

**PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
DECEMBER 7, 2006**

Present: Mayor Dana Williams; Council members, Marianne Cone; Candace Erickson; Roger Harlan; Jim Hier; and Joe Kernan

**Tom Bakaly, City Manager; Mark Harrington, City Attorney;
Lloyd Evans, Police Chief; Phil Kirk, Police Lieutenant; Brian
Andersen, Parking Manager; Jonathan Weidenhamer, Planner**

1. Council questions/comments. Marianne Cone commented on the walk-ability open houses held throughout town during the week which were well-attended. As liaison to the School Board, Roger Harlan indicated that he invited Board of Education members to meet with Council on SR248 traffic issues. He reported on the transportation summit hosted by the Chamber and was pleased to see the private sector involved and willing to participate in solutions. Jim Hier agreed and believed that the number of interested people in attendance was encouraging. Candace Erickson added that the facilitators kept the session focused on the community which was well represented. She suggested preparing a holiday calendar to keep track of all of the parties hosted by departments and boards. Marianne Cone discussed the Utah Ride-Share Program which is a free carpooling service to the public and she pointed out incentives, like underground parking, Deer Valley Resort offers its employees. Mayor Williams reported that the Jump-In session for high school students was held this week in the Council Chambers. He discussed pending federal legislation affecting the protection of Gambel Oak Park as permanent open space owned by the City. The Governor's blue ribbon panel on climate and the coalition of mayors in Summit County met this week.

2. Prospector – no left turn signs. Chief Lloyd Evans commented that on November 16, Council directed staff to return with more information on the reinstallation of no left turn signs on Kearns Boulevard from 7 a.m. to 9 a.m. On November 27, a petition from the Prospector Park neighborhood was received listing seven requests. Joe Kernan asked the rationale for removing the signs. Lt. Phil Kirk indicated that he was not a member of the traffic calming committee at the time, but understood the signs were removed because they could not be adequately and effectively enforced with current police resources and enforcement was inconsistent. Chief Evans also pointed out resulting increased back-up traffic on SR248 with the loss of alternative routes.

Ms. Erickson felt that the signs, whether or not enforced, would still be effective in deterring left turns. Chief Evans agreed but emphasized the expectation of residents that the signs will be consistently enforced. Ms. Erickson pointed out that the police presence in the area during those times is expected by the public. She suggested that police officers be randomly assigned to enforcement and Chief Evans responded that enforcement of the no left turns was alternated on different days. City Manager Tom

Bakaly suggested that the signs be reinstalled and enforced to the best possible degree, and return to Council with options for the future. This is really a policy decision. Mr. Kernan felt that the traffic calming committee may be limited to recommendations that aren't the best solutions, because of financial impacts or budget constraints. Candace Erickson clarified that the traffic calming committee routinely recommends different options, including those that require budget adjustments. Marianne Cone felt that reinstalling the signs is a good idea and discussion ensued about the effectiveness of random enforcement.

Roger Harlan pointed out that it would only be in effect on school days and felt it will contribute to a safer environment for children. Jim Hier sympathized with the concerns of the neighborhood and suggested installing sturdy portable signs in the center lane and cones in the side streets so that left turns are impeded. Eric DeHaan explained that staff will be meeting with UDOT next week. Installation of signs must be approved by UDOT who generally discourages placement signs in the middle of the state highway. Joe Kernan asked if the costs of diverters will be available during the budget review. Eric DeHaan explained that the traffic calming policy provides for a staff level evaluation of less significant traffic calming measures. This type of capital improvement would need to be coordinated with UDOT; he pointed out that installing a diverter blocking Wyatt Earp or Buffalo Bill *lengthens* the cul-de-sacs. The City Manager stated that diverters can be included in budget discussions and the Mayor asked that members stay on topic.

Marianne Cone indicated that she does not support a portable sign and the associated risks of having an employee working in the middle of the road. Chief Lloyd Evans stated that placements in the road are reserved for emergencies or construction and UDOT generally prohibits obstructions which interfere with turning or forward movements on state highways. For example, UDOT even has restrictive standards for placing cones. Chief Evans continued that the City discerned that about 75% of the traffic turning left into the neighborhood is going to a Prospector destination and not cutting through. Brian Andersen explained that staff recently conducted counts on representative days before and after school started. Counters were placed at Wyatt Earp, Comstock and Prospector Avenue and statistics revealed that only about 25% represented through traffic. The Police Chief continued that this result is consistent with feedback from motorists being questioned by police when stopped and contributed to the decision to remove the signs. The Mayor invited the public to comment.

Steve Burton, resident, urged Council to reinstall the signs supplemented with additional efforts which may not require coordination with UDOT. He suggested that the police officer assigned to the schools put up collapsible signs with cones on Buffalo Bill and Wyatt Earp on the City's right-of-way not the highway. This is an easy solution and would handle 90% of the traffic coming into the neighborhood.

Greta Andreni, Monarch Drive resident, explained that her main concern is the potential for Comstock to become even busier because it will have to handle all of the diverted vehicles unable to turn left.

Joe Meslowski, Wyatt Earp Way, thanked Council for its prompt attention to the reinstallation of no left turn signs. He urged Council to consider limiting the parking along Sidewinder during the winter to facilitate better snow plowing and he asked when those issues will be considered. He referred to Mr. Andersen's traffic counts, and noted that before school started, there was more traffic using Comstock than Wyatt Earp because it is a wider road with painted lanes for children. It's a controlled intersection manned with a police car and crossing guard alerting drivers and pedestrians to take caution, and none of this exists anywhere in the other areas in Prospector. He spoke about a *reverse commute* through the neighborhood to avoid logjams on SR248 in the afternoon and acknowledged that this could be studied in phase two. He questioned the accuracy of the 75% number and pointed out that in any event, curtailing the identified 25% of the traffic cutting through the neighborhood would be significant. Mr. Meslowski stated that squad cars should be placed in front of the high school and elementary school. There should be measures taken now until the broader study is completed and an intelligent permanent solution is found.

Kyle Jensen, Comstock resident, stated that he supports the no left turn signs provided the traffic is not diverted to Comstock. Non-residents need to be kept out of their neighborhoods to preserve quality of life. He suggested installing stop signs and speed bumps and purchasing photo-cop cameras for enforcement. Petitions and letters were sent to the Council beginning in 2001 and the City needs to protect the integrity of its neighborhoods. He encouraged utilizing stop-gap measures until the study is completed. This is a year-round problem which can be solved tomorrow by installing 15 stop signs and enforcing them. When school is in session Wyatt Earp carries approximately 600 to 1,300 cars a day and Comstock 950 to 1,900 vehicles in a 24 hour period. Eric DeHaan interjected that complaints are typically prompted once more than 1,000 cars are realized. By way of comparison, Kearns carries 20,000 and SR224 36,000 a day. Mr. Jensen reiterated that we can't control the number of cars coming into town but we can control where they go with stop signs, other signage, and police enforcement.

Chris Haslock, Sidewinder Drive, stated that he is in favor of the no left turn signs and collapsible signs on side streets so it becomes aggravating to drive through neighborhood streets in Prospector.

Mayor Williams thanked the audience for its civility and commented that he is also surprised by the 75% statistic. Council members unanimously supported reinstalling the no left turn signs.

3, Review of regular meeting.

562 Main Street historic preservation easement. Jonathan Weidenhamer explained that last September, Council considered an amendment to an historic preservation easement at 562 Main Street to allow an addition to the rear of the building. At that time, Council asked that staff provide additional back-up information on the plat creating the lot, purchase of the walkway by the City, and façade easement language. Through research, staff discovered that there was never an intention to restrict development at the rear of the lot.

He acknowledged confusion over the original appraisal submitted by the property owner to the City. The appraisal totaled \$600,000 of which \$140,000 was identified as foregone development on the parcel purchased by the City for the walkway. Mr. Weidenhamer emphasized that this appraisal was rejected by both the City and the FTA. The ultimate purchase price was \$500,000 for the vacant lot. Joe Kernan felt that this information supports that expansion of the historic structure is allowable. Jonathan Weidenhamer expressed that a preliminary review reveals that the project complies with Historic District Guidelines, criteria development in Swede Alley, and HCB zoning; the historic façade will not be compromised. Jim Hier acknowledged two separate parcels; one purchased by the City and the other parcel privately owned. It was in the City's best interest to reserve the ability to control the type of development on the property.

Prepared by Janet M. Scott, City Recorder

**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
DECEMBER 7, 2006**

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, December 7, 2006. Members in attendance were Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Myles Rademan, Public Affairs Director; Jon Weidenhamer, Economic Development Coordinator; and Patrick Putt, Planning Director.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Statement regarding provisional ballots for the November 7, 2006 special bond election – Bond counsel directed that the following statement be read into the record this week which was done accordingly by the Mayor:

“For persons residing in the Summit County portion of the City seeking to vote in the special bond election held on November 7, 2006, 60 provisional ballots were issued of which 35 provisional ballots were valid and therefore counted.”

2. Transportation Summit – Myles Rademan referred to this Chamber sponsored session this week which was an outgrowth of the Summit held at the end of the summer. Formulating programs for the business community was the focus of the meeting and a final list of options will be printed and distributed by the Chamber, including a ride-share program and working with UTA. He was pleased to report that employers and employees will be able to purchase seats from All Resort Express or Lewis Bros Stages on a seasonal basis.

3. Council disclosure – Joe Kernan relayed that USSA is one of his recycling customers.

III PUBLIC INPUT (any matter of City business not scheduled on agenda)

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF NOVEMBER 16, 2006

Joe Kernan read a wording change to the work session notes which he shared with the City Recorder. Roger Harlan, “I move passage of the work session notes and minutes of the meeting of November 16, 2006, as corrected”. Marianne Cone seconded. Motion unanimously carried.

V OLD BUSINESS

1. Reconsideration of consent of design for 562 Main Street historic preservation easement – Jonathan Weidenhamer referred to his staff report and work session discussion. With no further questions or comments, Jim Hier, "I move we authorize the staff to execute an amendment to the existing historic preservation easement for the historic building located at 562 Main Street in accordance with the staff report". Roger Harlan seconded. Motion unanimously carried.

2. Re-adoption of an Ordinance annexing approximately 157 acres of property located at the northwest corner of the State Route 248/US40 Interchange in the Quinns Junction Area known as the Intermountain Healthcare/USSA/Burbidge Annexation into the corporate limits of Park City, Utah and amending the Official Zoning Map – Patrick Putt explained that on June 29, 2006, the City Council approved an annexation ordinance and agreement for the IHC/USSA/Burbidge Annexation. The 157 acres is currently vacant property and located in unincorporated Summit County. The proposed zoning is Community Transition-MPD with a base zoning of 1:20 acres. The MPD process provides for consideration of density bonuses up to a maximum of three units. Proposed land uses include a hospital and medical campus, USSA's new headquarters and a training facility. The total density is 535,000 gross square feet equating to 2.64 units per acre. Immediately following Council's action on an annexation, a 30 day time period is triggered to record the annexation documents.

Mr. Putt explained that re-adoption is necessary because the applicants desired to resolve various technical elements after the June action, which delayed finalization of the agreement and the 30 day deadline could not be met. These negotiations primarily dealt with water, affordable housing and clearly detailing water fees. The cost of the water is \$16,000 per equivalent residential unit; the total project area or the build-out of 535,000 square feet equates to a total of 60.925 ERUs and a total water cost of \$1,102,800. This amount includes the water impact fee but not the user fee (not including the water costs associated with affordable housing). The payment is due within ten business days following the MPD approval by the Planning Commission. There are water improvements associated with this project which have not been formally identified, but may include the upgrade of the Fairway Hills Pump Station.

Patrick Putt emphasized that the City will not incur any infrastructure costs with this annexation. The affordable housing requirement has not changed since June, but the agreement has been revised to better clarify that this obligation is being met by the donation of five acres to the City. There is provision for a 12 month negotiation period after approval of the annexation agreement to define the details of delivering housing. The applicants will post a performance in advance of the deadline and staff included the

June 29 staff report which provides more basic information. The effective date of the Ordinance is January 1, 2007.

The Mayor opened the public hearing. Hearing no comments from the audience, he closed the public hearing. Jim Hier read Finding No. 12 regarding the allocation of square footage, *"The City has also agreed that up to 50,000 square feet may be utilized for public, quasi-public and other institutional uses reasonably related to the Support Medical Office area, including without limitation, athletic national governing body offices, non-profit community wellness facilities, and/or education uses."* He stated that it was always his understanding throughout the task force process that the 50,000 square feet would only be used for the above-mentioned uses, otherwise the statement carries no meaning. Morgan Bush, IHC, stated that the task force addressed the variety of uses allowed in the CT Zone and narrowed them to those associated with this project. IHC identified that it would need at least 100,000 square feet of medical support for the hospital and beyond that, it was understood that those uses would be determined in the MPD process. He emphasized that this finding was approved by the Board as written, however, adding a sentence to Finding No. 12 that *"these uses will be determined and approved by the City during the MPD process"* would probably be agreeable. He stated that he would like to take this back to his Board.

Jim Hier indicated that he is not comfortable with the current language and Mr. Bush reiterated that he is comfortable with stating that the uses will be determined and approved by the City during the MPD process. Mr. Hier explained that omitting the word "primary" has the potential of not providing the Planning Commission clear guidelines when negotiating the application. Mark Harrington suggested amending Finding No. 12 to read, *"The City identified a public policy preference that up to 50,000 square feet of the support medical commercial should primarily be utilized for public. . . . A specific allocation of such uses shall be determined and agreed to by the petitioners (or its assigns) and the City as part of the MPD approval."* Morgan Bush expressed his interest in mutually agreeing to language tonight and Jim Hier concurred.

After privately consulting with IHC's legal counsel for a few minutes, Morgan Bush spoke about the commitment of the applicants to work with the City and felt this language is consistent with that intent. He will communicate this wording change to his Board but agreed to proceed tonight. Jim Hier stated that he personally would like to read the modified annexation agreement when it is finalized. Jim Hier, "I move that we adopt the attached ordinance re-approving the IHC/USSA/Burbidge Annexation as reflected in the staff documents and modified by the City Attorney". Candace Erickson seconded. Motion unanimously carried. The Mayor congratulated the petitioners and welcomed them to the community.

VI ADDITIONAL DISCUSSION – AGENDA ITEMS

None.

VII ADJOURNMENT

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

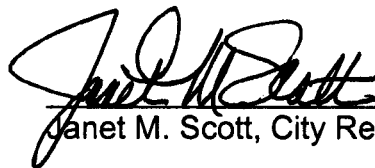
MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 4 p.m. Members in attendance were Mayor Dana Williams, Marianne Cone, Candace Erickson, Roger Harlan, Jim Hier, and Joe Kernan. Staff present were Tom Bakaly, City Manager; Tom Daley, Assistant City Attorney, Myles Rademan, Public Affairs Director; Jeff Schoenbacher, Environmental Specialist, Kathy Lundborg, Water Manager, Jerry Gibbs, Public Works Director; and Mark Harrington, City Attorney. Marianne Cone, "I move to close the meeting to discuss property". Candace Erickson seconded. Motion carried unanimously. The meeting opened at approximately 4:30 p.m. Jim Hier, "I move to open the meeting". Marianne Cone seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott




Janet M. Scott, City Recorder

City Council Staff Report



Author: Jerry W. Gibbs
Lloyd Evans
Subject: NO LEFT TURN SR 248
PROSPECTOR TRAFFIC
Date: December 7, 2006
Type of Item: Informational

PUBLIC WORKS
POLICE

Summary Recommendations:

Staff recommends that the decision regarding a "No Left Turn between 7AM-9AM" sign on SR 248 be made during the budget process as part of a comprehensive review of traffic issues related to future growth, traffic capacity, walk-ability and coordination of random pedestrian crossing at the Park City High School.

Description:

Topic:

No Left Turn 7-9 AM in Prospector Park

Background:

In 2001, as part of the 248 reconstruction, "No Left Turn" signs were installed on 248 westbound at Wyatt Earp and Buffalo Bill by UDOT based on community input during the design process. Enforcement by the Park City Police Department was mainly response based and occasionally an officer would be stationed at Wyatt Earp and Sidewinder. In spring of 2005, the Police Department requested the removal of the signs based on their current resource allocation and the increase expectation to prohibit left turning movements. The Traffic Calming committee (TCC) agreed and UDOT was asked to remove the signs.

In the early summer of 2005, residents of Prospector Park indicated there was an increase in traffic once the signs were removed. The Prospector Park group would like the City Council to overturn the staff decision on the signs and reinstall the left turn restricted signs on SR 248. It will be their expectation that this new sign will be actively enforced. The City Council heard from residents of Prospector Park and Prospector Village concerned with the increase in traffic over the last few years. Staff collected traffic data pre and post start of the 2006-07 school year in Prospector Park. Traffic increased about 100 cars on Wyatt Earp during the morning commute. Traffic counters were not placed on Buffalo Bill or Comstock to determine if there was a change in traffic during this same period. The destination of many of these vehicles is to businesses in the NOMA district. Residents from Prospector Village living on Comstock and Little Bessie expressed concerns with speeding and increased traffic.

Analysis:

At the end of the November 16th City Council meeting, staff was asked to bring this item to work session for further discussion. If the City Council would like to proceed with prohibiting left turns at Buffalo Bill Drive, Wyatt Earp or other intersections, there are the following options to consider from least costly to most expensive.

1. Installation of a "No Left Turn 7 AM-9 AM" sign
2. Installation of a "No Left Turn" sign, prohibiting all left turns and remove the left turn lane
3. Install diverters at the intersections to physically limit left turns and eliminate the left turn lane from U-248
4. Extend the existing landscaped median from the narrow area to Buffalo Bill

For these ideas, capital cost will vary from a few hundred dollars to \$100,000. Enforcement resources will be more demanding on the first three options. Maintenance will be higher on the landscaped median. There will be a net increase of traffic on Comstock. Each option will require coordination and final approval from UDOT before proceeding. Staff recommends that these ideas (and perhaps others) be reviewed as part of the Walk-ability Study and prioritize during the spring budget process consistent with the City Council adopted budget policies.

The expectation of the neighborhood, if the signs are reinstalled by Council action, would be to have a police presence each morning. In anticipation of this, the police department would initially factor the enforcement of these signs into the "call prioritization" list for the call car and provide enforcement as officers are available. However, to implement enforcement at a meaningful level, the police department over the next six months would look at reallocating officer time from other morning school related assignments to do this enforcement with exploration of adding additional officer time either through the reserve officer program or use of overtime to pay off-duty officers. No budget adjustment would be required if the signs were reinstalled, but may be needed as part of the budget process in the spring.

On November 27, Prospector Park submitted a petition requesting:

1. Reinstall no left turn signs
2. Increase police resources during rush hour to enforce
3. Place crosswalks and stop signs on Comstock to ensure the safety of children crossing Comstock on their way to school
4. Enforce no parking along Comstock as well as other areas of Prospector Village, especially those areas utilized by Park city High School students unable to park at the high school
5. Allow parking on only one side of Sidewinder during the winter
6. Make Wyatt Earp and Buffalo Bill dead-end streets
7. Provide parking on the north side of the high school and adjust the timing of the traffic lights on 248 in order to reduce delays in front of the high school

The Traffic Calming Committee will begin the neighborhood process with the Prospector Park residents as set out in the Neighborhood Traffic Management Policy.

Alternatives:

- A. The City Council directs staff to coordinate with UDOT for the installation of a "No Left Turn 7 AM-9 AM" sign at Wyatt Earp and Buffalo Bill
- B. The City Council directs staff to coordinate with UDOT for the installation of a "No Left" sign at Wyatt Earp and Buffalo Bill
- C. Delay the decision until the "Walk-ability Study" is completed to determine if recommendations to improve the pedestrian connection along Comstock will result in narrowing the road and impacting the ability of Comstock to handle additional traffic. **(TCC Recommended)**
- D. Install diverters at the intersections of Wyatt Earp and Buffalo Bill & eliminate the left turn lane from 248

Significant Impacts:

Alternatives A & B will require the Police to adjust their resources to provide an increased service level of enforcement within their existing budget. A budget adjustment may be needed if they are unable to accommodate the additional costs within their current budget. If the City Council would like to pursue alternatives A or B, staff suggests that existing resources be used until a larger resource discussion can occur during the spring. The capital cost would be minimal. UDOT approval is required before proceeding with Alternatives A, B, or D.

Recommendation:

Staff recommends that the decision regarding a "No Left Turn between 7AM-9AM" sign on SR 248 be made during the budget process as part of a comprehensive review of traffic issues related to future growth, traffic capacity, walk-ability and coordination of random pedestrian crossing at the Park City High School.

To: Honorable Mayor/Members of City Council

From: Janet M. Scott, City Recorder

Subject: Request from bond attorneys Chapman and Cutler
Statement to be read into the record by the Mayor

At the canvass, held on November 16, I read language regarding absentee ballots into the record, however, provisional vote information was not available at that date. This data has since been provided by the Summit County Clerk and our bond attorneys request that the following statement be read into the record at this week's meeting by the Mayor:

"For persons residing in the Summit County portion of the City seeking to vote in the special bond election held on November 7, 2006, 60 provisional ballots were issued, of which 35 provisional ballots were valid and therefore counted."

City Council Staff Report



Author: Jonathan Weidenhamer
Subject: 562 MAIN ST – FAÇADE EASEMENT
Date: December 7, 2006
Type of Item: Contractual –Design Consent

Planning Department

Summary Recommendations:

Provide consent for a building addition by authorizing staff to execute an amendment to the existing Historic Preservation Easement for the historic building located at 562 Main Street.

Background:

In February, 1999 the City Council approved a plat amendment at 562 Main Street. The plat addressed the encroachment of a historic building over platted lot lines, and created a second lot that was sold to the City for the purpose of creating a pedestrian connection from the Transit Center to Main Street. This is where the "bear on the bench" statue is located.

A condition of the plat was the dedication of a façade easement on the historic building for the benefit of the City. This façade easement was placed on the front (west) and side (south) elevations (Exhibit A – Recorded Plat). Currently, staff is reviewing a proposal to put an addition on the rear of the building (Exhibit B – Proposed site plan). The proposed addition is to be located on the eastern portion of the lot which is currently undeveloped, and will not disturb the protected facades. The City must approve any proposed addition pursuant to Section 4 of the Historic Preservation Easement.

This proposed addition to the rear of 562 Main Street was presented to City Council on September 28, 2006. At the meeting, Council requested additional background information. Additional research has been done in all available files. Staff also contacted original staff members involved in the plat amendment, land purchase, and resulting Façade Easement Agreement. Toby Ross, Derek Satchell and Meg Ryan had conflicting recollections. Although the plat and accompanying façade easement were approved on a Council consent agenda with no discussion, research of the actual meeting minutes and staff reports indicate conclusively that there was no intent to prohibit development on the rear of the lot through the application of the façade easement.

The Following is taken from the first paragraph of the Analysis section of the February 25, 1999 staff report approving the ordinance:

The proposed dimensions on Lot 17 will resolve the issue of encroachment and will result in the preservation of the west and north facades through a façade agreement. The applicant will have the right to apply for an addition onto the historic structure which could extend back to Swede Alley with a zero lot line configuration.

Part of the confusion may be attributed to the appraisal for 560 Main Street, because it listed a "forgone development profit". However, both the Federal Transit Authority and the City rejected the appraisal and negotiated a lower purchase price. The appraisal is available for inspection in the file in the Planning Department. Therefore, staff concludes that no consideration was given to restrict development on the rear of the lot and any proposed development activity should be reviewed pursuant to Paragraph 4 of the Historic Preservation Easement as outlined below.

Analysis:

Section 4, Standards of Review, references the ability to review construction, alteration, repair, or maintenance provided the application goes through the appropriate design process; which in this case would be for an administrative review for consistency with the Park City Historic District Design Guidelines, applicable LMC provisions and the General Plan.

The language from Sections 4 is as follows:

4. **Standards of Review.** In exercising any authority created by the easement to inspect the Premises, the Building, or the Facade; to review any construction, alteration, repair, or maintenance; or to review casualty damage or to reconstruct or approve reconstruction of the Building following casualty damage, Grantee shall apply the Standards for Rehabilitation and Guidelines for Rehabilitating Historic Building, issued and as may be amended from time to time by the Secretary of the United States Department of the Interior (hereinafter "Standards") and/or state or local standards considered appropriate by Grantee for review of work affecting historically or architecturally significant structures or for construction of new structures within historically or architecturally significant structures or for construction of new structures within historically, architecturally, or culturally significant areas. In the event the Standards are abandoned or materially altered or otherwise become, in the sole judgment of the Grantee, inappropriate for the purposes set forth above, the Grantee may apply reasonable alternative standards and notify Grantor of the substituted standards.

A comprehensive discussion was held with staff, the City's architectural consulting team, and the applicant regarding the Community Economy Element of the General Plan and redevelopment trends along Swede Alley. Consensus was reached that a storefront design approach (versus a service/utilitarian design) should be followed, both at the Swede Alley frontage, and along the pedestrian walkway. The proposed addition reflects this consensus (Exhibit B).

There was confusion at the last presentation about the exact location of the addition in relation to the pedestrian walkway, Swede Alley pavement and potential impacts on the pedestrian experience along the walkway. Exhibits B1, B2, and B3 provide clarity. Should the addition be approved, a 24' setback between the new addition and the building to the south would continue to exist. The distance between the rear of the proposed building and Swede Alley asphalt will be approximately 73'. A condition of approval would be put in place to protect the mature lilac bushes and otherwise ensure the quality of the existing pedestrian connection to Main Street.

Staff reviewed the proposal from the applicant and made a preliminary determination of compliance with the Historic District Design Guidelines and the Swede Alley Development Criteria found in the HCB portion of the LMC. The existing historic facades at the west and south elevations will not be modified or altered in any capacity through the addition as proposed. Accordingly, Sections 2(b)iv-v of the Historic Preservation Easement are not implicated.

The remaining analysis is broken into 2 sections. First, the proposal is reviewed against the Swede Alley Development Criteria found in Section 15-2.6-7 of the HCB District, and secondly for consistency with applicable Historic District Design Guidelines.

Swede Alley Development Criteria

LMC Section 15-2.6-7 of the HCB District regulates development on Swede Alley. The proposal has been reviewed against these criteria. Staff's response is in italics.

(A) Structures must step down toward Swede Alley at an angle of forty-five degrees (45 degrees) to a maximum Height of twenty-four feet (24') at the edge of the Swede Alley Right-of-Way. A variety of one and two-story facades are encouraged. Designs that create a strong indoor/outdoor connection at the ground level are strongly encouraged. **Complies.** *The addition is proposed to be built to the easterly property line which is approximately 60' from the edge of asphalt of Swede Alley. The height of the rear façade as proposed is 21' in height. By using a storefront design approach and having recessed entryways along both the south and east elevation the design employs strong connections at the ground level to the pedestrian walkways.*

(B) Entrances must be pedestrian-scaled and defined with porches, awnings and other similar elements as described in the Park City Historic District Design Guidelines. Entrances must make provisions for shared public and service Access whenever possible. When Main Street additions extend to Swede Alley, the materials and colors of the new construction must be designed to coordinate with the existing Structure. **Complies.** *The finish materials of the addition will include wood siding and windows, to complement the existing mix of board and batton and 6" horizontal ship-lap siding, but will be 8" beveled siding to differentiate the new construction. The new entrances are recessed and the windows have awnings to make them pedestrian friendly and easy to maintain access.*

(C) Structures must continue the existing stair-step facade rhythm along Swede Alley. No more than sixty feet (60') of a Swede Alley facade may have the same Height or Setback. On facades greater than sixty feet (60') wide, Structures must provide a variety of Building Setbacks, Height, and Building form. Setbacks in the facades and stepping upper stories, decks, and Balconies are strongly encouraged. Uniform height and Setbacks are discouraged. **Complies.** *The new façade will be approximately 30' in length, and will be lower than the 3 story structure adjacent to the north.*

(D) Provisions for public open space, open courtyards, and landscaping are strongly encouraged. **Complies.** *The design includes a sidewalk around the perimeter of the new addition, which links directly into both the city-owned pedestrian link from the Transit Center*

to Main Street, and also links into the Swede Alley sidewalk. The applicant has committed to replacing and installing landscaping in all disturbed and non paved areas as part of the building permit, and agrees to post a bond to ensure this.

(E) Pedestrian connections from Swede Alley to Main Street are encouraged whenever possible. Open and landscaped pedestrian connections are favored. **Complies.** *This proposal complements the existing pedestrian connection from the Transit Center to Main Street by offering a combination of a storefront design, strong pedestrian linkages, entryways to the building, and landscaping.*

(F) Swede Alley facades must be simple, utilitarian, and subordinate in character to Main Street facades. While facades should be capped, details should be simple. Ornate details typically found on Main Street facades are prohibited. The Applicant must incorporate a mix of materials, accent trim and door treatments to provide architectural interest. Materials must be similar in character, color, texture and scale to those found on Main Street. Exposed concrete, large Areas of stucco and unfinished materials are prohibited. **Complies.** *The new façades are complementary to the historic facades in terms of finish materials and scale. They are simple and plain, and do not incorporate detailing found on the Main Street façade, such as the ornate cornice and trim work. The new proposal provides appropriate architectural interest without the ornamentation typically found on a Main Street façade..*

(G) Window display Areas are allowed. However, the Swede Alley window Area must be subordinate in design to the Main Street window Area. **Complies.** *The design is centered around a storefront approach and includes recessed entry-ways, large display windows (4'-0" and 3'-0' wide) and awnings. However, due to the large display windows on the front façade (6'-0" in width) and front doorway, and the surrounding ornate trim work, the addition will remain subordinate in its appearance to the Main Street façade.*

(H) Service Areas and service equipment must be screened. Utility boxes must be painted to blend with the adjacent Structures. Group trash containers must be screened. **Complies.** *The existing mechanical equipment is screened. The site provides ample opportunities to screen any new mechanical equipment with new landscaping.*

Historic District Design Guidelines

Guidelines 20 – 30 apply to new commercial construction. Generally they refer to Main Street Facades. This section will analyze the relevant Guidelines that apply to Swede Alley Development. Staff's comments are in italics.

Guideline #20: Avoid Designs that Imitate Historic Styles of Main Street.

Complies New buildings designed to imitate historic styles that were built in Park City or elsewhere will not be approved. *The new addition does not imitate historic styles, while maintaining consistency in its scale and finish materials. Entrance details and window treatments are generally consistent with other projects along Swede Alley and pedestrian walkways.*

Guideline #25: Maintain the Distinction between Upper and Lower Floors.

Complies Typical historic structures on Main Street have a retail function on the first floor, and offices or residential uses above – the first floor is predominantly large sheets of display glass, while the upper levels are mostly solid wall, with small windows cut out. *The lower floor incorporates typical storefront design themes including display windows and kick plates. Although the lower floor will function as a stock and shipping area, it has been designed to ultimately function as a retail space. The upper floor will be storage and office area, and the exterior has been designed to be mostly solid walls with smaller windows cut out to allow light.*

Guideline #27: Maintain the Spacing Pattern of Upper Story Windows.

Complies Avoid shapes that were not typical of the street, and maintain the typical ratio of solid to void, with respect to windows and walls. *The upper story windows have been designed to respect the non-uniform pattern of the existing historic building.*

Guideline #28: Develop Back Entrances for Public Access to New Commercial Uses.

Complies Back entrances offer great potential for new entrances and store display windows along Swede Alley. Development of this area should be in keeping with the character of the main building front and the simple functional quality of the alley. Since the back sides of buildings were not traditionally used for display, their conversion to new use represents a departure from their original character. *The lower level of the new addition has been designed as a typical storefront along both Swede Alley and the pedestrian walkway to the south. It includes display windows, kick plates, recessed entryways, and awnings. In keeping with the existing historic building, the design is simple and functional.*

Guideline #29: Respect the Pedestrian Scale of Swede Alley when Adding Extensions to the Rear of Existing Buildings.

Complies Additions should step down in the rear. Addition may jog in and out rather than follow a straight alignment as on the Main Street façade. *The addition is 2 stories, and respects the pedestrian scale along Swede Alley and the scale of the original building.*

Findings of Fact:

1. No evidence of financial consideration to restrict development on Lot 17 has been found. On the contrary, the original staff report demonstrates the intent to allow a rear addition to the rear lot line.
2. The proposed addition meets all the requirements of the HCB zone including Section 15-2.6-7 Swede Alley Development Criteria. The findings in the Background and Analysis section above are incorporated herein. Staff has added a condition of approval to protect significant vegetation.
3. The existing historic facades at the west and south elevations will not be modified or altered in any capacity through the addition as proposed.
4. The addition and amendment to the existing façade preservation easement does not limit the perpetual duration or interfere with the preservation and conservation purposes of the donation.
5. Should the addition be approved, a 24' setback between the new addition and the building to the south would continue to exist. Additionally, the distance between the rear of the building and Swede Alley asphalt will be approximately 40'.

Conclusions:

1. The proposed addition is consistent with relevant Historic District Design Guidelines 20 – 30 that apply to new commercial construction.

2. The proposed addition complies with the purpose and intent of the easement to preserve the west and south historic facades at 562 Main Street.

Conditions of Approval

1. All landscaping and irrigation that is disturbed or destroyed by this proposal, including the mature lilac bushes shall be incorporated into any new development to the best extent possible or shall be relocated to a Swede Alley location if on-site preservation is not possible. This shall occur at the expense of the 562 Main Street property owner to the satisfaction of the City Engineer and Landscape Architect prior to issuance of full permits.
2. A construction mitigation plan will be required to ensure the quality of the existing pedestrian connection to Main Street.

Alternatives:

- Approve the addition by executing an addendum to the existing façade easement agreement as found in the attached addendum, which would allow the construction as proposed in Exhibit B. **This is staff's recommendation.**
- Provide direction not to amend the façade easement, and provide staff with direction to draft specific finding of non-compliance.
- Provide direction to have the HPB review the project and forward a recommendation. The HPB currently has jurisdiction only if any effected party appeals staff's determination of compliance for the permit.
- Provide direction to consider additional design review under additional General Plan principals, which may incorporate broader Swede Alley and the Downtown Improvements and supporting Action Plan.

Significant Impacts:

The location of the proposed addition is a highly visible corner located on the main pedestrian walkway from the transit center to Main Street. Construction of the addition will eliminate the undeveloped rear yard of the site. Additional commercial space adjacent to the walkway will be created.

Consequences of not taking the recommended action:

The rear of the lot would remain vacant, and people using the pedestrian walkway would see the rear of a historic building as they enter the Main Street corridor.

Recommendation:

Provide consent for a building addition by authorizing staff to execute an addendum to the existing Historic Preservation Easement for the historic building located at 562 Main Street. The addition will remain consistent with exhibit B.

Exhibits

First Addendum to Historic Preservation Easement

Exhibit A – Existing Plat

Exhibit B1 – Proposed site plan

Exhibit B2 – Overhead site photo

Exhibit B3 – Proposed addition photo (with approximate bulk rendering)

Exhibit B3 – Proposed floor plans and elevations

Exhibit C – Entire Historic Preservation Easement

FIRST ADDENDUM TO HISTORIC PRESERVATION EASEMENT FOR 562 MAIN STREET

THIS FIRST ADDENDUM is made and entered into in duplicate this _____ day of _____, 2006, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation and political subdivision of the State of Utah ("City"), and Prizone LLC, a Utah limited liability company ("Prizone"), to amend the Historic Preservation Easement signed and executed by the Parties, and recorded on May 17, 1999.

WITNESSETH;

Whereas, For purposes of furthering the preservation of the premises and building and furthering the other purposes of this instrument, and to meet exchanging conditions, Grantor and Grantee are free to amend jointly the terms of this instrument in writing without notice to any party; provided, however, that no such amendment shall limit the perpetual duration of interfere with the preservation and conservation purposes of the donation; and

Whereas, both parties agree to allow an expansion to the rear of the building to remain substantially consistent in scale and scope with Exhibit B; and

Whereas, said addition will not modify or alter the existing historic facades at the west and south elevations; and

Whereas, the proposed addition complies with the purpose and intent of the easement to preserve the west and south historic facades at 562 Main Street and does not limit the perpetual duration or interfere with the preservation and conservation purposes of the donation; and

Whereas, the proposed addition meets all the requirements of the HCB zone including Section 15-2.6-7 Swede Alley Development Criteria, and is consistent with Historic District Design Guidelines that apply to new commercial construction.

Whereas, the parties desire to amend the Original Agreement to provide sufficient time for such performance.

NOW, THEREFORE, in consideration of the mutual promises made herein and other valuable consideration, the parties hereto now amend the Original Agreement as follows:

1. **ADDITION.** It is hereby acknowledged that both parties agree to allow an addition to the rear of the building to remain substantially compliant with Exhibit B. If the staff permit approval is appealed, this approval shall apply to any final action or modified approval by the Historic Preservation Board or subsequent review authority.
2. **OTHER TERMS.** All other terms and conditions of the Original Agreement shall continue to apply.
3. **ENTIRE AGREEMENT.** This First Addendum is a written instrument pursuant to Section 27 of the Original Agreement between the parties and cannot be altered or amended except by written instrument, signed by all parties.

IN WITNESS WHEREOF the parties hereto have caused this First Addendum to be executed the day and year first herein above written.

DATED this _____ day of _____, 2006.

PARK CITY MUNICIPAL CORPORATION

445 Marsac Avenue
P.O. Box 1480
Park City UT 84060-1480

Dana Williams, Mayor

Attest:

City Recorder's Office

Approved as to form:

City Attorney's Office

Prizone LLC
address

Name, title

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this day of , 2006, before me, the undersigned notary, personally appeared _____, personally known to me/proved to me through identification documents 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 _____ (*title*) for Prizone, a limited liability corporation

Notary Public

North →

← Main Street →



Exhibit B1 – Proposed addition - site plan

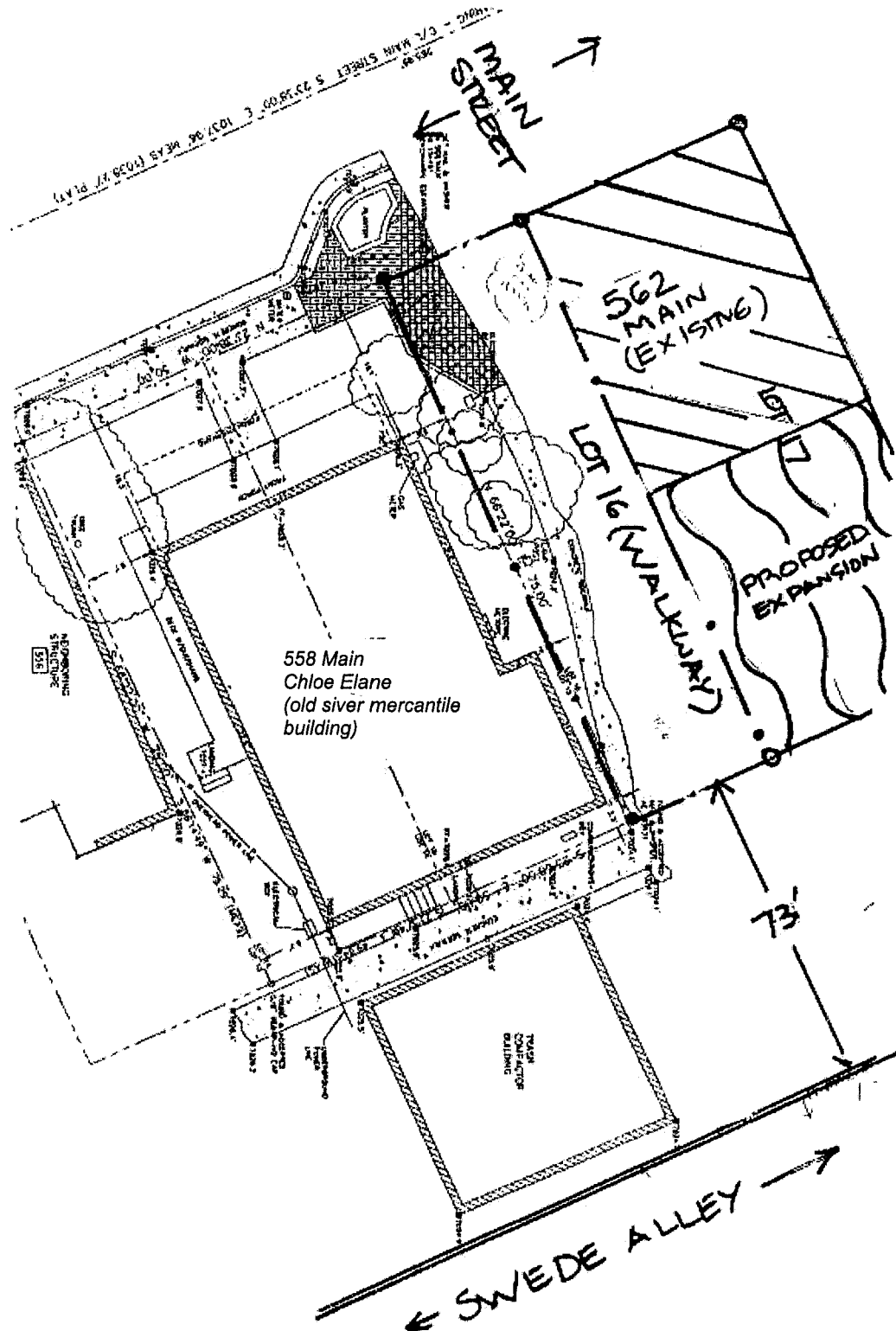


Exhibit B2 – Overhead Site Photo

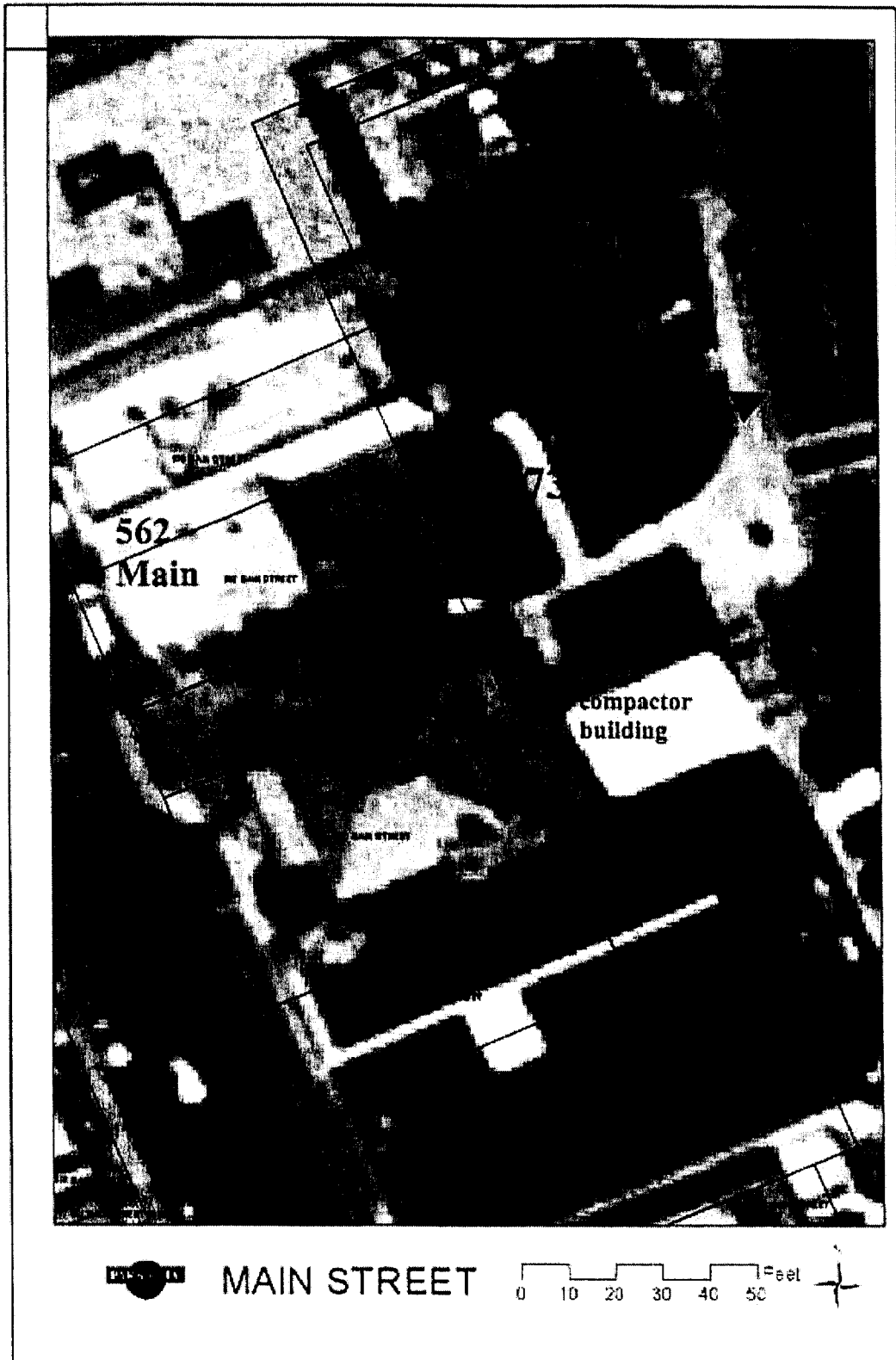


EXHIBIT B3 -- SITE PHOTO

This exhibit will be provided at meeting. Insufficient memory to include in electronic packet.

Exhibit B3 – Proposed addition - floor plans

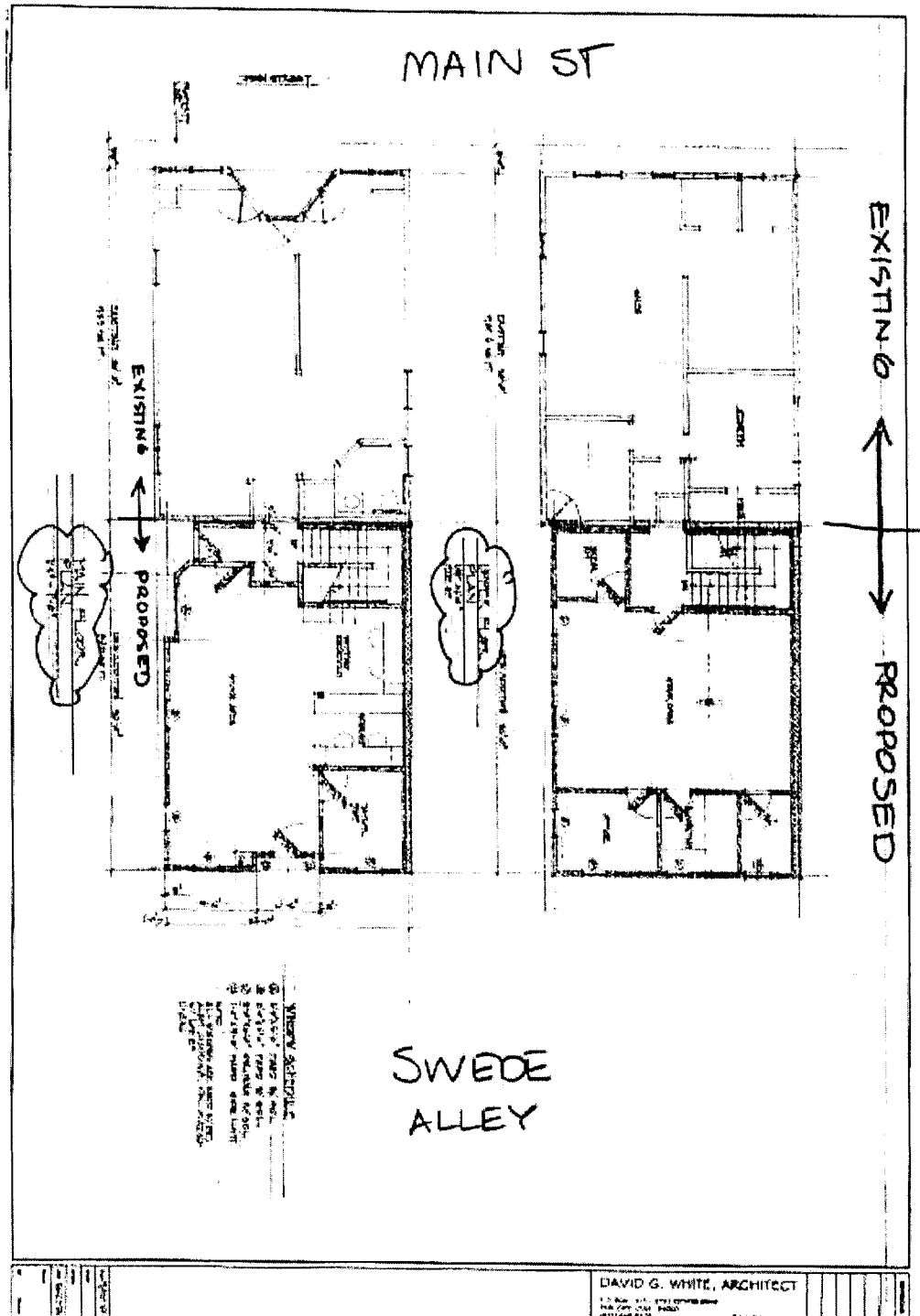


Exhibit B – Proposed addition – elevations

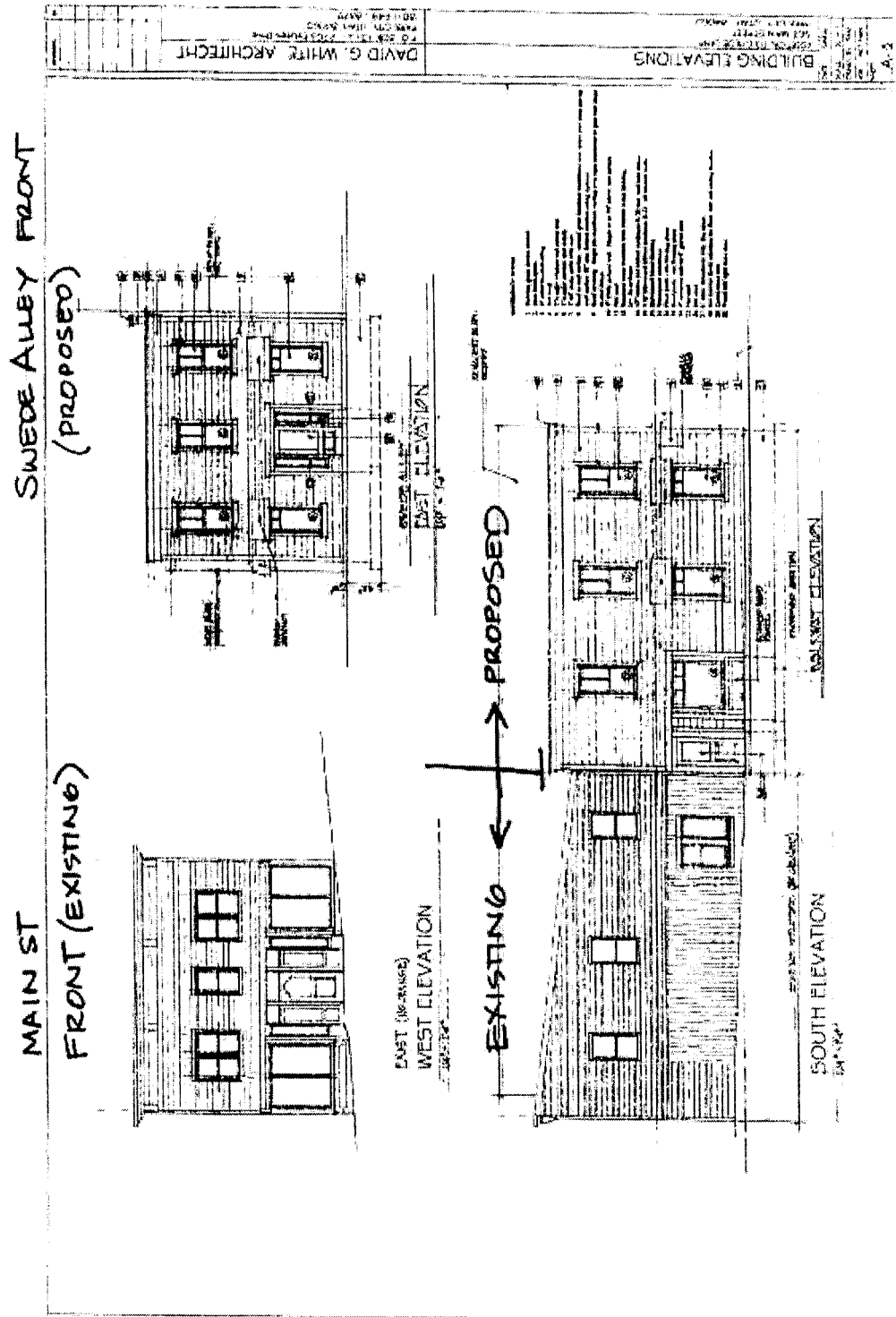


Exhibit C – Historic Preservation Easement

When recorded, mail to:
City Recorder
P.O. Box 1480
Park City, UT 84060-1480

Fee Exempt per Utah Code
Annotated 1953 21-7-2

Entry No.	539071
5-27CW	
REQUEST OF	High Country LLC
FEE	ALAN SPRIGGS, SUMMIT CO. RECORDER
\$ 46.00	By D. Bowen
RECORDED	5-17-99 at 16:10 P.M.

HISTORIC PRESERVATION EASEMENT

THIS PRESERVATION AND CONSERVATION EASEMENT, made this 6TH day of May, 1999, by and between JAMES W. CARR ("Grantor") and PARK CITY MUNICIPAL CORPORATION ("Grantee"), a nonprofit corporation of Utah.

COPY

WITNESSETH:

WHEREAS, the Grantee is organized as a governmental unit under the laws of the State of Utah and is a qualifying recipient of qualified conservation contributions under Sections 170(b), (f), and (h) of the Internal Revenue Code of 1986 as amended (hereinafter the "Code");

WHEREAS, the Grantee is authorized to accept preservation and conservation easements to protect property significant in Utah history and culture under the provisions of Section 57-18 of the Utah Land Conservation Easement Act (hereinafter the "Act");

WHEREAS, the Grantor is owner in fee simple of certain real property in Summit County, Utah, more particularly described as:

LOT A, CARR REPLAT, Section 16, township 2 South, Range 4 East, Salt Lake Base and Meridian, Park City, Summit County, Utah

(hereinafter "the Premises"), said Premises including one structure commonly known as 562 Main Street (hereinafter "the Building"), and is more particularly described below;

WHEREAS, the Building is located in a locally established Historic District which was listed in the National Registry of Historic Places on July 12, 1984 and the Building is a certified historic structure;

WHEREAS, the Grantor and Grantee recognize the historical, cultural, and aesthetic value and significance of the Building, and have the common purpose of conserving and preserving the aforesaid value and significance of the Building;

WHEREAS, the grant of a preservation and conservation easement by Grantor to Grantee on the real property referred to herein will assist in preserving and maintaining the

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Building and its architectural, historical, and cultural features;

WHEREAS, the grant of a preservation and conservation easement by Grantor to Grantee on the Building will assist in preserving and maintaining the aforesaid value and significance of the Building;

WHEREAS, to that end, Grantor desires to grant to Grantee, and Grantee desires to accept, a preservation and conservation easement on the Premises pursuant to the Utah Land Conservation Easement Act;

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby irrevocably grant and convey unto the Grantee a preservation and conservation easement in gross in perpetuity (which easement is more particularly described below and is hereinafter "the Easement") in and to that certain real property and the exterior surfaces of the Building located thereon, owned by the Grantor, and more particularly described as:

the front Facade (0.5' deep) of the Building, including the recessed entrance.

The Easement, to be of the nature and character hereinafter further expressed, shall constitute a binding servitude upon said Premises of the Grantor, and to that end Grantor covenants on behalf of itself, its successors, and assigns, with Grantee, its successors, and assigns, such covenants being deemed to run as a binding servitude, in perpetuity, with the land, to do upon the Premises each of the following covenants and stipulations, which contribute to the public purpose in that they aid significantly in the preservation of the Building and surrounding land area, and which help maintain and assure the present and future historic integrity of the Building:

1. **Description of Facade.** In order to make more certain the full extent of Grantor's obligations and the restrictions on the Premises (including the Building), and in order to document the external nature of the Building as of the date hereof, attached hereto as Exhibit A and incorporated herein by this reference are a set of photographs depicting the exterior surfaces of the Building and the surrounding property and an affidavit specifying certain technical and location information relative to said photographs satisfactory to Grantee, attached hereto as Exhibit B. It is stipulated by and between Grantor and Grantee that the external nature of the Building as shown in Exhibit A is deemed to be the external nature of the Building as of the date hereof and as of the date this instrument is first recorded in the land records of Summit County, Utah. The external nature of the Building as shown in Exhibit A is hereinafter referred to as the

"Facade."

2. **Grantor's Covenants.** In furtherance of the easement herein granted, Grantor undertakes, of itself, to do (and to refrain from doing as the case may be) upon the Premises each of the following covenants, which contribute to the public purpose of significantly protecting and preserving the Premises:

a) Grantor shall not demolish, remove, or raze the Building or the Facade except as provided in Paragraphs 6 and 7.

b) Without the prior express written permission of the Grantee, signed by duly authorized representative thereof, Grantor shall not undertake any of the following actions:

i) increase or decrease the height of the Facade or the Building;

ii) adversely affect the structural soundness of the Facade;

iii) make any changes in the Facade including the alteration, partial removal, construction, remodeling, or other physical or structural change including any change in color or surfacing, with respect to the appearance or construction of the Facade, with the exception of the ordinary maintenance pursuant to Paragraph 2(c) below;

✓ iv) erect anything on the Premises or the Facade which prohibit them from being visible from the street level, except for a temporary structure during any period of approved alteration or restoration;

v) permit any significant reconstruction, repair, repainting, or refinishing of the Facade that alters their state from the existing condition. This subsection (v) shall not include ordinary maintenance pursuant to Paragraph 2(c) below;

✓ vi) erect, construct, or move anything on the Premises that would encroach on the open land area surrounding the Building and interfere with a view of the Facade or be incompatible with historic or architectural character of the Building or the Facade.

c) Grantor agrees at all times to maintain the Building in a good and sound

state of repair and to maintain the Facade and the structural soundness and safety of the Building. Subject to the casualty provisions of Paragraphs 5 through 7, this obligation to maintain shall require replacement, rebuilding, repair, and reconstruction whenever necessary to have the external nature of the Building at all times appear to be and actually be the same as the Facade.

d) No buildings or structures, including satellite receiving dishes, camping accommodations, or mobile homes not presently on the Premises shall be erected or placed on the Premises hereafter, except of temporary structures required for the maintenance or rehabilitation of the property, such as construction trailers.

e) No signs, billboards, awnings, or advertisements shall be displayed or placed on the Premises or Building; provided, however, that Grantor may, with prior written approval from secretary of Grantee's Historic District Commission, erect such signs or awnings as are compatible with the preservation and conservation purposes of this easement and appropriate to identify the Premises and Building and any activities/business on the Premises or in the Building. Such approval from Grantee shall not be unreasonably withheld.

f) No topographical changes, including but not limited to excavation, shall occur on the Premises; provided, however, that Grantor may, with prior written approval from and in the sole discretion of Grantee, make such topographical changes as are consistent with and reasonably necessary to promote the preservation and conservation purposes of this easement.

g) There shall be no removal, destruction, or cutting down of trees, shrubs, or other vegetation on the Premises; provided, however, that Grantor may with prior written approval from and in the sole discretion of Grantee, undertake such landscaping of the Premises as is compatible with the preservation and conservation purposes of this easement and which may involve removal or alteration of present landscaping, including trees, shrubs, or other vegetation. In all events, Grantor shall maintain trees, shrubs, or other vegetation. In all events, Grantor shall maintain trees, shrubs, and lawn in good manner and appearance in conformity with good forestry practices.

h) No dumping of ashes, trash, rubbish, or any other unsightly or offensive materials shall be permitted on the Premises.

i) The Premises shall be used only for purposes consistent with the

preservation and conservation purposes of this easement.

j) The Premises shall not be subdivided and the Premises shall not be devised or conveyed except as a unit; provided, however, that the Grantor shall be permitted to convert the Building into cooperatives or condominiums and to convey interests in the resulting cooperatives or condominiums units, provided that the Grantor shall form or cause to be formed, in connection with such conveyance, a single entity for the purposes of performing all obligations of the Grantor and its successors under this easement.

k) No utility transmission lines, except those reasonably necessary for the existing Building, may be created on said land, subject to utility easements already recorded.

3. **Public View.** Grantor agrees not to obstruct the substantial and regular opportunity of the public to view the exterior architectural features of any building, structure, or improvements of the Premises from adjacent publicly accessible areas such as public streets.

4. **Standards of Review.** In exercising any authority created by the easement to inspect the Premises, the Building, or the Facade; to review any construction, alteration, repair, or maintenance; or to review casualty damage or to reconstruct or approve reconstruction of the Building following casualty damage, Grantee shall apply the Standards for Rehabilitation and Guidelines for Rehabilitating Historic Building, issued and as may be amended from time to time by the Secretary of the United States Department of the Interior (hereinafter "Standards") and/or state or local standards considered appropriate by Grantee for review of work affecting historically or architecturally significant structures or for construction of new structures within historically or architecturally significant structures or for construction of new structures within historically, architecturally, or culturally significant areas. In the event the Standards are abandoned or materially altered or otherwise become, in the sole judgment of the Grantee, inappropriate for the purposes set forth above, the Grantee may apply reasonable alternative standards and notify Grantor of the substituted standards.

5. **Casualty Damage or Destruction.** In the event that the Premises or any part thereof shall be damaged or destroyed by casualty, the Grantor shall notify the Grantee in writing within one (1) day of the damage or destruction, such notification including what, if any, emergency work has already been completed. For purposes of this instrument, the term "casualty" is defined as such sudden damage or loss as would qualify for a loss deduction pursuant to Section 165(c)(3) of the Code (construed without regard to the legal

status, trade, or business of the Grantor or any applicable dollar limitation). No repairs or reconstruction of any type, other than temporary emergency work to prevent further damage to the Property and to protect public safety, shall be undertaken by the Grantor without the Grantee's prior written approval of the work. Within four (4) weeks of the date of damage or destruction, the Grantor shall submit to the Grantee a written report prepared by a qualified restoration architect and an engineer, if required, acceptable to the Grantor and the Grantee which shall include the following:

- a) an assessment of the nature and extent of the damage;
- b) a determination of the feasibility of the restoration of the Facade and/or reconstruction of damages or destroyed portions of the Premises; and
- c) a report of such restoration/reconstruction work necessary to return the Premises to the condition existing at the date [hereof or of the completion of any required work as set forth in the Easement]. If in the opinion of the Grantee, after reviewing such report, the purpose and intent of the Easement will be served by such restoration/reconstruction, the Grantor shall within eighteen (18) months after the date of such change or destruction complete the restoration/construction of the premises in accordance with plans and specifications consented to by the Grantee up to at least the total of the casualty insurance proceeds. Grantee has the right to raise funds toward the costs of restoration of partially destroyed premises above and beyond the total of the casualty insurance proceeds as may be necessary to restore the appearance of the Facade, and such additional costs shall constitute a lien on the Premises until repaid by the Grantor.

6. **Grantee's Remedies Following Casualty Damage.** The foregoing notwithstanding, in the event of damage resulting from casualty, as defined at Paragraph 5, which is of such magnitude and extent as to render repairs or reconstruction of the Building impossible using all applicable insurance proceeds, as determined by Grantee by reference to bona fide cost estimates, then

- a) Grantee may elect to reconstruct the Building using insurance proceeds, donations, or other funds received by Grantor or Grantee on account of such casualty, but otherwise at its own expense (such expense of Grantee to constitute a lien on the premises until repaid in full); or
- b) Grantee may elect to chose any salvageable portion of the Facade and

remove them from the premises, extinguish the easement pursuant to Paragraph 26, and this instrument shall thereupon lapse and be of no further force and effect, and Grantee shall execute and deliver to Grantor acknowledged evidence of such fact suitable for recording in the land records of Summit County, Utah, and Grantor shall deliver to Grantee a good and sufficient Bill of Sale for such salvaged portions of the Façade.

7. **Review After Casualty Loss.** If in the opinion of the Grantee, restoration/reconstruction would not serve the purpose and intent of the Easement, then the Grantor shall continue to comply with the provisions of the Easement and obtain the prior written consent of the Grantee in the event the Grantor wishes to alter, demolish, remove, or raze the Building, and/or construct new improvements on the Premises.

8. **Grantee's Covenants.** The Grantee hereby warrants and covenants that:

a) Grantee is and will remain a Qualified Organization for the purposes of Section 170(h) of the Internal Revenue Code. In the event that the Grantee's status as a Qualified Organization is successfully challenged by the Internal Revenue Service, then the Grantee shall promptly select another Qualified Organization and transfer all of its rights and obligations under the Easement to it.

b) In the event that the Grantee shall at any time in the future become the fee simple owner of the Premises, Grantee for itself, its successors, and assigns, covenants and agrees, in the event of a subsequent conveyance of the same to another, to create a new preservation and conservation easement containing the same restrictions and provisions as are contained herein, and either to retain such easement in itself or to convey such easement to a similar unit of federal, state, or local government or local, state or national organization whose purposes, inter alia, are to promote preservation or conservation of historical, cultural, or architectural resources, and which is a qualified organization under Section 170(h)(3) of the Internal Revenue Code.

c) Grantee may, at its discretion and without prior notice to Grantor, convey, assign, or transfer this easement to a unit of federal, state, or local government or to a similar local, state, or national organization whose purposes, inter alia, are to promote preservation or conservation of historical, cultural, or architectural resources, and which at the time of the conveyance, assignment, or transfer is a qualified organization under Section 170(h)(3) of the Internal Revenue Code, provided that any such conveyance, assignment, or transfer requires that the preservation and conservation purposes for which the Easement was granted will continue to be carried out.

d) Grantee shall exercise reasonable judgment and care in performing its obligations and exercising its rights under the terms of the Easement.

9. **Inspection.** Grantor hereby agrees that representatives of Grantee shall be permitted at all reasonable times to inspect the Premises, including the Facade and the Building. Grantor agrees that representatives of Grantee shall be permitted to enter and inspect the interior of the Building to ensure maintenance of structural soundness and safety; inspection of the interior will not, in the absence of evidence of deterioration, take place more often than annually, and may involve reasonable testing of interior structural condition. Inspection of the interior will be made at a time mutually agreed upon by Grantor and Grantee, and Grantor covenants not to withhold unreasonably its consent in determining a date and time for such inspection.

10. **Grantee's Remedies.** Grantee has the following legal remedies to correct any violation of any covenant, stipulation, or restriction herein, in addition to any remedies now or hereafter provided by law:

a) Grantee may, following reasonable written notice to the Grantor, institute suit(s) to enjoin any such violation by ex parte, temporary, preliminary, and/or permanent injunction, including prohibitory and/or mandatory injunctive relief, and to require the restoration of the Premises to the condition and appearance required under this instrument.

b) Representatives of the Grantee may, following reasonable notice to Grantor, enter upon Premises, correct any such violation, and hold Grantor, its successors, and assigns, responsible for the cost thereof.

i) Such cost until repaid shall constitute a lien on the Premises.

ii) Grantee shall exercise reasonable care in selecting independent contractors if it chooses to retain such contractors to correct any such violations, including making reasonable inquiry as to whether any such contractor is properly licensed and has adequate liability insurance and workman's compensation coverage.

c) Grantee shall also have available all legal and equitable remedies to enforce Grantor's obligations hereunder.

d) In the event Grantor is found to have violated any of its obligations,

Grantor shall reimburse Grantee for any costs or expenses incurred in connection therewith, including all reasonable court costs, and attorney's, architectural, engineering, and expert witness fees.

e) Exercise by Grantee of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

11. **Notice from Government Authorities.** Grantor shall deliver to Grantee copies of any notice, demand, letter, or bill received by Grantor from any government authority within five (5) days of receipt by Grantor. Upon request by Grantee, Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with such notice, demand, letter, or bill, where compliance is required by law.

12. **Notice From Proposed Sale.** Grantor shall promptly notify Grantee in writing of any proposed sale of the Premises and provide the opportunity for Grantee to explain the terms of the Easement to potential new owners prior to sale closing.

13. **Runs With the Land.** The obligations imposed by this Easement shall be effective in perpetuity and shall be deemed to run as a binding servitude with the premises. This Easement shall extend to and be binding upon Grantor and Grantee, their respective successors in interest, and all persons hereafter claiming under or through Grantor and Grantee, and the words "Grantor" and "Grantee" when used herein shall include all such persons. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this instrument where such person shall cease to have any interest in the premises by reason of a bona fide transfer. Restrictions, stipulations, and covenants contained in this instrument shall be inserted by Grantor, verbatim or by express reference, in any subsequent deed or other legal instrument by which Grantor divests itself of either the fee simple title or to any lesser estate in the premises or any part thereof, including, by the way of example and not limitation, a lease of office space.

14. **Recording.** Grantee shall do and perform at its own cost all acts necessary to the prompt recording of this instrument in the land records of Summit County, Utah. This instrument is effective only upon recording in the land records of Summit County, Utah.

15. **Existing Liens.** Grantors warrants to Grantee that no lien exists on the Building as of the date hereof. Grantor shall cause to be satisfied or release any lien or claim of lien that

may hereafter come to exist against the Building which would have priority over any of the rights, title, or interest hereunder of Grantee.

16. **Subordination of Mortgages.** Until the Mortgagee or a purchaser at a foreclosure obtains ownership of the Premises following foreclosure of its Mortgage or deed in lieu of foreclosure, the Mortgagee or purchaser shall have no obligation, debt, or liability under the Easement. Before exercising any right or remedy due to breach of the Easement except the right to enjoin violation hereof, Grantee shall give all Mortgagees of record written notice describing the default, and the Mortgagees shall have sixty (60) days thereafter to cure or cause a cure of the default. Nothing contained in the above paragraphs or in the Easement shall be construed to give any Mortgagee the right to extinguish this Easement by taking title to the Premises by foreclosure or otherwise.

17. **Plaques.** Grantor agrees that Grantee may provide and maintain a plaque on the Facade of the Building, which plaque shall not exceed 12" by 12" inches in size, giving notice of the significance of the Building or the Premises and the existence of this perpetual preservation and conservation easement.

18. **Indemnification.** The Grantor hereby agrees to pay, protect, indemnify, hold harmless, and defend at its own cost and expense, the Grantee, its agent, director, and employees, or independent contractors from and against any and all claims, liabilities, expenses, costs, damages, losses, and expenditures (including reasonable attorney's fees and disbursements hereafter incurred) arising out of or in any way relating to the administration, performed in good faith, of this preservation and conservation easement, including, but not limited to, the granting or denial of consents hereunder, the reporting on or advising as to any condition on the Premises. In the event that the Grantor is required to indemnify the Grantee pursuant to the terms of the Easement, the amount of such indemnity, until discharged, shall constitute a lien on the Premises.

19. **Taxes.** Grantor shall pay immediately, when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer service charges, and other charges which may become a lien on the premises. Grantee is hereby authorized, but in no event required or expected, to make or advance, upon three (3) days prior written notice to Grantor, in the place of Grantor, any payment relating to taxes, assessments, water rates, sewer rentals, and other governmental or municipality charge, fine, imposition, or lien asserted against the premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement, or assessment or into the validity of such tax, assessment, sale, or forfeiture. Such payment, if made by Grantee, shall become a lien on the premises of the same priority as the item if not paid would have had and shall bear

interest until paid by Grantor at two (2) percentage points over the prime rate of interest from time to time charged by Zions First National Bank.

20. **Insurance.** The Grantor shall keep the premises insured by an insurance company rated "A+" or better by Best's for the full replacement value against loss from the perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death, and property damage of a type and in such amounts as would, in the opinion of the Grantee, normally be carried on a property such as the Premises protected by a preservation and conservation easement. Such insurance shall include Grantee's interest and name Grantee as an additional insured and shall provide for at least thirty (30) days' notice to Grantee before cancellation and that the act or omission of one insured will not invalidate the policy as to the other insured party. Furthermore, the Grantor shall deliver to the Grantee fully executed copies of such insurance policy evidencing the aforesaid insurance coverage at the commencement of this grant and copies of new or renewed policies at least ten (10) days prior the expiration of such policy. The Grantee shall have the right to provide insurance at the Grantor's cost and expense, should the Grantor fail to obtain same. In the event the Grantee obtains such insurance, the cost of such insurance shall be a lien on the Premises until repaid by the Grantor.

21. **Liens.** Any lien on the Premises created pursuant to any Paragraph of the Easement may be confirmed by judgment and foreclosed by Grantee in the same manner as a mechanic's lien.

22. **Written Notice.** Any notice which either Grantor or Grantee may desire or be required to give to the other party shall be in writing and shall be mailed postage prepaid by registered or certified mail with return receipt requested, or hand delivered; if to Grantor, then at 526 Via De La Valle, Apt. B, Solana Beach, CA 92075-4278, and if to Grantee, then to Attn.: City Attorney, P. O. Box 1480, Park City, Utah, 84060. Each party may change its address set forth herein by a notice to such effect to the other party. Any notice, consent, approval, agreement, or amendment permitted or required of Grantee under the Easement may be given by the Historic District Commission of the Grantee or by any duly authorized representative of the Grantee.

23. **Evidence of Compliance.** Upon request by Grantee, Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with any obligation of Grantor contained herein.

24. **Stipulated Value of Grantee's Interest.** Grantor acknowledges that upon

execution and recording of the Easement, Grantee shall be immediately vested with a real property interest in the Premises and that such interest of Grantee shall have a stipulated fair market value, for purposes of allocating net proceeds in an extinguishment pursuant to Paragraph 26, equal to the ratio between the fair market value of the Easement and fair market value of the Premises prior to considering the impact of the Easement (hereinafter the "Easement Percentage") as determined in the Qualified Appraisal provided to the Grantee pursuant to Paragraph 25. Upon submission of the Qualified Appraisal, the Grantor and Grantee shall sign an affidavit verifying the Easement Percentage and record it as an amendment to the Easement. In the event Grantor does not claim a charitable gift deduction for purposes of calculating federal income taxes and submit a Qualified Appraisal, the Easement Value shall be \$100,000.

25. Qualified Appraisal. In the event Grantor claims a federal income tax deduction for donation of a "qualified real property interest" as that term is defined in Section 170(h) of the Internal Revenue Code, Grantor shall provide Grantee with a copy of all appraisals (hereinafter, the "Qualified Appraisal" as that term is defined in P.L. 98-369, 155(a), 98 Stat. 691(1984), and by reference therein Section 170(a)(1) of the Internal Revenue Code) of the fair market value of the Easement. Upon receipt of the Qualified Appraisal, this fully executed easement, and any endowment requested hereunder by Grantee, Grantee shall sign any appraisal summary form prepared by the Internal Revenue Service and submitted to the Grantee by the Grantor.

26. Extinguishment. Grantor and Grantee hereby recognize that an unexpected change in the conditions surrounding the Premises may make impossible the continued ownership or use of the Premises for the preservation an conservation purposes and necessitate extinguishment of the Easement. Such a change in conditions includes, but is not limited to, partial or total destruction of the Building or the Facade resulting from a casualty of such magnitude that Grantee approves demolition as explained in Paragraphs 5 and 7, or condemnation or loss of title of all or a portion of the Premises, the Building, or the Facade. Such an extinguishment must comply with the following requirements:

- a) The extinguishment must be the result of a final judicial proceeding;
- b) Grantee shall be entitled to share in the net proceeds resulting from the extinguishment in an amount equal to the Easement Percentage determined pursuant to Paragraph 24 multiplied by the net proceeds.
- c) Grantee agrees to apply all of the portion of the net proceeds it receives to the preservation and conservation of other buildings, structures, or sites having historical, architectural, cultural, or aesthetic value and significance to the people of the State of

Utah.

d) Net proceeds shall include, without limitation, insurance proceeds or awards, proceeds from sale in lieu of condemnation, and proceeds from the sale or exchange by Grantor of any portion of the Premises after the extinguishment, but shall specifically exclude any preferential claim of a Mortgagee under Paragraph 16.

27. **Interpretation and Enforcement.** The following provisions shall govern the effectiveness, interpretation, and duration of the Easement.

a) Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of property shall not apply in the construction or interpretation of this instrument, and this instrument shall be interpreted broadly to effect its preservation and conservation purposes and the transfer of rights and the restrictions on use herein contained as provided in the Act.

b) This instrument shall extend to and be binding upon Grantor and all persons hereafter claiming under or through Grantor, and the word "Grantor" when used herein shall include all such persons, whether or not such persons have signed this instrument or then have a interest in the premises. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this instrument where such person shall cease to have any interest (present, partial, contingent, collateral, or future) in the premises by a bona fide transfer for full value. Any right, title, or interest herein granted to Grantee also shall be deemed granted to each successor and assign of Grantee and each such following successor and assign thereof, and the word "Grantee" shall include all such successors and assigns.

c) Except as expressly provided herein, nothing contained in this instrument grants, nor shall be interpreted to grant, to the public any right to enter on the Premises or into the Building.

d) To the extent that Grantor owns or is entitled to development rights which may exist now or at some time hereafter by reason of the fact that under any applicable zoning or similar ordinance the Premises may be developed to use more intensive (in terms of height, bulk, or other objective criteria regulated by such ordinances) than the Premises are devoted as of the date hereof, such development rights shall not be exercisable on, above, or below the Premises during the term of the Easement, nor shall they be transferred to any adjacent parcel and exercised in a manner that would interfere

with the preservation and conservation purposes of this Easement.

e) For purpose of furthering the preservation of the Premises and Building and furthering the other purposes of this instrument, and to meet changing conditions, Grantor and Grantee are free to amend jointly the terms of this instrument in writing without notice to any party; provided, however, that no such amendment shall limit the perpetual duration or interfere with the preservation and conservation purposes of the donation. Such amendment shall become effective upon recording among the land records of Summit County, Utah.

f) The terms and conditions of this easement shall be referenced in any transfer of the property by the Grantor, his heirs, successors, and assigns.

g) This instrument is made pursuant to Section 57-18 of Chapter 18, Utah Code, but the invalidity of such statute or any part thereof shall not affect the validity and enforceability of this instrument according to its terms, it being the intent of the parties to agree and to bind themselves, their successors, and their assigns in perpetuity to each term of this instrument whether this instrument be enforceable by reason of any statute, common law, or private agreement either in existence now or at any time subsequent hereto. This instrument may be re-recorded at any time by any person if the effect of such re-recording is to make more certain the enforcement of this instrument or any part thereof. The invalidity or unenforceability of any provision of this instrument shall not affect the validity or enforceability of any other provision of this instrument or any ancillary or supplementary agreement relating to the subject matter hereof.

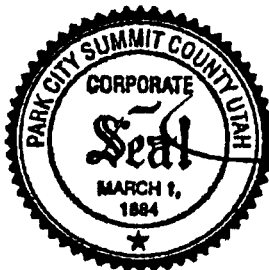
h) Nothing contained herein shall be interpreted to authorize or permit Grantor to violate any ordinance or regulation relating to building materials, construction methods, or use. In the event of any conflict between any such ordinance or regulation and the terms hereof, Grantor promptly shall notify Grantee of such conflict and shall cooperate with Grantee and the applicable governmental entity to accommodate the purposes of both this instrument and such ordinance or regulation.

i) This instrument reflects the entire agreement of Grantor and Grantee. Any prior or simultaneous correspondence, understandings, agreements, and representations are null and void upon execution hereof, unless set out in this instrument.

IN WITNESS WHEREOF, on the date first shown above, Grantor has caused this preservation conservation easement to be executed, sealed, and delivered; and Grantee has

caused this instrument to be accepted, sealed, and executed in its corporate name by its Mayor.

GRANTEE:



Bradley A. Olch
By: BRADLEY A. OLCH, MAYOR
Title

ATTEST:

Cindy Solis, Deputy
City Recorder's Office

APPROVED AS TO FORM:

M. D. H. J.
City Attorney's Office

GRANTOR:

James W. Carr
JAMES W. CARR

STATE OF CALIFORNIA)
: ss.
COUNTY OF SAN DIEGO)

On this 11th day of May, 1999, personally appeared before me **JAMES W. CARR**, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding Easement, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Alisa Langan
NOTARY PUBLIC



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Exhibit "A"

BOOK 1258 PAGE 296



EXHIBIT B
Easement Monitoring Inspection Form/Affidavit
Park City Municipal Corporation
P.O. Box 1480 Park City, Utah 84060

EASEMENT INSPECTION FORM

BUILDING/SITE: Lot A, Carr Replat, Block 24 Amended Park City Survey.

ADDRESS: 562 Main Street
CURRENT OWNER: Mr. James Carr

ADDRESS: PO Box 4198
Park City, Utah 84060

PHONE: (435) 649-9875

INSPECTION DATE: April 28, 1999

Protected Features or Restrictions

Facade easement for front and south building elevations, including but not limited to the following features:

- Overall existing two-story frame, commercial structure being rectangular in plan (having the narrowest side fronting Main Street), with a shed roof sloping from the front facade down towards the rear of the building;

Main Facade

- Original storefront display windows with painted wood kickplates below spanning the entire main first floor area of the front facade;
- Recessed inverted bay main entrance area for building centered on front facade, composed of a central door leading to upper story area, flanked by two other doors (half-light doors with transoms above and single wood panel below) leading to adjacent first floor commercial spaces;
- Painted tongue-&-groove wood ceiling at recessed main entry area;
- 1' wide pent eave feature spanning the width of the front facade above the storefront windows, supported by two painted wood cyma reversa brackets mounted over the corner boards of the building;
- Upper story of main facade consists of painted wood, flush-mounted, drop-lap siding, divided into three approximately equal bays (as defined by the brackets of the facade entablature above);
- Three sets of windows in upper story of front facade - Single, double-hung, one-over-one, painted wood window centered in middle bay, flanked by paired, double-hung, one-over-one, painted wood windows centered in each of the adjacent bays;
- Main facade terminated by an ornate entablature consisting of a wide fascia board,

EXHIBIT B

Easement Monitoring Inspection Form/Affidavit

562 Main Street

Page 2

four painted wood cyma reversa brackets, cornice molding, projecting boxed soffit and cornice.

South Facade

- The entire south facade is composed of a combination of vertical and horizontal wood siding;
- The first four feet of the first story siding at the southwest corner of the facade is painted, flush-mounted, drop-lap siding. The remainder of the first story siding is composed of wide, vertical, wood boards which are butted up against the adjacent board;
- There is a wood stringcourse composed of various molding profiles, spanning the entire width of the south facade, located at the floor-level of the second story;
- The entire upper story is composed of painted, flush-mounted, drop-lap siding;
- There are three individual, double-hung, one-over-one, painted wood windows equally spaced across the upper story; and
- There is a paired, double-hung, one-over-one, painted wood windows located towards the southeast corner of the south facade.

General Condition and Potential Problem Areas

Good to fair condition overall. Potential problem areas consist of the following:

- Southwest corner of front facade experiencing structural settlement, or sag;
- Stabilize but maintain the existing and noticeable downward deflection in the pent eave spanning the width of the front facade, and in the wood stringcourse spanning the width of the south facade;
- Repair all vertical wood siding at first floor location on south facade. Retain as much original material as possible;
- Replace all windows--appear to be non-original. All new windows shall be reviewed and approved for historical appropriateness by the Historic District Commission;
- Replace all exterior window trim/casing--trim appears to be non-original. All new trim shall be reviewed and approved for historical appropriateness by the Historic District Commission; and
- Replace all missing transoms at main entrance. All new transoms shall be reviewed and approved for historical appropriateness by the Historic District Commission.

Did Inspector meet with the property owner or his representative during the inspection visit?

No. Planning Staff received owner's consent to conduct inspection without him being present.

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EXHIBIT B

Easement Monitoring Inspection Form/Affidavit

562 Main Street

Page 3

Inspected by: Derek Satchell
Title/Affiliation: Preservation Planner
Phone: (435) 615-5070
Date: April 28, 1999

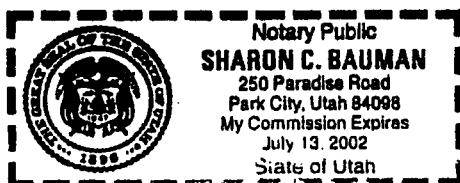
I, Derek Satchell, hereby affirm that the above description was prepared by me and said description is an accurate representation of the physical condition of the property as of 4/28/99.


Derek Satchell

STATE OF UTAH)
 : ss.
COUNTY OF SUMMIT)

On this 6th day of May, 1999, personally appeared before me Derek Satchell, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding Inspection Form, and acknowledged to me that he/she signed it voluntarily for its stated purpose.


NOTARY PUBLIC



BOOK 1258 PAGE 299

**CITY COUNCIL
STAFF REPORT**

Author: Patrick Putt
Subject: IHC/USSA/Burbidge Annexation
Date: December 7, 2006
Type of Item: Legislative

Planning Department

Summary Recommendations:

Staff recommends that Council adopt the attached Ordinance re-approving the Intermountain Healthcare/USSA/Burbidge Annexation, as further reflected in the attached Annexation Agreement.

Description:

Project Name: IHC Medical Campus/USSA Training Center at Quinn's Junction
Applicant: Intermountain Healthcare, United States Ski and Snowboard Association, and Burbs LLC
Location: NW corner of the Quinn's Junction Interchange (SR 248 & US 40)
Zoning: Summit County -Developable Lands (DL) - base zoning of 1:20; 1:40 depending on any Sensitive Lands (slope, wetlands, etc.); 1:10 w/ bonus criteria.
Proposed Zoning: Community Transition (CT-MPD)
Adjacent Land Uses: Municipal open space; City Ice Arena and Fields Complex; Undeveloped Lands

A. Background: On June 29, 2006 the Council approved an annexation ordinance and annexation agreement for the Intermountain Healthcare/United States Ski and Snowboard Association (USSA)/Burbs LLC annexation. The annexation property is currently vacant, 157 acres in size, and located in unincorporated Summit County at the northwest corner of the State Route 248/Highway 40 interchange. The site is adjacent to the newly annexed City Ice Arena and Recreation Complex and within the City's Annexation Expansion Area.

The zoning designation for the property is Community Transition (CT-MPD) which has a base density of 1 unit/20 acres. The District permits density bonuses up to a maximum of 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities.

The proposed land uses for the site consist of a hospital/medical campus and USSA's proposed new headquarters and training facility. The proposed total density at build-out for the annexation area is 535,000 square feet (gross) and equates to 2.64 units/acre. The annexation also will result in the petitioner conveying a 15 acre lot (adjacent to the City's Ice and Fields Complex) to the City for future expansion of the recreation complex, as well as the conveyance of a 5 acre lot for possible future affordable housing.

State law regarding government boundary changes and annexations requires certification by the Lieutenant Governor within thirty (30) days of the Council's final action on an annexation.

Certification by the Lieutenant Governor did not take place within the required timeframe following Council's June 29, 2006 approval. The reason for this was the petitioners had initially intended to finalize a number of development and infrastructure issues during the Master Planner Development review process. Following the June 29th Council approval, the petitioners chose to define and agree upon these technical elements prior to closing their real estate transaction for the property. These issues required additional negotiations with the property owner, IHC, and the City. The two primary issue areas included water and affordable housing. It has taken several months to cooperatively resolve these matters. A revised annexation agreement signed by the petitioners has been submitted to the City. Due to the fact that 30-day period for Lieutenant Governor certification was not achieved, it is necessary for Council to hold a public hearing and take action on the petitioners' request to adopt an ordinance re-approving the Intermountain Healthcare/USSA/Burbidge Annexation.

B. Revised Annexation Agreement Language Relating to Water and Affordable

Housing: The revised annexation agreement incorporates new and more specific language regarding water and affordable housing. Section 8: Water Rights and Water Source Capacity specifies that the petitioners agree to purchase culinary (*and as necessary irrigation*) water from the City. The cost of the water is \$16,000 per Equivalent Residential Unit (ERU). The project totals 68.925 ERUs (*63.455 ERUs for IHC and 5.47 ERUs for USSA*) which will equate to total water cost of \$1,102,800, excluding irrigation. The aforementioned amount does not include the water cost for any affordable housing which may be constructed on the property. The water cost associated with any potential future affordable housing on the property will be calculated consistent with this formula. The agreement specifies that the water cost lump sum payment to the City is to be paid within 10 business days following Master Planned Development approval. Water system improvements, including an upgrade to the Fairway Hills pump station, shall be finalized during the MPD review process and installed at the petitioners cost. The City will be responsible for the cost of any infrastructure over-sizing.

The total affordable housing requirement for the annexation (*Section 11*) has not changed. The affordable housing commitment is to be satisfied by the donation of 5 acres of land to the City and construction of the required affordable units (*see Annexation Agreement--Finding of Fact No. 16*). The annexation agreement now specifies that the City will have 12 months from the date of the annexation approval to determine if the affordable housing units are to be located on the parcel donated to the City by the petitioner or on some agreed-upon alternative location. If the City decides on an alternative location, the City will have to negotiate either a contribution or transfer of development rights with the petitioner. Within 24 months of the annexation approval, the petitioner must either begin construction of the affordable housing units or post a financial guarantee in favor of the City in a form approved by City. The total affordable housing requirement is 44.78 Affordable Unit Equivalents for the hospital and 34.98 Affordable Unit Equivalents for the support medical office area. The 10.71 Affordable Unit Equivalents for USSA are to be deferred in exchange for the petitioner's donation of land to USSA and contingent upon continued ownership and occupancy by USSA or another community-based non-profit organization.

C. Land Management Code and General Plan Compliance Analysis: The Land Management Code and General Plan analysis set forth in the June 29, 2006 City Council staff report is incorporated into this report.

D. Staff Recommendation: Staff recommends the Council hold a public hearing on the proposed Intermountain Healthcare/USSA/Burbidge Annexation. Following any public input and Council Discussion, Staff recommends that Council to adopt the ordinance the re-approving the attached annexation ordinance and Annexation Agreement.

Attachment 1 – Annexation Ordinance

Annexation Ordinance, Exhibit A – Annexation Plat

Annexation Ordinance, Exhibit B – Annexation Agreement

Attachment 2-- June 29, 2006 City Council Staff Report

Ordinance No. 06-

AN ORDINANCE ANNEXING APPROXIMATELY 157 ACRES OF PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE STATE ROUTE 248/US-40 INTERCHANGE IN THE QUINNS JUNCTION AREA KNOWN AS THE INTERMOUNTAIN HEALTHCARE/USSA/BURBIDGE ANNEXATION, INTO THE CORPORATE LIMITS OF PARK CITY, UTAH.

WHEREAS, on November 3, 2004, Intermountain Healthcare, United States Ski and Snowboard Association (USSA), and Burbs, LLC filed an annexation petition, as shown on the attached Annexation Plat, Exhibit A (Property), requesting Park City to annex the Property to the City subject to the Master Planned Development review process as outlined in the Land Management Code;

WHEREAS, the Property is included within the Park City Annexation Expansion Area; and

WHEREAS, the requested zoning, Community Transition (CT-MPD) is consistent with the Park City General Plan and Quinns Junction Joint Planning Principles; and

WHEREAS, an application for a Master Planned Development was submitted with the annexation petition, that includes a proposal for community hospital and support medical offices; USSA headquarters and training facility; one 15 acre lot deeded to the City upon which the City would contemplate future expansion of its recreation complex; and one 5 acre lot deeded to the City upon which the applicant will construct affordable/employee housing units.

WHEREAS, the proposed maximum density in the Community Transition District is 3 units/acre; and

WHEREAS, the proposed total density at build-out for the annexation area is 535,000 square feet; and

WHEREAS, the proposed maximum density for the annexation area is 2.64 units/acre; and

WHEREAS, the proposed annexation provides over 80% open space; and

WHEREAS, the City Council established the IHC/USSA/Burbidge Annexation Task Force (Resolution No. 21-05) on July 14, 2005 for purposes of formulating specific recommendations to the Planning Commission and City Council relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economic/fiscal impacts.

WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on a new zoning district to apply to the annexation area, the Community Transition (CT) District which includes specific provisions addressing affordable housing on October 27, 2005; and

WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on the annexation's economic impact/fiscal analysis on November 10, 2005; and

WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation on December 8, 2005; and

WHEREAS, the Planning Commission, after proper notice, conducted a public hearing on May 10, 2006, following which the Planning Commission voted to forward a positive recommendation on the proposed annexation and zoning designation to the City Council; and

WHEREAS, the Park City Council accepted the Intermountain Healthcare/USSA/Burbidge petition for annexation on November 18, 2004; and

WHEREAS, the City reviewed the petition against the criteria stated in Sections 10-2-403 (2), (3), and (4) of the Utah Code, annotated 1953 as amended, and finds that the petition complies with all applicable criteria of the Utah Code; and

WHEREAS, On December 6, 2004, the City Recorder certified the annexation petition and delivered notice letters to the "affected entities" required by Utah Code, Section 10-2-405, giving notice that the petition had been certified and the required 30-day protest period had begun; and

WHEREAS, no protests have been filed by any "affected entities" or other jurisdictions; and

WHEREAS, an Annexation Agreement has been negotiated before the City and Petitioner pursuant to the Land Management Code, Section 15-8-5C setting forth further terms and conditions; and

WHEREAS, on December 7, 2006 after proper notice, the City Council conducted public hearings and took public testimony on the matter, as required by law; and

WHEREAS, the Property is not included within any other municipal jurisdiction;

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

SECTION 1. ANNEXATION. The Property is hereby annexed to the corporate limits of Park City, Utah and zoned Community Transition (CT-MPD) according to the Annexation Plat executed in substantially the same form as it attached hereto as Exhibit A. The Property so annexed shall enjoy the privileges of Park City as described in the Annexation Agreement attached as Exhibit B and shall be subject to all City levies and assessments as described in the terms of the Annexation Agreement. The Property shall be subject to all City laws, rules and regulations upon the effective date of this Ordinance. The property is not yet, however, annexed into the Park City Water Service District.

SECTION 2. ANNEXATION AGREEMENT. Council hereby authorizes the Mayor to execute the Annexation Agreement in substantially the same form as is attached hereto as Exhibit B 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 Land Management Code--Chapter 8: Annexation. The zoning is consistent with Ordinance 06-46.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect upon recordation of this Ordinance and annexation plat and filing pursuant to the Utah Code Annotated Section 10-2-425. Ordinance 06-47 is hereby repealed.

DATED this 7th day of December 2006.

PARK CITY MUNICIPAL CORPORATION

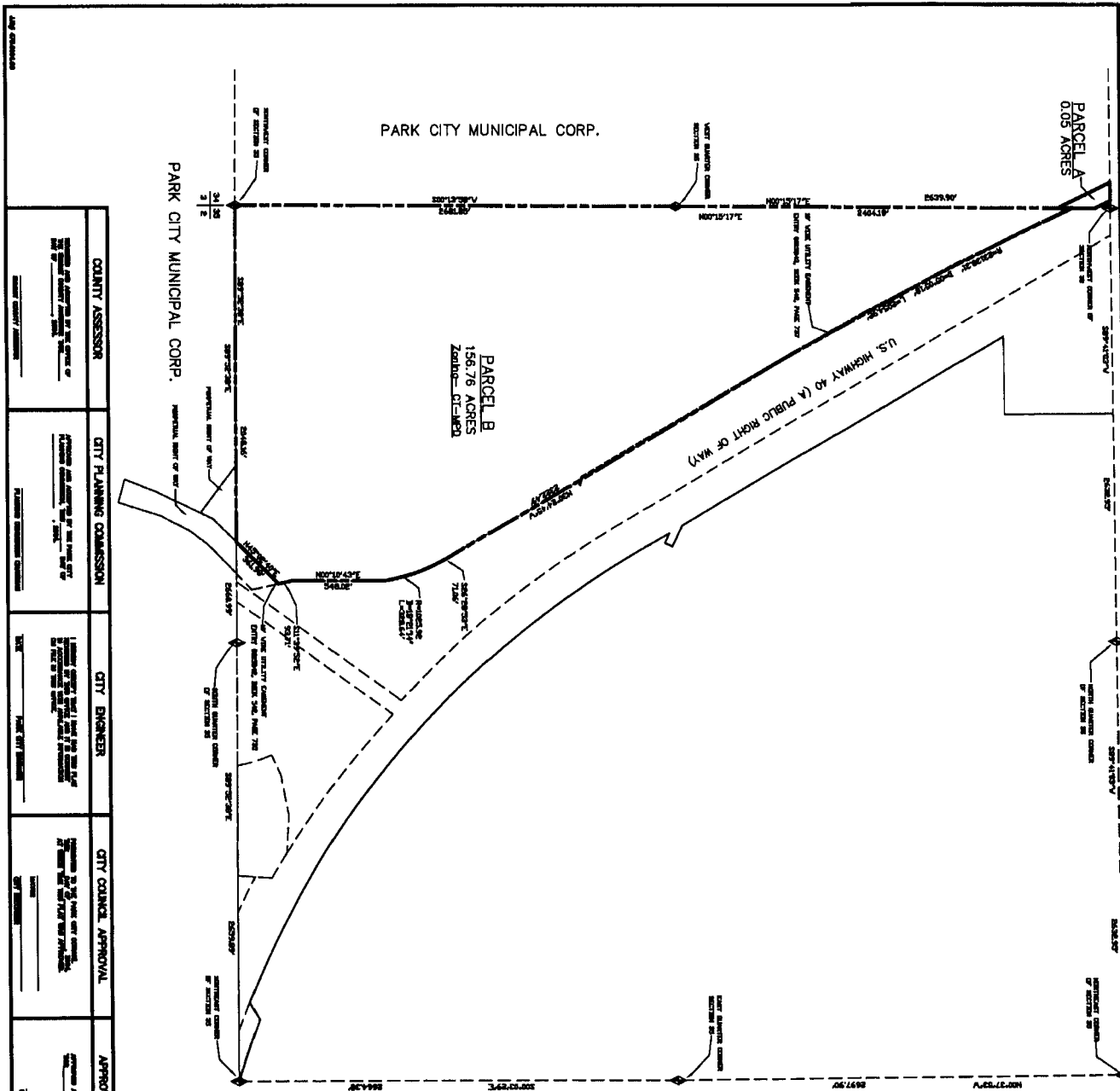
Dana Williams, MAYOR

ATTEST:

Janet M. Scott, CITY RECORDER

APPROVED AS TO FORM:

Mark D. Harrington, CITY ATTORNEY



COUNTY ASSESSOR CITY PLANNING COMMISSION CITY ENGINEER CITY COUNCIL APPROVAL APPROVAL AS TO FORM RECORDED JACK JOHNSON COMPANY 1777 East Main Street, Suite 100 Park City, Utah 84302 Phone: (435) 768-1111 Fax: (435) 768-1112	INTERMOUNTAIN HEALTHCARE PARK CITY MEDICAL CAMPUS/UNITED STATES SKI & SNOWBOARD ASSOCIATION PROPERTY LOCATED IN SECTION 36, TOWNSHIP 1 SOUTH, RANGE 4 EAST, SALT LAKE BASIN AND MERIDIAN, SOUTHERN COUNTY, UTAH
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When recorded, please return to:

PARK CITY MUNICIPAL CORPORATION
City Recorder
P O Box 1480
Park City UT 84060

and to:

Guy P. Kroesche, Esq.
STOEL RIVES LLP
201 South Main Street, Suite 1100
Salt Lake City, Utah 84111

and to:

Charles R. Brown, Esq.
CLYDE SNOW SESSIONS & SWENSON
201 South Main Street, Suite 1300
Salt Lake City, Utah 84111

and to:

Ira B. Rubinfeld, Esq.
RAY QUINNEY & NEBEKER
36 South State Street, Suite 1400
Salt Lake City, Utah 84145

ANNEXATION AGREEMENT

This ANNEXATION AGREEMENT (this "Annexation Agreement") is made by and between Park City Municipal Corporation (hereinafter, the "City") and Burbs, L.L.C., a Utah limited liability company (hereafter, the "Petitioner") to set forth the terms and conditions under which the City will annex certain land owned by the Petitioner, consisting of approximately 157 acres and located in unincorporated Summit County, Utah, at the northwest corner of State Road 248 and Highway 40 (as further defined below, the "Property"), into the corporate limits of the City and extend municipal services to the Property. This Annexation Agreement is made under authority of §§ 10-2-401 et. seq. of the Utah Code, Annotated 1953, as amended, and shall serve as a supplemental annexation policy declaration when executed by all parties.

WHEREAS, the Petitioner entered into that certain Real Estate Acquisition Agreement, dated as of October 21, 2004, as amended by that certain Amendment to Real Estate Acquisition Agreement, dated as of October 21, 2005, as further amended by that certain Second Amendment to Real Estate Acquisition Agreement, dated as of October 27, 2005, as amended by that certain Third Amendment to Real Estate Acquisition Agreement, dated as of April 27, 2006, as amended by that certain Fourth Amendment to Real Estate Acquisition Agreement, dated as of August 11, 2006, as amended by that certain Fifth Amendment to Real Estate Acquisition Agreement, dated as of August 25, 2006, as amended by that certain Sixth Amendment to Real Estate Acquisition Agreement, dated as of September 27, 2006, as amended by that certain Seventh Amendment to Real Estate Acquisition Agreement, dated as of October 27, 2006, and as amended by that certain Eighth Amendment to Real Estate Acquisition Agreement, dated as of November 30, 2006, (collectively, the "Real Estate Acquisition Agreement"), for the sale of a portion of the Property (the "Intermountain Healthcare Property") to IHC Health Services, Inc., a Utah nonprofit corporation ("Intermountain Healthcare");

SaltLake-289043.6 0033566-00189

WHEREAS, the Petitioner has previously notified to the United States Ski and Snowboard Association, a Utah nonprofit organization (the "USSA"), that the Petitioner desires to donate five (5) acres of the Property (the "USSA Property") to USSA, and USSA is willing to accept such donation;

WHEREAS, in furtherance of the foregoing, the Petitioner desires to annex the Property into the corporate limits of the City and, to that end, an annexation petition (the "Annexation Petition") for the Property was filed with the City on November 3, 2004, and accepted by the City on November 18, 2004;

WHEREAS, in connection with any such annexation (the "Annexation"), the Property is proposed to be zoned Community Transition District - Master Planned Development ("CT-MPD"), a new City zoning district that allows for a community hospital/medical facility, support medical offices, public/quasi-public institutional uses, United States Ski and Snowboard headquarters and a sports training complex, public recreation uses, affordable/employee housing, and open space land uses on the Property;

WHEREAS, to these ends, the City has issued certain Findings and Conditions with respect to the Property, which are attached as Exhibit "A" (the "Findings and Conditions");

WHEREAS, the parties understand, acknowledge and agree that the Annexation of the Property is conditioned upon, among other matters, the satisfaction of the terms and conditions set forth in the Findings and Conditions and this Annexation Agreement, as well as the completion of the master plan development for the Intermountain Healthcare Property or the USSA Property, as the case may be (in either case an "MPD") and subdivision (the "Subdivision") of the Property, all to the satisfaction, in their respective discretion, of the Petitioner, Intermountain Healthcare, USSA, and the City, as applicable, and as evidenced by the Subdivision plat for the Property (as accepted by the City and filed in the official real estate records of Summit County, Utah, the "Subdivision Plat"); and

WHEREAS, except as otherwise defined herein, capitalized terms shall be as defined in the Findings and Conditions;

NOW, THEREFORE, in furtherance of the Annexation Petition, in consideration of the City's agreement to annex the Property and in consideration of the mutual promises contained herein, as well as the mutual benefits to be derived herefrom, the parties agree that the terms and conditions of Annexation shall be as follows:

1. **Property.** The Property to be annexed is approximately 157 acres in size, as depicted on the annexation plat attached as Exhibit "B" (the "Annexation Plat") and as more fully described in the legal description attached as Exhibit "C."
2. **Zoning.** Upon Annexation, the Property will be zoned CT-MPD, as shown on Exhibit "B."
3. **Master Plan Approval; Phasing.** Pursuant to Land Management Code Section 15-8-3 (D), an application for a Master Planned Development of the Property (as submitted, the "MPD"), a copy of which is attached as Exhibit "D," was filed with the City on November 3, 2004, and accepted by the City on November 18, 2004. This Annexation Agreement does not represent approval or vesting of the MPD. Rather, the MPD and the use and development of the Intermountain Healthcare Property and the USSA Property shall be governed by the zoning designations provided herein and, consistent with this Annexation Agreement and the Findings and Conditions, shall be finalized (and, as necessary, amended) as soon as reasonably practicable following completion of the Annexation pursuant to Utah Code Annotated § 10-2-425(5) (as applicable to the Intermountain Healthcare Property, the USSA Property or the remainder of the Property, the "Final MPD").

Any substantive amendments to the MPD or this Annexation Agreement shall be processed in accordance with the Park City Land Management Code. Further, as part of the MPD review and approval process, again consistent with this Annexation Agreement and the Findings and Conditions, the phasing of the development of the Intermountain Healthcare Property or the USSA Property, as the case may be, shall be determined, to ensure the adequacy of public facilities that may be required to support any such development.

4. **Trails.** A condition precedent to the Annexation and the Final MPD for the Intermountain Healthcare Property or the USSA Property, as the case may be, is the grant to the City of public easements (collectively, the "Trail Easements") for the construction of non-vehicular pedestrian trails (collectively, the "Trails"), the location, width and use of which shall be determined during the MPD review and approval process, and which shall be documented in one or more development agreements for the Intermountain Healthcare Property the USSA Property, as the case may be, or any portions thereof (in any case, a "Development Agreement"). The Trail Easements shall include, but are not limited to, those easements necessary to extend and/or relocate certain of the existing non-vehicular pedestrian trails to connect to other public trail easements existing on adjacent properties. Any obligations with respect to the construction of any such trails shall be governed by the terms and conditions of the Development Agreement for the USSA Property, the Intermountain Healthcare Property or any other part of the Property, as the case may be, and, further, unless otherwise provided in any such Development Agreement, shall be the responsibility of the owner of the USSA Property, the Intermountain Healthcare Property, or any other part of the Property, as the case may be.

5. **Fire Prevention Measures.** Because of significant wild land interface issues on the Property, the Petitioner (or, as specified in connection with any such assignment, its assigns) agrees to implement a fire protection and emergency access plan, to be submitted prior to the issuance of any building permits, and to be reviewed and approved by the Fire Marshall and Chief Building Official for compliance with applicable building and fire codes.

6. **Roads, Road Design and Access.** All streets and roads within the Property shall be designed according to the City's road design standards and, as soon as reasonably practicable following the construction thereof (to the extent, as determined during the MPD review and approval process, to be dedicated to the City), shall be dedicated to the City for purposes of public thoroughfares and, upon acceptance thereof by the City, the maintenance and repair thereof by the City. Until such time as any such streets and roads shall be dedicated to, and accepted by, the City pursuant to the City's applicable ordinances governing any such dedication, maintenance and repair of all such streets and roads shall remain with the Petitioner (or, as specified in connection with any such assignment, its assigns). All roads and streets within the Property shall be not less than thirty feet (30') wide, back of curb to back of curb, unless, consistent with this Annexation Agreement, applicable City ordinances and the Findings and Conditions, otherwise reduced by the City for pedestrian traffic calming or other public purposes. The terms and conditions of grading and constructing access roads and streets across any City property shall be agreed to as part of the MPD review and approval process.

Notwithstanding any other term or condition of this Annexation Agreement and as and to the extent reasonably necessary or appropriate for, consistent with this Annexation Agreement and the Findings and Conditions, use of the Intermountain Healthcare Property, the City, without additional consideration therefor, agrees to (a) by means of (i) a publicly-dedicated roadway and/or (ii) a nonexclusive, perpetual easement and right of way for the benefit of the Intermountain Healthcare Property, provide access to and from the Intermountain Healthcare Property to State Road 248 in Summit County, Utah (all as shown on attached Exhibit "E" road design plan, prepared by Horrocks Engineers on November 6, 2005, and approved by the City Engineer), for main and primary vehicular and pedestrian access (the "Main Access Roadway"), and (b) by means of a nonexclusive, perpetual easement and right of way for the benefit of the Intermountain Healthcare Property, provide access to and from the Intermountain Healthcare Property for emergency and secondary vehicular and pedestrian access (the

“Secondary Access

Easement”). The Main Access Roadway and the Secondary Access Easement each shall be not less than thirty feet (30’) wide, back of curb to back of curb, exclusive of any sidewalks or other improvements and, further, shall be in such locations as shall be mutually acceptable to the City and Intermountain Healthcare. Except as and to the extent consistent with the use of the Intermountain Healthcare Property (and as, to the extent practicable, confirmed in connection with the sale and acquisition of the Intermountain Healthcare Property), neither the Main Access Roadway nor the Secondary Access Easement shall be subject to any use restrictions, conditions, limitations, or encumbrances (other than, to the extent the Secondary Access Easement shall not be on the City’s property, general property taxes or assessments not yet due and payable) and, in addition, shall provide insurable access to and from the Intermountain Healthcare Property; provided, however, that, as specified during the MPD review and approval process, a locked gate may restrict use of the Secondary Access Easement to emergency and fire use only.

The Petitioner (or, except as otherwise may be agreed in writing in connection with any such assignment, its assigns) shall not have any obligation or liability for the Main Access Roadway or the Secondary Access Easement until review and approval by the City of the Final MPD. The City further agrees that roadway and street construction costs and expenses incurred by the Petitioner (or its assigns) shall be credited against any other impact or other development fees and costs for which the Petitioner (or its assigns) may be liable by reason of this Annexation Agreement or, consistent with the Findings and Conditions, otherwise with respect to the Intermountain Healthcare Property, the improvement of State Road 248, or the USSA Property, including without limitation any costs or expenses incurred in connection with the obligations under Section 17, below. The Petitioner (or, as specified in connection with any such assignment, its assigns) may require other or third parties to enter into a latecomer’s agreement to reimburse the Petitioner for a portion of its costs in extending roads, traffic infrastructure and access to the Property.

7. **Sanitary Sewer, Line Extensions and Related Matters.** Construction and alignment of the sanitary sewer shall be determined as part of the MPD review and approval process. The preferred alignment of the sanitary sewer shall be that which results in the least visual impact and site disturbance while meeting the site design and construction requirements of the Snyderville Basin Water Reclamation District. Further, as part of a Development Agreement, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall enter into a latecomer’s agreement to reimburse the City for a portion of its costs in extending sewer facilities adjacent to the Intermountain Healthcare Property or the USSA Property, as the case may be.

8. **Water Rights and Water Source Capacity.** The Petitioner (or, as specified in connection with any such assignment, its assigns) hereby agrees to purchase culinary water and, as appropriate, irrigation water from the City, subject to the provisions of this Section 8. The City shall and hereby agrees, upon payment therefor as specified in and contemplated under this Section 8, to provide such culinary water and, as appropriate, irrigation water, as shall be sufficient to meet the projected peak daily water demand for (a) the Intermountain Healthcare Property, which the parties understand, acknowledge and agree is 101,528 gallons per day at full build-out (the “Intermountain Healthcare Peak Water Demand”) and (b) the USSA Property, which the parties understand, acknowledge and agree is 8,759 gallons per day at full build-out (the “USSA Peak Water Demand”). The Petitioner (or, as specified in connection with any such assignment, its assigns) agrees to pay the City for such water in the amount of SIXTEEN THOUSAND AND NO/100 DOLLARS (\$16,000) per Equivalent Residential Unit (“ERU”), inclusive of (i) a proportionate share of any capital costs incurred by the City through the Snyderville Importation Project, (ii) any water share acquisition costs for water from the Weber Basin Water Conservancy District, (iii) a proportionate share of any water treatment costs based on the Intermountain Healthcare Peak Water Demand and the USSA Peak Water Demand, (iv) any City water

impact fees therefor, and (v) any City water connection impact fees (collectively, the "Water Cost").¹ Such Water Cost, respectively, shall be paid to the City within ten (10) business days following the Final MPD. Based upon the peak water demand figures submitted to the City by Intermountain Healthcare and the USSA, at the City's request, the City calculated and hereby confirms that, the number of ERUs respectively, is equivalent to 63.455 ERUs and 5.47 ERUs.

The City shall not be obligated to provide any water in excess of (A) the Intermountain Healthcare Peak Water Demand for the Intermountain Healthcare Property and (B) the USSA Peak Water Demand for the USSA Property and, notwithstanding any other term or condition hereof, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall not be obligated to pay any amounts in excess of SIXTEEN THOUSAND AND NO/100 DOLLARS (\$16,000) per ERU. Further, the Petitioner (or, except as otherwise may be agreed in writing in connection with any such assignment, its assigns) and the City agree to enter into a separate agreement, mutually acceptable to the parties thereto, which shall document and provide for the implementation of the material terms of Sections 8, 9, and 10 of this Annexation Agreement, before the Final MPD; provided, however, that the Petitioner (or its assigns) shall not have any obligation or liability to purchase any water from the City until after the Final MPD. The Petitioner (or, as specified in connection with any such assignment, its assigns) is separately responsible for any redundant water rights, source capacity and/or systems as may be required in connection with the use and development of the Intermountain Healthcare Property or the USSA Property, as the case may be, and as required by applicable laws, rules or regulations relating thereto.

In conjunction with the construction of the Units by Petitioner on the City Donated Parcel or the Alternative Affordable Housing Location, as further described in Section 11, the City agrees that it will provide culinary water and, as appropriate, irrigation water, as shall be sufficient to meet the projected peak daily water demand for the Units, as ultimately determined by Petitioner and the City and approved for construction by the City. Petitioner agrees to pay to the City normal and customary charges for such water, which Water Cost shall not be in excess of the Water Cost to be paid the City for water to the Intermountain Healthcare Property and USSA Property, as set forth above in this Section 8.

9. **Water Impact Fees and Credits.** The City confirms that the total water impact fee was calculated by the City in the same manner and in the same comparative amount as with other developments within municipal boundaries. Any applicable credits that the Petitioner (or its assigns) may be eligible for will be determined by the City in the same manner and in the same comparative amount as with other developments within the City.

10. **Other Water Facilities, Infrastructure and Systems Costs.** As a condition precedent to the effectiveness of this Annexation Agreement, certain water facilities and systems, including an upgrade to the Fairway Hills pump station, shall be required to be constructed to service the Intermountain Healthcare Property and the USSA Property, and, to the extent to be dedicated to the City, easements therefor granted to the City, all of which shall be determined, and agreed to, by the affected parties and the City during the MPD review and approval process (the "Water Facilities and Systems"). Any and all such Water Facilities and Systems shall be constructed in accordance with specifications reasonably required by the City Engineer. Notwithstanding any term or condition of this Annexation Agreement, the City shall be responsible for the cost of any over-sizing of any Water Facilities and Systems, and, as and to the extent the Petitioner (or its assigns) shall pay or be liable for any such costs, the Petitioner (or, as applicable, Intermountain Healthcare or USSA) shall receive an appropriate credit or contribution from the City (as determined during the MPD review and approval process) for any over-sized Water Facilities and Systems designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity.

¹ The Water Cost was calculated by the City, as shown on attached Exhibit "G."
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In connection with the MPD and the Subdivision² review and approval processes, on-site storm runoff detention facilities, or approved alternatives, as approved by the City Engineer, may be required. The timing for the construction of such storm run-off improvements shall be determined during the MPD review and approval process (the "Storm Detention Facilities"). The City shall be responsible for the cost of any over-sized on-site Storm Detention Facilities required as determined as part of the MPD (as sized and located to the reasonable satisfaction of Intermountain Healthcare and USSA), and, as and to the extent the Petitioner (or its assigns) shall pay or be liable for any such costs, the Petitioner (or, as applicable, Intermountain Healthcare or USSA) shall receive an appropriate credit or contribution from the City (as determined by the Petitioner and the City during the MPD review and approval process) for any such facilities designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity.

As part of the MPD review and approval process, the Petitioner (or, as specified in connection with any such assignment, its assigns), the City and the affected parties shall determine and agree on the proportionate costs and/or appropriate credits or contributions from the City for the installation, construction, repair, and maintenance of any excess length, size or capacity storm sewer and/or sanitary sewer lines, power, sewer, and other utility line extensions and related facilities (including without limitation the Storm Retention Facilities and the Water Facilities and Systems, the "Sewer and Related Facilities"), which may be required for the use and development of the Property, or any part thereof, and the provision of municipal services related thereto (with the understanding that the Petitioner (or, as applicable, the respective owners of the Intermountain Healthcare Property or the USSA Property) shall receive an appropriate credit or contribution from the City for the cost of any Sewer and Related Facilities designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity. The extent to which such Sewer and Related Facilities shall be dedicated to the City, and the required granting of easements therefor, shall also be determined, and agreed to, by the Petitioner (or, as specified in connection with any such assignment, its assigns), the affected parties and the City during the MPD review and approval process.

11. **Affordable Housing Requirement.** Affordable/employee housing shall be provided in a manner consistent with the Findings and Conditions (the "Employee/Affordable Housing"), with the understanding and agreement of the parties that:

a. The Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital (300,000 square feet) is 44.78 "Affordable Unit Equivalents" (as defined in the City's Land Management Code) (the "Units"). Petitioner previously notified the City that it desires to and will donate five (5) acres of the Property (the "City Donated Parcel") to the City. Intermountain Healthcare, the City and the Petitioner have agreed that the foregoing Employee/Affordable Housing requirement shall be satisfied by the Petitioner's donation of the City Donated Parcel to the City as previously committed to by Petitioner, and the other terms and conditions of this Section 11. Within twelve (12) months of the effective date of this Agreement, the City shall determine if the Units are to be located on the City Donated Parcel or at some alternate location within the City, as agreed to by Petitioner (or its assignees), which agreement shall not be unreasonably withheld, conditioned or delayed, (an "Alternate Affordable Housing Location"); provided that, in the event of an Alternate Affordable Housing Location, the Petitioner (and any assignee thereof) shall not have any obligation, cost or otherwise, for the acquisition of any such Alternate Affordable Housing Location; and provided that, in the event the Units are located on any Alternate Affordable Housing Location, the

² The Subdivision review and approval process will be a two-part process. The first part of the Subdivision review and approval process will establish the lot lines of the Intermountain Healthcare Property, the USSA Property, the City Donated Parcel, and the City Recreation/Open Space Parcel and, in that connection, allow for the recording of the Subdivision Plat in the official real estate records of Summit County, Utah. The second part of the Subdivision review and approval process will include an amendment to the Subdivision Plat, which will be processed during the MPD review and approval process and, to the extent appropriate, will incorporate any necessary requirements of this Section 10.

Petitioner (or any assignee thereof) shall not incur, or be obligated for, any costs or expenses in excess of those that would be incurred if the Units were located and constructed on the City Donated Parcel. Subject to the foregoing, within twenty-four (24) months of the effective date of this Agreement, the Petitioner (or any assignee thereof) shall either (i) begin construction of the Units on the City Donated Parcel or at the Alternate Affordable Housing Location or (ii) post a financial guarantee in favor of the City in a form, on terms and in the amount set forth in attached Exhibit "F" (the "Financial Guarantee").³

The City shall not issue building permits for development of the Intermountain Healthcare hospital in excess of 149,000 square feet until (A) the commencement of construction of the Units on the City Donated Parcel or an Alternate Affordable Housing Location within twenty-four (24) months following the Annexation, (B) a decision is made to locate the Units on property other than the City Donated Parcel, (C) the satisfaction of the Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital by financing or some other arrangement, or (D) the delivery by Petitioner (or its assigns) and acceptance by the City of the Financial Guarantee.⁴ Any such Units constructed shall be sold or rented by the Petitioner (or any assignee thereof) at deed restricted prices or otherwise financed consistent with the City affordable housing guidelines.

b. The Employee/Affordable Housing requirement for development associated with the a proposed United States Ski and Snowboard Association, a Utah nonprofit organization ("USSA") facility (85,000 square feet) is 10.71 Affordable Unit Equivalents. The Petitioner previously notified USSA that it desires to and will donate the USSA Property, upon which USSA intends to construct its facilities, to USSA. A total deferral of the required 10.71 Affordable Unit Equivalents will be granted by the City upon, and in exchange for, the donation of the USSA Property by the Petitioner to USSA as previously committed to by Petitioner. The deferral is contingent upon continued ownership and occupancy by the facility by USSA or another community-based nonprofit organization. Any change in use to a non-community-based nonprofit organization may require that the deferred Employee/Affordable Housing requirements be met by the owner of the USSA Property as contemplated under the Affordable Housing Guidelines and Standards Resolution 10-06.

c. The Employee/Affordable Housing requirement for development associated with the Support Medical Office area (150,000 square feet) is 34.98 Affordable Unit Equivalents. This requirement shall be satisfied with either on-site or off-site units as determined in connection with the development of the Property to which such area relates and, in any case, shall not reduce the square footage available for the Support Medical Office area. The units shall be sold or rented at deed restricted prices or otherwise financed consistent with the City's affordable housing guidelines. Construction of the affordable units may be phased with the construction of the Support Medical Office area; provided that no certificate of occupancy for the Support Medical Office area in excess of 25,000 square feet shall be issued unless construction has commenced on the required Affordable Unit Equivalents hereunder or a financial guarantee (see footnote no. 2, above) has been posted therefor in a form and in an amount acceptable to the City.

³ The form and amount of any bond or other financial assurance required by the City hereunder shall be determined by reasonably estimating the City's administrative costs (which are estimated to be ten percent (10%) of the total cost of construction of the Units), if the City were required to proceed with construction of the Units or any other affordable housing units/equivalents hereunder, and no more.

⁴ By the execution hereof, the City hereby acknowledges and confirms, as of the Effective Date, the delivery by the Petitioner and the acceptance by the City of the Financial Guarantee for the Units, which is in the form, on terms and in an amount required by the City. With the Financial Guarantee, the Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital has been satisfied in its entirety and, as such, is not a condition precedent to the issuance of building permits for development of the Intermountain Healthcare hospital in excess of 149,000 square feet.

d. If the "Units" (as defined in subsection 11(a), above), in fact, are located on the City Donated Parcel, the "Units" will be situated, designed and constructed on the City Donated Parcel in a manner approved, in writing and in advance, by Intermountain Healthcare, in Intermountain Healthcare's reasonable discretion. Any proceeds from the sale or lease of the "Units" on the City Donated Parcel or any Alternate Affordable Housing Location, following their design and construction, shall be retained by and constitute the exclusive property of the entity which constructs the "Units," being either the Petitioner, or any assignee thereof, as the case may be. All utilities shall be stubbed to the City Donated Parcel or any Alternate Affordable Housing Location, on which the Units may be constructed, at no cost to Petitioner (or its assigns) or any other party hereto. Further, neither the Petitioner (and its assigns) nor any other party hereto shall have any obligation, cost or otherwise, for any water rights or interests, nor for any other public fees, except for standard planning review and building permit fees necessary for construction of the Units on the City Donated Parcel (or any Alternate Affordable Housing Location).

12. **Planning Review Fees.** Except as otherwise agreed by the City, otherwise specified in a Development Agreement or in this Annexation Agreement, or as part of the MPD review and approval process (including without limitation any applicable credits and/or "in lieu of tax payments"), the Petitioner (or its assigns) shall be responsible for all standard and customary, and generally-applicable planning, building, subdivision and construction inspection fees imposed by the City from time to time.

13. **Impact and Building Fees.** Except as otherwise agreed by the City, otherwise specified in a Development Agreement or in Sections 8, 9 and 10 of this Annexation Agreement, or as part of the MPD review and approval process (including any applicable credits and/or "in lieu of tax payments"), the Petitioner (or its assigns) shall be responsible for all standard and customary, and generally-applicable, fees, such as development, impact, park and recreation land acquisition, building permit and plan check fees due and payable for construction on the Intermountain Healthcare Property, the USSA Property or the remainder of the Property at the time of application for any building permits.

14. **Acceptance of Public Improvements.** Subject to fulfillment of all the conditions of the applicable City ordinances and, further, the City's final approval of the construction of any such public improvements, those roads, streets, water facilities, utilities, and easements as may be agreed by the City, Intermountain Healthcare and/or USSA in connection with the MPD review and approval process (the "Public Improvements"), shall be conveyed and dedicated to the City, for public purposes. Following any such dedication, the City shall be responsible for the maintenance, repair and replacement of any and all such Public Improvements.

15. **Snow Removal and Storage.** Other than as the City may determine necessary or appropriate for the Trails, the City shall not be obligated to remove snow from roads, streets or similar improvements within the Property, until acceptance of the dedication thereof pursuant to the applicable City ordinances or this Annexation Agreement.

16. **Fiscal Impact Analysis.** The fiscal impact analysis prepared by the City Budget, Debt and Grants Department was reviewed, accepted and approved by the City Planning Commission on November 10, 2005. The analysis includes revenue and cost assumptions related to the Annexation and development of the Property and it is hereby accepted and approved by the City as part of this Annexation Agreement.

17. **Traffic Mitigation.** A comprehensive traffic review and analysis of the surrounding properties and jurisdictions was performed by a traffic consultant, Horrocks Engineers, and additional analysis was performed by the City's consultant, Rosenthal and Associates (together referred to herein as the "Traffic Studies"). Any such mitigation measures (inclusive of the "Roadway Access Costs" (as defined below and contemplated under the Findings and Conditions, the "Traffic Mitigation Measures") shall be implemented in a manner consistent with the Findings and Conditions; provided that any costs or expenses shall be proportionately allocated among all affected persons and entities, including without

limitation the City; and provided that neither the Petitioner nor its assigns shall be obligated to take or cause to be taken any such measures until such time as they shall be satisfied that the measures shall have been adequately specified, the costs (and the allocation) thereof determined, the persons and entities participating therein identified, and the payment of any such costs assured to the reasonable satisfaction of the City and the Petitioner (and, as specified in connection with any such assignment, its assigns). Subject to the Findings and Conditions, the parties anticipate that the Petitioner (or, as specified in connection with any such assignment, its assigns) shall incur the financial costs, except land acquisition costs, for the construction of a signalized intersection on State Road 248 and the connection of that intersection with a roadway to the Property, all as shown in the analysis of Horrocks Engineers. The total cost of any and all Traffic Mitigation Measures shall not exceed TEN MILLION AND NO/100 DOLLARS (\$10,000,000), and the Petitioner's (or, as specified in connection with any such assignment, its assigns') proportionate share of the Traffic Mitigation Measures shall be between eleven percent (11%) and twenty-one percent (21%) and, further, shall be determined and documented as part of the MPD review and approval process.

18. **Effective Date.** This Annexation Agreement is effective as of the date the City Council adopts a resolution authorizing the execution of this Annexation Agreement and, further, the City provides notice of the adoption of such resolution to the parties to this Annexation Agreement.

19. **Governing Law; Jurisdiction and Venue.** The laws of the State of Utah shall govern this Annexation Agreement. Jurisdiction and venue are proper in Summit County.

20. **Real Covenant, Equitable Servitude.** This Annexation Agreement constitutes a real covenant and an equitable servitude on the Property. The terms of this Annexation Agreement touch and concern and both benefit and burden the Property. The benefits and burdens of this Annexation Agreement run with the land, and are intended to bind all successors in interest to any portion of the Property. This Annexation Agreement, a certified copy of the ordinance approving the Annexation (the "Annexation Ordinance"), and the Annexation Plat shall be recorded in the official real estate records of Summit County, Utah.

21. **Assignment.** Neither this Annexation Agreement nor any of the provisions, terms or conditions hereof may be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Annexation Agreement and without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. 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 the Petitioner or its successors or assigns; provided that, notwithstanding the foregoing, the City hereby consents to the assignment of the rights and responsibilities, and the benefits, of this Annexation Agreement, in whole or in part, to Intermountain Healthcare (or any affiliate thereof) or to USSA, upon written notice to the City; and provided that, in connection with and to the extent specified in any such assignment, the Petitioner shall not have any further rights or responsibilities under this Annexation Agreement as and to the extent accruing from and after the date of any such assignment.

22. **Compliance with the City Code.** Notwithstanding Section 18 of this Annexation Agreement, from the time of the City Council (the "City Council") approves of this Annexation Agreement and upon completion of the Annexation, the Property shall be subject to compliance with any and all of the City's Codes and Regulations pertaining to the Property.

23. **Full Agreement.** This Annexation Agreement, together with the recitals and exhibits attached to this Annexation Agreement (which are incorporated in and made a part of this Annexation Agreement by this reference), contains the full and complete agreement of the City and the Petitioner regarding the Annexation of the Property into the City. Only a written instrument signed by all parties hereto, or their successors or assigns, may amend this Annexation Agreement.

24. **No Joint Venture, Partnership or Third Party Rights.** This Annexation Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto. Except as otherwise specified herein, this Annexation Agreement, the rights and benefits under this Annexation Agreement, and the terms or conditions hereof, shall not inure to the benefit of any third party.

25. **Vested Rights.** Subject to the provisions of this Annexation Agreement, the Petitioner (or its assigns) shall have the right to use and develop the Intermountain Healthcare Property, the USSA Property or the remainder of the Property, as the case may be, in accordance with the uses, densities, intensities, and general configuration of development approved by these Findings and Conditions and, subject to the Findings and Conditions unless otherwise agreed by any affected parties, the Final MPD, subject to and in compliance with other applicable ordinances and regulations of the City.

26. **Reserved Legislative Powers.** The Petitioner 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, and the Petitioner shall ensure that each of its assigns is aware of such restriction in connection with any assignment of any rights or obligations hereunder. Notwithstanding the retained power of the City to enact such legislation under the police powers, such legislation shall only be applied to modify the Land Management Code and zoning Map of the City, as in existence on the date hereof, copies of which have been provided or otherwise made available by the City to the Petitioner, Intermountain Healthcare and USSA on or before the date hereof, and which are applicable to the Property under the terms of this Annexation 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 Property and terms and conditions of this Annexation Agreement applicable to the Property shall be of general application to all development activity in the City; and, unless the City declares an emergency, the Petitioner, Intermountain Healthcare and USSA (and their respective assigns) shall be entitled to the required notice and an opportunity to be heard with respect to the proposed change and its applicability to the Property under the compelling, countervailing public interest exception to the vested rights doctrine.

27. **Severability.** If any part or provision of this Annexation 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 Annexation Agreement except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Annexation 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. Notwithstanding the foregoing, given the interdependence of many of the provisions of this Annexation Agreement, this Section 26 shall only be applied to the extent the purpose and intent of this Annexation Agreement is not frustrated.

28. **Quinn's Junction Area Study.** The City hereby confirms that the Property is located within the Quinn's Junction Area Study ("QJAS") and the findings and conclusions of the QJAS are consistent with the provisions of this Annexation Agreement and the Findings and Conditions.

IN WITNESS WHEREOF, the parties hereto have executed this Annexation Agreement as of the ____ day of _____, 2006.

[signature pages follow]

PARK CITY MUNICIPAL CORPORATION

By: _____
Dana Williams, Mayor

DATED this __ day of _____, 2006.

ATTEST: City Clerk

By: _____
Janet Scott, City Recorder

DATED this __ day of _____, 2006.

APPROVED AS TO FORM:

Mark Harrington, City Attorney

DATED this __ day of _____, 2006.

PETITIONER:

Burbs, L.L.C., a Utah limited liability company

By: Vaughn Burbidge
Title: Manager

DATED this __ day of _____, 2006.

By: David Burbidge
Title: Manager

DATED this __ day of _____, 2006.

ACKNOWLEDGEMENT AND CONSENT TO AGREEMENT

By the execution hereof and as of the ____ day of _____, 2006, the undersigned, hereby acknowledges and consents to the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) Intermountain Healthcare shall have the right to review and approve, in advance, any matters which affect any part or all of the Intermountain Healthcare Property and any adjacent property to be owned, used and/or developed by the undersigned, (b) Intermountain Healthcare shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by Intermountain Healthcare in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) Intermountain Healthcare shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

IHC HEALTH SERVICES, INC., a Utah nonprofit corporation

By: _____
Name: _____
Title: _____

DATED this ____ day of _____, 2006

ACKNOWLEDGEMENT, CONSENT AND JOINDER TO AGREEMENT

By the execution hereof and as of the ____ day of _____, 2006, the undersigned, hereby acknowledges, consents to and joins in the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) USSA shall have the right to review and approve, in advance, any matters which affect any part or all of the USSA Property, (b) USSA shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by USSA in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) USSA shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

UNITED STATES SKI AND SNOWBOARD ASSOCIATION, a Utah nonprofit organization

By: _____
Name: _____
Title: _____

DATED this ____ day of _____, 2006

Exhibits:

- A) Findings and Conditions
- B) Annexation Plat
- C) Legal Descriptions
- D) Copy of MPD Application
- E) Road Design Plans
- F) Form, Terms and Amount of Financial Guarantee

Exhibit A
(Findings and Conditions)

Intermountain Healthcare/USSA/Burbs Annexation Agreement

Draft Findings/Annexation Agreement Points⁵

1. Burbs, L.L.C. (the "Petitioner"), IHC Health Services, Inc. ("Intermountain Healthcare"), and the United States Ski and Snowboard Association ("USSA") filed an Annexation Petition on November 3, 2004.
2. The City Council of Park City Municipal Corporation (the "City Council") accepted the Annexation Petition on November 18, 2004.
3. The City Council established the Intermountain Healthcare/USSA/Petitioner Annexation Task Force on July 14, 2005 (Resolution No. 21-05) for purposes of formulating specific recommendations relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economics/fiscal impacts.
4. On October 27, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on a new zoning district to apply to the annexation area, the Community Transition District - Master Planned Development ("CT-MPD"), which includes specific provisions addressing affordable housing.
5. On November 10, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on the economic impact/fiscal analysis relating to the Annexation.
6. On December 8, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation.
7. The Property subject to the Annexation Petition (the "Annexation Property") is currently vacant, 157 acres in size, and located in unincorporated Summit County, Utah, at the northwest corner of the State Road 248/Highway 40 interchange.
8. The Annexation Property currently is zoned in Summit County Developable Lands (DL), with a base density of 1 unit/20 acres and 1 unit/40 acres (depending on the extent of any environmentally sensitive lands, which need to be managed or preserved in compliance with any applicable laws, rules and regulations, including without limitation the City's Sensitive Lands Overlay code.
9. The Annexation Property is to be zoned, as shown on the attached Annexation Plat, Community Transition District-Master Planned Development ("CT-MPD"). The CT-MPD has a base density of 1 unit/20 acres. The Community Transition District permits density bonuses up to a maximum of 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities.
10. The land uses proposed on the Annexation Property include a community hospital/medical facility; support medical offices; public/quasi-public and institutional uses; United States Ski and Snowboard (USSA) headquarters and sports training complex; public recreation uses; affordable/employee housing; and open space.
11. The MPD shall substantially comply with the Annexation Plat. The proposed total density at build-out for the Annexation area is 535,000 square feet (gross), equates to 2.64 units/acre and consists of the following:

⁵ Except as otherwise defined herein, capitalized terms shall be as defined in the Annexation Agreement.
SaltLake-289043.6 0033566-00189

Intermountain Healthcare Hospital: 300,000 square feet (180 Unit Equivalents)

United States Ski and Snowboard Offices
and Training Center: 85,000 square feet (85 Unit Equivalents)

Support Medical Office: 150,000 square feet (150 Unit Equivalents) *primarily*

12. The City has agreed that up to 50,000 square feet of the total Support Medical Office area may be developed within, and in addition to, the 300,000 square foot hospital. The City also has agreed that up to 50,000 square feet ~~may~~ be utilized for public/quasi-public and other institutional uses reasonably related to the Support Medical Office area, including without limitation, athletic national governing body offices, non-profit community wellness facilities, and/or education uses. *The city has approved MPD process -*

13. The Petitioner has previously notified the United States Ski and Snowboard Association (USSA) that the Petitioner desires to donate five (5) acres of the Property (the "USSA Property") to USSA for the purposes of developing an 85,000 square foot athletic national governing body (NGB) and training complex. Land uses within the USSA Property are limited to USSA administrative, athlete training, and/or other national governing body uses, with deed restrictions to that effect to be recorded against such property. Subject to any such deed restrictions, the City shall have the right of first refusal to purchase the USSA Property and facilities in the event that, as an authorized assignee of the Petitioner, USSA sells and/or relocates from such property. In addition to the deed restrictions, any change of use will require approval of an amended Master Planned Development and Conditional Use Permit. Further, any uses other than athletic national governing body office/training facilities, public/quasi-public, institutional, and/or recreation uses will require employee/affordable housing mitigation conforming to the Affordable Housing Guidelines and Standards Resolution in effect at the time of application.

14. The Property is subject to the Employee/Affordable Housing requirements of the Affordable Housing Guidelines and Standards Resolution 17-99, as amended. The base employee/affordable housing requirement for development associated with the Intermountain Healthcare hospital (300,000 square feet) is 44.78 Affordable Unit Equivalents. The base employee/affordable housing requirement for development associated with USSA (85,000 square feet) is 10.71 Affordable Unit Equivalents. The base employee/affordable housing requirement for development associated with the Support Medical Office (150,000 square feet) is 34.98 Affordable Unit Equivalents. The total Affordable Unit Equivalents required for the Property is 90.47. Intermountain Healthcare, as an authorized assignee of the Petitioner, shall be entitled to, and has received, a reduction of 27.49 Affordable Unit Equivalents for the hospital portion of the development of the Intermountain Healthcare Property, in recognition of the non-commercial, non-residential nature of the hospital portion of the development. One Affordable Unit Equivalent equals 800 square feet.

15. The City agrees that a deferral of the required 10.71 Affordable Unit Equivalents of employee/affordable housing for the USSA Property will be granted to USSA in consideration of, as previously agreed to by the Petitioner, the donation by the Petitioner of five (5) acres of the Property to USSA, as a community-based nonprofit organization, upon which USSA intends to construct its facilities. This deferral is contingent upon the continued ownership and occupancy of the facility by USSA or another community-based nonprofit organization approved by the City. Any change in use to a non-community-based nonprofit organization may require USSA to meet the deferred employee/affordable housing requirements. In addition, any change in use or redevelopment of the USSA Property that creates additional presumed "employee generation" on the USSA Property (as contemplated under the Affordable Housing Guidelines and Resolution 10-06) may require an employee/affordable housing contribution to address that increment of presumed employee generation.

16. The City agrees that the 44.78 Affordable Unit Equivalent requirement associated with the Intermountain Healthcare hospital (300,000 square feet) shall be satisfied by, as previously agreed to by the Petitioner, the donation by the Petitioner of a five (5) acre parcel of the Property to the City and the other terms and conditions of Section 11 of the Annexation Agreement, in any case, shall conform to the Affordable Housing Guidelines and Standards Resolution 17-99, as amended. Further, with the City's approval, as part of the MPD review process or otherwise, additional Affordable Unit Equivalents may be included in the five (5) acre parcel and shall be applied toward the 34.98 Affordable Unit Equivalents associated with the Support Medical Office.

17. In addition to the five (5) acre donation referenced in Section 11 of the Annexation Agreement and Section 16 herein above, the Petitioner has previously notified the City that the Petitioner desires to and will donate a separate, additional fifteen (15) acres of the Annexation Property to the City for public recreation and open spaces purposes (the "City Recreation/Open Space Parcel").

18. On December 8, 2005, the Task Force forwarded a unanimous recommendation to the Planning Commission on traffic and transportation mitigation. The Task Force recommendation is based, in part, on an access study provided by the Petitioner's traffic consultants--Horrocks Engineers (dated November 6, 2005) and additional analysis prepared by the City consultant, Rosenthal and Associates (dated November 7, 2005). It was the Task Force recommendation that it is reasonable for all developers within the City Annexation boundary to pay for or otherwise offset their share of costs (to the City) of all roadway and other necessary traffic mitigation improvements. The Task Force determined that the proposed medical campus, offices, and athletic training complex require access to SR248 intersection improvements. The current design and anticipated traffic generation from the City recreation and ice rink complex does not warrant a signalized intersection.

19. Except as otherwise specified in the Annexation Agreement, the Petitioner (or, as specified in connection with any such assignment, its assigns) will be responsible for providing all necessary access to the property from SR 248 and all necessary intersection improvements including, but not limited to, one (1) signalized intersection at SR 248. The Petitioner (or, as specified in connection with any such assignment, its assigns) will be responsible for all coordination and costs associated with providing access to the Property, other than land acquisition costs for the Main Access Roadway and Secondary Access Easement (the "Roadway Access Costs"), as required in the Subdivision Chapter of the LMC Sections 15-7.2 & 15-7.3, including the Traffic Mitigation Measures, all of which shall be determined and agreed to as part of the MPD review and approval process. The total cost of the Traffic Mitigation Measures shall not exceed TEN MILLION AND NO/100 DOLLARS (\$10,000,000) and the Petitioner's (or, as specified in connection with any such assignment, its assigns) proportionate share shall be between eleven percent (11%) and twenty-one percent (21%). To the extent the Property is adjacent to a frontage road to Silver Summit, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall cooperate with the City in the dedication of a nonexclusive right-of-way over and across the Property to access such frontage road.

20. The Petitioner (or, as specified in connection with any such assignment, its assigns) will proportionally share in the cost for future necessary road improvements to SR 248, as and to the extent specified and agreed by the Petitioner or any affected parties from time to time. In addition to the cost of any Traffic Mitigation Measures, the City agrees to apply the costs associated with installing the traffic signal at the future Annexation Property access/SR 248 intersection towards the proportional share of future overall SR 248 improvements.

21. The Petitioner (or, as specified in connection with any such assignment, its assigns), in addition to the other reimbursement, credit or contribution rights, reserves the right to develop a latecomers agreement or take or cause to be taken such other actions as may be necessary or appropriate to recover and/or ensure

reimbursement for any costs incurred by in connection with the Traffic Mitigation Measures, the Main Access Roadway, the Secondary Access Easement, the Roadway Access Costs, as well as the cost of any water impact fees and any water connection fees, and, further (as confirmed by the City's execution of the Annexation Agreement), any obligation of the Petitioner (or, as specified in connection with any such assignment, its assigns) in this regard shall be subject thereto.

22. The City has agreed to consider other potential cost-sharing traffic and transportation mitigation strategies which may include, but are not limited to the development of additional employee/affordable housing linked to the community transit system; physical improvements such as, but not limited to a transit hub, park and ride lot, and van/shuttle programs; and/or employee traffic/transit programs, adjusted shift times and ridesharing incentives, without any obligation, cost or otherwise, to the Petitioner (or its assigns).

23. The Petitioner, Intermountain Healthcare, USSA, and the City have agreed that, as contemplated hereunder, final approval of detailed traffic and transportation mitigation and any cost sharing for road/highway improvements shall be agreed to by the affected parties and approved through a technical report approved by the Planning Commission and the City Council as a part of the MPD review and approval process.

24. The Planning Commission held a public hearing on the Annexation Agreement on May 10, 2006.

25. The City, the Petitioner and any affected parties, including Intermountain Healthcare and USSA, shall and hereby acknowledge and agree that, except as may be otherwise specified in the Annexation Agreement with respect to the Annexation, the vested uses, densities, intensities, and general configuration of development approved in the Annexation, the Annexation Agreement and these Findings and Conditions, the Water Rights, the Main Access Roadway and the Secondary Access Easement, the Annexation, the Annexation Agreement and the obligations of the Petitioner (and its successors or assigns) hereunder are subject to, all as acceptable to the parties in their respective, reasonable discretion, confirmation, determination and agreement of the parties with respect to the Final MPD and Subdivision Plat; any necessary Development Agreements for each parcel of the Property; Construction Mitigation; Landscaping Plans; Lighting; and Related Access, Development and Use Matters.

Exhibit B
(Copy of Annexation Plat)

ANNEXATION AND ZONING PLAN FOR THE INTERMOUNTAIN HEALTHCARE PARK CITY MEDICAL CAMPUS/UNITED STATES SKI & SNOWBOARD ASSOCIATION PROPERTY

LOCATED IN SECTION 36, TOWNSHIP 1 SOUTH, RANGE 4 EAST,
SALT LAKE BASE AND MERIDIAN, SUMMIT COUNTY, UTAH

PARCEL A
0.09 ACRES

PARCEL B
156.76 ACRES
Zoning: C-1-M30

PARK CITY MUNICIPAL CORP.

U.S. HIGHWAY 40 (A PUBLIC RIGHT OF WAY)

COUNTY ASSESSOR
COUNTY OF SUMMIT, UTAH

CITY PLANNING COMMISSION
CITY OF PARK CITY, UTAH

CITY ENGINEER
CITY OF PARK CITY, UTAH

CITY COUNCIL APPROVAL
CITY OF PARK CITY, UTAH

APPROVAL AS TO FORM
CITY OF PARK CITY, UTAH

RECORDED
CITY OF PARK CITY, UTAH

APPROVED BY THE CITY ENGINEER

DATE: _____

APPROVED BY THE CITY COUNCIL

DATE: _____

APPROVED BY THE CITY PLANNING COMMISSION

DATE: _____

APPROVED BY THE COUNTY ENGINEER

DATE: _____

APPROVED BY THE COUNTY PLANNING COMMISSION

DATE: _____

APPROVED BY THE COUNTY COUNCIL

DATE: _____

PREPARED BY: JACK JOHNSON COMPANY
1777 East Main Street, Suite 200
Park City, Utah 84302
Phone: (435) 266-1111

SCALE: 1"=300'

VICINITY MAP

Exhibit C

(Legal Description of the Property)

Property located in Summit County, Utah, particularly described as follows:

PARCEL NO. 1:

A parcel of land located in Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, described as follows:

BEGINNING at the Southwest Corner of Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, and running thence along the West line of Section 35 North 00°13'59" East 5086.08 feet to a point on the Westerly Right of Way line of US Highway 40 and on a 23138.31 foot radius curve to the left, of which the radius point bears North 64°40'12" East; thence along the Westerly Right of Way line of US 40 the following six (6) courses: 1) along the arc of said curve 2055.08 feet through a central angle of 05°05'20"; thence 2) South 30°25'08" East 2393.67 feet to a point on a 1025.92 foot radius non-tangent curve to the right, of which the radius point bears South 63°24'52" West; thence 3) along the arc of said curve 328.80 feet through a central angle of 18°21'46"; thence 4) South 00°10'18" West 547.99 feet; thence 5) South 11°42'39" East 93.75 feet; thence 6) South 45°02'16" West 361.62 feet to a point on the South line of Section 35; thence along the South line of Section 35 North 89°53'00" West 2048.43 feet to the point of beginning.

PARCEL NO. 2:

PARCEL A:

A 100 foot wide, more or less, parcel of land contiguous to an expressway known as Project No. 019 (U.S. Hwy-40) and located in the NE1/4NE1/4 of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian. The boundaries of said parcel of land are described as follows:

BEGINNING at a point of intersection of the North line of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian, and the Westerly Right of Way line of said Highway U.S. 40 that is North 89°39'00" West 44.88 feet along the North line of said Section 34 from the Northeast Corner of said Section 34; and running thence North 89°39'00" West 110.38 feet along said North line of said Section 34 to a point on a 23178.31 foot radius curve to the left (center bears North 65°21'40" East); thence Southeasterly along the arc of said curve 363.27 feet through a central angle of 00°53'53" to a point on the East line of said Section 34; thence North 00°13'57" East 232.20 feet along said East line of said Section 34 to point on said Westerly Right of Way line of said Highway U.S. 40, said point also being on a 23078.31 foot radius curve to the right (center bears North 64°58'56" East); thence Northwesterly along the arc of said curve 105.96 feet through a central angle 00°15'47", more or less, along said Westerly Right of Way line of said Highway U.S. 40 to point of beginning.

Tax Parcel No. SS-65-A-4

PARCEL B:

SaltLake-289043.6 0033566-00189

A perpetual Easement and Right of Way being described as follows:

BEGINNING at a point of intersection of the North line of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and the Northwestern Right of Way line of Highway U 248 and running thence South 45°02'17" West 202.91 feet, more or less; thence South 25°41'05" West 82.60 feet, more or less; thence North 53°00'00" West 361.94 feet, more or less, to a point on said North line of Section 2; thence East 468.43 feet, more or less, along said North line to the point of beginning.

Tax Parcel No. SS-65-A-4

PARCEL C:

A perpetual Easement and Right of Way being described as follows:

BEGINNING in the North line of said Section 2 at a point 2048.43 feet South 89°53'00" East from the Northwest Corner of said Section 2; thence South 45°02'17" West 202.91 feet to a point 80 feet radially distant Northwesternly from the center line of said access road known as "H" Line at Engineer Station 34+55.84; thence South 25°41'05" West 382.42 feet; thence South 21°43'39" West 203.44 feet; thence South 75°00'00" East 146.13 feet; thence North 17°42'46" East 274.91 feet; thence North 28°04'06" East 200 feet; thence North 37°37'06" East 115.81 feet; thence North 42°52'13" East 57.93 feet; thence North 46°13'24" East 205.10 feet to said North line; thence West (North 89°53'00" West Highway bearing) 192.46 feet along said North line to the point of beginning.

Tax Parcel No. SS-65-A-4

PARK CITYPark City Municipal Corporation
445 Marsac Avenue • PO Box 1480 • Park City UT 84060 • (435) 615-5060 • (435) 615-4906-fax • www.parkcity.org**MASTER PLANNED DEVELOPMENT****PLANNING COMMISSION**

Approved _____

Denied _____

APPLICATION # _____

RECEIPT # _____

DATE RECEIVED _____

I. PROJECT INFORMATIONName: IHC Summit Community Medical CampusAddress/Location: Quinn's Junction, Northwest Corner of the Intersection
of State Highway 248 and US 40Legal Description: Tax ID Please see Sheets S1 & S2/SS-65-A-4

Subdivision & Lot #, or Survey, Lot & Block # _____

II. APPLICANTPlease check one of the following: ☐ owner ☒ optionee ☐ buyer ☐ agent ☐ otherName: YMC Hospitals, Inc.Mailing Address: 36 South State StreetSalt Lake City, UT 84111Phone #: (435) 657-4370 Fax #: (435) 654-2576 E-mail hvrprobs@ihc.comIf you have any questions regarding the requirements on this application please contact
a member of the Park City Planning staff (435) 615-5060.

III. SUBMITTAL REQUIREMENTS:

1. Completed and signed application form
2. Review fees – see Fee Schedule in Planning Department
3. Two (2) complete sets of all plans including an area map, with the project location, existing vegetation, service providers identified and a slope analysis.
4. One (1) set of reduced plans (8½" x 11")
5. Current Title Report (not older than 30 days)
6. Copies of any previous agreements between the City and the property owners or between the property owners and a third party.
7. *The applicant should be aware that there may be a request to provide presentation material for Planning Commission meetings. The presentation material may, or may not, include the following:*
 - 20" x 30" presentation boards
 - elevations and/or perspectives
 - location map
 - 8½" x 11" overheads of materials outlined above
 - view analysis
 - massing models
 - photographs/graphic illustrations
8. Stamped, addressed envelopes for property owners within 300 feet.
 - a. Envelopes (addressed to property owners as described above) with mailing labels and stamps affixed (we do not accept metered envelopes). Please do not include a return address on the envelope.
 - b. List of property owners, names and addresses as described above. The distance is measured from the property line, not the location of the request. Please provide the Summit County Assessor's Parcel Number for each property owner if possible

Sample Envelope

No return address	
JOHN DOE PO BOX 2002 PARK CITY UT 84060	

IV. MASTER PLANNED DEVELOPMENT FACT SHEET

PROJECT DESCRIPTION

1. On a separate sheet of paper, give a general description of the proposal and attach it to the application. Provide a written statement describing the request and any other information pertaining to the proposed project.
2. Existing Zoning DL in Summit County; CC/MPD when annexed into City
3. Is project within Sensitive Lands Overlay Zone? ☒ yes ☐ no
4. Current use of property: Vacant Land
5. Total project area: acres 52 square feet 2,265,120
6. Number of unit equivalents: allowed 450 proposed 450 (inclusive of common areas)
(See Title 15, LMC, Master Planned Development, Chapter 8)
7. Number and configuration of residential units
Existing 0 Proposed 0
8. Commercial area: 450,000 (gross floor area)
Unknown at this time (net leasable area)
9. Type(s) of business activity: Hospital, General; Medical Clinic; Support Commercial
10. Number of parking spaces required: proposed (to be determined)
(see Title 15 LMC, Off-Street Parking, Chapter 3)
11. Project accessed by (check one)
☒ public road ☐ private road ☐ private driveway
12. Ownership type (check one)
☒ owner occupied ☐ lease ☐ nightly rental
13. Water service availability: (check one)
☐ existing ☒ requires extension of city service
14. Is this project part of an existing approval (MPD, subdivision, etc.)?
☐ yes ☒ no
15. Are there any previous agreements between the City and property owners or between the property owners and a third party?
☒ yes ☐ no Burba, LLC with HMC Hospitals, Inc.

V. ACKNOWLEDGMENT OF RESPONSIBILITY

This is to certify that I am making an application for the described action by the City and that I am responsible for complying with all City requirements with regard to this request. This application should be processed in my name and I am a party whom the City should contact regarding any matter pertaining to this application.

I have read and understood the instructions supplied by Park City for processing this application. The documents and/or information I have submitted are true and correct to the best of my knowledge. I understand that my application is not deemed complete until a Project Planner has reviewed the application and has notified me that it has been deemed complete.

I will keep myself informed of the deadlines for submission of material and the progress of this application. I understand that a staff report will be made available for my review the week prior to any public hearings or public meetings. This report will be on file and available at the Planning Department in the Marsac Building.

I further understand that additional fees may be charged for the City's review of the proposal. Any additional analysis required would be processed through the City's consultants with an estimate of time/expense provided prior to an authorization with the study.

Signature of Applicant: *John H. Hines*
Name of Applicant (please print) III Hospitals, Inc.
Mailing Address 36 South State Street, SLC, UT 84111
Phone (435) 652-4370 Fax (435) 654-2576
E-mail hvcprobs@ihc.com
Type of Application Master Planned Development

AFFIRMATION OF SUFFICIENT INTEREST

I hereby affirm that I am the fee title owner of the below described property or that I have written authorization from the owner to pursue the described action.

Name of Applicant (please print) DURAS LLC
Mailing Address P.O. Box 65571, SLC, UT 84165
Street Address/Legal Description of Subject Property:
See Sheets 81 & 82
Signature *[Signature]* Date November 1, 2004

1. If you are not the fee owner, attach another copy of this form that has been completed by the fee owner, or a copy of your authorization to pursue this action.
 2. If a corporation is fee titleholder, attach copy of the resolution of the Board of Directors authorizing this action.
 3. If a joint venture or partnership is the fee owner, attach a copy of agreement authorizing this action on behalf of the joint venture or partnership.
- Please Note: This affirmation is not submitted in lieu of sufficient title evidence. You will be required to submit a title opinion, certificate of title, or title insurance policy showing your interest in the property prior to final action.

Exhibit E
(Road Design Plans)

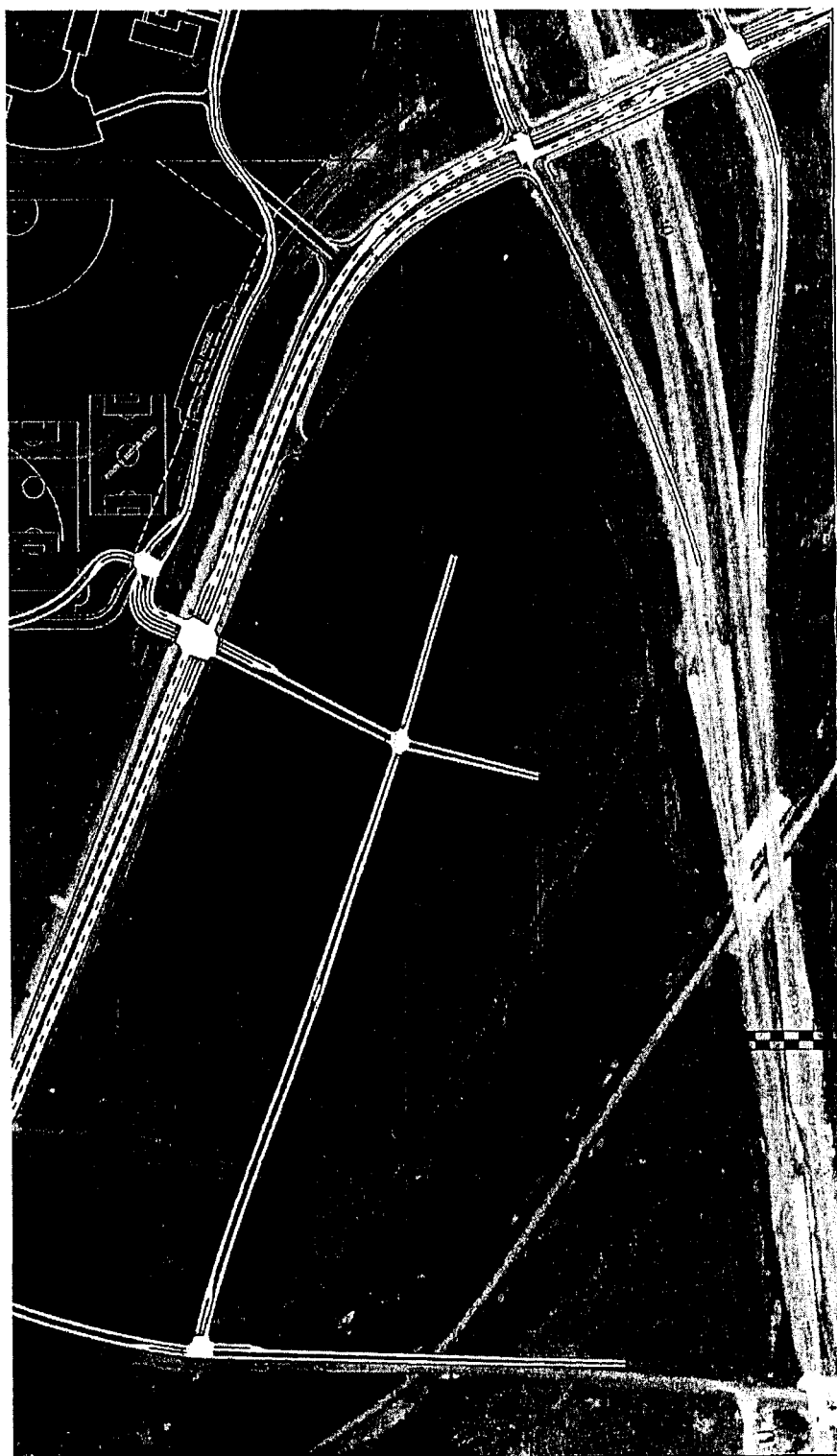


Exhibit F

(Form, Terms and Amount of Financial Guarantee)

EXHIBIT "F"

IVORY HOMES

978 East Woodoak Lane, Salt Lake City, Utah 84117; phone (801) 747-7000; fax (801) 747-7090

November 27, 2006

Via First Class Mail

Park City Municipal Corporation
P.O. Box 1480
Park City, UT 84060

RE: Park City Affordable Housing Bond

To Whom It May Concern:

Ivory Homes, Ltd. will cause a performance bond to be issued for the affordable housing requirement under the Annexation Agreement in the amount of \$626,920.00 by Wells Fargo Bank. The performance bond will be issued in conjunction with the Annexation Agreement becoming affective and not later than the closing of the Real Estate Acquisition Agreement between Petitioner and IHC Health Services, Inc.

Sincerely,



Glenn Girsberger

cc: David Burbidge
Richard Burbidge
Vaughn Burbidge
Chris Gamvroulas
Clark Ivory
Dave Wolfgramm

Exhibit G
(Water Cost Calculations)

October 12, 2006 IHC Water Cost Calculation

The idea is that PCMC would agree to provide culinary water to IHC from PCMC's existing sources. PCMC would charge a total water impact fee based on PCMC's cost to replace that water with Weber Basin Water Conservancy District (WBWCD) water to be delivered through the Snyderville Importation Project and treated by PCMC.

The total water impact fee would be \$16,000 per ERU, calculated as follows (numbers are based on engineer's estimates and rounded up):

Total Capital Costs for the pipeline project:	\$14,743,000
<u>59 acre feet IHC Demand</u>	
2,500 acre feet total project	2.36% of total project size
2.36% X Total Capital Cost of \$14,743,000	\$347,935
WBWCD Share Cost (assumes \$150/share X 59 ac ft X 3% annual increase over 50 year project life)	\$227,708
Added to IHC's capital cost contribution of \$347,935	\$575,643
Water Treatment Cost (Assuming 3,000 gpm (4.3M gpd) capacity; and excluding land acquisition costs)	\$8,000,000
<u>IHC Peak Day Demand of 101,528 gpd</u>	2.36%
Total Treatment Capacity of 4.3M gpd	
2.36% X Water Treatment Cost	\$188,800
Added to IHC's capital cost contribution and WBWCD Share Cost	\$764,443
<u>\$764,443</u>	
IHC's Demand of 63.455 ERU's*** (Equals the Water Development Impact Fee)	\$12,049
Add Water Connection Impact Fee	\$3834
Total Water Impact Fee per ERU	\$15,883
*** ERU's were determined by dividing IHC's Peak Day Demand of 101,528 gpd by 1,600 gpd, which is the amount of water provided per ERU.	

CITY COUNCIL STAFF REPORT

Author: Patrick Putt
Subject: IHC/USSA/Burbidge Annexation
Date: June 29, 2006
Type of Item: Legislative

Planning Department

Summary Recommendations:

Staff recommends that Council to adopt the ordinance the approving the Intermountain Healthcare/USSA/Burbidge Annexation and as further reflected in the attached Annexation Agreement, in a form approved by the City Attorney.

A. Description:

Project Name: IHC Medical Campus/USSA Training Center at Quinn's Junction
Applicant: Intermountain Healthcare, United States Ski and Snowboard Association, and Burbs LLC
Location: NW corner of the Quinn's Junction Interchange (SR 248 & US 40)
Zoning: Summit County -Developable Lands (DL) - base zoning of 1:20; 1:40 depending on any Sensitive Lands (slope, wetlands, etc.); 1:10 w/ bonus criteria.
Proposed Zoning: Community Transition (CT-MPD)
Adjacent Land Uses: Municipal open space; City Ice Arena and Fields Complex; Undeveloped Lands; Light-Industrial

B. Background and Procedural Process

1. Annexation Petition History: On November 3, 2004, Intermountain Healthcare, United States Ski and Snowboard Association (USSA), and Burbs LLC submitted a petition to annex approximately 157 acres into the City. The annexation petition was accepted by City Council on November 18, 2004 and certified on December 6, 2004. January 5, 2005 was the deadline for Affected Entities to file a protest with the Summit County Boundary Commission. No protests were filed.

2. Location and Current County Zoning: The annexation property is currently vacant, 157 acres in size, and located in unincorporated Summit County at the northwest corner of the State Route 248/Highway 40 interchange. The property is zoned in Summit County as Developable Lands (DL) with a base density of 1 unit/20 acres and 1 unit/40 acres depending on Sensitive Lands. The site is adjacent to the newly annexed City Ice Arena and Recreation Complex and within the City's Annexation Expansion Area

3. Proposed Zoning: The proposed zoning for the property is Community Transition (CT-MPD). The CT District is a newly created zoning district which is pending final adoption by City Council. The Community Transition (CT) District has a base density of 1 unit/20 acres. The District permits density bonuses up to a maximum of 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities.

4. Development Proposal: The annexation plat as submitted contemplates the creation of four lots: one for the hospital/medical campus lot: one five acre parcel for USSA's proposed headquarters and training facility; one 15 acre lot upon which the City would contemplate future expansion of their recreation complex; and one 5 acre lot for future affordable housing.

The land uses proposed on the annexation property include a community hospital/medical facility; support medical offices; public/quasi-public institutional uses; United States Ski and Snowboard (USSA) headquarters and sports training complex; public recreation uses, affordable/employee housing, and open space. The proposed total density at build-out for the annexation area is 535,000 square feet (gross) and equates to 2.64 units/acre and consists of the following:

Intermountain Healthcare Hospital: 300,000 square feet (180 Unit Equivalents)

United States Ski and Snowboard Offices
and Training Center: 85,000 square feet (85 Unit Equivalents)

Support Medical Office: 150,000 square feet (150 Unit Equivalents)

It is proposed that up to 50,000 square feet of the total Support Medical Office area may be developed within, in addition to, the 300, 000 square foot hospital. It is further proposed that up to 50,000 square feet may be utilized for public/quasi-public institutional uses such as athletic national governing body offices, non-profit community wellness facilities, and/or education uses. Burbs, LLC has agreed to convey 5 acres to the United States Ski and Snowboard Association (USSA) for the purposes of developing an 85,000 square foot athletic national governing body (NGB) and training complex. Land uses within the USSA facility are to be limited to USSA administrative, athlete training, and/or other national governing body uses. The City is to have the right of first refusal to purchase the USSA property and facilities in the event USSA sells and/or relocates from the property. Any change of use will require approval of an amended Master Planned Development and Conditional Use Permit.

5. IHC/USSA/Burbidge Task Force Recommendation and Remaining Procedural

Steps: The City Council established the IHC/USSA/Burbidge Annexation Task Force on July 14, 2005 (Resolution No. 21-05) for purposes of formulating specific recommendations to the Planning Commission and City Council relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economics/fiscal impacts. On October 27, 2005 the Task Force forwarded a unanimous positive recommendation to the Planning Commission on a new zoning district to apply to the annexation area, the Community Transition (CT) District which includes specific provisions addressing affordable housing. The Task Force forwarded a unanimous positive recommendation to the Planning Commission on the annexation's economic impact/fiscal analysis on November 10, 2005. On December 8, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation. The Task Force recommendations are further outlined in this report.

The Planning Commission conducted a final review of the proposed annexation for compliance with the General Plan and all requisite annexation standards on May 10, 2006

and forwarded a positive recommendation to Council regarding the annexation and zoning the subject property Community Transition (CT)-MPD.

A City Council public hearing on the proposed annexation and zoning has been scheduled and duly noticed for Thursday's meeting. If the City Council enacts an ordinance annexing the unincorporated area and zones the property CT all applicable zoning and Land Management Code sections are applied to the annexed property. Following the completion of the annexation process, the Planning Commission will review the Master Planned Development (MPD) application for compliance with all Land Management Code Requirements.

C. General Plan Analysis: The Planning Commission spent several meetings during the spring of 2005 reviewing the proposed annexation for compliance with the Park City General Plan. The elements reviewed by the Planning Commission are the Park City Direction; Community Character; Open Space and Environment; Land Use; and Growth Management. The IHC/USSA/Burbidge Annexation Task Force conducted the formal review and prepared recommendations on Transportation, Community Economy; and Affordable Housing. The Following is an overview of the General Plan analysis conducted to date proposed. Statements in *italics* represent staff comments.

1. Park City Direction and Community Character Elements:

- **Protect a maximum amount of public and private open space.** *Complies. The annexation area is located in the General Plan's Round Valley Planning Area. The development pads are generally located toward the toe of the slopes and outside of the wetland areas. The proposed development pads are proposed to be clustered. Exterior/surface parking is to be minimized with intent of maintaining the open space corridor around the ridge tops and along Hwy. 40 and SR-248 into Park City. A minimum of 80% of the site area is proposed for open space.*
- **Institute low density development design standards to ensure that new development maintains a rural character in terms of building location, materials, fencing, landscaping, street widths, street layout, and similar features.** *Complies. The proposed hospital/medical campus and USSA facility has been sited to place the bulk of the project density and building masses in clustered development areas off steeper hillsides and outside of wetland areas. Development is proposed to provide 200-300 foot setbacks from adjacent highways. The proposed project density is 2.64 units/acre which is below the potential 3 units/acre maximum of the CT Zone. Final architectural, landscaping, and site design are under refinement; however, the preliminary design concepts illustrate clustered, 2- 2 ½ story buildings consistent with the more dispersed, lower profile ranch and institutional buildings found in the immediate area.*
- **Provide a range of housing opportunities in annexed areas. Eliminate regulatory impediments to providing a range of housing opportunities.** *Complies. The annexation will result in new employee/affordable housing being constructed. The applicant is donating a five (5) acre parcel of land on site to Park City Municipal Corporation to be developed by the applicant as employee/affordable housing. Up to 25 affordable/employee housing units may be developed on the 5 acre parcel. The proposed units will provide additional needed housing opportunities for project employees and community residents.*

- **Pursue those annexation petitions that hold the potential of producing significant amenities and benefits for the public in addition to open space (e.g., active parks, community centers).** *Complies.* The majority of the project open space is provided adjacent to City-owned Round Valley open space. The annexation proposal also contemplates the City acquiring an additional 15 acres adjacent to the City Fields Complex and the Round Valley open space for open space recreation purposes.
- **To prevent strip development along highways and arterials, concentrate new commercial development tightly around strategic intersections through the use of development regulations.** *Complies.* The City and County's Quinn's Junction Joint Planning Commission Sub-Committee have adopted Land Use Patterns and Development Principles that strongly discourage highway service commercial development. No general commercial/highway commercial is proposed within the annexation area. Limited ancillary support commercial may be considered within the primary uses as part of the MPD; however, no specific support commercial uses have been proposed by the applicant.
- **Entertain a broad range of development patterns when reviewing annexation petitions, provided that the petitions are consistent with the open space and other development goals of the General Plan and other City policies.** *Complies.* The proposed hospital complex and USSA training facility achieves compact building pad footprints that leave the majority of the project open space adjacent to existing public open space areas. The project open space acts as a buffer between the proposed development and City open space and provides additional area for future expansions of City recreation facilities.
- **Require new streets and transportation systems that adequately serve annexed areas and do not adversely impact existing neighborhoods.** *Complies.* Primary access to the site will be by way of a new/redesigned intersection off of SR 248. The applicants will be responsible for providing all necessary access to the property from SR 248 and all necessary intersection improvements including a signalized intersection, any necessary road connections to the City's recreation and ice rink complex, and dedication of right-of-way for frontage road to Silver Summit as other codes require secondary access, all to be determined and agreed as part of the MPD and subdivision approval process.
- **In annexation agreements within the Joint Planning Area, secure significant, usable, and accessible open space.** *Complies.* Natural Areas, Highly Visible Ridgelines, Undisturbed Visual Open Space, Entry Corridors, and Trail Connections and Corridors represent the highest community value for the site. The proposed project site plan generally places the majority of the development out of Natural Areas/wetland areas and off of the High Visible Ridgelines. The largest areas of open space are located appurtenant to the City's Round Valley open space areas.
- **Develop incentives for achieving the maximum amount of open space, consistent with the priorities in the Open Space and Land Use Elements.** *Complies.* The annexation area is located in the General Plan's Round Valley Planning Area. The Open Space Element encourages maintaining an open space buffer from the ridge tops along Hwy. 40 to SR-248 and locating development to the toe-of-slope areas. Wetlands, meadows, intermittent streams, and drainage ways are to be preserved. The

development pads are generally located toward the toe of the slopes, outside of the wetland areas, and back of highway corridor view areas.

- **Require development patterns that result in large, contiguous parcels of usable open space. Make open space internally functional and visually connected to other planned and existing open space areas.** Complies. The open space proposed with this project connects visually and physically to the city's recreation complex and the greater round valley open space. The preliminary site plan includes trail connections to the Round Valley open space trails.
- **On the periphery of developments, explore the use of large single-family conservancy lots that would enhance the impression of open space while allowing some development.** Not Applicable. The proposal does not include large lot single-family residential development.
- **Acquire key parcels containing critical environmental areas, wildlife habitat, important vistas, or desired public access.** Explore dedicated funding for open space acquisition. Complies. Wetlands, meadows, intermittent streams, and drainage ways are not significantly impacted by the proposed development. The development pads are generally located toward the toe of the slopes, outside of the wetland areas, and back of highway corridor view areas. The applicants are donating 15 acres of the project area to the City for additional recreation purposes.
- **Require new development to build pathway and trail systems that connect to existing public trails and open space. Protect access to public lands adjacent to new development.** Complies. The preliminary site plan includes trail connections to the Round Valley open space trails. As part of the MPD review process, the Planning Department will work with the City Trails Coordinator, Summit County, and the Mountain Trails Foundation to prepare a recommendation for any necessary trail connections to the City Fields complex and other adjacent properties.
- **Pursue more detailed intergovernmental working relationships and agreements with Summit and Wasatch Counties. Develop consensus, if possible, on appropriate development patterns in areas immediately adjacent to the City. Ensure the continued application of a phased development program.** Complies. Council established the IHC/USSA/Burbidge Annexation Task Force on July 14, 2005 for purposes of formulating specific recommendations to the Planning Commission and City Council relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economics/fiscal impacts. The Task Force was comprised of affected property owners, applicants, elected officials and Planning Commissioners from the City and Summit County, and staff. The Task Force forwarded its final positive recommendation on the annexation on December 8, 2005.
- **Offer additional density incentives for preserving usable open space and other community amenities that exceeds the minimum required by the Land Management Code and annexation policies.** Complies. The base density of the proposed CT Zone is 1 unit/20 acres. The proposed CT Zone allows for density bonuses up to 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities. The applicants have proposed a maximum density of 2.64 units/acre based upon a plan which provides of 80% open space, increased FPZ setbacks, conveyance of land and

construction of affordable housing, and the donation of 15 acres to the City for future recreational uses.

- **Require new street systems to be designed in a manner that avoids adversely disrupting existing neighborhoods.** *Complies.* The preliminary site plan indicates a roadway system that functions with the street layout at the City's recreation complex and other existing roadways/driveways in the area. Access to the site through the recreation complex and NAC road is not contemplated except for possible Public transit. Access through Fairway Hills is not proposed. Final street layout and design will be reviewed during the MPD process.

2. Open Space and Environmental Elements:

- **Carefully evaluate the open space components of annexation and development proposals to define the community needs and the value of dedicated open space. Consider these types of open space in annexations:**

Natural Areas - (undisturbed hillsides, wetlands, and meadows) ;

Significant wildlife habitat - (areas where shelter, food and water is available to support a variety of wildlife species);

Highly visible ridge lines - (the tops of mountains and hills visible to pedestrians and motorists traveling in and around the community);

Undisturbed visual open space - (private or public open space left in its natural condition and serves primarily as a visual relief from the urban environment);

Natural geographic landmarks - (identifiable mountain peaks, valleys, meadows, ridges, rock outcroppings, and streams);

Entry corridors - (the roads, highways, and trails leading travelers into the community);

Trail connections and corridors - (routes directing hikers, bikers and skiers onto developed trails or through areas which eventually connect to trails);

Access to streams - (trails, paths, or roads leading to streams which are available for fishing, nature study, or other forms of recreation);

Ski runs - (areas where skiing is possible due to openness and slope of terrain);

Public golf courses - (golf courses which are either operated by a public entity, or golf courses available to the general public or both);

Public community recreation - (facilities available to the public such as playgrounds, parks, ball fields, and recreation centers, programmed recreation such as, but not limited to, baseball, lacrosse, soccer, basketball, and swimming);

Passive public recreation - (recreational activities that require a minimum of public facilities and/or supervision such as hiking, nature observation, fishing, biking,

photography and similar pursuits);

Neighborhood public open space - (open space areas intended to serve a local neighborhood primarily but open to the public in general);

Private golf courses - (privately owned and operated golf courses open only for members and their guests);

Private trails - (trails through private property and not available to the public except by permission);

Private neighborhood parks - (parks within neighborhoods available for use only by those property owners owning and maintaining the parks);

Private open space - (open space areas that are privately owned and their use may be restricted by the Owner(s);

In general, private open spaces not available to the public are considered a lower priority when evaluating the community benefit of an annexation. Open space available for use by the public is preferred over all forms of restricted private open space; and

Observe the unique characteristics and open space priorities for each Planning Area outlined in the Land Use Element. Complies. Considering the above-listed types of open space, The Planning Department finds that Natural Areas, Highly Visible Ridgelines, Undisturbed Visual Open Space, Entry Corridors, and Trail Connections and Corridors represent the highest community value for the site. The proposed project plan generally places the majority of the development out of Natural Areas/wetland areas and off of the High Visible Ridgelines. The largest areas of open space are located appurtenant to the City's Round Valley open space areas. The visual impact of the proposed development areas will be examined more specifically during the MPD review to ensure building pad locations and building masses are placed so as to not appear to crowd the entry corridor or break the ridgelines which form the backdrop to the site when viewed from SR-248, the City Fields Complex, and Hwy. 40.

- **For annexation of master-planned development, consider increasing the required amount of open space, and negotiate the type of open space to be provided, based on the priorities for the Planning Area. Current City codes require 60 percent open space as part of the master-planned development process. Complies. The annexation area is located in the General Plan's Round Valley Planning Area. The Open Space Element encourages maintaining an open space buffer from the ridge tops along Hwy. 40 to SR-248 and locating development to the toe-of-slope areas. Wetlands, meadows, intermittent streams, and drainage ways are to be preserved. The development pads are generally located toward the toe of the slopes and outside of the wetland areas. Consistent with the proposed CT Zone, over 80% of the project area is open space.**
- **Require compact development in annexed areas, in order to concentrate housing and other structures and preserve the maximum amount of contiguous, usable open space; and**

- **Provide incentives for open space preservation that are consistent with, and complement, the Land Use and Open Space Elements.** *Complies.* Approximately 80% of the project area is open space. Of the overall 157 acres, development is limited to four primary pads. The bulk of the project open space is located adjacent to existing City open space.
- **Demand special attention to the entryway areas, including Highways 40, 224, and 248, with site planning parameters that create open space corridors.** *Complies.* The applicants propose increased Frontage Protection Zone no-building setbacks of 200-300 feet along the highway frontages. Minor encroachments into the proposed setbacks may be necessary due to possible grading impacts. Per the CT Zone, the Planning Commission may consider reductions in the proposed setbacks if it determines such reductions reduce site grading, increase shared/reciprocal parking, and/or encourage better site design. Final site design approval will take place during the MPD process.
- **Direct development to the "toe" (bottom edge) of slopes in mountainous areas, rather than the face of slopes, meadows, or valley floors.** *Complies.* Staff finds that the preliminary plan is designed in conformance with this policy. The majority of the project area's steeper hillsides are retained as open space. The hospital complex and USSA pads are located between the toe of the slope and the face of the hillside and off prominent ridge lines.
- **Set aside open spaces that are sizeable and visually apparent; provide substantial connections to other open spaces.** *Complies.* The proposed open space is generally comprised of wetlands, areas adjacent to the Round Valley open space, and along hillsides and ridge lines.
- **Require neighborhood links through trail systems. Target activity areas such as schools, commercial zones, and recreation areas for trail connections.** *Complies.* The preliminary plan includes trail connections to the Round Valley open space trails.
- **Consider all environmentally sensitive regions (including meadows and grasslands as significant components) as valuable open space.** *Complies.* The preliminary site plan does not include significant development in wetland areas or designated sensitive regions of the site.
- **Consider all riparian areas as priorities for protection, and ensure riparian conservation areas at least 50 feet in width on each side of streams and wetlands.** *Complies.* Staff preliminary review of the site plan indicates compliance with this policy.
- **Regulate the use of unnatural landscape materials or landscape alterations not indigenous to the area, e.g., large lawns in front of mountain homes, or water features in prominent sagebrush areas.** *Complies.* The applicants' overall design concept is to retain as much native vegetation as possible and landscape with native, drought tolerant species. Restricting development to limited pad areas and providing the bulk of the project open space adjacent to existing City open space will help enhance the overall preservation of the site's native landscape.
- **Require that annexations contribute to the open space concepts and intent of the Land Use Element. Support plans within the County and annexation areas that provide advantageous open space and recreation components.** *Complies.* The majority of the project open space is provided adjacent to City-owned Round Valley open

space. The annexation proposal also contemplates the City acquiring an additional 15 acres adjacent to the City Fields Complex and the Round Valley open space for open space recreation purposes.

3. Land Use and Growth Management Elements:

Direct development to the "toe" of slopes, preserving the ridge tops, meadows, and visible hillsides. Open space foregrounds should be incorporated in development proposals to enhance the visual experience of open space; and

- **Preserve wetlands, drainage ways, and intermittent streams and incorporate them into developments as amenities, rather than as simply undevelopable land; and**
- **Preserve as many large, cohesive, unbroken areas of land free of typical urban uses, including active recreational uses, as possible through design, dedication, and acquisition, as development occurs in the annexation area. Complies. The wetland areas are generally free of development. The wetland areas connect to larger areas of open space and provide needed breaks in the development pod. A minimum of 80% open space is proposed. The bulk of the open space proposed is appurtenant to the City's Round Valley open space. The applicants propose to donate 15 acres of land to the City for recreation purposes. The preliminary plan incorporates trail connections between adjacent properties and the City's Round Valley open space.**
- **Protect the views along the City's entry corridors by establishing design, setback, and landscape requirements. The proposed building pads are located off steep hillsides, near the toe of slopes, and out of wetland areas. The proposed 80% minimum open space places the majority of the undisturbed area adjacent to existing City open space parcels and preserving significant tracts of native vegetation. The applicants propose increased Frontage Protection Zone no-building setbacks of 200-300 feet along the highway frontages. As previously stated in this report, minor encroachments into the proposed setbacks may be necessary due to possible grading impacts. Final site design and review of a preliminary landscape plan will take place during the MPD process.**
- **To decrease fire risk, develop criteria for decreasing wildfire potential by keeping development out of certain sensitive areas and carefully controlling development where wildfire occur. Complies. A preliminary assessment of the project plan indicates that the site design is consistent with the City's defensible space requirements and standard wildfire mitigation measures.**
- **Incorporate pedestrian trail linkages and open space to allow movement between and through neighborhoods. Trails should link to other recreational and community facilities and provide a viable alternative to vehicular transportation. Trail and pedestrian linkages should be consistent with the Park City Trails Master Plan and the Snyderville Basin Trails Master Plan. Complies. The proposed site plan includes trail connections through the property which link to existing and proposed trails within Round Valley and the adjacent City fields complex. A final determination of trail connection needs will take place during the MPD review process. The applicants have agreed to work with the City and trail users to maintain and enhance trail access and connections through the site.**
- **Provide neighborhood recreation to serve residents of each distinct neighborhood. When appropriate, develop regional recreational facilities with**

adequate vehicular and trail access. Complies. The project generally provides good access to the adjacent City fields complex and Round Valley trails. The donation of an additional 15 acres of land for future recreation use is a benefit to community residents.

- **Encourage comprehensive, efficient developments that consider the overall impact on surrounding properties. Phasing plans for such projects will be necessary to avoid the premature expansion of utilities and other public facilities.** Complies. The proposed project design is a reasonable balance between creating compact building pads off steep hillsides and out of wetlands; creating larger highway corridor setbacks; and providing 80% open space. Phasing the project is anticipated and will be fully addressed during the MPD review.
- **Encourage distinct neighborhoods surrounded by open space. Develop neighborhood-specific design guidelines to promote neighborhood cohesiveness.** Complies. Although the proposed development is not a "residential" neighborhood in the traditional sense it is becoming a community open space and recreation neighborhood. The proposed clustered development area, 80% open space, and larger Frontage Protection Zone setbacks result in relatively compact development overall and a substantial open space buffer that transitions into deed-restricted community open space.
- **Approve development only when adequate public services and facilities are available, or will be available when needed to serve the project.** Complies. Utility services including sewer, power, and telephone are available to, or nearby, the site. The applicant is proposing to purchase water from the City.
- **Encourage affordable housing in close proximity to lodging, bus routes, resorts and such essential services as shopping, recreation, and medical services.** Complies. As previously stated in this report, the annexation will result in new employee/affordable housing being constructed. The applicant is donating a five (5) acre parcel of land on site to Park City Municipal Corporation and will develop the property for employee/affordable housing purposes.. Up to 25 affordable/employee housing units may be developed on the 5 acre parcel. The proposed units will provide additional needed housing opportunities for project employees and community residents. City transit stops are also proposed.
- **Encourage a mix of housing styles within new developments with a preference for second homes and housing units that provide bed base for tourists.** Not Applicable. No residential development other than the required affordable housing is proposed.
- **Require traffic routing and street design that minimizes grading, minimizes impacts on existing residents, and reduces dependency on the automobile; and**
- **Require all season trail systems which serve individual neighborhoods and also provide connections to other existing and planned trails.** Complies. The proposed street/driveway layout is located on relatively flat to moderate sloping terrain which will reduce the need for significant grading, cuts, and retaining walls. A more direct (shorter) street layout could be designed; however, it would be much more visible and involve much greater site disturbance. Pedestrian and trail connections are integrated into the plan and connect the site with the adjacent properties and public open space. Although not finalized as to exact location(s), transit stops are to be part of the MPD site plan.

- **Maintain an open space corridor from the ridge tops along Highway 40 to Highway 248 and, using the ridge tops as a boundary, maintain the same open space corridor along the north side of Highway 248 to the Treasure Mountain Middle School; and**
- **Preserve all ridge tops and middle ridges (separating the north and south bowls) as open space, with no roofs extending above the ridge line protection area; and ensure that development is clustered and located at the "toe" of slopes in alcove areas; and**
- **Preserve all ridge tops and middle ridges (separating the north and south bowls) as open space, with no roofs extending above the ridge line protection area.** *Complies. The proposed development pads site buildings off steeper hillsides and away from the periphery of the site. The bulk of the proposed 80% open space is to be adjacent to the City's Round Valley open space and along the highway corridors.*
- **Preserve large areas of mountain shrub vegetation and sage grasslands in their natural environment. Should recreation uses be considered, such as golf or trail installation, their design should maximize the use of natural materials, natural vegetation and the natural landscape in design and planning. Planning should consider ways to reduce water use for landscape irrigation.** *Complies. The majority of the proposed 80% open space is to be retained in its natural state. By clustering the proposed development in compact areas towards the center of the site, the native vegetation within proposed open space can serve as a visual buffer of the development and a transition area to the City's Round Valley open space. Specifics on any non-native landscaping and irrigation will be addressed as part of the MPD. Minimizing new non-native landscaping which requires extensive irrigation has been strongly discouraged by Staff and is not contemplated by the applicant.*
- **Implement a street circulation system that provides good north/south linkage through Round Valley to the existing street network.** *Not Applicable. This policy pre-existed City acquisition of the Round Valley open space.*
- **Preserve wetlands and intermittent streams and drainage ways. The design of storm water systems should use an open system with drainage features being used as an amenity.** *Complies. The proposed plan does not include development within wetland and stream corridors.*

4. Transportation, Community Economy; Transportation; and Affordable Housing

Elements: The IHC/USSA/Burbidge Annexation Task Force conducted the formal review and prepared recommendations regarding the annexation's compliance with the Transportation, Community Economy, and Affordable Housing elements of the General Plan. An overview of its recommendation is as follows:

a. Community Economy--Fiscal and Economic Impacts: The City's Budget, Debt, and Grants Department conducted a fiscal impact and economic impact study for the proposed annexation (dated November 7, 2005). A copy of the study is attached to this report. The study estimates annual City expenses at \$121,200 for the initial project (*assuming a build out in 15 years*) and \$54,876 after build out. These expenses include roads, police, and City

administration. The study model estimates that indirect economic impact from the annexation to be:

- \$2.9 million in total annual economic output
- \$1.7 million in annual labor income
- 24.7 new jobs
- \$71,000 in annual indirect taxes (1/3 estimated to be retained by the City)

The above-listed inputs do not include increased economic activity resulting from any possible support commercial activity which would have additional positive impact.

The study also identified other related positive community impacts including:

1. Added local healthcare services:
 - Closer proximity of healthcare services
 - Expansion of existing services
 - New services
 - Added quality of services
2. USSA training facility long term commitment and new offerings:
 - Park City identity/exposure
 - Unique opportunities and events
 - Affiliations to outdoor retailers
 - Attraction of other national governing boards
3. Synergies of recreation, health, and open space

The study concludes that limited fiscal impacts to the City related to the development of the proposed medical campus and USSA complex will be experienced; however the potential impacts have been determined to be reasonable by the Task Force. In forwarding a positive recommendation on the study, the Task Force found that the direct fiscal impacts will be offset by the indirect benefits associated with the IHC/USSA development. The Task Force forwarded a unanimous positive recommendation to the Planning Commission on the annexation's economic impact/fiscal analysis on November 10, 2005.

b. Transportation: On December 8, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation. The Task Force recommendation was based, in part, on a traffic and access study prepared by Horrocks Engineers (dated November 6, 2005). The study concludes improvements to SR-248 will be necessary in the future to maintain acceptable levels of service regardless of whether or not the proposed medical campus and USSA facilities are developed. The need for future improvements is predicated on existing and future regional growth. The proposed IHC/ USSA development will have incremental traffic impacts on SR-248.

The Task Force recommended that:

- SR 248 should not be expanded to a 5 lane road immediately, except from US 40 to a new IHC/USSA SR248 signal.

- The trip numbers in the Horrocks study are considered to be maximum (worst case) estimates.
- It is reasonable for all developers within the Park City Annexation boundary to pay for or otherwise offset their share of costs (to Park City Municipal Corporation) of all roadway and other necessary traffic mitigation improvements. The City will agree to credit Intermountain Healthcare for the City recreation complex's proportionate share of the new traffic signal towards IHC's share of the mitigation.
- The cost sharing should be based on proportionate number of trips generated by their use.
- Potential Cost Share Mitigation Strategies
 - Affordable Housing w/ transit plan– If increased affordable housing obligations (to meet additional density bonus) are met, and these reduce trips, this trip reduction can be realized as reducing proportional cost share. These are mutually exclusive. The cost of the affordable housing does not count towards the developers proportionate cost share of the road.
 - Physical Improvements such as, but not limited to a transit hub, park and ride lot, and van/shuttle program.
 - Programs Improvements (Horrocks Study already discounts the number of trips from hospital use resulting from manipulating shift times).
- A detailed package of mitigation & cost sharing shall be approved through a technical report approved by the Planning Commission and City Council as a part of the MPD process.
- Direct Costs (Phase I of proposed IHC development)
 - Developer should be responsible for all coordination and costs associated with providing access to the development site as required in the Subdivision Chapter of the LMC Sections 15-7.2 & 15-7.3; including primary access, a signalized intersection, any necessary road connections between the hospital to the ice rink, and dedication of right-of-way for frontage road to Silver Summit as other codes require secondary access.
 - Developer should be allowed to reserve the right and has support from PCMC to develop a late-comers agreement to recoup costs for the intersection improvements and signal.
- Other Costs
 - The Developer should be responsible for the mitigation for any loss of playing field in PCMC recreation complex resulting from road expansion/realignment/signalization

In concluding its recommendation, the Task Force determined that traffic impacts to the City related to the development of the proposed medical campus and USSA complex will be experienced; however the Task Force has determined that the potential impacts can be mitigated. In forwarding a positive recommendation on the study, the Task Force determined that the specific traffic and access mitigation measures should be addressed and conditioned as part of a Master Planned Development Technical Report.

c. Affordable Housing: The general requirements for the annexation's affordable housing mitigation were established as part of the Task Force's recommendation on the creation of the Community Transition District on October 27, 2005. The Planning Commission and City Council held a joint work session on the annexation's affordable housing mitigation on March 16, 2006.

As a result of discussion and direction from the March 16 work session the following affordable housing mitigation has been established.

The Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare Hospital (300,000 square feet) is 44.78 "Affordable Unit Equivalents" (as defined in the City's Land Management Code). The applicants intend to satisfy this requirement by the donation of a five (5) acre parcel of the annexation property to the City and construction of employee/affordable housing units.

The Employee/Affordable Housing requirement for the proposed USSA facility is 10.71 Affordable Unit Equivalents. A total deferral of the required 10.71 Affordable Unit Equivalents is recommended to be granted in exchange for the donation of five (5) acres of land to USSA to construct its project. The deferral is contingent upon the continued ownership and occupancy of the facility by USSA. Any change in use to any other non-community-based nonprofit organization or increase in employees will require that the deferred Employee/Affordable Housing requirements be met or otherwise mitigated.

The Employee/Affordable Housing requirement for development associated with the hospital support medical offices area (150,000 square feet) is 34.98 Affordable Unit Equivalents. The applicants propose to satisfy this requirement with either on-site or off-site units as determined during the MPD process.

D. Annexation Evaluation: The Land Management Code, Chapter 8: Annexations (LMC Section 15-8-5B) requires that an evaluation of the following information for all annexations. Staff analysis is as follows:

1. General Requirements of Section 15-8-2--General Requirements: Complies

The annexation meets the general annexation requirements as stated in Section 15-8-2. The subject property is contiguous to the City boundary and is within the City's Annexation Expansion Area. Staff has conducted an extensive evaluation of the annexation for compliance with the City's General Plan and finds it to meet the necessary policy objectives as conditioned (see Staff Report Section C: General Plan Analysis). The 157 acre annexation area includes the largest amount of contiguous area possible and does not result in a small piecemeal annexation. No islands or peninsulas of land in the County jurisdiction are created. Adequate utilities are available near the site. The applicant intends to dedicate water to the City to serve the project or contribute to the City acquisition of additional water rights. A City recreation complex is located immediately to the west of the annexation area.

2. Map and natural features: No Unmitigated Impacts Identified. *The property consists of a 157 acre parcel lying within the northeast ¼ of Section 35 of Township 1 South, Range 4 East, Salt Lake Base & Meridian, Summit County. The area proposed for annexation is within the City's Annexation Expansion Area, as described by the City's Annexation Policy Plan found in Section 15-8-7 of the Park City Land Management Code. The parcel is currently zoned SL (Sensitive lands) and DL (Development lands) in Summit County, subject to the Snyderville Basin General Plan. The applicants propose to zone the property Community Transition (CT-MPD). The applicants have submitted an accurate map of the area showing the boundaries, property ownership, topography, natural features, and environmentally sensitive areas.*

3. Current and Potential Residential Density: No Unmitigated Impacts Identified

The property is currently undeveloped. No additional residential density beyond the possible affordable housing on the donated 5 acre parcel is proposed as a part of this application.

4. **Land Uses-Existing and Proposed:** *No Unmitigated Impacts Identified.* The property is currently undeveloped. The proposed institutional, quasi-public, recreation, and open space uses proposed for the annexation area are consistent with the City's General Plan and Quinns Junction Joint Planning Principles.

5. **Character and Development of Adjacent Properties:** *No Unmitigated Impacts Identified.* The National Abilities Center and City Ice Arena are developed to the west of the annexation area. The remaining adjacent properties are undeveloped.

6. **Present and Proposed Zoning:** *No Unmitigated Impacts Identified.* The property is zoned in Summit County as Developable Lands (DL) with a base density of 1 unit/20 acres and 1 unit/40 acres depending on Sensitive Lands. The proposed zoning for the property is Community Transition (CT-MPD). The CT District is a newly created zoning district which is pending final adoption by City Council. The Community Transition (CT) District has a base density of 1 unit/20 acres. The District permits density bonuses up to a maximum of 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities.

7. **Compliance With Goals and Policies of City General Plan:** *No Unmitigated Impacts Identified.* Please refer to extensive staff analysis regarding General Plan compliance in Staff Report Section C: General Plan Analysis.

8. **Assessed Valuation of the Current Property:** *No Unmitigated Impacts Identified.* The current assessed valuation of the property is \$2,350,050. Please also refer to the attached November 7, 2005 Annexation Fiscal Impact Analysis (Exhibit C).

9. **Potential Need For Municipal Services and Need For Land Use Regulation:** *No Unmitigated Impacts Identified.* Development of the annexation area will require City services. Adequate utilities and City Services are available to address the needs of the proposed development as conditioned. City zoning regulations and subsequent Master Planned Development (MPD) processes will provide the necessary tools for developing the property in a manner consistent with the City's General Plan and related land use policies.

10. **Effect on City boundaries:** *No Unmitigated Impacts Identified.* The subject property is within the City Annexation Expansion Area. Annexation of the property is a logical extension of City land use control and City services necessary to address development along the SR-248 highway corridor.

11. **Timetable for extending services:** *No Unmitigated Impacts Identified.* Services will be extended to the property upon approval of a Master Planned Development, subsequent platting of the property, and issuance of building permits for approved development.

12. **Revenue versus Costs:** and

13. **Tax Consequences;** and

14. **Impact on Summit County:** *No Unmitigated Impacts Identified.* The November 7, 2005 Annexation Fiscal Impact Analysis conducted by the City concludes that limited fiscal impacts to the City related to the development of the proposed medical campus and USSA complex will be experienced; however the potential impacts have been determined to be reasonable. This conclusion was adopted by the IHC/USSA/Burbidge Annexation Task Force on November 10, 2005. (see attached Exhibit C: Annexation Fiscal Impact Analysis).

15. Historic and Cultural Resources: No Unmitigated Impacts Identified. *There are no identified historic or cultural resources in the annexation area.*

E. Annexation Agreement: The Annexation Policy Plan establishes a requirement for an Annexation Agreement to be approved by the City which addresses conditions regarding, but not limited to, zoning, land use, density, affordable housing, and infrastructure. A copy of the draft annexation agreement is attached to this report as Exhibit E. The Planning Commission forwarded a positive recommendation on annexation agreement to City Council on May 10, 2006.

F. Departmental Review: This matter has been reviewed by City staff including the Planning, Engineering, Building, Public Works, and the Legal Departments.

G. Recommendation: The Planning Department recommends that Council to adopt the ordinance approving the Intermountain Healthcare/USSA/Burbidge Annexation and as further reflected in the attached Annexation Agreement, in a form approved by the City Attorney.