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

January 7, 2021

The Council of Park City, Summit County, Utah, met in open meeting on January 7, 2021, at 3:00 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.

WORK SESSION

Park City Arts and Culture District – Follow Up Discussion:
Julia Collins, Transportation Planner and Jerry Benson, Transit Consultant, discussed the Transit proposal for the district. Benson reviewed a study was performed to determine the best routes to service this district using the original underground plans, and noted there were many constraints. Staff revised the plan so the efficiency of the Transit system was enhanced. Collins stated staff reviewed several alternatives for buses exiting onto Kearns Boulevard. The preferred Transit solution was four at-grade stations – two on Kearns Boulevard and two on Bonanza Drive.

Council Member Joyce clarified there were already stops on these roads, but the new locations would be more convenient. Collins confirmed and stated the proposed sites would accommodate more buses. Council Member Doilney stated pedestrian behavior was different at those two locations. Council Member Joyce liked that the stops would be out of traffic, but stated this was an improvement to the existing routes instead of a new feature of the Arts and Culture district. Council Member Henney didn't think the Arts and Culture district would replace the Old Town Transit Center as the priority hub, but it could be a hub for riders coming from Quinn's Junction Park and Ride, in that it would disperse them from the district. He had concerns with people getting off the bus on the opposite side of the street from the district and suggested moving the northbound Bonanza stop closer to the Rail Trail Tunnel. He indicated the HAWK crossings on Bonanza could really impact traffic at certain times of day.

Council Member Worel was concerned with the northbound Bonanza stop as well and favored moving the stop closer to the tunnel. Council Member Doilney stated the tunnel went in the opposite direction so a pedestrian wanting to get to the district would walk 50 yards out of the way. He felt this was the reason most pedestrians used the HAWK crossing. He knew people would adjust to the new transit configuration. Council

Member Henney hoped to mitigate the existing congestion with the new routes and the new Transit hub.

Mayor Beerman asked if a pedestrian tunnel could parallel the bus tunnel if the bus tunnel option was chosen. Collins stated one constraint was the cemetery, but a tunnel ramp could fit by Zions Bank or Wells Fargo Bank. Collins thought passengers coming inbound from Kearns would turn on Bonanza and disembark in front of the district. Mayor Beerman stated the pedestrian bridge was expensive because of the angle and he suggested moving the bridge to the south since the bus stops were being moved to the south. Everitt stated staff was thinking about the district in relation to other transit stops and how it would work so passengers wouldn't have to transfer buses.

Council Member Gerber indicated it would be nice to have multiple hubs because the routes were currently very long. She hoped the designs would be planned so infrastructure was in place for future expansion.

Benson stated Transit was linked to pedestrian traffic. Park City was doing a lot on pedestrian mobility, but there was more work to be done on pedestrian safety. Council Member Henney asked for a comprehensive explanation on where the preferred principal hub would be and how Quinn's Park and Ride would fit into the plan. Council Member Joyce thought the district would be the new hub because that was where the bus rapid transit (BRT) would end. He also asked for a proposal for the Kearns/Bonanza intersection. Everitt explained there was a disconnect from the City's perspective on the BRT terminus versus the system wide perspective for the terminus. He thought the Old Town Transit Center would be the terminus due to the ski resort locations. He hoped to link the district transit to the Old Town hub by linking pathways and bike lanes in order to make the connection easier. Benson stated the recommended proposal would work for Park City’s destinations, meaning Old Town and the resorts, today and for the near future. There was a lot in play, with the County Transit separation and the resort base developments. A short range transit plan was being developed, but in the meantime the current proposal would serve the destinations that were key to the City without a lot of delay and operating cost.

Mayor Beerman summarized Council initially thought the district hub would take pressure off the other hubs and would also be a hub for future transportation alternatives. This was a nice node for the system as proposed. Benson stated as part of the short range transportation plan, they asked consultants to take the node to the next level and study the impacts to the area and surrounding property owners. Council Member Henney asked staff to work with the County in identifying the terminus for BRT.

Jason Glidden discussed the housing goal in relation to the district. He indicated the number of primary homes stayed relatively steady over the years while secondary home numbers were rising. Council Member Worel stated many second homeowners were moving to Park City full time and asked if staff had numbers on that change in status. Glidden indicated Park City would know more after property taxes were paid next year. He asserted the building costs for new units were increasing dramatically. He also reviewed the breakdown of jobs in Park City and noted the majority were service oriented. Glidden stated of the 14,282 jobs, over 60% were hourly wages with the median income for hourly employees at $42,000 per year. At this wage, it was impossible for workers to buy into the real estate market. There was a demand for rental units.

Glidden noted there was an 18-24 month waitlist on rental units, with smaller units being in greater demand so people could live alone. He stated because of the initial cost, there was lower diversity in owned units than the rental models. He also felt revenue would be generated with rentals that could enable the City to maintain the Housing Fund for a longer period of time.

Glidden reviewed research done on micro units that were proposed for the district and indicated they cost more to build, but savings were seen with reduced utility and commute costs. He noted these units were popular with Millennials and Baby Boomers. Studies also showed that the micro units out performed conventional units. Everitt stated the proposed housing was planned from looking at market demand, type of units and the highest number of units that could fit on the site given the building height constraints. Daenitz stated the proposal had deviated from the established housing pipeline because there were complications with the sale model, including the lack of a perpetual funding source for future affordable housing. The Woodside II project included market rate units that would have helped fund the project, but it was no longer on the table for being constructed. Looking at the rental model, the revenue from the district's rental units would pay for future affordable housing project debt.

Council Member Joyce asked where the $9 million allocated for housing in the second phase of the district would go. Daenitz stated the use of those units was not certain so he didn't include it in the model. Mayor Beerman stated a rental model would pay for a bond for the Homestake project and asked how rent would factor in with a bond guarantee. Daenitz stated it was a lower credit revenue source. Mayor Beerman asked if it would affect the overall City bond rating. Daenitz stated it would be rated independently against the credit of the Housing Authority.

Daenitz reviewed proposed rental model parameters and stated the district housing was the most affordable with units targeting 60% AMI households. The Homestake project was a more expensive project and the proposed AMI was 80%-85%. Council Member Joyce stated units in the district were double the cost of Homestake and asked for clarification. Daenitz responded that part of the cost for the district housing was parking expenses, which he did not include in the unit costs.

Council Member Joyce asked if operational expenses were built into the numbers presented. Daenitz stated the numbers were a preliminary guess. He also indicated the bond would meet the 65% threshold and was financially viable.

Glidden asked what Council felt was the more important part of the housing goal: to maximize units or serve a lower AMI level. He asked what segment of the market the City wanted to serve: couples with $150,000 or more income per year or workers making $50,000 a year who wanted to live in the City limits. He asked what financial risks the City wanted to own: the sales model, which required a higher subsidy or a rental model, which was a revenue generator. He also asked for feedback on charging a parking fee or giving a rent reduction for renters not choosing parking.

Council Member Worel asked about housing for visiting artists who were not here for extended periods. Everitt stated the Phase I building would not be used for short-term housing, but future housing buildings would incorporate housing for short-term needs. Council Member Joyce suggested having a partnership for those short-term units in order to share the cost, with each partner owning a portion of the units. He was concerned about the costs and requested more data on that. Council Member Henney suggested collecting data from Mountainlands Community Housing. He agreed with Council Member Joyce on his concern with the cost per unit for the micro units. Everitt stated the cost included landscaping, parking, soils removal, net zero systems, etc.

Council Member Doilney asked what costs included in this estimate were not in the Homestake estimates. Everitt stated the mass timber, the building height enclosure, and soils removal costs would be eliminated with the Homestake project. He knew this was expensive, but stressed there was great value in having housing on this campus. Council Member Doilney requested the community benefits be separated from the housing cost. Council Member Gerber stated things like sidewalk costs that would be used by artists and the public could be removed from the housing cost breakdown. Everitt noted the design was top notch and that had to be taken into account. Council Member Gerber asked if the City could recoup parking construction costs if it charged for parking. Everitt stated that would be part of the operation side of the district. He asserted each unit had its own kitchen and bathroom, which drove up the cost. He agreed to have a separate cost analysis on this housing project. Council Member Henney stated the $325,000 per unit cost that was typical to the Homestake housing project was fair and he was supportive, but he would not support the $600,000 per unit cost for the district. He suggested adding units to the Homestake project and eliminating housing for the district.

Council Member Doilney asked if Council Member Henney was favorable to higher density in Homestake. He suggested the district housing could be market rate with some restrictions, such as requiring full time residents and charging extra for parking. Council Member Henney favored those ideas. Council Member Gerber indicated Park

City didn't have a lot of land and space was needed for affordable housing. She didn't want to value engineer all the design out, but some of the costs could be cut. She also asked if the costs for the other aspects in the district would increase if housing was eliminated. She asked if the Homestake project could be funded if it was constructed first. She was in favor of trying to decrease the cost of the units in the district.

Council Member Worel liked Council Member Doilney's idea to use market rate units to offset some of the cost. She also thought the City could partner with a private developer in constructing these units. Council Member Henney asked Council Member Gerber what her threshold was for the cost per unit in the district. Everitt stated he would look at having a portion of the units market rate in order to offset the cost for the remaining units. Council Member Doilney stated the City considered having a portion of market rate in Woodside II, and he didn't want that option removed with future projects. He also liked the private developer partnership idea. Council Member Gerber didn't want to trade off valuable land when a rental model was viable.

Mayor Beerman asserted that although the City could finance the project, that didn't mean it was wise use of funds. He asked if Council should also look at market rate commercial, which would be more lucrative and help subsidize the housing. Council Member Doilney felt all ideas had to be considered. Council Member Henney thought the district and Homestake should be considered at the same time since they would be connected with the walkability project. Council Member Joyce suggested moving the first phase of housing to Homestake and then moving some of the studio space to the second floor of Building One. After Building One was completed, the food court building could be built. The rest of the land could be sold or used for other purposes. Mayor Beerman asked if Council favored mixing in commercial. Council Member Henney suggested having Mountainlands Community Housing model the Homestake parcel for housing. Council Member Worel agreed with the idea for Mountainlands to model Homestake. She also wanted to explore new ideas like incentives that could be given to make the project viable for a private developer.

Mayor Beerman opened the meeting for public input.

Aldy Milliken, Executive Director, Kimball Art Center (KAC), read a prepared statement (attached) and indicated he supported the construction of the district. He stated KAC paid over $500,000 toward its building in the district thus far and he needed a commitment from the City that this project would proceed. He thought the district would jumpstart growth in this area. He also indicated the Sundance building would be the pinnacle of the district and having Sundance in Park City was priceless.

Dan Lemaitre, KAC Board, thanked the City Council for the support given this year. He stated this property had unique challenges and currently did not have enough foot traffic. The district needed to be interactive to draw the foot traffic. He needed some governance model so as elected officials came and went, the model would be in place. He liked some comments on retail because that would draw traffic. He needed a confirmation from the City so the board could move forward.

Ed Parigian was glad the Council was having this discussion and he looked forward to more. He also liked the discussion on Homestake.

Jaimie Mitchell, KAC employee, stated Park City was considered a recreation destination and she looked forward to it being an arts and culture center as well. She felt this would be a destination where she could bring her son and help him grow to be a cultured person.

Mayor Beerman closed the public input portion of the meeting.

Council Member Worel reviewed she hoped to explore private developer partnerships. Council Member Gerber asked for the district housing numbers to be reviewed by those who had worked on previous City affordable housing projects. Council Member Joyce agreed with Council Member Henney that the cost was too much. He complimented Collins and Benson for their work to make transit work. Council Member Henney thanked staff for the honest numbers, and stated it was an opportunity to make adjustments. He wanted Homestake looked at as part of the district. He wanted to see if Mountainlands could build the housing at Homestake. He also thought paid parking or satellite parking was a viable option. Also, he favored a mix of affordable and market rate units to offset the taxpayer subsidy. He felt the district could be transformational for the community.

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 Mark Harrington, City Attorney Michelle Kellogg, City Recorder	Present via technology
None	Excused

II) APPOINTMENTS

1. Appointment of a Mayor Pro Tem and Alternate for Calendar Year 2021:

Council Member Gerber moved to approve Max Doilney as the Mayor Pro Tem and Tim Henney as the Alternate Mayor Pro Tem. Council Member Worel seconded the motion.

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

III) COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments:
Council Member Doilney promoted picking up trash on the trail. Council Member Henney attended a Joint Transportation Advisory Board (JTAB) meeting and indicated Quinn's Park and Ride was discussed as well as the regional transit system.

Council Member Worel reminded the community about small business free rapid COVID testing for employees, and noted exposed individuals were in quarantine for seven days and could work if they tested negative at the end of the quarantine period.

Council Member Joyce stated Tuesday was Coffee with Council and the topic was on the City's finances. He indicated there were good questions from the public.

Mayor Beerman commented that what happened at the Capitol Wednesday was not who Americans are. Leaders had to act like leaders and they should know the entity came first, not the individual. He felt the City needed to build its capacity for tolerance and empathy.

Staff Communications Reports:

1. Renewable Energy Project for City Operations:
Mayor Beerman asked why the utility was expected to be completed fall of 2022. Cartin indicated because of COVID, the financing delay, and the extended hearing with the Public Service Commission, the project was delayed. Mayor Beerman congratulated Cartin on his work to this point.

Council Member Doilney stated Rocky Mountain Power dropped its rates and he asked if they could self-regulate up to 15%-20% because they set the standard. Cartin stated they dropped the rate because of renewables. Their regulated rate of return was 12% and the financials were systematically reviewed by regulators. Council Member Doilney asked if over-building the system would result in future rate drops. Cartin stated the system was not seeing consumer growth because of conservation so that's why the customers saw the rate reduction.

Matt Dias affirmed the progress for this project was astounding.

2. COVID-19 Community Support Measures:

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

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

V) CONSIDERATION OF MINUTES

Consideration to Approve the City Council Meeting Minutes from December 10, 15, and 17, 2020:

Council Member Gerber noted on the December 10th minutes, Page Three, Line 41, that the affordable housing goal was 800 new units.

Council Member Worel indicated on the December 17th minutes, Page Five, Lines 14-15, the City had an obligation to honor its commitment to the community and its partners.

Council Member Henney stated on the December 10th minutes, Page Six, Line Nine, the grant for Communities that Care could be renewed each year for 10 years for $125,000.

Council Member Worel moved to approve the City Council meeting minutes from December 10, 15, and 17, 2020 as amended. Council Member Henney seconded the motion.

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

VI) OLD BUSINESS

1. Skier Day Parking at Deer Valley Snow Park Base Area Update:

Steve Issowitz, Deer Valley Resort, stated they were working with the City on parking along Deer Valley Drive. He praised City staff for their efforts. He introduced Jeremy Levitt, the new president of Deer Valley. Levitt reviewed his career in the ski resort industry and stated he had been in Park City for two months. Safety was the top priority for his staff so that the resort could stay open.

Council Member Henney asked if the capacity in the parking lots was related to lowering the skier limit on the hill. Levitt stated the pass sales spiked and most of those users flew to Utah and stayed at the resort so they didn't have cars. He was unsure of holiday parking. Issowitz indicated before the holidays the lots were filled at a higher level. The discussion tonight was for the resort to be prepared in the event of overflow parking. Council Member Worel commended Deer Valley staff on the safety with the lift lines.

Alex Ananth, Senior Planner, stated Deer Valley requested overflow parking on the west side of Deer Valley Drive to the Y, as well as having an express bus from the Prospector area to Deer Valley Resort. She reviewed the Deer Valley operational plan, including overflow parking for an additional 142 stalls. She indicated there were five overflow days last ski season. Regarding the Transit request, the winter service was reduced due to COVID budget constraints, but this request would be considered for next season.

Council Member Doilney asked if Deer Valley overflowed to the Y before. Ananth stated during special events they were allowed to have overflow parking to the Y. Council Member Henney stated having parking only on the west side of Deer Valley Drive last year was so much better than previous years. He indicated there were times in years past when both sides of the street had parking to the Y. Council Member Henney commented that 1,340 cars at the resort were too many and traffic was crippled with the outload. He hoped to improve that in the future. Council Member Doilney stated solutions for direct bus routes to Deer Valley needed to be found. Council Member Joyce stated transit and paid parking would solve that problem. Council Member Gerber complimented Deer Valley on their safety measures. She felt this parking request was a good solution for this situation.

Issowitz stated traffic in general remained an issue for Park City. Mayor Beerman stated the community was grateful Deer Valley was open. The City made many exceptions this year and it was willing to help Deer Valley. In the future, the extended parking might be harder to get approved. But he hoped transit would fill that need.

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

VII) NEW BUSINESS

1. Consideration to Approve Ordinance 2021-01, an Ordinance Approving the 2021 Regular Meeting Schedule for City Council:

Council Member Henney moved to approve Ordinance 2021-01, an ordinance approving the 2021 regular meeting schedule for City Council. Council Member Worel seconded the motion.

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

2. Consideration to Approve Ordinance No. 2021-02, an Ordinance Approving an Extension of City Council's January 15, 2019 Approval of Ordinance No. 2019-03, an Ordinance Approving the 510 Ontario Avenue Plat Amendment, Located at 510 Ontario Avenue, Park City, Utah, and Ordinance No. 2019-04, an Ordinance Amending Ordinance No. 15-12 and Approving the Roundabout Condominiums First Amendment, Located at 300 Deer Valley Drive, Park City, Utah:
Rebecca Ward, Land Use Planner, presented this item and stated some of the area was transferred without City approval. There were negotiations, but they were not approved before the plat approval expired so the developer requested an extension. She recommended that both plats be recorded on the same day.

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

Council Member Worel asked why staff recommended a year extension when they were so close to recording. Ward stated several departments and agencies needed to sign the plat and that could take time.

Council Member Joyce moved to approve Ordinance No. 2021-02, an ordinance approving an extension of City Council's January 15, 2019 approval of Ordinance No. 2019-03, an ordinance approving the 510 Ontario Avenue Plat Amendment, located at 510 Ontario Avenue, Park City, Utah, and Ordinance No. 2019-04, an ordinance amending Ordinance No. 15-12 and approving the Roundabout Condominiums First Amendment, located at 300 Deer Valley Drive, Park City, Utah. Council Member Doilney seconded the motion.

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

3. Consideration to Approve Ordinance No. 2021-03, an Ordinance Approving the King's Crown Re-Subdivision Second Amended Lot Line Adjustment Plat, Amending Lots 27, 28, and 29, Located in Park City, Summit County, Utah:
Rebecca Ward stated this was a lot combination which complied with the development agreement and MPD/CUP approval. The Planning Commission gave a maximum 3,900 building square footage for each lot. She noted the public input that was included with the staff report was directed at Building D and not this ordinance. Rory Murphy, Developer, stated the project should be completed in the next year.

Mayor Beerman opened the public hearing. The following comment was submitted:

Elena Stein e-Comment: "Thank you for including our input on the last 12/9/20 planning commission meeting. We love our neighborhood and hope that the new development fits and conforms to the rest of the neighborhood in terms of size and scale of the buildings relative to neighboring properties. The proposal from the planning commission for 3,900 max square feet per each single family home seems reasonable unless it needs to be smaller according to existing land code in our zone given the sloping topography and the unmistakable visual impact on Park City "post card" of the town image. We also hope the new buildings will be built with minimal disruption to our life on the street (we are at 1232 Lowell) with someone patrolling the roads for safety given so much machinery and equipment that is necessary to support the construction efforts across the street from us."

Mayor Beerman closed the public hearing.

Council Member Joyce asked about the HOA fees when there was a lot combination. Murphy stated the breakdown would be reset based on the new number of lots.

Council Member Henney moved to approve Ordinance No. 2021-03, an ordinance approving the King's Crown Re-Subdivision Second Amended Lot Line Adjustment Plat, amending Lots 27, 28, and 29, located in Park City, Summit County, Utah. Council Member Worel seconded the motion.

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

4. Consideration to Approve Ordinance 2021-04, an Ordinance Accepting the Public Improvements for the Park City Heights, Phase 1 Subdivision and Park City Heights, Phase 2 Subdivision:

Corey Legge, Deputy City Engineer, presented this item and stated the public improvements had exceeded the one year warranty period. Public Works did snow removal for Park City Heights Phase I, but they would not remove snow on Phase II until 50% of homes obtained their certificates of occupancy.

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

Council Member Joyce asked if there was a visual inspection before the City accepted the public improvements. Legge stated there was a 4% inspection fee and in this situation the fee went to a third party inspector. The City would hold a final inspection by City staff as well.

Council Member Joyce moved to approve Ordinance 2021-04, an ordinance accepting the public improvements for the Park City Heights, Phase 1 Subdivision and Park City Heights, Phase 2 Subdivision. Council Member Doilney seconded the motion.

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

5. Consideration to Approve Resolution 01-2021, a Resolution Adopting the American Public Works Association (APWA) Standard Specifications/Plans and the Park City 2020 Supplemental Standard Plans and Specifications as the Standards to be Used for the Design and Construction of Projects, Including Private Development, within Existing and Future Public Right of Way:
John Robertson, City Engineer, presented this item. He stated he started working at the City a year ago and his first observation was that these standards needed to be updated. He stated the standards helped contractors have a uniform standard of materials and requirements. The standards were consistent with State and Federal regulations. Having standards helped improve the longevity of improvements and also protected the City from potential litigation. He noted the APWA water standards would not be adopted because Park City had created supplemental standards that addressed its water system, and they were attached to the APWA standards.

Council Member Doilney asked if there was language in the standards that would hamper Park City's authority to regulate 5G towers. Robertson stated a separate set of standards was being drafted specifically for 5G facilities. Council Member Doilney stated there were regulations for rubber and steel plates on driveway entrances, and asked how that would be enforced. Robertson stated if someone had an improvement permit for work, the City would require them to remove the plate at that time.

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

Mark Harrington, City Attorney, noted language needed to be added to the resolution. In Section One, the second sentence would read, "The APWA Standards and Supplemental Standards are hereby adopted as attached." In Section Two, the word resolution would replace ordinance.

Council Member Doilney moved to approve Resolution 01-2021, a resolution adopting the American Public Works Association (APWA) Standard Specifications/Plans and the Park City 2020 Supplemental Standard Plans and Specifications as the standards to be used for the design and construction of projects, including private development, within existing and future public right of way, in a form approved by the City Attorney. Council Member Worel seconded the motion.

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

VIII) ADJOURNMENT

IX) PARK CITY HOUSING AUTHORITY MEETING

I) ROLL CALL

Attendee Name	Status
Chair Andy Beerman Board Member Max Doilney Board Member Becca Gerber Board Member Tim Henney Board Member Steve Joyce Board Member Nann Worel Matt Dias, Executive Director Mark Harrington, City Attorney Michelle Kellogg, Secretary	**Present via Technology**
None	**Excused**

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

Chair Beerman opened the meeting for public input on items not included on the agenda. No comments were submitted. Chair Beerman closed the public input portion of the meeting.

III) NEW BUSINESS

<u>1. Consideration to Approve Resolution HA 01-2021, a Resolution Establishing a Regular Meeting Date, Time, and Location for 2021 Meetings and Appointing Officers of the Board of Directors of the Housing Authority of Park City, Utah:</u>

Chair Beerman opened the public hearing. No comments were submitted. Chair Beerman closed the public hearing.

Board Member Gerber moved to approve Resolution HA 01-2021, a resolution establishing a regular meeting date, time, and location for 2021 meetings and appointing officers of the Board of Directors of the Housing Authority of Park City, Utah. Board Member Henney seconded the motion.

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

IV) ADJOURNMENT

X) PARK CITY REDEVELOPMENT AGENCY MEETING

I) ROLL CALL

Attendee Name	Status
Chair Andy Beerman Board Member Max Doilney Board Member Becca Gerber Board Member Tim Henney Board Member Steve Joyce Board Member Nann Worel Matt Dias, Executive Director Mark Harrington, City Attorney Michelle Kellogg, Secretary	**Present via Technology**
None	**Excused**

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

Chair Beerman opened the meeting for public input on items not included on the agenda. No comments were submitted. Chair Beerman closed the public input portion of the meeting.

III) NEW BUSINESS

1. Consideration to Approve Resolution RDA 01-2021, a Resolution Establishing a Regular Meeting Date, Time, and Location for 2021 Meetings and Appointing Officers of the Board of Directors of the Redevelopment Agency of Park City, Utah:

Chair Beerman opened the public hearing. No comments were submitted. Chair Beerman closed the public hearing.

Board Member Joyce moved to approve Resolution RDA 01-2021, a resolution establishing a regular meeting date, time, and location for 2021 meetings and appointing officers of the Board of Directors of the Redevelopment Agency of Park City, Utah. Board Member Henney seconded the motion.

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

IV) ADJOURNMENT

With no further business, the meeting was adjourned.

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Michelle Kellogg, City Recorder

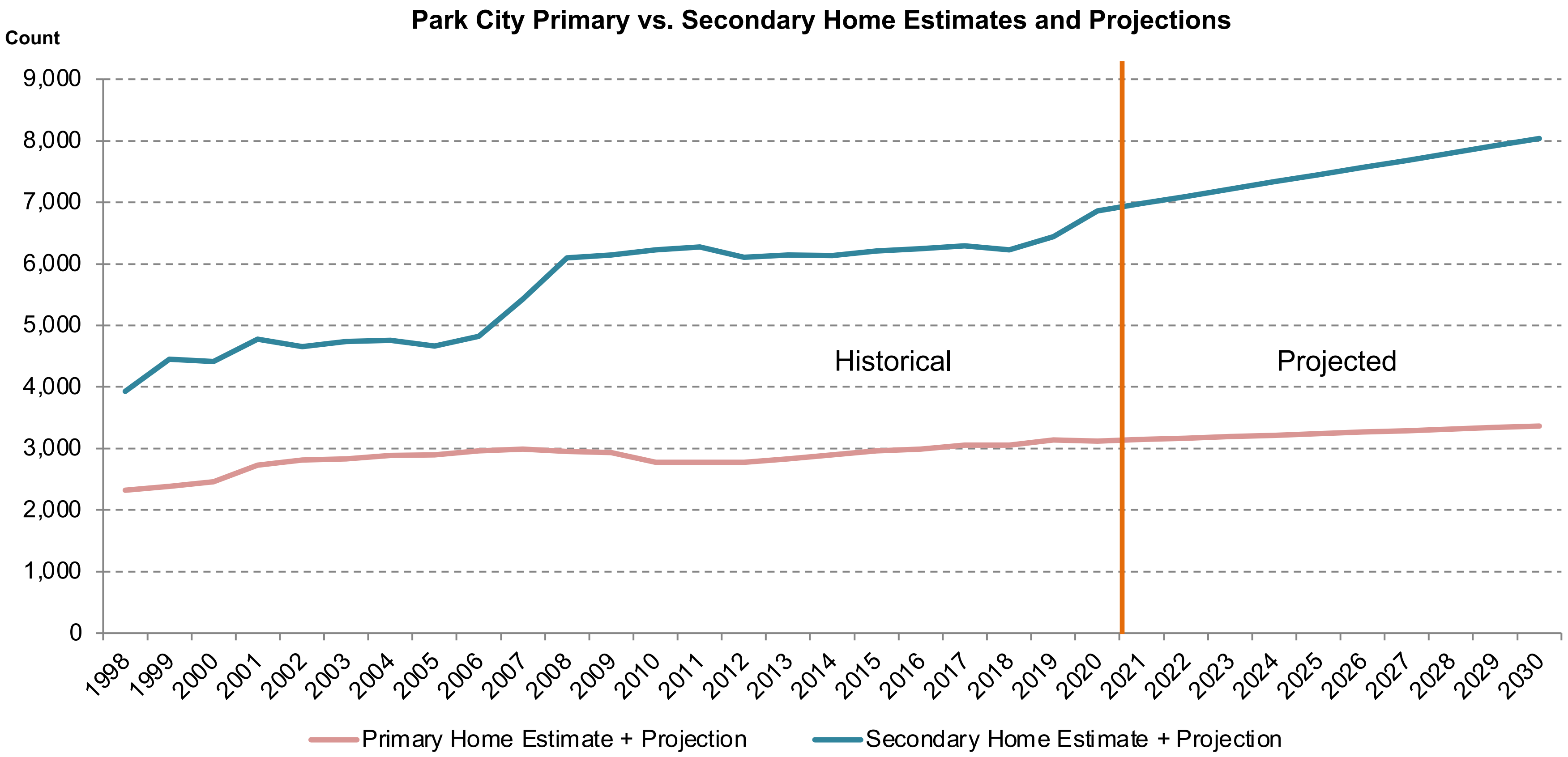
Affordable Housing – Rental Analysis & Housing Pipeline

PARK CITY 1884

Housing Goal

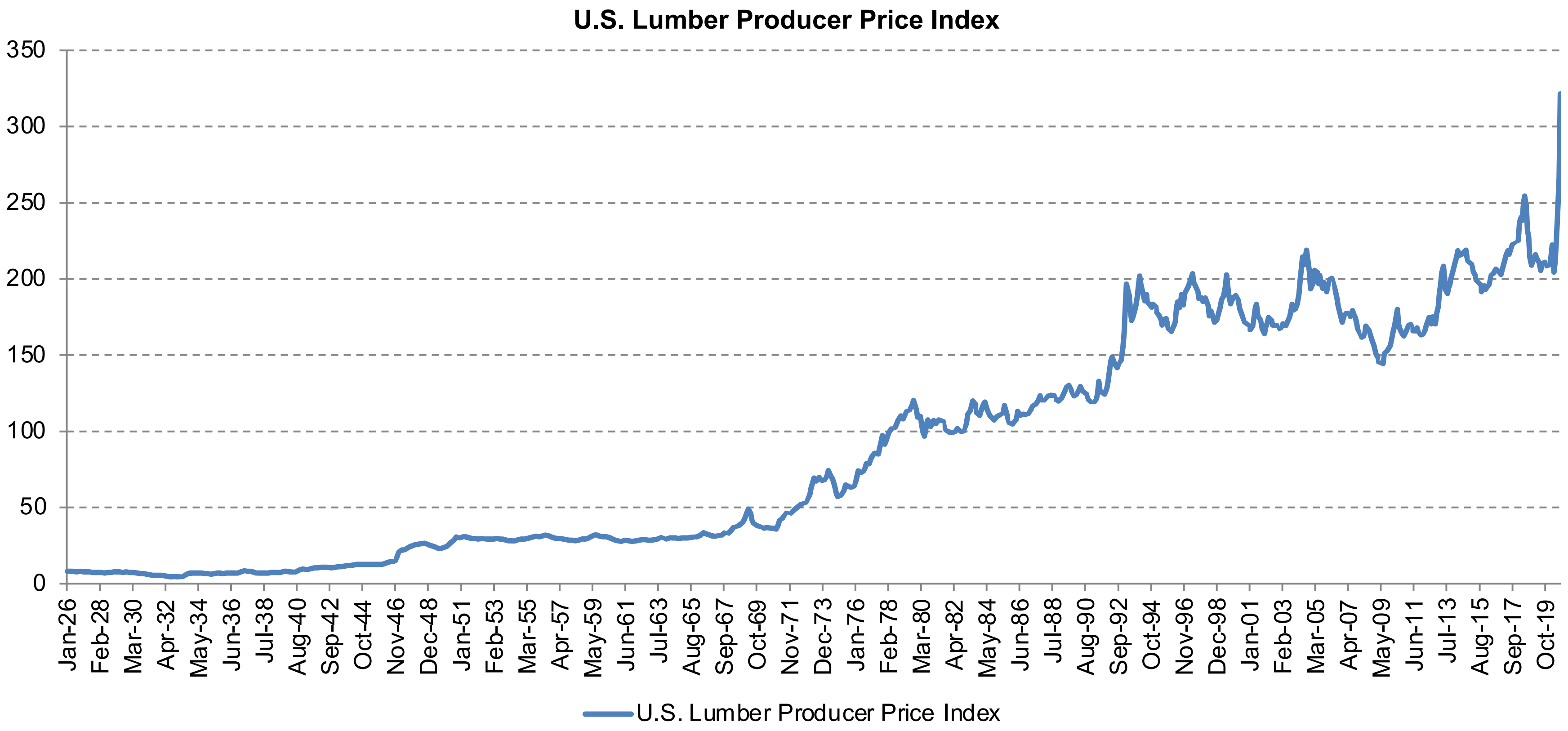
Source: Park City Municipal Corporation. As of 10/29/2020.

Primary vs. Secondary Homes



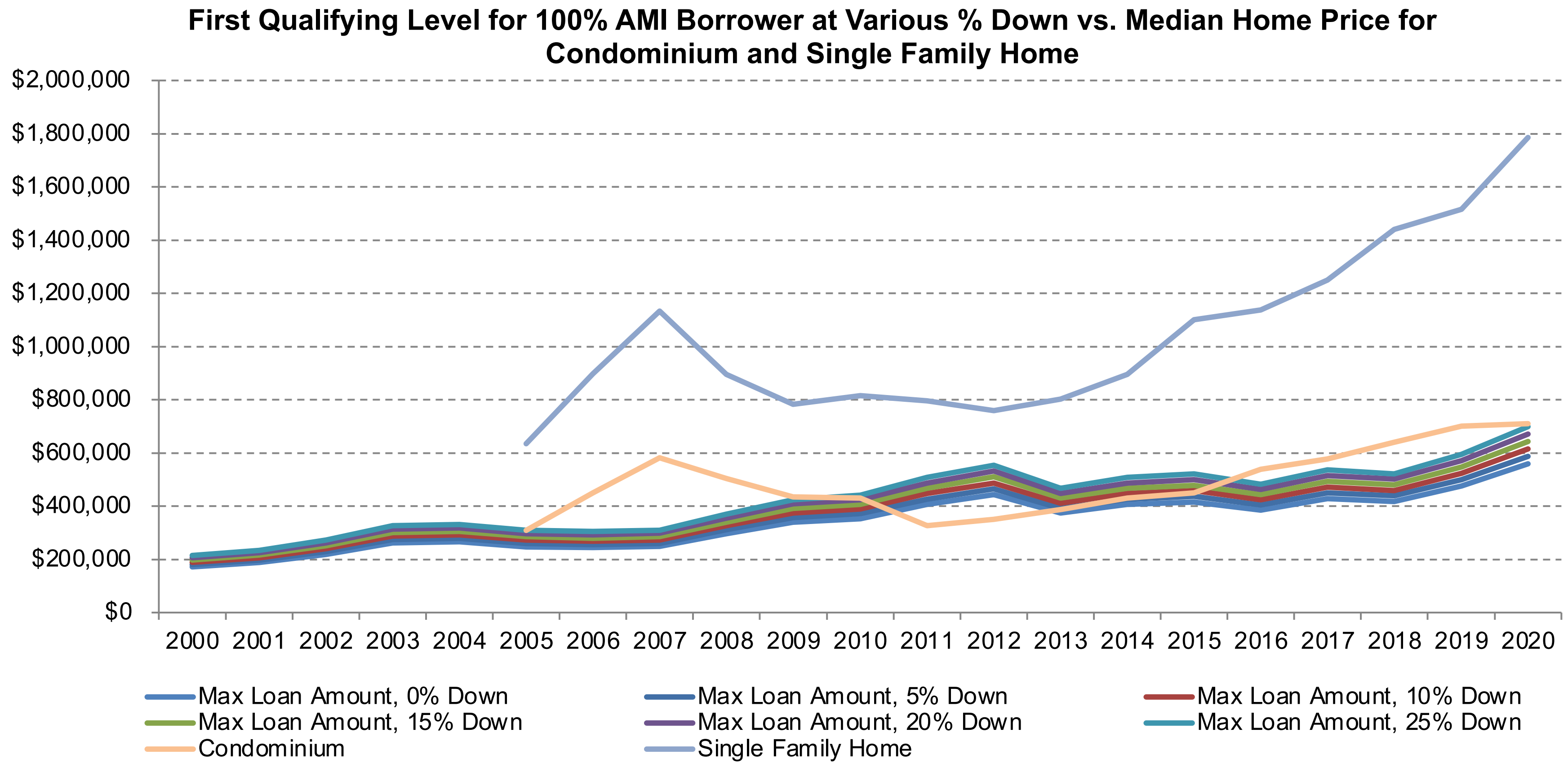
Source: Park City Municipal Corporation. As of 10/29/2020.

Building Costs



Source: St. Louis Federal Reserve, Park City Municipal Corporation. As of 10/29/2020.

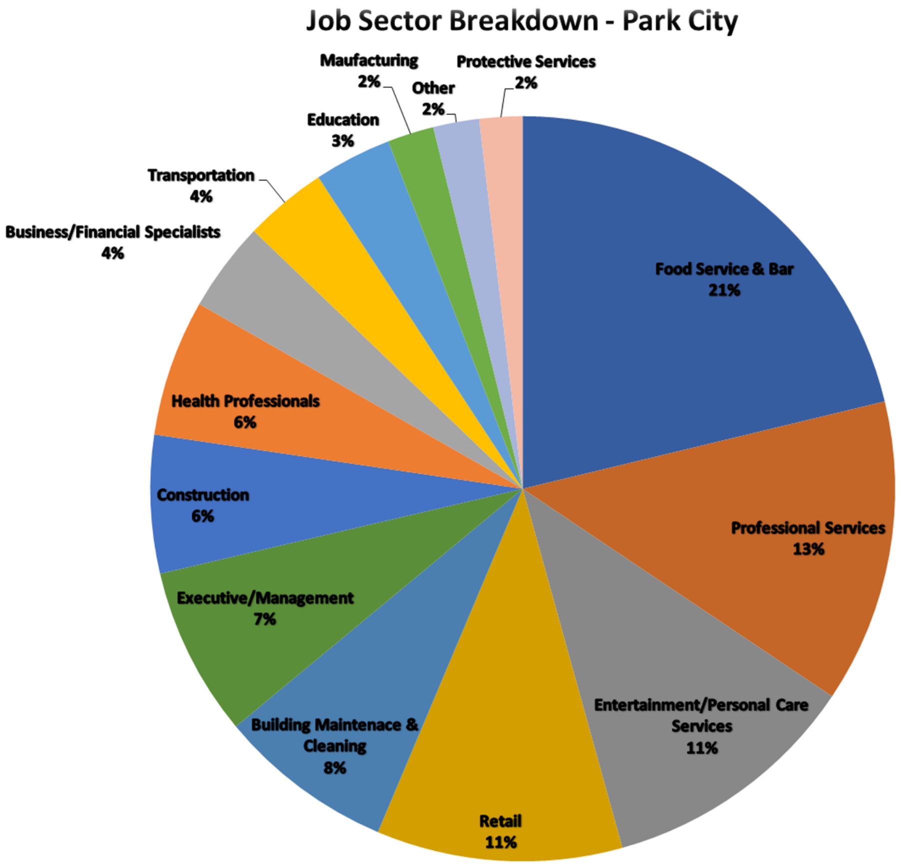
Housing Costs vs. Borrowing Power



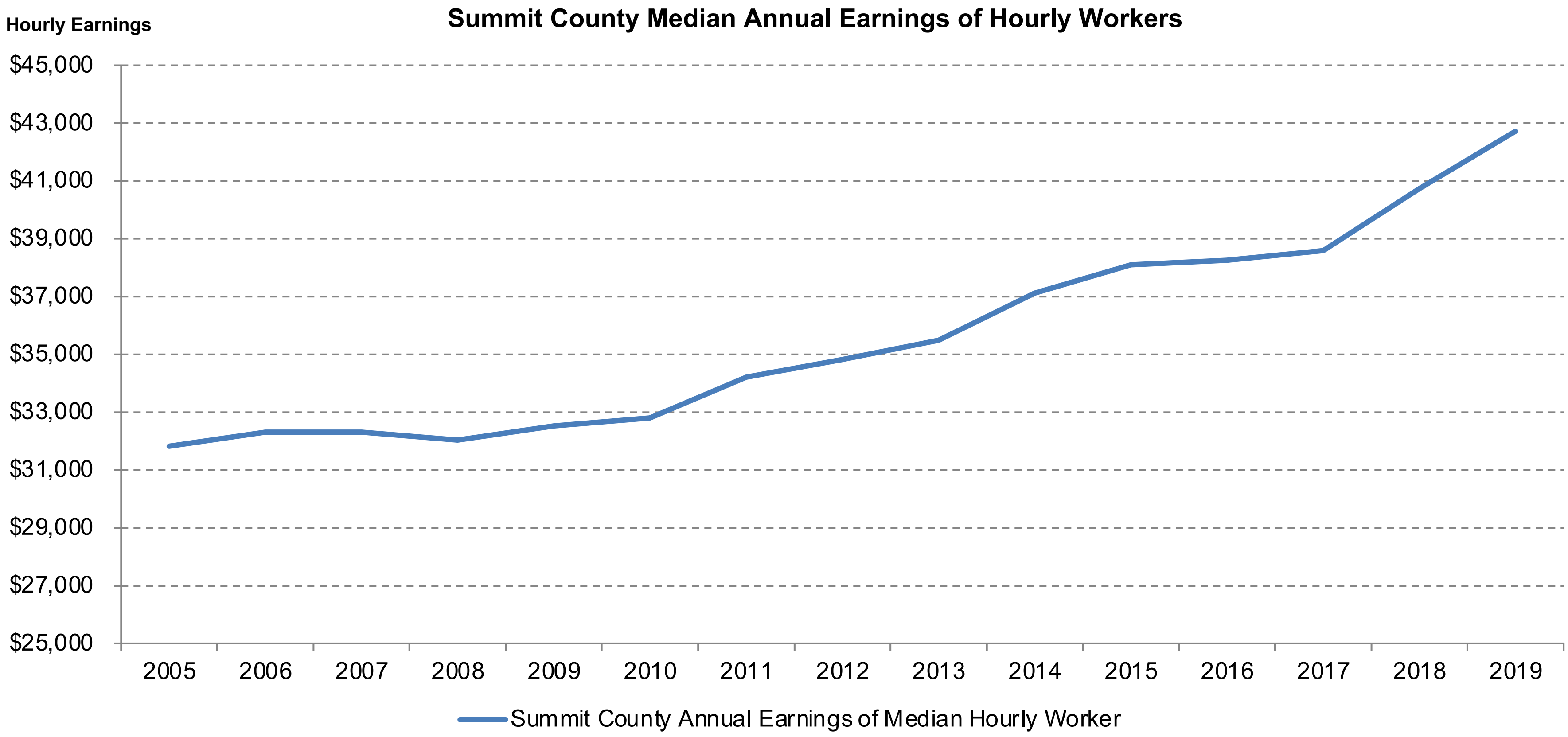
Source: Park City Municipal Corporation. As of 10/29/2020. First qualifying level is tested at 30% of monthly income. Second qualifying level is tested at 36% of monthly income.

Jobs Breakdown

Category	# of Jobs
Food Service & Bar	3,090
Professional Services	1,917
Entertainment/Personal Care Services	1,643
Retail	1,553
Building Maintenace & Cleaning	1,111
Executive/Management	1,070
Construction	872
Health Professionals	863
Business/Financial Specialists	568
Transportation	523
Education	490
Maufacturing	293
Other	290
Protective Services	272
TOTAL	14,282

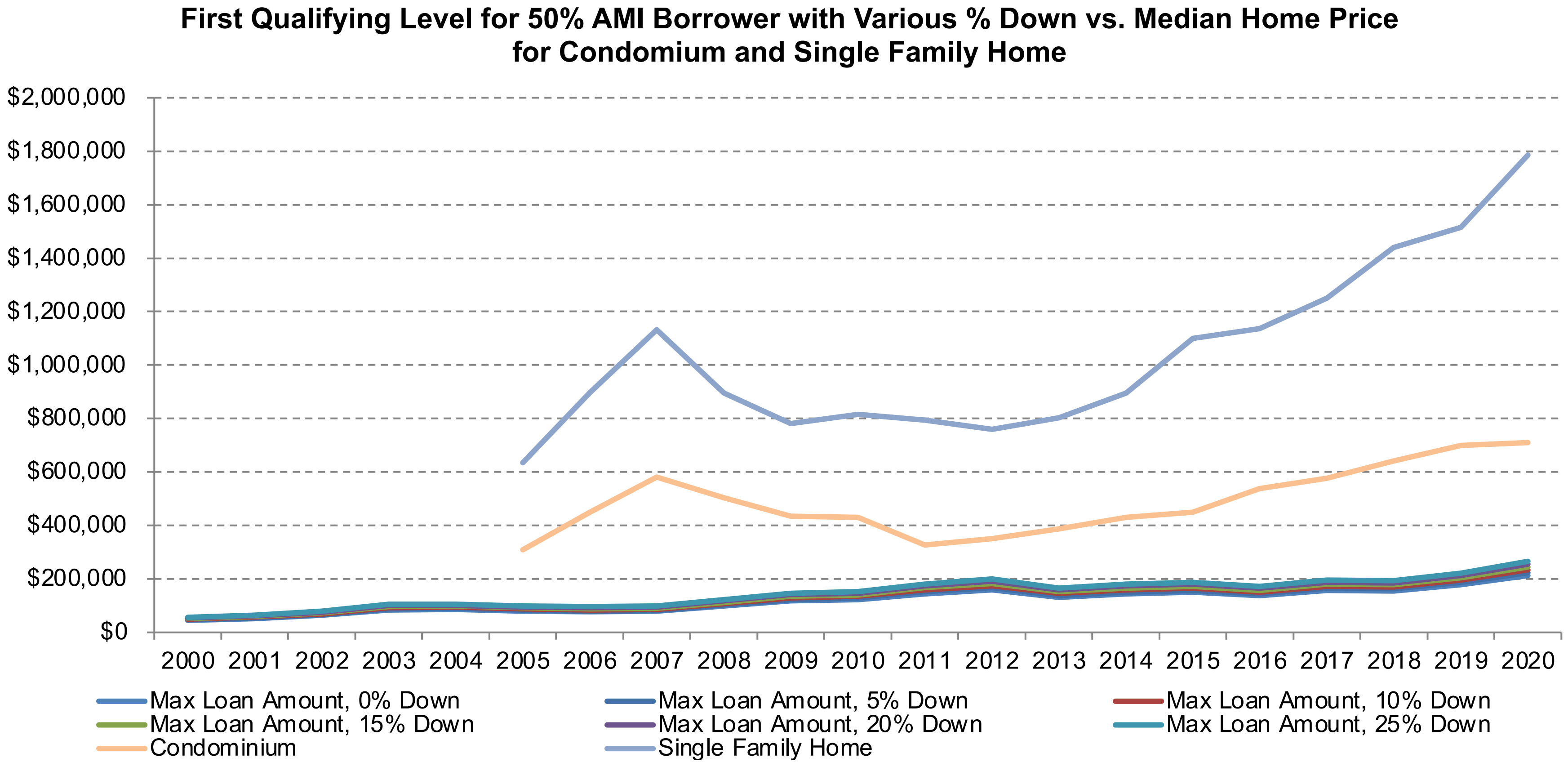


Earnings



Source: Park City Municipal Corporation. As of 10/29/2020.

Housing Costs vs. Borrowing Power



Source: Park City Municipal Corporation. As of 10/29/2020. First qualifying level is tested at 30% of monthly income. Second qualifying level is tested at 36% of monthly income.

Regional Needs Assessment

Table 1
Annual Housing Needs Projections for Renter Households 2019-2023
Selected Jurisdiction in Summit/Wasatch Region
(Excludes Renters at <30% AMI)

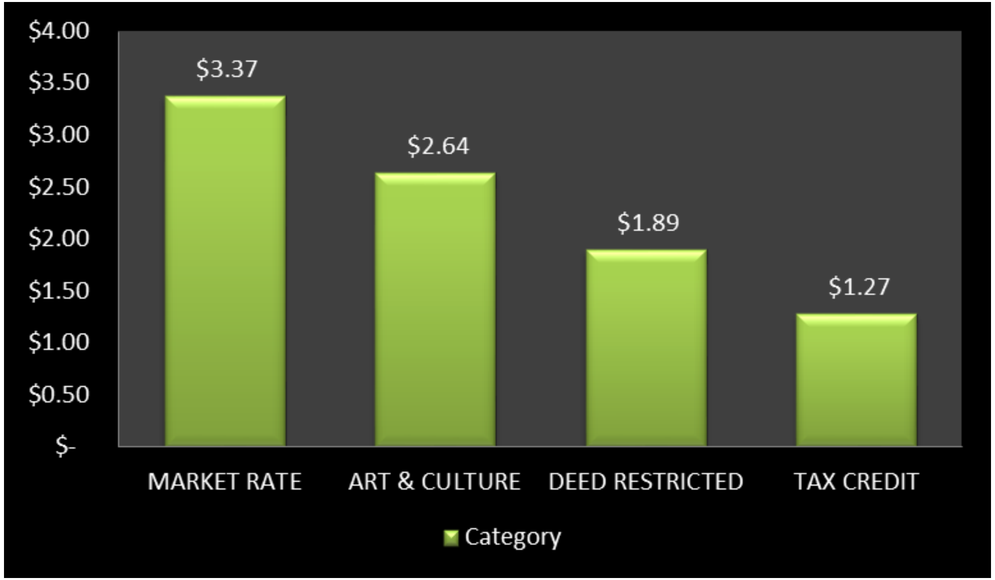
	Total	31%-50%	>50%-60%	>60%-80%	>80%-100%	>100%-120%
Summit County	231	63	23	48	49	48
Snyderville	123	30	13	27	27	26
Eastern Summit	44	12	4	9	9	10
Park City	64	21	6	12	13	12
Wasatch County	102	33	12	19	23	15
Heber City	50	16	11	13	3	7
Wasatch County	52	17	1	6	20	8
Total	333	96	35	67	72	63

Source: James Wood.

Local Rental Demand

- Waitlist numbers – 156 Applicants on waitlist
- Waitlist time period – 18 to 24 months
- Inventory for both affordable and market rate rental units is extremely limited.
- Higher demand for smaller units as they are cheaper and do not require a roommate.

Rental Rates Study



AVERAGE RENTAL RATES BY CATEGORY	COST PER SQFT	RENT FOR A STUDIO	AMI	SALARY
MARKET RATE	$ 3.37	$ 1,516.95	75%	$60,677.97
ART & CULTURE	$ 2.64	$ 1,186.56	60%	$47,462.40
DEED RESTRICTED	$ 1.89	$ 851.80	45%	$34,071.97
TAX CREDIT*	$ 1.27	$ 573.65	30%	$22,945.97
*No studio units in inventory within city limits				

Rental vs. Sale Tradeoffs

	Compare/Contrast Afforable Housing Sale vs. Rental Model	
	Sale	**Rental**
Public	Owner gains equity in home	Leasee does not gain equity
Public	Higher entry price to living in community (higher AMI requirements)	Lower entry price to living in community (lower AMI requirements)
Public	Lower diversity of income availability in housing community	Greater diversity of income availability in housing community
City	Assets sold at a loss (revenue negative each time a project is built, $ subsidies constrain ability to build future affordable housing, pipeline $ are drawn down)	Potential for assets to generate new revenue stream to further support housing (however, highly dependent on AMIs and assumption of inflationary rent increases over time)
City	City less operationally involved	City more operationally involved
City	HOA directed by owners	City can guide standards of HOA

Why Micro Units

- Popular in cities where cost of living is high. People want to live where they work rather than commute, reduces carbon footprint.
- Normally cost a little more per square foot to rent but savings can be made up on reduced utility bills and cost of commute.
- Millennials make up the largest share of micro-unit apartment dwellers, with those under age 27 the biggest demographic, according to a study released by the Urban Land Institute. However, secondary segments include couples, older-move-down singles and pied-à-terre users, ULI notes.
- Popularity in Baby boomers is growing. For boomers, these small spaces offer a simplified style of living commensurate with empty nester downsizing and the desire to free up time and money spent on home and yard maintenance

Micro Unit Demand

- According to a 2015 study conducted by the Urban Land Institute (ULI), micro units are approximately 20% to 30% cheaper than conventionally sized units.

- Rental apartment communities with micro units also emphasize what is outside the confines of the unit itself. Developers tend to offer an extensive array of amenities, intimate gathering spaces, and services to residents that enable them to experience community outside their micro unit.

- Smaller and micro units financially outperform conventional units in the marketplace—they achieve higher occupancy rates and garner significant rental-rate premiums (rent per square foot) compared with conventional units.

Hybrid Sale/Rental Model Woodside II first – What We Had Previously Discussed – City Development

	Year 1	Year 2	Year 3	Year 4&5
				$29M Homestake Bond
				
$25M	-$25M Woodside II Build	+$26M Woodside II Sell	-$25M A&C Build & Run as Rental Model	Bond for Homestake from A&C Rent Revenues & Build, Run Homestake as Rental Units
Balance	$0M	$26M	$1M	

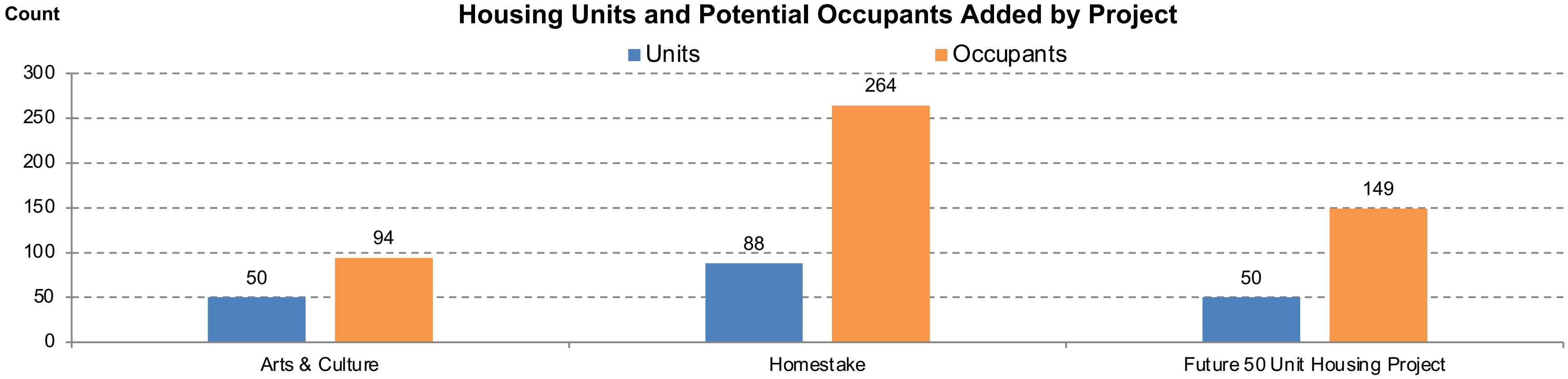
Caution: not moving Senior Center prevents this plan from working

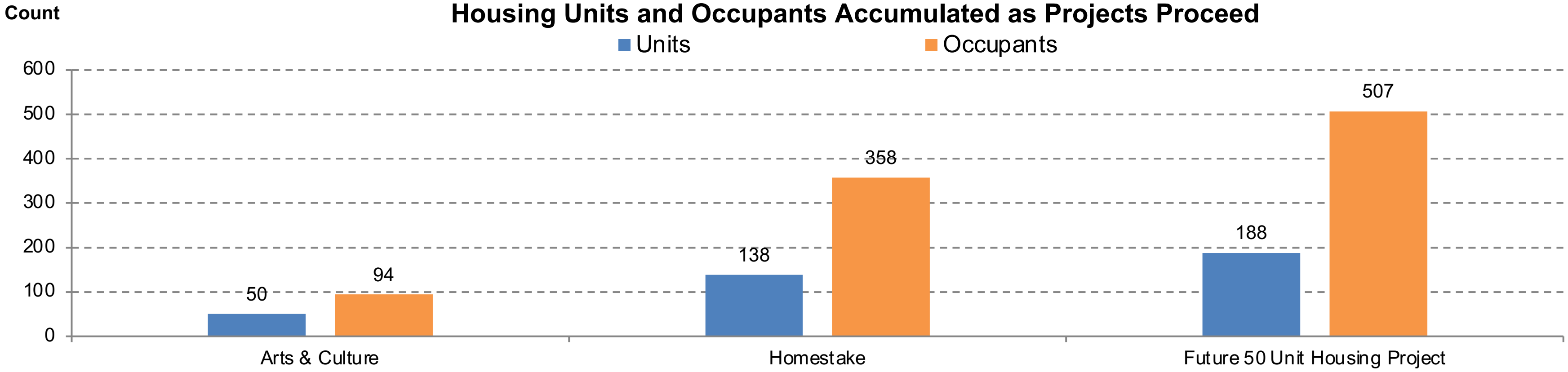
Additional subsidy needed: ~$3.5M over two years until Homestake is up and running

Rental Model, A&C first, Bond at End of A&C for Homestake – City Development

	Year 1	Year 2	Year 3	Year 4&5
			$29M Homestake Bond	$20M Future 50 Unit Housing Bond
$25M	-$25M in proceeds from City housing pipeline for A&C Build	A&C Rent Revenue ~$1M/year	Debt Service Required ~$2M/year	Future 50 Unit Housing Rent Revenue ~$1.2M/year, Debt Service ~$1.2M/year
	Additional subsidy needed: ~$6M needed for A&C Housing cost of $31M		Additional subsidy needed: ~$5M over four years until Homestake is up and running	
Balance	$0M		Debt Coverage ~50% without subsidy	

Units & Occupants Added Over Time





Rental Model Parameters

Parameters we can control

Rental Model Parameters	
Parameters	**Current Model Configuration**
AMIs	A&C, 76% weighted average
Annual Rent Increase	2.0%
Annual Assumed Ops Cost Increase	2.0% (set equivalent to annual HOA fee increase)
Unit Count Mix	Specific to Each Property
Debt Maturity	20 years

Additional Key Assumptions
Assumptions
Interest rates stay below 2.70% for next 6 years
Bond maturities of 20 years issued
Construction costs stable with 10% contingency based off today’s costs
A&C housing can be built without dependency on additional $ for the broader A&C project
Vacancy rates and bad payments assumed to be 0%/$0 at moment

Rental Model Parameters

Current Assumptions as Modeled A&C Housing

Arts & Culture				
Unit Type	Count	AMI %	Monthly Rent	Number of Occupants Served
Micro Unit - Type 1	13	60%	$ 1,196	13
Micro Unit - Type 2	8	60%	$ 1,196	8
Studio - Type 1	8	60%	$ 1,196	16
Studio - Type 2	6	60%	$ 1,196	12
1 Bedroom - Type 1	4	60%	$ 1,367	12
1 Bedroom - Type 2	11	75%	$ 1,709	33
Total	**50**			**94**

Rental Model Parameters

Current Assumptions as Modeled Homestake

Homestake		
Capital Costs		
Land Costs		$0
Construction Costs		$22,650,700
Construction Management, Design, Contingency		$5,889,182
Total Construction Costs		**$28,539,882**

Homestake				
Unit Type	Count	AMI %	Monthly Rent	Number of Occupants Served
Studio	28	80%	$ 1,595	56
1 Bedroom	32	80%	$ 1,823	96
2 Bedroom	28	85%	$ 2,178	112
Total	**88**			**264**

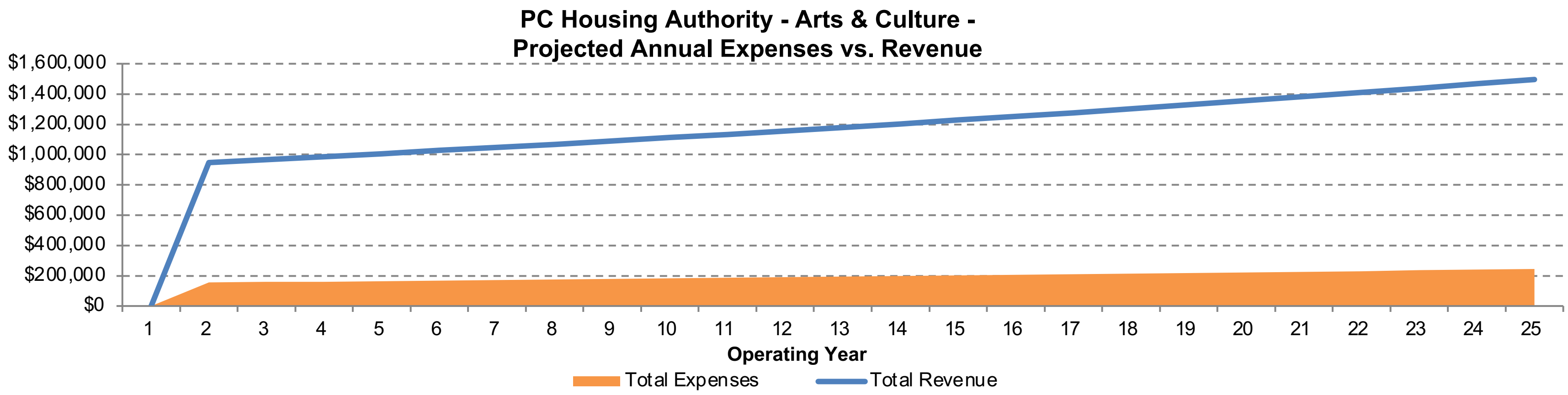
Rental Model Parameters

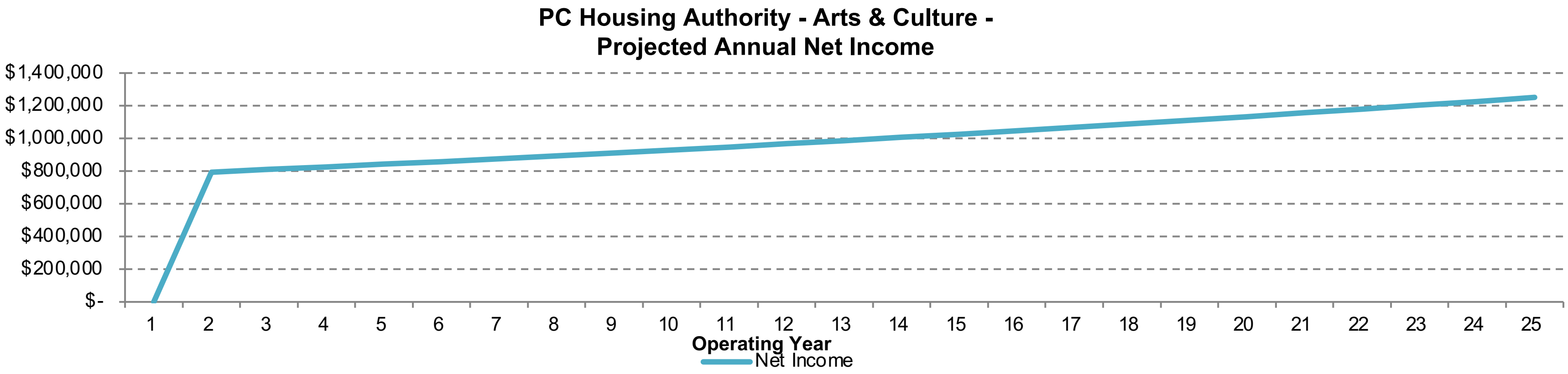
Current Assumptions as Modeled 50 Unit Future Housing Project

50 Unit Future Housing Project		
Capital Costs		
Land Costs		$0
Construction Costs		$15,506,000
Construction Management, Design, Contingency		$4,031,560
Total Construction Costs		**$19,537,560**

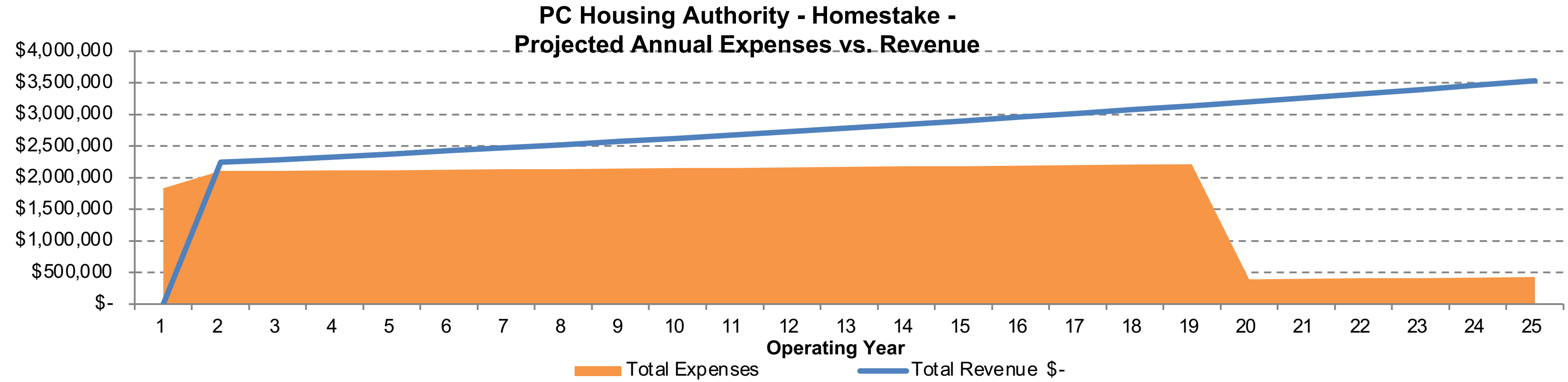
Future 50 Unit Housing Project				
Unit Type	**Count**	**AMI %**	**Monthly Rent**	**Number of Occupants Served**
Studio	12	80%	$ 1,595	24
1 Bedroom	27	80%	$ 1,823	81
2 Bedroom	11	100%	$ 2,563	44
Total	**50**			**149**

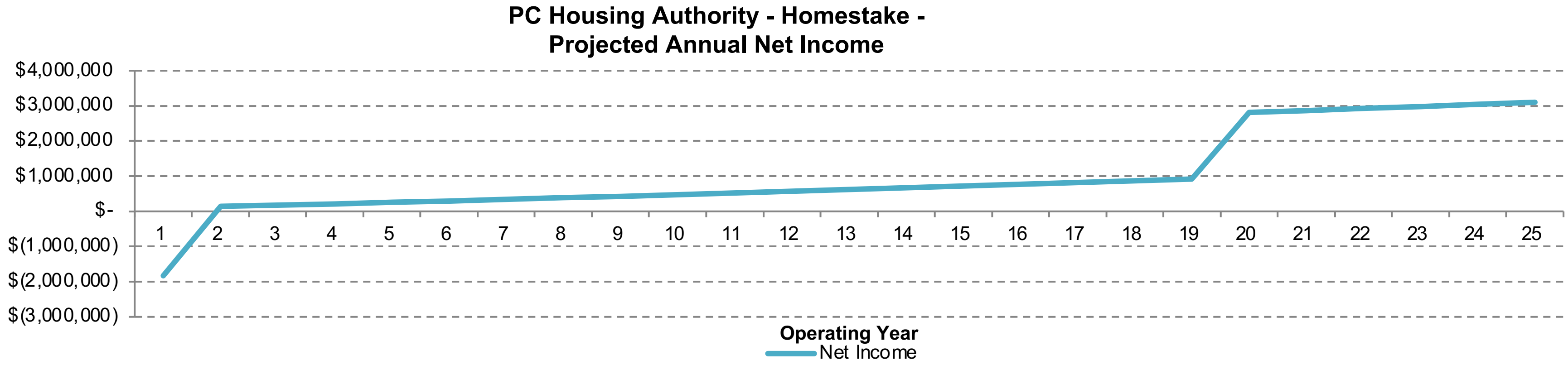
Cashflow Profile: A&C



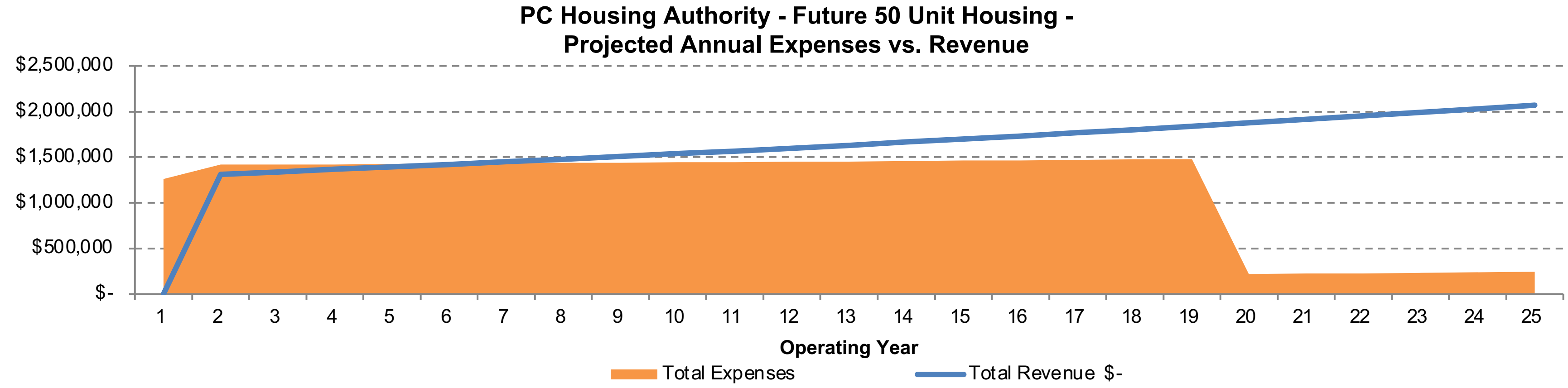


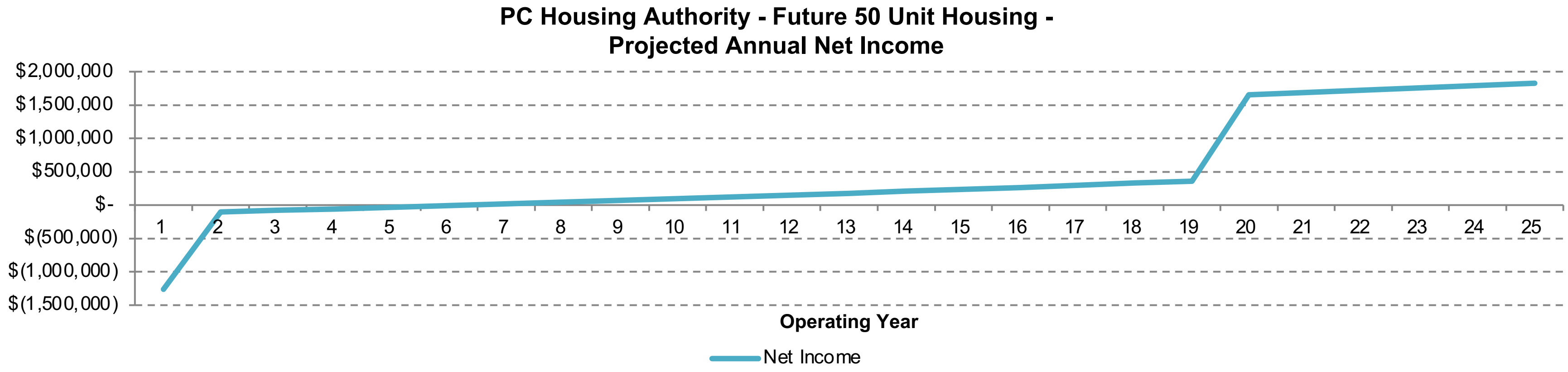
Cashflow Profile: Homestake



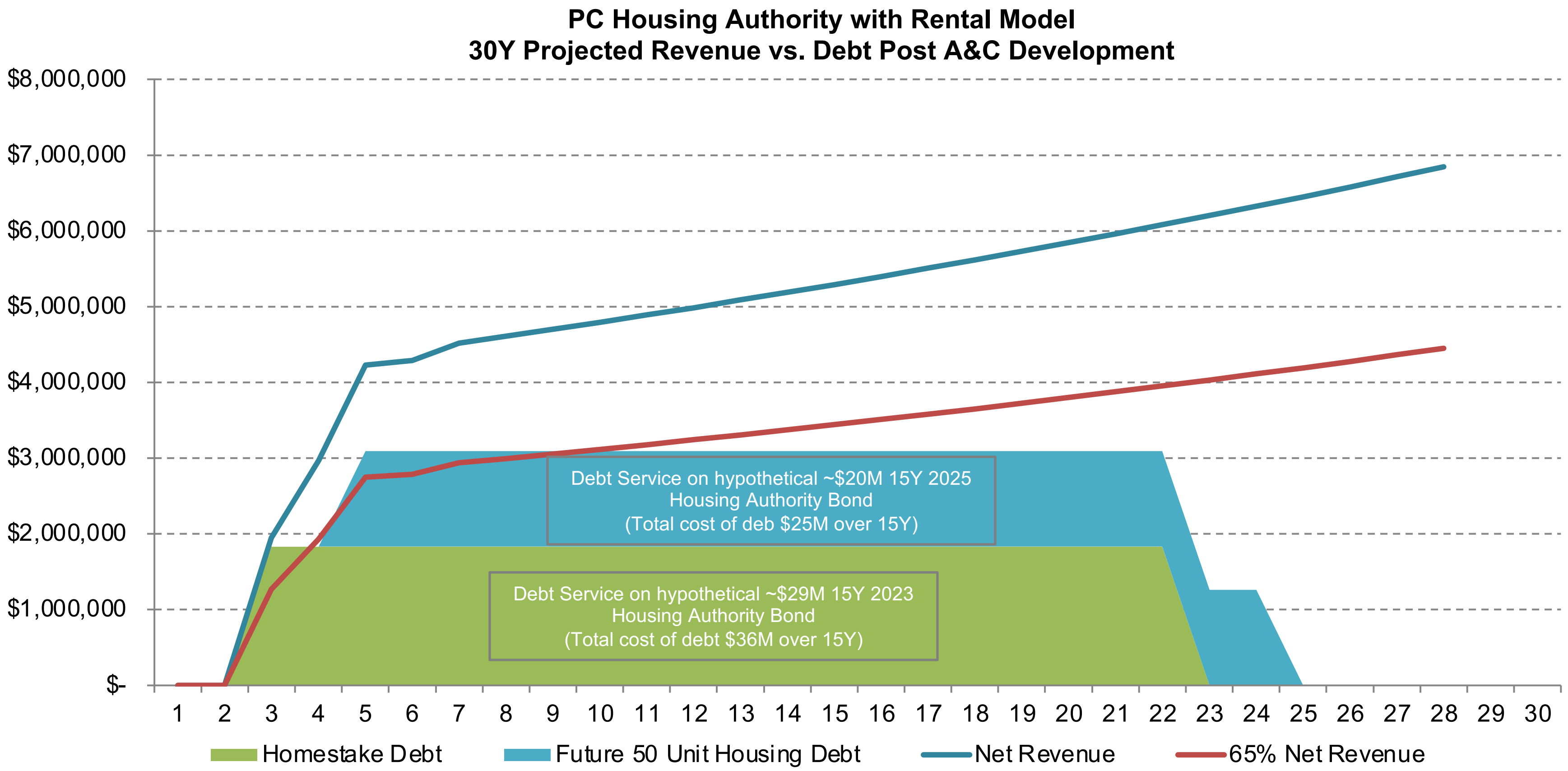


Cashflow Profile: Future Additional Housing

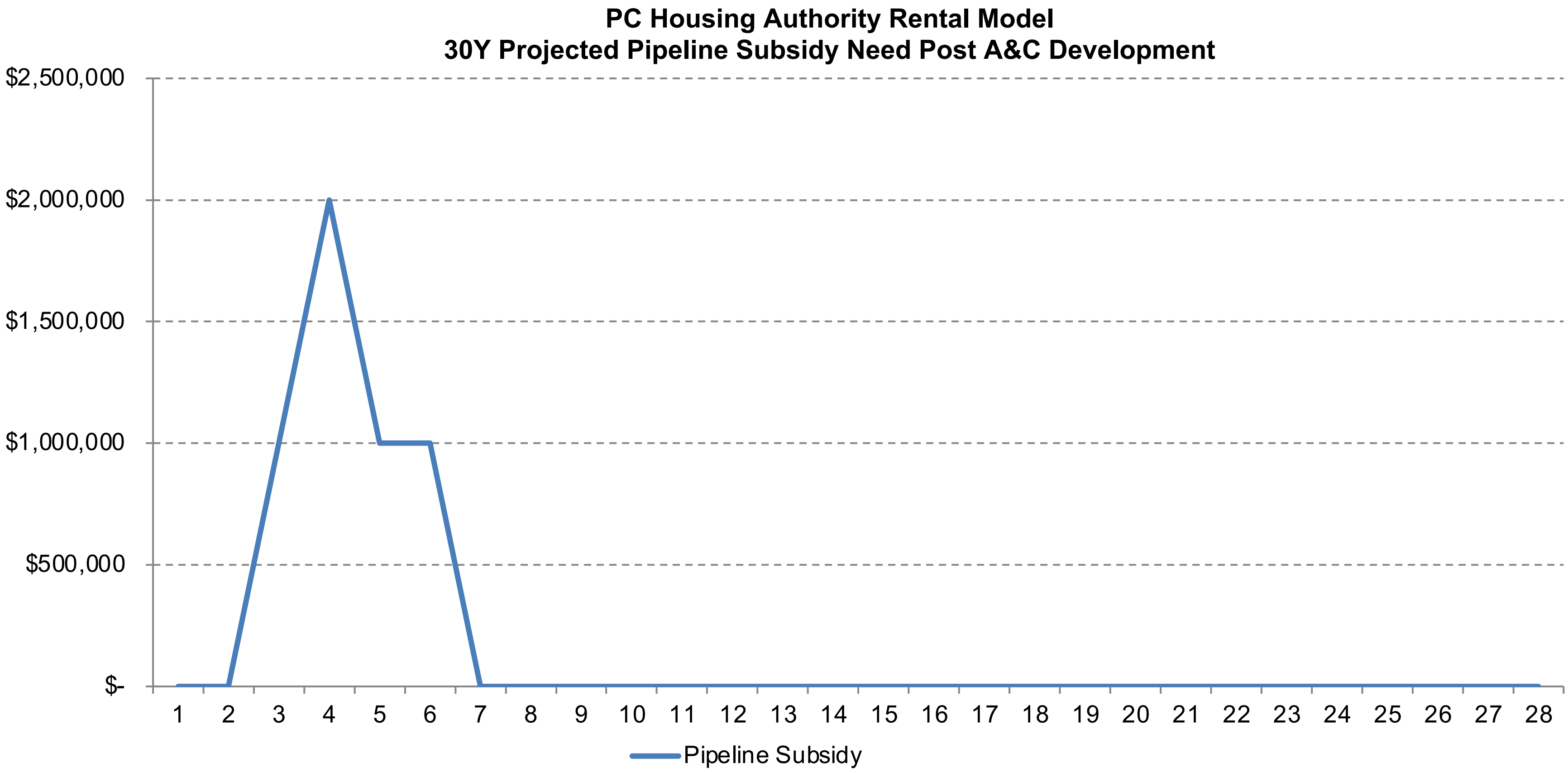




Financial Viability



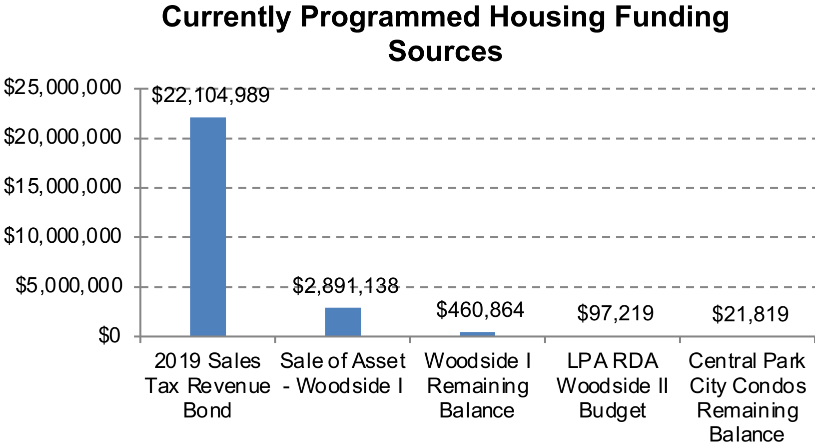
Financial Viability

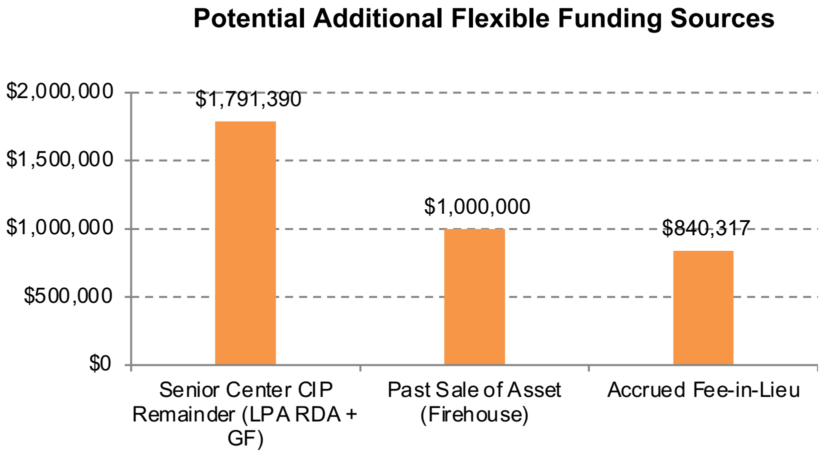


Current & Potential Housing Funding Sources

Currently Programmed Housing Funds	
Source	**Amount**
2019 Sales Tax Revenue Bond	$ 22,104,989
Sale of Asset - Woodside I	$ 2,891,138
Woodside I Remaining Balance	$ 460,864
LPA RDA Woodside II Budget	$ 97,219
Central Park City Condos Remaining Balance	$ 21,819
Total Currently Programmed	**$ 25,576,029**

Additional Potential Flexible Funding Sources	
Senior Center CIP Remainder (LPA RDA + GF)	$ 1,791,390
Past Sale of Asset (Firehouse)	$ 1,000,000
Accrued Fee-in-Lieu	$ 840,317
Total Additional Flexible	**$ 3,631,707**





Housing Considerations

- **Major Future Housing Projects** – Utilize $29.2M for housing
- **Pipeline** – Pursue rental model to sustain housing funds
- **Long-term Funding** – Pursue other financing options for housing (e.g., Main St RDA, extend bond maturity, partnerships, etc.)
- **Housing Authority** – Create financial fund to account for rental financing in FY22 budget

Policy Questions

1. What is more important as part of the housing goal?
   - Maximize the number of units serve a lower AMI level?
2. What segment of the market does the City want to serve?
   - Couples making combined $150k+ a year who want to buy a house vs. worker making $50k a year who wants to live in PC?
3. What financial risks does the City want to own?
   - Sales model (higher subsidy) vs. Rental model (revenue generating)
4. Does the City want to look at charging an additional fee for parking or a reduction in rent for people that do not take a parking space?

Transit Infrastructure

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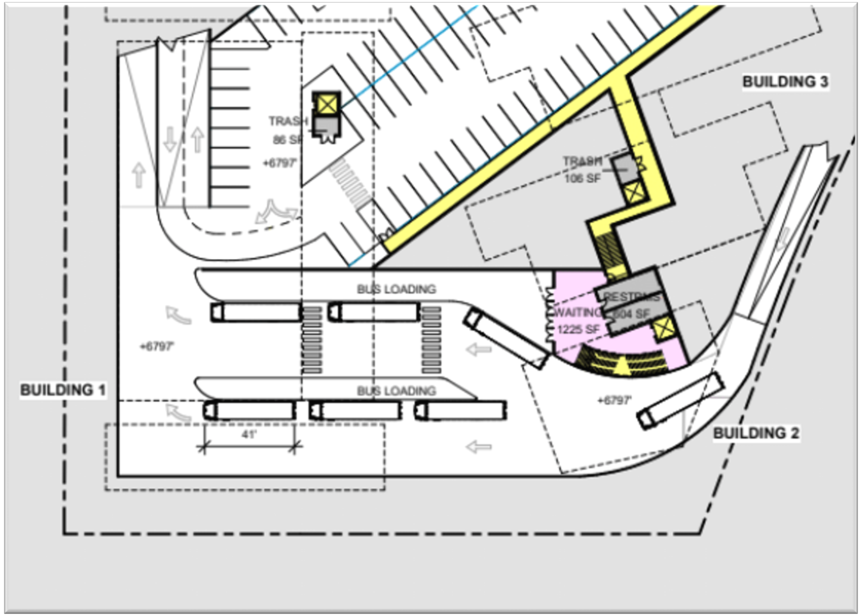
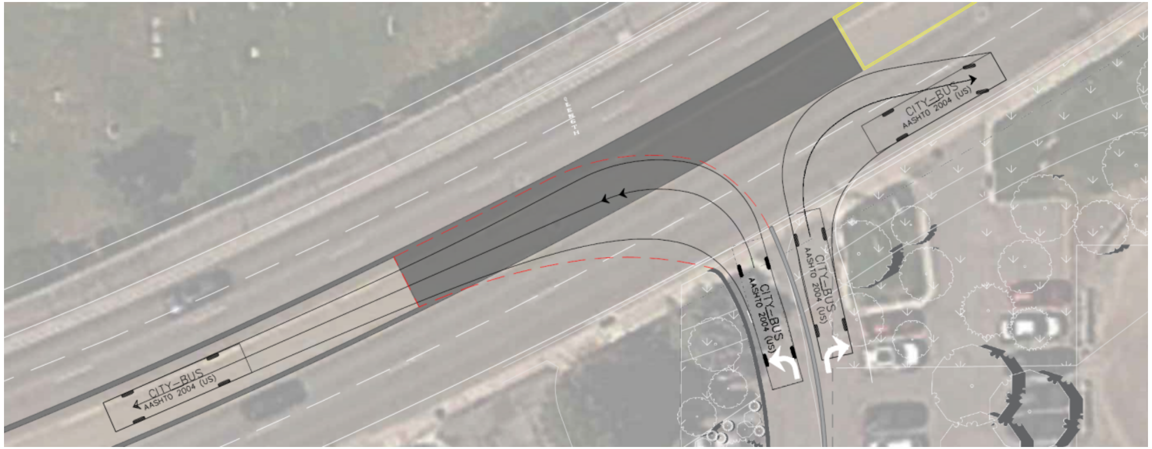
Previous Transit Circulation

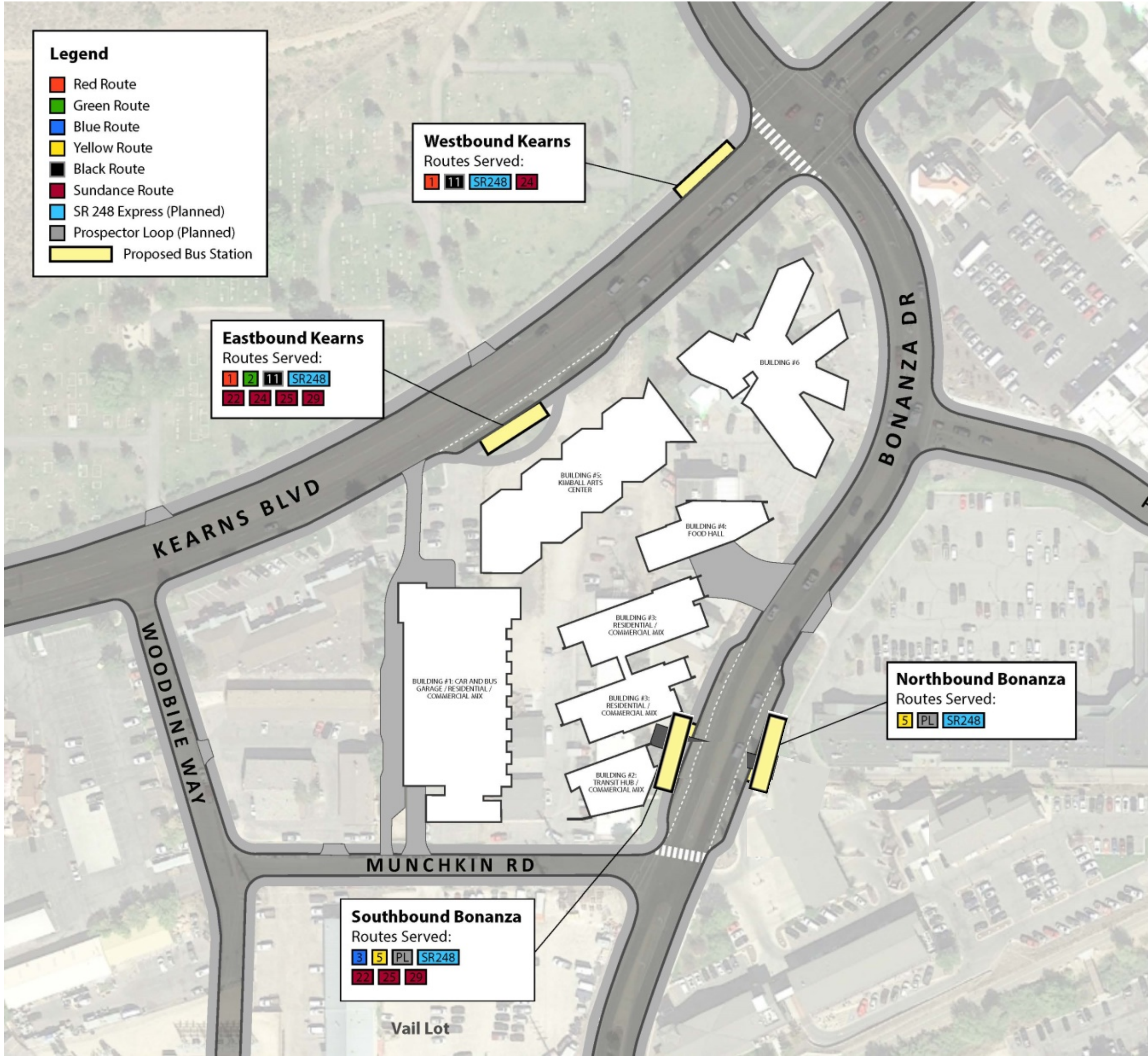


Bus Only
Left Turn Analysis
For Garage Exit



*Images and analysis from Horrocks Engineers

Conceptual At-grade Transit Station Configuration



Finance Plan

Financing A&C – Phase 1

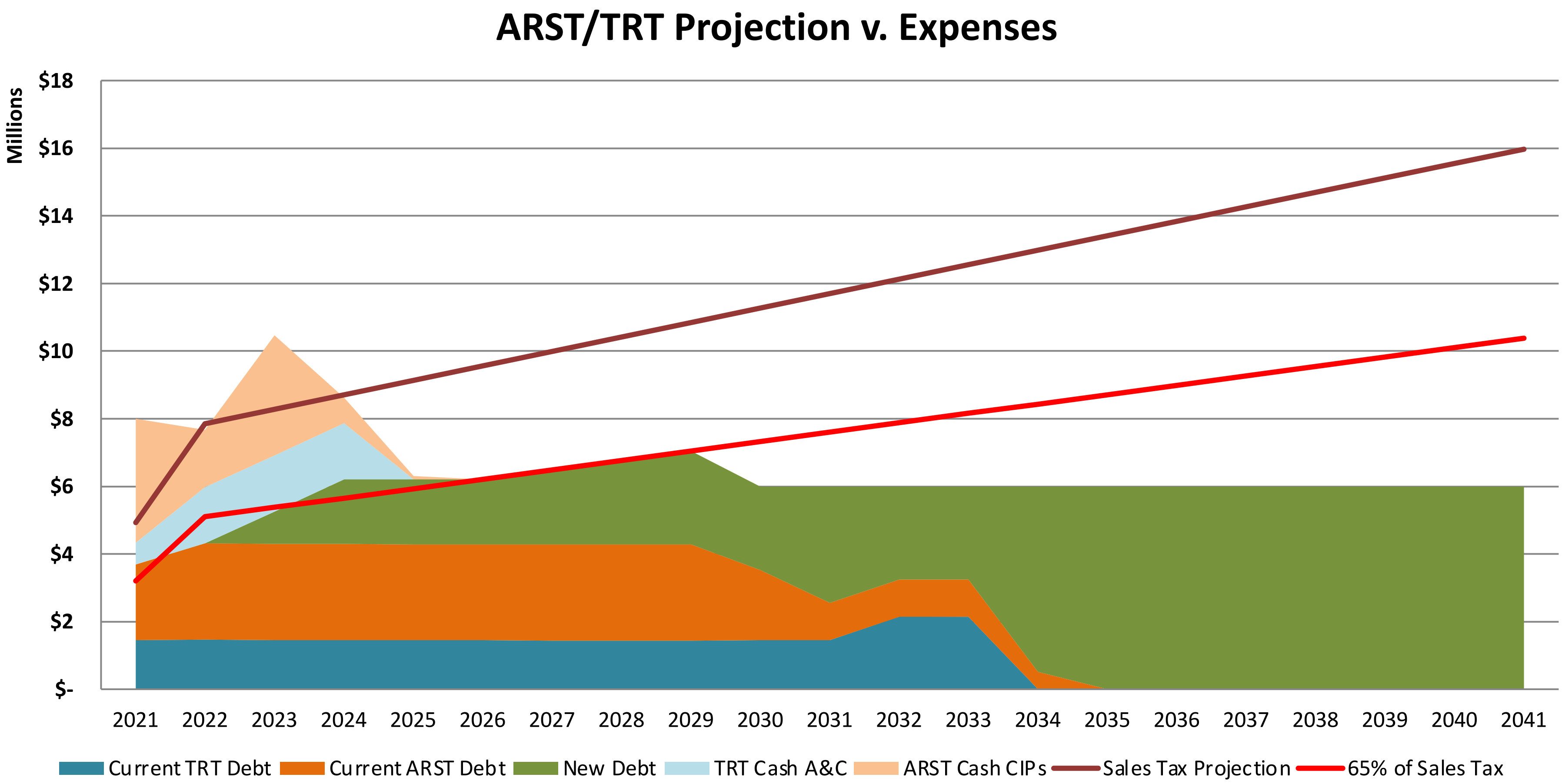
Phase 1

Expenses by Category	Sources by Category	Amounts	Comments
Housing Expenses	Affordable Housing Pipeline Proceeds	$25,576,029	$22M from STR 2019, remainder for sale of assets and Woodside phase 1
	Senior Center Remainder	$1,791,390	From LPA RDA ($1M) and remainder General Fund transfer
	Firehouse Sale	$1,000,000	Sale of Fire Station land
	Soils Repository Remainder	$1,745,093	Remainder of CIP money after construction/maintenance
	Housing Fee-in-Lieu	$840,317	Accrued Fee-in-Lieu
$30,705,712		**$30,952,829**	
Non-Housing Expenses	STR Series 2022 Bond	$9,000,000	New Transient Room Tax (TRT) Bond
	TRT-Related Capital Fund Balance	$5,637,621	Difference between realized revenues and debt service payments
	Assumed Sale of Land	$6,825,000	Expected sale of land to partners
	Repurposed Capital Projects	$1,730,154	Gen Fund Transfer Capital Projects
$22,860,600		**$23,192,775**	
Transportation Expenses	Transportation Fund		
$2,795,240		**$3,000,000**	Capital projects within the Transit Fund
Walkability Expenses	2014(a) Walkability GO Bond Proceeds		
$747,158		**$750,000**	$5M in remaining bond proceeds
$57,108,710		**$57,895,604**	

Financing A&C – Future Phases

Future Phases

Expenses by Category	Sources by Category	Amounts	Comments
Housing Expenses	STR Series 2022 Bond		ARST
$8,574,882		**$9,000,000**	
Non-Housing Expenses	STR Series 2022 Bond		New TRT and ARST STR Bond
$21,621,550		**$22,000,000**	
Transportation Expenses	Transportation Fund		
$1,100,000		**$1,100,000**	Capital projects within the Transit Fund
$31,296,432		**$32,100,000**	


ARST/TRT Projection v. Expenses
Millions
$18
$16
$14
$12
$10
$8
$6
$4
$2
$-
2021
2022
2023
2024
2025
2026
2027
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2037
2038
2039
2040
2041
Current TRT Debt
Current ARST Debt
New Debt
TRT Cash A&C
ARST Cash CIPs
Sales Tax Projection
65% of Sales Tax

Financing with ARST & TRT

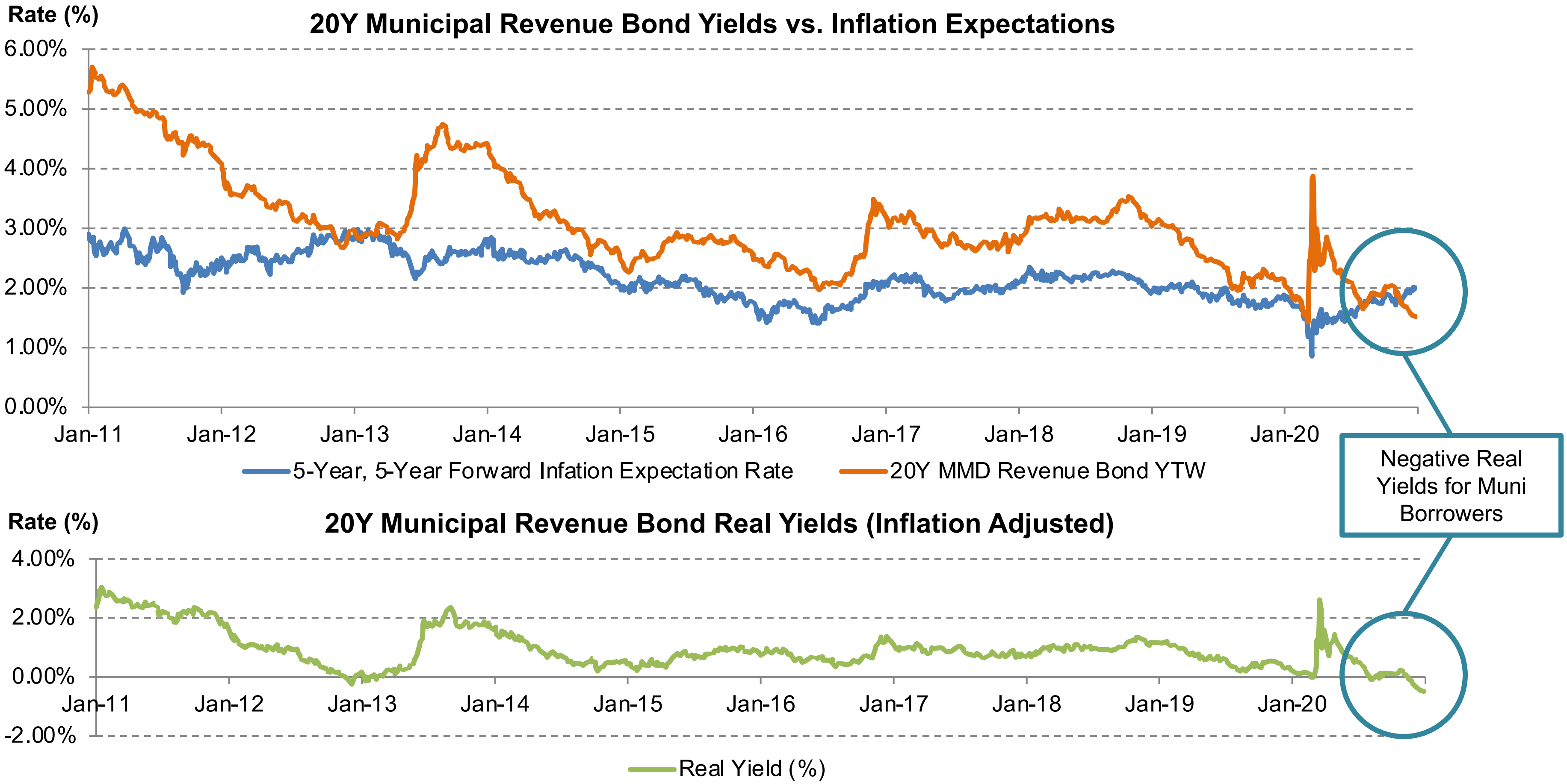
- Expanding use of ARST from OTIS (old town street projects), Main Street, and Open Space to A&C
- 20-year maturity
- Inability to bond against ARST or TRT again until FY30
- Move some projects funded directly from ARST (35%) to bond proceeds (65%)

Financing with ARST & TRT

Series 2022 STR Bond

Expenses by Category	Amounts	Notes
Phase 1 A&C	$9,000,000	Non-housing (from TRT)
Future Phases A&C	$31,000,000	Non-housing and housing (ARST & TRT)
Traditional Uses: OTIS, Downtown, and Open Space Projects	$15,000,000	Existing and new projects (ARST & TRT)
	$55,000,000	

Market Environment



Source: Park City Municipal Corporation, St. Louis Federal Reserve, Bloomberg Barclays Indices. As of 1/4/2021.

Transportation Projects

Transportation Projects

Expenses by Category	
Munchkin Complete Street Connection and Improvements	Road will be extended to make a connection through to Homestake. Inclusion of a 12' pathway on south side; 5' sidewalk on north side; shared bike lane markings, improved high visability crossing at Munchkin/Bonanza Dr, Utility relocation, roadway connections and landscaping
Woodbine & Homestake Complete Streets Improvements	Woodbine reconstruction, with a 5' sidewalk, shared bike lane markings, signs, drainage, utilities and improved Woodbine/SR248 crossing. Homestake will accomodate additional 12' pathway on south side and shared bike lane markings; improved SR224 pedestrian crossings; May also include utility relocation, roadway connections, pathway and sidewalks, bike markings, protected pedestrian crossings, landscaping.
SR248/Kearns/ Bonanza Wells Fargo Tunnel	Tunnel under SR248/Kearns in front of Wells Fargo
Bonanza/Prospector Tunnel or bridge	Crossing Bonanza connecting Arts and Culture to Prospector Square/Prospector Ave/Rail Trail
Snow Creek Crossing aka Tunnel under SR248	Tunnel under SR248/Kearns in front of Zions next to Snow Creek
Iron Horse Complete Street Improvements	Street improvements, enhanced sidewalks and improved pathways, and pathway connection to Rail Trail, intersection improvement to Bonanza Dr. Improved crossing at Shortline and Iron Horse.
Iron Horse Intersection/Rail Trail tunnel	Tunnel improvement from Arts and Culture district to existing Bonanza tunnel
Additional Transit Stops	Construct 2 regional transit stops on Westbound SR248 and Northbound Bonanza, transit facilities and amenities, bus pullout, sidewalk and pathway improvements.
High-level estimated cost	**~$30-40 million**

Getting to the Full Picture

A&C Phase 1

- $50M of funds traditionally intended for A&C (TRT, Housing, Sale of Land, Transit)
- $8M of Discretionary Funds (Senior Center, Sale of Firehouse, Walkability, Transit, etc.)

Revenue: $58M

Expense: $58M

- $31M of Housing
- $17M of Parking and Plaza Infrastructure

A&C Phase 2

- $31M of Discretionary ARST Funded Proceeds from Proposed 2022 STR Bond

Revenue: $31M

Expense: $31M

- $31M inclusive of Food Hall, Transit Hub, Additional Housing

Future Transportation

- $4M Existing Walkability Bond Proceeds
- $21M Future Funding Source

Revenue: $25M+

Expense: $25M+

- $25M of Transportation and Mobility Projects

Legend: Revenue | Expense

Source: Park City Municipal Corporation. As of 1/4/2021.

Deer Valley Resort - Snow Park Base Area Parking Update

January 7, 2021

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Overview

Deer Valley Resort is requesting:

1. Allow overflow/on-street parking on the west side of Deer Valley Drive, beyond the 5th parking lot, to the “Y”, with a pre-approved Operational Plan that satisfies City Engineering and Public Safety concerns; and

2. A stand-alone express bus that directly serves Deer Valley customers and employees from Prospector Square, such as the 5 Yellow.

Operational Plan

1. For remainder of 2021 season, only when and if necessary
2. Not requesting to exceed the 10% number of overflow days allowed through the MPD
3. Not utilized to date
4. Provides ~142 stalls in addition to 1,340 stalls in Snow Park lots, similar to special events Operational Plan
5. Parking only allowed in specific pre-determined areas to maintain safe lines of sight, distance from driveways, fire hydrants, fire lanes, intersections, stop signs and bus stops
6. DV also utilizing Treasure Mountain JHS for overflow on holidays and weekends as needed

2019-2020 Season

There were five (5) overflow days last season:

1. Saturday February 1
2. Friday February 7
3. Saturday February 8
4. Monday February 17
5. Saturday February 22

Transit

1. Winter Transit service reduced this year due to COVID-19 budget constraints;
2. Six (6) routes currently serve DV with 15-30 minute frequency;
3. Due to budget constraints challenging to adjust current service/routes without hiring and cost sharing;
4. City will consider adjustments for next winter.

Map Key

No Parking

Bus Stops

Current Overflow Parking Area

Proposed Overflow Parking Area

510 ONTARIO | ROUNDABOUT CONDOMINIUMS

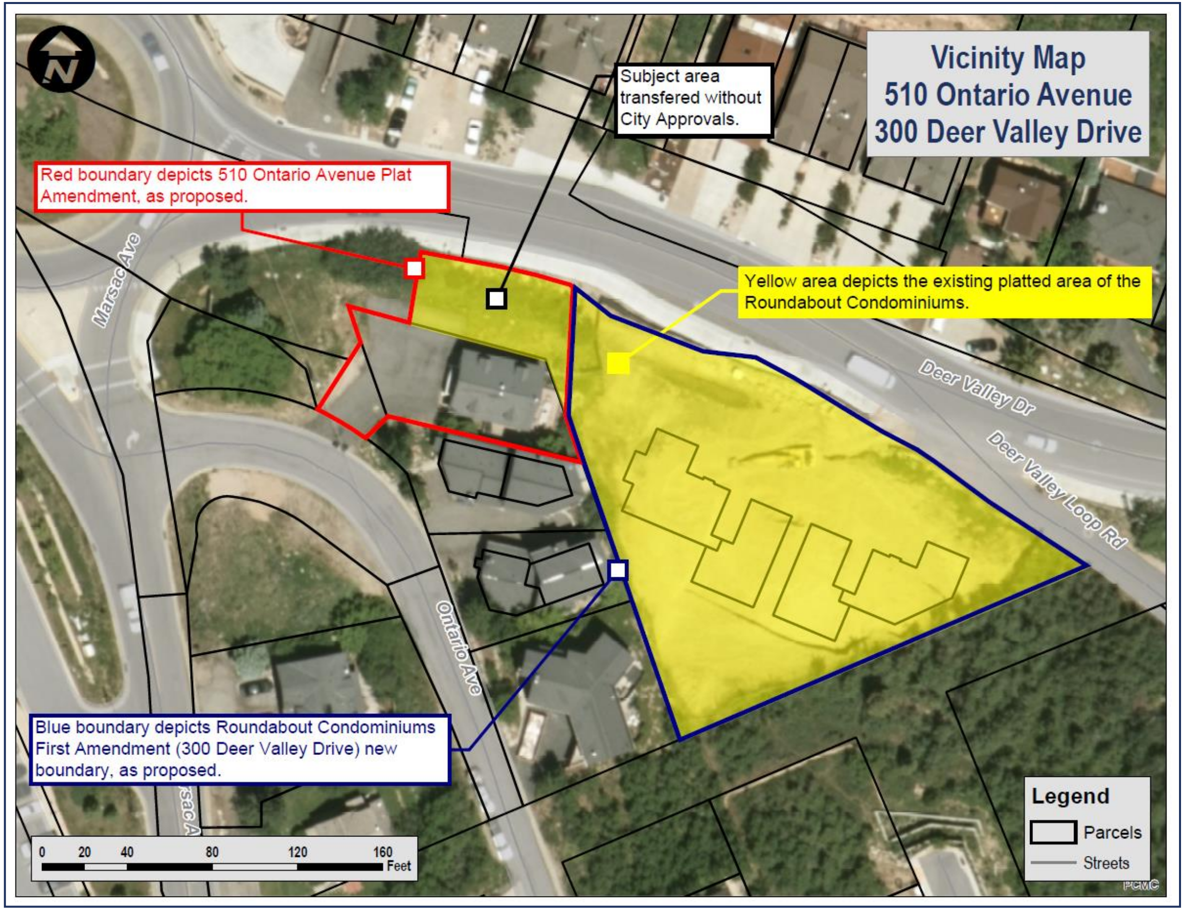
APPROVED PLAT EXTENSION REQUEST

EXTENSION REQUEST

On January 15, 2019, the Council approved two plats that transfer Roundabout Condominium common area to 510 Ontario Avenue

The transfer addresses 510 Ontario Avenue encroachments

The Council approved a one-year timeframe for plat recordation



EXTENSION REQUEST

The property owners negotiated an agreement finalizing the transfer of common area, but these negotiations were not completed prior to the plat recordation requirement

The Applicant filed an extension request before the approval expired

The property owners have reached an agreement

The final plats have been signed by property owners and are ready to be circulated within the City for final review and signatures

The plats may be ready to record with the County as early as next month

EXTENSION REQUEST

Staff recommends the Council approve the one-year extension request:

(A) There is no change in circumstance that results in an unmitigated impact

(B) The approved plat amendments comply with the General Plan and Land Management Code in effect at the time of the extension request

EXTENSION REQUEST

Staff recommends clarification to a Condition of Approval, included in the proposed Ordinance:

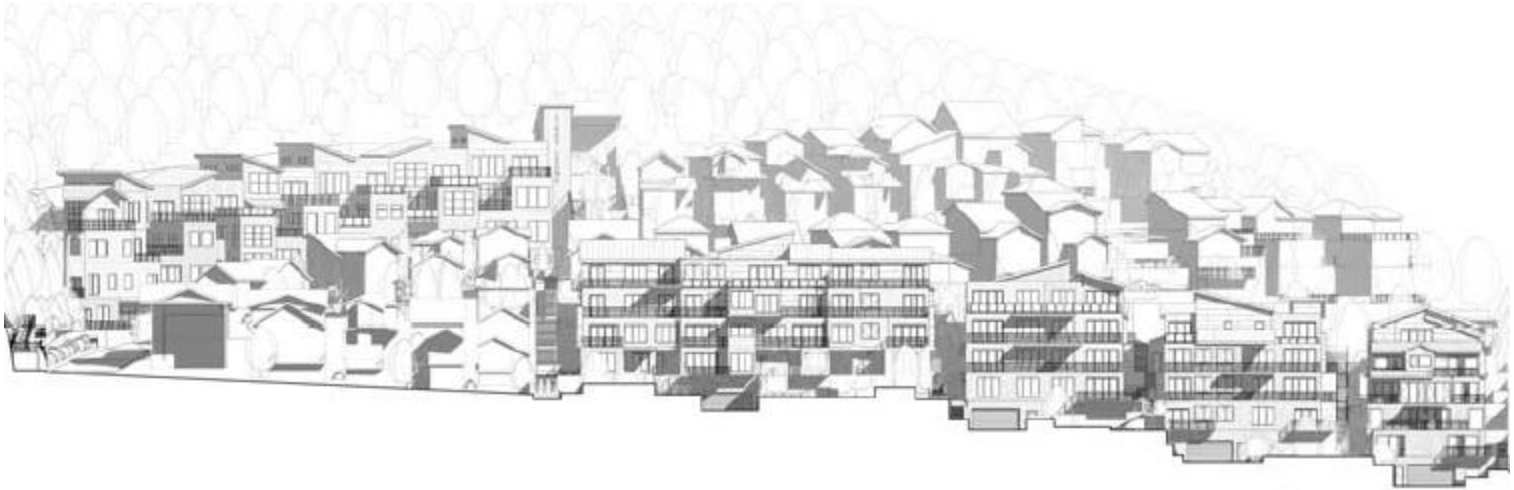
The applicant shall record the 510 Ontario Avenue Plat and the Roundabout Condominium First Amended Plat on the same date at the County within one year of the date of City Council approval . . .

EXTENSION REQUEST

Staff recommends the Council open a public hearing and consider approving Ordinance 2021-02, extending the 510 Ontario Avenue and Roundabout Condominiums First Amended Plat approvals through January 7, 2022

LOT COMBINATION

KING'S CROWN MASTER PLANNED DEVELOPMENT



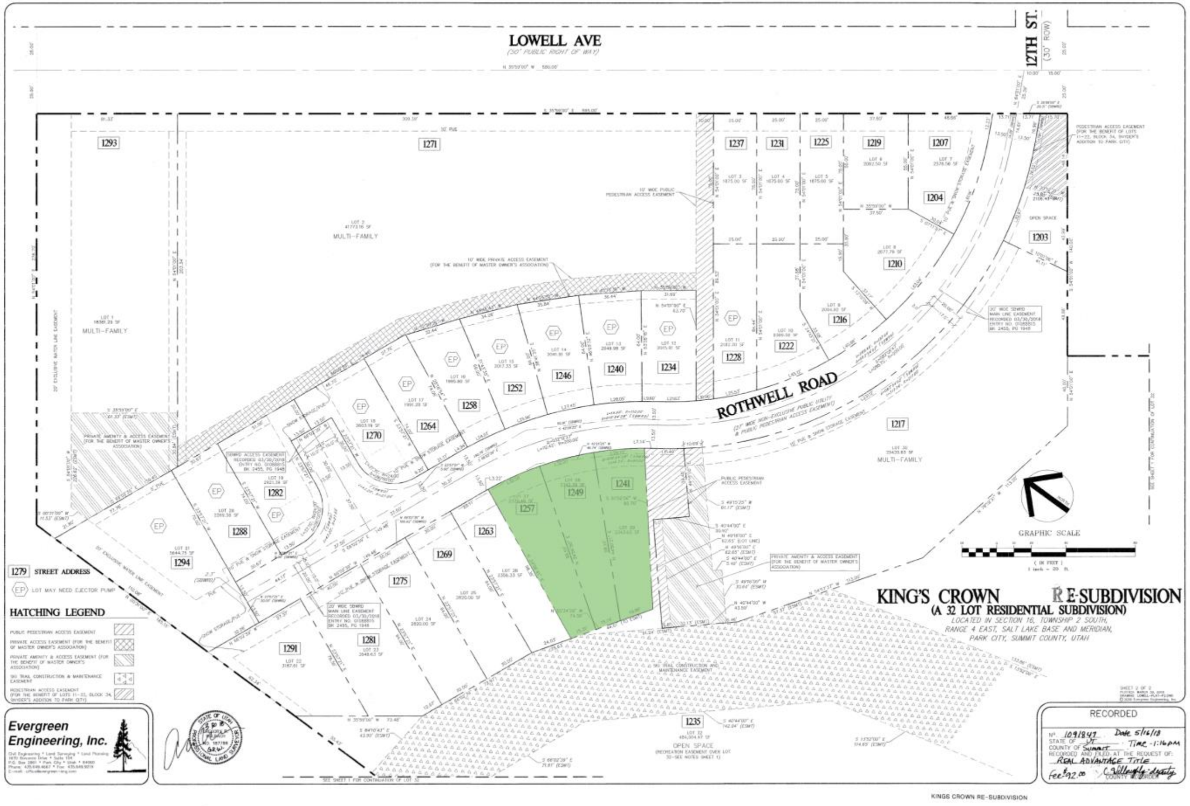
KING'S CROWN PLAT AMENDMENT

The King's Crown Master Planned Development includes:

- 27 Single-Family Lots
- Lot 1 – Building A Condominiums
- Lot 2 – Building B | C | D Condominiums
- Lot 30 – 7 Townhomes
- Lot 32 – Open Space

KING'S CROWN PLAT AMENDMENT

The Applicant proposes combining Single-Family Lots 27, 28, and 29 into two Single-Family Lots.



KING’S CROWN PLAT AMENDMENT

The proposal complies with the Development Agreement.

- The King’s Crown Master Planned Development allows up to 27 market rate Single-Family Lots
- The removed Lot and Density will be eliminated and may not be reallocated
- No affordable housing obligations will be reduced

KING’S CROWN PLAT AMENDMENT

The proposal complies with the King’s Crown MPD/CUP

- The total square footage for the 27 Single-Family Dwellings was estimated to be around 71,880

- As the Lot size increases in the Recreation Commercial zone, the Maximum Footprint decreases

- The Building Footprint for the three lots totals 3,091 SF; the Building Footprint for the combined lots totals 2,893 SF

- The Planning Commission added a Condition of Approval, placing a 3,900-square-foot maximum Gross Floor Area for each Single-Family Dwelling

KING'S CROWN PLAT AMENDMENT

The proposal complies with the Recreation Commercial zone requirements

- The proposal meets the minimum lot area, lot width, and setback requirements

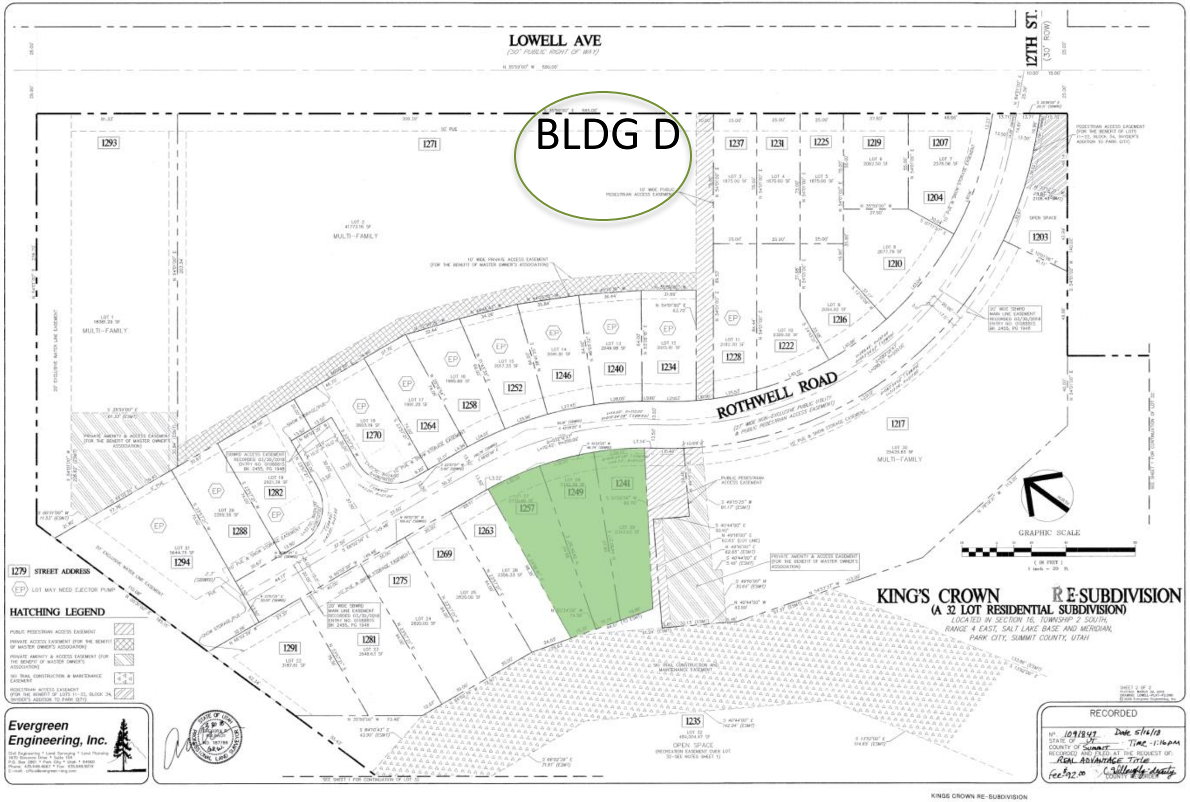
KING'S CROWN PLAT AMENDMENT

There is Good Cause because the Single-Family Dwelling Density accessed by a private road will be reduced

No Right-of-Way is vacated and easements must be shown on the final plat

KING'S CROWN PLAT AMENDMENT

Public Input



KING'S CROWN PLAT AMENDMENT

Public Input

Exhibit G includes public input from neighbors who are concerned about the King's Crown Building D Condominiums

The Planning Commission will conduct a public hearing specific to Building D, most likely on January 27, and the public will have an opportunity to provide input at that time

The Planning Commission chose not to include provisions specific to Building D into the Ordinance approving the Lot Combination

Building D is subject to a separate plat and approval

KING'S CROWN PLAT AMENDMENT

Staff recommends the Council open a public hearing and consider approving Ordinance No. 2021-03

Mayor Beerman, Council, and citizens of Park City, my name is Aldy Milliken and I am the Executive Director of the Kimball Art Center. On behalf of the Kimball Art Center, I want to take the opportunity to review our long-standing history and partnership with the city in the Arts and Culture District, and to present the case for the timeliness and economic wisdom of a dynamic creative district.

Kimball History

We thank you for recognizing our commitment to this partnership, but we also wanted to share with citizens and council members the true extent of our efforts to date in realizing this ambitious project. Our vision to connect people to art dates back to Bill Kimball starting an art center in a gas station on Mainstreet in 1976. Fast Forward a few years… upon moving to Kearns, after signing an LOI with the city in 2017, Kimball Art Center has been paying down the purchase price of the land for its new home in this proposed district. To date, KAC has paid over ½ million dollars. So to answer the council's concern -our financial commitment is already substantial. We have been paying for architects to create an incredibly dynamic building that aligns with our vision on this piece of land. We have participated in city master planning for public spaces at considerable cost to our organization. Our staff and board members have participated in vision meetings, city meetings, and operational meetings over the past 4 years to help move this process forward. We are committed to building an art center that will provide our students, children, and adults alike, year-round access to culture and exhibitions that bring world-class artists to us here in Utah. But we need a commitment from the city that this District remains a priority and that the city will value arts and culture as one of its main tenets, in unison with restaurants, retail, transportation solutions and mixed-use affordable housing that make this property more livable and a jewel for the community.

This year has been challenging for all of us, but we take umbrage with the notion that the difficult decisions we have had to make in order to be fiscally responsible should be used as an excuse to direct attention elsewhere. In nonprofit management, it is best practice not to borrow funds to pay for operations in a given fiscal year. For large capital investments, the opposite is true. Our donors, members, and governing bodies expect proper fiscal stewardship as we navigate out of these unprecedented times.

Public investment allows projects like this to flourish and will kick start growth in an area of town badly needing attention. Vibrant cultural centers build resilient communities and robust economies. Look at any successful city, and the public incentive strategies used by the government, and you will find culture at its core, along with a blend of transportation, housing, and amenities. Culture attracts people, and we estimate that a 30,000-foot building will serve 100,000 people annually. Given that cultural tourists spend more money per capita than in other sectors, this represents a more efficient return on infrastructure spending. Not including admissions, locals spend $23.44 per event on average, while non-locals spend $47.57. This means visitors will directly spend at least $4,000,000 a year outside of our building on local businesses. Park City Kimball Arts Fest alone brings in $20 Million dollars of direct and indirect annual economic impact over a long weekend. As an employer, we speculate we will employ more than 30 staff members in a variety of positions; and note that each job created by museum industry activity results in $16,495 in additional tax revenue. The positive impact The Kimball has on our community is extensive: We engage local and national artists; we collaborate with scores of local teachers in schools while connecting more than 7500 students to the creative process; we deploy 100s of volunteers for ArtsFest and as docents; and we have countless community partners.

Regarding Sundance, At the last council meeting, there was mention of the *empty box filler for their design* on the end of this 5-acre property, and I am here to tell you, this purportedly empty box represents the pinnacle of culture. When I asked a friend at the American for the Arts in Washington DC what the value of Sundance was, he quickly said, “priceless.” Cities and towns across the country would clamor to partner with such an esteemed educational non-profit and filmmaking brand. This box represents global dialogues, stories from places around the world that have never even heard of Park City. Moreover, data tells us that the Sundance Film Festival gives our City and State: over $167 million in Utah gross domestic product, 2,730 jobs for Utah residents, $88 million in Utah wages, $17.8 million in state and local tax revenue, world recognition, and international respect in the creative industry. This empty box actually demonstrates the possibilities of deeper and more sustained offerings that will move Park City away from its reliance on event-based activities. Imagine access to year-round quality art and artists instead of avoiding Mainstreet because of traffic.

Ultimately, our tourist economy will pay for incredible offerings from which our residents benefit. But here is what I worry about: The possibility that the Olympics in 2030s will use up planning and funding resources. Execution of the Arts & Culture District now will clear resources for future opportunities. Imagine Park City on the world sports stage with a world-class cultural district anchored by two “local” homegrown entities such as The Kimball Art Center and the Sundance Institute.

We use art to tell stories. Storytelling changes the hearts and minds of people on issues like climate change, racism, politics, and economic disparity. Storytelling offers solutions, often from people living on the frontlines of those same social problems. So this is the time to make an intelligent investment in our community that represents an aspirational example of a public-private partnership. We commend Council and the Mayor as you grapple with our larger infrastructure issues AND our need to support affordable housing. Thank you for making a clear financial plan, but we want to emphasize that art sustains a vibrant community and is a catalyst for positive growth. It provokes curiosity, encourages creativity, cultivates ideas, and builds community. Arts and culture hubs are centers of expression, civic engagement, and economic activity. Investments in cultural clusters produce high material returns and thus represent an effective strategy for economic revitalization and sustainability. A cultural district will help us recover--economically, socially, and psychologically--from the devastating losses of the pandemic while building toward a more resilient, vibrant, and inclusive future.

Thank you so much for your time…