issuances under $10M per the Internal Revenue Code for the calendar year 2021. The anticipated Arts & Culture District bond issuance for later this year will not be financially impacted by the USSA issuance since it will be over the $10M threshold.

Departmental Review
This report has been reviewed by the Legal Department, Finance Department, Budget Department, and City Manager.

Funding
None

Attachments
A Authorizing Resolution
B Term Sheet

April 1, 2021

A regular meeting of the City Council (the "Council") of Park City, Utah (the "Issuer") was held on Thursday, the 1st day of April, 2021 at the hour of 6:00 p.m., via electronic means, at which meeting there were present and answering roll call the following members who constituted a quorum:

Andy Beerman	Mayor
Max Doilney	Councilmember
Becca Gerber	Councilmember
Tim Henney	Councilmember
Steve Joyce	Councilmember
Nann Worel	Councilmember

Also present:

Matt Dias	City Manager
Michelle Kellogg	City Recorder
Mark D. Harrington	City Attorney
Margaret Plane	Special Counsel

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, a Certificate of Compliance with Open Meeting Law with respect to this April 1, 2021 meeting was presented to the Council, a copy of which is attached hereto as Exhibit A.

The following Resolution was then introduced in written form, was fully discussed, and upon motion made by Councilmember _______________ and seconded by Councilmember ________________, was adopted by the following vote:

YEA:

NAY:

The Resolution is as follows:

RESOLUTION NO. 04-2021

A RESOLUTION OF THE CITY COUNCIL OF PARK CITY, UTAH (THE "CITY") AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $16,500,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY'S INDUSTRIAL REVENUE REFUNDING BONDS, SERIES 2021 (UNITED STATES SKI AND SNOWBOARD ASSOCIATION) TO REFUND CERTAIN OUTSTANDING BONDS OF THE CITY WHICH WERE ISSUED TO REFINANCE THE COSTS OF THE ACQUISITION, CONSTRUCTION, FURNISHING, EQUIPPING AND IMPROVEMENT OF LAND AND A BUILDING FOR USE AS A TRAINING AND OFFICE FACILITY AND RELATED IMPROVEMENTS; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED AND A NOTICE OF PUBLIC HEARING; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS, the City is authorized by the Industrial Facilities and Development Act, Chapter 17, Title 11, Utah Code Annotated 1953, as amended, (the "Act") to issue revenue bonds for the purpose of defraying the cost of financing, acquiring, constructing, equipping and furnishing land, buildings, facilities and improvements which are suitable for use for any business purposes; and

WHEREAS, the Act provides that a municipality may issue revenue bonds for the purpose of using substantially all of the proceeds thereof to pay or to reimburse a company for the costs of the acquisition and construction of the facilities of a project and that title to or in such facilities may at all times remain in the company and in such case the bonds of the municipality shall be secured by a pledge of one or more notes, debentures, bonds or other secured or unsecured debt obligations of the company; and

WHEREAS, there has been presented to the City at this meeting a request from Center of Excellence Properties, LLC, a Utah limited liability company, the sole member of which is Center of Excellence Properties Fund, a Utah nonprofit corporation (the "Borrower") asking the City to adopt a resolution authorizing the issuance and sale of the City's Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association) (the "Bonds"), with such additional designation as may be determined, the proceeds of which will be used to refund all or a portion of the City's outstanding Industrial Revenue Refunding Bonds, Series 2015 (United States Ski and Snowboard Association) (the "Refunded Bonds"), which refinanced certain expenditures incurred by the Borrower for the acquisition, construction, furnishing, equipping and improvement of land and a building for use as a training and office facility by the United States Ski Association, doing business as the United States Ski and Snowboard Association (collectively, the "Project"); and

WHEREAS, the Bonds shall be special limited obligations of the City payable solely from and secured by revenues, rights, interests and collections pledged by the Borrower and shall not constitute nor give rise to a general obligation or liability (legal or equitable) of the City or of the State of Utah or of any subdivision thereof or a charge against its general credit or taxing power; and

WHEREAS, the City has determined that it would be in furtherance of the purposes of the City and the Act to issue not more than $16,500,000 of the Bonds, for the purpose of refunding the Refunded Bonds and paying costs of issuance related thereto; and

WHEREAS, Section 11-17-16 of the Act provides for the publication of a Notice of Bonds to be Issued, and the City desires to publish such a notice at this time in compliance with the Act with respect to the Bonds and to give notice of a public hearing to be held by the City with respect to the Bonds;

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF PARK CITY, UTAH, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution), by the City and by the officers of the City directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. In order to refund the Refunded Bonds, with the resulting public benefits which will flow therefrom, and to pay costs of issuance related thereto, the City hereby expresses its intent to issue the Bonds pursuant to the provisions of the Act in a principal amount presently estimated not to exceed $16,500,000, subject to the City Council adopting a final bond resolution approving documentation for such Bonds.

Section 4. The City will loan the proceeds of the Bonds to the Borrower pursuant to a loan agreement or other financing document (the "Loan Agreement") between the City and the Borrower whereby such entity will be obligated, among other things, (i) to make payments to the City in amounts and at times sufficient to pay the principal of and premium, if any, and interest on all of the Bonds and (ii) to provide, or cause to be provided, collateral or other security to secure payment of the Bonds in such manner and in such amounts as the purchaser of the Bonds deems appropriate. The City has not authorized the pledge of its credit for the payment of the Bonds or the refunding of the Refunded Bonds. The form of Loan Agreement, copies of which were before the Council at this meeting, is incorporated herein by reference and made a part hereof.

Section 5. The City hereby expresses the intent to reimburse the Borrower for costs of the Project determined to be qualified for reimbursement pursuant to the provisions of Treasury Regulation Section 1.150-2. Notwithstanding anything herein contained to the contrary, the City shall have no liability to the Borrower for any costs or funds advanced if the Bonds are not issued.

Section 6. The Council hereby finds and determines that it is in the best interests of the City for the City to issue not more than $16,500,000 aggregate principal amount of its Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and

Snowboard Association) (with such other designation as may be determined by appropriate officers of the City) for the purpose of refunding the Refunded Bonds and paying related expenses.

Section 7. The City hereby authorizes and approves the issuance and sale of the Bonds pursuant to the provisions of this Resolution and a Final Bond Resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds.

Section 8. In accordance with provisions of the Act and in order to comply with Section 147(f) of the Internal Revenue Code of 1986, as amended, the Council hereby authorizes the City Recorder to publish a "Notice of Bonds to be Issued and of Public Hearing" (i) one (1) time in the Park Record, a newspaper of general circulation within the City, at least seven (7) days prior to April 29, 2021, the hearing date set forth in said Notice, (ii) on the Utah Public Notice Website created under Section 63F-1-701 Utah Code Annotated 1953, as amended, and (iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and the Council will meet in public session on April 29, 2021 to receive public comment on the proposed issuance of the Bonds. The City Recorder shall also cause a copy of this Resolution to be kept on file in her office in Park City, Utah, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication thereof. The Notice of Bonds to be Issued and of Public Hearing is in substantially the following form:

NOTICE OF BONDS TO BE ISSUED
AND OF PUBLIC HEARING
CITY COUNCIL OF
PARK CITY, UTAH

WITH RESPECT TO
NOT TO EXCEED $16,500,000
INDUSTRIAL REVENUE REFUNDING BONDS, SERIES 2021
(UNITED STATES SKI AND SNOWBOARD ASSOCIATION)

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended, that on April 1, 2021, the City Council (the "Council") of Park City, Utah (the "City") adopted a resolution (the "Resolution") in which it authorized the issuance of the City's Industrial Revenue Refunding Bonds, Series 2021 (United States Ski and Snowboard Association) (with such other designation as may be determined by the City) (the "Bonds") in the aggregate principal amount of not to exceed $16,500,000 and to mature in not more than thirty years from the date of issuance. Pursuant to the Resolution, the City proposes to lend the proceeds of the Bonds to Center of Excellence Properties, LLC, a Utah limited liability company, the sole member of which is Center of Excellence Properties Fund, a Utah nonprofit corporation (the "Borrower") for the purpose of refunding all or a portion of the City's outstanding Industrial Revenue Refunding Bonds, Series 2015 (United States Ski and Snowboard Association), which refinanced the costs of the acquisition, construction, furnishing, equipping and improvement of land and a building for use as a training and office facility, to be used by the United States Ski Association, doing business as the United States Ski and Snowboard Association, along with related improvements, furnishings and equipment (the "Project") at approximately 1 Victory Lane, in Park City, Utah. The Project will be owned and operated by the Borrower.

NOTICE IS FURTHER GIVEN that, in connection with the City's proposed issuance of the Bonds, the City Council will meet electronically on April 29, 2021 at 6:00 p.m. via Zoom for the purpose of conducting a public hearing. Interested individuals are invited to express their views, both orally and in writing, on the proposed issue of the Bonds. To comment virtually during the hearing, please use eComment or raise your hand on Zoom, or please feel free to call 1-877-230-5394, passcode: 2582722#. Written comments may be submitted prior to the meeting to the City at its Council office located at 445 Marsac Avenue, in Park City, Utah. Comments submitted before or during the meeting will be entered into the public record, but will not be read aloud. For more information on participating virtually and to listen live, please go to the Public Meetings page of the City website, www.parkcity.org. Additional information may be obtained from the City at its office shown above or by calling Mindy Finlinson at 435-615-5227. Subsequent to the hearing, the Council will consider approving the Bonds.

The City is authorized to issue the Bonds pursuant to the Act. The Bonds will be special limited obligations of the City payable solely from amounts provided by the Borrower pursuant to a Loan Agreement to be entered into between the City and the

Borrower (the "Loan Agreement"), and including monies and securities held from time to time thereunder and related security documents pursuant to which the Bonds are to be issued. The Bonds and the interest thereon will not be a debt of the City or of the State of Utah or any political subdivision, and neither the City nor the State of Utah or any political subdivision will be liable thereon, and in no event will the Bonds or the interest thereon be payable out of any funds or properties other than those of the Borrower. The Bonds will not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds are to be issued and sold by the City pursuant to the Resolution (including as part of said Resolution a form of the Loan Agreement) and a Final Bond Resolution to be adopted by the City. A copy of the Resolution and the form of the Loan Agreement are on file in the office of the City Recorder of the City at 445 Marsac Avenue, Park City, Utah, where they may be examined during regular business hours of the City from 8:00 a.m. to 5:00 p.m., Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Loan Agreement or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

Date: April 1, 2021

/s/ Michelle Kellogg
City Recorder

Section 9. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 10. No member of the Council of the City or employee of the City has any interest, direct or indirect, in the transactions contemplated by the City as described herein.

Section 11. No party should rely upon the proposed issuance of the Bonds and the City hereby reserves the right to opt not to issue the Bonds for any reason.

Section 12. All resolutions of the City or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 13. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF PARK CITY, UTAH THIS 1ST DAY OF APRIL, 2021.

____
Mayor

(SEAL)

ATTEST:

____
City Recorder

STATE OF UTAH)
:ss.
CITY OF SUMMIT)

I, Michelle Kellogg, the undersigned duly appointed, qualified and acting City Recorder of Park City, Utah (the "City"), do hereby certify:

1. The foregoing pages are a true, perfect and complete copy of a resolution duly adopted by the City Council of the City during proceedings of the City Council of the City, had and taken at a lawful regular meeting of said City Council held electronically on April 1, 2021, commencing at the hour of 6:00 p.m., as recorded in the regular official book of the proceedings of the City kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

2. All members of said City Council of said City were duly notified of said meeting, pursuant to law.

3. I further certify that the Resolution, with all exhibits attached, was deposited in my office on April 1, 2021, and that pursuant to the Resolution, a Notice of Bonds to be Issued and of Public Hearing will be published:

(i) in the Park Record, a newspaper having general circulation in the City, with said publication being no less than seven (7) days prior to said hearing, and with the affidavits of said publication, when available, attached hereto;

(ii) on the Utah Public Notice Website created under Section 63F-1-701 Utah Code Annotated 1953, as amended, no less than fourteen (14) days prior to said hearing; and

(iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, no less than fourteen (14) days prior to said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said City this April 1, 2021.

By:________________________________
City Recorder

(SEAL)

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Michelle Kellogg, the undersigned City Recorder of Park City, Utah (the "City") do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the April 1, 2021, public meeting held by the City Council as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of Park City, Utah at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Park Record at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the 2021 Notice of Annual Meeting Schedule for the City Council, in the form attached hereto as Schedule 2, was given specifying the date, time and place of the regular meetings of said Council to be held during the year, by causing said Notice to be (i) posted in December 2020 at the principal office of the Council, (ii) provided to at least one newspaper of general circulation within the City on ________, 2021 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this April 1, 2021.

____
City Recorder

(SEAL)

<u>SCHEDULE 1</u>

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

ZIONS BANK.

March 11, 2021

Brooke McAffee
Chief Financial Officer
United States Ski and Snowboard Association
1 Victory Ln
Park City, UT 84060

Dear Brooke,

Zions Bancorporation N.A. dba Zions Bank, N.A. ("Bank" or "Lender") is pleased to provide United States Ski and Snowboard Association ("Borrower", "USSSA") with these proposed terms and conditions. These proposed terms and conditions are provided for discussion purposes only and do not constitute an offer, agreement, or commitment to lend. The actual terms and conditions upon Zions Bancorporation N.A. or its designated affiliates might extend credit to USSSA are subject to satisfactory completion of due diligence credit approval, satisfactory review of documentation and such other terms and conditions as are determined by the bank and its counsel.

Center of Excellence Bond

Borrower:	Center of Excellence Properties Fund
Amount:	$15,821,000.00
Guarantor:	All related entities including: United States Ski and Snowboard Association; United States Ski Team, Inc; USSA Investment Fund; and United States Ski Team Foundation.
Term:	A 15-year term, with monthly payments of Principal plus accrued Interest, based on a 30-year amortizing schedule.
Rate:	Fixed tax-exempt rate of 2.750 percent (%) or non-tax-exempt rate at 3.480%, based on the Federal Home Loans Bank (FHLB) 15-year rate of 2.310% as of the date of this letter. Rate is fixed 3 days prior to closing. Renewable upon Bank's approval at a mutually agreeable rate.
Fees:	A 0.50% origination fee plus all Bank's out-of-pocket expenses, including but not limited to counsel feels for drafting of all necessary loan documents, appraisal, title, recording, issuer fee and other expenses associated with the transaction. Estimated total closing cost are $220,105 as follows:

This loan is further conditioned upon Zions Bank, N.A. obtaining the following:

- Completion of loan documentation satisfactory to Zions Bank, N.A. and its counsel including appropriate affirmative, negative, and financial covenants suitable for this transaction.
  - Debt Service Coverage Ratio. Borrower will maintain a DSCR of 1.10x, tested annually beginning at fiscal year-end 2022.
  - Minimum Liquid Assets. Borrower will maintain liquid assets of no less than $6,000,000 tested semi-annually as of 4/30 and 10/31 in each calendar year, due within 60 days. Liquidity is defined as unencumbered unrestricted daily liquid funds available to be utilized for debt service repayment for the subject term debt and revolving line of credit.

- Reporting requirements will include, but may not be limited to, the following:
  - Annual CPA consolidated consolidating audited financial statements of Borrower and Guarantors due within 180 days from year-end.
  - Annual organization chart and Board Member List due with audited financial statements.
  - Brokerage statements reflecting liquidity of at least $6,000,000 due semi-annually as of 4/30 and 10/31 in each calendar year, due within 60 days. Liquidity is defined as unencumbered unrestricted daily liquid funds available to be utilized for debt service repayment for the subject term debt and revolving line of credit.

Revolving Line of Credit

Borrower:	United States Ski and Snowboard Association
Amount:	$5,000,000.00
Rate:	1-Month AMERIBOR plus a spread of 1.25%, variable.
Guarantor:	All related entities including: Center of Excellence Properties Fund; United States Ski Team, Inc; USSA Investment Fund; and United States Ski Team Foundation.
Collateral:	Account Receivable, Pledge Receivables (Trading Assets)
Term:	3 years from inception
Purpose:	Working Capital, finance the gap to covert securities to cash
Fees:	Non-usage fee of 0.05%, annually

Estimated Costs of Issuance		
Est. Bond/Borrower Counsel	$	50,000
Est. Bank Counsel	$	30,000
Bank Fee (.5%)	$	79,105
Est. Title/Insurance	$	15,000
Est. Appraisal	$	10,000
Est. Environmental	$	5,000
Est. Issuer *	$	50,000
Est. Issuer Counsel *	$	25,000
Est. Muni Advisor	$	30,000
Misc.	$	6,000
Sub Total COI	**$**	**300,105**
Less: Zions Bank Donation after Closing	$	80,000
Total COI	**$**	**220,105**

Pre-Payment Penalty:

Prepayment penalty only for the first 5 years as follows: 5% of prepaid amount during the first year; 4% during the second year, 3% during the third year, 2% during the fourth year, and 1% during the fifth year, no prepayment penalty after 5 years. May prepay with own cash at any time with no penalty. Customer has the option to re-amortize the existing loan for any unscheduled principal payment of $250,000.00 or more.

Collateral:

1. 1st Deed of Trust on the following real property located at:

- 1 Victory Ln, Park City, UT 84060
- Assignment of Rents on the subject building

Purpose:

To re-finance existing debt estimated at $15,600,000.00 plus finance closing costs estimated at $220,105.00.

Conditions Prior to Closing:

The following conditions must be fulfilled prior to closing:

- A real estate appraisal acceptable to Zions Bank, N.A. indicating a fair market value of not less than $20,000,000.
- Satisfactory review of Environmental reports by Bank's Environmental Risk Dept. and compliance with any remediation plan proposed
- Bond counsel opinion as to the tax-exempt nature of the transaction
- Title search evidencing no liens on the properties and improvements as stated in the Collateral description
- Borrower to provide evidence of adequate hazard insurance coverage

Covenants:

- Minimum Liquid Assets* Borrower will maintain liquid assets of no less than $6,000,000 tested semi-annually as of 4/30 and 10/31 in each calendar year. Liquidity is defined as unencumbered unrestricted daily liquid funds available to be utilized for debt service repayment for the subject term debt and revolving line of credit.

- Debt Service Coverage Ratio. Borrower will maintain a DSCR of 1.10x, tested annually beginning at fiscal year-end 2022.

The $6 million liquidity covenant requirement is applicable for both the line of credit and the term note, **not a $6 million requirement for each credit facility.*

Other Banking Services

Other banking services to be discussed include:

- Commercial Card – Approximate Line of $1 million
- Depository Services
- Treasury Management Services

It is understood that this commitment letter supersedes any prior written or oral agreement(s) between the Bank and the borrower with respect to this transaction.

If you are in agreement with the above terms and conditions, please acknowledge by signing the enclosed copy of this letter and returning it to the writer's attention. Your acceptance to the terms and conditions of this commitment letter must be received by **March 12, 2021**or the commitment will automatically expire.

Thanks again, if you have any questions, please call me.

Very truly yours,

G. Zelaya

Guillermo Zelaya
Relationship Manager

Agreed and accepted this (12 of March 2021)

Brooke McAffee

By: Brooke McAffee
Title: CFO

Agenda Item No:5.

Council Agenda Item Report

Meeting Date: April 1, 2021
Submitted by: Elyse Kats
Submitting Department: Community Development
Item Type: Staff Report
Agenda Section:

Subject:
Consideration to Adopt Resolution 05-2021, a Resolution to Adopt Affordable Housing Guidelines and Standards for Park City, Utah, and to Repeal and Replace Resolution 25-2020 in its Entirety
(A) Public Hearing (B) Action

Suggested Action:

Attachments:
HOA Fees Staff Report

Exhibit A: Amended Housing Resolution

City Council Staff Report

Subject: Park City Municipal Housing Resolution
Author: Elyse Kats, Affordable Housing Specialist
Department: Affordable Housing
Date: April 1, 2021
Type of Item: Administrative

Recommendation

Hold a public hearing and consider adopting Resolution 05-2021 to repeal and replace Park City's existing Housing Resolution 25-2020.

Executive Summary

The City Council approved significant changes to the City's affordable housing program via Housing Resolution 25-2020 on November 11th, 2020. At that time, Council expressed concerns regarding proposed changes regarding limiting HOA fees. Subsequently, that section was removed from the resolution as part of the approval. The Council directed Staff to provide additional information on how other jurisdictions are regulating HOA fees for affordable housing units. Based on Council direction, Staff continued to research and gather information on HOA fees.

Staff is returning to Council to present findings and recommended changes to the Housing Resolution (Exhibit A), which includes: a) incorporating "par value," referring to by dollars, as a metric for determining HOA fees; b) providing options for ensuring that Annual Common Expense Assessments in 100% Deed Restricted Properties remain affordable; c) allowing for separated HOAs in mixed use developments for affordable units; and d) including a statement on the seed funds provided by PCMC for upfront capital to help reduce HOA fees for deed restricted units.

In addition, because the Housing Resolution is only updated every two years, staff would like to take the opportunity to propose a few changes not related to HOA fees in addition to the comprehensive changes adopted in November 12, 2020. These changes also include adjusting the AMI level in the definition of Affordable Housing Rental.

Background

Park City's Housing Resolution outlines the City's affordable housing requirements for specified developments. Specifically, it defines Affordable Housing Costs as monthly housing costs that consume no more than 30 percent of a household's income. These housing costs include rent or mortgage, basic utilities, and any Homeowners or Condo Association Dues.

The Council approved the latest version of the Housing Resolution in November of 2020. Homeowners and Condo Association Dues were discussed in this last change, but the Council decided to defer action on any changes to a later date. After further research, Staff proposes new language to address the Council's concerns.

Analysis

HOA Fees

Calibrating HOA fees as part of a household's total housing expenses is necessary to ensure affordability. Grounded Solutions, a national housing policy analysis and research firm, recommends that HOA dues ought to be set according to equal share, square footage, or dollar value. Staff believes that adding par value limitations [based upon initial purchase pricing; not square footage of the unit] to set initial HOA fees is a productive way to give additional options for determining HOA fees. Determining HOA via a par value by dollars would take the initial list price of the unit and have that unit pay a ratio of HOA fees that is equivalent to the ratio of their initial list price versus the initial list price of all other units in a given development. See Figure 2.

Additionally, staff reached out to various peer communities that face similar issues with HOA fees reducing affordability. Many of the communities contacted do not regulate fees in any way. Most of these communities expressed that HOA fees are becoming a larger issue with maintaining affordability and they are considering restrictions to combat this issue. The few communities that do limit HOA fees either place a cap on the initial fee that can be charged (based on either the size of the unit or lot or by the initial value of the unit) or they set a dollar limit on what can be charged.

Figure 1: Demonstrating Size Based HOA Fees

Affordable Unit Identifier	Unit Sqft	Total Complex Sqft	Unit % of Total Sqft	Total Budget	Total Monthly Budget	Budget Multiplied by Sqft Ratio
Unit 1	500	5000	0.1	$ 12,000	$ 1,000	$ 100
Unit 2	750	5000	0.15	$ 12,000	$ 1,000	$ 150
Unit 3	1000	5000	0.2	$ 12,000	$ 1,000	$ 200
Unit 4	1250	5000	0.25	$ 12,000	$ 1,000	$ 250
Unit 5	1500	5000	0.3	$ 12,000	$ 1,000	$ 300

Figure 2: Demonstrating Par Value Based HOA Fees

Affordable Unit Identifier	Unit Value	Total Complex Value	Unit % of Total Value	Total Budget	Total Monthly Budget	Budget Multiplied by Value Ratio
Unit 1	$ 250,000	$ 2,000,000	0.125	$ 12,000	$ 1,000.00	$ 125
Unit 2	$ 450,000	$ 2,000,000	0.225	$ 12,000	$ 1,000.00	$ 225
Unit 3	$ 500,000	$ 2,000,000	0.25	$ 12,000	$ 1,000.00	$ 250
Unit 4	$ 600,000	$ 2,000,000	0.3	$ 12,000	$ 1,000.00	$ 300
Unit 5	$ 200,000	$ 2,000,000	0.1	$ 12,000	$ 1,000.00	$ 100

Currently, affordable and attainable units in the City's program (within projects owned by 100% qualified or limited income buyers) range between paying .2% and 1.8% of their current average maximum resale price in HOA dues. While these projects are governed entirely by Qualified or limited-income homeowners and are not likely to willingly increase their own HOA dues, there is nothing currently preventing it. Implementing further increases in these dues may take away the affordability of the units for those making between 50% and 150% of AMI.

The proposed Section 8 of Housing Resolution 05-2021 outlines a strategy for keeping Homeowners or Condo Association Dues affordable beyond the initial sale of the unit. Staff is proposing that in addition to ensuring HOA fees are included in the 30% total housing cost assumption, par value by dollars is also added as a way to determine HOA fees to give HOAs another option for determining rates. A par value assessment by dollars instead of square footage would ensure that homeowners pay a fair share of HOA fees in a development where market rate units are also present. For example, if a market rate unit with an initial sales price of $ 600,000 is paying an HOA fee of 400 dollars a month, then the par value of an HOA fee for an affordable unit with an initial sales price of $ 250,000 would be about $165. See Figure 2.

Additionally, staff is proposing the ability to create a separate HOA for the affordable units within a mixed-use development. This would allow for the affordable units to determine their own priorities and fee increases separate from what the market rate units in the mixed unit development desire.

Annual Increases

In addition to using par value by dollars to determine initial fees, staff is proposing that annual increases for affordable units be limited to 4%. To ensure that the proposed code would not hurt the HOA ability to keep up with market inflation, staff contacted several property management companies to try to determine what the average annual increase is for HOA budgets. It was found that the average annual increases range from 1 to 3.5%, but no annual increases exceeded 4%. Staff feels that limited annual increases to 4% will maintain affordability while not putting the HOA in financial stress to keep up with increases in market prices.

Staff is also recommending that special assessments be limited to repairs and renovations that address health, safety, and affordability issues for the HOA. All HOAs should have capital funds created that the HOA contributes to on an annual basis to cover capital improvement projects throughout the year. These contributions should be built into the HOA budget and be part on the monthly fee to the members. Special assessments are charges for a particular property that provide a particular benefit to a property, such as an infrastructure improvement. They are generally used when to cover any cost above and beyond what the capital fund cannot cover. Staff believes that under no circumstances shall special assessments be allowed without the prior approval of the City’s Affordable Housing Department.

AMI Level

Staff proposes adjusting the AMI parameter for affordable rentals. The current Resolution states that affordable units must be between 50-80% AMI. Staff believes that the AMI levels should include AMI levels below 50% AMI in order to include low income households. Staff recommends that the definition read as follows:

> Affordable Rental Housing: Rental housing that is priced affordable to households with incomes below 80% of AMI. Rental units created as part of a housing requirement must be priced at 50% of AMI or below.

Below, figure 3, is a chart showing the different rents that could be charged at various AMI levels based on today’s assumptions.

Figure 3: Demonstrating AMI Levels						
	Family Size				**Rent**	
% of AMI	**One**	**Two**	**Three**	**Four**	**1 bedroom**	**2 bedroom**
30%	$ 23,919	$ 27,336	$30,753	$ 34,170	$ 597	$ 683
50%	$ 39,865	$ 45,560	$51,225	$ 56,950	$ 1,139	$ 1,281
80%	$ 63,784	$ 72,896	$82,008	$ 91,120	$ 1,822	$ 2,050
				*this is at today's values and will change each year		

Funding

No funding is required to make these changes.

Attachments

Attachment A- Proposed code language redlines

Resolution 05-2021

A RESOLUTION TO ADOPT AFFORDABLE HOUSING GUIDELINES AND STANDARDS FOR PARK CITY, UTAH, AND TO REPEAL AND REPLACE RESOLUTION 25-2020 IN ITS ENTIRETY

WHEREAS, the livability and viability of Park City is directly affected by the availability of a sufficient amount of housing affordable to the workforce and residents; and

WHEREAS, based on Community Critical Priorities, the City Council desires to establish policies to ensure a reasonable opportunity for a variety of housing and which bears an essential nexus to maintaining the social, economic, and cultural fabric of the community; and

WHEREAS, the 2019 Regional Housing Needs Assessment concluded that housing costs continue to outpace wages in the service sector areas of the resort-based economy and has resulted in making housing unaffordable to working residents of the City; and

WHEREAS, the 2019 Regional Housing Needs Assessment projects that the Leisure and Hospitality employment sector will continue to drive the demand for additional workforce housing in Park City; and

WHEREAS, it is in the best interest of the community and a legitimate government interest to formulate guidelines and standards to establish a consistent criteria for review of Master Planned Development applications and annexation petitions where affordable housing is needed to mitigate the impact of the project on the community; and

WHEREAS, the cost of providing affordable housing should be equitably apportioned, based on impact generation, growth inducement, and the underlying goal to provide a diversity of housing types and prices in the community, in order to maintain a healthy economy and diverse population.

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

SECTION 1. ADOPTED HOUSING STANDARDS AND GUIDELINES. The following housing standards and guidelines are hereby adopted. Unless otherwise defined separately herein, all words and terms shall have the same meaning as defined in the Land Management Code, as amended.

SECTION 2. APPLICABILITY. These standards shall apply to all new Housing and Commercial Development created under Title 15, Chapter 6 Master Planned Developments, and Title 15, Chapter 8 Annexation, of the Park City Land Management Code. These standards shall apply to prior agreements on density or configuration unless specifically addressed within Development Agreements.

SECTION 3. PURPOSE. The purpose of this Resolution is to ensure that new development does not adversely affect the supply of affordable housing in the City and to maintain the social, economic, and cultural fabric of Park City's community character. It is intended that the requirements imposed herein are roughly proportionate and reasonably related to the impacts of the Development.

SECTION 4. REVIEW. This Resolution shall be reviewed by the City Council at least biennially to ensure that these standards are meeting the housing goals and objectives.

SECTION 5. DEFINITIONS.

A. Affordable For Sale Housing: Housing that is priced affordable to households with incomes at or below 80% of AMI.
B. Affordable Housing Cost: Monthly housing costs that consume no more than 30 percent of a household's income. Housing costs include rent or mortgage, basic utilities, and any Homeowners or Condo Association dues.
C. Affordable Housing Unit or Housing Unit: Dwelling units that are deed restricted to the housing size and type for individuals meeting occupancy guidelines approved by the Park City Council.
D. Affordable Rental Housing: Housing that is priced affordable to households with incomes ranging up to 80% of AMI.
E. Affordable Unit Equivalent (AUE): A two-bedroom unit with 900 square feet of Net Livable Space shall be considered one Affordable Unit Equivalent.
F. Alter or Alteration: Alter or alteration means any change, addition, or modification in construction or occupancy.
G. Annual Compliance Report: A report, as amended from time to time by the City or its designee, required to be provided to the City by each Unit Owner yearly to certify compliance with deed restrictions on a unit.
H. Applicant: A Household that has submitted the required application either for qualification as a Buyer or for placement on the Ownership Waiting List, as the context requires.
I. Assets:

    1. Assets: Anything owned by an individual that has commercial or exchange value. Assets consist of specific property or claims against others, in contrast to obligations due others.
    2. Gross Assets: Anything which has tangible or intangible value, including property of all kinds, both real and personal; includes among other things, patents and causes of action which belong to any person, as well as any stock in a corporation and any interest in the estate of a decedent; also, the entire property of a person, association, corporation, or estate that is applicable or subject to the payment of debts. Gross Assets shall include funds or property held in a living trust or any similar entity or interest, where the person has management rights or the ability to apply the assets to the payment of debts. Assets are evaluated at current fair market value, not accounting book value.

3. Household Gross Assets: Combined Gross Assets of the Household.
4. Household Net Assets: Gross Household Assets less Gross Household Liabilities.
5. Net Assets: Gross Assets minus liabilities. Retirement accounts will be reviewed on a case-by-case basis to determine whether or not they shall be included as a net asset.

J. Area Median Income (AMI): Area Median Income is a calculation of annual household income determined by the US Department of Housing and Urban Development (HUD).
K. Attainable Housing: Housing that is priced affordable to households with incomes between 81 and 150 percent of AMI.
L. Bedroom: Designed to be used for sleeping purposes and which contains closets and meets all applicable City Building Code requirements for light, ventilation, sanitation, and egress.
M. Buyer: A person who is buying or has purchased a Housing Unit.
N. Capital Improvements: Material improvements or structural changes to a Unit that are more than repairs or cosmetic changes, including changes that would adapt a Unit to a new or different use or materially affect the value or use of the Unit and including, but not limited to all Permitted Capital Improvements.
O. CC&Rs: The Declaration of Covenants, Conditions, and Restrictions, commonly known as the CC&Rs, is a legal document that is filed with the county recorder's office which are part of the governing documents for the project, subdivision or condominium. City Code: The Municipal Code of Park City, Utah, as amended.
P. Commercial Property: Property which is used for any commercial uses as defined by the Park City Land Management Code.
Q. Community Critical Priority: Community Critical Priorities provide a framework for planning, targeting resources and establishing goals. Prioirties are established periodically by the City Council based on feedback from the community at large through planning and assessment exercises.
R. Co-signer: A joint signatory of a promissory note whose obligations are the same as those of the primary borrower. If the primary borrower does not repay the loan, the co-signer accepts responsibility for the debt.
S. Deed Restriction: A contract entered into between Park City Municipal Corporation and the owner or purchaser of real property identifying the conditions for occupancy and resale.
T. Dependent: A minor child (18 years or younger) or other person related by blood or adoption to a Tenant or Owner of a Housing Unit declared as a dependent for federal income tax purposes by such Tenant or Owner, or by Tenant's or Owner's present or former spouse.
U. Designee: A person or entity who is named and authorized to act in place of the person or entity granting the designation.
V. Developed Residential Property: Property that contains at least one (1) dwelling unit as defined in the Park City Land Management Code.

W. Disability: A physical or mental impairment that substantially limits one or more of a person’s major life activities, including a person having a record of such an impairment or being regarded as having such an impairment.

X. Domicile: The place where an individual has a fixed permanent home and principal establishment to which the individual, if absent, intends to return and in which the individual and/or his or her family voluntarily reside not for a special or temporary purpose but with the intention of making a permanent home for a minimum of nine (9) months out of each calendar year.

Y. Dormitory Unit: Living quarters designed for seasonal employees and meet standards defined in Section 9.D of this Resolution.

Z. Down Payment: The initial payment one makes to establish debt or otherwise paid in installments. Buyer may convert personal assets held for two (2) years or greater to cash for use as a Down Payment without said cash considered Income for purposes of Qualification. Additionally, a one-time gift of up to 30% of the Original Purchase Price used exclusively as a down payment for the purchase of a Housing Unit may be considered as a net asset and not as earned income for the purposes of initial qualification.

AA. Financial Statement: A statement detailing all personal assets, liabilities, and net assets (the difference between gross assets and liabilities) as of a specific date.

BB. Fixture: 1) A tangible thing which previously was personal property and which has been attached to or installed on land or a structure thereon in such a way as to become a part of the real property; 2) Any non-portable lighting device built in or attached securely to the structure; 3) The permanent parts of a plumbing system and fixtures.

CC. Household: All individuals that are or will be occupying a unit regardless of legal status.

DD. Housing costs: Monthly housing costs that consume no more than 30 percent of a household’s income. Housing costs include rent or mortgage, basic utilities, and any Homeowners or Condo Association dues.

EE. Housing Unit: See Affordable Housing Unit.

FF. Household Income: Combined income of all individuals, excluding dependents, who are or will be occupying the unit regardless of legal status. Adjustments to the gross for business expenses can be made for persons who are self-employed.

GG. Immediate Family: Spouse, siblings, parents and/or offspring, either biologically, by marriage, civil union, or by legal adoption, regardless of age.

HH. Income:

1. Earned Income:
    a) Income derived from one’s own labor or through active participation in a business and including retirement funds, Social Security benefits, alimony, and child support; and
    b) Net income derived from a business or from income-producing property, after reasonable deductions for expenses, depreciation, taxes, and similar allowances.

c) Retirement and/or pension income for Qualified Elderly, regardless of origin, is considered earned within the Park City School District boundaries.

2. Household Income: Combined Gross Income of all individuals in the Household excluding dependents.

II. Initial Sale Price: The Original Purchase Price [OPP] of that Housing Unit at the time the original Deed Restriction for the Housing Unit is executed and recorded.

JJ. Land: All land or water surfaces, whether public or private, including lots, parcels, or other ownership categories and all rights (including: surface, subsurface, or air) that may be attached or detached from the land.

KK. Lease: A written agreement between an Owner and a tenant Household that creates a Leasehold Interest.

LL. Maximum Rental Rate: The total amount per month according to Section 20 that a Qualified Owner is allowed to charge to a Household in leasing a Housing Unit.

MM. Maximum Resale Price: The price above which a Unit may not be Sold as calculated by the City, its designated agent, department, or assign, using the formula set forth in Section 10.A.5.

NN. Micro Unit: A unit that is between 250 – 600 square feet designed around a single room incorporating features of a living room, bedroom, dining room/kitchen, and bathroom.

OO. Net Livable Square Footage: Calculated on interior living area and measured interior wall to interior wall, including all interior partitions. Also included, but not limited to, habitable basements and interior storage areas, closets, and laundry areas. Exclusions include, but are not limited to, uninhabitable basements, mechanical areas, exterior storage, stairwells, garages (either attached or detached), patios, decks, and porches.

PP. Net Worth: The amount of total assets of an applicant that exceed total liabilities, as determined by the City.

QQ. Non-qualified Buyer: A buyer of a Unit that is not a Qualified Buyer.

RR. Non-qualified Tenant: A tenant of a Unit/Space that is not a Qualified Tenant.

SS. Option to Purchase: A legal document signed by the Mortgagee, acknowledging the provisions of the Deed Restriction and granting a right to the PCMC or to the Park City Housing Authority to purchase the Housing Unit default.

TT. Owner-Occupied: A Unit that is occupied by the Unit Owner as the Unit Owner's Primary Residence.

UU. Park City School District Boundaries: The latest school district boundaries as duly adopted and as reflected on the most current mapping issued by the Utah State Automated Geographic Reference Center school district map.

VV. PCMC: Park City Municipal Corporation. As used in this Resolution, PCMC may also mean the Board of Directors of the Park City Housing Authority, or PCMC Staff as the context requires.

WW. PCMC Board: The Board of Directors of the Park City Housing Authority.

XX. PCMC Staff: The person or persons who Park City Municipal or the Park Housing Authority employs for the purpose of administering this Housing Resolution.

YY. Permitted Capital Improvements: Capital Improvements made by a Unit Owner to the Unit Owner's Unit with the prior written consent of the City; are completed with all necessary building permits, including final inspections required by such permits, and deemed completed by the City building department; and that may increase the Maximum Resale Price subject to Section 10.

ZZ. Primary Residence: The place where Domicile has been established as the sole and exclusive place of residence.

AAA. Property: Includes all real estate of any kind, developed or undeveloped, including but not limited to land, commercial property, investment property, and residential property.

BBB. Qualifications: The minimum standards of employment, residency and/or net assets that are applied to a Qualified Household according to Section 16 as well as any additional qualifications under a particular Housing Program.

CCC. Qualified Buyer: Qualified Buyer shall be a person or persons who are determined by the City to meet the criteria defined in Section 16.

DDD. Qualified Tenant: Qualified Tenant shall be a person or persons who are determined by the City to meet the criteria defined in Section 20.

EEE. Residential Unit Equivalent: In accordance with the Park City Land Management Code, Title 15, Section 6-8 Unit Equivalents, one Residential Unit Equivalent (RUE) is equal to 2,000 square feet of Multi-Family Dwelling floor area or one single family lot.

FFF. Sale: For purposes of this Resolution, a sale is the exchange of a Housing Unit for an agreed amount of money not to exceed the Maximum Resale Price in a single transaction in which title to the Housing Unit is transferred to a new Qualified Household.

GGG. Senior: A person who is over the age of 65.

HHH. Single Room Occupancy (SRO): Living quarters designed for one person and meet standards defined in Section 9.D of this Resolution.

III. Storage Space: Space intended and commonly utilized as location for preservation or later use or disposal of items.

JJJ. Studio: See Micro Unit

KKK. Target Income: The specific household income to be served by affordable or attainable units which is determined by PCMC based on current need at the time units are put in service.

LLL. Tenant: A person who has the temporary use and occupation of real property owned by another subject to deed restrictions and/or this Resolution.

MMM. Volunteer Community Service: Work which is performed for recognized non-profit community organizations for which no monetary or other material compensation is received.

SECTION 6. EXEMPTIONS. The development of affordable housing units that are not part of any housing obligations resulting from a Master Planned Development or an Annexation Agreement are exempt from the requirements of this Resolution. This may also include projects developed by or sponsored by nonprofit organizations and/or projects for which agreements have been executed that provided affordable housing or land for said purpose.

SECTION 7. FEE WAIVERS. Title 11, Chapters 12 and 13 of the Municipal Code provides that “any part of the fees included in this Title may be waived by the City Council upon recommendation of the City Manager, for those projects which are deemed to serve a beneficial public purpose that would be harmed by the City requiring the payment of such fees, such as low income housing projects.” Pursuant to Title 11, Chapter 13-4(A) of the Municipal Code, the City Council may waive impact fees for construction of affordable housing. Affordable housing projects that fulfill housing obligations resulting from Master Planned Developments and/or Annexations are not eligible for fee waivers.

SECTION 8. CALCULATION OF MINIMUM AFFORDABLE HOUSING REQUIREMENTS

A. Residential Development. For projects where dwelling units are offered for sale or rent, the Developer shall provide affordable housing units in an amount equal to twenty percent (20%) of the total RUEs in the project. Affordable Housing Units developed on-site in fulfillment of this requirement are not included in the density calculation for the project.

RESIDENTIAL GENERATION CALCULATION EXAMPLE

An Applicant has received approval for a 128-unit Master Planned Development. The dwelling units are of varying sizes totaling 328,000 square feet which equals 164 RUEs.

1. 164 RUEs (total units approved) multiplied by.20 (residential mitigation rate) equals 32.8 Affordable Unit Equivalents (AUEs).
2. One AUE equals 900 square feet of net livable space.
3. The total approved units for this Master Planned Development is 128 market rate units plus 32.8 AUEs equaling 29,520 total net square feet of additional livable space.

B. Commercial Development The Developer shall be required to mitigate 20 percent of the employees generated. For projects with a commercial component, the minimum affordable housing requirements shall be determined according to the following formulas:

Table 1: Employee Generation by Type of Use.

Type of Use	Full Time Equivalents (2080 hours) per 1,000 Net Leasable Square Feet
Restaurant/Bar	6.5
Education	2.3

Finance/Banking	3.3
Medical Professional	2.9
Other Professional Services	3.7
Personal Services	1.3
Real Estate/Property Management	5.9
Commercial/Retail	3.3
Recreation/Amusements	5.3
Utilities	2.9
Lodging/Hotel	0.6/room
Condominium Hotel	Greater of lodging/hotel calculation or residential mitigation rate
Overall/General	4.4

The Overall/General Type of Use shall apply to any use not listed in the Employee Generation Table if an Independent Calculation is not performed.

EMPLOYEE GENERATION CALCULATION EXAMPLE

An application for a Master Planned Development of 20,000 square feet of commercial space and 100 hotel rooms has been submitted. The commercial uses include:

- 10,000 square feet of retail space
- 5,000 square feet of restaurant/bar space
- 5,000 square feet of professional services

Using the above Employee Generation Table, the project will generate 144 employees.

Retail at 3.3 employees per 1,000 square feet equals 33 employees.
Restaurant/Bar at 6.5 employees per 1,000 square feet equals 32.5 employees.

Professional Services at 3.7 employees per 1,000 square feet equals 18.5 employees.

Hotel at 0.6 employees per unit equals 60 employees.

144 (total number of employees) multiplied by .20 (mitigation rate) equals 28.8 employees.

28.8 employees divided by 1.5 (workers per household) equals 19.2 AUEs required.

The Developer is required to provide 19.2 AUEs or a total of 17,280 net square feet of livable space in addition to approved commercial and hotel density.

C. Reduction of Employee Generation for Institutional/Nonprofit Use. The City Council may reduce the base employee generation rate by up to fifty percent for uses that are “non-commercial or non-residential in nature, which provide educational, social or related services to the community and which are proposed by public agencies, nonprofit agencies, foundations and other similar organizations” upon finding that the benefits/impacts of such Development as they relate to the Community’s Critical Priorities and/or General Plan goals outweigh the housing impacts.

D. Independent Calculation. An applicant may submit an independent calculation of the number of employees to be generated by a proposed development, to be used in place of the Employee Generation Table. The independent calculation must be described in detail as to formulas used and the basis for those formulas. The City Council may choose to accept the independent calculation if the Council determines the calculation constitutes compelling evidence of a more accurate calculation of employee generation than Table 1: Employee Generation Table. Should the independent calculation not be accepted, then the applicable employee generation factor from the Employee Generation Table shall be applied to the proposed Development. Any acceptance of an Independent Calculation shall be site and use specific, non-transferable, and be memorialized in a Development Agreement between the developer and the City. Such Agreement shall be executed prior to the issuance of any building permit.

E. Redevelopment: Additions and Conversions of Use. Redevelopment or remodeling of an existing structure or a change in use that results in additional employee generation shall require additional housing mitigation. In order for this Section to apply, the original structure and use must have resulted from an approved Master Planned Development or Annexation Agreement. Any new area or unit or any change in use or amendment to an existing approved Master Planned Development which creates additional Employee Generation as determined in Table 1: Employee Generation by Type of Use shall be subject to a recalculation of housing obligation. Mitigation shall be required for the employees generated by the proposed total square footage (including addition) minus the original employment generation prior to the change. Example 1: a conversion of a 1,000-square-foot. retail establishment with an employee generation rate of 3.3 FTEs per 1,000 square feet to a restaurant or bar with a generation rate of 6.5 FTEs per

1,000 square feet results in a net increase in 3.2 FTEs and would require additional mitigatiohn. Example 2: a bar-restaurant enlarges their space by expanding the building into parking area, adding 1,000 square feet which is a net increase of 6.5 FTEs and would require additional mitigation.

F. Final Unit Requirement Calculations. The final calculations for the number of affordable units and the rental or sales price for these units shall be made by staff utilizing the calculation formulas in Section 8 and Section 20 of this Housing Resolution. All calculations are subject to approval by the Park City Housing Authority prior to the issuance of building permits for the covered project.

SECTION 9. METHODS TO FULFILL HOUSING OBLIGATIONS

A. Methods of Meeting Minimum Requirements. The following methods, in order of priority, may be used to meet the minimum affordable housing mitigation requirements.
    1. Construction of unit(s) on the site on which the development is proposed. Affordable housing units shall be constructed on the project site, unless the developer can demonstrate compelling evidence that an alternative method would result in a better design, enhanced level of affordability or that the construction on-site would adversely affect the design of the project.
    2. Construction of the unit(s) within the Park City corporate limits provided such land, site or structure had not been previously deed-restricted for affordability.
    3. Dedication of existing units within Park City corporate limits provided such units have not been previously deed-restricted for affordability. Developers may deed restrict units by purchasing an open-market unit, placing a Deed Restriction on that unit, and renting or reselling the unit to a Qualified Household.

       It is the developer's responsibility to demonstrate approval by the homeowners association for the open-market unit proposed for deed restriction, including any limitations on the homeowners association dues for the Housing Unit.

       It is the developer's responsibility to demonstrate approval by the jurisdiction in which the proposed unit is located for any unit proposed to be deed restricted to provide Affordable Housing, including approval of the provisions of the deed restriction.

       Units so deed restricted are subject to all size and construction standards and notes, except that PCMC may consider an exception to the size standards on a case-by-case basis. An exception to the size standards shall not be greater than 100 square feet from the minimum or maximum allowable square footage per Section 9.C. A developer may request this exception in its Housing Mitigation Plan, or may apply for such exception as an amendment to the Housing Mitigation Plan.

Any existing unit which is to be deed restricted must be in a good state of repair and condition. Acceptance of existing units shall be at the sole discretion of the Park City Housing Authority. If accepted by the Park City Housing Authority, existing units must meet the following criteria, unless a variance from these requirements is approved by the Park City Housing Authority:

a) Units must be freshly painted in the interior, and exterior walls shall be freshly painted within one year of approval;
b) All appliances must be in good condition and working order;
c) Yards and landscaping, windows, heating, plumbing, and electrical systems and equipment shall be in good condition and working order;
d) Units must meet the Energy Efficiency requirements set out in Section 9.F below;
e) The roof must have a remaining useful life of at least ten (10) years and Units shall meet applicable building codes in effect at the time, pursuant to inspection and approval by a qualified Building Inspector accepted by PCMC;
f) The Applicant shall bear the costs and expenses of any required upgrades as well as any structural/engineering reports required by PCMC to assess the suitability for occupancy and compliance with required standards;
g) In order to complete an inspection and to receive approval for deed restricting an existing unit, the Developer may be required to pay an Inspection Fee to PCMC, which is not refundable. Payment to place deed restrictions on existing units owned by a third party is allowed with the following requirements: a. No more than 25% of a housing obligation resulting from one particular Development Agreement may be fulfilled by placing deed restrictions on already constructed units owned by a third party; b. Must demonstrate approval by the homeowners association for the open-market unit proposed for deed restriction, including any limitations on the homeowners; association dues for the Housing Unit; and
h) Units must meet the health, safety and energy efficiency standards set out in this Section 9.A.3.

4. Construction of units outside Park City, but within the Park City School District boundary as it stands on January 1, 2015.
5. Conveyance of land within the Park City School District boundary as it stands on January 1, 2015 provided such land has not been previously deed-restricted for affordability. The developer may elect to (a) convey land to the City or its designee that is of equivalent value to the fee in lieu contributions required under this Resolution, plus an additional 25 percent to cover costs associated with holding, developing, improving, or conveying

such land; or (b) convey land to the City or its designee that is of equivalent value (as of the date of conveyance) to that land upon which required units would otherwise have been constructed and properly zoned such as to allow construction of at least that number of units for which the obligation of construction is being satisfied by the dedication of the land. Land conveyance shall occur prior to the issuance of any building permit for the free market portion of the development. Should the City Council later elect to sell the land, all proceeds from the sale of the land shall be placed in a dedicated housing fund.

6. Payment of Fees in Lieu of Development. If the Park City Housing Authority determines that (1) no other alternative is feasible, or (2) such a payment would result in more immediate development of housing, or (3) such a payment would leverage additional resources, then a Payment of Fees in Lieu of Development may be accepted. The collected funds may only be expended for projects located within the corporate limits of Park City or within the Park City School District boundary as it stands on January 1, 2019. The In Lieu Fee shall be based on the actual cost of construction in the prior year and published annually in June on the City's affordable housing webpage. Updates may occur more frequently at the request of the City Council to reflect changing real estate conditions. Any Fees in Lieu collected and any interest accrued shall be used only for the purpose of planning for, subsidizing, or developing affordable housing.

B. Unit Types: The distribution of dwelling unit types that meet the deed restricted affordable unit requirements of this section shall be as follows:
   1. Single-Family: In developments where only single-family detached dwelling units are being produced, the required on-site Affordable Unit Equivalents shall also be single-family detached dwelling units.
   2. Multi-Family: In developments where only multi-family buildings are being produced, the required on-site Affordable Unit Equivalents shall also be within the multi-family building or buildings.
   3. Mixed: In developments where there is a mix of dwelling unit types such as: detached single-family, townhomes, duplexes or attached single-family, or multi-family condominium or apartment buildings, or other types of units, the required on-site Affordable Unit Equivalents shall also be a mix in the same proportion as the market rate dwelling units.
   4. Alternative Distribution Ratios: Different unit distribution among the Affordable Unit Equivalents may be permitted by the Park City Housing Authority on a case-by-case basis if doing so would accomplish additional benefits or result in a better design than not using the distribution of units provided for in this section.

C. Minimum Square Footage Standards: In order to assure livability, the standard net livable square footage for affordable units shall be as follows:

UNIT TYPE	MINIMUM SQUARE FEET	MAXIMUM SQUARE FEET

Micro Unit/Studio	200	600
1 Bedroom	600	800
2 Bedroom	800	1,100
3 Bedroom	1,100	1,300
4 Bedroom	1,300	1,600

1. Minimum square footage is the actual minimum square footage allowed to be constructed or otherwise provided under the provisions of the Park City Land Management Code. Maximum square footage is the maximum amount of square footage which may be credited against the required square footage for a given unit type, regardless of the actual size of the unit provided. For projects which have Affordable Housing comprised of single family, duplex, or triplex structures, Park City Housing Authority may, at its sole discretion, approve increases to Maximum Square Footage for each Unit Type up to twenty five (25) square feet per bedroom if it is demonstrated and the Park City Housing Authority finds the variance will benefit the overall affordable housing program.
2. All newly constructed deed restricted Affordable Housing Units must comply with the applicable building codes in effect in Park City and with all rules, regulations and codes of all governmental bodies and agencies having jurisdiction.
3. All deed restricted Affordable Housing Units must have a fully equipped kitchen (Sink, Refrigerator, Stove Top, Microwave) and a full bathroom (Sink, Shower/Tub, and toilet), areas for living and sleeping and designated areas for storage. Areas designated for sleeping and/or bedrooms shall be a minimum of 100 square feet, with a minimum width dimension of 10 feet. PCMC shall be the final judge of the adequacy of facilities provided in the unit.
4. Any deviation from these standards shall be approved by Park City Housing Authority as part of the applicable Affordable Housing Mitigation Plan. The Building Department prior to the issuance of any building permits for either the free market or employee housing component of the project must verify square footage. The Building Department may check the actual construction of the Affordable Unit Equivalents.

D. Seasonal Units. Pursuant to the applicable City codes, an applicant for a development may, at the sole discretion of the City and subject to certain requirements, satisfy the employee housing requirements by provision of dormitory/Single Room Occupancy (SRO) units designed for occupancy by seasonal employees. The dormitory/Single Room Occupancy (SRO) units must satisfy all requirements of the applicable Guidelines and shall be required to meet the following minimum standards:

1. Occupancy of a dormitory unit shall be limited to no more than 8 persons.
2. There shall be at least 150 square feet of net livable square footage per person.
3. At least one bathroom shall be provided for shared use by no more than four persons. The bathroom shall contain at least one toilet, one wash basin, one bathtub with a shower and a total area of at least 60 net leasable square feet.
4. A kitchen facility or access to a common kitchen or common eating facility shall be provided subject to the Building Department's approval and determination that the facilities are adequate in size to service the number of people using the facility.
5. Use of 20 net leasable square feet per person of enclosed storage area located within, or adjacent to, the unit.
6. Rents for dormitory units will be approved by the Park City Housing Authority in conjunction with approval of the Housing Mitigation Plan.

E. Special Needs Emergency/Transitional Housing. Pursuant to the applicable City codes, an applicant for a development may, at the sole discretion of the City and subject to certain requirements, satisfy a portion of its employee housing requirements by provision of special needs emergency/transitional housing units through either direct construction, land donation or the donation of existing units. There must be a quantified, demonstrated need for the emergency/transitional housing within the Park City boundaries. The housing must be developed in collaboration with a federally recognized, 501(c)(3) nonprofit organization. The housing must comply with all applicable local, state and federal requirements. Given the unique and varying characteristics of the population to be served, the rents for emergency/transitional housing must be approved in advance by the Park City Housing Authority.

F. Minimum Green Building Requirements. All appliances and products including light bulbs shall be Energy Star qualified products for all new construction or substantial rehabilitation. Developers are encouraged to meet Park City Resolution 28-2017, Net Zero Energy Performance Requirements.

G. Affordable Unit Amenities. Affordable units may differ from the market units with regard to interior amenities and gross floor area provided that:

1. These differences, excluding differences related to size differentials, are not apparent in the general exterior appearances of the project's units;
2. These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency of the project's units; and
3. The gross floor area of the affordable units is not less than the minimum requirements listed in Section 9.C above, unless waived by the City.

H. Homeowners Association Dues

1. Affordable/Employee units within Market Buildings. To protect the affordability of the Affordable Housing Units within a market building, the declaration of covenants, conditions and restrictions CCRs shall state that the Affordable Housing Unit shall only be assessed monthly dues and other shared assessments based on whichever of the following two (2) formulas result in the lower cost or option C:

    a) Size: the pro rata share of the assessments based on the size of the Affordable Housing Unit in square feet as compared to the total size of all the other units in the development; or

    b) Par Value: the Affordable Housing Unit pays a pro rata share based on its initial list price at the initial sale of the unit compared to the aggregate initial list price at the initial sale of all units in the project. This method is preferred for units mixed within market units in order to recognize the Affordable Housing Units are not substantially the same as market units. For the avoidance of doubt, any subsequent reduction or increase in list price or a discount or premium on the listing price to a particular purchaser shall not have an effect on, or cause a recalculation of, the par value of the particular unit or the total value of all units in the project.

       Example: if an Affordable Housing Unit was initially listed at a price of 150,000 dollars for the initial sale of the unit, and the total initial list price of all units in the complex at their initial sale was 2 million dollars, then the Affordable Housing Unit would pay a ratio of 7.5% of the community's total HOA fees. This calculation would not change if an individual purchased a unit for a price less or more than 150,000 dollars or upon resale of the unit.

    c) Separate HOA: Affordable Housing Units within market rate developments may have the option to create their own separate HOA to determine their fees and assessments separate from the market rate units within the same development. Refer to Section 2 below to see the procedure for 100% affordable properties.

2. Affordable/Employee units within 100% affordable properties: The declaration of covenants, conditions and restrictions of the homeowner's association shall state that the annual common operating assessment shall not exceed one- and one-half percent (1.5%) of the initial list price of the Affordable Housing Unit. If utilities for individual units are included in HOA dues, then the dues less the cost of utilities for individual units may not exceed 1.5% of the initial list price.

    Example: List price of an Affordable Housing Unit is $300,000. Annual common operating assessment for this unit shall not exceed $4,500 ($300,000 x .015) or $375 per month.

Exceptions or changes to this rule may be granted by (i) the affirmative vote of no less than 67% of the owners or, (ii) after delivery by the HOA to the Housing Authority of a letter justifying the necessity of the excess increase to the Housing Authority's satisfaction in its sole discretion, by an affirmative majority vote of the Housing Authority.

3. Limits to Annual Increases

The declaration of covenants, conditions and restrictions of the homeowner's association shall state that annual increases in common operating assessments shall not exceed 4% of the prior year's assessment. Exceptions to this rule may be granted by (i) the affirmative vote of no less than 67% of the owners or, (ii) after delivery by the HOA to the Housing Authority of a letter justifying the necessity of the excess increase to the Housing Authority 's satisfaction in its sole discretion, by an affirmative majority vote of the Housing Authority.

4. Special Assessments

The declaration of covenants, conditions and restrictions of the homeowners association shall state, in market buildings that include Affordable Housing Units, that Special Assessments must be apportioned to the Affordable Housing Units in accordance with the size of the unit or based on par value whichever is less calculated in accordance with the formula set forth in H.1. of this section. In properties that are made up of 100% Affordable Housing Units, Special Assessments must be approved by no less than 67% of the owners. If less than 67% of the owners vote for the Special Assessment and, then a presentation can be given to the Housing Authority in the form of a letter detailing the need for the Special Assessment, , the Housing Authority may, in its sole discretion, approve the Special Assessment by an affirmative majority vote. Exceptions to this rule may be granted by an affirmative majority vote of the Housing Authority.

SECTION 10. DEED RESTRICTION. Prior to the plat recordation, provisions to ensure continued affordability of affordable and attainable units shall be embodied in legally binding deed restrictions, which shall be prepared by the developer to meet the requirements outlined in this Resolution. PCMC Staff shall provide the Developer with template deed restriction documents for review. The deed restrictions shall not be recorded until reviewed and approved by the City Attorney with such modifications as may be deemed necessary to carry out the purpose of this Resolution. In addition, prior to issuance of any Certificate of Occupancy, the deed restrictions shall be amended, if necessary, to reflect changes approved by PCMC and governing bodies which may have occurred during construction or conversion of the units(s) (e.g., net livable square footage). Deed Restrictions for Affordable Units must meet the requirements of the Park City Municipal Land Management Code in addition to the general requirements of this

Resolution. No building permit application shall be accepted in the absence of proof of the execution of requirement agreements and covenants.

B. The Deed Restriction shall specify:
   1. The definition of a “Qualified Buyer” and/or a “Qualified Renter”.
   2. For sale units must be owner occupied.
   3. Unit Owner of Owner Occupied units shall not rent or lease all or any portion of their Units, including nightly rentals; provided, however, that only with the prior written consent of the City, Unit Owners may rent or lease their Units under the following circumstances:
      a) Subject to other zoning and land use regulations, each Unit Owner may rent out a portion of his or her Unit to a roommate for a minimum term of six (6) months and a maximum term of twelve (12) months, and the amount of respective rent a Unit Owner may charge such roommate per month shall not exceed forty-five percent (45%) of the sum of the mortgage payment, Project association assessments, and utilities owed per month for such Unit.
      b) At a rate determined by the City after accounting for the Unit Owner’s costs, a Unit Owner may rent out the Unit Owner’s Unit for a period not to exceed twelve (12) months if the Unit Owner is unable to Sell the Unit after one-hundred-and-twenty (120) days of Reasonable Effort. The option to rent under this Subsection shall not be exercised by any Unit Owner more than once.
      c) At a rate determined by the City after accounting for the Unit Owner’s costs, a Unit Owner may rent out the Unit Owner’s Unit if the Unit Owner is required to relocate for a period not to exceed two (2) years by the Unit Owner’s employer; for religious, civic, or community service; or for military service.
      d) Other circumstances as may be required by law.
   4. The process for resale of the unit in accordance with the PCMC Housing Resolution.
   5. The method of calculation of the allowed Maximum Resale Price (“MRP”). MRP shall include:
      a) An increase in price of three percent (3%) per year from the date of purchase to the date of Owner’s notice of intent to sell (compounded annually and prorated at the rate of .25 percent per each whole month of any part of a year);
      b) PLUS, The costs of Qualified Capital Improvements as defined, not to exceed five percent (5%) of the MRP for the current owner or as determined by PCMC on a project specific basis provided that:
         i. Improvements are pre-approved by PCMC prior to commencement of any work or installation.
         ii. Proof of homeowners association approval must be provided to PCMC prior to commencement of work.

iii. Improvements must be properly permitted and inspected by the Park City Municipal Corporation Building Department if applicable.
iv. Improvements are documented by the Owner and submitted to PCMC via final detailed paid invoices.

c) LESS, the Depreciation on Permitted Capital Improvements
d) LESS, any costs to bring unit up to Minimum Standards for MRP.

6. The Housing Unit may be used in a Home Occupation if:
   a) Proof of compliance with the Park City Municipal Code, as amended, or its successor document, is provided to PCMC;
   b) HOA approval of the specific Home Occupation is filed with PCMC, if applicable;
   c) The business holds a current PCMC business license; and
   d) The business holds current state and federal tax identification numbers, if applicable.
7. PCMC does not make any guarantees of the Owner's ability to sell the Housing Unit for its MRP or rent the Housing Unit for the Maximum Rent Allowed.
8. Violation of any of the covenants, conditions and terms of the Deed Restriction shall also be a violation of the Housing Resolution whether or not a corollary provision exists.
9. An Option to Purchase shall be granted by the Lender to PCMC to redeem the Housing Unit in the event of default by purchasing the unit from the holder of the trustee's deed at the redemption price plus reasonable costs of the holder.
10. The Deed Restriction shall be binding on all Owners, successors and assigns including any holder of a deed in lieu of foreclosure.
11. The Deed Restriction, Option to Purchase, and any amendments thereto must be recorded in the property records of Summit County. The original executed and recorded documents must be returned to PCMC for their files.
12. Deed Restrictions may not be transferred off the property unless otherwise approved through the Park City Housing Authority.
13. All Deed Restrictions must be approved by PCMC. No modification or amendment to the Deed Restriction shall be effective unless agreed to in writing by PCMC.

SECTION 11. TIMING OF OCCUPANCY. The affordable units shall be ready for occupancy no later than the date of the initial or temporary occupancy of the free market portion of the project. If the free market units are to be developed in phases, then the affordable housing can be developed in proportion to the phasing of the free market units as approved in the Housing Mitigation plan.

SECTION 12. APPLICABILITY OF RESOLUTION TO PRIOR APPROVALS OR PENDING APPLICATIONS.

A. Prior Development Agreements. Developments, which received development plan approvals prior to the adoption of this housing resolution, shall conform to the provisions of the resolution in place at the time of applicable complete application. Any modifications to an existing Development Agreement that results in an increase in housing units or employee generation shall be subject to the provisions of this Resolution.
B. Prior Annexation. Unless otherwise provided in Conditions of Approval or a Development Agreement, Developments subject to affordable housing requirements imposed by annexation agreements entered into prior to the effective date of this Resolution may develop in conformity with the Resolution in place at the time the Annexation Agreement was approved.
C. Pending Project Approval Actions. Developments for which complete applications were filed prior to the effective date of this Resolution, but have not been reviewed by the appropriate body, must conform to the Resolution in place at time of application.

SECTION 13. HOUSING MITIGATION PLAN. The Applicant shall submit a Housing Mitigation Plan. The Housing Mitigation Plan shall be developed using the Housing Mitigation Checklist, reviewed by the Planning Commission as part of the application to the City for the Annexation or Master Planned Development with a recommendation forwarded to the City Council. The Housing Mitigation Plan shall include the following:

A. Calculation and Method. The calculation of, and method by which housing is to be provided, in compliance with Section 8 “Calculation of Minimum Affordable Housing Requirement” and Section 9 “Methods to Fulfill Housing Obligations.”
B. Unit Descriptions. If affordable housing units are to be developed, a site plan and building floor plans (if applicable), illustrating the number of units proposed, their location, the number of bedrooms in and square footage of each unit, and the rental/sale mix of the development. The proposed sale prices and rent levels shall also be included.

SECTION 14. CONSTRUCTION TIMING.

A. Construction of Market Units. Affordable units shall be made available for occupancy on approximately the same schedule as a project’s market units; except that Certificates of Occupancy (temporary or permanent) for the last ten percent of the market units shall be withheld until Certificates of Occupancy have been issued for all of the affordable units. Other phasing agreements may be accepted, if doing so would accomplish additional benefits for the City consistent with the purposes of this Resolution. A schedule setting forth the phasing of the total number of units in a covered project, along with a schedule setting forth the phasing of the required affordable units shall be approved prior to the issuance of a building permit.
B. Fulfillment in Advance of Obligation. Affordable units may be completed in advance of development that triggers an affordable housing obligation. In instances where a residential or commercial developer wants to build and deed restrict units in advance of incurring an affordable housing obligation, the units will be valued as

to number of AUEs under the Housing Resolution in existence at the time the market development occurs. The future development shall be identified within the recorded deed restriction document. The units shall be built in accordance with prevailing Land Management Code and deed restricted at the time of approval. The total square footage of deed restricted units will be converted to Affordable Unit Equivalents in compliance with the Housing Resolution in effect at the time a plat is approved for the development that triggers the housing obligation. If for some unforeseen reason, the development triggering the obligation is not completed, the City will entertain a request that the recorded deed restriction(s) on the affordable units be removed.

SECTION 15. GOOD FAITH MARKETING REQUIRED. All sellers or owners of deed restricted affordable units shall engage in good faith marketing efforts each time a deed restricted unit is rented or sold such that members of the public who are qualified to rent or purchase such units have a fair chance of becoming informed of the availability of such units. A public marketing plan shall be submitted by the developer for the initial sale or lease of the units.

SECTION 16. HOUSEHOLD QUALIFICATIONS

A. “Qualified Household” Defined
   Qualified Households must:
   1. meet the Employment Requirement;
   2. meet the Income Limits;
   3. meet the Residency Standard;
   4. meet the Property Ownership Standard; and
   5. meet the Net Assets Standard.

B. Employment Requirement
   1. Qualified Households must include a minimum of one adult in his or her Household who meets one of the following criteria:
      a) A full-time (aggregate of 30 hours of employment per week) employee of an entity or entities located within the Park City School District Boundaries for a minimum of two years; or
      b) An owner of a business or entity with a primary place of business within the Park City School District Boundaries for a minimum of two years; or
      c) A full-time (aggregate of 30 hours of employment per week) worker who is self-employed or works out of their home and can provide proof that a minimum of 75% of their clients are based within the Park City School District Boundaries for a minimum of two years.
      d) Remote work will only be considered if the applicant has been a local, Park City resident for a minimum of five years prior to application.
   2. Qualifying Volunteer Hours: Up to ten percent (10%) of the required employment hours may be filled by verifiable Volunteer Community Service within the boundaries of the Park City School District.

3. Exemptions. Those who have been determined by PCMC to be Qualified Retired or Qualified Disabled prior to application for ownership or rental, as well as Immediate Family of a Qualified Employee are exempt from the required employment hours.
    a) Qualified Disabled: A person who is unable to work or does not have a work history required due to a disability as defined by the Americans with Disabilities Act.
    b) Qualified Retired: Those who are 65 years or older may apply to be Qualified Retired by providing a verifiable history of employment meeting the ownership or rental occupancy Employment Requirements for at least two (2) years immediately prior to retirement.

C. Earned Income Standard

1. Households must earn a minimum of seventy-five percent (75%) of their Gross Income (public assistance or benefits are assumed to be earned income) within the Park City School District Boundaries. To qualify for ownership of a Housing Unit, Household Income is limited to 80% of AMI for Affordable Units and 150% of AMI for Attainable Units. Income limits change with size of household. Area Median Income is a calculation of annual household income determined by the US Department of Housing and Urban Development (HUD).
2. Exemptions – The following are exempt from the earned income standard:
    a) Those who are Qualified Disabled per the provisions of Section 16.B.3a; and
    b) Those who are Qualified Retired per the provisions of Section 16.B.3b.

D. Residency Standard

1. Applicants purchasing or renting must intend to occupy, and will be required on an ongoing basis to occupy the Housing Unit, as their sole and primary residence.

E. Property Ownership Standard

1. At the time of application, a Household may own other undeveloped or developed residential or commercial property. The fair market value less remaining mortgage loan against such property will be taken into consideration when determining Household Net Assets.
2. Ownership of undeveloped or developed residential or commercial property is restricted.
    a) At the time a Real Estate Purchase Contract is signed, the Household will be required to sell the property prior to closing on the Housing Unit.
    b) Households that desire to acquire developed residential property after taking ownership of a Housing Unit must sell the Housing Unit to a Qualified Individual prior to any acquisition of additional undeveloped or developed residential or commercial property.

F. Net Assets Standard

1. The combined Net Worth of the persons eighteen years of age and older in the Household shall not exceed four times the AMI for the household size. Assets include business assets, real estate, stocks, bonds, cash and retirement accounts. See “Definitions” for further information.
2. A one-time gift of up to thirty percent (30%) of the Housing Unit purchase price used for the purchase of a Housing Unit may be considered in Net Assets, and not as Income, for the purposes of initial qualification.
3. Disposition of Assets – Any member of a Household who has assigned, conveyed, transferred or otherwise disposed of property or other assets within the last two (2) years without fair consideration in order to meet the net asset limitation or the property ownership limitation shall be ineligible.

G. Household Size – The total number of people in a Household shall comply with Park City Building Code regarding occupancy limits based on square footage.

SECTION 18. APPLICATION PROCESS. In order to address the priorities and goals of the City, all sales and resales of units must be in accordance with the process outlined in this section.

A. Household Application & Selection Process. PCMC has created an application and selection process for the sale and resale of all units in the City’s housing program. The initial creation of a waitlist was done through a lottery process. Selection for future sales and resales of units will be done utilizing the established waitlist. People wishing to be placed on the waitlist must complete the online pre-application.

1. Pre-Application: Pre-Applications provided by the Housing Office shall be submitted. Pre-Applications may be completed online, scanned and submitted via email, or submitted in hard copy form. Submission of the Pre-Application form shall consist of the one-page form plus the signed Indemnification form, plus a pre-approval letter from a qualified lender. Qualified pre-applications will be placed at the bottom of the established waitlist in the order they are received.
2. Full Application: When selected, the applicant will be requested to submit a Full Application in the form provided by PCMC. In addition, PCMC may request any combination of documentation reasonably related to proof of income, assets, and employment. The Full Application includes a release of information form which must be signed by the Household so that PCMC may obtain such information. The Full Application also includes a sworn statement of the facts contained in the application including at least the following certifications:
    a) that the facts contained in the application are true and correct to the best of the Applicant’s knowledge;
    b) that the Applicant has been given the standard application information packet by PCMC or its designee; and,
    c) that the Applicant, on the basis of the application presented, believes that the Household qualifies to occupy the Housing Unit in question

according to the Deed Restriction, this Resolution and all other applicable procedures, rules and regulations.

B. Verification of Qualification: Verification of Qualification and Eligibility Standards will be completed once a Full Application is received. Full Applications are not accepted on a rolling basis. The City will notify those on the waitlist when applications are being accepted and for what property or project.

C. Misstatement of Fact or Deliberate Fraud: Any material misstatement of fact or deliberate fraud by the Household in connection with any information supplied to PCMC shall be cause for immediate expulsion from the application process and/or forced sale or vacation of the Housing Unit. In addition, any material misstatement of fact or deliberate fraud by the Household shall be considered as intent to commit affordable housing fraud as defined in City Code § 8-3-6. Ordinance 14-47 was ratified to "ensure that any fraud and unjust enrichment in the process is stopped and that buyers, sellers, and other intended beneficiaries of deed restricted affordable housing are protected from any fraudulent acts or statements." A violation of City Code § 8-3-6 is subject to criminal prosecution.

D. Confidentiality: All personal and financial information provided to PCMC will be kept strictly confidential, except as follows:
    1. Signed contracts between the Applicant or Household and PCMC including but not limited to Contracts to Purchase a Housing Unit, Deed Restrictions, any document to be recorded with the sale of the Housing Unit along with the Deed Restriction, and any document that would customarily be a matter of public record in the property records of the applicable jurisdiction;
    2. The names and lottery positions of all persons who have participated in any ownership lottery held by PCMC;
    3. Any other information that a court of competent jurisdiction rules must be released under the Freedom of Information Act or the Utah Government Records Access and Management Act;
    4. Personal and private information necessary for an independent audit of PCMC records, provided such person or entity provides authorization; and
    5. Personal and private information to the extent PCMC determines the information is necessary for its deliberation of a request for an Exception or for consideration during a violation hearing.

E. Third Party Verification: PCMC may require third-party verification for all self-employed Applicants at initial qualification and during compliance checks. PCMC may also employ outside accounting expertise to evaluate the reasonability of an Applicant's or Household's representations of Income and Assets.

SECTION 19. CALCULATION OF SALE PRICE In general, the initial sales price for an affordable unit in any one development shall average a price affordable to a household earning 80 percent of Summit County AMI. Target Household Income Sale Price shall be calculated according to the following guidelines: mortgage payment for the Owner Occupied Unit, including principal, interest, taxes and insurance ("PITI"), and HOA Operating Dues shall not exceed 30% of the Target Household Income. The assumptions used to calculate the sales price shall be: (i) a 5% down payment; (ii) a 30-year term; and

(iii) an interest rate equal to the prevailing FirstHome rate, or its program equivalent, of the Utah Housing Corporation (www.utahousingcorp.org) at the time of the offer.

SECTION 20. RENTAL PROCEDURES. In cases where rental of Housing Units is allowed, the general Rental Procedures contained in this section are required.

A. Standards for the rental of Housing Units:
    1. Affordability Standards are based on Maximum Rental Rates which are targeted at thirty percent (30%) of Household Income for the target group. Maximum Rental Rates and methodology for calculating Maximum Rental Rates are found in this section.
    2. Maximum Rental Rates may include the cost of utilities and HOA fees. Owner shall submit a lease which includes the proposed monthly rental rate along with proof of utility costs to PCMC staff. PCMC staff will evaluate the lease and either approve or deny the rental rate proposed based on the standards established herein.
    3. Rental rates shall apply whether the units are provided furnished or unfurnished.
    4. The Owner of Affordable Housing rental units, at its cost and expense, must keep and maintain the interior and exterior of the total structure (including all residential units therein) and the adjacent open areas in a safe and clean condition and in a state of good order and repair, reasonable wear and tear and negligent or intentional damage by tenants excepted.
B. Occupancy: In calculating the rents or carrying charges of affordable units, the relationship between unit size and household size in Section 16 shall apply.
C. Households: Households shall include all Tenants occupying the Housing Unit.
    1. Households shall meet the Household Initial Qualification criteria as set forth in Section 16.
    2. Household Qualification shall be recertified by PCMC Staff at Lease renewal and any time there is a change in Household.
D. Tenants:
    1. All tenants shall meet the employment qualifications found in Section 16.
    2. PCMC Staff shall certify the qualification of all Tenants prior to tenancy and/or the signing of a lease.
    3. Tenants shall meet the Income Eligibility Criteria designated by the Housing Unit’s Income Eligibility at time of tenancy.
E. Leases: Rental and or occupancy of Housing Units must be memorialized by a written Lease.
    1. Leases must include reference to applicable provisions of the Deed Restriction including but not limited to restrictions on rental rates.
    2. Leases must be for a minimum of six (6) months with a maximum of twelve (12) calendar months.
    3. Executed copies of Leases shall be on file with PCMC at all times during the period in which rental of the Housing Unit is required or has been approved.

F. Lease Renewal: At the time of any Lease renewal, Maximum Rental Rate may be adjusted up or down in conformity with amendments to this Resolution. Requirements for Occupancy of a Room or Portion of a Housing Unit

1. Unit Owner may charge such roommate an amount per month not to exceed forty-five percent (45%) of the sum of the mortgage payment, Project association assessments, and utilities owed per month for such Unit.
2. A Lease between Owner and Tenant must be executed and filed with PCMC.

SECTION 21. TERM OF AFFORDABILITY. The Term of Affordability shall be for a period of not less than forty (40) years. At the expiration of the initial forty (40) year term, Affordable Housing Units shall be reviewed for additional consecutive ten (10) year terms, unless the City shall determine, based on an independent housing needs assessment, that the Unit is no longer necessary to satisfy the affordable/employee housing needs in Park City. If the City makes no such determination, the Term of Affordability shall automatically renew for one or more additional consecutive ten (10) year terms.

SECTION 22. WAIVERS. The City Council may waive all or part of the requirements of this Resolution in exchange for enhanced project affordability or livability including but not limited to the incorporation of sustainable building practices and systems in the unit design and development.

SECTION 23. ADMINISTRATIVE RELIEF. The City Council may waive all or part of the requirements of this Resolution where the applicant can establish by clear and convincing financial data and other evidence relating to the character of the development or surroundings that the imposition of the requirements set forth in this Resolution shall create an economic hardship. The Council shall use the same standards that it applies to historic properties in making a determination of economic hardship. A waiver under this section shall be granted only to the extent necessary to relieve the hardship or difficulty that serves as the basis for the requested waiver and shall not be considered precedent for future requests for administrative relief.

SECTION 24. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate distinct and independent provision and such holding shall not affect the validity of the remaining portions of the Resolution.

SECTION 25. EFFECTIVE DATE. This Resolution shall take effect upon adoption by the City Council. All prior Housing Resolutions and parts of Resolutions in conflict with the provisions of this Resolution are hereby repealed. This Resolution repeals and replaces all prior housing resolutions including Resolutions 37-91, 8-93, 6-94, 7-95, 17-99, 10-2006, 20-07, 25-12, 02-15, 13-15 and 03-17. PASSED AND ADOPTED this 12th day of November, 2020.

HISTORY

Adopted by Res. 25-2020 on 11/12/2020